Agenda – Health and Social Care Committee

Meeting Venue:
Hybrid – Committee Room 5, Ty Hywel and video conference via Zoom
Meeting date: 26 September 2024
Meeting time: 12.30

For further information contact:
Sarah Beasley
Committee Clerk
0300 200 6565
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This meeting follows the private stakeholder event as part of the Committee's inquiry into general practice

Public meeting

(12.30)

1 Introductions, apologies, substitutions, and declarations of interest

(12:30)

2 Paper(s) to note

(12.30)

2.1 Letter from the Children, Young People and Education Committee regarding the Health and Social Care (Wales) Bill

(Pages 1 – 17)

2.2 Letter from the Cabinet Secretary for Health and Social Care regarding Betsi Cadwaladr University Health Board

(Pages 18 – 19)

2.3 Letter to the Cabinet Secretary for Health and Social Care regarding gynaecological cancers

(Page 20)

2.4 Response from the Cabinet Secretary for Health and Social Care regarding gynaecological cancers

(Page 21)

2.15 Response from the Children's Commissioner for Wales regarding the Health and Social Care (Wales) Bill

(Pages 67 – 69)

2.16 Letter to NSPCC regarding the Health and Social Care (Wales) Bill

(Pages 70 – 71)

2.17 Response from NSPCC regarding the Health and Social Care (Wales) Bill

(Pages 72 – 74)

3 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from the remainder of this meeting

(12.30)

Private meeting

(12.30–14.00)

4 Health and Social Care (Wales) Bill: consideration of draft report

(12.30–14.00)

Paper 1 – draft report

Y Pwyllgor Plant, Pobl Ifanc ac Addysg

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Children, Young People and Education Committee

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Sam Rowlands MS
Temporary Chair of the Health and Social Care Committee

18 July 2024

Re. Health and Social Care (Wales) Bill

Dear Sam,

Following my letter dated 20 June 2024, please see Annex A for our views on those provisions of the Health and Social Care (Wales) Bill ("the Bill") about which we have collected evidence over the course of the Sixth Senedd. I should highlight that any views we heard about the restriction of profit from the care of children looked after related to the plans in the public domain at the time (autumn 2022 to summer 2023) about the Welsh Government's policy intention.

In addition to our views outlined in Annex A on relevant provisions in the Bill, we believe that radical reform of the care system is needed in areas that are within the broad scope of the Bill, but are not currently addressed within it. The areas of policy set out in Annex B relate directly to either placements for looked after children and/or the regulation of the social care services and the social care workforce, and could therefore reasonably be considered to fall within the scope of the Bill. We believe that they should have been included in the Bill to give effect to the radical changes to the care system that care experienced children and young people and their families deserve.

I hope that you find our views useful as you come to conclusions about the Bill in your Stage 1 report.

Yours sincerely,

Buffy Williams MS
Chair

Annex A: Our views on provisions within the Health and Social Care (Wales) Bill relevant to our work during the Sixth Senedd

Chapter 1: Restrictions on profit in the provision of social care services to children

Restricting the making of profit in the provision of care home services provided wholly or mainly to children, secure accommodation services and fostering services ("restricted children's services")

Sections 2 to 9 of the Bill regulate social care services provided to children, including to:

- amend the Regulation and Inspection of Social Care (Wales) Act 2016 ("the 2016 Act") to insert a new provision that defines the meaning of "restricted children's services" for the purposes of restricting profit making by providers of children's homes services, secure accommodation services and fostering services;
- amend the 2016 Act to set out new requirements for applications for registration in respect of restricted children's services;
- make transitional arrangements for existing providers of a restricted children's service (who were registered prior to the new 'not-for-profit' requirements).[1]

Our inquiry into radical reform for care experienced children and young people ("our 2023 inquiry") did not consider in significant depth the Welsh Government's intention to eliminate profit from the care of looked after children. Our work focussed on the separate Programme for Government commitment to "Explore radical reform of current services for children looked after and care leavers."[2] However, even though it did not fall within the inquiry's terms of reference, the commitment to "Eliminate private profit from the care of children looked after" was nevertheless frequently raised by the individuals and organisations that contributed to our inquiry.

We heard universal support for removing profit from children's care, particularly from care experienced young people themselves.[3] Professionals, academics and organisations also widely supported the policy intention. However, they had significant concerns about how it could be implemented. We heard that changes to the social care market of the scale would require a

[1] Welsh Government, 'Health and Social Care (Wales) Bill [AS INTRODUCED]', 20 May 2024

[2] Welsh Government, 'Programme for Government – Update', January 2022, page 3

[3] Written evidence, CEC 1 Voices From Care Cymru; Welsh Parliament, 'Children, Young People and education Committee: Engagement findings', March 2023, page 23

timeframe of 10 to 15 years to implement, and that removing profit-making placements before there are sufficient not-for-profit placements could make it even more challenging to find suitable placements for children.[4]

We concluded by supporting the *principle* of removing profit from the care of children. However, we noted that the evidence we received indicated that the 'eliminate' agenda may further reduce the sufficiency of placements in Wales in the short-term, as private providers withdraw placements without third sector or local authority placements being available to replace them. We urged the Welsh Government to pay close attention to the concerns raised to us by stakeholders, and to plan an implementation timetable accordingly.[5]

We note that according to the Explanatory Memorandum to the Bill, new providers registering with Care Inspectorate Wales will have to be a not-for-profit entity from 1 April 2026, and that all current for-profit providers be subject to transitional provisions from 1 April 2027.[6] We also note that the Bill places a duty on the Welsh Government to consult "any persons they think appropriate" about the length of the transitional arrangements for existing providers.[7]

Conclusion 1. Based on the evidence that we received, it is our view that a deadline of 1 April 2027 for existing for-profit providers to transition to not-for-profit providers would be wholly inadequate to fully mitigate all of the risks of placing all children in fully not-for-profit care placements. We welcome the provisions in section 4 of the Bill, which allows for transitional arrangements to be set out in regulations for current for-profit providers to transition to not-for-profit status. However, we are concerned that there is no fixed end date for those transitional arrangements. It is important for the sector at large - not to mention for children and young people in the care system, who have the right to know who is providing their care and whether they are profiting from doing so - to have clarity over the date by which profit will be removed from children's care. We therefore urge the Welsh Government to set out clearly an end date for the transitional arrangements, having first consulted fully and constructively with local authorities and other key stakeholders to ensure that a lack of not-for-profit placements does not push children into unsafe unregistered accommodation.

Placing children outside the placing local authority's area

[4] Welsh Parliament, 'Children, Young People and education Committee: Engagement findings', March 2023, page 24; Children, Young People and Education Committee, 2 February 2023, Record of Proceedings, paragraph 83; Children, Young People and Education Committee, 17 November 2022, Record of Proceedings, paragraph 73; Welsh Parliament, 'Children, Young People and Education Committee: Findings of stakeholder events', March 2023, page 14

[5] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 107-108

[6] Welsh Government, 'Health and Social Care (Wales) Bill Explanatory Memorandum', May 2024, page 148

[7] Welsh Government, 'Health and Social Care (Wales) Bill [AS INTRODUCED]', 20 May 2024, para 1(4) of the new Schedule 1A in section 4

Section 10 amends section 75 of the Social Services and Well-being (Wales) Act 2014 ("the 2014 Act") to specify that the local authority must take "all reasonable steps to secure" accommodation for looked after children, rather than "steps to secure, so far as reasonably practicable" as is currently the case under the 2014 Act. Subsection 1 requires that this accommodation is "within, or near to, the authority's area" rather than the current requirement that it "is within the authority's area".[8]

The Explanatory Memorandum to the Bill as introduced explains the policy intention for this change:

> *"This enables local authorities to make arrangements with other local authorities to develop new children's homes and foster care placements. It acknowledges that there may be circumstances in which a child placed outside of the local authority's area may be nearer to their home community than if they were placed in a different part of the local authority's area."*[9]

We support any legislative changes to allow local authorities to make the right decision for each child on an individual basis. We appreciate that placing children outside their local authority may be the right decision, for example if:

- The out of area placement is the nearest high-quality placement to the child's home. During our 2023 inquiry we heard consistently from both children and professionals that children should be placed as near as possible to where the child was taken into care, unless there was a serious risk to the child's safety to do so.[10] The Association of Directors of Social Service told us that "There's not one children's services department across Wales that will say that that isn't an absolute priority [but that] Finding those placements is difficult."[11]

- There are safety concerns for the child in their home authority. This might be because the child is at risk of abuse (emotional or otherwise) or exploitation.[12] In our current inquiry 'children on the margins', we are hearing regularly about children who are moved out of their home local authority (or even between England and Wales) to keep them away from criminal activity, or to protect them where there is an immediate risk to the child's life.[13]

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[8] Welsh Government, 'Health and Social Care (Wales) Bill [AS INTRODUCED]', 20 May 2024

[9] Welsh Government, 'Health and Social Care (Wales) Bill Explanatory Memorandum', May 2024, page 163

[10] Written evidence, CEC 1 Voices From Care Cymru; Written evidence, CEC39 Evidence from Children in Wales, with and on behalf of the National Children's Charities Policy Group members; Written evidence, CEC43 The Children's Society

[11] Written evidence, CEC39 Evidence from Children in Wales, with and on behalf of the National Children's Charities Policy Group members; Written evidence, CEC 43 The Children's Society

[12] Written evidence, CEC43 The Children's Society; Written evidence, CEC7 Foster Parent; Written evidence, CEC1 Voices from Care Cymru

[13] Written evidence, CYPM28 National Youth Advocacy Service Wales (NYAS Cymru). We have received other evidence from our stakeholder events and engagement visits. Summaries of the findings of these events will be published shortly.

However, reasons such as these are likely to apply to a small proportion of children. For the majority, out of area placements should be avoided wherever possible. In our 2023 inquiry, much of the evidence we received suggested that children were often placed far away from their home or previous placements not because it was in the child's best interests to do so, but because there weren't any quality placements in their local area.[14] During engagement work, one young person from Swansea told us that they had been put in a residential home in England. They had no support at all so far away from everyone they knew. They told us that they felt like "one of the forgottens."[15]

Whatever the reason for an out of area placement, and however far it is from the child's home community, poor multi-agency working and the failure to follow established reporting procedures can place any child in an out of area placement at risk of harm. The Children's Society set out detailed evidence explaining what local authorities must do if they place a child in another local authority area. This includes completing and sharing a Wales Out of Area Notification Protocol and a Child Information Form for each child, which sets out critically important information, including details of the child's social worker and any specific needs the child has, or risks relating to the child. The Children's Society concluded that:

> *"The primary finding from the responses we received from local authorities was the lack of a consistent approach to information sharing when a child is placed in another local authority area, or the lack of information sharing at all. These practices mean that some children do not receive the care and support they need when they are placed in a care setting far away from their homes, thereby increasing the risk both of unsuccessful placements and children not receiving appropriate support if they face particular risks, such as abuse, exploitation, or a history of missing episodes."*[16]

Children in Wales, with and on behalf of the National Children's Charities Policy Group members, reminded us about the tragic consequences of failing to adequately fulfil sharing responsibilities. Their written submission reminded us that the child practice review following the death of Logan Mwangi found "deep rooted practice issues locally, including a lack of appropriate information sharing arrangements between agencies and poor professional confidence in reporting concerns.[17]

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[14] Children, Young People and Education Committee, 2 February 2023, Record of Proceedings, paragraphs 9 & 19-20; Written evidence, CEC3 Individual; Written evidence, Care Inspectorate Wales (additional information); Welsh Parliament, 'Children, Young People and education Committee: Engagement findings', March 2023, pages 23-25

[15] Welsh Parliament, 'Children, Young People and education Committee: Engagement findings', March 2023, page 23

[16] Written evidence, CEC43 The Children's Society

[17] Written evidence, CEC39 Children in Wales, with and on behalf of the National Children's Charities Policy Group members

Conclusion 2. We are concerned with how the provisions set out in section 10 will be interpreted and implemented, particularly in the context of the wider eliminate agenda, which we fear will put additional pressure on the number of available placements. We would have serious concerns if the provisions in section 10 lead to more children being placed outside their home area. The overwhelmingly pervading view across the evidence we have taken across both our 2023 inquiry and our current inquiry 'children on the margins' is that, for the majority of children, out of area placements increase the risk of children going missing, being criminalised or sexual exploited, not to mention making it more difficult to maintain relationships with their birth family or friends or avoid the need to move schools.

Even when it is the right decision to place a child in a different local authority, local authorities **must** consistently follow regulations and guidelines relating to information sharing to ensure that being in an out of area placement does not compromise the quality of safeguarding for any child.

Placing children in unregistered accommodation

Section 13 sets out the ways in which looked after children are to be accommodated. The Explanatory Notes to the Bill state that a placement can be in "unregistered accommodation (on a temporary basis or in cases of urgency)".[18] The mechanisms for placing children are set out in section 13(3), which inserts sections 81A to 81D into the 2014 Act.

- Section 81A(2) sets out that a local authority must place a child in what it believes to be the most appropriate placement. Section 81A(3) then sets out what a placement means in that context, including a placement with a local authority foster parent or in a children's home.
- Section 81A(4) sets out that a local authority foster parent providing placements who is not a friend, relative or otherwise connected to the child must be "authorised", and that children's homes must be "registered".
- However, 81B(1) and (2) set out that if a local authority believes that the most appropriate placement is with a local authority foster parent or a children's home, but that the local authority cannot comply with the requirement for the placement to be authorised or registered respectively, they can apply to the Welsh Ministers for the placement to be approved. Such placements are known as "supplementary placements". The information that must be included in such a request, and provisions relating to how the Welsh Ministers might respond, follow in sub-sections (3) to (8).

[18] Welsh Government, 'Health and Social Care (Wales) Bill Explanatory Memorandum', May 2024, page 165

New section 75D of the 2014 Act, to be inserted by section 12 of the Bill, provides that local authorities must report on the number of applications that they have made in that financial year for approval to place children in a "supplementary placement".[19]

These newly inserted sections provide for a way by which local authorities can place a child with an unauthorised foster carer, or with an unregistered children's home, with the approval of the Welsh Ministers. There is no timetable on the face of the Bill within which this approval must be given.

Our general concerns with the provisions relating to unregistered placements in the Bill

In a letter to you dated 28 June 2024, the Minister for Social Services stated that:

> *"The intention [of section 13] was to refer to accommodation where there is no requirement to register because the placement is not with a foster carer and the arrangements fall outside the definition of "a care home service". There are a variety of circumstances where a local authority can decide to place a child in a setting other than foster care or a children's home. The most common example of this is where a local authority places an older child aged 16 or 17 in supported accommodation as preparation for independent living.*
>
> *We are aware that more recently usage of the terms "unregistered accommodation" and "unregulated accommodation" have tended to distinguish the two things, the term unregistered accommodation being used to refer to arrangements which fall within the scope of activity where there is a requirement to register but where the provider is not in fact registered and unregulated accommodation being used to refer to arrangements which fall outside the scope of regulated activity and therefore where registration is not required. That is not the sense in which "unregistered" is used here."*[20]

However, section 13 makes no reference to accommodation "where there is no requirement to register" (quite the opposite: newly inserted section 81A(4) sets out explicitly that local authority foster carers should be authorised and that children's homes should be registered). Neither does it refer at any point to children aged 16-17 specifically. Nor does it distinguish in any way between accommodation where registration/authorisation is required and when it is not.

At the time of writing, unregistered accommodation for children in care is illegal in Wales. During our 2023 inquiry, Care Inspectorate Wales set out that unregistered placements:

> *"… are illegal and do not have the safeguards in place that come with registration. It is often the case local authorities are directly operating these services, redeploying*

[19] Welsh Government, 'Health and Social Care (Wales) Bill [AS INTRODUCED]', 20 May 2024

[20] 'Letter from the Minister for Social Care to the Chair of the Health and Social Care Committee', 28 June 2024, page 10

their own staff or using agency workers. Accommodation includes Air B&Bs which we have seen result in multiple moves for children from one premises to another. At times these placements have been outside of the child's local area, and many are unable to meet their therapeutic and/or care needs. In each case CIW considers if the threshold for criminal investigation and prosecution is met, whilst recognising the local authority's duty of care to the child."[21]

We also heard strongly worded concern about the use of unregistered placements in Wales, including from CAFCASS Cymru[22] and the Association of Directors of Social Services:

"In 35 years in social care, I've never seen a position like this, and it's frightening… Nobody wants to do this, it is a last resort. The alternative is driving around with the child in the social worker's car."[23]

We recommended that the Welsh Government and the Association of Directors of Social Services must jointly publish no later than December 2023 an action plan setting out how they will prevent the use of illegal, unregistered accommodation in Wales. In its response, the Welsh Government stated that it had established a local authority task and finish group to consider the issue of services operating without registration under its Eliminating Profit Programme Board, due to report late in 2023.[24] To date, we are not aware that a report by the group has been published. However, an October 2023 report by Care Inspectorate Wales about children's care homes operating without registration found that:

"Whilst some children achieve positive outcomes in a temporary service which is operating without registration, some do not…

Often the premises used for unregistered services and/or the standard of the arrangements made for children falls below those required for registration.

In many cases, staffing arrangements to provide care and support have been ad hoc and subject to frequent change. The deployment of staff who are not trained to meet the care and support needs of the child or young person and the over reliance on agency staff is of particular concern."[25]

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[21] Written evidence, Care Inspectorate Wales (additional information)

[22] Written evidence, CEC 46 Cafcass Cymru

[23] Children, Young People and Education Committee, 9 March 2023, Record of Proceedings, paragraphs 69 & 71

[24] Welsh Government, 'Written Response by the Welsh Government to the report of the Children, Young People and Education Committee report entitled "If not now, then when? Radical reform for care-experienced children and young people"', 5 July 2023, pages 16-17. Reference to the task and finish group is made here: Welsh Government, 'Removing profit from the care of children: update', 20 November 2023

[25] Care Inspectorate Wales, 'Report on care homes for children operating without registration', October 2023, page 5

The use of Deprivation of Liberty Orders (DoLs) alongside unregistered placements

In our 2023 report 'If not now, then When?' ("our 2023 report"), we noted a link between shortages of secure accommodation and the increasing use of Deprivation of Liberty Orders (DoLs). The Right Honourable Sir Andrew McFarlane, President of the Family Division, told us that there is a "a lack, by a country mile, of provision for secure accommodation for young people" in England and Wales.[26] The Association of Directors of Social Services explained that local authorities may sometimes prefer a DoL to secure accommodation, because "At least using deprivation of liberties, you will keep children local, and you will keep them in an environment that possibly is more protected, rather than potentially going to secure accommodation in Durham."[27]

We fear that the practice of applying for a DoL for a child and placing them in unregistered accommodation may increase as a direct consequence of this Bill. A local authority can place a child subject to a DoL in residential care, but if a residential care placement is not available the local authority may have no choice but to place the child in unregistered accommodation.[28] We raise concern above that this Bill may result in additional shortages of residential care placements[29] as a result of the proposed profit-making restrictions, at least in the short-term. We are therefore concerned that enabling supplementary placements in unauthorised/unregistered settings under the new section 81B of the 2014 Act, against the backdrop of severe shortages of secure and residential accommodation, may lead to a significant rise in the use of DoLs in unregistered settings as local authorities struggle to place our most vulnerable children in secure accommodation or even in residential care homes.

Conclusion 3. We believe that the provisions set out in section 13 of the Bill would lead to an unacceptably high risk of an increased use of unregistered accommodation which would not provide the levels of care and support that children and young people in care deserve. We are deeply concerned about these new provisions, which provide a route for local authorities to place children in children's homes that are not registered with local authorities, or with foster parents who are not authorised by local authorities. We note the safeguards set out in the new sections 81B(3) to (8) of the 2014 Act, and the mandatory reporting arrangements in section 75D. But we are not convinced that these provisions mitigate the risks of normalising unregistered placements. Our concerns are compounded due to the likely short-term shortage of not-for-profit placements for children, as we

[26] Children, Young People and Education Committee, 8 February 2023, Record of Proceedings, paragraph 149

[27] Children, Young People and Education Committee, 9 March 2023, Record of Proceedings, paragraph 106

[28] Community Care, 'Courts to stop monitoring regulation of unregistered placements for children deprived of liberty', 13 October 2023

[29] A recent BBC article found that three quarters of the 314 children's homes operating in Wales are run by private companies. See: BBC, 'Wales plans to remove profit from children's care', 20 May 2024

set out above, which may lead local authorities to place even more children in unregistered accommodation, including an increasing number of children who have been deprived of their liberty.

Annex B: Policy changes that we believe should be included in the Bill

Children's social workers' caseloads

In our 2023 report, we concluded that:

> *"... strengthening the social care workforce is key to reducing rates of children entering the care system, and improving the lives of those children for whom being in care is the right decision."*[30]

We came to this conclusion based on the numerous and consistent testimonies of young people themselves whose lives had been directly impacted by undercapacity within the social care workforce and the views of social work leaders, who told us directly that "The most radical reform that could be realised in this area is a reduction in workload for our social workers".[31]

We called on the Welsh Government to introduce legislation modelled on the Nurse Staffing Levels (Wales) Act 2016 to place a duty on local authorities to calculate safe and manageable maximum caseloads for different groups of social workers, and to take all reasonable steps to maintain those maximum caseloads. Alongside that proposed legislation, we recommended that the Welsh Government carry out a comprehensive workforce sufficiency plan, looking at routes into social work, and a nationalised approach to pay and conditions of social workers, like the approach that oversees teaching staff in Wales.

Our report stated clearly that "we are not calling for arbitrary legislative caps on caseloads", and it acknowledged that legislative reform would not, in and of itself, drive down social workers' workloads.[32]

The Welsh Government rejected this recommendation, arguing that "Complexity in cases varies considerably, and therefore it could be counterproductive to set a caseload maximum." Instead, it suggested that work carried out by Social Care Wales and others relating to workforce planning, and

[30] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, page 36

[31] Written evidence, CEC 38 Association of Directors of Social Services (ADSS)

[32] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 36-37

by the WLGA relating to social work terms and conditions, would drive improvements to social care capacity. [33]

We note that your April 2024 report on the Nurse Staffing Levels (Wales) Act 2016 concluded that:

> *"… the Act has strengthened workforce planning by highlighting where the gaps are in the current workforce and evidencing the number of nurses required to meet the needs of patients. But, in relation to ensuring a long-term, sustainable supply of nurses, there are so many factors that influence the recruitment and retention of nursing staff that legislation can only be a part of the solution, rather than the solution itself."*[34]

We believe that strengthening social care workforce planning across the 22 Welsh local authorities is reason enough in and of itself to take legislative action on social workers' caseloads. Alongside our associated recommendation for a comprehensive workforce sufficiency plan and a national approach to the pay and conditions of social workers, we believe that a legislative approach could also begin a journey towards safe, manageable caseloads for children's social workers. This would enable the relationship-focused social work that social workers themselves told us was so critical to driving down the rates of children entering the care system.

We are hearing throughout our current inquiry into 'children on the margins' across written evidence, our stakeholder events and our engagement work that social workers' caseloads are often too high to effectively support our most vulnerable children. Barnardo's wrote that:

> *"As with all areas of the social care workforce at this time, there are endemic issues around recruitment and retention of staff which makes it incredibly difficult to ensure that children always have access to the same worker and can build a trusting relationship. Welsh Government should invest in ensuring that social work across the board is an attractive career option with a focus on retaining experienced and trusted staff. The sector is in crisis, with high caseloads, long waiting lists and low morale. We must tackle this entrenched issue to improve outcomes – both in terms of staff themselves and the way that we can support children, young people and families."*[35]

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[33] Welsh Government, '**Written Response by the Welsh Government to the report of the Children, Young People and Education Committee report entitled "If not now, then when? Radical reform for care-experienced children and young people"**', 5 July 2023, page 2

[34] Welsh Parliament, '**Health and Social Care Committee, Nurse Staffing Levels (Wales) Act 2016: Post-legislative scrutiny**', April 2024

[35] **Written evidence, CYPM21 Barnardo's Cymru**. See also: **Written evidence, CYPM30 Children's Legal Centre Wales**. Social workers' caseloads has also been raised during informal evidence gathering; a summary of the findings of our stakeholder events and engagement visits will be published shortly.

Conclusion 4. We regret that the Welsh Government has taken no action in the Bill to address children's social workers' caseloads. We remained concerned that the work undertaken by Social Care Wales and others, such as 'A Healthier Wales' and its underlying delivery plans, though valuable, are unlikely to result in the radical reform that children, their families, and indeed social workers themselves deserve.[36]

Registration of foster carers and the creation of a national register of foster placements

As you will know from your scrutiny of the Bill to date, sufficiency of placements for looked after children is a critical concern for the sector. In our 2023 report, we discussed shortages of high quality foster placements, residential care placements, and secure accommodation for young people, even putting aside the Welsh Government's intention to restrict profit-making placements.[37] As of 31 March 2023, 68.7% of children looked after in Wales were in a foster placement (4,955 children), and so sufficiency of high-quality foster places is absolutely critical to meeting the needs of children in care across Wales.[38]

During our evidence gathering and since, we heard stories of children whose lives were transformed by the wonderful support they received from dedicated and loving foster carers. Sadly, we also heard heartbreaking stories of children who had been placed with foster carers who were not fit to look after children. Some young people told us that they had been sexually, emotionally and/or physically abused.[39]

The Fostering Network and others argued for a national register of foster carers as a way to get a better idea of how many foster carers we have across Wales, the number of placements they provide, where they are, and other relevant information. They also suggested that foster carers should be required to register with Social Care Wales, who would be the body responsible for holding and maintaining the proposed register. We were persuaded by the arguments put forward by the

[36] Social Care Wales data indicates that in March 2022, there were 6,736 social workers registered with Social Care Wales – an increase of 3% compared to March 2021. However, the social care workforce as a whole was 7% less in March 2022 than it was in March 2021. Also as of March 2022: the number of vacant social work posts had increased by 17% compared to 2021, and 12% of social workers were employed by an agency. In spring 2023, 77% of social workers say having too much work or not having enough time to do it causes stress at work, and 38% are dissatisfied with their current job. None of this data is broken down into adults' services/children's services social care workers. See: Social Care Wales, 'Social care workforce delivery plan 2024 to 2027', last updated 7 June 2024

[37] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 84-90, 95-96 and 102-103 respectively

[38] StatsWales, 'Children looked after at 31 March by local authority and placement type'

[39] Welsh Parliament, 'Children, Young People and education Committee: Engagement findings', March 2023, page 23

Fostering Network, and recommended that the Welsh Government fund and deliver a national register of foster carers accordingly.[40]

Our recommendation was accepted in part by the Welsh Government, which committed to explore "what a national register could look like in Wales".[41] Disappointingly, it is clear from the Fostering Network's recent evidence to your Committee that the work is not progressing:

> *"But we also know that we don't have a great deal of insight and knowledge as to where our foster carers are in Wales and who they are. In the radical reform inquiry, a register was put forward as a recommendation, and I would strongly urge that to ensure that this legislation does actually meet its full requirement that, alongside this, we expedite the opening up of a social care register for foster carers in order for them to ensure that they have that same level of status as social workers and residential care workers. Other parts of the sector have that via the provision of the register for them, and I think we have an urgent need to do that in Wales, and I'm very grateful that it was accepted as a recommendation by a previous committee. What we need to do now is actually expedite it, because it's been over a year since that recommendation was accepted, and we still don't seem to have a great deal of progress in relation to that."*[42]

Recommendation 1. The Health and Social Care Committee should consider recommending to the Welsh Government that the Health and Social Care (Wales) Bill should be amended to make it mandatory for foster carers to register with Social Care Wales in order to provide foster placements for looked after children, thereby accelerating progress towards a national register of foster carers.

Residential visiting advocacy

Residential visiting advocacy is where a residential home assigns an independent advocate to represent all the children at the home. The advocate will support the children by answering any questions they may have about their care, resolving disputes, and liaising with other advocacy services where required.

During our inquiry into services for care experienced children and young people, NYAS reminded us that advocacy in Wales – and indeed the establishment of the Children's Commissioner for Wales –

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[40] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 87-90

[41] Welsh Government, 'Written Response by the Welsh Government to the report of the Children, Young People and Education Committee report entitled "If not now, then when? Radical reform for care-experienced children and young people"', 5 July 2023, pages 12-13

[42] Health and Social Care Committee, 27 June 2024, Record of Proceedings, paragraph 18

came as a result of the North Wales child abuse scandal: a series of incidents of sexual and physical abuse across residential children's homes in Clwyd and Gwynedd.[43] As the Waterhouse Report set out, advocacy for children in residential care is particularly important because they can be much more vulnerable and isolated, and therefore at risk of harm or abuse.[44]

Our 2023 report noted that:

- The concept of advocacy (such as the statutory right that all Welsh-domiciled looked after children have access to an 'active offer' of issue based advocacy) is still not widely understood by those who own or work in private children's homes.
- Up 25% of children in residential homes were placed by English local authorities (and therefore do not have the right to an 'active offer' of advocacy like Welsh children do).
- At the time of writing, although all local authority run residential homes had assigned advocates, only 15% of private/voluntary residential homes did.

We concluded by recognising the benefits of an advocate who can take a broader overview of the residential home's care services as a whole, to reduce the risk of systematic abuses such as those that were investigated as part of the Waterhouse inquiry ever happening again.[45]

We recommended that the Welsh Government ensure that every child in a residential care home in Wales should have access to residential visiting advocacy by revising the arrangements in place under the Regulation and Inspection of Social Care (Wales) Act 2016 to make the provision of residential visiting advocacy in each and every children's home (by a contracted registered advocacy provider) a requirement for registration as a provider of children's care homes in Wales.[46]

The Welsh Government rejected this recommendation, arguing that the 'active offer' of advocacy is extended to children in residential settings, and that each child will also have an Independent Reviewing Officer to hold professionals and services to account.[47]

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[43] Children, Young People and Education Committee, 2 February 2023, Record of Proceedings, paragraph 142

[44] Waterhouse, Ronald et al, 'Lost in Care: Report of the Tribunal of Inquiry into the Abuse of Children in Care in the Former County Council Areas of Gwynedd and Clwyd since 1974', February 2000

[45] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 81-84

[46] Welsh Parliament, 'Children, Young People and Education Committee: If not now, then when? Radical reform for care experienced children and young people', May 2023, pages 83-84

[47] Welsh Government, 'Written Response by the Welsh Government to the report of the Children, Young People and Education Committee report entitled "If not now, then when? Radical reform for care-experienced children and young people"', 5 July 2023, pages 11-12

For the reasons so clearly set out in our report and summarised above, and despite the Welsh Government's response, we continue to believe that the current advocacy arrangements for children in residential care are insufficient. The Health and Social Care (Wales) Bill, which sets out new requirements for applications for registration in respect of restricted children's services, is an ideal legislative vehicle for our recommendations in this area to be taken forward. Residential care homes provided by the third sector will continue to be a key part of the residential care landscape in Wales under the Bill. As our report sets out, relatively few independent care homes have advocates, and staff working in independent care homes are not always as aware of children's advocacy rights as they should be.

Recommendation 2. The Health and Social Care Committee should consider recommending to the Welsh Government that the Health and Social Care (Wales) Bill should be amended to so that the provision of residential visiting advocacy for each and every children's care home is a requirement for registration as a provider of children's care homes in Wales.

Eluned Morgan AS/MS
Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care

Llywodraeth Cymru
Welsh Government

Russell George MS
Chair
Health and Social Care Committee
Senedd Cymru

Seneddhealth@senedd.cymru

12 July 2024

Dear Russell

I am writing to make you aware the new special measures framework, including de-escalation criteria for Betsi Cadwaladr University Health Board, has been agreed between the Director General for Health, Social Care and Early Years/NHS Wales Chief Executive and the chief executive of the health board.

This replaces the first year special measures framework. It includes a set of de-escalation criteria and sets out the expectations and milestones that will be considered before a de-escalation from level five (special measures) to level four (targeted intervention) can be agreed.

At the request of the Welsh Government, the special measures framework and agreed priorities for the next six months (April to September 2024) were shared with the board at its meeting on 30 May 2024, as part of the chief executive's report. These documents are available on p187 of the board's papers: bcuhb.nhs.wales/about-us/health-board-meetings-and-members/health-board-meetings/bcuhb-agenda-30524-v20/

De-escalation decisions will be based on an overall assessment of progress across the domains rather than absolute achievement of each criteria under each domain.
For de-escalation to the next level to be considered, the Director General for Health, Social Care and Early Years/NHS Wales Chief Executive and her team will need a reasonable level of confidence that sufficient progress towards the de-escalation criteria has been made and that improvements are sustainable. This progress will be triangulated with evidence from the tripartite partners and other stakeholders.

At the appropriate time, the Director General for Health, Social Care and Early Years/NHS Wales Chief Executive will provide me with advice and a clear recommendation based on this assessment. This will enable me to make a decision. De-escalation will be to the next level of the NHS oversight and escalation framework, initially from level five to four, with reduced oversight and reporting at each stage of de-escalation.

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I will continue to seek ongoing assurance about progress through my monthly review meetings with the health board chair and the quarterly special measures improvement forum meetings, which the Minister for Mental Health and Early Years and I have with the board.

Yours sincerely,

Eluned Morgan AS/MS
Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care

Y Pwyllgor Iechyd a Gofal Cymdeithasol

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Eluned Morgan MS
Cabinet Secretary for Health and Social Care

31 May 2024

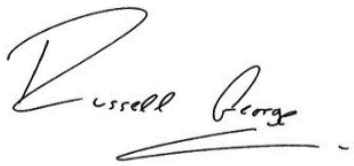
Dear Eluned

Gynaecological cancers

During the debate on the Committee's report on gynaecological cancers on 15 May, you said that you will be holding a national summit in July to focus NHS attention on gynaecological services, including cancer.

The Committee would welcome an update from you on the outcome of this summit, including an indication of whether you intend to publish details of the summit along with any decisions or actions.

Yours sincerely



Russell George MS
Chair, Health and Social Care Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Eluned Morgan AS/MS
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Cabinet Secretary for Health, Social Care and Welsh Language

Llywodraeth Cymru
Welsh Government

Russell George MS
Chair
Health and Social Care Committee

SeneddHealth@senedd.wales

25 July 2024

Dear Russell

Thank you for your letter of 31 May on behalf of the Health and Social Care Committee regarding gynaecology summit.

I can confirm a Ministerial summit focusing on gynaecology services was held on 8 July bringing together representatives from all health boards, Velindre NHS Trust, the NHS Wales Executive and the third sector.

We are drafting a report about the event, which will be finalised in the coming weeks. Reports from Ministerial summits are published on the Welsh Government website. All of those published so far can be found at: Ministerial health and social care summits: reports | GOV.WALES

I have asked my officials to forward a copy of the report to the committee as soon as it is available.

Yours sincerely

Eluned Morgan AS/MS
Ysgrifennydd y Cabinet dros Iechyd, Gofal Cymdeithasol a'r Gymraeg
Cabinet Secretary for Health, Social Care and Welsh Language

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Agenda Item 2.5

Y Pwyllgor Iechyd a Gofal Cymdeithasol
—
Health and Social Care Committee

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Eluned Morgan MS
Cabinet Secretary for Health and Social Care

Jayne Byrant MS
Minister for Mental Health and Early Years

19 June 2024

Dear Eluned and Jayne

Prisoner healthcare

You will be aware that, towards the end of the last Senedd, our predecessor committee undertook an **inquiry into health and social care on the adult prison estate in Wales.** The inquiry focused on the provision of health and social care services and its impact on the mental and physical health and wellbeing of prisoners.

That committee's **report** made a number of recommendations to the Welsh Government which highlighted the importance of structured governance, collaborative efforts across government and health bodies, and the establishment of clear standards and pathways to address the health and social care needs within the prison system. It emphasised the need for a comprehensive approach to prison health and social care, encompassing staff education, strategic planning, resource allocation, and the integration of technology to meet the healthcare needs of prisoners effectively.

In 2022, we exchanged **correspondence** with you and your then deputy Ministers about progress in implementing the recommendations in the above report. At that time, some of the progress had been impacted by the pandemic.

More recently, we have been **contacted by Dr Robert Jones** from the Wales Governance Centre about funding for prison healthcare. His letter highlights that the underfund for prisoner

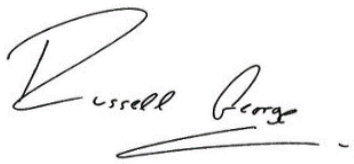
healthcare has deepened since the Committee concluded its inquiry in 2021. He states that, in the last 12 months, the cost of prisoner healthcare services in Wales increased by 29 per cent to £7,163,188, whilst the funding provided through the Block transfer remained the same as when it was set two decades ago; £2.544m.

In addition to the above, we are, of course, aware of the series of recent drug-related deaths at HMP/YOI Parc in Bridgend, which have given rise to concerns about prison safety.

These are matters that merit further consideration at this time and, to this end, I have set out a number of areas in the attached annex where I would be grateful for an update on progress. For convenience, I have included a reference to the relevant recommendation from our predecessor's report, where relevant. I would appreciate a response by **8 July 2024**.

A copy of this letter goes to Mike Hedges MS, Chair of the Legislation, Justice and Constitution Committee and Jenny Rathbone MS, Chair of the Equality and Social Justice Committee, given their respective Committees' interest in this subject area.

Yours sincerely



Russell George MS
Chair, Health and Social Care Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Annex

Could you provide an update in each of the following areas:

1. the inspection arrangements for HMP/YOI Parc and whether they fully align with those in place for public sector prisons in Wales (Recommendation 3);

2. since the healthcare at HMP/YOI Parc has been under the Cwm Taf Morgannwg University Health Board (December 2022), the improvements that have been observed in the healthcare services provided;

3. how the MoU between the Health Board, HMPPS, and Welsh Government ensures that healthcare delivery is consistent and meets the required standards;

4. the representations that have been made to the UK Government to enable the Prisons and Probation Ombudsman to question professional and clinical judgment in complaints about health services in privately-run prisons like HMP Parc (Recommendation 5);

5. the consideration that has been given to adopting the approach used in England for making pre-prison medical records available to prison health services (Recommendation 8);

6. how progress on mental health priorities will be monitored, including how the contribution of national standards will be assessed (Recommendation 10);

7. the anticipated timescales for developing a standardised clinical pathway for managing substance misuse in prisons (Recommendation 12);

8. the revised priorities and workplan for the Deep Dive Group, including monitoring access to support for prisoners with co-occurring issues (Recommendation 13);

9. discussions with HMPPS about establishing an Expert Advisory Group for Medicines (Recommendation 14);

10. regarding the agreed service specification for healthcare services at HMP/YOI Parc, the measures that are in place to ensure the quality and effectiveness of dementia screening and support (Recommendation 16).

11. the steps that have been taken towards finding a fair, sufficient and sustainable baseline for funding via the Welsh Block' for prison healthcare provision (Recommendation 21);

12. the progress that has been made in collating and reviewing the costs of healthcare provision across prisons in Wales, and when we can expect this information to be published (Recommendation 22);

13. the steps taken to monitor demand, provision and spend on social care in prisons to ensure funding issues do not prevent access to necessary care (Recommendation 23);

14. the steps taken towards identifying, developing, and publishing Wales-specific datasets on current and forecast prison population (Recommendation 25).

Sarah Murphy AS/MS
Y Gweinidog Iechyd Meddwl a'r Blynyddoedd Cynnar
Minister for Mental Health & Early Years

Llywodraeth Cymru
Welsh Government

Our ref: MA/JB/5855/24

Russell George MS
Chair
Health and Social Care Committee
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SeneddHealth@senedd.wales

22 July 2024

Dear Russell,

Prisoner Healthcare

Thank you for your letter of June 19 requesting an update about progress in relation to recommendations in the committee's *Health and Social Care Provision in the Adult Prison Estate in Wales* report.

We continue to work in partnership with HM Prison and Probation Service (HMPPS) to improve health and well-being in the secure estate.

The partnership agreement between HMPPS in Wales, the Welsh Government, health boards and Public Health Wales sets out our shared priorities to drive improvements in the health and wellbeing of all those held in Welsh prisons. It recognises the unique statutory obligations of each partner organisation and builds on the shared objective of ensuring those in prison can live in environments that promote health and well-being and where health services can be accessed to an equivalent standard of those within the community.

HMPPS in Wales is responsible for the delivery of offender management services in Wales. It is responsible for public sector prisons, the National Probation Service in Wales and has contract management responsibilities for the privately-contracted prison HMP and YOI Parc. The Welsh Government has responsibility for health services in public sector prions and health boards are responsible for commissioning and delivering health services in public sector prisons in Wales.

The Welsh Government has recently completed a consultation about our new *Mental Health and Well-being Strategy* and *our Suicide and Self-harm prevention Strategy*. The *Mental Health and Well-being Strategy* identified people in prison as an under-served group and the *Suicide and Self-Harm Prevention Strategy* identifies prisons as a priority setting.

The findings in a number of Senedd committee reports, including the *Health and Social Care Provision in the Adult Prison Estate,* have informed the development of these strategies.

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Officials will now be working with stakeholders to finalise the strategies and delivery plans, which will set out the initial priority actions. Progress in implementing the strategies will be reported as part of the monitoring arrangements that will be established, this includes progress on actions to support people in prison.

I have set out responses to your specific questions in the annex to this letter.

Yours sincerely,

Sarah Murphy AS/MS
Y Gweinidog Iechyd Meddwl a'r Blynyddoedd Cynnar
Minister for Mental Health & Early Years

Annex

The inspection arrangements for HMP/YOI Parc and whether they fully align with those in place for public sector prisons in Wales (Recommendation 3).

Healthcare at HMP and YOI Parc is delivered by Cwm Taf Morgannwg University Health Board (this has been the case since 15 December 2022). There is an MoU in place between the health board, HMPPS in Wales and the Welsh Government. As a result of these changes, healthcare at HMP and YOI Parc is now in line with the other prisons in Wales in terms of inspection arrangements.

Since the healthcare at HMP/YOI Parc has been under the Cwm Taf Morgannwg University Health Board (December 2022), the improvements that have been observed in the healthcare services provided.

A range of improvements have been possible since the transfer of healthcare at HMP and YOI Parc to Cwm Taf Morgannwg University Health Board, including:

- Greater buying power as part of the wider NHS Wales system.
- Inclusion in the health board complaints system which provides equity with the community.
- Access to a wider range of healthcare professionals for recruitment.
- Learning from health services delivered in the community.
- Higher funding levels for healthcare due to the funding arrangement with HMPPS in Wales.
- Increased transparency and oversight of the health provision in the prison.

How the MoU between the health board, HMPPS, and Welsh Government ensures that healthcare delivery is consistent and meets the required standards.

The MoU between the Welsh Government, HMPPS and Cwm Taf Morgannwg University Health Board provides a new baseline for healthcare delivery at HMP and YOI Parc. As part of the governance for the transition, a health needs assessment was undertaken, which informed the creation of a full-service specification for healthcare for the first time. Healthcare delivery is assessed against this specification.

The prison has a health partnership board in place and a monthly operational group meeting.

The representations that have been made to the UK Government to enable the Prisons and Probation Ombudsman to question professional and clinical judgment in complaints about health services in privately-run prisons like HMP Parc (Recommendation 5).

Initial discussions took place with the Prisons and Probation Ombudsman’s office to scope out the recommendations. However, the transition of healthcare to Cwm Taf Morgannwg University Health Board resulted in complaints about health services at the prison having access to the same level of scrutiny as they do in the wider community (non-prison population) and in public sector prisons. Complaints now follow the established processes within the NHS.

The consideration that has been given to adopting the approach used in England for making pre-prison medical records available to prison health services (Recommendation 8).

The Welsh Government and Digital Health and Care Wales will be holding a workshop this summer with all prison healthcare teams to consider a range of IT issues within the prison estate. Access to healthcare records will be considered as part of this exercise.

How progress on mental health priorities will be monitored, including how the contribution of national standards will be assessed (Recommendation 10).

The anticipated timescales for developing a standardised clinical pathway for managing substance misuse in prisons (Recommendation 12).

The Welsh Government has consulted on a draft Substance Misuse Treatment Framework and draft standards for mental health services for prisons in Wales. A summary of consultation responses was published in 2023, and the framework and standards for mental health services have been finalised. The Welsh Government is working with the Royal College of Psychiatrists and the College Centre for Quality Improvement (CCQI) to carry out baseline work with prisons to assess current mental health and substance misuse service provision against these standards.

The revised priorities and workplan for the deep dive group, including monitoring access to support for prisoners with co-occurring issues (Recommendation 13).

Information from the deep dive group has informed the development of the draft *Mental Health and Wellbeing Strategy* and the draft *Suicide and Self-harm Prevention Strategy*. The consultation into both documents closed on 11 June and responses are being analysed. People in prison have been identified as an under-served group in the *Mental Health and Well-being Strategy*, and prisons were identified as a priority setting for the *Suicide and Self-harm Prevention Strategy*.

The deep dive group has been stood down and we are reviewing governance arrangements to support the new *Mental Health and Well-being Strategy* and *Suicide and Self-harm Prevention Strategy* and to strengthen links between mental health and substance misuse.

Discussions with HMPPS about establishing an Expert Advisory Group for Medicines (Recommendation 14).

The Welsh Government commissioned the Royal Pharmaceutical Society (RPS) to undertake a review of pharmacy services in prisons against the RPS professional standards for optimising medicines for people in secure environments. The review was completed in December 2021 and all health boards and prisons have produced and are progressing action plans in response to their individual reports.

The review identified the need to develop common indicators or quality frameworks, which can be applied nationally by health boards and prisons to help drive improvements and consistency in prescribing. To support and co-ordinate the work, a national prison pharmacy lead has been appointed.

The All-Wales Medicines Strategy Group (AWMSG) advises the Welsh Government and the NHS about the use, management and prescribing of medicines. Its role extends to all environments and sectors where medicines are used, including secure environments.

Given its statutory advisory role, we intend to use AWMSG to provide advice on the use, management and prescribing of medicines in prisons. This will be informed by the work of the national prison pharmacy lead.

Regarding the agreed service specification for healthcare services at HMP/YOI Parc, the measures that are in place to ensure the quality and effectiveness of dementia screening and support (Recommendation 16).

The Welsh Government, Cwm Taf Morgannwg University Health Board and HMPPS in Wales have agreed a service specification for healthcare services at HMP and YOI Parc, which includes dementia screening and support for those with dementia.

The steps that have been taken towards finding a fair, sufficient and sustainable baseline for funding via the Welsh "block" for prison healthcare provision (Recommendation 21).

The Welsh Government receives the majority of its funding from the UK Government in the form of a block grant and a proportion of its annual funding from devolved taxes.

The Welsh Government does not receive specific funding from the UK Government for prisoner healthcare on an annual basis. In 2014-15, the Welsh Government received a recurrent transfer of £2.544m to support prisoner healthcare in public prisons in Wales. No additional specific funding has been provided to Welsh Government (by the UK Government) in relation to prison healthcare.

Welsh Ministers, through the annual budget process, will determine the Welsh Government's departmental spending plans. NHS allocations will subsequently be made to health boards in Wales. The prison population is included in population estimates used as a basis to determine the percentage shares of NHS allocations across health boards in Wales. It is a matter for individual health boards to determine the funding allocation to prisons in their area.

The progress that has been made in collating and reviewing the costs of healthcare provision across prisons in Wales, and when we can expect this information to be published (Recommendation 22).

Health boards plan services locally based on need, including in public sector prisons. Where different funding mechanisms exist (for instance in HMP Parc and HMP Berwyn) health needs assessments were undertaken as part of the process to identify cost/resources to provide health and social care provision in these settings.

We do not have plans to review the costs of healthcare provision in prisons, but we are exploring options to increase the scrutiny and oversight of healthcare arrangements to support continued improvements.

The steps taken to monitor demand, provision and spend on social care in prisons to ensure funding issues do not prevent access to necessary care (Recommendation 23).

The funding for this was transferred into the local authority Revenue Support Grant (RSG) in 2018 – it is for local authorities to ensure their statutory duties in this area are fulfilled. These are enshrined in the Social Services and Well-being Wales Act 2014 and came into effect in 2016. There is a memorandum of understanding in place between each prison in Wales, the relevant local authority and relevant providers.

The steps taken towards identifying, developing, and publishing Wales-specific datasets on current and forecast prison population (Recommendation 25).

The Welsh Government is not the data controller for this information. We would encourage organisations which require more Wales-level data for prisons to work directly with HMPPS in Wales.

Arolygiaeth Gofal Cymru
Care Inspectorate Wales

Health and Social Care Committee
SeneddHealth@Senedd.Wales

Dyddiad / Date: 30 July 2024

Dear Health and Social Care Committee members

Health and Social Care (Wales) Bill

Thank you for the opportunity to speak before the Health and Social Care Committee on the 17 July 2024.

There was an action for Care Inspectorate Wales (CIW) to provide information in writing regarding figures in relation to not for-profit services and for-profit services. Please see further information in the Annex below.

Yours sincerely

G. Baranski

Gillian Baranski
Chief Inspector
Care Inspectorate Wales

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Annex

Services and places for children's care homes, 2022-2024

Developments over the past 3 years for residential care homes:

2022		
31 March	256 services	1061 places
2023		
31 March	277 services	1106 places
2024		
31 March	314 services	1150 places

Number of services not for profit and for-profit children's homes				
For Profit/Not For Profit Grouped	**service provider sub-type**	**2022**	**2023**	**2024**
For profit	**Limited Company**	201	219	234
For profit	**Other Corporate Body**	6	6	6
For profit Total		**207**	**225**	**240**
Not for profit	**Charitable Incorporated Organisation**	1	1	1
Not for profit	**Local Authority**	34	38	58
Not for profit	**Other Corporate Body**	14	13	15
Not for profit Total		**49**	**52**	**74**
Grand Total		**256**	**277**	**314**

Number of places not for profit and for-profit children's homes				
For Profit/Not For Profit Grouped	**service provider sub-type**	**2022**	**2023**	**2024**
For profit	**Limited Company**	803	845	871
	Other Corporate Body	19	19	19
For profit Total		**822**	**864**	**890**
Not for profit	**Charitable Incorporated Organisation**	6	6	6
	Local Authority	151	154	196
	Other Corporate Body	82	82	57
Not for profit Total		**239**	**242**	**259**
Grand Total		**1061**	**1106**	**1149**

Y Pwyllgor Cyllid
—
Finance Committee

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Dawn Bowden MS
Minister for Social Care

8 July 2024

Dear Dawn,

Scrutiny of the financial implications of the Health and Social Care (Wales) Bill

Thank you for attending the Finance Committee's meeting on 3 July to provide evidence for our scrutiny of the Health and Social Care (Wales) Bill.

The Committee would be grateful if you could provide further information in response to the following questions that were either unable to be asked during the oral evidence session due to time constraints, or those which you had agreed to clarify further in writing:

The Welsh Government's approach to quantifying and presenting the financial implications of the Bill

- The sum of the constituent elements in the Regulatory Impact Assessment (RIA) suggests the total cost of the Bill ranges from £394.5m to £495.7m. However, this differs from the total cost set out in that RIA summary, which is £429.8m to £455.7m. We've also noted other inconsistencies in the value of costs and benefits in the RIA summary with the tables included in the rest of the RIA. Please could you provide a clarification of the correct figures or an explanation for these differences.

Changes and financial implications related to 'eliminating profit' for children's residential and fostering services

- On what evidence do you think local authorities will see reduced costs for residential and fostering services over the appraisal period, particularly since the Welsh Local Government Association (WLGA)/Association of Directors of Social Services Cymru (ADSS) highlight some of the operational benefits are contested and the Competition and Markets Authority said the cost of local authority children's home placements is not lower than the cost of placements with private providers.

- What cost differential are local authorities seeing from bringing their services in-house and have you conducted a pilot to test the potential to make savings in providing fostering placements, as suggested by the Competition and Markets Authority. If so, could you provide information on what it showed.

- How have you calculated the profit that providers are expected to lose as a result of the proposals, reflecting the "broad spectrum of businesses" in the market and why is so little information provided about the estimates in the RIA and the separate report by the ADSS Cymru.

- Submissions to the Welsh Government's consultation on the policy proposal said the introduction of the requirements for existing providers from 1 April 2027 was "felt to be overly ambitious and carried with it a risk to the safety of children and young people who require a good quality, registered and stable placement". Despite this, you plan to keep to this timetable. Can you explain why is this the case.

- What assumptions have you made in the RIA about the length of the transition period and what would be the financial implications if it needs to be extended.

- The Children's Home Association says responses to a survey after a Welsh Government workshop in November 2023 indicated no independent providers would, at that time, be willing or able to transition to not-for-profit. How will you manage the transition if a significant proportion of private providers exit the market quickly; how will capacity be met and transition be resourced.

Changes and financial implications related to the proposal to allow CHC direct payments

- You assume 110 people across the local authorities in Wales are currently delaying or refusing to transfer to Continuing Healthcare (CHC). Disability Wales told the Health and Social Care Committee this number seemed "quite low". Could you respond to that statement.

- The financial implications of introducing CHC direct payments has been informed by experiences of implementing Personal Health Budgets in England, with the cost of direct payments ranging from £46,000 to £120,000 per package. While you note there is likely to be a similar variation across packages in Wales, you have used an average package cost of £50,000 in the RIA. Could you provide an explanation for why this is.

- The RIA quantifies the cost reduction to local authorities from people transferring from social care to CHC direct payments as ranging from £10.9m to £13.7m. Why have you used the maximum benefit in the RIA summary rather than the range of values.

- What assurance can you give that the administrative and support arrangements for CHC direct payments, with their estimated costs, reflect the experience of Local Health Boards' with existing CHC packages and local government's with social care.

How the provisions in the Bill will be monitored as well as the related financial outlay

- Will the Welsh Government provide additional funding to cover the capital and ongoing costs that local authorities and Local Health Boards are expected to incur as a result of these proposals; what happens if the estimated reduction in outturn does not materialise.
- How will you monitor whether the proposals achieve the policy objectives and how are the related costs of post-implementation review reflected in the RIA.

The Committee would appreciate a response by Monday 29 July, to ensure that your evidence can be taken into account when we report.

I look forward to your response.

Yours sincerely,

Peredur Owen Griffiths MS, Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Dawn Bowden AS/MS
Y Gweinidog Gofal Cymdeithasol
Minister for Social Care

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: DB-PO-0199-24

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26 July 2024

Dear Peredur,

Thank you for your letter of 8 July, following my appearance before the Finance Committee to discuss the Health and Social Care (Wales) Bill. I am providing a detailed response to the points you have raised in the annex to this letter. I hope that this will provide a degree of clarity to the Committee.

I am copying this letter to the chairs of the Health and Social Care Committee and the Legislation, Justice and Constitution Committee.

Yours sincerely,

Dawn Bowden AS/MS
Y Gweinidog Gofal Cymdeithasol
Minister for Social Care

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1. The Welsh Government's approach to quantifying and presenting the financial implications of the Bill

(a) The sum of the constituent elements in the Regulatory Impact Assessment (RIA) suggests the total cost of the Bill ranges from £394.5m to £495.7m. However, this differs from the total cost set out in that RIA summary, which is £429.8m to £455.7m. We've also noted other inconsistencies in the value of costs and benefits in the RIA summary with the tables included in the rest of the RIA. Please could you provide a clarification of the correct figures or an explanation for these differences.

We have reviewed the RIA summary tables and we are content the ranges of £394.5M to £495.7M presented there are correct.

The range £429.8M to £455.7M does not feature in the RIA summary but appears to have been calculated by adding up the lowest values from the 'Administrative costs', 'Compliance costs' and 'Other costs' ranges and the highest values from those same ranges in the RIA summary. However, to calculate minimum or maximum costs for the eliminating private profit section of the RIA, the estimated costs of different scenarios need to be considered collectively, rather than simply adding all the lowest figures from the ranges together, or all the highest figures from the ranges.

Ranges for the costs and cost-savings under the eliminating private profit section have been calculated using different assumptions (scenarios) for the proportion of existing private sector providers who will opt to remain in the market. These are presented as scenarios A, B and C in the RIA. Market intelligence and stakeholder discussions have led us to believe that an outcome somewhere between Scenarios B and C is most likely and so the figures in the RIA summary tables are based on the range of costs and cost-savings calculated under these two Scenarios.

Comparing Scenarios B and C, private providers' costs (which are shown in the 'Other costs' section of the RIA summary table) are highest under Scenario B and lowest under Scenario C. The reverse is true for public sector administrative costs, where costs are lower in Scenario B and the higher end of the range is calculated under Scenario C.

Therefore, to simply add together the upper end of the private sector cost range and the upper end of the public sector cost range leads to an incorrect total, because they are derived from different scenarios and different sets of modelling assumptions. This is set out in Chapter 7 of the RIA, but we acknowledge it could have been explained more fully in the RIA summary in Chapter 6. We would anticipate laying a revised Explanatory Memorandum/RIA following the completion of Stage 2, and can include some additional narrative in Chapter 6's RIA summary table to clarify this point.

There are also £2.3M of administrative cost-savings identified in the RIA summary. The total cost as given in the RIA summary is reached on the basis

of the net administrative costs, i.e. the administrative costs less the administrative cost savings.

Taking these two points together, and bearing in mind that the individual values in the RIA summary are subject to rounding, we hope that these points explain the basis for the calculation of the overall range of estimated costs in the RIA summary.

You have also raised concerns about inconsistencies between values in the RIA summary and in the body of the RIA at Chapter 7. Some of the apparent inconsistencies you are concerned about are explained below, but we have identified an error in Table 7.13 of the RIA, which estimates values for profit lost by the private sector in relation to the proposals on eliminating private profit in the care of looked after children. The values included for Scenarios B and C for the financial year 2034-5 are incorrect – these should be -£32,809,000 for both scenarios.

This error is not reflected in the totals given in the RIA summary, which are correct. The correct figures are also given in the ADSS Cymru report which has been published separately. However, we will update and correct the Explanatory Memorandum at the next opportunity, after Stage 2 proceedings are completed.

My officials would be happy to engage further with the Committee in writing if any other inconsistency is identified (beyond the points covered above and that discussed below in response to question 3(c)), should you wish your clerks to write to my officials.

2. Changes and financial implications related to 'eliminating profit' for children's residential and fostering services

(a) On what evidence do you think local authorities will see reduced costs for residential and fostering services over the appraisal period, particularly since the Welsh Local Government Association (WLGA)/Association of Directors of Social Services Cymru (ADSS) highlight some of the operational benefits are contested and the Competition and Markets Authority said the cost of local authority children's home placements is not lower than the cost of placements with private providers.

In the projections, the introduction of new services by local authorities and not-for-profit providers is anticipated to result in a 10% reduction in relative outturn (expenditure in a specified period). The projections include the cost of the development of new local authority and not-for-profit provision in the transitional costs, including capital costs (e.g. for residential care homes for children). Developing their own new local authority provision means that, on an ongoing basis, local authorities do not need to pay for using these capital assets (except depreciation costs).

It is important to consider a number of wider points in this context. Specifically private providers, given their current position of market dominance, considerably influence price, and what they provide and where. There is no incentive for private providers to reduce the numbers in care and some providers see profit margins of over 22%.

The costs associated with the current approach to the provision of care are also rising. The spend on residential care was around £198M in 2022-23. This has tripled since 2016-17, when the cost was around £65M for the year.

If we do nothing, local authorities will continue to face increasing financial challenges which in turn will stagnate their ability to effectively shape the market to meet their needs, resulting in higher costs and inadequate placements, with all the associated problems of quality of care, stability, the workforce, and securing the range of provision to meet children's needs.

Whilst the Competition and Markets Authority (CMA) did state that the cost to local authorities of providing their own children's home placements is no lower than the cost of procuring placements from private providers, it also highlighted that fact that the cost to local authorities of providing their own foster care was lower. And whilst it has been necessary for the purpose of making the calculations in the RIA to assume a like-for-like replacement of residential and foster care placements, in policy terms we would not expect this to be the case as the eliminating profit agenda sits in a wider context of encouraging the sector to reduce the number of children that come into care, and to move away from reliance on residential care towards other forms of meeting children's needs, including foster care. This means the future requirements for residential care placements for children may well be smaller than projected.

The changes we are proposing will allow us to lower and control the continuing increase in the costs of private placements that local authorities are currently experiencing and create better matching opportunities resulting in better outcomes for children and young people.

Bringing services in-house will support a social worker-led understanding of patterns in placement, which will enable proactive capacity management, minimising the scramble for last-minute placements that can lead to suboptimal matches and higher costs.

I acknowledge the WLGA's concerns, particularly around the cost of residential care, however while this was not within the RIA costings, our transformation agenda does anticipate less reliance on residential care in the future. Nevertheless, I do appreciate that there will probably be a significant level of upfront capital investment required in some areas and we will continue to work with local government colleagues to ensure this is factored-in to their planning.

We also note ADSS Cymru's point within its written evidence to the Health and Social Care Committee that despite the challenges and risks, it believes

that the removal of profit from the care of children looked after is the right thing to do.

(b) What cost differential are local authorities seeing from bringing their services in-house and have you conducted a pilot to test the potential to make savings in providing fostering placements, as suggested by the Competition and Markets Authority. If so, could you provide information on what it showed.

As noted, the CMA report recommended that pilots should be set up in certain local authorities to test the potential to make savings by bringing more fostering placements in-house.

Whilst we naturally hope that our changes will contribute to the future financial sustainability of children's social care, our commitment to the transformation of children's services is not primarily about saving money. It is about changing how we provide services to children and their families as part of locally-based services that have the welfare of the young person at their heart.

Foster carers are central to delivery of the changes we are seeking to make and we are committed to increasing the supply of local authority foster carers. Not only will this help to secure a sufficient supply of foster carers in the future but it will also help deliver our wider transformation agenda to re-balance provision away from residential care to foster care. We are providing significant funding to Foster Wales to help achieve its ambitious target of recruiting an additional 800 foster carers by 2026.

(c) How have you calculated the profit that providers are expected to lose as a result of the proposals, reflecting the "broad spectrum of businesses" in the market and why is so little information provided about the estimates in the RIA and the separate report by the ADSS Cymru.

The RIA methodology's key guiding principle was proportionality. When producing estimates, ADSS attempted to balance the level of detail and the effort required to capture new data against the range of potential outcomes that could be achieved. Given the wide variation in commercial models and that the level of operating profit will vary, ADSS did not segment profits lost for different categories of businesses.

Within the modelling which informed the RIA ADSS calculated the potential profit lost by for-profit providers under Scenarios A, B and C. This was calculated by considering lost profits as for-profit providers exit the market, then adding the increased profits gained during the transitional period on the assumption that these providers would increase fees to offset anticipated costs associated with closure.

Using 2022-23 as the price base year, ADSS estimated that approximately £33M of profit per year would be lost once all for-profit providers had exited the market. ADSS calculated that once they leave the market, for-profit

providers would lose profits equivalent to 17% of the outturn currently apportioned to this cohort of providers. This has been modelled at an aggregate level and does not consider different business or operating models. The 17% was estimated using Welsh market intelligence data and LaingBuisson's Children's Services UK Market Reports analysis of profitability (for-profit companies). This analysis used the industry standard EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) Margin as a comparative indicator of profitability. For clarity, the estimate of the profit providers are expected to lose because of the proposals was not used in the calculations to estimate the cost and benefits to the public sector. These calculations were separate. That is, the profit lost as a result of the legislation would not simply be gained by local authorities.

Different net profit amounts would be lost at a different rate in each scenario during the transition period, reflecting that different proportions of for-profit providers would gain increased profits during the transition period. The underpinning assumption made in this estimate is set out in the ADSS report at Table 2 - How transitional costs have been obtained. The underpinning logic is that providers would increase fees (and therefore percentage profit) to offset anticipated costs associated with closure.

Some of the impacts on different types of businesses are also considered in Chapter 8 of the Explanatory Memorandum, within the competition assessment.

I have mentioned in my answer to question 1(a) above that we have identified an error in in Table 7.13 of the RIA which estimates values for profit lost by the private sector. I have set out there the correction which will be made when we revise the Explanatory Memorandum after Stage 2.

(d) Submissions to the Welsh Government's consultation on the policy proposal said the introduction of the requirements for existing providers from 1 April 2027 was "felt to be overly ambitious and carried with it a risk to the safety of children and young people who require a good quality, registered and stable placement". Despite this, you plan to keep to this timetable. Can you explain why is this the case.

The intention is for the relevant provisions of the Bill to be brought into effect so that new providers registering with CIW will have to have not-for-profit status from 1 April 2026; and so that existing "for profit" providers will be subject to transitional provisions (to be set out in regulations) from 1 April 2027. This represents the start of the transition period so far as limitations on the ability to place are concerned.

The transitional provisions will prevent existing providers from registering new homes or approving new foster carers. However, the provisions will also mean that existing providers will be able to accommodate new children subject to approval, sought by the placing Welsh local authority, from Welsh Ministers. This carefully designed structure of transition is intended to help manage the sufficiency risk during the transition period, as not for profit provision is built-

up, and secure a safe, stable and equitable transition to the new system. Where the placing authority is an English placing authority, providers will only be able to accept placements in prescribed circumstances.

The length of the transition period will be determined by a range of factors, including the level of demand for placements in restricted services, and the speed of replacement of for-profit by not-for-profit provision. Any decision to bring this transition period to a close will be informed by careful consideration of children's article 8 UNCRC rights.

(e) What assumptions have you made in the RIA about the length of the transition period and what would be the financial implications if it needs to be extended.

The cost estimates for Scenarios A -C in the RIA are based on the costs of establishing new not-for-profit provision being incurred over three years, from 2025-26 to 2027-8. The end of the financial year 2027-28 was anticipated as the earliest that sufficiency of provision could potentially be achieved based on intensive investment over a three year period beginning in April 2025 (in line with the anticipated Royal Assent for the Bill) and spanning the period that new providers registering with CIW are required to be a not-for-profit entity (from 1 April 2026), the beginning of transitional provisions (from 1 April 2027) then a further one-year period of investment up to the end of the 27/28 financial year during the transitional period itself. The cost estimates also include provision for ongoing consideration of requests for approvals of supplementary placements from 2027-8 onwards.

Provider intentions regarding decisions to potentially transition to not-for-profit models are only now beginning to emerge following the Bill's introduction. Therefore, there is scope to potentially update the RIA in the future as our understanding of the likelihood of potential scenarios develops through continued engagement with the sector.

If the transition to not-for-profit provision takes longer than forecast in the RIA it is anticipated that associated costs would be incurred over a longer period, but also that it would take longer to realise the benefits of the change.

(f) The Children's Home Association says responses to a survey after a Welsh Government workshop in November 2023 indicated no independent providers would, at that time, be willing or able to transition to not-for-profit. How will you manage the transition if a significant proportion of private providers exit the market quickly; how will capacity be met and transition be resourced.

Through our existing engagement mechanisms and via intelligence from partners we would expect to have advance notice in many cases should providers elect to leave the market, enabling time to plan alternative provision. Local authorities, as commissioners, also have management processes and mechanisms in place to manage provider exit and the transfer of placements, which would be deployed in such scenarios.

I would also note that it is probably not within providers' commercial interests to leave the sector quickly while the transitional provisions are in place. This is because the period will enable them to continue to earn a degree of income from their services (albeit subject to the permission of Welsh Ministers), while new provision is established.

3. Changes and financial implications related to the proposal to allow CHC direct payments

(a) You assume 110 people across the local authorities in Wales are currently delaying or refusing to transfer to Continuing Healthcare (CHC). Disability Wales told the Health and Social Care Committee this number seemed "quite low". Could you respond to that statement.

The figure of 110 people is based on information we have received from local authorities' direct payments officers and heads of adult services through our engagement with them.

Direct payments officers currently support the range of individuals who are in receipt of social care direct payments, including those who would be likely to be assessed to be eligible for CHC, were they content to undergo the relevant assessment.

This is the best evidence we have received for an estimate, through our engagement with stakeholders. We would of course consider other evidence from other stakeholders, if that is provided.

(b) The financial implications of introducing CHC direct payments has been informed by experiences of implementing Personal Health Budgets in England, with the cost of direct payments ranging from £46,000 to £120,000 per package. While you note there is likely to be a similar variation across packages in Wales, you have used an average package cost of £50,000 in the RIA. Could you provide an explanation for why this is.

Whilst the costs are varied, the £50,000 estimate is intended to represent the fact that some packages will cost more, and some will cost less. Some of the more expensive packages of care are for people in care homes, and it is not the intent for these CHC recipients to be eligible for a direct payment as they would not be purchasing services for deployment in their own private homes. It is therefore not appropriate to simply look at the most expensive and least expensive packages and split the difference.

It has proved extremely difficult to get an average cost for a CHC package of care, from either England or Wales. In Wales, for example, Local Health Boards have differing systems regarding what is included in a CHC

package, and many collect different statistics in different ways to meet internal requirements.

As a result, a decision was made to seek advice from the National Care Commissioning Unit (NCCU). The £50,000 estimate for a CHC package of care is based on these discussions with the NCCU, who have undertaken recent work as part of the CHC Workstream of the Welsh Government Value and Sustainability Board.

(c) The RIA quantifies the cost reduction to local authorities from people transferring from social care to CHC direct payments as ranging from £10.9m to £13.7m. Why have you used the maximum benefit in the RIA summary rather than the range of values.

We have reviewed the RIA summary tables and are content that the figure presented for the estimated cost reduction to local authorities and individuals is correct. The RIA summary gives a figure of £13.7M as the estimated combined cost reduction to local authorities and individuals as a result of the proposed introduction of CHC direct payments.

The summary of cost-savings at Table 7.39 in the RIA provides the detail behind the figure. A note accompanying the table explains that some cost-savings could go to individuals, if they currently contribute to their care. If so, that would reduce the cost-savings for local authorities.

(d) What assurance can you give that the administrative and support arrangements for CHC direct payments, with their estimated costs, reflect the experience of Local Health Boards' with existing CHC packages and local government's with social care.

We have looked to learn from experience in England and Scotland, and this has emphasised how essential providing support to direct payment recipients is to the success of the scheme.

There will be a number of administrative costs incurred to implement and administer CHC direct payments. These administrative costs will cover setting up and funding staffing, training for both staff and personal assistants, employer support for those in receipt of direct payments plus setting up the technical side of the scheme (IT tools to support the costing of individual budgets, payment and audit tools for managing the expenditure, payroll systems etc).

A central Hub for some key administrative functions is proposed in order to create a pool of specialised staff who can deal efficiently with management of the direct payments elements and ensure as far as possible a level playing field across Wales for those accessing CHC via a direct payment. This Hub model is based on a previous Welsh Government/NHS Wales project managing a large number of retrospective CHC claims across Wales via a single team. It is also in line with other centralised and standardised approaches being considered for data capture and financial

management of CHC. We believe that this approach may be more cost effective than asking individual Local Health Boards to make their own arrangements to administer direct payments. It will also ensure that support and advice is consistent across Wales.

To estimate the associated administrative and arrangement cost, a scoping exercise was done to seek the most accurate picture possible, with officials obtaining costing data from representatives of those organisations who currently operate in Wales. This included cost data on managed accounts with support; payroll; set up charges; and core support packages.

4. How the provisions in the Bill will be monitored as well as the related financial outlay

(a) Will the Welsh Government provide additional funding to cover the capital and ongoing costs that local authorities and Local Health Boards are expected to incur as a result of these proposals; what happens if the estimated reduction in outturn does not materialise.

We have been carefully considering the likely costs associated with the proposals in the Bill and how these can best be met. We will continue to take account of emerging evidence and how this informs our understanding of the likely impacts of the proposals, including the costs.

As the large majority of the likely costs relate to eliminating private profit from the care of looked after children, I will deal with these first in my answer, before turning to the likely costs associated with CHC direct payments.

Eliminating private profit from the care of looked after children

As a broader point I would highlight that, as explained in response to question 2(a) above, if we continue to use a mix of providers of residential children's care (local authority, not-for-profit and private), costs will continue to rise over the coming years. Public money for children's services will continue to be taken out as profit instead of being re-invested to improving services, capacity and outcomes for children.

Local authorities will continue to face increasing financial challenges which in turn will stagnate their ability to effectively shape the market to meet their needs. There is no incentive for private providers to decrease the need for provision, which often results in higher costs and inadequate placements, bringing a range of associated problems.

The changes driven by our eliminating profit proposals and wider children's services transformation programme should allow us to lower and control the continuing increase in the costs of private placements that local

authorities are currently experiencing and create better matching opportunities, resulting in better outcomes for children and young people.

The savings that would be generated by not directing funding to private provision, and through reducing our reliance on residential care, will in the longer term release more budget for preventative and therapeutic resources which would in turn help with placement stability, reduce the number coming into care, and increase the number of those returning to families.

I recognise that local government finances are under pressure. Welsh Ministers have delivered on our commitment to deliver an uplift to the Revenue Support Grant for this financial year and also passed on the subsequent UK Government consequential worth circa £14M in revenue funding.

We are also investing an additional £68M into the sector during 2022-2025 to help local authorities build in-house and not-for-profit residential and foster care provision, help move children out of residential care back into a family setting, and to provide locally based and designed services, including specialist provision for children with more complex needs. We will be considering the future of this fund, and what contribution it might make to further delivery of the eliminating profit and radical reform agendas.

Investment in beds and homes will require capital investment and we also want to build on our broader revenue and capital investments across care and support for children's services via the Regional Integration Fund, the Integration and Rebalancing Capital Fund and the Housing with Care Fund. Officials are currently scoping what future contribution could be made from these sources, which have already been contributing to the general children’s transformation agenda.

There is not an agreed Welsh Government budget beyond this financial year, however, these proposals are a high priority for Government and will be considered as part of the forthcoming budget round.

Projected revenue costs and how they will be met:
The total estimated cost to Local Authorities set out in the RIA minus their expected capital costs to purchase and refurbish properties leaves a cost of between approximately £78.6M and £102.7M. These costs would include additional commissioning and legal costs as the new provision comes on-stream.

The RIA also estimates a cost of approximately £4.5M to Welsh Government associated with the implementation of the provisions in the Bill. This includes approvals of local authority sufficiency plans and applications to Welsh Ministers to place children in ‘supplementary’ placements, communications, engagement and awareness raising,

developing guidance and training materials, and reporting on and reviewing delivery and implementation.

This £4.5M figure also includes expected costs for Care Inspectorate Wales in relation to monitoring and enforcement and changed requirements in respect of registration of new and existing providers. Resourcing for a small team has been included in recognition of this, along with an amount for the development of bespoke IT systems to support the changes.

Local Authorities, through their membership of Regional Partnership Boards (RPBs) have access to the Regional Integration Fund – a revenue fund. The RIF, established in 2022, has funding of £146M allocated between April 2022 and March 2027. The fund seeks to create sustainable system change through the integration of health and social care services. There is a focus on six new national models of integrated care with one being 'Accommodation-Based Solutions'. RPBs could choose to direct the funding towards supporting projects associated with the development of not-for-profit provision i.e. staffing and set-up costs related to establishing new care home services for children.

The revenue cost to local authorities is expected to be partially offset by a reduction in their overall spending on children's residential and foster care (identified as 'outturn costs' in the RIA) with a saving estimated to be between £184M and £253.9M during the ten year period.

Subject to agreement of future budgets the expected revenue costs for Welsh Government are expected to be met from existing budgets. And, so far as other costs are concerned, this work area is a priority to consider in the context of the forthcoming budget round.

Projected capital costs and how they will be met:
Between £107.1M and £142.8M has been estimated for local authorities in capital costs to purchase and refurbish properties to replace capacity which could be lost when for-profit providers leave the market in Wales. This has deliberately been estimated on a conservative basis, assuming that all provision is replaced like for like. Whilst this was a prudent approach to take given that we cannot project with certainty how reliance on (for example) residential provision will change in the period from now until the start of the transitional period, we would hope that that reliance would start to decrease and this will be reflected in the amount of residential provision needed, and therefore in costs to LAs.

This is expressed in our wider children's transformation agenda which is about reshaping and re-balancing future provision so we have better models of care in residential care, with more children placed in family settings with wraparound support.

Welsh Government has been supporting local authorities via RPBs to develop their in-house care provision for several years through a number

of different funding streams. Past and current capital funding streams include the Integrated Care Fund, the Housing with Care Fund and the Integration and Rebalancing Capital Fund. While these funds are for purposes wider than the implementation of the Bill and focused on integrated models of care rather than meeting core social care costs, there is scope within the criteria to support the development of children's residential care.

Welsh Government will continue to support local authorities through these established funding mechanisms. However, we do expect Local Authorities, as they do now, to continue to contribute to funding the costs of providing accommodation for children looked after, as part of their wider social care budgeting.

Borrowing options:
Local authorities have powers to borrow for any purpose relevant to their functions. Alongside other sources of funding Welsh Government officials are exploring how these powers could potentially apply in respect of local authorities borrowing to cover anticipated capital costs.

CHC Direct Payments

The costs of CHC are increasing steeply year on year in Wales and have risen from £278M to £449M in less than a decade (2014-2023).

The rise in CHC costs is likely to be due to a number of factors, including an ageing population, increases in chronic disease, changes in lifestyle, and increases in health care costs.

It is important to stress that although experience in England tends to suggest that CHC packages delivered through direct payments will be cheaper than comparable packages delivered in the traditional way, our proposed change is not driven by financial considerations. It is driven by the request of service users – disabled people or people with long-standing health conditions – for the greater voice and control which direct payments have the potential to give them.

It is important to note that the estimated 110 individuals, who are disabled or have a long-standing health condition, who are refusing CHC, are doing so because they feel the current CHC system does not meet their needs. These individuals feel that accepting CHC without a direct payment would lead to a loss of voice and control over their care. If the current system met their needs in terms of voice and control, they would already form part of Local Health Boards' total CHC costs. We estimate that they represent only 1.1% of the current CHC cohort.

Any additional costs are expected to be at least partially offset by a reduction in the cost of providing care to those individuals who currently receive traditional CHC but who will instead opt to receive a direct payment in the future.

Local Health Boards will need to budget plan for the scenario of additional cases coming into the ambit of CHC as well as any likely benefit of the costs of existing packages changing as a result of direct payments coming in.

There will be administrative costs incurred to implement and administer CHC direct payments. These costs are estimated to be in the order of £1.1M per annum. A transitional period of three years (2025-26 to 2027-28) is envisaged during which Welsh Government intends to provide financial support to cover the costs.

The costs should then be fully borne by Local Health Boards after the three-year transitional period, at a point when some savings should begin to be realised which will be offset against the costs incurred by the Boards.

(b) How will you monitor whether the proposals achieve the policy objectives and how are the related costs of post-implementation review reflected in the RIA.

The implementation of the eliminating private profit element of the Bill will be underpinned by a programme of ongoing monitoring and evaluation. This will in part be achieved through the Eliminating Profit Programme Board which was established in 2021 to support delivery of the Welsh Government's commitment.

The RIA also includes provision for estimated costs of monitoring and evaluation to Welsh Government and Care Inspectorate Wales. These cost estimates are set out in Table 7.14 of the RIA.

We recognise that any more formal evaluation would need to focus on the extent to which the legislation has contributed to delivering the change across the range of key outcomes where we expect it to make a difference.

We will continue to reflect on costs as stakeholders, who have been waiting to see the provisions within the Bill, begin to make decisions about their future.

In order to assess the effectiveness of direct payments within CHC, we will commission an independent evaluation to cover both the implementation and the impact of the proposal.

As part of the evaluation, we would want to ensure we hear the views of those involved in implementing the proposal, to help shape delivery in the future and ensure that the proposal is being delivered as intended.

Agreed outcomes may include improved quality of life; reduction of individual's reliance on unplanned care; and overall savings per person, per year for CHC Direct Payment recipients.

The costs of evaluation for the introduction of CHC direct payments are estimated at £90,000 over 3 years, i.e. £30,000 a year for 3 years from 2025-6 to 2027-8. This is set out at table 7.30 of the RIA. It is proposed that this cost will be met by Welsh Government.

Prif Swyddog Fferyllol
Chief Pharmaceutical Officer

Llywodraeth Cymru
Welsh Government

Adrian Crompton
Auditor General for Wales
Audit Wales
1 Capital Quarter
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By email

19 July 2024

Dear Adrian,

Community Pharmacy Data Matching Pilot

Thank you for your letter of 23 May and the accompanying report describing the findings and recommendations of Audit Wales' community pharmacy data matching pilot. Given the scale of public expenditure on medicines and pharmaceutical services, tackling fraud and error is of considerable importance and I am grateful to you and your colleagues for taking the time to investigate risk in the community pharmacy sector so thoroughly.

I am particularly pleased this extensive pilot involving almost 30% of pharmacies in Wales over a three-year period, found no evidence of systemic fraud or error. I consider these findings are likely to be representative given the large sample size, the mix of pharmacies and prescriptions dispensed in the sample, and the duration of the field work. The report therefore provides welcome assurance in this area of high spend and scrutiny.

Whilst not making specific recommendations, you ask three questions NHS Wales, should ask itself, given the findings of your pilot.

Are you satisfied with the current approaches in each health board, and across NHS Wales, to identify and investigate outliers in relation to high cost and risk of fraud for dispensing contractor activity?

As I have set out above the report provides a great deal of reassurance that auditors were unable to find any evidence of systemic fraud or error within the community pharmacy

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sector. Of course, we cannot be complacent given there may be some types of fraudulent activity which were not investigated by the pilot or fraud may be occurring in health boards other than those included in the sample.

There are examples of significant fraudulent practice having occurred in the community pharmacy sector such as those described in the report. It is reassuring that these historic cases were identified by health boards working closely with NHS Counter Fraud Services, through checks and balances which pre-date the pilot.

The pilot identified risks in three main areas: pricing errors, expensive items and specials.

On pricing errors, between 6 million and 7 million prescriptions in Wales are processed for payment by the NHS Wales Shared Services Partnership every month. Prescription payment accuracy is consistently high with an error rate of only around 1 per 1000 prescriptions processed. Where processing errors occur, they are as likely to result in underpayments to pharmacies as they are in overpayment by the NHS. Audit Wales' work only considered overpayments and it is therefore likely that further investigation of errors would cancel out any potential savings for the NHS over time. The level of pricing accuracy is agreed between the NHS and Community Pharmacy Wales on behalf of pharmacy contractors we do not therefore propose to take any further actions to address under and overpayments. It will however remain possible to make corrections in respect of individual errors on an ad hoc basis.

Turning to expensive items, I agree additional checks by health boards are likely to improve how risks are managed in this area. Whilst I am aware health boards may undertake some checks on expensive prescriptions already, such checks generally focus on the prescriber of the medicine rather than the pharmacy which dispensed it. I agree with your assessment that health boards would have greater assurance if additional checks on pharmacies dispensing large numbers of expensive prescriptions were undertaken. We will therefore take three actions to improve the work health boards undertake in this area.

Firstly, we have commissioned the Wales Analytical Prescribing Support Unit (WAPSU) to develop an interactive expensive items dashboard which can be accessed by health boards and used to identify expensive prescriptions issued by general practitioners and hospital outpatient departments in their area. The dashboard allows health board users to access aggregated and individual prescription data including the individual prescription images retained by the NHS Wales Shared Services Partnership.

Secondly, we will work with the NHS Wales Shared Services Partnership to develop a monthly report detailing expensive items dispensed by pharmacies in each health board area and make this report routinely available to health boards.

Finally, we will write to health boards providing information about both the interactive dashboard and the community pharmacy expensive items report, asking them to confirm what arrangements they will put in place to ensure the new tools are used to minimise the risk of fraud or error occurring within the health board.

Are key lessons and best practice around these matters being shared between health boards? For example, are the health boards sharing examples of where fraud has been identified to make them aware of risks?

I agree there are likely to be significant benefits arising from sharing lessons learned and best practice between health boards. We will therefore write to the Head of NHS Counter Fraud Services in Wales and the Directors of Pharmacy of each health board asking what arrangements might be put in place to facilitate such information sharing.

Is there scope for the NHS in Wales to put extra cost-effective controls in place around the variable costs of specials?

Specials are often considerably more expensive than licenced medicines, due to the bespoke nature of the product and include costs of sourcing raw materials, manufacturing, quality control, or importing products and distribution.

The nature of specials make them much more liable to price fluctuations arising from changes to the prices of raw materials or from an urgent need for a special to be manufactured where a surcharge may be payable for faster delivery.

Action has been taken over a number of years to reduce the cost of specials to the NHS. In 2011, standard reimbursement prices were introduced for the most commonly prescribed manufactured specials (for example liquids, creams and ointments made to an individual formula). Between 2018 when Audit Wales began its fieldwork, and 2023 the total annual spend on these medicines fell by more than 50% (from £1.01 to £0.48m per year) as a result of the changes.

More recently in March 2022, further changes were made to reduce the cost of unlicensed, imported medicines by incentivising pharmacy contractors to source these medicines at the cheapest price possible, reducing variation and excessive prices that do not reflect the cost of manufacturing the special. In the first year following these further changes costs fell by 5% (from £0.65m to £0.62m).

The reimbursement costs of specials have been subject to scrutiny for a number of years including as part of a Department of Health and Social Care consultation in 2019. Various approaches including requiring pharmacy contractors to obtain quotes from several manufacturers, seeking central approval to place orders, and a national specials' procurement service, have all been proposed and discounted as being unlikely to result in significant cost savings.

Given the changes made since Audit Wales' fieldwork, the previous consultation and analysis of options, and the significant reduction in cost in recent years, I do not consider the same potential exists to make the savings estimated by Audit Wales in future years. However, there continues to be potential for health boards to review individual prescriptions for high cost specials which could be replaced with a lower cost standard licensed preparation. The interactive expensive items dashboard developed by WAPSU will support health boards to identify additional opportunities to query the prescribing of expensive unlicensed specials.

I trust this information demonstrates the steps we are taking to ensure fraud is identified and wherever possible prevented in the community pharmacy sector in Wales. The additional actions we will take as a direct result of the data matching pilot will serve to strengthen health boards' approach further and I am grateful to you and your colleagues for your interest and assistance in this important area.

I am copying this letter to the Chairs of Senedd Cymru's Public Accounts and Public Administration Committee, Health and Social Care Committee, and Finance Committee, for information.

Yours sincerely

Andrew Evans FRPharmS
Prif Swyddog Fferyllol/Chief Pharmaceutical Officer
Llywodraeth Cymru/Welsh Government

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Iechyd a Gofal Digidol Cymru
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21 August 2024

Russell George MS
Chair
Health & Social Care Committee

Mark Isherwood MS
Chair
Public Accounts and Public Assurance Committee

Dear Russell and Mark,

Digital Health and Care Wales' (DHCW) follow-up response to the Welsh Parliament's Health and Social Care Committee and Public Accounts and Public Administration Committee Scrutiny of Digital Health and Care Wales Report

DHCW provided its response to the Public Accounts and Public Administration Committee and the Health and Social Care Committee joint report on 16th August 2023. The report contained 16 recommendations, all of which were responded to.

Of the 16 recommendations, 3 required a further update by the end of 2023 which we were pleased to provide on 19th December 2023.

A further 3 recommendations required an update by the end of February 2024. The response was submitted on time.

Another recommendation required an updated response as at the end of June 2024. This was submitted at the beginning of July 2024.

Updates are required by the end of August 2024 for the following three recommendations:

Recommendation 3: The Welsh Government and Digital Health and Care Wales should provide the Health and Social Care Committee and the Public Accounts and Public Administration Committee with six-monthly updates on progress on the delivery of the Welsh Community Care Information System (WCCIS). The updates should include information about expenditure to date, planned expenditure, uptake of WCCIS among health boards and local authorities, engagement or consultation undertaken with relevant partners.

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Update: Please refer to our Programme Delivery Committee Papers published on the DHCW website. The papers contain an update on the delivery of the Welsh Community Care Information System.

Recommendation 10: Digital Health and Care Wales should provide further evidence about the human resource systems and capacity available to facilitate the recruitment and retention of specialist skills. This should include information identifying where the key gaps and vacancies are, how actions to address the gaps are being prioritised, and what steps are being taken to mitigate the risks to delivery arising from the vacancies. Following the provision of this information in its response to this report, DHCW should provide the Health and Social Care Committee and the Public Accounts and Public Administration Committee with six-monthly progress updates.

Update: A Strategic Resourcing Group, established in 2022, chaired by the Director of People and Organisational Development with senior level representation across the organisation meets monthly to ensure current and future skills gaps are identified and addressed with a sufficient resourcing plan to mitigate the risks arising from current and future vacancies. We previously referred you to the DHCW January 2024 Board Papers for an update on Strategic Workforce Planning and can confirm that a further update is due to be presented to our Board in September 2024. Some further detail around focus areas is provided below:

Due to the current funding structure for a significant amount of our programmes, we have to use fixed term contracts, as programme funding is non-recurrent. This year we have assigned some £3.6m to fixed term staff to support programmes which currently have unconfirmed funding post March 2025. There is a risk that as people move into the last six months of their contracts without any comfort of ongoing funding, they will start to look for alternative employment, potentially losing significant digital skills from NHS Wales.

DHCW commissioned work to develop an Allied Healthcare Professional Digital Investment Proposal to Welsh Government to bid for funding and to develop an accompanying report Allied Healthcare Professionals (AHPs) & Healthcare Scientists (HCS) Digital Maturity: progress report and next steps. The investment proposal sought to take a similar approach to investment in clinical informatics in nursing. The bid was consulted upon nationally and supported by groups including Directors of Digital, Chief Clinical Information Officers (CCIOs), Directors/Deputy Directors of Finance, Directors of Workforce and Directors of Planning. The Welsh Government National Investment Panel endorsed the principle of the proposal and its strategic importance on Friday 23rd November 2023, however, advised that the Digital Priority Investment Fund (DPIF) was fully committed over the next two financial years, therefore the Panel could not support the financial requirement of

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the proposal at that stage. The accompanying report with next steps was completed in March 2024.

DHCW has invested funding to support the strategic position of 'Chief Allied Healthcare Professional Information Officer' (permanently) and a 'Senior Clinical Informaticist' (fixed-term) roles identified within the national bid. The Chief Allied Healthcare Professional Information Officer post will complement existing roles within the DHCW Clinical Informatics Team, including Chief Nursing Information Officer (CNIO) and Chief Pharmacy Information Officer (CPIO) with professional accountability to the DHCW Executive Medical Director/ Chief Clinical Information Officer Wales. It is envisaged that this recruitment will be completed by Autumn 2024 and will enable planning and progress to be made on the next steps of this element of the digital agenda for health and social care.

Recommendation 15: Digital Health and Care Wales should engage with its partner organisations to evaluate its existing approaches to collaboration and identify areas for improvement and opportunities to strengthen relationships. In its response to this report, Digital Health and Care Wales should outline how it will undertake this evaluation. It should then provide the Health and Social Care Committee and the Public Accounts and Public Administration Committee with six-monthly updates on how it is collaborating with its partners and what such collaboration has achieved.

Update: Please refer to our May 2024 Board Papers published on the DHCW website which contained a detailed update outlining progress against our Stakeholder Engagement Strategy. We have an established programme of engagement including regular strategic sessions with our key partners to support collaborative delivery of agreed joint plans. This is regularly reviewed with partners and our strategic engagement with NHS Wales partners was recently refined in line with shared feedback and alignment with planning cycles.

The May 2024 stakeholder engagement update shows progress has been made against our Engagement Plan with a real focus on developing our strategic partnerships with NHS Wales partners and key commercial organisations, and empowering and supporting staff across DHCW. There is still much to do in this challenging climate, with relationships and delivery tested across the system. Ensuring we invest in engagement and managing our relationships is essential.

DHCW commissioned an independent organisation to undertake a stakeholder review to include interviews and stakeholder survey feedback across all stakeholder groups, to complement our internal work. This is in the final stages of analysis and will help inform our ongoing approach to stakeholder engagement. We will continue to provide six monthly updates to our Board.

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In conclusion, we have provided regular updates to the Committees since the publication of the report recommendations. Updates on the progress of major programmes delivery, including the NHS Wales App and WCCIS, can be found on the Programme Delivery Committee website going forward. Updates on People and Organisational and Stakeholder Engagement will continue to be taken to the SHA Board with papers available on the DHCW website. Unless you would like specific bespoke updates, we will assume this is sufficient for future updates against each of the recommendations.

Yours sincerely,

Helen Thomas
Chief Executive

Simon Jones
Chair

Y Pwyllgor Iechyd a Gofal Cymdeithasol

Health and Social Care Committee

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Alex Howells
Chief Executive
Health Education and Improvement Wales

4 July 2024

Dear Alex

The Health and Social Care Committee has been undertaking an inquiry into supporting people with chronic conditions. The vision of person-centred care is widely shared, so we have been looking at how to progress its implementation into practice to better support people with chronic conditions. We have also been considering whether the Welsh Government and NHS Wales are doing enough to address the challenges of the growing number of people living with multiple conditions and how to treat them holistically.

We have heard that workforce pressures are affecting many areas of health and social care, including staff in specialist mental health services, domiciliary care workers, and social workers. It has also been suggested that better workforce planning is needed to meet the needs of future populations. We would therefore be grateful if you could provide information on:

- What HEIW is doing to support health and social care to meet the needs of those living with chronic conditions; and
- Given that the number of people living with chronic conditions is predicted to rise, putting additional pressure on health and social care, what work HEIW is doing to identify and respond to projected population trends.

It would be helpful if we could receive your response by Friday 2 August 2024.

Yours sincerely

Sam Rowlands MS
Temporary Chair, Health and Social Care Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Agenda Item 2.13

GIG CYMRU NHS WALES
Addysg a Gwella Iechyd Cymru (AaGIC)
Health Education and Improvement Wales (HEIW)

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Our Ref: AH/cw

Date: 13 September 2024

Sam Rowlands MS
Temporary Chair
Health and Social Committee
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Dear Sam

Thank you for your request and many apologies for the delay in responding. Health Education and Improvement Wales is responsible for developing the healthcare workforce in Wales through a range of statutory functions that include education and training, workforce planning and insights, careers and attraction, workforce transformation and leadership development. Chronic conditions encompass a very wide range of specialties and professions, and whilst we don't have a specific focus on each individual condition, there are many aspects of our work programme that support the development of the chronic conditions workforce as outlined below:

Education and Training Commissioning – We are now training a record number of health professionals in Wales. This includes the undergraduate training we commission from HEIs for professions such as nursing, Allied Health Professions and Health Care Science; the postgraduate medical training which includes specialty training and GP training; and other forms of post registration training such as Advanced Practice. The numbers of people we train in each profession is informed by information included in the Integrated Medium-Term Plans from individual NHS organisations. Continuing to invest in our future pipeline of staff is critical.

Primary Care Education and Training - We have also invested in education and training for the multi professional teams in primary care through a network of innovative Primary Care Academies based in each Health Board area. These are especially important as clearly chronic conditions and frailty should be managed predominantly in the community (Right place, right person, right time, right skills). The Academies provide the opportunity to develop skills needed to support prevention, ongoing management and urgent care. This can be shown in an example such as GP nurses who gain community experience as a nursing student, then skills of prevention and basic chronic conditions management as part of our new General Practice Nursing Foundation Programme, then specialist chronic conditions management skills (diabetes, respiratory, chronic heart disease, independent prescribing, medication reviews) are supported through the post-

registration education and training fund. The Academy infrastructure is developing, and at maturity, will be able to identify those staff with learning needs related to delivering long term condition care and facilitate appropriate education and training. They will also be in a position to enable Health Boards to take a prioritised approach to the use of HB allocated education and training funds. Where management of chronic conditions is prioritised, education and training is available including independent and supplementary prescribing training. It is essential that investment in the Academies is maintained given our ambitions for primary care in Wales.

From an education and training perspective we are therefore supporting chronic conditions management through:

- Nursing student placements – opportunities to learn basic clinical and communication skills for LTC management and inspire new registrants to take up a career in primary and community care
- GPN Foundation Programme – prevention and essential LTC management skills
- GP Specialty training – urgent and ongoing management of LTCs and frailty in general practice and urgent primary care settings
- SPQ Community Nursing – General Practice and District Nursing – enhanced skills development in a range of LTCs
- Independent Prescribing – community pharmacy, GP pharmacy, nursing, physiotherapy, podiatry, paramedicine to review and prescribe for the management of LTCs.
- Advanced Clinical Practice – primary care (general practice) – management of LTCs included
- Health Care Support Worker Development – Level 3 apprenticeship – supports development and maintenance of skills to support management of LTCs including diabetes, respiratory, cardiovascular disease, wound care.
- Mental Health enhanced skills – through post registration E&T fund
- Integrated Care GP Fellowship (iGP) – enable a HB to identify a priority area e.g. frailty, diabetes, respiratory and support local GP to gain advanced skills to support LTC management in the community as part of an integrated service bridging GP and specialist services.
- Last year as part of the seedcorn monies a number of courses were provided in this area such as spirometry training and LTC updates.

Strategic Workforce Plans - We are currently working through the strategic workforce plans that were identified in the Welsh Government's National Workforce Implementation Plan. These plans include mental health, pharmacy, diagnostics, primary care, dental, nursing, maternity and neonatal, genomics. The mental health, pharmacy and primary care plans will take forward a number of actions that will strengthen, support and expand the workforce in these areas which have a critical role for people with chronic conditions. For example. our Allied Health Profession Pathfinder projects which are creating innovative approaches to support people with a variety of mental health needs, and our Musculo Skeletal Capability Framework which is going to be launched soon. The mental health workforce plan has received WG funding in full, however the plans are being addressed within existing resources and targeted investments given the current financial context.

Supporting Workforce Planning – We agree that there needs to be a focus on better workforce planning and we provide a range of resources and support to NHS organisations to ensure that collectively we are planning a future workforce that will be able to meet the needs of our population. These include better access to data and analytics, scenario planning and workforce planning guidance for areas like primary care.

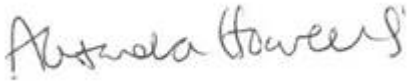
Interface with National Programmes - Over the last few years we have been working closely with each of the four National Programmes (Mental Health, Primary Care, Urgent and Emergency Care, Planned Care) to ensure that workforce solutions are developed to respond to the national service priorities and challenges. As an example, we are working the National Six Goals Programme in Urgent and Emergency Care with regards to Future Care Planning for those living with chronic conditions and frailty, as well as

hosting education resources to support frailty awareness on our new learning management system Y Ty Dysgu.

Future Planning – We believe that the delivery of healthcare will require radical change to meet future needs, and this will drive substantial rethinking of digital and workforce plans, on at least a 10-15 year horizon. Technology enabled care opens up exciting opportunities to rethink self-care for people with chronic conditions and therefore reimagine what is needed from the workforce. We have implemented a Digital Capabilities Framework that enables staff to self-assess digital literacy and support staff to engage with digital solutions. In future this will ensure that staff can support patients through a combination of apps and wearable devices that can facilitate high standards of care. This requires a collective effort across NHS Wales, and we are keen to support this with a long term workforce plan to provide a route map for the transformation that is needed.

I hope that this information is helpful.

Yours sincerely



ALEXANDRA HOWELLS
CHIEF EXECUTIVE

Y Pwyllgor Iechyd a Gofal Cymdeithasol

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Rocio Cifuentes
Children's Commissioner for Wales

22 August 2024

Dear Rocio

As you will be aware, the Committee is currently undertaking Stage 1 scrutiny of the Health and Social Care (Wales) Bill, and we are keen to further understand your views on whether mandatory reporting of child sexual abuse duties by *individuals* should be included within the Bill.

In your written evidence, you point to the omission of a mandatory reporting requirement for specific individuals to report child sexual abuse (as included in the Welsh Government's original consultation on legislative proposals). You refer to "a recent case of the headteacher from North Wales recently convicted of sexual offences involving pupils as an example of where it appears that compliance with the existing frameworks may have been significantly lacking, leading directly to harm to these young women".

You may wish to consider the response provided by the Minister for Social Care on 6 June about why there was a change of position since the consultation proposals for this legislation to take forward the recommendation of the Independent Inquiry into Child Sexual Abuse that Welsh Government introduce mandatory reporting for specific individuals to report child sexual abuse. The Minister told this Committee

> *"What we have already is a duty of mandation on organisations. When we looked at the recommendation from that inquiry, we didn't feel that the recommendation around individual mandation was appropriate from the feedback that we had from our partners and stakeholders here in Wales..".*

Subsequently, at our request, the Minister provided further information on this point on the 28 June.

If you would like to reflect on the Minister's most recent contribution, we would be grateful to hear from you by 13 September, so that we can consider your views when we return in the autumn term.

Yours sincerely

Sam Rowlands MS
Temporary Chair, Health and Social Care Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Comisiynydd Plant Cymru
Children's Commissioner for Wales

Dear Chair

Thank you for your letter dated 22nd August 2024, inviting further views in respect of mandatory reporting, in the context of the Health and Social Care Bill currently before the Committee for stage 1 scrutiny.

As you noted in your letter, I covered this issue briefly within my stage 1 written evidence, reflecting a desire to hear more from the Government as to the work being done to "strengthen compliance with existing regulatory frameworks".

I note the Government have since provided further information to the Committee in writing and in a further evidence session.

My office has always taken the approach of the existing duty being a personal duty, in the sense that an organisation cannot physically exercise a legislative duty; this has to be implemented via its personnel. Our organisation's own safeguarding policy is therefore clear on the personal responsibility of any staff member who has concerns about a child or who receives an allegation or disclosure, to take this further, in discussion with the Designated Safeguarding Person for our organisation. We have induction and annual training on safeguarding for all of our staff to ensure that their duties are understood in line with this policy.

One key factor for an organisation-level duty to be successful must be **awareness raising**. It is important for policies to reflect the organisation's responsibilities, but this on its own will not be sufficient to keep children safe. It is not enough to have a Designated Safeguarding Person and assume their work will cover this, as they can only report or advise on matters that have been brought to their attention. Rather, there is a need for regular and refresher training to ensure that new starters are made aware of their responsibilities and how to exercise these in practice, and that existing staff are reminded about this.

Case studies and anonymised examples can be a positive way to work through this with professionals. Perhaps this could be part of the new Single Unified Safeguarding Reviews team in Welsh Government's approach to ensuring that learning from reviews is adopted across Wales.

I referred in my written evidence to the recent case relating to a headteacher in North Wales, where it appears from the information currently in the public domain that there may have been staff members who were aware of concerns but did nothing to pass these on. I do not wish to prejudice the findings of the current Child Practice Review (CPR) in that case, but this could be an example that could be used to argue for mandatory training for all staff in the relevant organisations.

Without staff members at all levels understanding the nature and extent of their responsibilities, there is essentially a break in the chain if they are the ones who

are aware of concerns but either do not fully understand or choose not to follow their responsibilities in relation to passing these concerns on.

Through my office's independent children's rights advice and assistance service, we are also frequently made aware of professionals in a range of statutory and frontline organisations who mistakenly believe or cite "GDPR" as a rationale for not passing on concerns. Whilst the ICO guidance is clear in this respect, it can also be seen from other CPR reports already undertaken that this remains a common misconception requiring to be addressed. Again I would see a potential role for the SUSR team in Welsh Government taking this forward, in conjunction with the ICO office perhaps.

The information shared by Welsh Government sets out why they don't wish to make changes to the current legislation, but doesn't set out the actions they are now taking on awareness raising for example. In order to accept their reasoning, I would respectfully suggest that more detail is required in that respect, to be assured that the current plans are sufficient to ensure children are being kept safe.

Yours sincerely,

Rocio Cifuentes MBE

Comisiynydd Plant Cymru
Children's Commissioner for Wales

Y Pwyllgor Iechyd a Gofal Cymdeithasol

Health and Social Care Committee

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Cecile Gwilym
Policy and Public Affairs Manager for Wales
NSPCC Cymru

22 August 2024

Dear Cecile

As you will be aware, the Committee is currently undertaking Stage 1 scrutiny of the Health and Social Care (Wales) Bill.

The Committee is keen to understand the views of the NSPCC on whether mandatory reporting of child sexual abuse duties by *individuals* should be included within the Health and Social Care Bill.

In written evidence to us, the Children's Commissioner for Wales points to the omission of mandatory reporting for specific individuals to report child sexual abuse (included in the Welsh Government's original consultation on legislative proposals). She refers to "a recent case of the headteacher from North Wales recently convicted of sexual offences involving pupils as an example of where it appears that compliance with the existing frameworks may have been significantly lacking, leading directly to harm to these young women".

During our meeting on 6 June, we questioned the Minister in charge of the Bill about why there had been a change of position since the consultation proposals to take forward the recommendation of the Independent Inquiry into Child Sexual Abuse that Welsh Government introduce mandatory reporting for specific individuals to report child sexual abuse. The Minister told this Committee:

> *"What we have already is a duty of mandation on organisations. When we looked at the recommendation from that inquiry, we didn't feel that the recommendation around individual mandation was appropriate from the feedback that we had from our partners and stakeholders here in Wales..."*

Since then, we have received further information on this point from the Minister for Social Care in writing, and this references the work of the NSPCC.

If you would like to submit your views on this point, it would be helpful if we could receive your response by 12 September 2024 to enable us to take account of it in our report on the Bill.

Yours sincerely

Sam Rowlands MS
Temporary Chair, Health and Social Care Committee
Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

Agenda Item 2.17

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Sam Rowlands MS
Temporary Chair
Senedd Health and Social Care Committee

September 2024

Dear Chair

Thank you for your letter of 22 August on behalf of the Health and Social Care Committee, in which you ask for NSPCC's views on whether a mandatory reporting duty on individuals should be included within the Health and Social Care Bill.
The NSPCC believes that reporting child abuse is essential and advocates for people with any worries or concerns about possible abuse of children to reach out and share them – with us through the NSPCC Helpline, with the statutory safeguarding partners in social care, policing and health. We want to see increased reporting so children and young people experiencing (or at risk of) abuse can be identified, supported and the abuse prevented or stopped.

As you are aware, the current duty to report children at risk in Wales, as introduced in the 2014 Social Services and Wellbeing (Wales) Act, places a duty on local authority statutory partners to report any suspicions that a child is experiencing or at risk of abuse, neglect or other kinds of harm to the local authority. Across the organisations who are statutory partners, this duty encompasses professionals' suspicions, as well as professionals witnessing, receiving a disclosure or observing signs of all forms of abuse and neglect. The NSPCC thinks there needs to be a full analysis and evaluation by Welsh Government of the impact of this duty, before decisions are made on introducing duties on wider groups of individuals. This should examine whether the organisational duty to report has led to an increase in reporting, greater identification of children at risk, more children receiving improved responses to concerns raised about abuse and neglect and, ultimately, whether the duty has been effective in safeguarding children from harm.

At NSPCC, our priority is to prevent children experiencing abuse, for action to be taken to protect them and, where abuse and neglect has occurred, to stop further harm and trauma. We are clear that, should Welsh Government amend the current regime of mandatory reporting in Wales to extend it to a wider range of individuals, this must be within a context of further support and investment in the child protection system. Reporting is essential to uncovering abuse but should not be an end in itself – a child protection response that prioritises the safeguarding of the child or young person is vital.

The following considerations are crucial for ensuring reporting is one part of a wider child protection response:

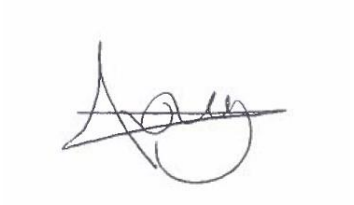
- The key objective should be ensuring a child-centred response which results in children receiving the right support to stop the abuse and to recover.

- More children who are suffering abuse or at risk of abuse must be known to the authorities. Measures to encourage reporting are positive because they reiterate to adults that abuse of children cannot be tolerated or ignored and help increase awareness of the signs of abuse.
- If such measures result in a higher number of disclosures and reports, resources should be available to enable agencies and services to develop productive relationships with children and families. Lack of resources should never prevent children who are being abused being identified by the authorities, protected and accessing the support they need.
- Everybody should be clear about their role in protecting children. All those working with children (whether employees or volunteers) should be clear that keeping children safe from abuse is paramount. Individuals must know their responsibilities, understand the potential signs and indicators of abuse and clear about what to do if they suspect abuse.
- Professionals should also have training so they are able to confidently and accurately identify signs of abuse or neglect. They also need to build on their skills of working relationally with children, including understanding of trauma and the impact that grooming may have on the ability of children to understand what they have experienced, recognise it as abuse and share with adults.
- Institutions must be responsible for failures to protect children made by the individuals who work for or with them, and for their own organisational failures including poor safeguarding policies and processes; failing to recruit the right personnel and failing to train and support staff appropriately to fulfil their duties to keep children safe. This needs to be supported by a strong inspection regime across all settings.
- Children must have opportunities to engage with support in safe spaces without the fear of always being reported to the authorities. This may require exceptions in any system of reporting that allows professionals engaging with children, for example in therapeutic work, in ways that are child centred and allows children to retain control. Childline is one example where thresholds to report concerns about child abuse are deliberately high, in order to provide children with a service that allows them to feel safe to talk about their experiences (with the exception of situations where the abuser is in a position of power, where that confidentiality is compromised).

We note that Welsh Government is engaged in a programme of work to strengthen professionals' duty to report in its current form and would encourage this Committee, as well as the Children, Young People and Education Committee, to continue to monitor the progress of this work.

I trust that this information is of use to the Committee in its scrutiny of the Bill. If the NSPCC can be of any further assistance, please do not hesitate to contact me.

Yours sincerely



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