

Health and Social Care Committee

Meeting Venue:
Committee Room 3 – Senedd

Meeting date:
13 November 2013

Meeting time:
09:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



For further information please contact:

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Agenda

**1 Consideration of the Legislative Consent Memorandum: Care Bill
(09:00 – 09:15) (Pages 1 - 13)**

**2 Discussion on the Forward Work Programme (09:15 – 09:30) (Pages
14 - 21)**

3 Introductions, apologies and substitutions

**4 Social Services and Well-being (Wales) Bill: Stage 2 –
Consideration of amendments (09:30 – 12:30)**

In accordance with Standing Order 26.21, the Committee will dispose of amendments to the Bill in the following order:

- Sections 2-69
- Schedule 1
- Sections 70-119
- Schedule 2
- Sections 120-160
- Schedule 3
- Sections 161-169
- Section 1
- Long title

Supporting documents:

[Marshalled List of Amendments](#), 13 November 2013

[Groupings of Amendments](#), 13 November 2013

In attendance:

Gwenda Thomas AM, Deputy Minister for Social Services

5 Papers to note (Pages 22 - 25)

Agenda Item 1

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Agenda Item 5

Mark Drakeford AC / AM
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref LF/MD/1030/13

David Rees AM
Chair, Health and Social Care
Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

29th October 2013

Dear David

National Health Service Finance (Wales) Bill

At the Finance Committee on the 23rd of October I agreed to send a letter to both the Chair of the Finance Committee and the Chair of the Health and Social Care Committee.

In advance of my appearance at the Finance Committee meeting on the 7th of November 2013, I thought it would be helpful to respond to some of the key issues that have already been raised in plenary on proposed amendments to the Bill, scrutinising LHB plans and transparency.

At the Finance Committee on the 23rd of October, I indicated that the Government intends to lay two amendments, one to deal with the matter of tolerances raised by Members during Stage 1 and another amendment of a technical nature on the definition of expenditure. The proposed tolerance amendment supplements the main purpose of the Bill to support planned financial flexibility, by addressing unplanned or year end, financial flexibility.

In respect of borrowing powers, as I mentioned in Committee, the decision to deliver the Bill through a fast track process was supported by the fact that there had been previous consideration of the policy scope to introduce greater financial flexibility. This included LHBs, stakeholders within the NHS and a wider stakeholder network. Financial flexibility for LHBs has been recommended by the Public Accounts Committee, the Health and Social Services Committee and the Finance Committee. The Wales Audit Office and LHBs have had a level of engagement in developing the Bill, but there has been no formal consultation.

An amendment to the Bill to include borrowing powers would extend the policy scope (and potentially be inadmissible in accordance with the Assembly's Standing Order 26.61) which may undermine the basis for this Bill proceeding by fast track. While I am open to looking at proposals for borrowing powers for LHBs, to align LHBs with NHS Trusts, the use of borrowing powers should be considered as part of potential future health legislation in the next Assembly Term.

I am aware, and mindful, of the points which have been made by Members concerning the level of scrutiny of three year budgets, were these to be available to Local Health Boards as a result of this Bill. I think it is important to emphasise that LHBs will be required to develop their Integrated Medium Term Plans through robust and open procedures. This will culminate in a paper for approval during the public part of a full Board meeting. That paper will also have to be published on the Board's website and, as a result, all the individual Board proposals will be available to Assembly Members, and others, for scrutiny. As you will be aware, any flexibility which might be afforded as a result of the Bill will have to be agreed by my Department. I will make a statement to the National Assembly on LHB plans, once they have been through the cycle of Welsh Government scrutiny. That statement will set out the extent to which flexibility is to be afforded at individual LHB level. During the early period of any new regime, it would also be my intention to publish regular information derived from the internal management arrangements which now exist to monitor LHB performance, and which were positively noted in the most recent review of NHS Wales finances, conducted by the Wales Audit Office. That information will allow Members, and others, to better scrutinise the new system, as it becomes established. It is, of course, for the parliamentary service and its Committees to make whatever arrangements are felt necessary and practical for the oversight of any aspect of the Welsh Government. However, should additional scrutiny be undertaken, as a result of this Bill, I would look to make senior officials of my Department available to assist in that process. Without prejudice to the underlying position, in which Local Health Boards are accountable to me, and I, as Minister for Health and Social Services, am accountable to the National Assembly, I would also look to see senior Local Health Board officers engaged in scrutiny arrangements, where appropriate.

I trust that you will find the information in this letter of benefit, and I look forward to discussing the issues raised with you in more detail on during Stage 2.

*Best wishes
Mark*

Mark Drakeford AC / AM

Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services



Ein cyf/Our ref SF/GT/3550/13

David Rees AM
Chair, Health & Social Care Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

6 November 2013

Dear David,

Thank you for your letter of 30 September on behalf of the Health & Social Care Committee in which you request an update on our paying for social care reforms in Wales.

You will recall from my Written Statement to AMs earlier this year that the UK Government had announced its intentions to reform paying for social care in England, with the main reforms being introduced from April 2016. Those reforms are based on the recommendations made by the Dilnot Commission and include the introduction from that date of a lifetime care cost cap of £72,000 (applicable to both non-residential and residential care) and an increase to £118,000 of the capital limit used to determine who pays for their residential care. Exact details on how these changes are to be implemented and funded are still being finalised. This includes what consequential funding would come to Wales as a result of new funding being provided for these reforms in England. Consequently to firm up the details of this implementation the Department of Health has recently held a consultation on the principles and evidence that should apply to this reform in England.

My Written Statement confirmed that I am committed to establishing to a similar timeframe a fairer and more sustainable system of paying for social care in Wales through my own reform agenda. However, as you will appreciate the situation we find ourselves in is different to that which exists in England. We have a higher proportion of older people, with higher care needs but lower levels of financial means. We are also different in that we have already introduced a form of care cost cap. Hence the programme of reform I intend to introduce will build on the initiative I introduced in 2011 of a weekly maximum charge for all the homecare and other non-residential care a person receives; an initiative which has been welcomed in Wales and which is not in place in England.

I also want to ensure my reform recognises the distinctive values and principles we have as regards the future provision of social care and support, and supports our vision for a sustainable system built around prevention, independence and well-being. It will also be essential to look carefully at the detailed implementation and funding arrangements which UK Ministers will eventually publish for their reform. This will ensure we have a full understanding of how the reforms planned for England will work in practice, including their

costs, to inform our consideration of what reform is appropriate for Wales. As yet there is no clear indication as to when that detail will be available.

Consequently you will know from your scrutiny of the Social Services and Well-being Bill that I have as a first step sought to support this agenda by containing provisions within the Bill which will allow Welsh Ministers the ability to introduce whichever model of reformed paying for care arrangements we eventually agree is appropriate. This will help ensure there are no delays when I come to implement our reform due to the need to seek primary legislative powers.

I have also sought to ensure we have the data and analysis to be able to make informed decisions on the way forward. One of the key requirements to inform our eventual reform is the availability of detailed information and analysis on paying for social care in Wales and the key factors which impinge upon this. This is to ensure that the eventual decisions we make are evidence based. To meet this requirement I am currently commissioning independent research to provide the core data and analysis required to inform my reform agenda. This I plan to be completed in around six to nine months and to provide, not only key data and analysis on issues such as present charging, present and future population composition and trends on income and capital in Wales, but also information on aspects of the UK Government's planned reforms in a Welsh context. This will give us an indication of how aspects of the UK Government's reform would operate if we were to implement them in Wales and provide the core information we need to consider what reform would be right for Wales. While the Dilnot Commission undertook a substantial amount of research, as an England focussed study this research understandably focussed on the situation in England.

Given reform of the arrangements for paying for social care is a fundamental policy change I am keen to engage with stakeholders and other political parties in formulating my reform proposals. Accordingly as this research begins to report from early next year I plan to share its findings with my Paying for Care Stakeholder Advisory Group and the other political parties to seek views on the way forward, to reach a consensus as to what that should be. In the light of that engagement, and the other information I referred to earlier, I then plan to confirm later next year the reforms that I intend to introduce from 2016.

I am of course happy to share further progress and the outcome of this research with the Committee as it unfolds. I trust the Committee find this update helpful in considering its future work programme.

Yours sincerely

A handwritten signature in cursive script that reads "Gwenda".

Gwenda Thomas AC / AM

Y Dirprwy Weinidog Gwasanaethau Cymdeithasol
Deputy Minister for Social Services