

Julie Morgan AS/MS  
Y Dirprwy Weinidog Gwasanaethau Cymdeithasol  
Deputy Minister for Social Services



Llywodraeth Cymru  
Welsh Government

Peredur Owen Griffiths MS  
Chair  
Finance Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

6 February 2024

Dear Peredur,

My colleague, the Minister for Finance and Local Government, gave a commitment at the Finance Committee meeting on 18 January to ask the Minister for Health and Social Services for further information about pooled budgets. I am replying because of my responsibility for the regional partnership arrangements under Part 9 of the Social Services and Well-being (Wales) Act 2014.

As you know, section 33 of the National Health Service (Wales) Act 2006 enables local authorities and health boards to develop formal partnerships and to delegate the exercise of functions from one body to the other. This legislation enables a local authority to delegate the exercise of certain specified functions to the health board, or for the health board to delegate the exercise of certain specified functions to the local authority. The legislation also provides for the development of integrated care and support services, integrated (or joint) commissioning, and arrangements for pooled funds to enable integrated service delivery.

Regional pooled budgets are provided for within the Social Services and Well-being (Wales) Act 2014. In particular, the Partnership Arrangements (Wales) Regulations 2015 require the local authorities and the health board within each Regional Partnership Board area to establish and maintain pooled funds in relation to:

- the exercise of their care home accommodation functions
- the exercise of their family support functions, and
- such of their specified functions as they decide they will exercise jointly in consequence of their population needs assessment or joint area plan.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Pwyllgor Cyllid / Finance Committee  
FIN(6)-05-24 -P1

Pooled funds can be a useful tool to support the effective joint commissioning and delivery of integrated health and social care services. One of the objectives of the Regional Partnership Boards is to promote joint commissioning and the establishment of pooled funds where appropriate.

At present, the Statutory Guidance on Partnership Working requires the partnership bodies specifically to put in place regional pooled budgets to support the joint commissioning of care home placements for older people. However, we know from the review we commissioned from KPMG, and from Audit Wales reports, that the regional partnerships have made limited progress with these pooled funds; and it has become clear from our discussions with the Regional Partnership Boards that they would welcome greater flexibility in deciding at which level budgets should be pooled in order to achieve more joint commissioning and pooling of budgets.

Last year we consulted on proposals to strengthen joint commissioning as part of our Rebalancing Care and Support Programme. As well as developing a new national framework for commissioned care and support, we are revising the Statutory Guidance on Partnership Working so that the partnership bodies will have greater flexibility to pool budgets at the level that best suits their particular needs, be that at regional, sub-regional, local or cluster level. The current requirement for pooled budgets in relation to the joint commissioning care home placements for older people has been retained, but the new guidelines will specify that the partnership bodies should consider joint commissioning and pooled funds in relation to a wider range of services including preventative services, domiciliary care, reablement, continuing health care, therapeutic and safe placements for children and young people with complex needs, people with a learning disability in supported living, and support for unpaid carers. Whatever level the pooled funds operate at, we would expect to see regional market position statements and regional commissioning strategies and frameworks for all of these services.

The partnership bodies should also consider any funding issued to them from the Welsh Government, such as the Regional Integration Fund (RIF), as a form of pooled budget.

Our current main source of information on pooled funds are the Local Health Boards' annual financial accounts, which must include an audited pooled budget note. The attached Annex summarises the types of pooled budget arrangements reported by the health boards for the financial year 2022-23. It should be noted that this information is drawn from a free-text box within the accounts and that the information is therefore not provided in a consistent format. We will be working with the health boards to ensure greater consistency in reporting on pooled funds in their accounts for the financial year 2023-24, due by the end of July.

Yours sincerely



**Julie Morgan AS/MS**  
Y Dirprwy Weinidog Gwasanaethau Cymdeithasol  
Deputy Minister for Social Services

## **Pooled Budgets reported by Local Health Boards in their annual financial accounts 2022-23**

### **Aneurin Bevan UHB**

#### Monnow Vale Health and Social Care Unit

The Health Board has entered into a pooled budget with Monmouthshire County Council. Funds are pooled to provide health and social care inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs.

#### Gwent Wide Integrated Community Equipment Service

The Health Board has entered into a pooled budget with the 5 local authorities in the Gwent area for the provision of an effective integrated Gwent Wide Integrated Community Equipment Service to service users who are resident in the partners' localities. Funds are pooled for the joint equipment store in the Gwent area.

#### Mardy Park Rehabilitation Centre

The Health Board has entered into a pooled budget arrangement with Monmouthshire County Council. Funds are pooled to provide care to individuals who have rehabilitation needs. The pool is hosted by Monmouthshire CC.

#### Gwent Frailty Programme

The Health Board has entered into a pooled budget with 5 local authorities in the Gwent area, for the provision of a Gwent-wide integrated health and social care frailty service, for service users who are resident in the partners' localities. Funds are pooled for the purpose of establishing a consistent service for the Gwent area.

#### Continuing Healthcare - Older People in Care Homes

The Health Board has entered into a pooled budget with the 5 local authorities in the Gwent area, for the provision and commissioning of certain specialised services for older people (over 65 years of age) in a care home setting in Gwent. The pool was established in August 2018 and is hosted by Torfaen CBC.

## **Betsi Cadwaladr UHB**

The Health Board has entered into five pooled budget arrangements:

- North-East Wales Community Equipment Service – hosted by Flintshire CC
- Denbighshire Community Equipment Service – hosted by Denbighshire CC
- Denbighshire Health and Social Care Support Workers Service – hosted by Denbighshire CC
- Bryn-y-Neuadd Community Equipment Store – hosted by BCUHB
- North Wales Older People Accommodation Pooled Budget – hosted by Denbighshire CC.

## **Cardiff and Vale UHB**

### Joint Equipment Store

The Health Board has entered into a pooled budget arrangement with Cardiff and Vale of Glamorgan local authorities, for the operation of a Joint Equipment Store to provide and deliver common equipment and consumables to patients. The pool is hosted by Cardiff Council, who are the lead body and act as principal for this scheme.

## **Hywel Dda UHB**

### Integrated Community Joint Equipment Store (Carmarthenshire)

The Health Board entered into a pooled budget with Carmarthenshire County Council on the 1 October 2009, to pool funds for the provision of an integrated community joint equipment store hosted by Carmarthenshire CC.

### Integrated Community Equipment Store (Ceredigion)

The Health Board has entered into a pooled budget with Ceredigion County Council on the 1 April 2009, for the provision of an integrated community joint equipment store. The pool is hosted by Ceredigion County Council.

### Integrated Community Equipment Store (Pembrokeshire)

The Health Board has entered into an agreement with Pembrokeshire County Council on the 31 March 2011 for the provision of an integrated community joint equipment store, and from 1 October 2012 the agreement has operated as a pooled fund. The pool is hosted by Pembrokeshire County Council.

### Carmarthenshire Community Health and Social Care Services

The Health Board has entered into an agreement with Carmarthenshire County Council on the 3 March 2011 for the provision of Carmarthenshire Community Health and Social Care Services. The section 33 agreement itself will initially only provide the framework for taking forward future schedules and therefore references all community-based health, social care (adults and children) and related housing and public protection services so that if any future developments are considered a separate agreement will not have to be prepared. **There are currently no pooled budgets related to this agreement.**

## **Swansea Bay UHB**

### Integrated Community Equipment Service

Funds have been pooled by SBUHB, Swansea Council and Neath Port Talbot Council to provide an integrated community equipment service.

## **Powys THB**

### Funded Nursing Care

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in relation to the provision of care by a registered nurse in care homes.

### Reablement Service

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in respect of lead commissioning from a pooled fund for the provision of an effective and sustainable joint reablement service. Powys CC is the host partner.

### Tier 2/3 Psycho-social Treatment Services

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement for tier 2 and service provision for drug and alcohol users and their concerned others. Powys CC is the lead commissioner and the host partner.

### Personal Care at Glan Irfon Integrated Health and Social Care Unit

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement to enable the use of resources relating to the Inpatient Services at the Glan Irfon Health and Social Centre, Builth Wells. Powys CC is the lead commissioner and the host partner.

## **Cwm Taf Morgannwg UHB**

### Rhondda Cynon Taf, Bridgend and Merthyr Tydfil Integrated Community Equipment Service

The Health Board has entered into a pooled budget with Rhondda Cynon Taf County Borough Council, Merthyr Tydfil County Borough Council, and Bridgend County Borough Council. Funds are pooled for the provision of an Integrated Community Equipment Service. The pool is hosted by Rhondda Cynon Taf CBC.