

Senedd Cymru | Welsh Parliament

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

Bil Iechyd a Gofal Cymdeithasol (Cymru) | Health and Social Care (Wales) Bill

Ymateb gan Revolution Consulting Limited, | **Evidence from** Revolution Consulting Limited,

General principles of the Bill

1. What are your views on the general principles of the Health and Social Care (Wales) Bill?

(we would be grateful if you could keep your answer to around 500 words)

The general principle is over 30 years too late. The question as to which sectors should be permitted to provide services to children in Wales should have been addressed before the local authority and voluntary sector vacated provision and left a void for private sector bodies to then populate. Any shifting back towards a provider sector with majority state or charity providers should be delivered through a decade long strategic recommissioning. The CMA did not advocate for more interventionist approaches; they are the professionals in managing markets. They recommended commissioning approaches as the solution. Existing local authority and 4Cs efforts have resulted in the current market imbalances. It is those structures that should be radically reformed. In England there is emerging learning from combined authority commissioning and from new forms of commercial and relationship-based engagement with providers, often with many of the same providers that operate in Wales, all without the disruption and risk that this policy brings in Wales.

2. Is there a need for legislation to deliver the Welsh Government's stated policy intention?

Yes

Please outline your reasons for your answer to question 2

(we would be grateful if you could keep your answer to around 500 words)

Only in relation to a redesign of commissioning and purchasing responsibilities in Wales.

3. What are your views on Part 1, Chapter 1 of the Bill (sections 1-13), which makes provision intended to restrict the extraction of profit by providers of children's care home services, secure accommodation services and fostering services

(we would be grateful if you could keep your answer to around 500 words)

I am the author of work for the Local Government Association in England that first identified the profit levels of large providers. Note that smaller provider profitability has not been studied in the same way. It is wrong to apply the findings for one specific set of providers to the whole sector. The profit levels discussed in my work and the CMA's similar work indicates a market imbalance. The measures of profit used are NOT the same as amounts "extracted" from the care of children. Everyone involved in the debates around this issue needs to take on a better level of understanding of the terms used and how they then apply them. Alternatively, reliance could be put on the CMA conclusions, they are the professionals who do understand the terms used. They recommended no intervention on prices or profits, but instead go to recommendations re commissioning solutions. As an experienced Chartered Accountant I also believe it is not possible for the state to regulate and have a view about every transaction that a provider enters into. It would take the largest army of grey suits ever gathered to assess if a not-for-profit entity was transacting business at fair/arms-length prices for services from a sister, for-profit entity. The policy is therefore unenforceable. I was not invited back to the programme work stream where I first pointed this out over 2 years ago. All energy and cost incurred in the intervening period has been a waste, and two years of valuable time to start shaping the markets differently through investment and commissioning has been lost.

4. What are your views on Part 1, Chapter 2 of the Bill (sections 14-22 and schedule 1), which makes a number of amendments in relation to social care services, social care workers and local authority social services, intended to ensure that the 2014 and 2016 Acts can operate fully and effectively

(we would be grateful if you could keep your answer to around 500 words)

5. What are your views on Part 2 of the Bill (sections 23-26 and schedule 2), which relates to health care, and makes amendments to the National Health Service (Wales) Act 2006 in order to enable the introduction of direct payments within NHS Continuing Healthcare

(we would be grateful if you could keep your answer to around 500 words)

6. What are your views on Part 3 of the Bill (sections 27-30) which contains a number of general provisions, including in relation to regulations, interpretation, consequential and transitional provisions, and coming into force provisions

(we would be grateful if you could keep your answer to around 500 words)

Implementation and impact of the Bill

7. Are there any potential barriers to the implementation of the Bill's provisions? If so, what are they, and are they adequately taken into account in the Bill and the accompanying Explanatory Memorandum and Regulatory Impact Assessment?

(we would be grateful if you could keep your answer to around 500 words)

See earlier

8. Are any unintended consequences likely to arise from the Bill?

(we would be grateful if you could keep your answer to around 500 words)

See earlier

9. What are your views on the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum?)

(we would be grateful if you could keep your answer to around 500 words)

10. What are your views on the Welsh Government's assessment of the financial and other impacts of the Bill as set out in Part 2 of the Explanatory Memorandum?

(we would be grateful if you could keep your answer to around 500 words)

Wholly inadequate.

11. What are your views on the Welsh Government's integrated impact assessments (set out in Part 2 of the Explanatory Memorandum), including the Children's Rights Impact Assessment

(we would be grateful if you could keep your answer to around 500 words)

Development of the policy and legislative proposals

12. What are your views on the approach taken by the Welsh Government to the development of the policy and legislative proposals reflected in the Bill.

Among any other issues, please consider in particular the approach to engaging and consulting with stakeholders

(we would be grateful if you could keep your answer to around 500 words)

Engagement with the provider sector has been dismissive and chaotic

Any other issues

13. Are there any other issues that you would like to raise about the Bill, the accompanying Explanatory Memorandum and Regulatory Impact Assessment, or any related matters?

(we would be grateful if you could keep your answer to around 500 words)



