

Dawn Bowden AS/MS
Y Gweinidog Plant a Gofal Cymdeithasol
Minister for Children and Social Care



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA/DB/0765/25

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

11 April 2025

Dear Russell,

In response to the Health and Social Care Committee's stage one scrutiny report on the Health and Social Care (Wales) Bill, I committed to update the Committee on several recommendations associated with the eliminating profit provisions contained within the legislation. I have set out my substantive responses to recommendations 6 and 13 below.

As agreed with the Committee Clerk I will write separately regarding recommendation 9 on the progress being made around transition to a not-for-profit model after the Easter Recess. My reply will also respond to recommendations 17 and 20 to provide an update on progress with development of the central hub for CHC direct payments, and to provide an update on progress made to prepare LHBs for new CHC direct payment responsibilities.

I can also confirm an action plan is in place to update and re-establish a Performance Framework for Continuing Healthcare. Engagement with CHC lead stakeholders is taking place, to redevelop the reporting mechanism to ensure the Performance Framework is fit for purpose. The action plan also includes work to revise the existing CHC Framework, in line with the introduction of the Direct Payments.

Recommendation 6 - provide an update on the Eliminating Profit Programme Board's monitoring of the policy so far, my initial thoughts on evaluation to date and how formal evaluation will be conducted

The Eliminating Profit Programme Board

The Eliminating Profit Programme Board was established in September 2021 to aid the implementation of the Programme for Government commitment to eliminate profit from the care of children looked after. It includes representation from private, third, and public sector organisations and is chaired by the Chief Social Care Officer for Wales who is accountable for the delivery of the Programme. Members have worked collectively and with relevant

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Dawn.Bowden@llyw.cymru
Correspondence.Dawn.Bowden@gov.wales

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.

colleagues in their own organisations to consider evidence and develop proposals for implementation through robust programme management arrangements.

The work of the Board is discussed, minuted and published on the Welsh Government [website](#). It oversees a National Programme Plan and assessment and monitoring of risks, mitigations and impacts. The National Programme Plan contains a timetable for implementation, drawing on policy considerations and is itself aligned to implementation arrangements of the Board's member organisations. This enables it to lead and implement changes which deliver the Programme's purpose and propose arrangements for post-implementation review and evaluation.

The main functions of the Board have centred on providing scrutiny, challenge and ensuring the eliminating profit agenda is delivered within the wider policy context. It has also ensured links are made to other projects and programmes and that financial and resourcing considerations are realistic and reflect broader activity across the sector. These functions will continue as the Board refocuses its efforts on oversight of implementation going forward.

Data Collection

The Board receives data routinely collected by the Welsh Government and partners; this data is utilised by the Programme Board in the monitoring of the policy. The knowledge base has been complemented by broader information periodically made available, such as checkpoint data and broader research. Market intelligence reports have been provided quarterly to the Board by the Children's Commissioning Consortium Cymru offering valuable insight, analysis and understanding into the market dynamics in the sector. It has also included updates on provider intent and other market trends that can affect local authority costings and financial modelling.

Collectively this information has helped to mitigate risks and ensure effective strategic planning, implementation, monitoring, and communication activity. In turn, the reports have also helped inform the Integrated Impact Assessment and the Regulatory Impact Assessment for the Bill (now Act). They have also been used to support the development of local authority communication and engagement strategies, as well as to inform the Welsh Government's communications plan.

Workstreams and Legacy Reports

The Board's deliverables have been primarily pursued through its workstreams ensuring that the transition is well-coordinated across different sectors. The workstreams have provided advice on how to expand the current not-for-profit sector and how to develop new placements within local authority and not for profit residential and foster care settings. A series of legacy reports have been produced under each workstream which have highlighted achievements to date. They include:

- Helping to identify and address barriers to the expansion of provision, financial resources, workforce planning, business support, and workforce issues.
- Workforce recruitment and marketing - through the Social Care Wales 'WeCare' website banner concerning children's residential care worker recruitment, and Foster Wales promotion of not-for-profit care. Specific workshops are now being arranged around TUPE considerations designed to address various aspects of the transition to a not-for-profit model for children's services.
- Community of Practice: Regular sharing of knowledge and experience among members, including informing the revision of local authority Placement Commissioning Strategies.

The work of the Programme Board and its workstreams has helped inform the development of supporting material for the legislative provisions that underpin the eliminating profit agenda, notably the Integrated Impact Assessment, the Explanatory Memorandum and the Regulatory Impact Assessment. The workstreams have ensured the transition to a not-for-profit model is well-documented and supported by robust data.

Initial thoughts on how formal evaluation will be conducted

Evaluation is an important part of all policy and legislation. Learning has been applied from the approach taken to evaluating the Social Services and Well-being (Wales) Act 2014, which adopted a principles-focused evaluation approach. That approach focussed on evaluating how the principles of the Act which guided the implementation were meaningfully articulated, the extent to which they were adhered to and in what ways did those principles lead to desired results across the relevant policy areas.

While that may be a suitable approach for this evaluation, we will be working with Government Social Research teams to make sure we adopt an approach which best allows us to understand how implementation, practice and outcomes can be improved. The precise details around evaluation arrangements are still being worked out in collaboration with stakeholders. It is my reflection, however, that the distinct nature of the eliminating profit elements of the Act require a standalone evaluation, separate to the other elements of the Act. Whilst officials are still establishing the full details as to how the evaluation of the eliminating profit provisions will be conducted, I expect that the scope of post-implementation review and evaluation will occur over several years as the implementation takes effect.

Baseline data will be collected at the start of new arrangements in 2026 and culminate a year after the final new arrangements are introduced (currently 1 April 2030 or before), using a baseline of data from 2026 and spanning the years drawing on the data from our monitoring and broader sources to inform the post implementation review. In considering any final approach officials will consider the merits of:

- An evidence synthesis to look at the context of the eliminating profit policy.
- A theory of change to understand how and why a desired change is expected to happen regarding the policy.
- A project to understand how the policy has been implemented and the impact that it has had.

Recommendation 13 – availability of accessible resources aimed at informing children and young people about the Bill and how to make known their views on it.

My response to recommendation 13 noted that the Board's communication plan contained specific activities aimed at raising awareness of the legislative arrangements amongst various parts of the sector. The Board has been instrumental in co-developing targeted messaging for key groups to help prepare them for the new arrangements. This includes specific messaging for children and young people to explain the elements of the Act and what it means for them. Board members, including Voices from Care Cymru and the office of the Children's Commissioner for Wales, have been vital in shaping and testing those messages with young people and we continue to engage with them on an ongoing basis.

The published messaging can be found at <https://www.gov.wales/removing-profit-care-children-looked-after-information-leaflets>. We will continue to work with those organisations

that represent children and young people to ensure their voices can be heard and ongoing communication needs considered.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Bowden'. The signature is fluid and cursive, with a prominent initial 'D' and 'B'.

Dawn Bowden AS/MS

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