

**Welsh Government**

**DRAFT Integrated Impact Assessment**

<b>Title of proposal:</b>	<b>Rebalancing Care and Support Programme-consultation proposals</b>
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## **Section 1 - What action is the Welsh Government considering and why?**

### Introduction

This Integrated Impact Assessment relates to Welsh Government's 'Rebalancing Care and Support Programme'. Specifically, it covers the following proposals within the programme:

- Item 1 - National Framework for Commissioned Care and Support
- Item 2 - National Office for Care and Support proposals
- Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals
- Item 4 - Code of Practice- Part 2 (General Functions)
- Item 5 - Changes to Part 9 Statutory Guidance (Partnership Arrangements) and Changes to the Partnership Arrangements Regulations
- Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

These individual items are summarised below, alongside an explanation of why Welsh Government is seeking to develop them:

### Item 1 - National Framework for Commissioned Care and Support

The National Framework for Commissioned Care and Support ('The National Framework') is a new Code of Practice under Part 9 of the Social Services and Well-being (Wales) Act 2014 ('The 2014 Act'). It establishes the legislative framework for the commissioning of care and support in Wales by local authorities, Local Health Boards and NHS Trusts. This includes setting out national principles and standards which commissioners must follow when commissioning services for care and support for their local populations.

The National Framework seeks to rebalance the basis upon which the provision of care and support services are commissioned, by focusing on outcomes and social value and by shifting from price towards quality and focusing on outcomes. It provides for greater consistency and transparency within the commissioning cycle.

### Item 2 - National Office for Care and Support proposals

The National Office for Care and Support ('The National Office') proposals set out the anticipated functions of the National Office, once established. They propose three core functions for the National Office: managing oversight of and compliance with the National Framework for Care and Support; the development, implementation, and ongoing delivery of the National Care Service; and supporting the Chief Social Care Officer in their role.

It is intended that a establishing a single National Office will support the sector in driving forward national, once for Wales social care initiatives, providing strong leadership from the centre.

### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

The draft pay and progression framework has been developed by the Social Care Fair Work Forum. It sets out a series of bands for different job roles for the social care workforce in Wales, alongside the skills, values, knowledge, understanding, and typical tasks for each one. It will also, in the future, include a career map of opportunities for progression in the sector and a toolkit of model role profiles.

This framework is designed to meet the ambitions of Wales's fair work commitment and the workforce strategy for health and social care. It also aims to:

- improve recruitment and retention in social care
- support development of the workforce through continued improvement of skills and knowledge
- provide a clear progression route for those thinking of joining, or already in, the sector
- provide a simplified framework for employers and employees
- describe positive values of social care workers
- provide a fair and transparent process for decisions on collective and individual wage decisions (at this stage in individual organisations).

#### Item 4 - Code of Practice- Part 2 (General Functions)

The Part 2 Code of Practice ('The Part 2 Code') sets out how persons exercising functions under the 2014 Act should ensure they meet their duties to promote the well-being of people who need care and support and of carers who need support.

This document is an updated version of the [existing Part 2 Code](#). Changes have been made to restructure the document for greater clarity, for example setting out more clearly the context of Welsh Government's policy of rebalancing the social care market by increasing new and emerging service delivery models within the third sector, which includes social enterprises etc. A new chapter also gives greater prominence to the need for an approach based on co-production values.

#### Item 5 - Changes to Part 9 Statutory Guidance (Partnership Arrangements) and Changes to the Partnership Arrangements Regulations

The Part 9 Statutory Guidance sets out how local authorities and health boards must work effectively together and with other relevant partners, through the regional partnership boards (RPBs), to improve health and well-being outcomes and the efficiency and effectiveness of integrated service delivery. The Part 9 Statutory Guidance on partnership arrangements has been completely revised to strengthen the current arrangements and to reflect the growing maturity of partnership working through the RPBs and the evolving landscape of integrated service planning and delivery.

In order to strengthen the role of RPBs in overseeing the effectiveness of the partnership arrangements, amendments are proposed to the Partnership Arrangements (Wales) Regulations 2015. These cover:

- extending the RPBs' objectives, including a requirement to work with the new Citizen Voice Body
- expanding the list of RPB members and provisions around recruitment and support for members
- matters to be included in RPBs' annual reports
- changes to RPBs' annual reports
- a new requirement on RPBs to undertake self-assessments
- a new requirement for local authorities and health boards to nominate a responsible individual for leading and ensuring co-operation.

There is also a proposed amendment to the Care and Support (Area Planning) (Wales) Regulations 2017 so that local authorities and health boards will have to produce an annual delivery plan linked to the five year joint area plan.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

The current guidance for the Annual Reports for Social Services is outdated and does not refer to the outcomes frameworks and approaches being used by Welsh Government and local authorities. Therefore, the guidance is being updated to make them accurate.

The content and structure of the Annual Reports is set out in both the Part 8 Code of Practice and associated Regulations. Therefore, these have both been revised to reflect the changes being made to the guidance.

#### *Well-being of Future Generations (Wales) Act 2015 – Five ways of working*

This section of the document sets out how each of the individual items under the rebalancing care and support programme embody the five ways of working outlined the Well-being of Future Generations (Wales) Act 2015 ('the Future Generations Act'). For context the five ways of working are the specific areas that public bodies need to consider to show that they have applied the sustainable development principle. These areas are:

- Long term
- Prevention
- Integration
- Collaboration
- Involvement.

#### **Long term**

The rebalancing care and support programme, and the individual items listed above will be affected to varying degrees by long-term trends, challenges and opportunities impacting the social care sector in Wales. These are summarised below:

#### Population change and increasing needs

There is an increasing need for social care services in Wales. The proportion of people over the age of 75 in Wales is projected to increase from 9.9% of the population in 2021 to 13.8% in 2041, increasing from around 307,000 people to around 455,000 people. The proportion of people aged 65 years or older is projected to increase from just over one in five of the population in 2021 (or 21.4%) to over one in four of the population by 2041 (or 25.5%). Although future demand for formal care cannot simply be linked to an ageing population, it is likely to result in increased pressure on formal care services. More people living from birth with conditions that need forms of lifelong care, and there is a high number of looked after children. The pressures brought about by these changes in demographics set the context in part, for all of the items listed within this impact assessment which are being developed under the rebalancing care and support programme.

### Funding challenges

Social services continue to make up an increased percentage of overall local government expenditure. Commissioning costs and wage inflation account for a significant proportion of increased demands on local authority social services departments across Wales. This issue is particularly pertinent to Item 1 - The National Framework for Commissioned Care and Support.

### Workforce sustainability

The delivery of social care is rightly labour-intensive, and the availability of a skilled workforce plays a key role in delivering high quality of care. People who use social care have reported they value the continuity and familiarity of people who often provide very personal care, and that it is important to build up a rapport as it makes people feel more secure. The development of positive relationships is essential for safe, effective, and high-quality care and it matters to everyone, children and adults.

The social care workforce is typically ageing and gendered, with the vast majority of staff of commissioned care providers are female and over a half of the workforce is aged over 40. Staff turnover rates for all of the adult social care workforce in Wales is reported by the ONS at 30% in Wales. In addition to high turnover, current issues include high vacancy rates, costly recruitment and training of new staff, growing use of more expensive agency staff, and churn within the sector with staff frequently moving between employers often for financial incentives or improved working conditions. As part of the Fair Work Commission, the Fair Work Wales report noted that despite the sector being a core industry that contributes to individual and social well-being, it is a sector which displays various features associated with insecurity and poor working environment.

Research indicates that pay, terms and conditions are regarded as key factors that relate to job satisfaction, and there is an important link between job satisfaction, service quality and the achievement of outcomes. Improving pay, terms and conditions is considered to be an important part of attracting, recruiting and retaining workers in the sector particularly for domiciliary care where anecdotally we know that salaries are lower and working hours less reliable than in other parts of the sector. This is particularly pertinent to Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals.

## Care and Support market challenges

The care estate in Wales consists mostly of smaller private providers with narrow margins and limited funding reserves. More adults are receiving care and support at home wherever possible, in line with what matters to them. This has created a level of demand that outweighs the volume of domiciliary care provision available. Often the greatest proportion of delayed transfers of care from hospitals has been attributed to people waiting to return to their homes with packages of domiciliary care services in place. These issues are particularly pertinent to Item 4 - Code of Practice- Part 2 (General Functions), in respect of how the updated Code sets out more clearly the context of Welsh Government's policy of rebalancing the social care market.

## Commissioning and complexity

A commissioner is the term used to describe staff from the local authority or a health board who have responsibility for ensuring that the right type of care is available for people in their area. Social care commissioners analyse need, plan and design appropriate service provision, secure that provision and monitor the quality and delivery of the provision on an ongoing basis.

Commissioners in Wales mainly procure services and undertake contract management arrangements. This is challenging, due to the complexity of the market, and has resulted in under or over provision of care and support services.

To respond to the above challenges, Item 1 -the National Framework for Commissioned Care and Support aims to bring about consistency of commissioning practices, ensuring that commissioning is undertaken following nationally set standards and principles.

## **Prevention**

The previous section summarises the key challenges in social care relating to these proposals. No single intervention or product can fully address these underlying causes. However the individual items under the rebalancing care and support programme will contribute towards preventatively addressing and responding to these as follows

### Item 1 - National Framework for Commissioned Care and Support

The National Framework may bring about potential efficiencies in the longer term through proactively driving improved consistency in commissioning processes. In addition, the National Framework seeks to rebalance the basis upon which care and support services are commissioned through focusing on outcomes and social value and by shifting from price towards quality. This shift to an outcomes-focussed, quality-centred model may have a preventative effect in terms of the provision of higher quality care that better matches people's individual needs potentially leading to better outcomes for people in the longer term. This could result in consequent

reductions in their needs for more future extensive care and support due to the National Framework meaning their needs are better identified and managed.

#### Item 2 - National Office for Care and Support proposals

A key objective of the National Office will be to promote and support preventative services, and will enable, advise, support, and take action to ensure delivery of such a priority.

The National Office would also seek to bring about expertise and capacity to support implementation of national policies and bring transparency and clarity on national priorities. To do this, the National Office will facilitate the system / shared learning working together in synergy with local / regional partners to share best practice whilst still supporting local / regional innovation. The National Office will also provide a central guiding hand to support social care system leadership, facilitating and supporting the sector and if necessary, provide a stronger guiding hand to the sector on improvement and transformation in line with national proprieties and standards.

#### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

The Pay and Progression Framework proposals will help to improve recruitment and retention; standardise positive behaviours and skills, instil a desire for continued improvement within the workforce; provide clear progression routes and create a transparent and fair salary scale.

The draft pay and progression framework (“The Framework”) contributes to our longer-term ambition to raise the profile of the sector as a professional place to work, enhance opportunities for individuals to progress their careers, and to help improve recruitment and retention. It also contributes to allow individuals to achieve positive outcomes and can positively impact workforce capacity and morale.

The proposed pay uplift will contribute to increases in household income. This could be impacted by benefits reductions however welfare is reserved to the UK Government. The Real Living Wage will apply to under 23s, therefore 16–18-year-olds working in social care settings may also receive an uplift. The extent to which this happens in practice will form part of the dynamic evaluation.

It is one part of a wider package of work with the aim of improving the terms and conditions of the workforce, and of promoting the sector as a rewarding place to work. When combined, these efforts aim to improve recruitment and retention within the social care workforce and therefore improve continuity and quality of care for individuals as well as be the basis for improving overall quality of care across the sector. Improvements in recruitment and retention will help ensure people in communities are able to move into a care setting that is appropriate for their needs and that where they can remain within their own community.

#### Item 4 - Code of Practice- Part 2 (General Functions)

The Part 2 Code contains a chapter specifically setting out the requirements on local authorities and partners to provide or arrange a range of integrated preventative and early intervention services. The revised code has sought to strengthen and clarify the

requirements in this chapter, particularly in the light of the new models of integrated care.

The revisions also give greater prominence to the need for co-production with service users and carers in the design and delivery of care and support and preventative services. Co-producing care and support services with service users can have a preventative impact as services designed in partnership with service users are generally better aligned to their care and support needs, thus more likely to meet their needs over the longer term and reduce the change of their health and well-being deteriorating.

The revisions also aim to clarify the duty on local authorities to promote social enterprises, co-operatives, user-led services and the third sector. Promoting greater involvement of the third sector within the social care market will have a beneficial effect on prevention and early intervention, as many of these services are delivered by or in collaboration with third sector partners.

#### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements)

A key aim of partnership working is to ensure that care and support, including preventative services, is planned and delivered in an integrated way. The partnership arrangements bring local authorities and health boards together with other key partners (including citizens, providers and the third sector), through the Regional Partnership Boards, to respond to the population needs assessments and implement the five-year joint area plan. Strengthening these arrangements will help consolidate and extend the ability of the RPBs to take a strategic and integrated approach to planning and delivery, with a particular focus on preventative and community-based services.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

The new guidance for the Annual Reports for Social Services requires local authorities to provide evidence and priorities for improvement under eight quality standards. These standards are grouped under four headings, one of these is Prevention. We will be asking local authorities to set out what prevention actions they have undertaken in the past year, the evidence to demonstrate improvement and the priorities for improvement for the coming year. Specifically, we will be asking for improvement against the standards of:

- *The need for care and support is minimised and the escalation of need is prevented whilst ensuring that the best outcomes for people are achieved*
- *Resilience within communities is promoted and people are supported to fulfil their potential by actively supporting people who need care and/or support including carers to learn develop and participate in society”*

## Integration

The rebalancing care and support programme links to and progresses several key Programme for Government commitments. These are listed by individual item below:

### Item 1 - National Framework for Commissioned Care and Support

The National Framework contributes to a range of programme for government commitments including reforms within children services, care services being part of the Foundational Economy in Wales and would be seen as a significant key first step towards a National Care and Support Service. This Code will support Local Authorities and the NHS to commission services in line with the ambition of the 2014 Act, and improve outcomes for the people of Wales. The National Framework will set out the principles and standards for commissioners to follow when commissioning services to meet the needs of local populations and will therefore exemplify the five ways of working within the Future Generations Act and align to the vision set out in the 2014 Act.

### Item 2 - National Office for Care and Support proposals

The National Office will align with and, wherever applicable, enable the delivery of cross-system objectives including:

- Programme for Government commitments
- Co-operation Agreement commitments
- The five ways of working set out in the Future Generations Act
- Meeting legal duties under the Welsh Ministers' Welsh Language Standards, the National Office will play a key role in supporting and promoting Welsh language and culture, recognising Welsh belongs us to all and the importance of language choice and need in delivering quality care and support aligned to the More Than Just Words Framework
- A Healthier Wales.

The National Office will work to and promote the Future Generations Act, improving the social, economic, environmental, and cultural well-being of Wales. It will promote improved working with people and communities and with partners and look to prevent problems and to take a more joined-up approach.

The Future Generations Act includes a 'sustainable development principle' and the sustainability of social care and support services is therefore paramount. We intend that the National Office should act in a manner which seeks to ensure that better meeting the care and support needs of the present also enhances the prospects of generations to follow.

The vision for the National Office will be tested to ensure the continued alignment with the requirements of the Future Generations and Wellbeing Act, which is consistent with our long-term plan for health and social care, [A Healthier Wales](#). The National Office will also embody the four fundamental principles of the 2014 Act: voice and control, prevention and early intervention, well-being, and co-production. This will be achieved through the core functions of the National Office and additional

roles and responsibilities, such as data and intelligence gathering, which will come under the office.

The National Office will embed change through the promotion of the Strategic Equality Plan 2020-2024, the Anti racist Wales Action Plan, and the LGBTQ+ Action Plan to embed meaningful changes and values as part of Welsh life. The Anti Racist Wales Action Plan will act as the lever to deliver demonstrable leadership at all levels to meet existing commitments and to challenge against racism and in the provision of equitable, culturally appropriate services, recognising intersectionality and differences among groups. LGBTQ+ rights are embedded in the Welsh Government's Programme for Government commitments and are a key component of the Co-operation Agreement with Plaid Cymru. The LGBTQ+ Action Plan, developed with the aim of making Wales the most LGBTQ+ friendly nation in Europe, sets out social care and welfare actions and the National Office will have a key role in ensuring successful delivery of this plan.

The National Office will embed and support the strategic framework for Welsh language. More than Just Words 2022-27. In doing so, the National Office will strengthen Welsh language provision in social care services, supporting Welsh speakers to receive care in their first language.

To contribute to the Future Generations Act, the National Office will be alert to the net zero target for public sector in 2030 and will promote decarbonisation action plans and social value by way of achieving this.

### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

This proposal is based on a number of findings including Fair Work Wales Report, work of the Fair Work Commission (<https://gov.wales/sites/default/files/publications/2019-05/fair-work-wales.pdf>) , Programme for Government, Social Care Fair Work Forum ("the Forum") discussions, the Living Wage Foundation and the report on Scottish Real Living Wage.

It is in line with the Future Generations Act and helps to build a more prosperous and resilient Wales, where workers receive a fair wage and spend this in their communities; and strengthen services because they feel valued and continue to deliver quality services as they follow clear career pathways. It also builds upon the wider work of Ministers and the Social Care Fair Work Forum on terms and conditions in social care. It is part of the agenda to professionalise the social care workforce and provide improved career pathways; alongside the longer-term ambition to raise the profile of the sector as a professional place to work, enhance opportunities for individuals to progress their careers, and to help improve recruitment and retention.

The commitment to pay the Real Living Wage (RLW) to social care workers formed part of the Welsh Labour Party Manifesto and the subsequent Programme for Government 2021- 26; and was the starting point for improved terms and conditions for social care workers. This proposal integrates with the Forum's recognition of low pay challenges in the sector and connects with policy objectives in the Welsh

Government Health and Social Services Group around the promotion of the health and well-being of people using services. It contributes to allow individuals to achieve positive outcomes and can positively impact workforce capacity and morale. With greater recognition of the workforce, we can move forward the “A Healthier Wales” commitment for greater integration of services and reinforce communication between healthcare and social care staff to build more sustainable, resilient care and support services for the future.

#### Item 4 - Code of Practice- Part 2 (General Functions)

Revisions to the Part 2 Code include updating the requirements around carrying out population needs assessments, which must be carried out jointly by local authorities and health boards on a regional footprint. In addition to assessing need for care and support, these assessments must also set out the range and level of services which will be required to meet those needs, and must include integrated services and approaches. The revision also strengthens the requirements and guidelines around delivering integrated preventative and early intervention services.

#### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements)

The proposed amendments to the Partnership Arrangements (Wales) Regulations 2015 include amending the objectives of RPBs to specifically include ensuring the partnership bodies work effectively together to deliver on the development of integrated health and social care services and arrangements. This links with their existing key objectives to ensure that partnership bodies are working together effectively to respond to the population needs assessments and implement the five-year joint area plan. There are also proposed amendments to the Regulations requiring RPBs to undertake a biennial self-assessment, and requiring the partnership bodies to develop annual delivery plans linked to the joint area plans. These new requirements are aimed at strengthening regional planning and performance monitoring, as well as improving governance and scrutiny of the partnership arrangements. All of this will help ensure better integration of social care and health services. The Part 9 Statutory Guidance has also been thoroughly revised with a greater focus on integration, including a new definition.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

The new guidance for local authority Annual Reports for Social Services takes into account the reporting requirements for the wider local authority and the legislation that applies to providing care. The 2014 Act requires local authorities, health boards and the Welsh Ministers to promote the well-being of people who need support and carers who need support.

Throughout the guidance, this statutorily required report is termed the “section 144A report” to distinguish it from any optional separate report produced for the public and the corporate self-assessment report required under the Local Government and Elections (Wales) Act 2021 (the “2021 Act”).

Sections 89-91 of the 2021 Act place new duties on local authorities to keep their performance under review, to consult local people and others on the performance and to report annually on performance in a “self-assessment report”. The Welsh Government has produced guidance on these new duties: [Performance and governance of local authorities: statutory guidance | GOV.WALES](#).

The self-assessment for the section 144A report is intended to mirror the self-assessment principles of the report produced under the 2021 Act, but at a service rather than a corporate level.

The Welsh Government considers that the annual reporting process for social services is now part of the new Performance Improvement Framework. This is a code made under section 145 of the 2014 Act on the exercise of social services functions.

The quality standards included in the guidance align with Care Inspectorate Wales’ Code of Practice for the review of local authority social services. They are also linked to the seven well-being goals in Section 4 of the Future Generations Act

## **Collaboration**

### Item 1 - National Framework for Commissioned Care and Support

As this Code relates to the commissioning of care and support services, the statutory partners that will have a shared interest will be Local Authorities and the NHS as they are responsible to commissioning services to meet local needs. As a high proportion of social care services is undertaken by private and third sector providers a range of service providers will also have a shared interest in this Code and commissioners may be required to discharge some aspects of the Code to their service providers through their contractual arrangements. Similarly, due to the content of the Code and the standards set within it there will be a number of key stakeholders who will have a shared interest also, particularly those who work nationally for example Social Care Wales and Care Inspectorate Wales from a regulatory perspective; national organisations involved with health and social care service delivery as well as regional and national organisations.

To develop the policy Welsh Government has been working with a National Technical Group of organisations with experience and expertise in commissioning and procurement of social care services. The Technical Group informed the content of this Code and provided a recommendations report on the content for Welsh Government. The consultation will provide for the opportunity for all partners, stakeholders and people who use services to shape the Code of Practice.

### Item 2 - National Office for Care and Support proposals

To aid the establishment of the National Office, a Steering Group has been formed. This Steering Group acts as an advisory forum, and consists of representatives from the following stakeholders:

NHS Executive

Care Inspectorate Wales  
ADSS Cymru  
WLGA  
Welsh NHS Confederation  
Social Care Wales  
National Commissioning Board, Executive Board  
NHS Local Health Boards  
Care Forum Wales

Critically, the National Office will work closely with the 22 Local Authorities and their Social Services teams. Local Government has the statutory responsibilities for the provision of sufficient care and support to meet people's wellbeing needs. Social Care has its roots in local government, so enabling a complex system, including the role of the NHS in commissioning significant levels of care and support, to work synergistically, is central to our vision. The National Office will involve equally people who use social care services and their carers, the social care workforce and stakeholders through seeking feedback and input into the work of the National Office.

To do this the National Office will support the Chief Social Care Officer to provide strategic direction and strengthen national leadership for the social care sector and support quality improvement to improve outcomes for people. Alongside supporting the Chief Social Care Officer, the National Office will engage and collaborate with people who receive services and with the social care workforce to identify and drive improvements. The partnership with Social Care Wales will also be critical. Social Care Wales is the workforce regulator, and it has key improvement functions. The National Office will work with Social Care Wales to amplify both positive messages about working in social care, and improvement activity consistent with its own role in overseeing the implementation of the national framework and through gathering data and wider sector intelligence.

Working in tandem with the NHS Wales Executive, the National Office will promote integration of services to create seamless health and social care services, providing national direction to enable improved national, regional, and local outcomes.

### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

The draft pay and progression framework has been developed by the Social Care Fair Work Forum, which was established by the Welsh Government in September 2020 following a recommendation from the Fair Work Wales Commission. The Forum is a tripartite social partnership group made up of employers, local authorities, trade unions and other stakeholders. Its aim is to improve working arrangements for social care workers in Wales. This means making sure workers are fairly rewarded, heard and represented, and able to progress in a healthy, inclusive environment where rights are respected.

### Item 4 - Code of Practice- Part 2 (General Functions)

The proposed revisions to chapter 4 of the Part 2 Code, on a local authority's duty to promote social enterprises etc., were developed in discussion with the Task and

Finish Group on Engagement and Voice. The new wording around the 'social / added' value drew upon work commissioned from Cwmpas (formerly the Wales Co-operative Centre) and was road tested both with the Task and Finish Group and the Technical Group developing the new national framework for commissioning care and support. The revised code reiterates the need for each region to have a forum or forums bringing together commissioners and section 16 organisations to share good practice and take advantages of market opportunities to expand and promote this sector. The new chapter 5 on co-production was developed with the help of the Task and Finish Group on Engagement and Voice, which included service user and unpaid carer members of Regional Partnership Boards. This Task and Finish Group also helped develop the material on engagement and co-production in the Part 9 Statutory Guidance, helping to ensure common definitions and approaches to co-productive practice at regional and local level.

#### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements)

The proposed amendments to the Partnership Arrangements (Wales) Regulations 2015, and the revision of the Part 9 Statutory Guidance, are aimed at strengthening collaborative partnership working at regional and local level under the oversight of the Regional Partnership Boards. The RPBs are multi-sector boards, with a wide membership drawn from the partnership bodies (local authorities and the health boards), with other public sector partners, and representatives from care providers, the third sector as well as service users and unpaid carers. The proposals will extend membership to other stakeholders, including primary care providers, County Voluntary Councils and the Wales Ambulance Trust. There will also be a requirement for the RPBs to collaborate with the new Citizen Voice Body.

The five Task and Finish Groups all had input to the new guidelines, and in December 2022 they were brought together for a collective review of the Part 2 and Part 9 materials.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

The Annual Reports for Social Services are a key document for assessing the performance and improvement of social services departments in local authorities. As such, they are closely scrutinised by several partners, including Care Inspectorate Wales, Social Care Wales and many local and regional organisations.

In addition to the prevention quality measure, local authorities will also have to provide priorities for improvement under the area of Partnerships and Integration. Specifically, this will ask for evidence of improvement and prioritise under the standards of:

- *Effective partnerships are in place to commission and fully deliver fully integrated, high quality sustainable outcomes for people*
- *People are encouraged to be involved in the design and delivery of their care and support as equal partners.*

The new guidance was developed by Practice Solutions, an independent organisation who convened a stakeholder panel comprising of local authorities and key stakeholders in social care. In addition to this panel, several workshops were held with local authorities and other organisations to discuss the issues with the current guidance and needs for improvement. They also fed into the needs we will have in implementing this guidance. The consultation will be asking what further support is needed in its delivery.

## **Involvement**

### Item 1 - National Framework for Commissioned Care and Support

As part of the development of the National Framework, organisations and partners representing those who receive care and support were asked to give their views and to shape the draft Code of Practice.

What matters to people is key within the context of commissioning services and the statement contained in a number of Codes of Practice under the 2014 Act has been further adapted and is central to the ethos within the draft Code:

*"My care is planned by me, with people working together, to understand me, my family and carers (and our needs), with my best interests central, giving me voice, influence & control, bringing together services and support networks that will achieve the outcomes important to me"*

Commissioning for outcomes is therefore key within this draft Code as well as ensuring sustainable commissioning practices.

More broadly the work being led through the National Technical Group and Task and Finish Groups have membership from across the sectors in Wales. We have taken account of the consultation responses and we have also taken account of what commissioners have told us following completion of a Commissioning survey undertaken by the Association of Directors of Social Services Cymru.

### Item 2 - National Office for Care and Support proposals

An advisory steering group, made up of stakeholder representatives (listed in the 'collaboration' section above) have been involved in the development of the national office from the outset. Prior to this, stakeholders and citizens had the opportunity to respond to the Rebalancing Care and Support White Paper consultation in January 2021 through the question specifically focused on the establishment of a national office.

More broadly, to develop our understanding of the form and function of a National Office we have also engaged with:

Directors and Deputy Directors within HSS Group, Welsh Government  
NHS Executive programme leads  
Foster Wales and National Adoption Service  
National Commissioning Board Executive Board

WLGA  
CIW  
ADSS Cymru  
Welsh NHS Confederation  
Social Care Wales  
NHS Local Health Boards  
Care Forum Wales

### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

The draft pay and progression framework has been developed by the Social Care Fair Work Forum, which was established by the Welsh Government in September 2020 following a recommendation from the Fair Work Wales Commission. The Forum is a tripartite social partnership group made up of employers, local authorities, trade unions and other stakeholders. Trade unions have represented the worker voice through development of the product alongside Hugh Irwin associates who conducted early engagement activity with workers across the sector.

### Item 4 - Code of Practice- Part 2 (General Functions)

The revised Part 2 Code has a new chapter on engagement, voice and co-production, which updates, strengthens and gives more prominence to material in the existing code.

### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements)

The proposed amendments to the Partnership Arrangements (Wales) Regulations 2015 include a number of provisions aimed at strengthening the voice and engagement of citizens, the third sector and other partners in the work of the regional partnerships and in particular on the Regional Partnership Boards. There will be a new objective for RPBs to work with the new Citizen Voice Body to promote the involvement of people who need care and support and carers in the work of the regional partnership. The CVB would also have independent observer status on the RPBs.

The amended Regulations and the Statutory Guidance will also specifically address the role and status of service user, unpaid carer, third sector and care provider representation on the RPBs. This is the result of detailed work done by the Engagement and Voice Task and Finish Group. The proposals include amending the Regulations so that RPBs will be required to draw up role descriptions, put in place transparent and accessible recruitment arrangements, and take practical steps to support board members. Further extensive guidelines are given in the revised Statutory Guidance, which also includes a new RPB Charter. The amended Regulations will also give a place on RPBs to representatives of primary care providers and of County Voluntary Councils, and the Wales Ambulance Services Trust – bringing even more voices to the table.

The amended Regulations will require RPBs to include in their annual reports an account of how the RPB has engaged with citizens (especially people who need care and support and carers, including children and young people) in their work, how it

has promoted co-production, and the difference this had made in terms of well-being outcomes for citizens. The revised Statutory Guidance also has new material on co-production (reinforcing at regional partnership level the messages contained in the Part 2 Code of Practice for local authorities).

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

As part of the development of the new guidance, organisations and partners representing those who receive support from social services were asked to give their views. The guidance was developed in collaboration with an expert stakeholder group, and the final version was approved by those who supported its development.

The guidance requires local authorities to also respond to two quality statements regarding people. One of these is specific addressing the need to include people in making decisions about their care:

- *All people are equal partners who have choice, voice and control over their lives and are able to achieve what matters to them.*

There is also a quality statement for wellbeing, which encourages people receiving care and support to be active part of their care.

- *People are supported to actively manage their well-being and make their own decisions so that they are able to achieve their full potential and live independently for as long as possible.*

#### **Impact**

In addition to the five ways of working above we have also begun to consider the potential impact of the proposals, including the main arguments for and against the proposals.

#### Item 1 - National Framework for Commissioned Care and Support

The 2014 Act puts a duty on local authorities and their partners to promote the well-being of people who need care and support and carers who need support in Wales. It defines well-being and places a duty on Welsh Ministers to issue a statement of well-being outcomes to be achieved. This statement defines well-being outcomes for all people who need care and support and carers who need support in Wales including people in protected groups.

The National Framework, through the setting of national commissioning principles and standards aims to further enable local authorities and partners to deliver their functions so that people who need care and support and carers who need support can achieve their well-being. A Regulatory Impact Assessment (RIA)<sup>1</sup> was developed for the 2014 Act and the expected impacts the National Framework will

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<sup>1</sup> <https://senedd.wales/media/gedp1r55/pri-ld9181-em-r-e.pdf>

have on people in the RIA are the same as those set out in the RIA. The National Framework aims to increase the pace at which these impacts are realised.

By placing further statutory requirements and guidance on local authorities, local health boards and NHS Trusts in relation to focussing commissioning on quality and outcomes the Code will help to accelerate the intended aim of the 2014 Act to shift to an approach which puts people at the centre, the outcomes they wish to achieve, and in giving them greater voice and control.

The Frameworks provisions in relation to pay will help the broader Welsh Government aims to provide support greater consistency of the workforce providing care and support. The provisions in the Framework to support the social care workforce are important as continuity of the social care workforce has a significant impact on the achievement of people's outcomes. By supporting the workforce the National Framework aims to facilitate less turnover which will allow people to build relationships with people that provide care and support, feel safe and more secure, thus improving quality of social care and well-being outcomes. This means that people are more likely to see the same person, increasing their ability to maintain relationships which can reduce loneliness and isolation, and lead to higher quality of care.

The introduction of national commissioning principles and standards aims to reduce complexity and simplify processes which will enable partners to make better use of collective resources, across local authority boundaries, in response to population needs and outcomes. The removal of some duplication and inefficiencies in the commissioning process can free up commissioners' time to develop other elements of the commissioning cycle which have been identified as being less developed than other parts. The principles and standards focus on social value will help to ensure social value commissioning supports people to achieve their outcomes, and fully utilises the assets that exist in local communities.

### Item 2 - National Office for Care and Support proposals

Consultation responses from the Rebalancing White Paper January 2021 consultation indicated mixed responses from respondents regarding a national office. Those who were hesitant to the idea cited concern of added complexity without added value, or unnecessary duplication of roles. To address this, the National Office establishment has carefully considered, in partnership with key stakeholders, where value can be added, what functions are necessary for the office and how to mitigate duplication. We have worked closely with stakeholders since the Rebalancing White Paper 2021 consultation, and have involved stakeholders in the establishment plans of the national office, and will continue to do so through the formal consultation process.

### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

Rising living costs and pay disparity in the social care sector mean that pay and conditions are accepted as significant factors in recruitment and retention within domiciliary care and care homes. The pandemic has placed even more pressure on

this already struggling sector and has reinforced the importance of having a workforce strategy that crosses both health and social care.

The framework could have a longer-term beneficial effect on sufficient care being delivered and could ease the pressure across the health and social care system through recognising the social care workforce, potentially raising morale and dedication, motivating workers to better utilise their skills and encourage them to continue their own development and learn new skills. This may also positively impact the people of Wales with care services having increased capacity to support the reduction of the NHS treatment backlog. The Forum is supported by the Welsh Government, but its decisions and work is fully independent of it. This Framework was developed in partnership with stakeholders across the social care sector and informed by focussed surveys and sector wide engagement.

#### Item 4 - Code of Practice- Part 2 (General Functions)

The overall impact of the changes to the Part 2 Code of Practice will be relatively limited in themselves, as this has been primarily a consolidation exercise. However, the revision of the chapter on the section 16 duty to promote social enterprises, co-operatives, user-led services and the third sector, and clarifying the language and expectations around rebalancing and 'social / added value' should help local authorities and their partners, including relevant providers, to embrace the opportunities for developing and expanding this segment of the social care market. The new chapter on co-production should also have a positive impact in promoting the involvement of people in the planning and delivery of integrated services, especially when combined with the Part 9 proposals on engagement and voice.

#### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements)

Regional partnership arrangements have evolved considerably in recent years, and the Regional Partnership Boards have become an important forum for promoting greater regional working and integration across health and social care. A key aim of the proposals for amendments to the Partnership Arrangements (Wales) Regulations 2015 and for revising the Part 9 Statutory Guidance has been to strengthen these arrangements and enhance the role of the boards so that they might have greater impact.

The proposals have been developed within certain legal and policy parameters, and are designed to have maximum impact within these limits. Crucially, the proposals do not change the status of RPBs, which are not corporate legal entities. Changes to the status of RPBs were considered as part of the Rebalancing Care and Support White Paper, but, whilst not the majority, many consultation responses (and particularly those from local health boards and local government) were not in favour of this. The current proposals therefore work within the current legal framework set out in Part 9 of the 2014 Act and the 2015 Regulations.

What has, however, become clear through discussions within the Task and Finish Groups, and from wider discussions with RPB Chairs and Leads, is that the existing legal framework needs strengthening to reflect the way in which the regional partnerships have evolved and matured, and to enable the RPBs to fulfil their full

potential as drivers for real change. The proposed amendments to the 2015 Regulations will be necessary to strengthen and empower the RPBs so that they can have effective oversight of the partnership arrangements. This includes broadening out the RPBs' objectives so that they include ensuring the partnership bodies work effectively together to deliver on the development of integrated health and social care services and arrangements; having oversight of the exercise of a local authority's duty under section 12 of the Children and Families (Wales) Measure 2010; and working with the new Citizen Voice Body to promote the involvement of people who need care and support and carers in the work of the regional partnership.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

The main purpose of the Annual Report for Social Services is to set out the local authority's improvement journey in providing services to people in their areas, those who access information, advice and assistance, and those individuals and carers in receipt of care and support.

Under the new requirements of the 2014 Act, the report needs to demonstrate how Local Authorities have promoted well-being and accounted for the delivery of quality standards. However, the current guidance, Part 8 Code of Practice and Regulations do not align with the requirements set out in the Measuring social services performance Code of Practice.

The main argument for the change is to reduce confusion for the local authorities in drafting reports, as there are conflicting requirements at present. The new guidance will therefore improve the quality, consistency and usefulness of the Annual Reports.

The argument against the change is that any change in reporting requirements will require time and resource to implement in each local authority. This may be met with challenge, as resources are very limited in local authority social services departments. This argument has been explored with local authorities through the Association of Directors of Social Services. The next steps will be about supporting local authorities with the new guidance, and making sure they have the information and support needed for delivery.

### **Costs and Savings**

#### Item 1 - National Framework for Commissioned Care and Support

The statutory requirements and guidance in the Code are designed to improve the way care and support services are commissioned which in turn is intended to support the existing overall aims of the system established by the 2014 Act i.e. to secure well-being for people who need care and support and carers who need support. This will include moving commissioning away from price towards quality and social value and further facilitating joint commissioning between health and social services. Within the context of social care being highly reliant on its workforce, and the need to improve the remuneration for the workforce and as a minimum paying

the real living wage to the workforce, it is likely that by shifting the commissioning process to focus on quality and ensuring that the workforce is properly remunerated that the cost of delivering care will increase. These costs will need to be reflected by local commissioners when commissioning services.

We expect there to be relatively minor transitional administrative costs to local authorities, local health boards and NHS Trusts. These will include staff training costs i.e. commissioners and other related members of staff involved in delivering and operating in line with the Code and for the dissemination of information. Welsh Government is undertaking analysis to quantify the potential costs to implement the changes and deliver the Code. This information will be reported in the Regulatory Impact Assessment contained with the Explanatory Memorandum that will be published when the Code is laid before the Senedd.

#### Item 2 - National Office for Care and Support proposals

The National Office must operate at optimal effectiveness and efficiency, providing value for money. The National Office will use its allocated resources in an affordable and sustainable manner, and within its agreed allocated limits and in accordance with Welsh Government policies relating to financial management, forecasting, and reporting.

The main anticipated additional cost will likely be linked to resourcing arrangements. Whilst these are yet to be determined, any new posts will go through the usual Welsh Government resourcing processes and be in line with wider civil service policy. Some additional funding may be required to carry out new functions to be brought under the national office, i.e.: oversight of the toolkit for the Commissioning Care and Support Code of Practice but this is likely to fall within existing remit(s) of any potential host and so costs incurred will likely be minimal.

#### Item 3 - Social Care Fair Work Forum Pay and Progression Framework proposals

This is an initial draft of a pay and progression framework for the social care workforce in Wales. It sets out a series of bands for different job roles and includes the skills, values, knowledge, understanding, and typical tasks for each one. It will also, in the future, include a career map of opportunities for progression in the sector and a toolkit of model role profiles. This draft does not yet include anticipated pay scales which will follow in a later version. These will be agreed through the Social Care Fair Work Forum, using the principles of social partnership.

At this stage, the Forum anticipates the Framework will be a voluntary guide for employees, employers, and commissioners of care and currently would have no funding requirement.

#### Item 4 - Code of Practice- Part 2 (General Functions)

There are no specific direct cost implications for local authorities associated with the revision of the Part 2 Code of Practice. The changes either update the code in the light of already existing supplementary guidance and practice (e.g. around population needs assessment), or strengthen and give greater focus to existing

requirements and guidelines (e.g. on the section 16 duty to promote and on co-production).

#### Item 5 - Statutory Guidance- Part 9 (Partnership Arrangements

There may be some costs for the partnership bodies associated with providing greater support to RPB members, and some administrative costs associated with the proposals around RPB self-assessments and the development by the partnership bodies of annual delivery plans. In general, however, these build upon existing good practice and the regional partnerships have the capacity to use the infrastructure element of the Regional Integration Fund to support these developments. The partnership bodies are already required under Part 9 of the 2014 Act to provide resources to support the work of the regional partnership, and the RPBs must ensure that the partnership bodies provide sufficient resources for the partnership arrangements.

#### Item 6 - Changes to Part 8 Code of Practice on the role of the Director of Social Services (social services functions) and Changes to the Local Authority Social Services Annual Report Regulations

There are no specific direct costs associated with the change to the Annual Reports for Social Services. While there is likely to be a requirement to provide support in implementing the change, it is envisaged this will be provided by existing staff.

#### **Mechanism**

The proposals within the rebalancing care and support programme consist of a range of legislative and non-legislative proposals. These are described individually within the 'introduction' section of this document.

## **Section 8 - Conclusion**

### **How have people most likely to be affected by the proposal been involved in developing it?**

The 'collaboration' and 'involvement' sections within Section 1 of this document describe how each proposal within the rebalancing care and support programme has been developed with the participation of key stakeholders, in the lead up to the formal consultation. As per those sections this has included involving people through a range of technical groups and forums convened to co-develop and inform the proposals.

The formal 12-week consultation will be a further opportunity to engage with and seek feedback from stakeholders on each proposal. The consultation document includes a range of specific questions of each proposal, as well as more open questions to ensure people can offer further feedback on areas officials may not have considered. Upon conclusion of the formal consultation period consultation responses will be carefully analysed by Welsh Government (and representatives of the Fair Work Forum in the case of the pay and progression framework proposals), with scope to further amend proposals in response to feedback received. A full consultation report will be published to summarise the feedback received and set out next steps.

### **What are the most significant impacts, positive and negative?**

The most significant impacts within the proposals are set out within the 'Impact' section within Section 1 of this document.

In terms of significant positive impacts these include some of the strategic objectives of the National Office (Item 2) including promoting integration to create seamless health and social care services. Other potential positive impacts of the National Office would also include providing national direction to enable improved national, regional, and local outcomes.

On the pay and progression framework (Item 3) there are potentially significant positive impacts in terms of easing existing pressures on the health and social care system through the framework, once fully finalised, leading to improvements in workforce retention and motivation.

In terms of the changes to Annual Reports as part of Item 6, the significant positive impacts are described as increasing clarity for local authorities in drafting reports, leading to improvements in their quality, consistency and usefulness. More broadly the changes will result in reports that will allow Local Authorities to demonstrate how they have promoted well-being and accounted for the delivery of quality standards, highlighting good practice and supporting further improvements within social care.

In terms of any negative impacts the 'Impact' section of this document describes how the changes to Annual Reports and requirements will result in a time and resource cost in respect of implementation, potentially putting further pressure on local authorities given resources are already limited within local authority social services.

More broadly this potential negative impact is an inherent part of all the proposals in terms of all these products will involve new or amended ways of working with an associated time and resource cost in terms of implementation.

**In light of the impacts identified, how will the proposal: maximise contribution to our well-being objectives and the seven well-being goals; and/or, avoid, reduce or mitigate any negative impacts?**

The consultation offers an opportunity to test the assumptions of the impacts set out in this assessment. We hope to identify other impacts which we can consider further as we develop the proposals and form mitigations for negative impacts.

We will use the assessments set out here and further assessments to help ensure that proposals taken forward from the consultation can be delivered in the best way to maximise the social, cultural, environmental and economic wellbeing of Wales.

We have set out above the key impacts of the proposals, which are mostly positive, including alignment with the wellbeing goals. For the main negative impacts in terms of the implementation challenges, we will support and work closely with stakeholders to take forward proposals in partnership that ensures that any implementation burdens are minimised as far as practicable.

**How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?**

Proposals within the rebalancing care and support programme are monitored internally via a programme board. This oversees the implementation and development of these proposals along with the programme governance. Alongside this internal board officials will continue to engage with stakeholders via the various technical groups and forums established to take forward these proposals, to seek input on how stakeholders can be involved with ongoing monitoring and evaluation of proposals.

## **Section 9 - Declaration**

I am satisfied that the impact of the proposed action has been adequately assessed and recorded.

Name of Senior Responsible Officer:

Matt Jenkins, Deputy Director, Futures and Integration.

Department: Futures and Integration

Date: 19/04/2023