

27th January 2023

UPDATE ON AND RESPONSES TO SOCIAL CARE PRESSURES

Purpose

1. To update members on recent communications and discussions between the WLGA and Ministers on the pressures facing social care and to seek members' reflections on how these pressures have played out across Wales and to gain views on taking these discussions and key issues forward.

Background

2. On 23rd November WLGA Spokespeople for Health and Social Care wrote to the Minister for Finance and Local Government, the Minister for Health and Social Services and the Deputy Minister for Social Services to set out the social care financial pressures that councils were facing. Included with the letter was a more detailed report, based on information collated to inform the wider local government financial pressures report that was presented to the Finance Sub-Group, setting out the significant financial pressures facing social services. The report was also supported and informed by discussions with Solace Wales, ADSS Cymru and the Society of Welsh Treasurers.
3. The report identified that local authorities are facing an overall social services financial pressure of £95.2m in the current financial year, with both adults and children's services facing inflationary and demand pressures, and an estimated total cumulative pressure of £407.8m for 2023-24 and 2024-25. These financial pressures are just to 'stand still', with the report emphasising the need for significant investment if we want to truly place social care on a sustainable footing for the future.
4. The Deputy Minister for Social Services responded by letter on 29 December, after the Draft Welsh Government budget had been published, in which she set out that the budget decisions made by Ministers were focussed on their priorities of public services, the cost of living and protecting the most vulnerable and that they had taken decisions to do all they can to protect NHS and social care budgets, while recognising that difficult choices will still remain.
5. The Deputy Minister's response, attached for reference at Appendix 1, highlights that the 2023-24 [Provisional local government settlement](#) shows an additional increase of £227m to AEF. It also highlights the £70m included to maintain paying of the Real Living Wage to identified social care staff, as well

as being able to maintain the planned increase to the level of funding allocated to social care within the HSS MEG in 2023-24, with £10m added to the Social Care Reform Fund within the Sustainable Social Services BEL.

6. The letter also acknowledged that this will still fall short of the funding needed to meet all the inflationary pressures being faced by services and will mean that local authorities will continue to face difficult decisions as they set their budgets.

Ongoing Pressures facing Social Care and Health

7. Recent weeks have been extremely difficult for health and social care in maintaining services, negatively impacting on people who are seeking healthcare and care and support services, both for those accessing emergency care and scheduled care. These significant pressures in both health and social care have been well trailed in the media and have resulted in long ambulance delays and ambulances queuing outside hospitals; patients waiting and being treated in corridors; and high numbers of patients unable to leave hospital due to a lack of support for people to go home. The NHS has reported that extra beds have been added to wards and the Same Day Emergency Care services (an initiative to help relieve pressure on A&E) are also being used as surge capacity for A&E. Welsh Government also wrote to councils prior to Christmas highlighting a number of supporting matters to assist social care during this difficult time, such as clarifying social care registration requirements for staff being redeployed and developing in consultation with ADSSC, Trusted Assessor Guidance.
8. In addition, there has been [media coverage of the letter](#) that was sent from the chief nursing officer and the deputy chief medical officer to the health boards over the Christmas period which advised that, “hospital capacity must be preserved for those at greatest risk with the greatest chance of benefit, this will require us to make every effort to keep people at home, not to admit people to hospital, unless absolutely necessary, and to return those in hospital to their homes or alternative place of safety as quickly as possible.”
9. Recent data reflected 1545 delayed discharges across Wales (this is a new dataset and still needs validating), with a lack of home care packages as the biggest reason for delay although the data also reflected the various reasons identified for delays at HB level; if actions were taken to address the top 5 reasons for delays, this would address 880 delayed transfers of care.
10. We also understand discharge summits were held in the first week of January, involving health boards, councils and RPBs and as a follow up, RPBs are required to submit an action plan each month on what actions will be taken to address the reasons for delayed discharges in their area. This may also include how they have redeployed resources to deal with the current crisis.

Next Steps

11. Ministers have held initial discussions, through the Care Action Committee and at the last Social Services Cabinet Members Network, on how community capacity can be increased and reconfigured in the longer-term, more integration and working closely with health colleagues. This builds on the current work to increase the number of community beds by 1000 as part of the response to Winter pressures, which continues, and the latest figure of additional beds secured is 508. Welsh Government released this statement on the work before Christmas: [Written Statement: Community Care Capacity Building \(16 December 2022\) | GOV.WALES](#). This is significant progress that needs to be acknowledged, however procuring additional beds remains challenging, particularly in seeking additional workforce capacity to bring them to fruition. These additional beds have played a critical role in flow through the system over the past weeks however the workforce capacity issue is a serious hindrance to further expanding such capacity.
12. In the recent Care Action Committee meeting, the Minister spoke about the need for a radical plan to significantly build and join up community capacity, engaging the whole system and including the independent and 3rd sectors over the next year and ahead of the next Winter period. Her aim is that this work now goes, 'further faster'.
13. At the recent WLGA Social Services Cabinet Members meeting, the Minister spoke at a high level, about her vision for more community care services and capacity and this was welcomed by members, with a couple of councils offering to pilot any such work.
14. While a plan to increase community capacity is one aspect of the changes required, and more integrated working with health across the system, particularly primary care is crucial, there is also a need to address the wider transformation of social services. It is also crucial that the need for sustainable long-term funding for social care, and the need to address the low pay and develop better terms and conditions for social care staff so a valued and skilled workforce can be recruited and retained is addressed as a matter of urgency. This has long been argued by the WLGA and others in the sector, along with other key aspects that need to change such as upstreaming more preventative work, building community resilience and reducing demand for services and these points will be further stressed in ongoing discussions. The lack of capacity in social care has often been cited as the main reason for delayed transfers of care putting pressure and creating barriers to flow through the system, therefore addressing the challenges in social care, in a sustainable way, will be key to improving current performance and creating a sustainable health and care system fit for the future.
15. WLGA Health and Social Care Spokespersons have been clear about the need for reform, and addressing workforce issues as a priority, in order to ensure that we are not in the same position this time next year. In responding to the Ministers' proposal for increasing community capacity, and the need to stress the importance of addressing social care pressures in addition to developing

ore integrated community care and support services, there is an urgent need to engage with Welsh Government and share members views on what can be done differently, recognising that local government also need to be clear on what our offer is to both Welsh Government and to health. In developing this work further, officers will engage with ADSS Cymru to ensure both the political and professional views are aligned.

16. In looking to take these discussions forward, it is suggested that the following principles are used as a starting point:

- Discussions should be around improving the quality of care and achieving outcomes for the individual, based on the ‘what matters to them’ conversation, ensuring a more person-centred and preventative model of social care that is rooted in supporting people’s wellbeing. This is in line with the principles of the Social Services and Well-being (Wales) Act, with this landmark piece of legislation remaining as the guiding framework for care and support.
- The need for sustainable long-term funding for social care to be secured and resolution of the Paying for Care debate on how social care will be funded in the future. There is also a need for immediate investment to address a number of urgent care and support issues, including: better support for the social care workforce; stabilising the provider market; managing and planning for demographic pressures; embedding a much greater emphasis on prevention; and tackling unmet need. This immediate investment would help shore up the current system and provide a far stronger foundation for future reforms.
- The future requirements of and for the social care workforce should be a far more prominent consideration, both as a standalone priority and in respect of its links with NHS workforce planning. There is a need to recognise the importance of valuing the workforce and ensuring parity between social care staff across all parts of the sector and NHS staff, ensuring fair reward, recognition and career progression. For example, can a programme for workforce be developed similar to the Agenda for Change in the NHS? This requires going beyond paying the Real Living Wage and setting a path to achieving parity over a period of time.
- Any reforms must start at the local level and build on the strength of local authorities in their role in place and community, addressing the needs of individuals and families, building resilience and focusing on wellbeing – any reform should be rooted in, and guided by, what works for people, not what works for systems or structures.
- Democratic accountability is a strength of the current system and must be retained. Councils’ democratic accountability and leadership supports effective partnership working at the local level and Welsh Government should follow this lead by working with local government and its many partners as equals in helping to build resilient communities that are geared towards prevention and wellbeing.

- There is a lack of support for any structural changes, additional bodies or changes that increase rather than decrease complexity in the sector. There is however a need for increased integrated work at the local level between primary and community health services, social services and other local government services which would enable a more holistic approach to the physical and mental health services focused on improving outcomes for individuals and families (utilising other local government services such as education, leisure and housing) and focusing on prevention and early intervention.
- There needs to be a greater emphasis on real change across the health and social care system, with a fundamental change in how primary care works, where the focus is on supporting and caring for people in their community.
- Traditional services (such as residential care, domiciliary care and day centres) will continue to have a role to play in the future. But they need to be part of a much broader local offer including smaller, more bespoke providers, micro-enterprises and wider community assets such as community-owned care, mutual aid and shared lives, that have all played a part in responding to the pandemic. These help bolster community resilience and their potential to help secure a more preventative approach to wellbeing that supports people to live safely and well at home must be harnessed.
- Health and social care are equally important and decisions and prioritisations about the future of each should reflect that. The needs of one should not be addressed to the detriment of the other and both should unite around embedding a far more preventative approach to wellbeing.

Recommendations

17. Members are asked to:

- 17.1 Note and comment on the content of the report:**
- 17.2 Share any views on the Deputy Minister's letter in response to the financial pressures facing local government social care services to inform future discussions; and**
- 17.3 Comment on and identify any other specific issues or key messages they may wish to raise with Ministers as set out in paragraph 16.**

Report cleared by WLGA Spokespersons: Cllr Charlie McCoubrey and Cllr Norma Mackie

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Appendix 1

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Deputy Minister for Social Services



Ein cyf/Our ref JMSS/01238/22

Llywodraeth Cymru
Welsh Government

Councillor Huw David, Charlie McCoubrey and Norma Mackie
WLGA

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29 December 2022

Dear Huw, Charlie and Norma,

Thank you for your letter of 23 November to Rebecca Evans MS, Minister for Finance and Local Government, Eluned Morgan MS, Minister for Health and Social Services and myself.

As we discussed in the meeting with members of the WLGA's Social Care and Wellbeing Cabinet Network on 8 December, I can assure you that the Minister for Health and Social Services and I understand the importance of the social care sector and have reflected that in budget discussions and cabinet decisions.

The draft Budget 2023-24 and provisional local government settlement 2023-24 process has been one of the toughest since devolution because of the financial pressures we are facing, caused by the UK Government's mis-management of the UK economy. I and my ministerial colleagues recognise that after a decade of austerity, Brexit and the pandemic, public services are very fragile and unable to withstand any further shocks. They must deal with soaring energy prices and inflation at a 40-year high, while demand for many public services is also rising.

The UK Government has not provided Wales with adequate funding to meet these pressures. Welsh Ministers have had to make some very difficult decisions during the Draft Budget process. While there was some additional funding for Wales in the Autumn Statement – £1.2bn over two years – almost half of this came from decisions made about non-domestic rates policy in England. This will not fill the big gaps in Wales' settlement over the three-year spending review period (2022-23 to 2024-25). Even after the additional funding in the Autumn Statement, our settlement is still up to £3bn lower in real terms and up to £1bn lower next year.

Within this context I can confirm that the budget decisions we made were focussed on our priorities of public services, the cost of living and protecting the most vulnerable and we have taken difficult decisions in order to be able to prioritise our funding accordingly. I am pleased that we have been able to take decisions to do all we can to protect NHS and Social Care budgets, while recognising that difficult choices will still remain.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynir 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 responding in Welsh will not lead to a delay in responding.

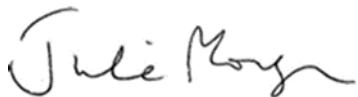
We have been able to go further than the plans we published in the Welsh Government Budget last year, when local authorities were expecting a 3.5% increase to their settlement (aggregate external finance (AEF)) in 2023-24. The decisions we have made mean that the 2023-24 provisional local government settlement shows an additional increase of £227m to AEF, which means the overall increase is double the anticipated rise.

We recognise this will still fall short of the funding needed to meet all the inflationary pressures being faced by services and will mean that local authorities will continue to face difficult decisions as they set their budgets. Nevertheless I hope that this settlement will enable authorities to continue to prioritise social care as they set their budgets.

The Welsh Government is committed to paying social care workers the real living wage. We were proud to be able to provide additional funding in last year's budget to give social care staff across Wales a much-needed pay rise, which will help to support recruitment and retention in this vital sector. To ensure we maintain the real living wage for social care workers, we have provided sufficient additional recurrent funding to cover the increased costs from April 2023 as part of both the local government settlement and the Health and Social Care budget. We estimate the total cost to be around £70m.

Finally, as you will see from the Draft budget that was published on 13 December we have been able to maintain the planned increase in the level of funding allocated to social care within the HSS MEG in 2023-24 with £10m added to the Social Care Reform Fund within the Sustainable Social Services BEL. I hope that you will recognise through this settlement that Welsh Ministers have done all they could to preserve funding for social care in these most difficult times.

Yours sincerely,



Julie Morgan AS/MS
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Deputy Minister for Social Services