

## Y Pwyllgor Cyllid

---

Lleoliad:  
Ystafell Bwyllgora 2 – y Senedd

---

Dyddiad:  
Dydd Mercher, 24 Ebrill 2013

---

Amser:  
09:00

---

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



I gael rhagor o wybodaeth, cysylltwch â:

**Gareth Price**  
Clerc y Pwyllgor  
02920898409  
[PwyllgorCyllid@cymru.gov.uk](mailto:PwyllgorCyllid@cymru.gov.uk)

---

### Agenda

---

- 1. Cyflwyniad, ymddiheuriadau a dirprwyon (09:00–09:05)**
- 2. Rheoli Asedau – Tystiolaeth gan y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth (09:05–10:00)**  
David Bentley, Pennaeth Rheoli Asedau, Sefydliad Siartredig Cyllid Cyhoeddus  
Cyfrifeg Eiddo
- 3. Papurau i'w nodi** (Tudalennau 1 – 15)  
FIN(4)–07–13 Papur 1 – Gwenda Thomas – Dirprwy Weinidog dros Wasanaethau  
Cymdeithasol
- 4. Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y canlynol (10:00–11:00)**  
Eitemau 5 a 8
- 5. Rheoli Asedau – Ystyried y dystiolaeth (10:00–10:30)**
- 6. Canllawiau i bwyllgorau eraill ar graffu ariannol (10:30–10:40)**  
(Tudalennau 16 – 19)
- 7. Cyllido Addysg Uwch – Ystyried cylch gorchwyl drafft (10:40–10:50)** (Tudalennau 20 – 24)

**8. Trafod Cyllideb Ddrafft Llywodraeth Cymru ar gyfer 2014-2015  
(10:50-11:00)**

## Y Pwyllgor Cyllid

---

Lleoliad: Ystafell Bwyllgora 2 – y Senedd

---

Dyddiad: Dydd Iau, 18 Ebrill 2013

---

Amser: 13: – 15:00

---

Gellir gwyllo'r cyfarfod ar Senedd TV yn:

[http://www.senedd.tv/archiveplayer.jsf?v=cy\\_300002\\_18\\_04\\_2013&t=0&l=cy](http://www.senedd.tv/archiveplayer.jsf?v=cy_300002_18_04_2013&t=0&l=cy)

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



---

### Cofnodion Cryno:

#### Aelodau'r Cynulliad:

---

Jocelyn Davies (Cadeirydd)

Peter Black

Christine Chapman

Paul Davies

Mike Hedges

Ann Jones

Julie Morgan

Ieuan Wyn Jones

---

#### Tystion:

---

Jane Hutt, Gweinidog Cyllid

Lesley Griffiths, Gweinidog Llywodraeth Leol a Busnes y  
Llywodraeth

Sioned Evans, Llywodraeth Cymru

Piers Bisson, Public Service Reform Division

Deborah Paramore, Public Service Reform Team

---

#### Staff y Pwyllgor:

---

Gareth Price (Clerc)

Daniel Collier (Dirprwy Clerc)

Eleanor Roy (Ymchwilydd)

---

## **1. Cyflwyniad, ymddiheuriadau a dirprwyon**

1.1 Croesawodd y Cadeirydd yr Aelodau a'r cyhoedd i'r cyfarfod.

## **2. Rheoli Asedau – Tystiolaeth gan Lywodraeth Cymru**

2.1 Croesawodd y Cadeirydd Lesley Griffiths AC, y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth; Jane Hutt AC, y Gweinidog Cyllid; Sioned Evans, Dirprwy Gyfarwyddwr, yr Is-adran Eiddo; a Deborah Paramore, Rheolwr Rhaglenni, Tîm Diwygio GwasanaethAU Cyhoeddus.

2.2 Craffodd y Pwyllgor ar waith y Gweinidogion.

Camau i'w cymryd:

Cytunodd Llywodraeth Cymru i ddarparu'r canlynol:

- Y wybodaeth ddiweddaraf am arbedion a gafwyd o'r Strategaeth Lleoliad a gwaith rheoli'r ystâd weinyddol;
- Rhagor o wybodaeth am yr hyn y mae Llywodraeth Cymru yn ei wneud i wella dibynadwyedd a chysondeb yn y gwaith o gyflwyno gwybodaeth er mwyn galluogi meincnodi a rheoli perfformiad;
- Enghreifftiau o ble y defnyddiwyd ceisiadau llwyddiannus Buddsoddi i Arbed er mwyn mynd i'r afael â materion Rheoli Asedau;
- Arbedion a wnaed gan ddefnyddio dull y Gweithgor Asedau Cenedlaethol, yn gymesur ag arbedion a wnaed gan fodel y Scottish Futures Trust.

## **3. Papurau i'w nodi**

3.1 Nododd y Pwyllgor gofnodion y cyfarfod blaenorol.

**4. Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y canlynol:**

## **5. Ystyried y Dystiolaeth ar Reoli Asedau**

5.1 Trafododd y Pwyllgor y dystiolaeth ar ei ymchwiliad i Reoli Asedau.



Ein cyf/Our ref: LF/GT/0161/13

Jocelyn Davies AC  
Cadeirydd y Pwyllgor  
Y Pwyllgor Cyllid  
Bae Caerdydd  
Caerdydd  
CF99 1NA

19 Mawrth 2013

Annwyl Jocelyn

Diolch i chi am eich llythyr 25 Chwefror yn amgáu 25 o gwestiynau oddi wrth eich Pwyllgor yn deillio o'r Asesiad Effaith Rheoleiddiol (RIA) a gyhoeddwyd ochr yn ochr â Bil Gwasanaethau Cymdeithasol a Llesiant (Cymru). Rwyf yn croesawu diddordeb y Pwyllgor yn y Bil hwn a'r her sydd ynghlwm wrth eich cwestiynau.

Hoffwn ddechrau trwy ddweud bod y Bil hwn yn bur annhebyg i unrhyw Fil arall y mae'r Cynulliad Cenedlaethol wedi craffu arno hyd yn hyn. Mae'n cydgrynhoi dros 40 o ddarnau o ddeddfwriaeth gofal cymdeithasol yn dyddio yn ôl mor bell â 1948 yn ogystal â darparu'r fframwaith deddfwriaethol i helpu i roi *Gwasanaethau Cymdeithasol Cynaliadwy i Gymru: Fframwaith Gweithredu* ar waith. Mae'r Bil hefyd yn cynnwys darpariaethau i sicrhau ei fod yn 'berthnasol at y dyfodol' er mwyn i'r deddfwriaeth sylfaenol hon bara am flynyddoedd i ddod. Mae'r Bil yn cyflwyno newid a welir unwaith mewn cenedlaeth yn unig ar gyfer Gwasanaethau Cymdeithasol a gofal cymdeithasol yng Nghymru. Mae llawer o ffactorau wedi arwain at yr angen i'w gyflwyno ond un ohonynt yw'r angen i ddarparu ar gyfer cynaliadwyedd hirdymor. Mae a wnelo hyn â gallu gwneud pethau'n wahanol yn ogystal â gwneud pethau o fewn yr adnoddau sydd ar gael.

Fel y gwyddoch, ymgynghorais y llynedd ar y cynigion polisi lefel uchel i'w datblygu yn deddfwriaeth. Yn ein hymgyngoriad gofynnwyd i ymatebwyr nodi unrhyw effeithiau y byddai fy nghynigion yn eu cael. Mae adroddiad yr ymgynghoriad yn cyfeirio at rai sylwadau a wnaed mewn perthynas â goblygiadau ariannol ac fe welwch fod fy ymateb i gwestiwn 25 yn ymdrin â hyn.

Mae'n bwysig cydnabod hefyd mai man cychwyn y cam nesaf mewn taith hir yw cyflwyno'r Bil hwn ac mai megis cychwyn yr ydym ar y daith honno mewn gwirionedd. Yn arbennig, bydd angen gwneud y deddfwriaeth eilaidd. Er na fwriedir i hyn ddigwydd o ddifrif tan 2014-15, rwyf wedi gofyn bod gwaith ar fwriad y Rheoliadau hyn yn dechrau yn awr er mwyn iddo redeg ochr yn ochr â thaith y Bil gan mai trwy gyfrwng Rheoliadau y caiff llawer o'r gwaith ariannol manwl ei wneud. Yn ogystal, rwyf wedi cyfeirio yn y Memorandwm Esboniadol at y cynllun gweithredu manwl y bydd angen ei ddatblygu. Fel rhan o'r broses hon eir ati i egluro rhagdybiaethau ynghylch costau.

Dylech nodi y byddaf yn cyflwyno tystiolaeth i'r Pwyllgor lechyd a Gwasanaethau Cymdeithasol ar 18 Ebrill ac i'r Pwyllgor Materion Cyfansoddiadol a Deddfwriaethol ar 22 Ebrill.

Mae'r Pwyllgor Plant a Phobl Ifanc hefyd wedi fy ngwahodd i roi tystiolaeth ar 25 Ebrill. Mae gan y Pwyllgor hwn ddiddordeb yn yr elfennau ar y Bil sy'n ymwneud â phlant, yn enwedig mewn perthynas â model CLILC/ADSS Cymru ar gyfer Gwasanaeth Mabwysiadu Cenedlaethol. Rwyf felly yn anfon copi o'r llythyr hwn, ynghyd â'm hatebion i'ch cwestiynau, at Gadeiryddion pob un o'r Pwyllgorau hyn i helpu i lywio'r cwestiynau y byddant yn eu gofyn i mi. Mae angen ystyried yr ymatebion yr wyf wedi'u darparu i'ch cwestiynau yng nghyd-destun yr hyn yr wyf wedi'i ddweud yn y llythyr hwn.

Yn gywir,



**Gwenda Thomas AC / AM**

Y Dirprwy Weinidog Gwasanaethau Cymdeithasol  
Deputy Minister for Social Services

## **SOCIAL SERVICES AND WELL-BEING (WALES) BILL**

### **FINANCE COMMITTEE QUESTIONS AND ANSWERS**

- 1. Does the Deputy Minister consider that the level of financial information in the RIA is of sufficient detail and accuracy for the Committee to assess the overall costs against the intended outcomes of the Bill?**

The RIA was judged to be compliant with standing orders by the Presiding Officer at the time of introduction. The Bill itself is enabling in order to achieve vision for sustainable social services by doing different things, not doing the same things differently. In this context the approach taken to the RIA was to present financial information in a way that described the main impacts on the existing system of the Bill as a whole. In taking this approach it was necessary to make assumptions based on the best information that was available at the time and the intention was to demonstrate an analysis of the 'big picture' and the generational change for Social Services and social care that the Bill introduces.

This does not mean however further information won't be forthcoming. There are three parts to the legislative reform and the Bill itself will be followed by regulations and a Code of Practice. The Committee will wish to note that further detail on costs will be developed through the work on the subordinate legislation and guidance. I am happy to give a commitment to share this information with the Committee as it develops should this be considered useful.

- 2. How does the RIA deliver against the Finance Committee's recommendation in its report on the scrutiny of the Welsh Government's Draft Budget 2013-14 that the *financial implications of legislation should be fully estimated*?**

I fully endorse the Finance Committee's recommendation and can provide assurance that the financial implication of the legislation will be fully estimated. The preparation of the RIA marked the start of this work, reflecting the planning assumptions and related costs available. Alongside the aforementioned development of regulations, the Explanatory Memorandum (EM) also makes a commitment for officials to develop a substantial implementation plan in parallel with the Bill (see Paragraph 178 of the EM). This planning will afford the opportunity for operational implications, including related costs, to be developed and refined in conjunction with stakeholders.

- 3. Does the Deputy Minister have a best estimate of what the potential total costs and benefits of all those areas of the Bill that are not yet quantified or will be assessed at Regulations will be?**

As my responses to Questions 1 and 2 make clear, work is underway to develop further detail on the subordinate legislation underpinning the Bill. This will inform the implementation plan and the work to identify and clarify assumptions about costs.

- 4. Approximately 90 per cent of the Regulations are under the Negative procedure which may not give rise to sufficient levels of financial scrutiny at a later date. Will the Deputy Minister confirm how and when the costs and benefits arising from the Regulations will be provided to Members to remove the level of uncertainty included in the RIA?**

We will be preparing full and detailed Explanatory Memoranda with costings for the Regulations as they are brought forward as is required under the National Assembly's Standing Orders. This information will be placed before the Finance

Committee in due course and I am happy to ensure it is sent to the Finance Committee in particular if this would be helpful.

- 5. The assumptions in the RIA make use of the Law Commissions *Review of Adult Social Care Law in England and Wales* report. As named, the report focuses on adult social care. What consideration was given when drawing up the RIA on whether any of these assumptions would be different when taking into account the social care of children?**

The Law Commission's report is a significant and credible piece of work which entailed wide stakeholder engagement as well as in depth research. My view is that this report provided a reasonable proxy that can be applied to children's social care law. The work we are undertaking now to develop the subordinate legislation will further test this proxy.

I would welcome any further evidence regarding appropriate assumptions which could be used in relation to children's social care if this is available to Committee members.

- 6. We note that Paragraph 163 of the EM states that 11 lawyers working in Local Authorities seems low when calculating the savings in lawyers' time from implementing the Bill. What efforts did the Welsh Government make in obtaining more accurate information directly from LAs on the numbers of legal staff employed and the likely savings as a result of the Bill?**

An estimate was calculated based on the Law Commission's work and I acknowledge and agree with the Committee's view that this is a conservative estimate. My officials have therefore requested information from ADSS Cymru to update this figure which I will be happy to share with the Committee in due course. It is my intention that the Explanatory Memorandum and the Regulatory Impact Assessment are updated after Stage 2 scrutiny to incorporate the emerging financial information of the legislative reform.

- 7. The Law Commission's report is used as the basis for the assumptions on costs of training to implement the Bill. Page 21 Table 2 of the Adult Social Care Impact Assessment highlights that whilst 6 days training would be required for adult social care staff only 0.75 days would be required for children social care staff. Paragraph 138 of the EM assumes 6 days training is required for all staff and therefore the training costs may be over estimated. What account has been taken of the differing training needs of children social care staff as compared to adult social care staff?**

A key principle of the Bill is to promote the people model where assessment processes and services are as commonly designed as possible across all age groups. The implications of the Bill will therefore be of similar impact for staff working with adults and children, in contrast to the Law Commission consideration of adult social care reform, where the main impact was upon adult social care staff. Where practical, common training will be provided for all staff. Where the implications of the Bill are different for adults' and children's' social care staff, specific training will be provided to each group of staff.

- 8. The RIA uses data from Table 3 of the Welsh Government's statistical release *Local Authority Social Services Staff Numbers, 31 March 2012* to calculate the numbers of staff who may require training in the new law. However the RIA may have underestimated this number by up to 1,432 staff**



numbers as the release states that data from Cardiff was not included as they were unable to provide a breakdown by qualification status. Using the data from the Law Commission Adult Social Care report impact assessment this may have underestimated the training costs by up to £0.4 million (1,432 staff x £45/day x 6 days) and the opportunity costs as a result of staff being away from their desks by up to £2.3 million (1,432 staff x £38/hr x 6 days). Can you comment on the accuracy of the numbers of staff that require training?

I would like to thank the Committee for this observation in particular and I recognise that factoring in Cardiff staff does increase the numbers, and cost of training to be provided under the Bill. I do not consider however it increases these numbers to the degree which is suggested in the question.

The number of staff given in Table 3 of the RIA is based on Team Managers and Social Workers and Social Work trainees/assistants only and was calculated as 4,200. The 1,423 staff that you have suggested belong to Cardiff includes staff working in *all areas of work*. When taking into account only Team Managers and Social Workers and Social Work trainees/assistants the figure for Cardiff equates to approximately 229 additional staff. Using the estimate of £45 per worker per day over 6 days of training, this equates to a total additional cost of £62,000, with an opportunity cost of £365,000. This is not felt to be a significant increase on the costs already described and should therefore be manageable within the resources referred to.

As noted above, the Explanatory Memorandum and the Regulatory Impact Assessment will be updated after Stage 2 scrutiny and I will ensure this additional information is included.

9. **Paragraphs 141-144 of the EM state that grant funding will be re-directed from 2014-15 to cover the costs of disseminating and implementing the Bill. What existing areas of social care development will cease to receive grant funding once it is redirected towards implementing the Bill?**

The Social Care Workforce Development Grant is intended as a supplement to employers' own training resources, it is not intended to substitute for the employers' responsibility to train and develop the workforce. Current guidance says that this grant should be regarded as only one source of funding for workforce development and training and that partnerships should adopt a leadership role in relation to identifying other sources of funding for different parts of the sector and encourage and support co-ordinated approaches to training across the whole sector. We have emphasised the need for partnerships to ensure that they have full command of workforce development priorities. We have been clear that this includes financial planning to support workforce development priorities. There will need to be a transition with the planning and resourcing of social care training as this grant is refocused. This will be covered under the implementation planning mentioned in Paragraph 178 of the Explanatory Memorandum.

10. **Paragraph 160 of the EM highlights £2 million of benefits related to a reduction in administration burdens of staff. This is based on assumptions from page 2 of the Law Commissions Adult Social Care Impact Assessment that state savings of between 0.68 per cent and 1.54 per cent of an individual's time will be saved. How will these savings be realised in practice?**

The overall assumptions for savings included in the Explanatory Memorandum are based on savings identified by the Law Commission's Assessment. These savings would however be realised in relation to individuals employed by local authorities or other delivery partners. How these savings are realised in practice is therefore an operational matter for Social Services departments and is not something that can be proscribed at this time over an above giving the overall estimated figure.

- 11. Part 9 Chapter 2 of the Bill refers to joint arrangements relating to adoption. The RIA includes no specific costs relating to adoption despite specified arrangements in Section 151 of the Bill. In addition, the consultation responses did give rise to some concerns around the need for additional resources to ensure successful placements along with funding for recruitment and training. Could the Deputy Minister explain how this area of the Bill will give rise to no additional costs to local authorities?**

The costs of running the National Adoption Service will be funded from within existing funding. Effective financial governance arrangements, the development of a pooled budget and work on interrelation between budgets will provide for smarter working and lead to significant long term savings. Savings will be achieved as we envisage functions of the adoption process such as recruitment and training will not be carried out and funded by individual local authorities across Wales. These will become functions of the National Adoption Service and consideration will be given to funding by a pooled budget and carried out once at a national level.

- 12. In oral evidence to the Children and Young People Committee on 19 July 2012 relating to the inquiry into adoption you made the following statement:**

**I have been absolutely clear, in all that I have said about the social services Bill, that we do not have any more money. We will have some money to kick start some processes, which we will make available, but, in the economic climate that faces us, we have to work in different ways and we have to ensure that we get everything that we can out of every penny that we have. The RIA does not specifically include any start up costs relating to adoption services despite a commitment that some money would be made available.**

**How will these start up costs be funded and when will this funding be made available?**

Welsh Government funding will continue to be made available for the provision of services currently receiving Welsh Government funding. These include funding currently provided to the British Association for Adoption and Fostering (BAAF) for the provision of the Independent Review Determination (IRD) service and the contribution made to BAAF for the joint England and Wales Register. The future provision of the IRD Service and the establishment of a National Adoption Register will be put to tender in accordance with the Welsh Government procurement processes so that these contracts are in place by April 2014.

Local authorities allocate part of their funding for services for looked after children. As it is envisaged that the National Adoption Service will create year on year savings through the streamlining of processes and avoidance of duplication many times over. it is appropriate that Welsh Government works with the local authorities to develop the business case for the National Adoption Service taking into account the operational model developed by WLGA/ADSS Cymru. This will include investigating pooling budgets, establishing start up costs and considering arrangements to address these costs.

**13. Page 3 of the Welsh Government's response to the Children and Young People Committee Inquiry into Adoption states:**

I have, therefore, decided to pursue my intentions as detailed in evidence that I have provided to Committee, that working with local authorities, independent and the voluntary sector; through strong, effective partnership and collaboration and to consider the operational model currently being developed by the Association of Directors of Social Services and the Welsh Local Government Association which I look forward to receiving in the New Year. I will then inform the National Assembly for Wales of my decision.

**What costings have been made of the WLGA/ADSS model of delivering the national adoption service?**

The operational model developed by WLGA/ADSS Cymru was received by officials at the end of January. Work on this model is at an early stage and is subject to ongoing discussion. The model will be presented to the Adoption Expert Group on 9 April for its consideration. In a previous paper submitted by WLGA/ADSS Cymru, it is estimated that the model, in the format recently submitted, will achieve 5% cost efficiency savings by year two of the National Adoption Service and 5-10% cost efficiency savings by year three.

**14. Page 3 of the Welsh Government's response to the Children and Young People Committee Inquiry into Adoption goes on to say:**

In the New Year, I will consider the viability of this model. If I am not sufficiently satisfied that the proposed model will enable the National Adoption Service to tackle current inconsistencies in service delivery, I will direct local authorities to do it in a different way, in accordance with new powers in the Social Services and Well-being (Wales) Bill.

**What costings have been made of any alternative models given that no final decision has been made as yet as to which model will be used?**

No agreement has yet been reached on the format of the final model for the National Adoption Service. Commitments have previously been given that a final model will not be agreed without first being considered by the Adoption Expert Group and the Children and Young People's Committee.

As noted above, the latest model provided by WLGA/ADSS Cymru will be considered by the Expert Group on 9 April. However, the final model for the National Adoption Service will be the one that can achieve the step change required and deliver real improvements in the journey of both children and prospective adopters through the adoption process. Once a final model has been agreed the next step in the process will be for detailed analysis of governance arrangements to take place by local government including the pooling of budgets.

**How will the model to deliver a National Adoption Service as described in the questions above be funded?**

The National Adoption Service will be owned, led and managed by local government. As such it is appropriate that it will be funded from within existing core funding. The Welsh Government will be tendering shortly for the design of a National Standardised Framework to underpin the delivery of the National Adoption Service. This framework will act as a key tool in enabling the National Adoption Service to drive forward continued improvements for both children and prospective adopters.

Funding is allocated from a specific looked after children budget line. It is therefore appropriate that local authorities investigate the pooling of part of that allocation for the National Adoption Service. As the element of the budget to be

potentially pooled is already for adoption services, I do not expect that this will have a knock on effect on other services.

**15. What examination has been made of pooling of budgets across Wales, to eliminate the competitive market between local authorities when dealing with adoption placements?**

The Welsh Government's vision is that the new governance arrangements, including a pooled budget, will be key to the successful delivery of the National Adoption Service, and these will need to be determined by local government. We have extensive powers within the Bill which will enable Welsh Ministers to require all local authorities to come together to form a single National Adoption Service for the purpose of discharging certain adoption functions, including the pooling of resources. Other powers contained within the Bill relating to the establishment of a National Adoption Service will provide greater benefits. For instance the concentration of specialised skilled persons will enhance efficiency and quality of the assessment process, and provide equity in the arrangements for adoption.

**16. What is the likely size and cost of the National Board and Safeguarding Boards given that these are planned to be established through negative procedures in Regulations and how will they be funded?**

*National Independent Safeguarding Board*

We expect the detailed arrangements about the size and detailed functions of the Board will be considered in developing work with key stakeholders around the supporting Regulations. However, the Welsh Government's working hypothesis is that the National Board will consist of a chair and some four expert members. Based on this it is anticipated the running cost of the Board will be in the region of £150,000 per annum. These costs will be met by the Welsh Government. The Welsh Government will also provide secretariat services for the Board. Again, detailed arrangements will be worked through, but for working purposes an annual budget of around £50,000 is envisaged and will be allocated to meet the cost of producing and publishing an annual report, and any others that are required.

*Safeguarding Children Boards*

Under the 2004 Children Act each local authority is required to establish a Local Safeguarding Children Board (LSCB) in its area. An approximation of the direct cost of establishing and running an "average" LSCB is £125k per annum. Taking account of the opportunity costs, which allows for the multi-agency staff resource required to ensure the proper functioning of Boards, the overall cost is estimated to be around £310k. The Welsh Government position is that for agencies to effectively discharge their legal responsibilities to safeguard and protect, membership of an LSCB is a core activity.

The direct cost of running 22 LSCBs at an average cost of £125k is approximated to be £2.75 million per annum. These costs are met by the statutory partner agencies that make up the membership of the Boards. The Bill allows for a core statutory membership comprising local authorities, the police and the health service. The Bill though also provides for regulation making powers to extend the membership of Boards to ensure that all key interests are represented. We do not anticipate any significant shift in the current membership of Boards, though are discussing with the UK Government the role of probation services.

The Welsh Government has said that – following consultation required by the Bill – it will regulate a consequential reduction in the number of Boards from the local authority footprint of 22 to the public service delivery footprint of six. One of the advantages of moving to the new footprint is to ensure that more consistent priority is given by key partners, particularly the NHS and the police, to the safeguarding work required through LSCBs but that it would also have the impact – while strengthening safeguarding arrangements – of reducing bureaucracy and duplication.

The Welsh Government anticipates that there will be measureable cost savings on an all Wales basis, though it is presently not possible to give definitive figures to demonstrate the totality of this while Boards across Wales move to the new structure. However, for the purposes of illustration, the Western Bay area (comprising the local authority areas of Swansea, Bridgend and Neath Port Talbot) has made good progress and plan that a new joint Safeguarding Children Board will be operational from 1 April 2013. Figures provided by the Board indicate potential savings in running one collaborative, rather than three separate, boards of between 30-50% per annum will be achieved. The Welsh Government will continue to monitor progress towards the new collaborative footprint, and the costs of doing so.

#### *Safeguarding Adults Boards*

The existing 18 non-statutory Adult Area Protection Committees (AAPC) will be replaced with – following regulation - six statutory Safeguarding Adults Boards (SABs). Currently Adult Area Protection Committees in Wales have no operational budgets and the costs of undertaking work are met by the relevant agencies. We estimate that the cost of running an “average” AAPC, including opportunity costs, is £200,000 per annum.

Under the new arrangements, the costs of establishing and operating Safeguarding Adults Boards will be – like the arrangements for Safeguarding Children Boards - met by the statutory partner agencies that make up the membership of the Boards. The costs associated with the SABs will be similar to those for establishing the new structure of Safeguarding Children Boards.

As with the changes to LSCB structures outlined above, the movement from 18 Adult Protection Committees to 6 Safeguarding Adult Boards is likely to result in savings in the longer term. At this point in time it is a fair assumption that the order of these savings will be reflective of those indicated by Western Bay’s joint Safeguarding Children Board. Therefore, although there will be costs associated with the introduction and running of the boards in the short term, it is anticipated that moving to the arrangements proposed under the Bill will result in overall savings against the timescale given in Paragraph 176 of the EM under which benefits are assumed to accrue from year 3 of the 10 year appraisal.

#### **17. What do you anticipate to be the number of new codes or guidance that the Bill will give rise to; the likely costs of communicating the said codes and how these will be funded?**

The Code of Practice represents the third part of a three tier system introduced by this Bill. The first part is the Bill itself, the second part is the development of Regulations with the third being the establishment of a Code of Practice. There are areas of the Bill where it is explicit that new guidance is needed and work on



this will be taken forward in partnership with stakeholders. It is important to note however, that not all extant guidance will be replaced by the Bill but it will be modernised and consolidated. The Code will then bring together both new guidance needed under the Bill and this refreshed extant guidance. . This is in line with *Sustainable Social Services for Wales: A Framework for Action* which includes a commitment to reduce complexity. To enable this to happen, an audit of this guidance will be carried out in late 2013/early 2014 with a view to streamlining and prioritising which guidance will be included in the Code. While we will not know for certain until the audit is completed, we would not expect the overall quantity of guidance to rise.

There will be administrative costs to the Welsh Government associated with preparing the Code, i.e. officials' salary costs and costs associated with engaging with stakeholders. The intention is for the Code to be made available on the Welsh Government's website so there will be no costs associated with publication of it.

**18. Paragraphs 112 and 155 of the EM state that Invest-to-Save funding will be used to address transitional costs relating to greater collaboration between LAs and Local Health Boards (LHBs). How will this be repaid given repayments is a key requirement of the Fund along with the fact that the Health Minister on 5 December 2012 announced an additional £82 million to the NHS from her contingency reserve to deal with *the increase in demand for some services* as part of a mid-year review of the NHS?**

Local Health Boards are fully aware of their repayment requirements to the fund and their allocations are adjusted accordingly at the start of the financial year to action the repayments.

Repayments will be met through the release of efficiencies generated by the new delivery approach. For example, reductions in admissions, lengths of stay and re-admissions. There are also expected to be a reduced demand for complex care packages and a reduction of care home placements.

Below are listed forecast efficiencies for projects supported by the Invest-to-Save Fund:

*Gwent Frailty Programme*

Estimated efficiency savings of £1million per annum as a result of the changes. This figure was published in October 2011. Committee members may wish to be aware that the Wales Audit Office published a 'Review of the Gwent frailty Programme' in November 2012.

*Hywel Dda Health Board – Community Virtual Ward*

Planned efficiency savings of £1.7million for 2012-13, increasing to £9.5million thereafter from 2013-14. £9.5m was the figure published in October 2012 and the £1.7m is part progress towards £5.5m published figure for 2012-13

*Cardiff and Vale University Health Board – The Wyn Campaign*

There are projected efficiencies of up to £4.5 million as part of phase 1 of the project up to 2016-17. The figures published in October 2012 are for £3.2m efficiencies by the end of 2015-16 and £1.4m in 2016-17.

*Cwm Taf Health Board – Integrated whole system intermediate care model*

Recurrent annual net efficiency saving of £200,000 from 2014 and total project net cash efficiency savings of £2.4m by 2016 and then £1.8m annually thereafter. These are progress figures which were published in October 2012

**19. How would transitional costs relating to collaboration be funded in the event the Invest-to-Save Fund was not applicable or available?**

As the Explanatory Memorandum indicates, the Bill is part of a wider transformation programme for social services in Wales that underpins a shift to a more preventative agenda with a focus on early intervention and increased integration. These are core service change imperatives if services are to be sustainable into the future. Partners are fully engaged in the transformation programme and are already taking forward service change at a local and regional level.

The Invest to Save programme is making an important contribution to that service change. We also anticipate that a number of important collaborative service change projects in the field of social care will be successful in gaining funding from the Regional Collaboration Fund put in place by the Minister for Local Government and Communities.

I would also like to assure Committee members however, that implementation planning will take full account of how to fund any transitional costs.

**20. In relation to Paragraph 144 of the EM, when will the full implementation project, plans and related costs be known and will there be sufficient grant funding to cover the costs?**

Paragraph 178 of the Explanatory Memorandum states that the implementation plan will be developed alongside the passage of the Bill. Work on developing the implementation plan has commenced and I envisage the majority of this detail being in place by late 2014. I have already identified support for the implementation of the Bill, for example, the Social Care Workforce Development Programme.

**21. Do the annual savings of £80,000 as a result of a reduction in the number of complaints take into account the additional £44,000 per annum costs that will be incurred by the Public Service Ombudsman for Wales as per his 2013-14 estimates?**

The annual savings of £80,000 as a result of a reduction in the number of complaints from the introduction of a more modern legal structure relate to funding that will be saved by local authorities. The additional £44,000 per annum costs that will be incurred by the Public Service Ombudsman for Wales as per his 2013-14 estimates relate to the revised Social Services complaints procedure that is being developed and will be implemented later in 2013 under the existing legislation that governs Social Services complaints procedures in Wales. Following a consultation exercise in 2012 revised arrangements that move from a three stage complaints process to two stages are being developed. The consequence of this change may be to increase the number of complaints made to the Public Service Ombudsman for Wales. The experience in England when the change from three stages to two stages was introduced there was that the publicity surrounding the change resulted in a short term increase in the number of complaints.

I wish to be clear however that savings to the Welsh Government from removing the stage 3 process will cover any additional costs incurred by the PSOW and I will also keep the £80,000 figure under review.

**22. What are the total costs and benefits that will be incurred or saved by LAs from implementing the Bill?**

It is important to remember the need to implement the three levels of legislation. The RIA identifies transition costs for the Bill with further financial detail to be provided through the development of regulations. It is therefore not possible to provide information for the overall legislative package at this stage as prior to the development of Regulations there is insufficient information to break costs and benefits down according to specific Sections or Parts of the Bill or to determine and the resultant costs and benefits according to local authority.

**The RIA assumes that no costs will fall on the NHS from implementing the Bill despite a duty under Part 2 Section 6 of the Bill for local authorities and local health boards to provide preventative and early intervention services. How will this duty not give rise to costs on the NHS?**

Some of the changes I have included in the Bill have been determined by our desire to improve outcomes for people while some are necessary as they are linked to other budget priorities. As we develop our implementation plan, it is likely that potential costs will be identified but it should also be recognised that significant benefits are likely to be identified. One of those benefits for the NHS is expected to be a decline in expenditure on the more expensive 'heavy end' or intensive services over the longer term (as it is expected to be for Social Services). The realisation of such savings, although not quantified at this stage, forms part of the benefit assumptions contained within the RIA. It is on this basis that the RIA assumes that no costs will arise for the NHS. However I would like to assure the Committee that this is an area where further work is to be undertaken as part of further policy development to validate these assumptions.

Members will also be aware that there is already a duty under Section 40 of the National Health Service (Wales) Act 2006 to plan services jointly via Health, Social Care and Well-being Strategies. It is also important to clarify that the primary duty in this Bill is placed on local authorities to provide or arrange to provide care and support and the requirement for LHBs is to exercise their own existing functions.

**23. Part 2 Section 8 of the Bill relates to the provision of high quality information for individuals, carers and families however Paragraph 151 of the EM states that current information provided by LAs is of a 'variable quality' and improved information may give rise to an 'increase in the demand for care, thus increasing costs'. The RIA makes no provision for either cost. Please can you explain how this will not give rise to additional costs?**

Information is already provided by local authorities and Section 8 of the Bill is our driver to make its provision better across the whole of Wales.

I also wish to clarify what is said in the Explanatory Memorandum. Paragraph 151 starts by saying 'We do not expect that the modernising of a similar existing duty will, in itself, give rise to any costs.' It goes on to say that '...at this stage it is not possible to estimate the costs associated with this until more detailed proposals outlining the required actions are established. Accordingly it will need to be monitored closely.' This monitoring work will form part of the development of the subordinate legislation.



**24. How do you see the role of pooled budgets between LAs and LHBs being utilised to implement the Bill?**

I believe that pooled budgets, which have been legislated for since the National Health Service (Wales) Act 2006, are an important component in helping us to achieve my commitment to integrated and collaborative working across Social Services and the NHS. The powers included in this Bill are those from the 2006 Act. We already know of the benefits that the Gwent Frailty project, Integrated Family Support Teams and the Regional Collaborative projects for people with Autistic Spectrum Disorders have brought to people's lives and we anticipate that the National Adoption Service will entail the pooling of budgets as I have already set out in my answer to Question 15.

Paragraph 178 of the Explanatory Memorandum states that we will be developing an implementation plan in parallel with the passage of the Bill and it will be this document that will set out further detail regarding this and other issues.

**25. Page 4 of the Welsh Government's Consultation report – Summary Responses on the Social Services (Wales) Bill states:**

**The issue of funding and the implication of resources during any change period was identified as a major concern.**

**How have the concerns on funding and the impact on resources during the change period been addressed in the Bill following the consultation responses?**

The consultation on proposals for inclusion in the Bill resulted in a draft Bill being developed which fits with my commitment to introduce affordable reform of the system.

Mae cyfyngiadau ar y ddogfen hon

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon