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SUPPLEMENTARY PAPERS

Committee	COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE
Date and Time of Meeting	MONDAY, 11 DECEMBER 2023, 4.30 PM
Venue	CR 4, COUNTY HALL - MULTI LOCATION MEETING
Membership	Councillor Taylor (Chair) Councillors Ahmed, Ahmed, Ash-Edwards, Boes, Lent, Lewis, Littlechild and McGarry

The following papers were marked 'to follow' on the agenda circulated previously

4 Review of Care Home Market (Pages 3 - 120)
Pre-decision scrutiny.

To follow.

Appendices A, B and D are not for publication as they contain confidential information pursuant to description contained in paragraph 16 of Part 4 of Schedule 12A to the Local Government Act 1972.

5 Housing Crisis in Cardiff (Pages 121 - 402)
Pre-decision scrutiny.

To follow.

Appendices 1, 2, 3 and 7 are not for publication as they contain confidential information pursuant to paragraphs 14, 16 & 21 of Part 4 of Schedule 12A to the Local Government Act 1972.

D Marles

Interim Monitoring Officer

Date: Tuesday, 5 December 2023

Contact: Harry Mayo, 02920 872432, harry.mayo@cardiff.gov.uk

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**CYNGOR CAERDYDD
CARDIFF COUNCIL
COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE**

11 Dec 2023

REVIEW OF CARE HOME MARKET

Appendix A, B & D of the report is not for publication as it contains exempt information of the description contained in paragraph 16 of Part 4 of Schedule 12A of the Local Government Act 1972.

Purpose of the Cover Report

1. To provide attendees with background information to enable their pre-decision scrutiny of the report to Cabinet. Committee Members are to note the following key aspects of the Cabinet Report:

The Cabinet Report request Cabinet to:

- I. Agree the approach to fee setting for care and support services for 2024/25
 - II. Agree an approach for the **future commissioning of care home placements** for older people.
2. The Cabinet Report, attached at **Appendix 1** (*and its subsequent Appendices*) are due to be considered by Cabinet, at its meeting on 14 December 2023.
 3. Committee Members should note that **Appendices A, B & D** of the draft Cabinet Report are exempt from publication. Committee Members are therefore, requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

Structure of the meeting

4. To inform the meeting the following have been invited to facilitate discussions:
 - Councillor Norma Makie, Cabinet Member, Adult Services
 - Jane Thomas, Director, Adults, Housing & Communities.
 - Angela Bourge, Operational Manager, Strategy Performance & Resources
 - National Commissioning Board Wales (attendance to be confirmed).

5. At the start of the meeting, Cllr Norma Mackie will be offered the opportunity to make a brief opening statement (should they wish). After which, Cardiff Council officers will provide attendees with an overview of the Cabinet Report, via a presentation (**Appendix F**).

6. Following delivery of the presentation (**Appendix F**) discussions between all attendees will then commence on the information available in the public domain, namely:
 - this Cover Report,
 - the Cabinet Report (**Appendix 1**)
 - Options Appraisal (**Appendix C**)
 - Single Impact Assessment (**Appendix E**)
 - Presentation that will be delivered at the meeting (**Appendix F**)

7. All attendees are encouraged to participate and share their views and knowledge throughout the meeting's discussions. Attendees are encouraged to share examples and views of those they support, however are reminded, as the meeting is public; not to name any individuals' directly.

8. Cardiff Council Scrutiny meetings are public meetings; meaning they are webcast and available for public viewing on the Council's website. For the benefit of the meetings webcast, attendees are required to turn their microphone on before contributing, and, prior to speaking, wait until their microphone shows a consistent red light.

9. Committee Members are advised, should they wish to explore the detail contained in the confidential appendices, namely: **Appendices A, B & D** a 'closed session' will be required where members of the public, external organisation representatives and press will be excluded.

Structure of the Papers

10. To facilitate attendees' consideration, the following appendices are attached to this Cover Report:

Appendix 1 – Cabinet Report, December 2023

The following appendices are then attached to Appendix A:

Appendix A – Executive Summary of Care Home Market Data Analysis (**confidential**).

Appendix B – Care Home Market Data Analysis (**confidential**)

Appendix C – Options Appraisal

Appendix D – Legal Advice (**confidential**)

Appendix E – Single Impact Assessment

Appendix F – Presentation providing an overview of the papers.

Scope of Scrutiny

11. During this scrutiny, Members have the opportunity to review the draft Cabinet Report and explore:
- I. How the proposals contained in the Cabinet Report deviate from current arrangements.
 - II. The proposed approach to fee setting (which incorporates annual uplifts and cost of care rates) for 2024/25 including methodology and principles used for determination.
 - III. The proposed approach for future commissioning.
 - IV. Financial implications of the proposals
 - V. Risks to the Council
 - VI. Next Steps and timelines.
 - VII. Assess the achievability and deliverability for the proposed development pipeline.

11. Following their consideration, Committee Members will decide what comments, observations or recommendations they wish to pass on to the Cabinet.

Background

12. It is well known that Care Providers are facing a range of challenges which produce market fragility and workforce shortages. Attendees' attention is drawn to **points 34 - 35 and 39 – 43 of Appendix 1** which provides insight into known challenges for Cardiff Care Homes. Research suggests that strong models of care frameworks can provide an effective response to the challenges¹.

13. As detailed in **point 5 of Appendix 1**, the Welsh Government's White Paper on Rebalancing Care and Support confirms the following three critical areas of focus needed to improve care and support:

- Refocusing the fundamentals of the care market away from price towards quality.
- Reorientation of commissioning practices towards social value.
- Evolution, integration, and simplification of joint planning to enable local systems to support alternative and innovative models of care.

14. Further, **point 8 of Appendix 1** states the [Cardiff & Vale Regional Market Stability Report](#) confirmed a change was required to care and support models, with a strong emphasis on citizens remaining at home for longer and demographics indicating an increased need for specialist care.

15. **Points 9-13 of Appendix 1** confirms the local and national strategic focus of prevention and reablement to support individuals to remain at home. Attendees are to note an analysis of the changing demand for care home placements is located in **Section 2 of confidential Appendix B**.

¹ [Alternative models of domiciliary care | WCPP](#) Accessed: 24 Nov 2023

16. To provide attendees with further background on the council's strategic direction, the Adults, Housing & Communities Directorate Delivery Plan 2023/24 contains a commitment to:

Work with care providers to deliver good quality care that meets current and future needs, to include:

- *Further developing locality working through recruitment of local care co-ordinators*
- *Embedding a Quality Assurance Framework and developing a set of performance indicators to measure the quality of commissioned care provision.*
- *Refocusing care provision away from general residential care towards home-based care.*
- *Promoting the development of high-quality nursing and dementia care.*

17. To achieve that commitment, the Directorate Delivery Plan provides a number of milestones it will complete during 2023/24; included in those milestones are:

- *Implement a project to improve quality of care and undertake market shaping in collaboration with providers to ensure the market can meet Adult Services commissioning priorities, initially prioritising the cost of care exercise for care homes for older people to inform a fee setting strategy (to be completed during April – June 2023).*
- *Complete the agreed cost of care exercise with the market and undertake an analysis to understand the implications for a new Fee Setting Strategy for Care Homes for Older People (to be completed during July – Sept 2023)*

Key Background Information

18. **Point 18 of Appendix 1** confirms that in 2022/23 the Council spent £36.3m on care home placements for older people; 28.78% of the total Adult Services commissioning budget.
19. **Point 23 of Appendix 1** details reasons why the council is frequently paying above the 2023/24 agreed care rates with further detail provided in **Sections 3 & 4 of confidential Appendix B**.
20. **Point 36 of Appendix 1** recognises that there 'may be a significant difference between 'fees paid' and 'costs of delivery' and quotes advice from the Welsh Government Toolkit on the need to balance what is an acceptable price for the public purse (eg costing to the council) and to deliver a sustainable business.
21. In 2019, Cardiff Council's Cabinet agreed an overall, Care Home Fee Setting Strategy **covering the period 2019-2023**. The Community and Adult Services Scrutiny Committee undertook scrutiny of this strategy in 2019 and a summary of the committee's observations is provided in **point 49** of this Cover Report.
22. Detail on the 2019 Fee Setting Strategy can be found in **point 28 of Appendix 1**. Attendees are to note the proposals contained in this Cabinet Report (**Appendix 1**) is **not** to agree a new Fee Setting Strategy for 2024-2027 due to the uncertainty of the current financial context (**point 38 of Appendix 1**).
23. Instead, this Cabinet Report looks for Cabinet to agree a 2024-2025 Fee Setting approach with a range of principles as detailed in **point 38 of Appendix 1** and its subsequent bullet points to govern the approach.
24. The main reasoning given for not setting an overall fee-setting approach for a longer period of time (as done in 2019) is given as the current financial context pressures and uncertainty. Further, the Cabinet Report details lack of clarity on the 2024/25 rates presented in this Cabinet Report is due to the councils 2024/25 budget position, and rates can only be finalised following approval of the

Council's 2024/25 Budget and confirmation of the resources allocated to the Adult Services directorate for 2024/25.

25. The council has to set a fee on what it will pay care providers, referenced in this cover report and subsequent papers as 'fee setting'. Attendees are to note there are two key elements of 'fee setting'. They are agreeing a standard cost of care rate and annual fee uplifts. To inform fee setting a 'cost of care exercise' between the council and care providers is undertaken.

26. With regard to Nursing Home costs, Committee Members are advised that responsibility for funding Nursing Care is the NHS; Cardiff Council is responsible for the residential care element of nursing home fees.

Legislative Context

27. The Social Services and Well-being (Wales) Act 2014 (SSWB Act) came into force on 6 April 2016. The Act provides the legal framework for improving the wellbeing of people who need care and support. Through a 'Code of Practice', the legislation provides key requirements around care-home commissioning which local authorities must act in accordance with.

28. The Code of Practice lays out principles and standards for commissioning practices. Further, Welsh Government also provide a 'toolkit' of resources such as notable practice examples, case studies and evidence, commissioning tools, template clauses, to support commissioners in the delivery of the Code.

29. The Code of Practice provides an info graphic (below) detailing the set of inter dependent activities across the functions of commissioning, procurement and social value with the aim of securing good outcomes for people.



30. The Code of Practice presents in detail, the principles, outcomes and quality standards for commissioning care and support and can be found [here](#).²

31. The Cabinet Report (**Appendix 1**) details the Social Services Wellbeing Wales Act and the relevant accompanying Code of Practice has been taken into consideration when developing the proposals contained in the Cabinet Report. In addition, the Cabinet Report also details the following have also been taking into consideration:

- Welsh Government’s White Paper: Rebalancing Care & Support, January 2021

Further information can be found at points 5-6 of Appendix 1

² [The National Framework for the Commissioning of Care and Support in Wales \(gov.wales\)](#) Accessed 24th Nov 2023

- Welsh Government's Toolkit 'Lets Agree to Agree'
*Further information can be found at **points 32 & 36 of Appendix 1***

- The National Commissioning Board (NCB) Standing Committee's Cost of Care Report, November 2023
*Further information can be found at **points 37-38 of Appendix 1***

- Cardiff & Vale Market Stability Report
*Further information can be found at **point 8 of Appendix 1***

- Cardiff Council's Ageing Well Strategy
*Further information can be found at **points 10-11, 13 & 45 of Appendix 1***

- Feedback received from local providers.
*Further information can be found at **points 33 & 39-43 of Appendix 1***

- Local Care Home Market Analysis
*Further information can be found at **confidential Appendices A & B.***

Cardiff Council's Current Approach to Care Home Commissioning & Future Commissioning Proposals

32. Currently, Adult Services secures care home placements on a spot purchase arrangement where providers are invited to bid for each individual placement and a Dynamic Approved Provider List (DAPL) is used for tendering. For care providers to access the DAPL, they must pass an accreditation process providing a level of assurance that they are a reputable provider.

33. **Point 15 of Appendix 1** recognises the current approach does present challenges for providers such as no guarantee of work with the Council and lack of certainty about future income and the process could be described as bureaucratic and onerous for both Council officers and providers.

34. The Cabinet Report confirms there are currently 37 care homes for older people in Cardiff collectively registered to provide 1,899 beds. With 30 of the 37 care homes are Approved Providers i.e., accredited on to the Council's Dynamic Approved Provider List (DAPL) which equates to 1,598 registered beds. However, **point 17 of Appendix 1** advises some of the care home not yet accredited do have placements commissioned by the council's Adult Services department.
35. **Point 48 – 51 of Appendix 1** recognises and details the challenges in the current commissioning approach and the reasoning why a new approach to commissioning is required. **Point 51 of Appendix 1** and **Appendix C** details the options considered for a future commissioning approach.
36. The Cabinet Report confirms **Option 4** (detailed on **Appendix C**) as the recommended option with **point 52 of Appendix 1** listing the reasons for this decision. The Cabinet Report confirms further work will be required with the council's commissioning and legal teams to support its implementation along with work to address issues regarding the IT system the DAPL uses.
37. **Points 56 – 64 of Appendix 1 and slide 19 of Appendix F** also details the changes to monitoring and measuring quality in the future commissioning framework.

2023/24 Fee Setting Approach

38. As detailed in **point 22 of this Cover Report**, to inform fee setting a 'Cost of Care Exercise' with care providers is undertaken to help inform decision making and to help the council set a standard set of care home fees it will pay at a fair price. Typically, Cost of Care exercise usually analysis costings under the following headings: -
- Staff hours per person per week.
 - Blended wage rates plus on costs.
 - Variable expenses
 - Administration costs
 - Finance costs

39. As way of background, in 2018/19 a modified approach to annual uplift for the Care Home fee was initially taken by the Council. However, a pre-judicial review challenge was received on behalf of providers on the assertion that the Council had not consulted effectively with providers on its fee setting process and therefore has acted outside of the Welsh Government Statutory Guidance.

40. Following this, the Cardiff Council made a commitment to undertake a Cost of Care exercise to inform future decision making in setting fee levels for the older people care home sector.

41. As detailed in **Appendix 1**, a Cost of Care Exercise was undertaken with providers to inform the 2019 Fee Setting Strategy. Recognising the 2019-2023 Fee Setting Strategy was coming to an end, Adult Services initiated a cost-of care exercise with care home providers in September 2022 to inform a future fee setting strategy.

42. However, for the reasons set out in **point 29 of Appendix 1** (*financial uncertainty owing to current context*), that process was deferred with the 2019 Fee Setting Strategy extended; with an additional uplift for residential dementia, nursing, and nursing dementia placements. Providers impacted by this arrangement were invited to liaise with the council.

43. As such the Cabinet Report confirms the current standard cost of care fee levels for 2023/24 as:

Category	Cost of Care Home Fee Levels 2023/24
Residential	£912.29
Dementia Residential	£979.40
Nursing	£903.79
Nursing Dementia	£1001.17

2024/25 Fee Setting Approach – Care Homes

44. **Point 32 of Appendix 1** details another attempt by the Council to undertake a Cost of Care Exercise in August 2023 with providers, and also provides reasonings why this exercise could not be relied upon to provide a representative position of the four categories of care homes.
45. However, **point 33 of Appendix 1** confirms that the information that was submitted in the August 2023 Cost of Care Exercise, coupled with feedback from a provider survey undertaken in November 2023 (**points 40-43 of Appendix 1**), and analysis undertaken by council officers on bidding patterns have informed the 2024/25 Fee Setting approach being proposed in the Cabinet Report (**Appendix 1**).
46. The Cabinet Report propose for the 2024/25 fee setting approach a clear set of principles be agreed by Cabinet to determine how the standard cost of care will be uplifted (**point 38 of Appendix 1** and **slide 12 of Appendix F**)
47. The Cabinet Report advises that further consultation with providers is required to inform the fee setting for 2024/25 while recognising the limited scope of the council's budget.
48. **Slide 13 & 14 of Appendix F** confirms and details the fee setting approach for other groups and the Domiciliary Care market.

Previous Scrutiny

49. In November 2019, the previous Community and Adult Services Scrutiny Committee undertook scrutiny on the 'Older Peoples Care Home Fee Setting Strategy 2019-2023'. A summary of the key points raised in this scrutiny is offered below:
- Concerns were raised regarding scheduling, and if determining an overall 'fee setting strategy' prior to confirming a procurement process was the

correct timetable of action. In response, Committee Members were informed that the executive were confident in their approach and setting a standard fee is expected practice found across the majority of local authorities. Further, Members were informed due to the detailed and lengthy level of engagement and consultation with providers this helps to mitigate potential risks.

- Due to the complexity, and technical nature of this issue Members sought clarity on the figures provided. Members highlighted on the need for the executive to remain mindful that confusion and the need for clarity could result in difficulties with care providers future interaction.
- Following on from the above point; Committee Members stressed the need to simplify methods and explanation to produce clear, transparent insight.
- Committee Members sought further information on how future costings will be managed.
- Committee Members were pleased to receive assurance that the quality or length of a placement does not correlate with cost.
- With regard to the Dynamic Purchasing System (DPS), Members were informed that work is ongoing with providers to determine if such a system should be utilized when managing and determining quality of care.
- Members received assurance that the executive were alert to the work and resource required to address the projected increase of Cardiff's older population by growing and developing the market.

Legal Implications

The Scrutiny Committee is empowered to enquire, consider, review and Recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on

behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- i. Consider the information provided in this report, its appendices and information received at the meeting;
- ii. Decide whether it wishes to relay any comments or observations to the Cabinet.

Leanne Weston

Interim Deputy Monitoring Officer

6 Dec 2023

BY SUBMITTING THIS REPORT TO THE CABINET OFFICE, I Jane Thomas, Director Adults, Housing and Communities AM CONFIRMING THAT THE RELEVANT CABINET MEMBER(S) ARE BRIEFED ON THIS REPORT

**CARDIFF COUNCIL
CYNGOR CAERDYDD**

CABINET MEETING: 14th December 2023

REPORT TITLE Review of Care Home Market for Older People and the Approach to Fee Setting for Care and Support Services for 2024/5.

Appendix A, B and Appendix D of this report is not for publication as they contain confidential information pursuant to paragraph 16 of Part 4 of Schedule 12A to the Local Government Act 1972.

CABINET PORTFOLIO TITLE: Cllr Mackie, Social Services (Adults)

AGENDA ITEM:

Reason for this Report

1. To provide an update on the care home market for older people and to agree an approach for the future commissioning of placements in this cohort of care homes.
2. To provide an update on work undertaken to gain an understanding of provider costs for care homes for older people and for other services and to approve the proposed approach for fee setting for care and support services for 2024/25 ahead of further consultation.
3. To provide an update on work currently being undertaken to strengthen quality assurance arrangements for care homes for older people.

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Background

4. Care homes for older people play a vital role in supporting the city's most vulnerable residents. The Council requires residential and nursing care services for older people to provide:
 - a safe, secure, and stable environment, with onsite 24/7 access to care and support.
 - the opportunity to promote choice, engagement, and meaningful activities for its residents and family members.
 - dignity and respect for all residents.
 - a good quality of life for residents.
 - appropriately skilled and qualified workforce that is competent to meet the individual needs of residents.

National and Local Context

5. **The Welsh Government White Paper on Rebalancing Care and Support** published in January 2021, highlights the complexity of the care and support market landscape in Wales that comprises over 1,000 providers, mostly from the independent sector. It describes three critical areas where focused action is needed to improve and rebalance care and support:
 - Refocusing the fundamentals of the care market away from price towards quality and value where a more diverse provider base including not-for-profit providers can grow.
 - Reorientation of commissioning practices towards social value commissioning focused on managing the market and outcomes.
 - Evolution, integration, and simplification of joint planning and delivery to enable local systems to support alternative and more innovative models of care.

Welsh Government conducted a consultation on the approach between May – August 2023. The responses to this consultation are currently being reviewed.

6. To support the rebalancing agenda, the **Code of Practice for Part 2 of the Social Services and Well-being (Wales) Act** and the **guidance for Part 9** have been redrafted to provide clearer and stronger requirements for local authorities to implement the Section 16 duty. This duty requires local authorities to promote social enterprises, co-operatives, user-led services and other third sector organisations for the provision of care and support and preventative services. In Cardiff it has been decided to implement separate Section 16 Forums for Adult Services and Children's Services in recognition of the different challenges and opportunities facing the two social care markets in the city. Planning for

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the relaunch of the Adults Services Section 16 Forum is currently underway, with the first full meeting expected to be held in January 2024. The aims of the Forum will be to:

- Transform care to achieve greater well-being and sustainability.
 - Rebalance the care market to achieve greater diversity of service providers.
7. Section 16 service providers are in the minority in Cardiff's care home market and during the current year, 2 care homes operated by a charity have closed and a further 2 owned by a housing association are for sale. The work undertaken by the new Section 16 Forum will assist commissioners to gain a better understanding of why it is not currently attractive for Section 16 service providers to enter or remain in the care home market and to explore what action the local authority can take to address this in the future.
8. The Cardiff and Vale **Regional Market Stability Report (MSR)** was put before Cabinet and Council in October 2022. The report considered the overall sufficiency and stability of the care and support market for regulated services. It reflected that a change was required to care and support models with a strong emphasis on citizens remaining at home for longer, reducing the need for residential care but also in response to demographics which indicate an increase in need for specialist care. Consequently, it identified that more specialist care home capacity was required to support people with dementia and at end of life and it was predicted that an increase of 58 nursing care beds would be required per year across the region.
9. The MSR also indicated that occupancy levels in care homes for older people were below sustainable levels in some instances due to the impact of Covid 19, and that providers lacked confidence regarding the future sustainability of their business models with a reluctance to make capital investment due to the way in which the Council commissions placements. Consequently, there was a risk of disorderly withdrawals from the care home market. Since the MSR was published in October 2022, 2 Cardiff care homes have exited the market due to issues related financial sustainability, 2 more have exited for other reasons.
10. Cardiff's **Ageing Well Strategy** sets out a number of key aims:
- Support older people to stay active and connected in an age friendly city.
 - Support older people to live independently at home through strengths-based preventative services.
 - Work in partnership to deliver high quality sustainable care and support.

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- Support informal carers and valuing their role.
 - Ensure our services meet the needs of the most vulnerable.
 - Proactively modernising our services.
11. The clear intention of the Ageing Well Strategy is to focus on prevention and reablement, supporting people to remain at home through a range of measures including better use of equipment, adaptations, and technology and through an ambitious development programme of specialist older persons / extra care housing. There is a clear intention to move away from the use of general residential care, towards more cost effective and sustainable forms of care which support the independence and wellbeing of service users.
12. An analysis of changing demand for care home placements is located at **Section 2 in Appendix B.**
13. The Ageing Well Strategy recognises the need to work in partnership with the care sector to ensure the delivery of high quality, sustainable care and support and in particular to support the sector to meet the changing demographic makeup of the city, and commissioning priorities of the Council, which will increase demand for specialist care, such as nursing and nursing dementia care.
14. Currently Adult Services secures care home placements on a spot purchase arrangement where providers are invited to bid for each individual placement. A Dynamic Approved Provider List (DAPL) is used for tendering that is intended to support the development of an active market of quality providers. For care home providers to become "Approved Providers" and join the DAPL, they need to pass an accreditation process that gives the Council a level of assurance that they are a reputable provider that can appropriately deliver the services that are required.
15. The commissioning of each package of care on an individual basis means that Adult Services does not risk block booking beds that are not then utilised. However, commissioning in this way presents challenges to providers, there is no guarantee of work with the Council that would encourage them to invest in their premises or to make changes to their delivery models. The lack of certainty about future income also makes it difficult for them to secure investment in their services. It is also bureaucratic and onerous for both Council officers and providers.
16. There are currently 37 care homes for older people in Cardiff collectively registered to provide 1,899 beds. It should be noted that not all these will be in use at any one time for a number of reasons such as

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refurbishment of rooms or workforce issues. 30 of the 37 care homes are Approved Providers i.e., accredited on to the Council's Dynamic Approved Provider List (DAPL) which equates to 1,598 registered beds.

17. Of the 7 Cardiff care homes that are not yet accredited, these care homes are collectively registered for 301 placements. 6 have placements commissioned by Adult Services through historical arrangements and work is underway to support them to become accredited and enrolled. It should be noted that although these homes are not yet accredited by the Council, they are regulated by Care Inspectorate Wales.

18. In 2022/23 the Council spent £36.3m on care home placements for older people, 28.78% of the total Adult Services commissioning budget.

Issues

Data Analysis

19. An analysis of available data for care home placements for older people in Cardiff has been undertaken. An Executive Summary of key data is located at **Appendix A** and the care home market data analysis in full is located at **Appendix B**. Both Appendix A and B are confidential due to the commercially sensitive information contained within. Some key findings that are not exempt from publication are set out below.

20. As at 23 September 2023, there were 674 individuals in Cardiff care homes placed or funded by Adult Services. Council placements take up 35% of all registered care home beds for older people in the city, the other 65% are either currently vacant; commissioned by Health or occupied by individuals who are self-funding their own care.

21. **Section 2 of Appendix B** demonstrates the fluctuating demand for care home placements from April 2019 to April 2023 in respect of placement type. The information is based on the total number of placements as at the start of each financial year. Over this period demand for General Residential Care has dropped by nearly 50%, from 241 beds to 129 beds, whilst demand for Dementia Residential care has increased by 66%, from just 56 beds in April 2019 to 165 beds in April 2023. Demand for general Nursing placements has decreased by 25%, from 329 to 244 beds, however this remains the highest category of placement. Demand for Nursing Dementia placements has increased over the same period by 51%, from 58 to 119 beds. While Covid has impacted on the residential care market over this period, the trend in usage is still clear, with a move towards more specialist provision.

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22. Following completion of a cost of care exercise in 2018, Cardiff Council agreed standard cost of care rates for care home placements for older people for four separate types of home:

- Older Person Residential
- Dementia Residential
- Older People Nursing
- Dementia Nursing

The current standard cost of care fee levels for 2023/4 are set out in the table below.

Table 1: Standard Costs of Care 2023/4

Category	Cost of Care Home
Residential	£912.29
Dementia Residential	£979.40
Nursing	£903.79
Nursing Dementia	£1001.17

23. Although cost of care rates are in place, the service is frequently paying above these rates. This can occur for a number of reasons; however, it is frequently due to a lack of bids at the cost of care rates. **Section 3, Part 3 in Appendix B** shows a breakdown of the amount paid for care home placements as at September 2023 and how these relate to the set cost of care rates. The data shows that the service is regularly paying above the cost of care rates for placements. The highest percentage of placements above the current standard cost of care rate is General Nursing and Nursing Dementia placements reflecting demand for these categories of placements and the challenges that the service faces in securing them.

24. An analysis of bidding patterns undertaken in Quarter 2 of 2023/24 is located in **Section 4 in Appendix B. Part 1 of Section 4** shows the number of bids received in the period for all placements via the DAPL and **Part 2** shows the number of care homes bidding via the DAPL and the range of associated placement costs.

25. **Section 4, Part 3 in Appendix B** also provides details of the number of placements made via Direct Awards. An analysis of the reason why direct awards were made indicates there are legitimate reasons for these. A full breakdown of the rationale for direct awards is located at **Section 4, Part 4 in Appendix B**. The reasons for direct awards include but are not limited to the following examples which reflect service user choice and change in needs:

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- choice where an individual or their family have identified a specific care home (possibly due to location). In some cases, an individual or their family may choose a care home where charges are more than the set cost of care rate or lowest bid through the DAPL. In those cases, a third party such as a family member or representative would need to accept responsibility for the additional payment and enter into an agreement with the Council and the care home provider.
- changes in need to achieve continuity of care where an individual has been admitted to a care home on a temporary basis for respite or to support hospital discharge and needs to remain there on a longer-term basis.
- Escalation of need that require an individual to move from residential to nursing care and the change can be met in their current home, without the individual having to move, due to the home's dual registration as a residential and nursing provision.

26. This data analysis and the issues it has revealed have been used to inform the approach to fee setting for 2024/5 and the proposed approach to future commissioning, both of which are set out below:

Fee Setting Guidance and Good Practice

27. Statutory guidance to local authorities on the commissioning of social care services is set out within Welsh Government statutory guidance **'Commissioning Framework Guidance and Good Practice. Standard 10 (2010)** This guidance sets out the factors a local authority should take into account when considering fees: The Guidance states,

'Commissioners will have to take into account the full range of demands on them and their strategic priorities, as well as the resources they have at their disposal in developing their commissioning strategies.

*Fee setting must take into account the legitimate and future costs faced by providers as well as the factors that affect those costs and the potential for improved performance and more cost effective ways of operating. **The fees need to be adequate to enable providers to meet the specification set by the Commissioners together with regulatory requirements..***

Commissioners must have a rationale to explain their approach to fee setting. The primary concern is that services operate safely and effectively to promote the welfare of the service users and carers and meet regulatory requirement"

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Fee Setting for Care Homes for Older People

28. A three-year Fee Setting Strategy was implemented in 2019 with the aim of bringing any packages of care receiving below the Council's set cost of care level up to the set rates over a three-year period. While the arrangements allowed for packages of care at the cost of care rate to receive an annual uplift, any packages of care higher than the set rates would not receive an annual increase, as these packages were considered higher than the Council would expect to pay. Uplifts to the cost of care rates for 2022/23 onwards have included the Real Living Wage (RLW) uplift for workers in registerable posts.
29. Adult Services initiated a new cost of care exercise for providers of care homes for older people in September 2022 with the intention of developing a new Fee Setting Strategy that would cover a 3–5-year period from April 2023. However, the low number of participants in the exercise meant that the cost data that was collected could not be viewed as representative of the sector and would not be a reliable basis on which to develop a new Fee Setting Strategy. It was also acknowledged that implementing a new Fee Setting Strategy at that time would not be sensible as it would commit the Council to a medium-term financial commitment at a time of great financial uncertainty in respect of its budget and at a time when providers continue to be uncertain about how the current rising costs will impact on their cost of care over the next few years. For that reason, it was agreed in the Budget Report for 2023/24 to extend the existing Fee Setting Strategy for a further year.
30. Therefore, the approach to fee setting remained the same. Placements already above the uplifted cost of care rate did not attract an annual uplift. Providers impacted by this arrangement and concerned about the ongoing sustainability of the placements were invited to contact the local authority for a discussion. A number of providers did this, and decision-making has been reviewed on a case-by-case basis in light of the outcome of the discussions.
31. The 2023/24 fee setting included an additional uplift for Residential Dementia, Nursing, and Nursing Dementia placements. This was intended to acknowledge, to some extent, the additional carer hours that are involved in providing these placements. As can be seen from the data in **Appendix B**, however the actual cost that the Council is paying for these placements is often significantly higher than the cost of care fee levels set.

Proposed Approach to Fee Setting for 2024-25

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32. In August 2023, Adult Services again attempted to carry out a new Cost of Care Exercise following the Welsh Government's "Lets Agree to Agree" methodology. To do this the service worked collaboratively with the Cardiff Nursing and Residential Care Home Association (CNARHA) committee with the intention of informing the development of a new Fee Setting Strategy for 2024/2027. To be sure that enough providers participated in the exercise to make it viable, expressions of interest were sought prior to the start of the exercise. At the commencement of the exercise 10 providers accounting for 41% of care homes for older people committed to participate which was felt to provide enough in each cohort to make the exercise viable. However, due to unforeseen circumstance several providers who had committed to participating were unable to do so and therefore the numbers that submitted their cost templates and participated in the interviews were lower than anticipated. Additionally, those who participated provided a wide range of responses in relation to costs which meant it has not been possible to identify "normal" costs for each category. This meant that once again the exercise could not be relied upon to provide a representative position of the four categories of care homes.
33. However, whilst it was not possible to conclude the Cost of Care Exercise in the way it was intended, the information that was submitted by those who were able to participate provided a helpful insight into provider costs. This information, coupled with feedback from a provider survey on current costs and expected costs pressure for 2024/25 undertaken in November 2023 (see paragraphs 40-43), along with the detailed analysis that officers have undertaken around bidding patterns, current costs and benchmarking (See **Appendix B, Sections 3, 4 and 5**) have informed the approach to fee setting for 2024/25.

Financial Issues Impacting on the Care Home Market

34. Occupancy level in care homes have increased and have largely returned to pre-pandemic levels, however care homeowners are facing a number of challenges. Those with mortgages and / or development loans are experiencing very significant increases in borrowing rates (for example up to 5.5% above Bank of England base rates) and tighter loan covenants. Loan covenants are agreements made between a debtor (borrower) and a creditor (lender), which expressly outline conditions that a borrower must meet. Within the care homes sector, this is generally related to requirements such as minimum occupancy that must be maintained, minimum weekly incomes (which in turn impacts on the costs that provider must charge) and in some cases a percentage of rooms that should be occupied by self-funders. Lenders are increasingly viewing the care sector as high risk.

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35. The feedback provided by those care homes that participated in the Cost of Care Exercise revealed how volatile costs current are:

- Providers indicated that they found it difficult to accurately predict financial pressures for 2024/25.
- The RLW announcement was made following completion of cost templates so at that time providers were uncertain of the impact this would have.
- Providers felt that interim uplifts would best meet their needs during the current period of financial uncertainty. However, they understood that the Council's annual financial planning arrangements meant that this would not be practicable.
- An expected decrease in utility costs for 2024/25 may not impact on all providers as some providers have lower cost contracts that were put in place prior to the cost-of-living crisis so they expect an increase when there are renewed.
- Providers felt it was difficult to accurately quantify the number of care and support hours required for different cohorts of placements (e.g. nursing / nursing dementia) with a wide range of lower and higher needs for individuals within the categories.
- Providers indicate that costs have risen for investments in buildings such as general maintenance due to cost-of-living increases.
- There was a general concern from those participating that low numbers of submissions to the Cost of Care Exercise may not provide a reliable indication of future cost due to the volatile nature of operating costs and high interest rates.

36. It is accepted that there may be a significant difference between 'fees paid' and 'costs of delivery'. The Welsh Government commended 'Lets Agree to Agree' toolkit acknowledges that the price for care has to be *negotiated* as with any other contract, that “ ***there will always need to be a balance between what is an acceptable price, is affordable to the public purse (the tax payer) and what is fair for providers in order that they can deliver a sustainable business***”.

37. The National Commissioning Board (NCB) Standing Committee's Cost of Care Report (Final Draft – 6th November 2023) highlights that public sector commissioners (local authorities and local health boards) are under significant financial strain. Most, if not all commissioners, are forecasting significant overspends in the current year (2023/4) and significant budget deficits for 2024/5. Therefore, to assure public value, it is broadly accepted that there is a real likelihood that statutory bodies will have no choice but to contain costs. Furthermore, it recognises that commissioners will require greater levels of transparency regarding

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operators' business models, costs of capital and sources of financing and levels of returns, including profits on capital invested and corporate returns.

38. While it is recognised that putting a new Fee Setting Strategy in place for 2024 - 2027 would provide a clear understanding for providers of the Council's intentions and commitments over the period of the strategy, it is once again felt unwise to propose this approach in the current financial climate. It is understood that in the next year, the Council will face its most challenging financial situation yet and there continues to be significant uncertainty about the on-going impact of the cost-of-living crisis on care home providers. It is therefore recommended a new Fee Setting Strategy should not be put in place in 2024 but instead the following approach to fee setting is taken which will provide a clear set of principles that govern how the annual fee uplifts are determined and how a standard cost of care is calculated for the new financial year. The approach proposed, subject to further consultation, is as follows:

- Ensuring that cost of care rates reflect the need to uplift staffing costs to meet the Real Living Wage (RLW) that has been set at £12 a 10.1% increase. The RLW increase will be attributed to the workforce element of provider costs only.
- To provide an uplift that considers the increase in costs other than staffing, based on predicted inflationary pressures.
- Identifying separately the types of placements most in demand, and for which there is likely to be increasing need in the future. These placements offer a higher level of care and support, and most frequently cost the Council more than the current cost of care rates. To seek to reflect the additional care costs of these homes in a way that is affordable to the Council.
- Recognising the concerns of the providers that Return on Capital Employed is not fully represented in the cost of care rates, while understanding that any significant increase in this respect will be unaffordable in the current financial climate without additional investment from Welsh Government.
- The current arrangement whereby those placements above the new uplifted cost of care rate are not awarded an uplift will continue. It is anticipated that this will impact on approximately 254 placements. This approach is not without risk and may lead to provider challenge and issues regarding the future sustainability of some placements. In such instances Adult Services will need to review comments received from the providers on a case-by-case basis.
- Ensure that final fee setting decisions are informed by further consultation with providers so that commissioners can

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understand the expected impact of the proposals before formal decision-making takes place. It will be important to recognise that whilst it may not be possible for the Council to meet the gap between existing fees and the increased costs that providers have indicated they are experiencing, it is important that the providers are able to voice the impact of not doing so on market sustainability and sufficiency and that this can be fully considered.

- Share information and raise any concerns identified with the National Commissioning Board and Wales Government policy leads to inform Social Care Futures and Fair Work developments in order to contribute to national work being undertaken to begin to close the funding gap.

Feedback on Cost Pressures – All Care Providers

39. In addition to the cost of care work with providers of care homes for older people, all providers were asked to provide information about their cost pressures. The results of this survey undertaken in November 2023 have also been considered and where possible have been taken into account in the fee setting proposals set out below. The key findings from the survey are detailed in paragraph 40 - 43.

40. Response rates to the survey from the care home sector was disappointingly low with only 11 completed surveys submitted, 8 of which were from care homes for older people and 3 from care homes for other population groups. Some sections of the completed submissions were invalid due to the way they were completed making it difficult to undertake a detailed analysis of findings. However, the feedback that could be analysed was consistent with the messages summarised in paragraph 35. Additionally, care home providers highlighted increased costs for food as well as insurance costs as financial pressures.

41. 24 surveys were returned by Domiciliary Care providers but 3 did not complete the section on cost pressures correctly and therefore had to be discounted from the analysis. Increased costs for staffing (including training, recruitment and meeting the RLW differential for back office/management staff) was highlighted as a significant pressure, along with travel and mileage (including fuel, insurance, parking tickets incurred and general costs for travel time etc.), utilities and establishment costs, increases in business / commercial insurance and PPE. It is likely this last cost pressure is related to the anticipated end in March 2024 of the Welsh Government funded PPE scheme.

42. 4 surveys were returned for Supported Living & Extra Care providers but 2 had to be discounted from the analysis on cost pressures due to a lack

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of information provided. Of those providers who correctly completed this section of the survey, cost pressures were highlighted to be increases in insurance, utility and staffing costs, the latter related to the Real Living Wage.

43. In addition to cost pressures, the survey asked providers to submit details of their pay rates for Care Workers and Senior Care Workers. All providers who submitted a response confirmed that they are currently paying above the Real Living Wage rate for Care Workers with Supported Living and Extra Care providers paying the highest rates and Nursing Home providers paying the lowest rates. Supported Living and Extra Care providers also pay the highest rate for Senior Care Workers, with the lowest rate being paid by Care Homes for older people with dual registration .

Approach to Annual Fee Uplifts for 2024/5 for other Groups of Commissioned Social Care Providers

Care Homes for Other Population Groups

44. A separate approach will be taken to fee setting for care homes for other population groups. Understanding the costs for this cohort of care homes that typically provide specialist care and support to people with Learning Disabilities, mental health issues and substance misuse problems, is challenging due to the range of different models of care delivered by this cohort of providers and varying individual needs of the service users. While in the case of Learning Disabilities the cost of placements is among the highest, this is inextricably linked to complexity of need. The importance of sustaining these placements is recognised and the need to reflect their additional costs accepted, therefore it is proposed that uplifts for these placements are calculated in line with the principles set out above, except that all placements receive an uplift. Longer term plans are in place to further develop specialist supported living schemes, which will reduce reliance on expensive residential placements while helping individuals to remain closer to home. A pipeline of such schemes has been identified and will be delivered over the next 3 years. With placements for mental health and substance misuse, needs can vary and therefore case by case decision-making on fee uplifts will take place for those care home placements that are above the proposed new cost of care rate for care homes for older people. Again, alternative accommodation and support arrangements to mitigate the need for residential care for people with mental health issues are under development and will be part of a 3-year development plan.

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Domiciliary Care

45. An effective domiciliary care provision is essential to support the Council's Ageing Well Strategy and the move from residential to care at home. Unlike many councils Cardiff has an active domiciliary care market and can provide the essential care needed. In November 2021, the Council approved a Domiciliary Care Fee Setting Strategy which was informed by national and regional Cost of Care Exercises, benchmarking of prices across several local authorities, and analysis of provider costs and rates that the Council was paying for Domiciliary Care at that time. It was agreed that a pricing envelope would be set for future fees in the city that clearly reflects a fair price of care, supports providers to be sustainable, viable and produce high quality care whilst ensuring best value for the Council and the public purse. The ceiling rate agreed at that time was felt to be generous and it was anticipated that due to competition in the market, provider rates would typically be somewhat below the ceiling rate which reflects current experience.
46. No change to the approach to fee setting for Domiciliary Care is proposed for 2024/25, with the continuation of the floor and ceiling. Arrangements will continue to reflect the approach set in 2021 when the Fee Setting Strategy was agreed, with a floor level that is felt to be the lowest fee level the Council would expect to pay that reflects sustainability and a ceiling rate that reflects the maximum fee it expects to pay, except in exceptional circumstances. However, it is noted that the difference between the floor and ceiling may have changed over the interceding period. It is proposed that fees will reflect the Real Living Wage increase and the predicted rate of inflation going forward. This proposal will be subject to further consultation with providers, while recognising the limited scope of the council budget.

Other Services Commissioned by Adult Services

47. The annual uplifts for other services commissioned by Adult Services will also follow the approach set out in 2023/24, taking account of the range of current contractual arrangements in place, with some adjustments in recognition of the difference in timing of contractual uplifts and date of implementation of the Real Living Wage for eligible staff.

The Proposed New Approach to Commissioning Care Home Placements for Older People

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48. The analysis undertaken in the Market Sustainability Report (MSR) around sufficiency and stability highlighted the need for commissioners to collaborate closely with the provider market and to give providers certainty about future activity and fee levels. It is recognised that without this certainty they will not have the confidence needed to invest to modernise service models and expand capacity where needed.

49. The current method of commissioning care home placements through the DAPL has a number of disadvantages which are impacting both on the current cost of placements and the ability of the Service to manage the market towards meeting future needs.

- There are challenges in securing nursing and dementia nursing placements and also respite placements, low numbers of providers are bidding on a consistent basis.
- Although every placement is put out to the market individually, a process that is administratively burdensome for both the Service and the providers, the actual prices paid for placements are often above the standard cost of care rates.
- It is difficult to build collaborative relationships with such a large number of providers or develop partnerships with the flexibility and commitment that is needed to meet the demographic challenges ahead.
- In relation to the 30 care homes on the DAPL, Cardiff has 19 homes that require investment to make them fully compliant with the Regulation and Inspection of Social Care (Wales) Act 2016 (RISCA) and suitable to provide services to residents with higher levels of need. 15 are partially compliant and 4 are non-compliant. There is a need to upgrade these homes, however, the current arrangements of purchasing placements on an individual spot basis does not give providers any assurance about the number of placements the Council will commission with them, and this provides a challenge when they are seeking to secure investment to improve their homes because there is no guarantee that their vacancies will be filled.

50. It is recognised that a new approach to commissioning is required that:

- Supports market management – in order to successfully address the Service's commissioning priorities i.e. a reduction in the amount of general residential placements and increase the number of nursing and dementia nursing placements available and increase in providers offering short term respite placements.

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- Creates the right conditions to encourage providers to invest in their homes so they can meet the population needs and to improve sufficiency and quality.
- Ensures that any new capacity created is at an affordable level whilst paying fair fee levels to ensure sustainability.
- Strengthens quality assurance processes and improves overall quality and value for money.

51. An internal project group was established to identify different commissioning models that could provide a new approach to future commissioning. This group was made up of representatives from Adult Services, Legal Services and Corporate Commissioning and Procurement. Four options were considered in detail which are listed below. A summary of the full options appraisal undertaken by the group is located at **Appendix C** which details the benefits and risks of each option.

- **Option 1 - Remain as is, continuing to use the DAPL** – commissioning all placements via the DAPL, either using existing processes or via improved and more relevant processes that address the issues with the current arrangements.
- **Option 2 - Use of Block Contracts** – which enable contracts to be put in place with providers for a specified type and amount of care over an agreed timescale for an agreed rate. Providers are paid for a set number of placements at the agreed rate, whether these are used.
- **Option 3 – Use of Framework Arrangements** which enable contracts to be put in place with a range of framework providers. These frameworks would allow commissioners to “call off” placements as needed. Frameworks can be arranged into “lots” for specific types of care that reflects the cohorts of placements that are required (e.g. respite, general nursing etc).
- **Option 4 – A Hybrid Model using the DAPL with Frameworks** for lots that reflect the cohorts of placements the Service find most challenging to secure.

52. The recommended option identified by the group and approved by the Adults, Housing and Communities Commissioning Board on 16th September 2023 was Option 4 for the following reasons:

- A combination of Dynamic Approved Provider List together with a few Framework Arrangements would better support market management and market-shaping than the current arrangements - with the Frameworks reflecting the types of placements Adult

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Services have most challenges in securing currently and which are frequently more costly.

- Frameworks present less financial risk than block contracts where providers are paid for an agreed number of beds whether they are full. Adult Services have block contracted on occasions in response to specific needs (e.g. to support hospital discharge) but this has presented challenges as it is not always possible for providers to fill vacancies if there are compatibility issues with existing residents, also if the level of demand reduces over the term of the contract then payments may be made for empty beds.
- However, Frameworks provide an opportunity to offer more security for providers. This is expected to increase their investment opportunities required to improve the quality-of-care homes, particularly those that are not currently RISCA compliant (e.g., rooms with ensuite facilities) and this will improve their sustainability.
- Agreeing a fee level for providers who are part of the Frameworks will also support more accurate financial projections, and critically will help ensure the affordability of care provision.
- Continuing to operate the DAPL alongside Frameworks with a number of specialist lots will have a number of benefits. It will ensure that all providers who tender for the Frameworks have previously onboarded to the DAPL and will have already been checked against appropriate quality standards. This will support the tender arrangements for the Frameworks.
- The maintenance of the DAPL for other types of placements where demand is reduced (e.g. general residential) would continue to support choice for individuals and enable the Service to maintain fair and equitable procurement arrangements for these type of placements. The maintenance of the DAPL would also provide an opportunity for placements that cannot be secured via the Frameworks, to be offered to the wider cohort of accredited providers.
- Frameworks for specific cohorts of providers would also provide greater opportunity to develop a more collaborative working arrangement with a smaller number of providers who are committed to working with the Council, strengthening relationships between commissioners and providers but also providing an opportunity for providers delivering similar types of care to share learning to improve the experience of service users.
- This hybrid model will also continue to provide choice for service users if enough providers tender for the Frameworks.

53. If this proposed approach is agreed as set out in Option 4, further work will be undertaken in consultation with Legal Services and Commissioning and Procurement to develop the specific operational

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requirements of the hybrid model along with the practical steps that will need to be undertaken to support its implementation. Discussions will also be undertaken with colleagues from the University Health Board to explore opportunities for collaboration in respect of the development of the Framework in relation to nursing placements.

Re-commissioning of the IT System that Supports the Delivery of the DAPL.

54. An IT supplier called *adam* provides the end-to-end IT system that underpins the processes of procuring and managing both care home and domiciliary care placements. All approved providers have access to the system and use it on a day-to-day basis to make bids for placements and confirm provision of services.
55. The current contract with *adam* was put in place on 4th November 2018 for 4 years with an ability to extend for a further 2 years. This arrangement ends on 3rd November 2024. A new contract for hosting the DAPL and the Dynamic Purchasing System (DPS) used to secure Domiciliary Care packages will need to be put in place prior to the end date. If option 4 is agreed, arrangements for hosting the new Frameworks will also need to be negotiated with the IT supplier. Several developmental requirements have been identified that will need to be addressed to improve Adult Service's use of the IT system in the future and *adam* colleagues have confirmed a commitment to work with the Service to address these matters in the new contract.

Improving Quality

56. All care homes are regulated by Care Inspectorate Wales (CIW) under the RISCA regulations. Cardiff's current approach to monitoring quality comprises of contract monitoring visits to audit the standard of service delivery, safe recruitment practice and workforce related matters such as training and development as well as understanding the experience of residents.
57. The Regional Care Home Service Specification which accompanies the individual placement contract currently used by Adult Services for care homes for older people has an outcome focus and sets out the standards that care home providers are expected to achieve in service delivery. There are 18 service and individual outcomes set out in the service specification that fall under the following broad categories:
- Autonomy, Choice, Control, Dignity and Respect
 - Staying Healthy - Protecting and Improving Health.
 - Individual Wellbeing

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- Workforce, Leadership and Management

58. Planned monitoring visits are undertaken by Contract Monitoring Officers within the Contracts and Service Development Team and it is expected that under usual contract monitoring arrangements, a care home will have at least one monitoring visit per year but this will be enhanced where there are concerns regarding provider quality. The provider's quarterly monitoring reports and half-yearly quality of care reports required by CIW are also reviewed by Contracts Officers and intelligence about provider performance is shared in monthly Joint Quality Management Meetings (JQMM). Membership at this meeting includes representatives from CIW, Wales Ambulance Service, University Health Board Nurse Assessors and colleagues from Adult Services' Case-Management and Safeguarding teams.

59. Quality Assurance visits are also undertaken by the Dementia Quality and Care Team (DQCT) within Adult Services. This is a social work team which specifically consider the experience of the individual living in the care home and their agreed outcomes. The team also advise on good practice in dementia care and assist providers to improve the physical environment of the home to support improved outcomes.

60. Provider performance issues are carefully managed using the formal regional Escalating Concerns Procedures: *Quality Services – Delivering What Matters*. These procedures are underpinned by a culture of partnership working and a shared commitment towards supporting providers to ensure corrective or development action plans are put in place and that these there are robustly monitored to ensure they are sustained. While the focus is on supporting the provider to improve, where necessary, where a service is failing to the extent of posing undue risks to service users and/or staff there are provisions to suspend or withdraw the service in a planned manner with proper governance, and with full communication with the provider and service users. The procedures are enacted where:

- Cardiff and the Vale of Glamorgan Councils have been notified of significant issues by another local authority, the UHB or regulatory body and the provider is unable or unwilling to make the improvements required of them under usual monitoring arrangements.
- repeated low level concerns or a serious single concern is raised by a case manager or other staff, service user or their representative/advocate. The nature of the concern/s highlights a risk to the wellbeing of service users or staff.

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The procedures identify a 4-stage approach to managing provider performance concerns depending on the severity of the concern. These range from a Quality Assurance Meeting for lower-level concerns to a Service Operations Support Group where it is identified that there are serious concerns that have major adverse repercussions for individuals making care unsustainable or unsafe resulting in the need for a service to close. The process does not preclude escalating the process where there is a clear rationale to do so.

61. In July 2023 Adult Services commissioned the Institute of Public Care (IPC) to review existing processes that care home providers have in place for quality assurance and the local authority's arrangements for contract monitoring and quality assurance to support the Service to strengthen and improve quality assurance arrangements for care home. Several care home providers were also involved in the review.
62. In response to the findings of the review, an assessment tool informed by research into good dementia care has been introduced to provide consistency of approach for quality assurance visits. Work has also been undertaken to streamline processes and reduce duplication. A dementia learning network for providers was launched in November that will support them to share best practice and learn from research to improve service delivery and outcomes.
63. Adult Services intend to use the messages from the IPC review to engage in further discussions with care home providers about strengthening current arrangements to improve cohesion, reduce duplication and reinforce the focus on outcomes. Specifically work will be undertaken to address the following areas of quality assurance:
- The monitoring of service user outcomes
 - Capturing service user feedback
 - A provider self-assessment tool
 - Development of a quality rating that reflects provider performance.
64. It is intended that these various components for monitoring quality will be brought together to inform an overall quality rating. It is expected that following consultation, the quality rating will become a factor in determining the awarding of new care placements.

Consultation

65. The report does not contain a local issue so Local Member consultation has not been undertaken, however consultation has taken place with a variety of care providers to gain a good understanding of their current and future costs and the results of this are set out in the body of the report. Should the way forward set out in this report be agreed, further

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consultation will be undertaken on the proposed fee uplifts which will inform decision-making in respect of fee increases for 2024/25.

Reason for Recommendations

66. To inform Cabinet of the analysis undertaken to inform the future commissioning arrangement to address sustainability and sufficiency of placements in care homes for older people. To update Cabinet on arrangements to strengthen quality assurance in the sector.
67. To seek agreement for the approach to fee setting for care homes for older people, so that annual uplifts for 2024/25 can be applied in a fair and equitable way, balanced against the Council's available resources and affordability. To note the continuation of the current approach to the 2024/25 annual uplifts for other services commissioned by Adult Services.
68. To seek agreement for proposed new arrangements for the commissioning of care home placements for older people, to include both approved provider arrangements and a number of Framework arrangements with the aim of addressing sufficiency and sustainability whilst improving quality and value and ensuring affordability for the Council.

Financial Implications

69. Adult Services net commissioned care budget is £119 million for 2023/24. Fee-setting and annual uplift decisions on a budget of this size can have a multi-million-pound impact. In the context of the financial situation that the Council is facing for 2024/25, affordability considerations in terms of both price and demand will need to play a key factor in decision making. The report seeks to delegate authority for 2024/25 fee-setting decisions; these will only be able to be finalised following approval of the Council's 2024/25 Budget and confirmation of the resources allocated to the Adult Services directorate for 2024/25.
70. The report also sets out a proposed approach for the future commissioning of care home placements for older people. This involves use of framework arrangements to supplement the current Dynamic Approved Purchasing List. Further work is planned to develop the proposed hybrid model; the need to operate within available resources, and to minimise financial risk will need to be pivotal considerations of this work and any associated decisions.

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Legal Implications (including Equality Impact Assessment where appropriate)

71. The exempt Legal advice is located at **Appendix D** and the Single Impact Assessment is located at **Appendix E**. The recommendations outlined in this report are not felt to present a negative differential impact on any of the protected characteristics.

HR Implications

72. There are no HR implications arising directly from the recommendations set out in this report.

Property Implications

73. There are no direct property decisions contained within this report. Should the recommendations of the report lead to the need for the council to undertake property valuations, transactions or appraisals in order to meet service objectives, they should be managed and undertaken in accordance with the Council's established Asset Management processes, governance and in consultation with relevant service areas and professional teams as appropriate.

RECOMMENDATIONS

74. Cabinet is recommended to:

- note the findings of the review of care home placements for older people.
- note the work being done to improve to quality assurance for care homes for older people.
- agree the approach to fee setting for older people's care home placements for 2024-25 and other services commissioned by Adult Services, subject to further consultation with care providers and confirmation of the financial allocation through the budget setting process. Delegate the related decision-making authority in respect of the annual uplifts for care and support and the new standard cost of care rates for placements in care home for older people for 2024/25 to the Director of Adults, Housing and Communities in consultation with the Cabinet Member for Social Services (Adults) the Section 151 Officer and the Director of Law and Governance.

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- agree the approach for the future commissioning of care home placements for older people, including a combination of approved provider and framework arrangements and to delegate the decision-making authority regarding any related procurement of services to the Director of Adults, Housing and Communities in consultation with the Cabinet Member for Social Services (Adults) the Section 151 Officer and the Director of Law and Governance.

SENIOR RESPONSIBLE OFFICER	Director Name Jane Thomas
	Date submitted to Cabinet Office 13/11/23

The following appendices are attached:

- **Appendix A:** Exempt Executive Summary of Care Home Market Data Analysis – Not for Publication
- **Appendix B:** Care Home Market Data Analysis – Not for Publication
- **Appendix C:** Options Appraisal
- **Appendix D:** Exempt Legal Advice – Not for Publication
- **Appendix E:** Single Impact Assessment

The following background papers have been taken into account:

- Final Draft of the National Commissioning Board (NCB) Standing Committee's Cost of Care Report

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By virtue of paragraph(s) 16 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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Appendix C: Future Commissioning Models Options Appraisal

Summary of Options Considered

Option 1	DAPL – with Strengthened and Improved Business Processes This will require the commissioning of all placements via the DAPL, via improved and more relevant processes that address the issues with the current arrangements.
Option 2	Block Contracts This will enable contracts to be put in place with providers for a specified type and amount of care over an agreed timescale for an agreed rate. Providers are paid for a set number of placements beds at the agreed rate, whether or not these are used.
Option 3	Framework –with specialist lots This will enable contracts to be put in place with a range of framework providers that permit commissioners to secure placements for the specific types of care (arranged via “lots”) reflecting the cohorts of placements that are required that present greatest need (e.g. respite, general nursing etc) and present the most challenges in respect of current commissioning arrangements.
Option 4	Hybrid model – Framework/DAPL This would provide a combination of DAPL and a framework with specialist lots for those types of placements where there is greatest (e.g. Nursing) need or specialist requirements (e.g. respite) and present the most challenges in respect of current commissioning arrangements.

Option 1: New DAPL – With Strengthened & Improved Business Processes

New DAPL arrangements with revised business rules and operating procedures to strengthen compliance and maximise the benefits it provides.

Pros

- Internal staff & Providers familiar with process so there would be no additional training requirement.
- Significant staffing resources have already been invested in establishing DAPL.
- Provide a choice for citizens if used appropriately (i.e. bidding levels are good)
- Bidding using an electronic IT system is more streamline and requires less officer capacity to administer methodology.
- A refresh provides an opportunity to set out expectations that providers bid at cost of care
- Transparent and consistent process for both internal and external stakeholders
- Allows new entrants to the market at any time resulting in an increase in capacity
- Provides a good level of Quality Assurance when onboarding – all providers have to pass a quality threshold before they are enrolled and accredited.
- Whilst there is a quality threshold for joining the DAPL, there is currently no quality rating in the process for awarding contracts which are currently awarded based on cost. A refresh provides an opportunity to address current lack of quality in the process for awarding placements.

Cons: *(N.B. Issues in red are felt to present the greatest risk or are felt to have the greatest impact).*

- **Work is required to review business processes, strengthen arrangements and ensure compliance. The ethos of the DAPL is based on inviting bids at varying prices when we want to aim for consistency in respect of securing placements at the Cost of care rate. Also high cost providers can enter at any time.**
- **We do not always make placements at cost of care rates and often bids come in that are above this, which presents a challenge when trying to predict budget spend due to fluctuations in costs and effectively manage spend.**
- **Currently we receive low number of bids. The high number of direct awards has impact on a reluctance of some providers to bid so the system is not operating as effectively as it could be if there was greater competition in the market.**
- **Commissioning on an individual spot purchase is not providing longer term financial stability to Providers and is impacting on provider's ability to secure investment in their homes and their willingness to invest.**
- The high numbers of providers on the DAPL would continue to make contract monitoring a challenge in respect of the frequency of monitoring visits .
- Difficult to maintain a consistent collaborative working relationship due to the high numbers of providers resulting in a lack of visibility of market intelligence.
- There is a reliance on providers to correctly service receipt which sometimes results in overpayment when errors are made – but there is an automatic recover function to mitigate this.

Option 2:Block Contracts

- Enter into block contracts for all or some categories

Pros:

- Would provide stability to awarded providers which would provide better opportunities for them to secure investment as they would be guaranteed a number of placements at an agreed fee level whether placements were made.
- Would secure set rates to enable more accurate budget predictions. Potential to agree a fair and fixed placement price
- Provides the opportunity to create smaller market in order to strengthen relationships between providers and commissioners
- Ability to commission blocks in respect of the placement categories to reflect demand.
- Provides ability to plan for the longer term.
- Ability to focus on quality as less Providers to monitor – resulting in more frequent monitoring visits
- Reduction in capacity required to manage open market e.g. enrolment process

Cons: *(N.B. Issues in red are felt to present the greatest risk or are felt to have the greatest impact).*

- Will limit choice for citizens with fewer providers
- May result in overpayment if blocks not fully utilised
- Block contract rates may result in higher costs than agreed cost of care rate
- Limits provider growth – Lack of incentives for providers who are not commissioned via block contracts. Would create instability in market for those providers not awarded which could result in disorganised exits that would destabilise the market. It could also create provider uncertainty when contracts come to an end.
- Risk to the authority if a block Provider is in escalating concerns and there is an embargo due to smaller market of providers. This may present a challenge to meeting need.
- It could prove challenging for the LA to end the contract prematurely due to lack of demand or performance issues and this is likely to take some time to achieve, resulting in possible loss of qualified care staff if providers
- Homes would need to demonstrate compliance with regulations regarding decision-making regarding admissions (re compatibility and meeting of needs) so could turn down placements even if they had vacancies and were being paid a contract price for delivery.
- Reduces longer term market share
- Damage to Provider relationships not awarded block contracts

Option 3: Framework

- Enter into a new framework for all/some categories of placement

Pros

- Provides the opportunity to create smaller market and therefore strengthen relationships between providers and commissioners.
- Potential to agree a fair and fixed placement price
- Ability to commission the relevant placement categories to reflect greatest need at a fair price with the ability to set rates to enable more accurate budget predictions
- Ability to plan for the longer term – capacity and internal staffing
- Ability to focus on quality as less providers to monitor so monitoring visits could be more frequent. Also, quality of providers would be assured via tendering arrangements for joining the framework.
- Ability to shape a market that best fits the ongoing requirements with specific lots on the framework for types of placements that have greatest demand or provide specialisms (e.g. respite) whilst managing cost.
- Reduction in officer capacity to manage open market e.g. enrolment process
- Provides providers with slightly more assurance of placements than a DAPL whilst ensuring that the Council is not locked into paying for voids which is a feature of block contracts.

Cons: *(N.B. Issues in red are felt to present the greatest risk or are felt to have the greatest impact).*

- Ranking could impede the providers business plans / development / future planning as it will limit the amount of placements they can secure.
- Risk of not having enough providers on the framework to meet demand and offer appropriate choice for service users due to a smaller numbers of provider on the framework than currently on the DAPL
- Could create instability in market for those providers not on the framework. This is also likely to cause damage to Provider relationships for those not on the Framework.
- Framework rates may result in higher costs than established Cost of care rates (although they are expected not to be any higher than what we are currently paying and in many instances may be lower).
- Provider uncertainty when contract expires resulting in possible loss of qualified care staff if providers
- No guarantee of business albeit this would provide more assurance than the current DAPL

Option 4: Hybrid model – Framework with a DAPL

- Enter into a new framework for some categories of placement (via different lots).

Pros:

- Access to the DAPL, providers successfully applied, then undertake mini tenders for specific requirements
- Wider option of providers than a block arrangement – wider contingency options to plan for home closures etc.
- Would secure set rates for those on the framework to enable more accurate budget predictions
- Would allow new entrants to the market if demand requires, flexibility and ability to undertake new mini tenders as required
- Would provide greater understanding of provider speciality e.g. a framework with a smaller no. of homes for certain categories where there is greatest need/demand
- Opportunity to plan ahead but also react to demand
- Possibly allow a more agile approach when responding to the need to implement urgent new frameworks, combined with stronger Provider relations.
- The maintenance of the DAPL would enable placements to be made outside of the framework but on the DAPL if for any reason, the framework providers were unable to offer choice / meet need on occasions.
- Provides an opportunity for framework providers delivering within their specialist lots to work more collaboratively to share their experiences and learn from good practice in order to drive up quality.
- Negotiation of a new contract with the IT supplier provides an opportunity to create an end to end system for the administration of the Framework as well as the DAPL.
- This will also negate the need for Finance and Brokerage staff to operate a separate system for the Framework and DAPL. This also means that management information reports generated by the IT system can be inclusive of all placements made whether via the DAPL or the Framework.
- It is expected that this arrangement will improve the opportunities to manage the market because those entering the Framework will have an expectation they are able to make new placements and therefore are expected to be more actively engaged.

Cons: *(N.B. Issues in red are felt to present the greatest risk or are felt to have the greatest impact).*

- Ranking could impede the Providers business plans / development / future planning
- May limit choice for citizens with framework providers if small numbers join
- Two tier system – uncertainty for providers not successful on framework tenders which could impact on provider / commissioner relationships and provider sustainability for non-framework providers.
- Framework rates may result in higher costs than established cost of care rates but are expected to be lower than some rates that are currently paid.
- Some providers could challenge the introduction of a framework as this was not noted in the original contract regarding the DAPL. It will be important to work collaboratively with providers to mitigate this risk.

Recommended Option: Option 4 Framework with a DAPL

Rationale and Mitigation of Risks:

- Would better support market management and market-shaping than current arrangements - with the frameworks reflecting the types of placements we have most challenges with securing currently / are more costly.
- Less financial risk than block contracts.
- Opportunity to provide more security for providers on the framework than the DAPL in respect of price – as a framework price would be agreed for all placements made via that route – which is expected to improve investment opportunities as investors often require a guaranteed rate for all placements in a care home.
- Would better support our financial planning if we made placements at agreed framework price. Whilst framework rates may be above cost of care rates for some placement categories we would expect rates overall to be lower than some rates we are currently paying via the DAPL or direct awards.
- Would provide greater opportunity to develop a more collaborative working arrangement with a smaller number of framework providers
- would continue to provide choice if sufficient numbers enter the frameworks – it is expected that providers who deliver the category of placements that form the lots of the framework will wish to join in order to have the best opportunity of securing future placements made by the LA.
- Negotiation of a new contract with the IT supplier provides an opportunity to include the IT arrangements for hosting an end to end process for the framework and associated lots.
- Careful consideration of how the ranking of Framework providers will be implemented around cost and quality will mitigate some of the risk identified regarding impact on business planning / future developments.
- Legal advice will need to be sought regarding the risk of introducing a Framework alongside current (albeit improved) DAPL arrangements in order to mitigate the risk of provider challenge or non-engagement. It is felt that robust consultation with provides and collaborative working around the development of the Framework will further mitigate the risk of challenge.

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By virtue of paragraph(s) 16 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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Single Impact Assessment

APPENDIX E

Cardiff Council



1. Details of the Proposal

What is the proposal?

Title: **Review of Care Home Market for Older People and the Approach to Fee Setting for Care and Support Services for 2024/5.**

Is this a new proposal or are you amending an existing policy, strategy, project, procedure or service?

New

Existing

Directorate/Service Area:

Adults, Housing and Communities

Who is developing the proposal?

Name: Angela Bourge

Job Title: Operational Manager, Resources

Responsible Lead Officer (Director or Assistant Director):

Jane Thomas

Cabinet Portfolio:

Social Services (Adults) – Cllr Mackie

Authorisation	
Completed By:	Angela Bourge
Job Title:	Operational Manager – Resources
Date:	9 th November 2023
Approved By:	
Job Title:	

Document History – do not edit

The Single Impact Assessment (SIA) can be strengthened as time progresses, helping shape the proposal. Version control will provide a useful audit trail of how the SIA has developed. Draft versions of the assessment should be retained for completeness, however only the final version will be publicly available. Draft versions may be provided to regulators if appropriate.

Version	Author	Job Title	Date
1	Angela Bourge	Operational Manager - Resources	9.11.23

2. Overview of the Proposal

What action is the Council considering and why?

Please provide a detailed outline of the proposal. This information will support your findings in the impact assessments.

The proposal seeks to provide Cabinet with:

- an update on an analysis of the care home market for older people with regard to its sufficiency and sustainability and to agree an approach for the future commissioning of placements in this cohort of care home.
- an update on work undertaken to gain an understanding of current provider costs for care homes for older people and future financial pressures and to approve the proposed approach for fee setting for care and support services for 2024/25, subject to further consultation.
- an update on work currently being undertaken to strengthen quality assurance arrangements for care homes for older people.

The context to the proposals is as follows:

Care homes for older people play a vital role in supporting the city's most vulnerable residents. The Council requires residential and nursing care services for older people to provide:

- a safe, secure and stable environment, with onsite 24/7 access to care and support.
- the opportunity to promote choice, engagement, and meaningful activities for its residents and family members.
- dignity and respect for all residents.
- a good quality of life for residents .
- appropriately skilled and qualified workforce that is competent to meet the individual needs of residents.

As recognised in the Regional Market Stability Report, the approach of supporting older people to live independently at home will impact on the demand for general residential care. Additionally, the Ageing Well Strategy recognises the need to work in partnership with the care sector to ensure the delivery of high quality, sustainable care and support and in particular to support the sector to meet the changing demographic makeup of the city, which will increase demand for specialist care, such as nursing and nursing dementia care.

Currently Adult Services secures care home placements on a spot purchase arrangement where providers are invited to bid for each individual placements. The commissioning of each package of care on an individual basis means that Adult Services does not risk block booking beds that are not then utilised. However, commissioning in this way presents challenges to providers, there is no guarantee of work with the Council that would encourage them to invest in their premises or to make changes to their delivery models. The lack of certainty about future income also makes it difficult for them to secure investment in their services. It is also bureaucratic and onerous for both council officers and providers.

There are currently 37 care homes for older people in Cardiff collectively registered to provide 1,819 beds. 30 of these care homes are Approved Providers i.e. accredited on to the Council's Dynamic Approved Provider List (DAPL) which equates to 1,818 registered beds. However, not all these registered beds will be in use at any one time for a number of reasons such as refurbishment of rooms or workforce issues. Of the 7 Cardiff care homes that are not yet accredited, these care homes are collectively registered for 301 placements. 6 have placements commissioned by Adult Services through historical arrangements and work is underway to support them to become accredited and enrolled.

The Proposed Approach to Fee Setting

The merits of putting a new Fee Setting strategy in place for 2024 - 2027 are recognised in that it would provide a clear understanding for providers of the Council's intentions and commitments over the period of the strategy. However, it is once again felt unwise to propose this approach in the current financial climate. It is understood that in the next year, the Council will face its most challenging financial situation yet and there continues to be significant uncertainty about the on-going impact of the cost-of-living crisis on care home providers. It is therefore recommended that Cabinet agrees that Adult Services does not implement a new Fee Setting Strategy for in 2024 but instead agrees the following approach to fee setting which will provide a clear set of principles that govern how the annual fee uplifts are determined and how a standard cost of care is calculated for the new financial year.

- Ensuring that fees reflect the need to uplift staffing costs to meet the Real Living Wage that has been set at £12 an 10.1% increase.
- To provide an uplift that reflects the increase in costs other than staffing, based on predicted inflationary pressures.
- Identifying separately the types of placements most in demand, and for which there is likely to be increasing need in the future. These placements offer the higher level of care and support, and most frequently cost the Council more than the current cost of care rates. To reflect this in a higher uplift.
- Recognising the need to review the profit margin that is currently applied to the cost of care template that was agreed in 2018 and

considering the importance of understanding the significance of working towards a sustainable figure to reflect Return on Capital Employed (ROCE) in the future.

- The current arrangement whereby those placements above the calculated cost of care rate are not awarded an uplift will continue.
- Ensure that final fee setting decisions are informed by further consultation with providers so that commissioners can understand the expected impact of the proposals before formal decision-making takes place. It will be important to recognise that whilst it may not be possible for the Council to meet the gap between existing fees and the increased costs that providers have indicated during the cost of care exercise that they have experienced in 2023/24 and expect to incur in 2024/5, it is important that the providers are able to voice the impact of not doing so on market sustainability and sufficiency.
- Quantify the gap between existing fees and illustrated costs of care gathered from the cost of care exercise, and share this with the National Commissioning Board and Wales Government policy leads to inform Social Care Futures and Fair Work developments in order to contribute to national work being undertaken to begin to close the funding gap.

Proposed New Approach to Commissioning

An options appraisal was undertaken, and the following options were comprehensively considered:

- **Option 1 - Remain as is, continuing to use the Dynamic Approved Provider List (DAPL)** – commissioning all placements via the DAPL, either using existing processes or via improved and more relevant processes that address the issues with the current arrangements.
- **Option 2 - Use of Block Contracts** – which enable contracts to be put in place with providers for a specified type and amount of care over an agreed timescale for an agreed rate. Providers are paid for a set number of placements beds at the agreed rate, whether or not these are used.
- **Option 3 – Use of Framework Arrangements** which enable contracts to be put in place with a range of framework providers that permit commissioners to secure placements for the specific types of care (arranged via “lots”) reflect the cohorts of placements that are required (e.g. respite, general nursing etc)
- **Option 4 – A Hybrid Model using the DAPL with Frameworks** for lots that reflect the cohorts of placements the Service find most challenging to secure.

The recommended option identified by the group and approved by the Adults, Housing and Communities Commissioning Board held on 16th September 2023 was Option 4 for the following reasons:

- A combination of Dynamic Approved Provider List together with a few Framework Arrangements would better support market management and market-shaping than the current arrangements - with the Frameworks reflecting the types of placements Adult Services have most challenges in securing currently and which are frequently more costly.
- Frameworks present less financial risk than block contracts where providers are paid for an agreed number of beds whether they are full. Adult Services have block contracted on occasions in response to specific needs (e.g. to support hospital discharge) but this has presented challenges as it is not always possible for providers to fill vacancies if there are compatibility issues with existing residents, also if the level of demand reduces over the term of the contract then payments may be made for empty beds.
- However, Frameworks provide an opportunity to offer more security for providers in respect of price which is expected to increase their investment opportunities required to improve the quality-of-care homes, particularly those that are not currently RISC compliant (e.g., rooms with ensuite facilities) and this will improve their sustainability.
- Agreeing a fee level for providers who are part of the framework will also support more accurate financial projections.
- Continuing to operate the DAPL alongside a Framework with a number of specialist lots will have a number of benefits. It will ensure that all providers who tender for the Framework have previously onboarded to the DAPL and will have already been checked against appropriate quality standards. This will support the tender arrangements for the framework.
- The maintenance of the DAPL for other types of placements where demand is reduced (e.g. general residential) would continue to support choice for individuals and enable the Service to maintain fair and equitable procurement arrangements for these type of placements. The maintenance of the DAPL would also provide an opportunity for placements that cannot be secured via the Frameworks, to be offered to the wider cohort of accredited providers.
- A Framework with specialist lots for specific cohorts of providers would also provide greater opportunity to develop a more collaborative working arrangement with a smaller number of

providers who are committed to working with the Council, strengthening relationships between commissioners and providers but also providing an opportunity for providers delivering similar types of care to share learning to improve the experience of service users.

- This hybrid model will also continue to provide choice for service users if enough providers tender for the Frameworks.

Quality Assurance

All care homes are regulated by Care Inspectorate Wales (CIW) under the RISCA regulations. Cardiff's current approach to monitoring quality comprises of contract monitoring visits to audit the standard of service delivery, safe recruitment practice and workforce related matters such as training and development as well as understanding the experience of residents and their outcomes.

Adult Services intend to use the messages from research it commissioned by the Institute of Public Care (IPC) to engage in further discussions with care home providers about strengthening current arrangements to improve cohesion, reduce duplication and reinforcing the focus on outcomes. A quality assurance framework will be developed to inform an overall quality rating for providers which will link directly to whether a provider is in the formal Escalating Concerns Process arising from concerns related to quality / sustainability of the service. It is expected that in the future, the quality rating will become a factor in determining the awarding of new care placements.

The Cabinet is recommended to:

- note the findings of the review of care home placements for older people.
- note the work being done to improve to quality assurance for care homes for older people.
- agree the approach to fee setting for older people's care home placements for 2024-25 and other services commissioned by Adult Services and delegate the related decision-making authority in respect of the annual uplifts and new standard cost of care rates for placements in care home for older people for 2024/25 to the Director of Adults, Housing and Communities in consultation with the Cabinet Member for Social Services (Adults) the Section 151 Officer and the Director of Law and Governance.
- agree the approach for the future commissioning of care home placements for older people, including a combination of approved provider and framework arrangements and to delegate the decision-making authority regarding any related procurement of services to the Director of Adults, Housing and Communities in consultation with the Cabinet Member for Social Services (Adults) the Section 151 Officer and the Director of Law and Governance.

What are the costs and/or savings?

What will the proposal cost and how will it be funded?

How might costs be reduced through involvement and collaboration, across Cardiff Council and/or with external stakeholders?

Are there savings and how will these be realised?

There are no savings linked to this proposal, but the new approaches seek to ensure value for money as the spend on commissioning of care home placements for older people was £36.3m in 2022/23, 29% of the Adult Services commissioning budget.

The detailed work around the annual uplifts for social care providers and the new costs of care for care home placements for older people is yet to be finalised but the costs will be met within the Adult Services budget allocation for 2024/25. Decisions will be based on Adult Services understanding of provider costs informed by consultation with providers and benchmarking and data analysis undertaken, balanced against affordability.

Collaborative working will be undertaken with care home providers in respect of developing the new approach to commissioning and strengthening of quality assurance arrangements to inform the detail that will underpin implementation and operational issues.

3. Impact Assessments

Which impact assessments do you need to complete to support your proposal?

Further information is included about each assessment at the start of the relevant section.

The [Impact Assessment Screening Tool](#) provides advice tailored to your proposed policy, strategy or project regarding which impact assessments may be required and who to contact to find out more.

The screening tool is an online form with mainly multiple-choice questions which should take less than 10 minutes to complete.

Once the answers have been submitted, an automated email will be sent to you with the recommended next steps and details of who to contact for expert advice.

Put Yes or No next to each of the impact assessments listed below to indicate which ones are being carried out. For assessments which are not being carried out, please delete the relevant sections on the subsequent pages.

Impact Assessment	Completed: Y/N
A. Equality Impact Assessment	y
B. Child Rights Impact Assessment	
C. Welsh Language Impact Assessment	Y
D. Habitats Regulations Assessment	
E. Strategic Environmental Assessment	
F. Data Protection Impact Assessment	
G. Health Impact Assessment	

For further information on all the above impact assessments including who to contact for advice, please visit the [Policy Portal](#).

A: Equality Impact Assessment

Guidance in completing this assessment can be accessed [here](#). Please consult the Equality Team for any further assistance with completing this assessment EqualityTeam@cardiff.gov.uk

Under the Equality Act 2010, “differential impact” means that people of a particular protected characteristic (e.g. people of a particular age) will be significantly more affected by the change than other groups.

Impact on the Protected Characteristics

Age

Will this proposal have a **differential impact [positive/negative]** on different age groups?

	Yes	No	N/A
Up to 18 years			
18 - 65 years			
Over 65 years	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

The proposals relate to care home provision for older people. If implemented the new arrangements for quality assurance and commissioning should strengthen Adult Services ability to meet demand and need and to improve quality for service users whilst paying a fair price for care. It is therefore felt that there will be a positive differential impact, on age.

What action(s) can you take to address the differential impact?

If the recommendations of the Cabinet report are agreed there will be a need to:

- Implement the new approach to fee setting for 24/25
- Strengthen quality assurance arrangements
- Implement the new approach to commissioning

Disability

Will this proposal have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment		X	
Learning Disability		X	

Long-Standing Illness or Health Condition		X	
Mental Health		X	
Neurodiversity		X	
Physical Impairment		X	
Substance Misuse		X	
Visual Impairment		X	
Other		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

The proposals relate to care home provision for older people and some individuals may have hearing, physical and visual impairment. However, it is not felt that the proposals will have a negative or positive differential impact on these groups as the specific needs of individuals will be addressed on a case by case basis when care home placements are made – ensuring that the care home can appropriately meet the needs of the individual and promote their desired outcomes.

What action(s) can you take to address the differential impact?

No action required

Gender Reassignment

Will this proposal have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
Transgender People (Transgender people are people whose gender identity or gender expression is different from the gender they were assigned at birth.)		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on transgender people. However, part of the quality assurance arrangements will ensure that individual's needs are appropriately taken into consideration and met.

What action(s) can you take to address the differential impact?

No action required

Marriage and Civil Partnership

Will this proposal have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A

Marriage		x	
Civil Partnership		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on marriage & civil partnership.

What action(s) can you take to address the differential impact?

No action required

Pregnancy and Maternity

Will this proposal have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy		X	
Maternity		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on pregnancy and maternity.

What action(s) can you take to address the differential impact?

No action required

Race

Will this proposal have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White		x	
Mixed / Multiple Ethnic Groups		x	
Asian / Asian British		x	
Black / African / Caribbean / Black British		x	
Other Ethnic Groups		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on race. However, part of the quality assurance arrangements will ensure that individual's needs regarding race are appropriately taken into consideration and met.

What action(s) can you take to address the differential impact?

No action required.

Religion, Belief or Non-BeliefWill this proposal have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist		X	
Christian		X	
Hindu		X	
Humanist		X	
Jewish		X	
Muslim		X	
Sikh		X	
Other belief		X	
No belief		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on the basis of religion/belief/non-belief. However, part of the quality assurance arrangements will ensure that individual's needs are appropriately taken into consideration and met.

What action(s) can you take to address the differential impact?

No action required

SexWill this proposal have a **differential impact [positive/negative]** on male, female or non-binary persons?

	Yes	No	N/A
Male persons		X	
Female persons		X	
Non-binary persons		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on sex.

What action(s) can you take to address the differential impact?

No action required

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Sexual Orientation

Will this proposal have a **differential impact [positive/negative]** on people with different sexual orientations?

	Yes	No	N/A
Bi		x	
Gay		x	
Lesbian		x	
Heterosexual		x	
Other		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on sexual orientation.

What action(s) can you take to address the differential impact?

No action required

Socio-economic Duty

Is the change anticipated to reduce or contribute to inequality of outcome as a result of socio-economic disadvantage? (e.g. will the change negatively impact on those on low-incomes or those living in deprived areas?)

	Yes	No	N/A
Socio-economic impact		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

It is not expected that there will be a negative differential impact in respect of social-economic duty. Individual entering a care home receive a financial assessment which identifies the appropriate contribution they are required to make to the care they receive based on what it is calculated they can afford.

What action(s) can you take to address the differential impact?

No action required.

Welsh Language

Will this proposal have a **differential impact [positive/negative]** on the Welsh language?

	Yes	No	N/A
Welsh language		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is not anticipated to be any differential impact on the Welsh language. Care Homes are expected to make the active officer to all individuals to determine if they wish to receive services in Welsh and those who are currently unable to meet this requirements are working towards it.

What action(s) can you take to address the differential impact?

No action required.

Consultation and Engagement

What arrangements have been made to consult/engage with equality/ community organisations, especially those who are representative of those you have identified as being likely to be affected?

Consultation has been undertaken with care providers to gain an understanding of their costs. However, specific consultation will be undertaken with the social care sector on the proposed uplift levels when work had been completed on the new rates.

Initial consultation has also been undertaken with care providers regarding quality assurance and this has included how they consult with residents and their families. Further work will be undertaken with providers to develop the detail around how the quality assurance framework will be implemented.

Consultation with providers will also be undertaken on the future commissioning arrangements if the preferred option is agreed by Cabinet. This will help Adult Services shape the detail around the operation arrangements for the framework approach.

Whilst there has been no specific consultation with service users, their feedback is routinely collected as part of usual contract monitoring and quality assurance visits to care homes that officer undertake and therefore the experience of service user has been considered to inform the proposals.

Summary of Actions (Listed in the sections above)

	Actions
Age	See generic actions
Disability	
Gender Reassignment	

Marriage & Civil Partnership	
Pregnancy & Maternity	
Race	
Religion/Belief	
Sex	
Sexual Orientation	
Socio-economic Impact	
Welsh Language	
Generic/ Over-Arching (applicable to all the above groups)	<p>If the recommendations of the Cabinet report are agreed there will be a need to:</p> <ul style="list-style-type: none"> • Implement the new approach to fee setting for 24/25 • Strengthen quality assurance arrangements • Implement the new approach to commissioning

Next Steps

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

Where the Equality Impact Assessment shows negative impacts, you must append the form to the Cabinet or Officer Decision Report.

On completion of this Assessment, please ensure that the whole form is submitted to the Equality Team mailbox so that there is a record of all assessments undertaken in the Council EqualityTeam@cardiff.gov.uk

B: Child Rights Impact Assessment

The aim of a Child Rights Impact Assessment is to put children and young people at the forefront of decision-making. The assessment helps officers to consider how the rights of children and young people may be affected by a proposed policy or project.

Click [here](#) to start a Child Rights Impact Assessment.

You will receive an automated email containing a link to your Child Rights Impact Assessment template and the Child Friendly Cardiff Team will be in contact to support you.

Guidance for Local Government prepared by Unicef is available here:
[Child Rights Impact Assessment - Child Friendly Cities & Communities \(unicef.org.uk\)](https://www.unicef.org.uk/child-rights-impact-assessment-child-friendly-cities-communities)

For further information or assistance in completing the Child Rights Impact Assessment, please contact the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

Next Steps

Where it is considered that a Child Rights Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

C: Welsh Language Impact Assessment

Please consult with Bilingual Cardiff for any assistance with completing this assessment
Bilingualcardiff@cardiff.gov.uk

Welsh Language Standards 88-97

Standard 88

Will this proposal have a **differential impact [positive/negative]** on:

	Yes	No	N/A
The opportunities for persons to use the Welsh language?		X	
Treating the Welsh language no less favourably than the English language?		X	

Please give details/ consequences of the differential impact, and provide supporting evidence, if any.

It is not felt that the proposal will have a differential impact on Welsh Language.

Standard 89

Could this proposal be formulated or re-formulated, so that it would have positive effects, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

Care Homes are expected to make the active offer to all individuals to determine if they wish to receive services in Welsh and those who are currently unable to meet this requirements are working towards it. The work undertaken in strengthening quality assurance arrangements will ensure that monitoring of the active offer is routinely undertaken and areas of development or improvement are followed up.

Treating the Welsh language no less favourably than the English language?

Please see above.

Standard 90

Could this proposal be formulated or re-formulated to ensure that it does not have adverse effects, or a decreased adverse effect, on:

The opportunities for persons to use the Welsh language?

It is expected that by ensuring monitoring is routinely undertaken regarding the active offer that this will improve opportunities for individuals to receive services in Welsh should they wish to do so.

Treating the Welsh language no less favourably than the English language?

See above.

Standard 91

When consulting on the proposal, were views considered, and sought, on the effects (both positive and negative) that it would have on:

The opportunities for persons to use the Welsh language?

No – but there will be opportunities for this to be considered as part of future collaborative working with providers when the detailed work around development of the quality assurance framework is undertaken.

Treating the Welsh language no less favourably than the English language?

See above

Standard 92

Did the consultation seek and give consideration to views on how the proposal could have positive, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

No – please see response to Standard 91 which also applies to this standard.

Treating the Welsh language no less favourably than the English language?

See above

Standard 93

Did the consultation seek and give consideration to views on how the proposal could have no adverse effects, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?
Plere see response to standard 91 which also applies to this standard.

Treating the Welsh language no less favourably than the English language?

Standard 94

If the proposal includes the awarding of grants, has consideration been given to the guidance presented in Cardiff Council's Policy on Awarding Grants in Compliance with the Welsh Language Standards with regard to:

The opportunities for persons to use the Welsh language?
Yes – this is already build into the evaluation process in respect of providers on -boarding to the Dynamic Purchasing Approved Provider List (DAPL) and will feature in any tenders that are undertaken regarding the proposed new approach to commissioning (e.g. the implementation of frameworks alongside the DAPL).

Treating the Welsh language no less favourably than the English language?
See above

Standard 95

If research was undertaken or commissioned to assist with the development of the proposal, did it give consideration to whether it would have a **differential impact [positive/negative]** on:

The opportunities for persons to use the Welsh language?
N/A – specific research was not commissioned to assist with the development of these proposals.

Treating the Welsh language no less favourably than the English language?

N/A

Standard 96

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have a positive effect, or increased positive effects, on:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?
N/A

Standard 97

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have no adverse effect, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?
N/A

Material and Services

In addition to the impact assessment to ensure that the proposal meets the requirements of the Welsh Language Standards, consideration must also be given to the supporting materials and services that may be required.

These include (please click on the hyperlinks to view detailed information about the requirements under the Welsh Language Standards):

- [Correspondence](#) - receiving and replying (emails, letters, online communication).
- [Telephone](#) – receiving and answering calls.
- [Meetings & Public Events](#) – public meetings or events, group meetings, consultation, individual meetings.
- [Public Messages – electronic – video](#)
- [Signs, Notices & Display Material](#)
- [Publicity & Advertising](#)

- [Producing Public Documents](#) - policies, strategies, annual reports, corporate plans, guidelines, notices, codes of practice, consultation papers, licences, certificates, rules, brochures, leaflets, pamphlets or cards, ticket/vouchers.
- [Producing Forms](#)
- [Reception Services](#)
- [Websites, Apps and Online Services](#)
- [Social Media](#)
- [Self Service Machines](#)
- [Education Training Courses](#)
- [Public Address Announcements](#)

Are all supporting materials and services compliant with the requirements of the Welsh language standards?

Materials that will support the implementation of the proposals if agreed will be compliant with the requirements of Welsh Language Standards (e.g. tender documents and evaluation criteria in respect of commissioning new arrangements for care home placements).

Cardiff Council’s Welsh Language Skills Strategy

This strategy may be viewed here and additional guidance documents have been produced to support its implementation:

- [Assessing Welsh Language Skills and Identifying Welsh Essential Roles](#)
- [Recruitment, Selection, and Interview Procedures and the Welsh Language](#)

Do you have access to sufficient Welsh speaking staff to support the delivery of the proposal in compliance with the requirements of the Welsh language standards?

The proposals related to the external care home market. It is expected that care homes enrolled on the DAPL are able to make the active offer or are working towards it.

Next Steps

Where it is considered that a Welsh Language Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

A copy must also be emailed to Bilingual Cardiff Bilingualcardiff@cardiff.gov.uk

D: Habitats Regulations Assessment

	Yes	No
Will the proposal affect a European site designated for its nature conservation interest*, or steer development towards an area that includes a European site, or indirectly affect a European site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

** Only two European sites designated for nature conservation interest lie within Cardiff's boundaries – the Severn Estuary and Cardiff Beech Woods, but be aware if your project affects an area close to a neighbouring authority.*

If the answer is 'Yes', then a screening exercise may need to be conducted to determine if a Habitats Regulations Assessment is required or not.

Contact the [Biodiversity Team](#) who will guide you through the process.

E: Strategic Environmental Assessment

	Yes	No
Does the strategy, policy or activity set the framework for future development consent?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Is the strategy, policy or activity likely to have significant environmental effects (positive or negative)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you have answered 'Yes' to both of the above questions, then a full Strategic Environmental Assessment Screening is needed.

Contact the [Sustainable Development Unit](#) who will guide you through the process.

F: Data Protection Impact Assessment

	Yes	No
Will the proposal involve processing information that could be used to identify individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If the answer is 'Yes', then a Data Protection Impact Assessment may be required.

Click [here](#) to read the guidance and start the Data Protection Impact Assessment process if needed.

For further information, contact the [Data Protection Service](#).

G: Health Impact Assessment

A Health Impact Assessment helps to develop policies and projects that consider the mental, physical and social health and well-being of a population during planning and development. Considering health inequalities and their impacts on local communities is an essential part of any Health Impact Assessment.

Health Impact Assessments will become a statutory requirement for public bodies in specific circumstances in the future. These circumstances have yet to be published by Welsh Government.

For further information and advice, please contact the Wales HIA Support Unit.

Website: [Home - Wales Health Impact Assessment Support Unit \(phwwhocc.co.uk\)](http://phwwhocc.co.uk)

Email: WHIASU.PublicHealthWales@wales.nhs.uk

Review of Care Home Market for Older People and the Approach to Fee Setting for Care and Support Services 2024/25

CASSC – December 2023



Purpose of the Report



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The aim of the cabinet report is:

- To agree the approach to **fee setting** for care and support services for 2024/5
 - To agree an approach to the **future commissioning of care homes for older people**
- Both to be informed by the work undertaken so far to **review the care home market**, with a focus on care homes for older people
- To note the work underway to strengthen quality monitoring for care homes for older people



National & Regional Context

A number of key policy documents have informed the report:



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The Welsh Government White Paper on Rebalancing Care and Support, highlights the complexity of the care and support market landscape in Wales. It describes three critical areas where action is needed:

- Refocusing the fundamentals of the care market **away from price towards quality and value**
- Reorientation of commissioning practices **towards social value commissioning** focused on managing the market and outcomes.
- Evolution, integration, and **simplification of joint planning** and delivery



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- The Cardiff and Vale **Regional Market Stability Report** considered the overall sufficiency and stability of the care market.
- Reflected that a change was required to care and support models with a strong emphasis on **citizens remaining at home for longer, reducing the need for residential care** but also indicated an **increase in need for specialist care**.
- Identified that **more specialist care home capacity** was required to support people with **dementia** and at end of life



Local Context – An Ageing Population

Projected 2030 Population Increase

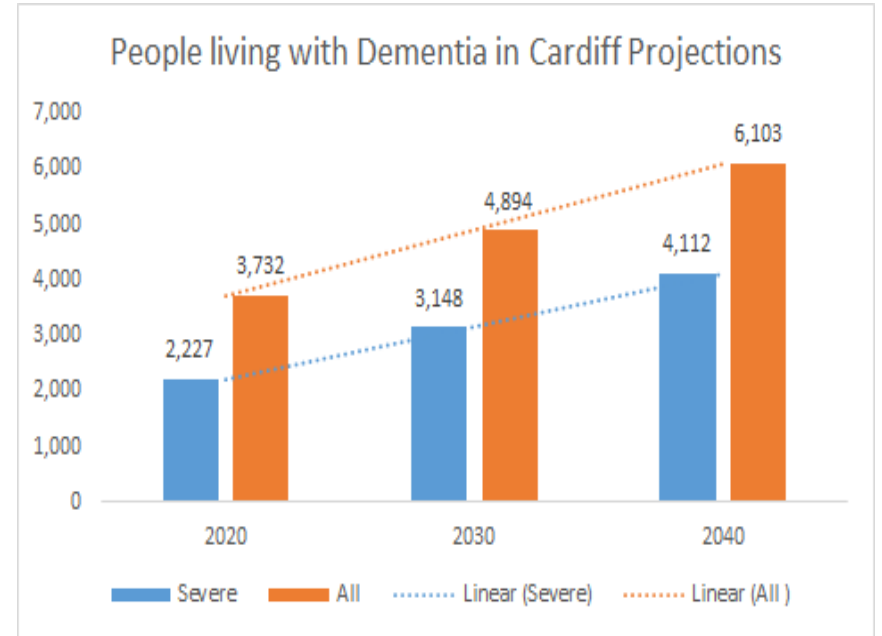


17.8 % increase age 65+
9.2 % increase age 85+
5.9 % increase age 90+

The **number that struggle with activities of daily living** will increase by **17%** by 2030 – 1 in 4 older people (over 65).

The **number of people living with dementia** will increase by **30.1%** by 2030 and **41.1%** for severe dementia

Cardiff Council already spends more than £56 million a year on care and support services for older people



Action that we take now can make a difference to how this demographic change impacts on demand for services.

Cardiff's Ageing Well Strategy set out a 5 year plan to support the ageing population

Clear focus on prevention and reablement – supporting people to remain at home

Intention to work with the care sector to meet changing need:

- Move away from the use of general residential care
- Meet the increased demand for specialist care such as nursing /dementia care

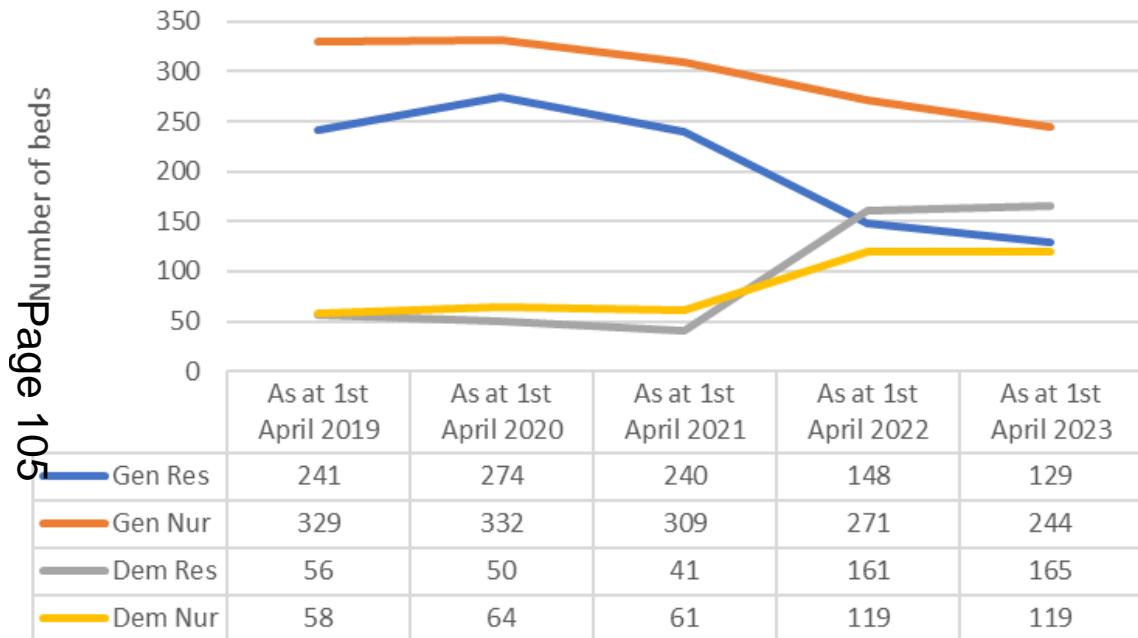
Background



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Placement demand



The impact of this change is reflected in reflected in the number of Council care home placements:

Since April 2019

- **General Residential Care** has decreased by 50%
- **General Nursing Care** has decreased by 25% (although this is still the highest category)
- **Dementia Residential Care** has increased by 66% (this is now the second highest category)
- **Dementia Nursing Care** has increased by 51%

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Care Home Procurement Arrangements



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- Care home placements are secured by spot purchase arrangement
- **A Dynamic Approved Provider List (DAPL)** is used for tendering - to become **“Approved Providers”** providers must pass an accreditation process.
- Commissioning on an individual basis means that Adult Services **does not risk block booking beds** that are not then utilised and should give value for money however:
- This presents challenges for providers - there is no guarantee of work with the Council that would encourage providers to **invest in their premises or to make changes to their delivery models.**
- This approach to commissioning also makes it **difficult for providers to secure funding to invest** in their buildings. Care homes are now seen as high risk for investors
- There are a **lack of bids for placements** which impacts on cost

Due to these challenges a review of care home market and current commissioning arrangements has been carried out

Findings of Review - Care Homes in Cardiff



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- There are currently **37** care homes for older people in Cardiff collectively registered to provide **1,899** beds.
- **30** of these care homes are Approved Providers.
- Of the **7** homes not yet accredited **6** have placements commissioned by the Council - work is underway to support them to become accredited and enrolled.
- As at September 2023, there were **674** individuals in Cardiff care homes placed or funded by the Council
- **Council placements make up 35% of all registered care home beds** for older people in the city,
- The remaining **65%** are either:
 - currently vacant;
 - commissioned by Health or
 - occupied by individuals who are self-funding their own care.

In 2022/23 - £36.3m was spent on care homes for older people, 28.78% of the total Adult Services commissioning budget.

Findings of Review - Cost of Care



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Cardiff Council has agreed standard cost of care rates for care home placements for older people for four separate types of home:

Category	Cost of Care 2023/24
Residential	£912.29
Dementia Residential	£979.40
Nursing	£903.79
Nursing Dementia	£1001.17

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Findings - although cost of care rates are in place, the service is frequently paying above these rates, mainly due to a lack of bids at the cost of care rates.

The highest percentage of placements above the current standard cost of care rate is **General Nursing** and **Nursing Dementia** placements reflecting demand for these categories of placements and the challenges that the service faces in securing them.



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Findings of Review - Bidding Statistics

An analysis of bidding patterns in Quarter 2 has taken place and shows the number of bids received in the period for all placements via the **Dynamic Approved Provider List (DAPL)** and also the reasons why Direct Awards were made.



Reasons for Direct Awards

- **Choice** - an individual or their family may choose a care home where charges are more than the set cost of care rate if they fund the extra / have a property to fund the care
- **To achieve continuity of care** where an individual has been admitted to a care home on a temporary basis and needs to remain there on a longer-term basis. Or where they were self-funding care and can no longer afford the fees, if it is not reasonable to make them move
- **Escalation of need** that requires an individual to move from residential to nursing care and the change can be met in their current home.

The findings from the review will inform both fee setting and future commissioning proposals

Fee Setting

Welsh Government statutory guidance [‘Commissioning Framework Guidance and Good Practice. Standard 10 \(2010\)’](#) This guidance sets out the factors a local authority should take into account when considering fees: The Guidance states,

- *‘Commissioners will have to take into account the full range of demands on them and their strategic priorities, as well as the resources they have at their disposal in developing their commissioning strategies.*
- ***Fee setting must take into account the legitimate and future costs faced by providers as well as the factors that affect those costs and the potential for improved performance and more cost effective ways of operating. The fees need to be adequate to enable providers to meet the specification set by the Commissioners together with regulatory requirements.....***
- ***Commissioners must have a rationale to explain their approach to fee setting. The primary concern is that services operate safely and effectively to promote the welfare of the service users and carers and meet regulatory requirement.***

The Welsh Government commended [‘Lets Agree to Agree’ toolkit](#) acknowledges that the price for care has to be negotiated as with any other contract, that “ ***there will always need to be a balance between what is an acceptable price, is affordable to the public purse (the tax payer) and what is fair for providers in order that they can deliver a sustainable business***”.

Fee Setting For Care Homes

Cardiff implemented a three-year Fee Setting Strategy in 2019.

- This allowed for packages of care at the cost of care rate to receive an annual uplift,
 - Any packages of care higher than the set rates would not receive an annual increase.
-
- Uplifts to the cost of care rates for 2022/23 onwards have included the **Real Living Wage (RLW)** uplift for workers in registerable posts.
 - **New Cost of Care exercises in 2022 could not be completed** due to:
 - low number of participants in the exercise
 - implementing a new Fee Setting Strategy a time of great financial uncertainty
 - It was therefore agreed to extend the existing Fee Setting Strategy for a further year with an additional uplift for residential dementia, nursing, and nursing dementia placements
 - **A new Cost of Care exercise was initiated again in 2023** – again it will not be possible to complete this – for the same reasons as above. However, views of providers have been listened to and are set out in the cabinet report.

Fee Setting 2024/25 - Older Persons Care Homes

It is proposed that a new Fee Setting Strategy is not put in place in 2024 but instead a clear set of principles will be set out on how the standard cost of care will be uplifted

- Ensuring that fees reflect the need to **uplift staffing element of costs** to meet the **Real Living Wage (RLW)** - £12 (10.1%)
- Provide an uplift that considers the **increase in costs other than staffing**, based on predicted inflationary pressures (3%)
- Identifying **types of placements most in demand and their costs** – seek to reflect these costs in a way that is affordable for the Council.
- Recognising the providers concern about the **Return on Capital Employed** while understanding that any significant increase in this respect would require more support from WG
- **Not to uplift those packages which are above the new cost of care rate.** This will impact on **254** packages and noting that this approach is not without risk.

If agreed:

- Further consultation will be carried out with providers ahead of the budget
- Any concerns identified that cannot be addressed by the Council, will be raised with the National Commissioning Board and Wales Government policy leads

Fee Setting 2024/25 – Other Groups



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- A separate approach will be taken to fee setting for care homes for other population groups including those with **Learning Disabilities, mental health issues and substance misuse problems.**
- Important to sustain these **specialist placements for Learning Disabilities** and reflect their additional costs

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Therefore it is proposed that uplifts for these placements are calculated in line with the principles set out on the previous slide, except that all placements receive an uplift, even if above the cost of care rates.

- For **Mental Health and Substance Misuse Placements** – case by case decision making will be made on placements above the cost of care rates (recognising the variety of need)
- Longer term plans are in place to further develop specialist supported living schemes, which will reduce reliance on expensive residential placements (where appropriate) while helping individuals to remain closer to home.



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Fee Setting 2024/25 – Domiciliary Care



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- Fortunately, Cardiff has an active domiciliary care market
- It is proposed that there will be no change to the approach to fee setting originally agreed in 2021 for **Domiciliary Care** with the continuation of the Floor and Ceiling (Currently **£20.71** and **£25.34** respectively).
- It is proposed that fee uplifts will reflect the **Real Living Wage for staff costs only** and for other cost the increase will reflect the **predicted rate of inflation** going forward.
- The ceiling will increase by the predicted rate of inflation only - this will restrict the increase for some packages already at or near the ceiling.
- Packages above the ceiling due to exceptional reasons will receive an increase

The proposal will be subject to further consultation - but with the recognition of budget limitations



New Approach to Commissioning Care Home Placements for Older People



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The current method of commissioning care home placements through the DAPL has a number of disadvantages which are **impacting** both on the **current cost of placements** and the **ability to manage the market towards** meeting future needs:

- Challenges in securing nursing and dementia nursing placements and also respite placements - low numbers of providers are bidding on a consistent basis.
- The actual prices paid for placements are often above the standard cost of care rates.
- Difficulty in building collaborative relationships with such a large number of providers or develop partnerships with the flexibility and commitment that is needed
- **19** homes require investment to make them fully compliant with RISCA and suitable to provide services to residents with higher levels of need - **15** are partially compliant and **4** are non-compliant.
- There is a need to upgrade these homes, however, current arrangements do not give providers any assurance about the number of placements the Council will commission with them in the future.

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A new approach to commissioning is required that overcomes these issues

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New Approach to Commissioning Care Home Placements for Older People



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Four options have been considered:

- **Option 1 - Remain as is, continuing to use the Dynamic Approved Provider List**
- **Option 2 - Use of Block Contracts** – enables contracts to be put in place with providers for a specified type and amount of placements over an agreed timescale for an agreed rate.
- **Option 3 – Use of Framework Arrangements** - enable contracts to be put in place with a range of framework providers, giving some more certainty to providers without committing to placements.
- **Option 4 – A Hybrid Model - using both the DAPL and Frameworks** for lots that reflect the cohorts of placements the service find most challenging to secure.

Option 4 is recommended

New Approach to Commissioning Care Home Placements for Older People



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Benefits of Option 4 include:

- A combination of **Dynamic Approved Provider List** together with a number of **Framework Arrangements** would better support market management
- Frameworks provide an opportunity to offer more security for providers in respect of price, without committing to placements.
- Agreeing a fee level for providers who are part of the Frameworks will support more accurate financial projections and better control of costs.
- The maintenance of the DAPL would continue to support choice for individuals
- Frameworks for specific cohorts of providers would also provide greater opportunity to develop a more collaborative working arrangement with a smaller number of providers

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Improving Quality



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All care homes are regulated by **Care Inspectorate Wales (CIW)** under the RISCA regulations.

Cardiff's current approach to monitoring quality comprises of:

- **Contract Monitoring** visits to audit homes against the standard:

- Service delivery,
- Safe recruitment practice and workforce related matters such as training and development

- Planned monitoring visits are undertaken by **Contract Monitoring Officers**, a care home will have **at least one** monitoring visit per year, but this will be enhanced where there are concerns regarding provider quality.
- The **Dementia Care & Quality Social Work Team** carries out of reviews from a service user perspective and spreads good practice in dementia care
- Any issues are managed using formal **Escalating Concerns procedures**, a multi-agency approach with the aim of supporting providers to improve and to sustain that improvement.



Improving Quality



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- It is intended that various components for monitoring quality of Care Homes that are currently in place will be brought together to inform an **overall quality rating**.
- It is expected that following consultation, the quality rating will become a factor in determining the awarding of new care placements.
- It will also inform the commissioning of future framework arrangements if proposals are agreed



Next Steps

If the report is approved by Cabinet:

- Page 120
- Consultation will take place with providers on the fee setting proposals ahead of budget setting
 - Further work will be undertaken to develop details proposals for the framework arrangements – this will including further market engagement



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**CYNGOR CAERDYDD
CARDIFF COUNCIL
COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE**

11 December 2023

HOUSING EMERGENCY IN CARDIFF

Appendices 1, 2, 3 & 7 are not for publication as they contain exempt information of the description contained in paragraphs 16 of Part 4 of Schedule 12A of the Local Government Act 1972.

Purpose of the Cover Report

1. To provide Members with background information to enable their pre-decision scrutiny of the report to Cabinet regarding the housing emergency in Cardiff.
2. The draft Cabinet Report, attached at **Appendix A** (*and its subsequent Appendices*) are due to be considered by Cabinet, at its meeting on 14 December 2023.
3. Members should note that **Appendices 1, 2, 3 and 7** of the draft Cabinet Report are exempt from publication. Members are therefore, requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

Structure of the meeting

4. As **Appendices 1, 2, 3 and 7** are confidential and exempt from publication, this agenda item will be considered in two parts. The first part will be an 'open session', where Members can raise questions on the information in the public domain. Namely, information included in this Cover Report, the attached Cabinet Report (**Appendix A**) and **Appendices 4, 5 and 6**. This part of the meeting will be made available to the public and webcasting will occur.

5. A 'closed session' will then ensue, where webcasting will be paused. Members will then be able to ask questions on the information contained in the confidential appendices, (1, 2, 3 & 7).
6. Councillor Lynda Thorne (Cabinet Member – Housing & Communities), Jane Thomas (Director –Adults, Housing & Communities) and Dave Jaques (Assistant Director – Development & Regeneration) will be at the meeting to answer Members questions.

Structure of the Papers

7. To facilitate Members consideration, the following appendices are attached to this Cover Report:

Appendix A – Cabinet Report, December 2023

The following appendices are then attached to Appendix A:

Appendix 1 – Proposed Property Purchase (confidential).

Appendix 2 – Meanwhile Use and Modular Continuation (confidential)

Appendix 3 – External Legal Advice (confidential)

Appendix 4 - Single Impact Assessment

Appendix 5 – Childs Rights Assessment

Appendix 6 – CASSC letter & response

Appendix 7 – Financial Advice (confidential)

Scope of Scrutiny

8. During this scrutiny, Members have the opportunity to review the draft Cabinet Report and explore:
 - I. The achievability and deliverability for the proposals.
 - II. Financial implications
 - III. Risks to the Council
 - IV. Impacts on individuals.
 - V. Next Steps and timelines.

9. Committee Members are reminded they received a detailed briefing on the current context of homelessness pressures in their November meeting. At this meeting Members explored with the Council's executive potential solutions to the current crisis.
10. Committee Members are kindly requested not to duplicate the information they obtained at the November meeting; but to instead draw upon this session to assess and test the detail of the proposed solutions presented in the draft Cabinet Report.
11. Following their consideration, Committee Members will decide what comments, observations or recommendations they wish to pass on to the Cabinet.

Background – Housing Demand & Cardiff Council's 'Housing Development Programme'

12. Cardiff Council's Local Development Plan, Preferred Strategy, advises Cardiff is the second least affordable local authority for houses in Wales, just behind the Vale of Glamorgan and well above the Wales average. Further, at their November meeting, Committee Members heard there are over 8,000 people on the combined housing waiting list and homelessness is continuing to rise.
13. In their November meeting, Committee Members were briefed:
 - All 1,699 temporary accommodation units in Cardiff are full.
(707 families, 806 singles, and 186 young people)
 - 28 more families are entering accommodation than exiting each month.
 - Combined waiting list for temporary accommodation are up 150% since 2021.
 - Single people presenting for Emergency Accommodation has increased to 88 per night.
 - The number of people street homeless has increased to 43¹.

¹ Of those 43 individuals'; 14% have no recourse to public funds and 23% have no local connection.

- Demand for affordable housing is far exceeding supply.
- The council now has exclusive use of 4 hotels; offering 326 units of accommodation; a further hotel to meet the needs of single people is due to open shortly.

14. Further, Committee Members were briefed in November the reasoning for increased demand can be attributed to:

- Affordability and availability of accommodation in the Private Rented Sector with particular reference made to landlords leaving the market to pursue Air BnB opportunities.
- Higher number of students in the city.
- Additional demand from asylum and refugee services
- Lack of social housing.

15. The Council's, 'Housing Development Programme' is the largest council led development programme in Wales and currently aims to deliver 4,000 new homes to the city, with 2,800 of those being new council homes, and 1,200 being homes for sale.

16. To achieve the targets mentioned in **point 15** of this Cover Report, the Housing Development Programme has the following delivery routes:

- ❖ A partnership programme with the external developer Wates Residential: this partnership is most commonly called 'Cardiff Living'. Further, in November 2022, Cabinet approved the implementation of a second Housing Partnership.
- ❖ Open Market Buybacks.
- ❖ Developer Package Deals (whereby the Council purchases property from developers).
- ❖ Converting buildings to Council Homes
- ❖ Meanwhile Use of Land.

17. In terms of finance, the council's Housing Development Programme benefits from a significant allocation of the Housing Revenue Account capital and also attracts external funding in the form of Grants, Planning Gain and income from the sale of land or low-cost homes through the Assisted Home Ownership scheme. In 2020, it was reported just under £31 million has been achieved through these routes.
18. Previously, the Social Housing Grant (SHG) had only been available to Housing Associations. However, the Welsh Government confirmed that, from April 2021, councils with a Housing Revenue Account will be able to apply for the Grant, helping to provide Capital subsidy for their developments.
19. Schemes approved for SHG funding will be required to meet the standards and viability parameters set by Welsh Government. Committee Members are advised the Social Housing Grant is limited and not every council scheme will benefit from it.

Issues

20. As Committee Members will be aware, demand for housing, and pressures on the council's homelessness services, are at unprecedented levels. In response to the current situation, the Cabinet Report attached at **Appendix A** details the Council's proposed response. Full detail can be found in **Appendix A**, with the following paragraphs offering a summary and so are not intended to be exhaustive.

21. The draft Cabinet Report offers the following proposals:

- To seek in principle approval for changes to existing policies which impact on homeless assessment (in line with current homelessness legislation). Eg applying intentionality. Information on proposals to apply intentionality can be found at **points 33 and 34 of Appendix A.**

- To make offers of private rented accommodation outside the Cardiff area where appropriate.

*Further detail on this can be found in **point 39 of Appendix A.***

- To make permanent offers of social housing anywhere in the city.

*Further detail on this can be found in **point 40 of Appendix A.***

*Committee Members are to note, with particular regard to the proposed policy changes, a recommendation posed in the Cabinet Report (**Appendix A**) details:*

Cabinet is recommended to:

(i) To undertake a consultation process on the proposed policy changes outlined in paragraphs 34, 39 and 40 of the report, including the consideration of intentionality in making homeless decisions, the removal of areas of choice for homeless applicants on the Common Housing Waiting List and offering private rented accommodation outside the city, in neighbouring local authority areas.

- To take forward a large scale property purchases, package deal arrangements and the continuation of the meanwhile use of brownfield sites to deliver new modular homes for temporary accommodation. In particular:
 - A number of larger property acquisitions through a freehold purchase of a commercial building in the city centre which has the potential to deliver 84 family flats and an adjoining development 150 flats with completion no later than March 2024. (**Appendix A points 48 - 49 & 50 and confidential Appendix 1**)
 - Expansion at the Gas Works and further modular homes which has the potential to deliver 350 additional family homes (**Appendix A points 51 - 64 and confidential Appendix 2**)

Previous Scrutiny

22. In its November 2023 meeting, Committee Members received a briefing on the severity of the current situation and heard potential proposals to ease current pressures.

23. The proposals suggested to Committee Members in their November meeting included:

- ❖ Consider applying intentionality to homelessness claims
(with exemptions for under 21s, care leavers, families, pregnant women – unless intentionally homeless twice and those with complex needs).
- ❖ Where appropriate; make offers of private rented accommodation outside the Cardiff area
- ❖ Make permanent offers of social housing anywhere in the city.
- ❖ Deliver more affordable housing in the city through: large scale property purchase; entering into a package deal; and continuation of the meanwhile use of sites with modular homes.

24. Following their November meeting, Committee Members made the following recommendations:

R1 *As an authority, undertake, or increase efforts, to lobby the relevant government to enact legislation, such as placing covenants on buildings to reduce the prevalence of Air BnB's in the city; citing the pressures and ramifications the increased Air BnB markets presence is placing on the availability of long-term accommodation in the city. The council should also consider using new levers provided by Welsh Government to manage second homes and holiday lets.*

R2 *We would strongly urge Cabinet to withdraw proposals to re-apply Intentionality in determining whether an individual is owed a homelessness duty, owing to the significant consequences this will have for individuals, and recognising that this proposal would not be in line with current Welsh Government proposals. We would encourage Cabinet to pursue alternative means of communicating the demand pressures on and waiting times for social housing.*

Legal Implications

The Scrutiny Committee is empowered to enquire, consider, review and Recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- i. Consider the information provided in this report, its appendices and information received at the meeting;
- ii. Decide whether it wishes to relay any comments or observations to the Cabinet.

Leanne Weston

Interim Deputy Monitoring Officer

6 December 2023

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BY SUBMITTING THIS REPORT TO THE CABINET OFFICE, I, SARAH MCGILL, CORPORATE DIRECTOR, PEOPLE AND COMMUNITIES AM CONFIRMING THAT THE RELEVANT CABINET MEMBER(S) ARE BRIEFED ON THIS REPORT

**CARDIFF COUNCIL
CYNGOR CAERDYDD**

CABINET MEETING: 14th December 2023

REPORT TITLE - HOUSING EMERGENCY IN CARDIFF

HOUSING & COMMUNITIES - (CLLR LYNDA THORNE)

AGENDA ITEM:

Appendices 1, 2, 3 and 7 are not for publication as they contain confidential information pursuant to paragraphs 14, 16 & 21 of Part 4 of Schedule 12A to the Local Government Act 1972.

Reason for this Report

1. To brief Cabinet on the Housing Emergency in Cardiff, and the unprecedented pressures this is placing on homelessness services.
2. To update Cabinet on the steps already being taken to address these pressures.
3. To seek in principle approval for changes to existing policies which impact on homeless assessment, (in line with current homelessness legislation).
4. To detail solutions to the current housing pressures through larger scale property purchases and package deal arrangements and the continuation of the meanwhile use of brownfield sites to deliver new modular homes for temporary accommodation, consistent with the existing arrangements in place within our Cardiff Living Partnership and with the current modular providers.

Background

5. Before and during the pandemic the Council had made significant progress in rapidly increasing good quality temporary and supported accommodation provision. New family homelessness centres had been

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developed at Briardene and the Gasworks site, and for single people, the new Single Homeless Assessment Centre had opened at Hayes Place; while Ty Ephraim hostel (formerly the YHA), and new supported housing at Adams Court had been developed.

6. Considerable achievements were also made in improving support services, with the development of the Homeless Multidisciplinary Team, combined with the new accommodation development resulting in very low levels of rough sleeping.
7. However now, Cardiff, like many other cities, is experiencing a housing emergency which is negatively impacting on this progress and is placing exceptional pressures on homelessness services and the provision of temporary accommodation.

Current Pressures

8. Record numbers of individuals and families are seeking help from homelessness services, putting unprecedented pressure on temporary accommodation:
 - All 1,699 units of temporary accommodation in Cardiff are full, with 707 families, 806 single people, and 186 young people housed across the city.
 - Recent data shows that 28 more families are entering temporary accommodation than are exiting into permanent accommodation each month, so demand for accommodation is far outstripping supply.
 - Waiting lists to enter temporary accommodation have increased by 150% since 2021, even though the amount of temporary accommodation has increased significantly over the same period.
 - 88 single people are presenting to the homeless Out of Hours service each night for emergency accommodation. Unfortunately, rough sleeping in the city has also increased to 43 people.
 - The demand for affordable housing in the city is very high. There are currently over 8,000 people on the Cardiff Housing Waiting List. Even though a significant percentage of social housing lets are targeted at homeless households, move on is slow as relatively few properties are becoming available. Move on into the private rented sector is difficult due lack of availability and high rent levels. As a result, individuals who would not previously have sought help are presenting to homeless services. Further information on the challenges in the housing market are set out below.
9. Due to this demand, and the lack of move on options it has been necessary to develop additional emergency accommodation. The Council now has exclusive use of 4 hotels, offering 326 units of accommodation. These hotels are being used to accommodate homeless households, mainly families. Support from council staff is

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available on site and other services, such as Early Help, Play, and Advice Services also provide assistance from these locations. Due to the need to respond quickly to the emergency direct awards have been made to these hotels, after a full review of other available hotel accommodation and their cost effectiveness. A further hotel to meet the need of single people has also been sourced and other emergency accommodation options continue to be considered as the full level of housing pressures becomes clear.

Reasons for increased demand.

i) **Affordability and availability of accommodation in the Private Rented Sector (PRS)**

10. The lack of affordable accommodation in the private rented sector is contributing significantly to the housing emergency in Cardiff. The average monthly private rent in Cardiff is £200 higher than the Welsh average.
11. Private properties are let at rates that are much higher than the Local Housing Allowance (LHA), the maximum amount of housing related benefits that can be claimed for those who are renting from a private landlord. The Bevan Foundation's report 'Wales Housing Crisis: an update on the private rental market in Wales in Summer 2022' found that only 6.3% of the 303 properties advertised for rent in Cardiff in May 2022 were available at or below the LHA rate.
12. The Private Rented Sector (PRS) team based within the Council's Homelessness Service work with private landlords to encourage them to let their properties to homeless households, matching their properties with potential tenants. Information that they have gathered demonstrates the unaffordability of privately rented accommodation in Cardiff, as set out in the table below.
13. The weekly shortfall for a 1 bedroom property is £61.95, and for a four bedroom property is £145.29 a week. This means that individuals or families would need to find this amount of money from their other income to meet their rent payments. This is unaffordable for many, especially those on a low income. Without an increase in Local Housing Allowance rates (a UK Government decision), this situation is unlikely to improve.

No. of Bedrooms	Weekly Local Housing Allowance (23/24)	Average Weekly Private Market Rents (September 2023)	Weekly Shortfall
1	£120.82	£182.77	£61.95
2	£149.59	£252.00	£102.41
3	£178.36	£298.15	£119.79

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4	£218.63	£363.92	£145.29

Data obtained by Cardiff's Homelessness PRS team in September 2023

14. As well as many private rents being unaffordable, there is also a lack of availability of private rented accommodation. Many landlords are leaving the market due to taxation changes, mortgage interest rate rises, and increases in regulation. Also, some landlords feel that the changes implemented under the Renting Homes (Wales) Act have impacted them negatively, leading them to sell their properties.
15. In the last quarter of 2022, the number of possession applications made by private landlords to courts in Wales increased by 354%. In 2022/23 Cardiff Council's Housing Options Service reported a 122% increase in eviction notices issued from landlords selling their property compared to pre-pandemic levels.
16. Cardiff has also experienced an increase in Airbnb lets. According to the Bevan Foundation's September 2022 "Holiday Lets and the Private Rental Sector" report, in Cardiff, an Airbnb property would take only 3 weeks for a 4-bed, or 5 weeks for a 1, 2 or 3 bed to earn the equivalent of a year's worth of rent at Local Housing Allowance rates.
17. A combination of these factors has led to a low supply of private rented properties. Anecdotal evidence from estate agents in Cardiff has stated that as many as 280 individuals have applied for a single available one-bedroomed flat in the city; they have advised that this is becoming more common place.
18. According to the 2021 Census, almost a quarter (24.3%) of households in Cardiff were privately renting, the highest figure in Wales. This had grown from 21.9% in 2011, an increase of over 4,500 households. This higher reliance on private rented accommodation means that any issues in the sector will have a far greater impact on housing provision in Cardiff.

ii) Reduced Home Ownership

19. According to the 2021 Census, 58.0% of households in Cardiff own their homes with 28.6% owning them outright. These are the lowest figures in Wales. The number owning their home with a mortgage or loan has fallen by over 3,000 people between 2011 and 2021.
20. The Office of National Statistics reported in October 2023 that the average gross weekly earnings for full-time employees in Cardiff was £642.80, equating to a salary of £33,425 per year. According to information gathered via the Land Registry, for the 12-month period between October 2022 and October 2023 the average cost of a property in Cardiff was £292,512. Typically, 10% of the property value is required as a deposit, this would equate to a deposit of £29,251. Taking into consideration that mortgage lenders work on a maximum borrowing limit

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of 4.5 times annual salary, most households would need to earn over £58,500 per year to afford the average price of a Cardiff home. High property prices along with rapidly rising interest rates mean that home ownership is largely unaffordable for many.

iii) High number of students in the city

21. According to data taken from the Higher Education Statistics Agency, the overall number of students enrolled in universities in the city has increased by 6% from 66,195 in 2018/19 to almost 70,000 in 2021/22. Universities in the city are also increasing their recruitment of international students, who all require accommodation either through their university or in the wider community. In 2021/22 there were around 15,000 international students studying in the city an increase of 18% compared to 2018/19. In 2023, 9,596 properties in Cardiff claimed a student council tax exemption, an 18% increase compared to 2019. Whilst there is much purpose-built student accommodation in the city, as student enrolment increases, additional pressure is placed on housing in the wider community.

iv) Lack of Social Housing

22. While there are 8,000 people on the Common Housing Waiting List, during 2022/3 only 834 standard housing lets were made (excludes retirement and specialist accommodation). 75% of these lets were made to homeless households. Similarly, this year, up to the end of September, 74% of the 357 lets were made to homeless households. While this high level of lets to homeless applicants supports those who need to move on from temporary accommodation by providing permanent, affordable accommodation, unfortunately, the impact of this is that very few applicants who are not homeless are moving on through the general waiting list, even though they have very significant housing needs.
23. As a result, presenting as homeless is now perceived by some as a short cut to access social housing, rather than waiting for an allocation through the Common Housing Waiting List. This is in part responsible for the increase in the number of reported family relationship breakdowns, where extended family members are asked to leave the family home. This is currently the second highest reason for homelessness presentations, after loss of privately rented accommodation. This year so far there has been a 46% increase in the number of homeless presentations due to reported family breakdowns compared to the same period in 2019. There have also been clear examples of individuals giving up their private rented accommodation to access homeless services with the aim of securing social housing, further increasing the pressure on temporary accommodation.

iv. The No-one Left Out approach

24. The No-one Left Out approach was an important part of the response to the pandemic and services worked well to put additional housing in place

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to ensure everyone could have appropriate accommodation. New schemes such as Ty Ephraim (formerly the YHA hostel) were part of this approach and have become part of the permanent accommodation offer in the city. As the pandemic restrictions lifted and demand for homeless services increased, there is an expectation that services will continue to provide everyone with temporary accommodation, even when the Council does not have a duty. This expectation is another factor increasing the demand on services, demand which can no longer be met.

25. With the end of the pandemic those without recourse to public funds can no longer legally be supported with accommodation, this is impacting on street homelessness. Cardiff rough sleeper weekly reports show that 14% of the 43 current cases have no recourse to public funds, 23% have no local connection and in 30% of cases their local connection is unknown.
26. All of these pressures have combined to create a housing emergency in Cardiff, with demand for homeless services at an unsustainable level.

Emerging Pressures

27. Additional demands have been identified that will further impact on homelessness services. Wales is a Nation of Sanctuary and Cardiff is proud to provide support and refuge to those who are fleeing world conflicts. The city has been an asylum dispersal area, successfully, for many years. However, due to a backlog of applications, the Home Office is now accelerating decision making on asylum cases. This Streamlined Asylum Processing (SAP) will fast track decision making for some cohorts of asylum seekers. In total 589 individuals and 127 families currently resident in Cardiff are due to have a decision made on their asylum application by December 2023.
28. If the decision is positive, and the asylum seekers are given refugee status, they can access employment, housing, and benefit services within the city. Not all refugees will wish to stay in the city, however it is estimated that at least 353 single people and 102 families will seek support with housing over a very short period of time. This will put additional pressure on already overstretched services.

Addressing the Housing Emergency

29. A number of actions have already been taken to urgently respond to the emergency, to both reduce demand on service and to increase emergency and temporary accommodation.

Reducing Demand

30. Homelessness Prevention services have been strengthened to meet the increasing need for assistance and to improve the focus on early intervention. Homelessness prevention support is now available locally in Community Hubs and from other locations across the city. There is also

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greater joined up working across services to resolve issues and prevent homelessness. As a result, waiting times for a homeless prevention appointment have reduced from 30 working days in September 2022 to 6 working days in September 2023 and the number of cases where homelessness has been prevented has improved from 71% in September 2022 to 83% in September 2023.

31. Mediation services have been improved to work with clients who are experiencing a family breakdown or facing issues of property disrepair or overcrowding. Mediation within the Young Persons Gateway has also been improved, by working in partnership with Llamau it has been possible for more young people to remain or return home, with support in place, where it is safe to do so.
32. Where those who present to services have no local connection to Cardiff, services are referring them back to their originating local authority for help and support where possible. Where additional help is needed to return home, the Salvation Army's Reconnection Service offers tailored support.
33. Cardiff does not currently consider whether a person has intentionally made themselves homeless when they present to services. Unfortunately as referenced above there is evidence that some individuals are now deliberately giving up their existing accommodation to enter homelessness services with the intention of securing social housing. Examples include individuals refusing their private landlord access to the property to carry out required works and reporting that their property is unfit for habitation, while others are clearly making no attempt to pay their rent or even asking their private landlord to serve notice on them, this is increasing the already severe demand pressures. While this applies to the minority of homeless applicants, this behaviour is increasing the pressure on temporary accommodation.
34. It is proposed that in future an "intentionally homeless" decision will be made where there is clear evidence that an applicant has deliberately made themselves homeless. For those who are found to be intentionally homeless, no housing duty would be accepted. For groups protected by legislation, no housing duty would be offered only if they have been intentionally homeless twice within a 5-year period. This protection includes young people aged under 21, care leavers aged between 21 to 24, pregnant women and applicants with children. Exceptions would also be made for individuals with complex needs.

Increasing move on from temporary accommodation

35. A new dedicated move-on team is in place to support people in temporary accommodation to move on to permanent accommodation. The team works with clients who are in work and have low support needs to find them accommodation in the private rented sector. Where necessary, financial support is available to support access to private rented accommodation, this is provided alongside Into Work and Money Advice services.

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36. While the Council has an ambitious new build programme, it can take some time to develop new housing. To increase housing stock more quickly, properties are being purchased from the open market. This has resulted in an additional 120 properties available to let since this process started in April 2022. Both the Council and its housing association partners will continue to purchase properties into the future to improve the supply of affordable housing.
37. The Council is working in partnership with the YMCA, to increase capacity within the low-needs pathway for single people, while close working with Llamau has resulted in new supported accommodation schemes to support young people to move on from care. In addition, the new Tai Ffres project, which is a collaboration with United Welsh Housing association and Llamau, is expected to deliver 130 units of move on accommodation for young people by 2027.
38. Two large housing schemes have also been developed to support move on from hostel for single people. These schemes are owned by housing associations but managed by the Council's Specialist Accommodation Service, with appropriate support on site to ensure tenancies are sustained. A further managed scheme is planned for the new year.
39. To increase move on options it is proposed in future to make offers of private rented accommodation outside the Cardiff area, where appropriate. As outlined above availability of affordable privately rented accommodation is scarce in Cardiff, and there is not enough social housing to meet need. Making homeless households offers of accommodation in neighbouring local authority areas would increase the move on accommodation available and reduce stays in temporary accommodation. Such offers would only take place following a full assessment of housing and support needs as it is not intended to place households with support needs in private sector accommodation outside of Cardiff. The local authorities affected have been informed of the intention to use accommodation in their area.
40. It is also proposed to make permanent offers of social housing anywhere in the city. Currently, homeless applicants on the waiting list can choose the areas of the city where they wish to be permanently housed, although this must include 4 higher availability areas. Due to the shortage of social housing this can mean that households are in temporary accommodation for long periods of time. It is proposed that the current Allocations Policy is amended to remove the areas of choice for homeless applicants who are owed a full housing duty. Settled accommodation would be offered in any area of Cardiff, as long as there was no at risk for the applicant in that area of the city. It is anticipated that this will help prevent delays in move on out of Temporary Accommodation.

Increasing Temporary Accommodation

41. As stated above the Council now has exclusive use of 4 Hotels which are used as emergency accommodation, with a 5th Hotel sourced recently for

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single people. A number of buildings have also been identified as a contingency, to offer emergency accommodation in times of peak demand.

42. The use of hotels is not ideal and therefore work has also commenced to increase the supply of more appropriate temporary accommodation. 2 new schemes have already opened this year offering an additional 61 units of accommodation and 2 further schemes are due to open shortly, offering 56 units. In addition, an extensive development at the Gas Works site will deliver 154 modular units in total on a phased basis, making meanwhile use of land that is waiting for more permanent development. Some of these units will be offered as longer-term accommodation, to give families more settled housing.
43. While this is good progress there is a need to rapidly provide further temporary accommodation to address the housing emergency and to reduce the reliance on hotels.

Increasing Accommodation at scale and pace.

44. The long-term solution is of course to build more affordable homes and the Council's current development programme is progressing at scale. Over 60 sites have been identified which have the capacity to deliver over 4,000 new homes in the long term. Furthermore, by December of this year over 1,000 new council homes will have delivered since the Council's new build programme commenced in 2017.
45. Innovative solutions are being used as well as a wide range of construction methods to try and increase the scale and pace of the programme. Strategic support is also being provided to Registered Social Landlord partners. This combined programme of work will result in approximately 2,000 additional affordable homes delivered by 2028.
46. However, this is not enough to tackle current pressures and traditional delivery methods do not provide the speed of delivery needed to mitigate the current gap in the supply of temporary housing. Therefore, a strategic approach to tackling the pressures on Cardiff's housing emergency is being proposed. This will provide short to medium term housing supply solutions, alongside the long-term development programme. These measures will help to 'plug the gap' that currently exists within current Temporary Accommodation provision and help to reduce the reliance on short-term emergency hotel accommodation and other contingency accommodation.
47. The solutions being proposed include:
 - In the **short-term**, large-scale property purchase.
 - In the **Medium-term**: the continuation of the meanwhile use of sites with the delivery of modular homes through the Cardiff Living Programme.

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- In the **long-term**, the continuation of the permanent new build programmes (Cardiff Living, the additional build programme, and the Second Partnership) to deliver new, permanent council homes at scale.

Property purchases.

48. In order to deliver new homes more quickly, a number of larger property acquisitions are being proposed. There is currently an acquisition which requires “in principle” Cabinet Approval due to the values involved. The details of the acquisition are provided within Appendix 1 along with an independent valuation report.
49. The acquisition relates to the freehold purchase of a new build city centre commercial property suitable for conversion into residential. Although the property has been constructed as an office block, due diligence has been undertaken to satisfy officers that a residential conversion is achievable in full compliance with the Welsh Government WDQR standards and is financially viable within the agreed viability parameters. The building is structurally completed but not yet fitted out, making a conversion technically easier. The acquisition also includes an adjoining development site which is currently empty but does have planning history for student or private rented development. The conversion scheme will deliver ground floor commercial/office space and 84 family flats. The adjoining development has the potential to deliver circa 150 new flats and ground floor commercial/office space. Subject to Cabinet approval, officer delegated decision and satisfactory compliance with the requirements identified in relation to viability assessment, grant funding and delivery within the existing budget framework then the intention is to exchange and agree heads of terms and proceed to completion no later than March 2024.
50. The property purchase will be funded through the HRA Capital programme. The city centre conversion scheme is subject to a Welsh Government TACP grant application to help subsidise the purchase costs.

Meanwhile use and modular continuation.

51. Further to a report approved at Cabinet in July 2022, the temporary use of the large brownfield site of the former Gasworks in Grangetown for temporary accommodation is progressing at scale and pace.
52. The inclusion of the site within the Cardiff Living Partnership has enabled the Council’s partner developer Wates, to deliver 155 demountable modular homes for temporary family accommodation, an office building and community centre, using 3 modular providers. The use of 3 providers has given us the capacity required to deliver this project at pace and will see the entire project completed by April 2024.

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53. This is an impressive feat and is currently the largest council led modular development scheme in Wales. This model of delivery – using permitted development rights to enable work to start on site much sooner compared to a traditional project and deliver much needed temporary accommodation on a meanwhile basis, can offer a more immediate solution to help alleviate current housing pressures if repeated.
54. Now that the subcontracting chain is in place alongside the modular suppliers, two of which have secured additional manufacturing space to provide the capacity needed for this project, there is a unique opportunity to continue the delivery of additional modular units across a number of sites retaining the partnership already in place with Wates to deliver at speed and provide a solution to the city's extraordinary housing pressures.
55. Through the development of design options at the Gasworks site, a suite of unit types are in place, designed in full compliance to Welsh Government standards. These are being used for temporary accommodation in the short-term but will be suitable for permanent accommodation in the longer-term. This set of pattern books are unique to the Wates contractual arrangements, as are the additional factory spaces and the design of the groundworks packages.
56. To enable the delivery of much needed accommodation on additional sites using the existing supply chain arrangements, it is proposed that a new contract be awarded to Wates. The sites and the costs of delivering meanwhile use on them, are detailed in Appendix 2 and have the potential to deliver around 350 additional family homes.
57. Two of the sites are owned by Welsh Government and will be leased to Cardiff Council for a meanwhile use (5 years). One site is owned by Cardiff and the Vale Health Board and will also be leased to the Council for a meanwhile use purpose and one site is in council ownership.
58. By putting in place a new contract consistent with the current set of contracting arrangements in place with Wates, it will be possible to secure factory slots and continue manufacture of compliant units beyond the Gasworks project, utilise the expertise developed during the Gasworks project including making use of the unique elements of the existing Wates arrangements and gain the speed of delivery required to provide the short-term solution which is desperately needed.
59. The use of permitted development rights, in agreement with planning, will be essential in order to deliver the additional sites over a 2-year period. The Development Team would work closely with Planning to ensure a retrospective Planning consent is achievable to provide the extended permission for a meanwhile scheme in the longer term.
60. Discussions are currently underway with Welsh Government regarding grant funding for this project via future years Transitional Accommodation Capital Programme (TACP) funding. A commitment of at least 50% grant

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funding over two years is being sought, this is the intended timescale to complete the delivery of new homes across all the identified sites.

61. In seeking approval to put in place a new contract with an existing provider, officers have considered alternatives. This being to run a competitive procurement procedure. However, it is considered that it would realistically take up to 12 months in order for such a procedure to be completed, including the appointment of consultants, the preparation of tender documents, the tender period, the evaluation period and post tender contract negotiation and obtaining the decisions needed. And up to 18 months before we could realistically achieve a start on site. The reasons for the urgency of delivering new temporary accommodation have been clearly set out within this report and it can be demonstrated that the time needed to run a competitive procedure would mean that these additional works would not be completed within the required timescale.
62. In determining this position the Council has sought external legal advice which is provided in Appendix 3.
63. The urgent nature of the current housing crisis and the fact that no public authority could have foreseen the range of pressures currently being faced that have resulted in a severe lack of suitable temporary accommodation, provides weight to the reliance on the approach described in Appendix 3.
64. It should also be noted that in making this decision there is no intention to remove any of the sites currently being advertised to the market for development through the Second Housing Partnership, as the meanwhile use sites proposed are new sites. Any contractor seeking to work with Cardiff Council has an opportunity to tender for the Second Housing Partnership.

Local Member consultation (where appropriate)

65. Local Members will be consulted about individual accommodation schemes in their wards.
66. CASSC Scrutiny Committee were consulted on the changes on 20th November 2023. A copy of their letter and response can be found at Appendix 6.

Impact Assessment

A Single Impact Assessment and a Childs Rights Impact Assessment have been drafted and are attached at Appendix 4 and 5. These assessments will be finalised following further consultation.

Reason for Recommendations

67. To address the housing emergency in Cardiff.

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Financial Implications

Financial Advice can be found at Appendix 7.

Legal Implications (including Equality Impact Assessment where appropriate)

A local housing authority has duties to the homeless under Part 2 of the Housing (Wales) Act 2014. A local housing authority must carry out a homelessness review for its area, and formulate and adopt a homelessness strategy based on the results of that review. It must carry out an assessment of a person's case, if the person has applied to a local housing authority for accommodation or help in retaining or obtaining accommodation, and it appears to the authority that the person may be homeless or threatened with homelessness.

In relation to the property matters referred to in this report at paragraphs 47 to 49, and Appendix 1, the Council has specific power to acquire interests in land for the purpose of housing accommodation under s.17 of part II of the Housing Act 1985. Section 120 of the Local Government Act 1972 also provide general power to acquire land for any of its functions. The Council's Disposal and Acquisition of Land Procedure Rules requires the decision maker to have regard to advice from a qualified valuer.

In relation to paragraph 41, Legal services have provided legal advice previously to the relevant decision maker. The legal implications have been set out in the relevant decision report.

Under the Council's Contract Procedure rules, any direct award must be agreed with the Procurement Manager before proceeding.

Please also see exempt legal implications in Appendix 3.

It is noted that this report seeks an 'in principle' decision only in relation to the property and procurement matters with delegation to the Corporate Director for People and Communities for final approval subject to further consultation as set out in the recommendation. It is expected that all relevant information relating to the terms of the acquisition and contract award will be made available within the officer decision report upon which any further details legal advice can be provided before proceeding.

Equality Duty.

In considering this matter, the Council must have regard to its public sector equality duties under the Equality Act 2010 (including specific Welsh public sector duties). This means the Council must give due regard to the need to (1)

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eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of religion or belief.

When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers ([WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 \(gov.wales\)](#)) and must be able to demonstrate how it has discharged its duty.

Well Being of Future Generations (Wales) Act 2015 - Standard legal imps

The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan 2023-26. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.

The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrated approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

General

Appendix A

The decision maker should be satisfied that the decision is in accordance with the financial and budgetary policy and represents value for money for the council.

All decisions taken by or on behalf the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Council Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances

The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

The report sets out that consultation will be undertaken. The general principles applicable to consultation are outlined in [R v London Borough of Brent, ex p Gunning \[1985\] LGR 168](#) and frequently referred to as "the **Gunning principles**":

- The consultation must be at a time when proposals are still at a formative stage.
- The proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response. Those consulted should be aware of the criteria that will be applied when considering proposals and which factors will be considered decisive or of substantial importance at the end of the problem,.
- Adequate time must be given for consideration and response.
- The product of consultation must be conscientiously taken into account in finalising any statutory proposals.

The carrying out of consultation gives rise to a legitimate expectation that the outcome of the consultation will be considered as part of the decision-making process.

HR Implications

68. There are no HR implications directly arising from this report.

Property Implications

69. By virtue of the delivering much needed accommodation across the city, there are a number of property transactions proposed. There are three proposals to acquire finished schemes and this will require independent external valuations to ratify the quoted values in delivering schemes that are already completed. As we as appropriate valuations, due diligence to be completed for the proposed acquisitions should include appropriate advice on the relevant property's title, ownership structure and any consequential financial / tax implications.

Appendix A

70. We note that there are two proposals for leasing land from other public sector bodies and whilst this may well take place under the Land Transfer protocol, there is a requirement to document the occupation which the Estate team will need to advise and provide relevant delegations.

RECOMMENDATIONS

71. Cabinet is recommended to:

- (i) To undertake a consultation process on the proposed policy changes outlined in paragraphs 34, 39 and 40 of the report, including the consideration of intentionality in making homeless decisions, the removal of areas of choice for homeless applicants on the Common Housing Waiting List and offering private rented accommodation outside the city, in neighbouring local authority areas.
- (ii) To delegate the final approval on implementing the changes under recommendation (i) above to the Corporate Director People and Communities in consultation with the Cabinet Member, Housing and Communities, following a full impact assessment and consultation with stakeholders.
- (iii) To note and approve in principle the acquisition of the property identified in Appendix 1 and the direct award of a new contract for the meanwhile modular delivery of temporary accommodation across the sites identified in Appendix 2.
- (iv) To delegate final approval of the acquisition of properties and direct award of the contract to Wates set out in recommendation (iii) above and any ancillary matters relating to it to the Corporate Director, People & Communities in consultation with the S.151 Officer, Legal Services and the Cabinet members for Housing & Communities and Finance subject to:
 - Approval of appropriate grant funding being secured from Welsh Government,
 - Agreement of Head of Terms for the proposed lease arrangements with Welsh Government and Cardiff & Vale Health Board for the sites identified in Appendix 2 and in relation to the property purchase identified in Appendix 1.
 - Confirmation of a suitable financial viability assessment for each of the sites.
 - Confirmation that the decision does not result in commitments outside budget framework constraints.

SENIOR RESPONSIBLE OFFICER	Sarah McGill Corporate Director People and Communities
	Date submitted to Cabinet office

The following appendices are attached:

Appendix 1 – Proposed Property Purchase – Not for Publication

Appendix 2 – Meanwhile Use and Modular Continuation – Not for Publication

Appendix 3 – External Legal Advice – Not for Publication

Appendix 4 - Single Impact Assessment

Appendix 5 – Childs Rights Assessment

Appendix 6 – CASSC letter & response

Appendix 7 – Financial Advice – Not for Publication

The following background papers have been taken into account.

- "Wales Housing Crisis: an update on the private rental market in Wales in Summer 2022" - Bevan Foundation September 2022.
- "Holiday Lets and the Private Rental Sector" - Bevan Foundation September 2022

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By virtue of paragraph(s) 16 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 16 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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Single Impact Assessment

Cardiff Council

Appendix 4



1. Details of the Proposal

What is the proposal?

Title: Report on the Housing Emergency in Cardiff

Is this a new proposal or are you amending an existing policy, strategy, project, procedure or service?

New

Existing

Directorate/Service Area:

Housing & Communities

Who is developing the proposal?

Name: Helen Evans

Job Title: Assistant Director, Housing & Communities

Responsible Lead Officer (Director or Assistant Director):

Helen Evans

Cabinet Portfolio:

Housing & Communities

Authorisation

Completed By: Jessica Tomlinson

Job Title: Improvement Project Manager

Date:

Approved By:

Job Title:

Cyngorfa
Ddwyieithog

Bilingual
Cardiff



One
Planet
Cardiff

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Document History – do not edit

The Single Impact Assessment (SIA) can be strengthened as time progresses, helping shape the proposal. Version control will provide a useful audit trail of how the SIA has developed. Draft versions of the assessment should be retained for completeness, however only the final version will be publicly available. Draft versions may be provided to regulators if appropriate.

Version	Author	Job Title	Date
1	Fiona Gibson	Senior Corporate Policy Officer	12/10/2022
2	Fiona Gibson	Senior Corporate Policy Officer	12/04/2023

2. Overview of the Proposal

What action is the Council considering and why?

Please provide a detailed outline of the proposal. This information will support your findings in the impact assessments.

The purpose of the proposal is to brief Cabinet on the Housing Emergency in Cardiff, and the unprecedented pressures this is placing on homelessness services. Including but not limited to, record numbers of individuals and families seeking help from homelessness services, lack of social housing for those on the common waiting list, resulting in presenting as homeless being perceived by some as a short cut to access social housing and emerging pressures such as the Home Office accelerating their decision making on asylum cases where at over 450 households will seek support with housing over a short period of time.

The proposal provides an update to Cabinet on the steps already being taken to address these pressures including a strengthened homelessness prevention service, improvements in mediation services and referring those who present to the service with no local connection back to their originating local authority for help. Steps taken also include the opening of additional temporary accommodation including use of hotels within the city, and the meanwhile use of land and modular units to further increase supply.

The report seeks approval for changes to existing policies which impact on homeless assessment, (in line with current homelessness legislation). These changes are listed below:

- The consideration of intentionality in making homelessness decisions, where there is clear evidence that an applicant has deliberately made themselves homeless.
- The removal of areas of choice for homeless applicants on the Common Housing Waiting List.
- Offering private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate.

The proposal also details solutions to the current housing pressures through larger scale property purchases and package deal arrangements and the continuation of the meanwhile use of brownfield sites to deliver new modular homes for temporary accommodation, using the existing arrangements in place within our Cardiff Living Partnership and with the current modular providers.

The proposal requests that Cabinet approve:

Approve a consultation process on the policy changes outlined in the report, including the consideration of intentionality in making homeless decisions, the removal of areas of choice for homeless applicants on the Common Housing Waiting List and offering private rented accommodation outside the city, in neighbouring local authority areas.

To delegate the final decision on these changes to the Director Adults, Housing and Communities in consultation with the Cabinet Member, Housing and Communities following a full impact assessment and consultation with stakeholders.

Approve the acquisition of the properties identified in the report, following the

completion of all due diligence.

Approve in-principle the award of a new contract for the meanwhile modular delivery of temporary accommodation across sites

Delegation of the final sign-off of each of the sites to the Corporate Director, People & Communities in consultation with the S.151 Officer and the Cabinet members for Housing & Communities and Finance. Final approval will be conditional on the following; Approval of TACP grant from Welsh Government, Agreement of lease arrangements with Welsh Government and Cardiff & Vale Health Board for the sites and a suitable financial viability assessment for each of the sites.

What are the costs and/or savings?

What will the proposal cost and how will it be funded?

How might costs be reduced through involvement and collaboration, across Cardiff Council and/or with external stakeholders?

Are there savings and how will these be realised?

All property purchases will be funded through the HRA Capital programme. The city centre conversion scheme is subject to a Welsh Government Transitional Accommodation Capital Programme (TACP) grant application. This grant supports a wide range of projects by local authorities and registered social landlords to create much-needed extra housing capacity across Wales.

Discussions are currently underway with Welsh Government regarding subsidy for this project via future years TACP funding.

A commitment of at least 50% grant funding over two years is being sought, this is the intended timescale to complete the delivery of new homes across all the identified sites.

3. Impact Assessments

Which impact assessments do you need to complete to support your proposal?

Further information is included about each assessment at the start of the relevant section.

The [Impact Assessment Screening Tool](#) provides advice tailored to your proposed policy, strategy or project regarding which impact assessments may be required and who to contact to find out more.

The screening tool is an online form with mainly multiple-choice questions which should take less than 10 minutes to complete.

Once the answers have been submitted, an automated email will be sent to you with the recommended next steps and details of who to contact for expert advice.

Put Yes or No next to each of the impact assessments listed below to indicate which ones are being carried out. For assessments which are not being carried out, please delete the relevant sections on the subsequent pages.

Impact Assessment	Completed: Y/N
A. Equality Impact Assessment	Y
B. Child Rights Impact Assessment	Y
C. Welsh Language Impact Assessment	N
D. Habitats Regulations Assessment	N
E. Strategic Environmental Assessment	N
F. Data Protection Impact Assessment	N
G. Health Impact Assessment	N

For further information on all the above impact assessments including who to contact for advice, please visit the [Policy Portal](#).

A: Equality Impact Assessment

Guidance in completing this assessment can be accessed [here](#). Please consult the Equality Team for any further assistance with completing this assessment EqualityTeam@cardiff.gov.uk

Under the Equality Act 2010, “differential impact” means that people of a particular protected characteristic (e.g. people of a particular age) will be significantly more affected by the change than other groups.

Impact on the Protected Characteristics

Age

Will this proposal have a **differential impact [positive/negative]** on different age groups?

	Yes	No	N/A
Up to 18 years	X		
18 - 65 years	X		
Over 65 years	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

The proposals contained within the report will have a positive impact on people of all age groups who require homelessness services, reducing the time spent in temporary accommodation and providing permanent, settled homes at scale and pace, however there is a particular benefit to children and young people.

Children

There are currently 707 families with children residing in temporary accommodation in Cardiff. The report shows that that 28 more families are entering temporary accommodation than are exiting into permanent accommodation each month, so demand for accommodation is far outstripping supply. Due to this demand many families are now residing in emergency hotel accommodation. Support from council staff is available on site and other services, such Early Help, Play, and Advice Services also provide assistance from these locations, however the use of hotels is not ideal and spending time in any form of temporary accommodation can be unsettling for children.

We are working hard to reduce demand so that less families enter homelessness services in the first place and for those that those who do enter temporary accommodation we want to reduce the time spent there. The report sets out what we are currently doing to achieve this and outlines further proposals for improvement.

Homelessness Prevention services have been strengthened to meet the increasing need for assistance and to improve the focus on early intervention. This includes the

improvement of Mediation services for clients who are experiencing a family breakdown.

Young People

In 2022/23, 27% of all those threatened with homelessness and 28% of all those found to be homeless were aged between 16 and 25. This compares to 18% of the population according to the 2021 census.

Support and accommodation for young people is managed through the Young Persons Gateway (YPG), a partnership with Llamau and the Salvation Army and all social landlords in Cardiff. 186 young people are currently housed in temporary accommodation in the YPG and all units of accommodation were full.

We are working to reduce the number of young people who become homeless. Mediation within the Young Persons Gateway has been improved, by working in partnership with Llamau it has been possible for more young people to remain or return home, with support in place, where it is safe to do so.

Young People move on from YPG accommodation into permanent accommodation when they are ready for independent living. To ensure this happens as successfully as possible, young people are given training on how to live independently.

The proposals set out in the report to improve homelessness services and develop and deliver further accommodation will benefit all young people who are being supported by the service.

The changes proposed with regards to considering intentionality where there is clear evidence that an applicant has deliberately made themselves homeless, will not apply to young people aged under 21, care leavers aged between 21 to 24, pregnant women and homeless applicants with children, unless they have been intentionally homeless twice within a 5-year period. This is unlikely to be the case but is still possible. Housing & Communities work closely with Children's Services on any case where a decision is made that there is no homeless duty to ensure the right support is in place.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List will reduce the amount of time spent in temporary accommodation, particularly for families. However, it is accepted that moving to a different area of Cardiff may be disruptive for children in terms of their education and their family support networks. Advice and support is in place to assist families with education choices.

Any offers of private rented accommodation made outside the Cardiff area would be carefully considered and only as long as there was no risk to the applicant. It is accepted that moving out of Cardiff may be disruptive for children in terms of their education and their family support networks. The proposals in the report that aim to reduce the time spent in temporary accommodation will enable families to move into a

settled home more quickly and are therefore beneficial to families and children. We will also ensure advice and support is in place to assist families with education choices.

What action(s) can you take to address the differential impact?

We will continue to ensure that support from council staff is available on site at emergency hotels and other temporary accommodation sites, with other services such as Early Help, Play, and Advice Services also providing assistance from these locations. We will ensure children's education is uninterrupted if being relocated to other areas outside of the city.

For those children who may be moved to a different area of the city, or outside the city, advice and support is in place to assist families with education choices.

Disability

Will this proposal have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment	X		
Learning Disability	X		
Long-Standing Illness or Health Condition	X		
Mental Health	X		
Neurodiversity	X		
Physical Impairment	X		
Substance Misuse	X		
Visual Impairment	X		
Other	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

The proposals contained within the report will have a positive impact on service users, particularly those with disabilities that are impacting on their housing situation.

The report outlines successes already achieved. Two large housing schemes have been developed to support move on from hostels. These schemes are owned by housing associations but managed by the Council's Specialist Accommodation Service, with appropriate support on site to ensure tenancies are sustained. A further managed scheme is planned for the new year.

The changes proposed with regards to considering intentionality where there is clear evidence that an applicant has deliberately made themselves homeless, will not apply to young people aged under 21, care leavers aged between 21 to 24, pregnant women and homeless applicants with children or those with complex needs unless they have been intentionally homeless twice within a 5-year period.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, there may be impacts on those with specific health and support needs who need to be close to support networks.

Any offers of private rented accommodation made outside the Cardiff area would be carefully considered and only as long as there was no risk to the applicant. It is accepted that moving out of Cardiff may be disruptive to those with specific health needs, particularly if the move was away from specific health services and support networks. Advice and support is in place to assist those with disabilities.

What action(s) can you take to address the differential impact?

It is accepted that moving out of Cardiff may be disruptive to those with specific health needs, particularly if the move was away from specific health services and support networks. Advice and support is in place to assist with this.

Gender Reassignment

Will this proposal have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
Transgender People (Transgender people are people whose gender identity or gender expression is different from the gender they were assigned at birth.)		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is no negative impact anticipated with regards to transgender people; however careful monitoring of services will take place to ensure that no service users are unduly impacted by any proposals in the report.

The homelessness service is inclusive and applicants who are part of the LGBTQ+ community will experience the positive impacts that these proposals will deliver.

What action(s) can you take to address the differential impact?

No action identified.

Marriage and Civil Partnership

Will this proposal have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A

Marriage		X	
Civil Partnership		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is no evidence to suggest that the proposals set out will have a differential impact on those who are married or in a civil partnership as the homelessness service is inclusive and supports all regardless of marriage status.

The proposals in the report aim to improve services for those who find themselves homeless across the city.

What action(s) can you take to address the differential impact?

No action identified.

Pregnancy and Maternity

Will this proposal have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy	x		
Maternity	x		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

Pregnant women and people who reside with them have a priority need for housing and have access to accommodation via the Family Gateway.

The proposals in the report support the development of an increased amount of Temporary and Permanent Accommodation to address current increased demand on this service and a swifter journey through temporary accommodation.

The changes proposed with regards to considering intentionality where there is clear evidence that an applicant has deliberately made themselves homeless, will not apply to young people aged under 21, care leavers aged between 21 to 24, pregnant women and homeless applicants with children, unless they have been intentionally homeless twice within a 5-year period. This is unlikely to be the case but is still possible. Housing & Communities work closely with Children's Services on any case where a decision is made that there is no homeless duty to ensure the right support is in place.

What action(s) can you take to address the differential impact?

No actions identified.

Race

Will this proposal have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White	x		
Mixed / Multiple Ethnic Groups	x		
Asian / Asian British	x		
Black / African / Caribbean / Black British	x		
Other Ethnic Groups	x		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

Homelessness Services are inclusive and any improvement to services will benefit all those who access the service, however research has shown that those from ethnic minority backgrounds are disproportionately impacted by homelessness.

Research by the Joseph Rowntree Foundation (2021) suggests that those that are from ethnic minority backgrounds are more than twice as likely to experience homelessness. These groups are less likely to be able to access wealth to buy a home and therefore rely on the private rented sector for housing which can be unaffordable compared to their income.

Of those clients who presented to Homelessness Services in Cardiff in 2022/23 as already homeless, overall, 35% were of an ethnic minority background. Of those who presented to the service as threatened with homelessness, 26% were of an ethnic minority background. This compares to 18% of the Cardiff population (aged 16+) according to the 2021 census.

The proposal sets out plans to increase accommodation across the city, in particular to assist refugees from across the world who may find themselves homeless once they leave their Home Office accommodation which will have a positive impact on this client group.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, there may be impacts on those from specific ethnic backgrounds who would prefer to be housed in certain areas of Cardiff due to cultural considerations.

What action(s) can you take to address the differential impact?

No specific actions identified. Although there may be impacts on those from specific ethnic backgrounds who would prefer to be housed in certain areas of Cardiff due to cultural considerations, the provision of settled accommodation is considered to be beneficial.

Religion, Belief or Non-Belief

Will this proposal have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist	X		
Christian	X		
Hindu	X		
Humanist	X		
Jewish	X		
Muslim	X		
Sikh	X		
Other belief	X		
No belief	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

Homelessness Services are inclusive and any improvement to services will benefit all those who access the service regardless of religion.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, there may be impacts on those with religious beliefs who would prefer to be housed near places of worship.

What action(s) can you take to address the differential impact?

No specific actions identified. Although there may be impacts on those from specific religious backgrounds who would prefer to be housed in certain areas of Cardiff due to location to places of worship, the provision of settled accommodation is considered to be beneficial.

Sex

Will this proposal have a **differential impact [positive/negative]** on male, female or non-binary persons?

	Yes	No	N/A
Male persons	X		
Female persons	X		
Non-binary persons	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

Homelessness Services are inclusive and any improvement to services will benefit all those who access the service regardless of gender.

Examining data relating to those presenting to homelessness services in 2022/23, shows that slightly more men than women are found to be homeless on the day, but that a higher proportion of females are presenting as threatened with homelessness. The report outlines some of the progress that has been made in improving prevention services, by providing them in community settings and in the home.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, those applicants from single parent families may be impacted if they are moved away from family support networks.

What action(s) can you take to address the differential impact?

No action identified – whilst those applicants from single parent families may be impacted if they are moved away from family support networks, the provision of long-term settled accommodation is seen as beneficial.

Sexual Orientation

Will this proposal have a **differential impact [positive/negative]** on people with different sexual orientations?

	Yes	No	N/A
Bi	X		
Gay	X		
Lesbian	X		
Heterosexual	X		
Other	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

Homelessness Services are inclusive and any improvement to services will benefit all those who access the service regardless of sexual orientation.

Services are closely monitored to ensure that anyone who identifies as LGBTQ+ is provided with the appropriate accommodation and support.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, it is accepted that those applicants from the LGBTQ+ community may wish to remain close to support networks and community services within Cardiff.

What action(s) can you take to address the differential impact?

No action identified, whilst those applicants from the LGBTQ+ community may be impacted if they are moved away from support networks, the provision of long-term settled accommodation is seen as beneficial.

Socio-economic Duty

Is the change anticipated to reduce or contribute to inequality of outcome as a result of socio-economic disadvantage? (e.g. will the change negatively impact on those on low-incomes or those living in deprived areas?)

	Yes	No	N/A
Socio-economic impact	X		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

The proposal will reduce socio-economic disadvantage by providing more accommodation in the city for those who find themselves homeless and reducing the time that homeless people spend in temporary accommodation, providing more people with a permanent, affordable, settled home.

Advice and support is provided across communities to those at risk of homelessness with a variety of financial and practical support is available along with the signposting into other support services.

The removal of areas of choice for homeless applicants on the Common Housing Waiting List and the offering of private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate will reduce the time spent in temporary accommodation. However, it may impact on those who work in Cardiff, although being housed in settled accommodation is more beneficial than residing in temporary accommodation.

What action(s) can you take to address the differential impact?

No action identified, whilst applicants may be impacted if they are moved away from places of work and support networks, the provision of long-term settled accommodation is seen as beneficial.

Welsh Language

Will this proposal have a **differential impact [positive/negative]** on the Welsh language?

	Yes	No	N/A
Welsh language			X

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

What action(s) can you take to address the differential impact?

N/A

Consultation and Engagement

What arrangements have been made to consult/engage with equality/ community organisations, especially those who are representative of those you have identified as being likely to be affected?

Local Members will be consulted about individual accommodation schemes in their wards.

The proposals outlined in the report are to be consulted on with a wide range of stakeholders including homeless people and a further impact assessment will be undertaken following the consultation to inform decision making.

Summary of Actions (Listed in the sections above)

	Actions
Age	<p>We will continue to ensure that support from council staff is available on site at emergency hotels and other temporary accommodation sites, with other services such Early Help, Play, and Advice Services also providing assistance from these locations. We will ensure children's education is uninterrupted if being relocated to other areas outside of the city.</p> <p>For those children who may be moved to a different area of the city, or outside the city, advice and support is in place to assist families with educational choices.</p>
Disability	<p>It is accepted that moving out of Cardiff may be disruptive to those with specific health needs, particularly if the move was away from specific health services and support networks. Advice and support is in place to assist with this.</p>
Gender Reassignment	None
Marriage & Civil Partnership	None
Pregnancy & Maternity	None

Race	No specific actions identified. Although there may be impacts on those from specific ethnic backgrounds who would prefer to be housed in certain areas of Cardiff due to cultural considerations, the provision of settled accommodation is considered to be more beneficial.
Religion/Belief	No specific actions identified. Although there may be impacts on those from specific religious backgrounds who would prefer to be housed in certain areas of Cardiff due to location to places of worship, the provision of settled accommodation is considered to be more beneficial.
Sex	No action identified – whilst those applicants from single parent families may be impacted if they are moved away from family support networks, the provision of long-term settled accommodation is seen as more beneficial.
Sexual Orientation	No action identified, whilst those applicants from the LGBTQ+ community may be impacted if they are moved away from support networks, the provision of long-term settled accommodation is seen as more beneficial.
Socio-economic Impact	Advice and support is provided across communities to those at risk of homelessness with a variety of financial and practical support is available along with the signposting into other support services. Whilst applicants may be impacted if they are moved away from places of work and support networks, the provision of long-term settled accommodation is seen as more beneficial.
Welsh Language	None
Generic/ Over-Arching (applicable to all the above groups)	The proposals set out in the cabinet report will have a positive effect on all groups who find themselves homeless or threatened with homelessness in the city reducing the time spent in Temporary Accommodation and providing an increased amount of affordable permanent, settled accommodation across Cardiff.

Next Steps

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

Where the Equality Impact Assessment shows negative impacts, you must append the form to the Cabinet or Officer Decision Report.

On completion of this Assessment, please ensure that the whole form is submitted to the Equality Team mailbox so that there is a record of all assessments undertaken in the Council EqualityTeam@cardiff.gov.uk

B: Child Rights Impact Assessment

The aim of a Child Rights Impact Assessment is to put children and young people at the forefront of decision-making. The assessment helps officers to consider how the rights of children and young people may be affected by a proposed policy or project.

Click [here](#) to start a Child Rights Impact Assessment.

You will receive an automated email containing a link to your Child Rights Impact Assessment template and the Child Friendly Cardiff Team will be in contact to support you.

Guidance for Local Government prepared by Unicef is available here:
[Child Rights Impact Assessment - Child Friendly Cities & Communities \(unicef.org.uk\)](https://www.unicef.org.uk/child-rights-impact-assessment-child-friendly-cities-communities)

For further information or assistance in completing the Child Rights Impact Assessment, please contact the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

Next Steps

Where it is considered that a Child Rights Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

C: Welsh Language Impact Assessment

Please consult with Bilingual Cardiff for any assistance with completing this assessment
Bilingualcardiff@cardiff.gov.uk

Welsh Language Standards 88-97

Standard 88

Will this proposal have a **differential impact [positive/negative]** on:

	Yes	No	N/A
The opportunities for persons to use the Welsh language?			
Treating the Welsh language no less favourably than the English language?			

Please give details/ consequences of the differential impact, and provide supporting evidence, if any.

--

Standard 89

Could this proposal be formulated or re-formulated, so that it would have positive effects, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?

--

Standard 90

Could this proposal be formulated or re-formulated to ensure that it does not have adverse effects, or a decreased adverse effect, on:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?

--

Standard 91

When consulting on the proposal, were views considered, and sought, on the effects (both positive and negative) that it would have on:

The opportunities for persons to use the Welsh language?

Treating the Welsh language no less favourably than the English language?

Standard 92

Did the consultation seek and give consideration to views on how the proposal could have positive, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

Treating the Welsh language no less favourably than the English language?

Standard 93

Did the consultation seek and give consideration to views on how the proposal could have no adverse effects, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?

Treating the Welsh language no less favourably than the English language?

Standard 94

If the proposal includes the awarding of grants, has consideration been given to the guidance presented in Cardiff Council's Policy on Awarding Grants in Compliance with the Welsh Language Standards with regard to:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?
--

--

Standard 95

If research was undertaken or commissioned to assist with the development of the proposal, did it give consideration to whether it would have a **differential impact [positive/negative]** on:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?
--

--

Standard 96

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have a positive effect, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?
--

--

Standard 97

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have no adverse effect, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?

--

Treating the Welsh language no less favourably than the English language?
--

--

Material and Services

In addition to the impact assessment to ensure that the proposal meets the requirements of the Welsh Language Standards, consideration must also be given to the supporting materials and services that may be required.

These include (please click on the hyperlinks to view detailed information about the requirements under the Welsh Language Standards):

- [Correspondence](#) - receiving and replying (emails, letters, online communication).
- [Telephone](#) – receiving and answering calls.
- [Meetings & Public Events](#) – public meetings or events, group meetings, consultation, individual meetings.
- [Public Messages – electronic – video](#)
- [Signs, Notices & Display Material](#)
- [Publicity & Advertising](#)
- [Producing Public Documents](#) - policies, strategies, annual reports, corporate plans, guidelines, notices, codes of practice, consultation papers, licences, certificates, rules, brochures, leaflets, pamphlets or cards, ticket/vouchers.
- [Producing Forms](#)
- [Reception Services](#)
- [Websites, Apps and Online Services](#)
- [Social Media](#)
- [Self Service Machines](#)
- [Education Training Courses](#)
- [Public Address Announcements](#)

Are all supporting materials and services compliant with the requirements of the Welsh language standards?

Cardiff Council's Welsh Language Skills Strategy

This strategy may be viewed here and additional guidance documents have been produced to support its implementation:

- [Assessing Welsh Language Skills and Identifying Welsh Essential Roles](#)
- [Recruitment, Selection, and Interview Procedures and the Welsh Language](#)

Do you have access to sufficient Welsh speaking staff to support the delivery of the proposal in compliance with the requirements of the Welsh language standards?

--

Next Steps

Where it is considered that a Welsh Language Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

A copy must also be emailed to Bilingual Cardiff Bilingualcardiff@cardiff.gov.uk

D: Habitats Regulations Assessment

	Yes	No
Will the proposal affect a European site designated for its nature conservation interest*, or steer development towards an area that includes a European site, or indirectly affect a European site?	<input type="checkbox"/>	<input type="checkbox"/>

** Only two European sites designated for nature conservation interest lie within Cardiff's boundaries – the Severn Estuary and Cardiff Beech Woods, but be aware if your project affects an area close to a neighbouring authority.*

If the answer is 'Yes', then a screening exercise may need to be conducted to determine if a Habitats Regulations Assessment is required or not.

Contact the [Biodiversity Team](#) who will guide you through the process.

E: Strategic Environmental Assessment

	Yes	No
Does the strategy, policy or activity set the framework for future development consent?	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
Is the strategy, policy or activity likely to have significant environmental effects (positive or negative)?	<input type="checkbox"/>	<input type="checkbox"/>

If you have answered 'Yes' to both of the above questions, then a full Strategic Environmental Assessment Screening is needed.

Contact the [Sustainable Development Unit](#) who will guide you through the process.

F: Data Protection Impact Assessment

	Yes	No
Will the proposal involve processing information that could be used to identify individuals?	<input type="checkbox"/>	<input type="checkbox"/>

If the answer is 'Yes', then a Data Protection Impact Assessment may be required.

Click [here](#) to read the guidance and start the Data Protection Impact Assessment process if needed.

For further information, contact the [Data Protection Service](#).

G: Health Impact Assessment

A Health Impact Assessment helps to develop policies and projects that consider the mental, physical and social health and well-being of a population during planning and development. Considering health inequalities and their impacts on local communities is an essential part of any Health Impact Assessment.

Health Impact Assessments will become a statutory requirement for public bodies in specific circumstances in the future. These circumstances have yet to be published by Welsh Government.

For further information and advice, please contact the Wales HIA Support Unit.

Website: [Home - Wales Health Impact Assessment Support Unit \(phwwhocc.co.uk\)](http://phwwhocc.co.uk)

Email: WHIASU.PublicHealthWales@wales.nhs.uk

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CHILD RIGHTS IMPACT ASSESSMENT (CRIA)

Information or assistance in completing the CRIA, please email the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

Title of policy/strategy/project/procedure/service being assessed:	Housing Emergency in Cardiff - Cabinet Report
Type of Assessment:	Existing

Who is responsible for developing and implementing the policy/strategy/project/procedure/service?	
Name:	Helen Evans
Job Title:	Assistant Director, Housing & Communities
Service/Team:	Housing & Communities
Directorate:	Adults, Housing & Communities

STAGE 1: PURPOSE/SCOPE

- 1. What is the policy/strategy/project/procedure/service? Summarise its overall aims and any aims specific to children.**

The purpose of the proposal is to brief Cabinet on the Housing Emergency in Cardiff, and the unprecedented pressures this is placing on homelessness services. Including but not limited to, record numbers of individuals and families seeking help from homelessness services, lack of social housing for those on the common waiting list, resulting in presenting as homeless being perceived by some as a short cut to access social housing and emerging pressures such as the Home Office accelerating their decision making on asylum cases where at over 450 households will seek support with housing over a short period of time.

The proposal provides an update to Cabinet on the steps already being taken to address these pressures including a strengthened homelessness prevention service, improvements in mediation services and referring those who present to the service with no local connection back to their originating local authority for help. Steps taken also include the opening of additional temporary accommodation including use of hotels within the city, and the meanwhile use of land and modular units to further increase supply.

The report seeks approval for changes to existing policies which impact on homeless assessment, (in line with current homelessness legislation). These changes are listed below:

- The consideration of intentionality in making homelessness decisions, where there is clear evidence that an applicant has deliberately made themselves homeless.
- The removal of areas of choice for homeless applicants on the Common Housing

Waiting List.

- Offering private rented accommodation outside the Cardiff area in neighbouring local authorities, where appropriate.

The proposal also details solutions to the current housing pressures through larger scale property purchases and package deal arrangements and the continuation of the meanwhile use of brownfield sites to deliver new modular homes for temporary accommodation, using the existing arrangements in place within our Cardiff Living Partnership and with the current modular providers.

The proposal requests that Cabinet approve:

Approve a consultation process on the policy changes outlined in the report, including the consideration of intentionality in making homeless decisions, the removal of areas of choice for homeless applicants on the Common Housing Waiting List and offering private rented accommodation outside the city, in neighbouring local authority areas.

To delegate the final decision on these changes to the Director Adults, Housing and Communities in consultation with the Cabinet Member, Housing and Communities following a full impact assessment and consultation with stakeholders.

Approve the acquisition of the properties following the completion of all due diligence.

Approve in-principle the award of a new contract for the meanwhile modular delivery of temporary accommodation.

Delegation of the final sign-off of each of the sites to the Corporate Director, People & Communities in consultation with the S.151 Officer and the Cabinet members for Housing & Communities and Finance. Final approval will be conditional on the following; Approval of TACP grant from Welsh Government, Agreement of lease arrangements with Welsh Government and Cardiff & Vale Health Board for the sites identified in appendix 2 and a suitable financial viability assessment for each of the sites

2. Please select the groups of children and young people who will be directly and/or indirectly impacted. Please review after completing the form.

<input type="checkbox"/> Protected Characteristics	<input type="checkbox"/> EOTAS
<input checked="" type="checkbox"/> Young Parents	<input type="checkbox"/> Gypsy Travellers
<input checked="" type="checkbox"/> Children of Single Parents	<input checked="" type="checkbox"/> Asylum Seekers
<input checked="" type="checkbox"/> Southern Arc Children	<input checked="" type="checkbox"/> BAME Community
<input type="checkbox"/> Children of Deaf Parents	<input checked="" type="checkbox"/> Care Experienced
<input type="checkbox"/> Young Carers	<input checked="" type="checkbox"/> Pre-School
<input type="checkbox"/> Primary School	<input checked="" type="checkbox"/> Secondary School
<input type="checkbox"/> Welsh First Language	<input checked="" type="checkbox"/> Non-Native Speakers of English
<input type="checkbox"/> Set Locality	<input checked="" type="checkbox"/> Citywide
<input checked="" type="checkbox"/> LGBTQ+	<input type="checkbox"/> ALN


Youth Justice

Other - Click or tap here to enter other identified groups

STAGE 2: BUILD AND ASSESS

The General Principles of the UNCRC (United Nations Convention on the Rights of the Child) are at the heart of a child rights approach. [This link](#) will take you to a page on our website with a full list of Children's Rights and supporting information. [Click here](#) to access a list of articles grouped into common themes.

3. What is the likely/ actual impact of the proposal on children's rights? Is it positive, negative, or neutral?

<i>Describe the Impact</i>	<i>Impacted UNCRC Articles</i>	<i>Impact Scale</i>	<i>How to mitigate impact (if negative)  - additional info</i>
There are currently 707 families with children residing in temporary accommodation in Cardiff. The report shows that that 28 more families are entering temporary accommodation than are exiting into permanent accommodation each month, so demand for accommodation is far outstripping supply. Due to this demand many families are now residing in emergency hotel accommodation. The report sets out proposals to deal with this demand, reduce the use of hotel accommodation and move people on quickly to settled, permanent accommodation.	Article 27 - Adequate standard of living Article 31 - Right to play and leisure	Negative	The proposals set out in this report will address the impact of children residing in hotel accommodation. The proposals aim to reduce the use of hotels by developing increased temporary and permanent accommodation across the city. Support from council staff is available on site and other services, such as Early Help, Play, and Advice Services also provide assistance from these locations, however the use of hotels is not ideal and spending time in any form of temporary accommodation can be unsettling for children.
The changes proposed with regards to considering intentionality where there is clear evidence that an applicant has deliberately made themselves homeless.	Article 20 - children unable to live with their family, Article 27 - adequate standard of living	Neutral	Changes will not apply to young people aged under 21, care leavers aged between 21 to 24, pregnant women and homeless applicants with children, unless they have been intentionally homeless twice within a 5-year period. This is unlikely to be the case but is still possible. Housing & Communities work closely with Children's Services on any case where a

			decision is made that there is no homeless duty to ensure the right support is in place.
The removal of areas of choice for homeless applicants on the Common Housing Waiting List will reduce the amount of time spent in temporary accommodation, particularly for families	Article 27 - adequate standard of living, Article 28 - right to education, Article 9 - separation from parents	Negative	It is accepted that moving to a different area of Cardiff may be disruptive for children in terms of their education and their family support networks. The proposals in the report that aim to reduce the time spent in temporary accommodation will enable families to move into a settled home more quickly and are therefore beneficial to families and children. We will also ensure advice and support is in place to assist families with education choices.
Offers of private rented accommodation outside of Cardiff	Article 27 - adequate standard of living, Article 28 - right to education, Article 9 - separation from parents	Negative	It is accepted that moving out of Cardiff may be disruptive for children in terms of their education and their family support networks. The proposals in the report that aim to reduce the time spent in temporary accommodation will enable families to move into a settled home more quickly and are therefore beneficial to families and children. We will also ensure advice and support is in place to assist families with education choices.
Click or tap here to add an impact.	Click here to enter an article.	Choose a value.	Click or tap here to add a mitigation.
Click or tap here to add an impact.	Click here to enter an article.	Choose a value.	Click or tap here to add a mitigation.
Click or tap here to add an impact.	Click here to enter an article.	Choose a value.	Click or tap here to add a mitigation.
Click or tap here to add an impact.	Click here to enter an article.	Choose a value.	Click or tap here to add a mitigation.

STAGE 3: VOICE AND EVIDENCE

4. How do you plan to review the policy/ strategy/ project/ procedure/ service to ensure that it respects, protects and fulfils children's rights? [i](#) - additional info

The report is a proposal at present - advising cabinet of the current housing emergency in the city.

5. **Have you sourced and included the views and experiences of children and young people? What do you know about children and young people's views and experiences that are relevant to the proposal?** [i - additional info](#)

Not at present, however consultation with a wide range of stakeholders on the proposals outlined in the report, at which time the impacts will be further assessed.

STAGE 4: BUDGET

It is important to consider the resource and budgetary elements which are directly attributed to children and young people to enable oversight.

6. **What is the budget for this policy/ strategy/ project/ procedure/ service? In your answer, include any allocations specifically for children and young people and whether any of the budget will be used to mitigate negative impacts identified above.**

N/A

STAGE 5: IDENTIFIED ACTIONS

7. **What actions have been identified or changes made to the policy/ strategy/ project/ procedure/ service as a result of this assessment?** [i - additional info](#)

None

AUTHORISATION

The template should be completed by the Lead Officer of the identified policy/ strategy/ project/ procedure/ service and approved by the appropriate manager.

Completed By:	Jessica Tomlinson
Submission Date:	24/11/2023
Job Title:	Improvement Project Manager
Approved By:	Click or tap here to enter name.

Job Title:	Click or tap here to enter job title.
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Governance & Decision-Making

Where it is considered that a CRIA is required, you must append the completed form to the Cabinet or Officer Decision Report. A copy must also be emailed to the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

Advice & Support

UNICEF Child Rights Impact Assessment Guidance for Local Government:
[Child rights impact assessment - Child Friendly Cities & Communities \(unicef.org.uk\)](https://www.unicef.org.uk/child-rights-impact-assessment-child-friendly-cities-communities)

For further information or assistance in completing the CRIA, please email the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

29th Nov 2023

Councillor Lynda Thorne
Cabinet Member for Housing & Communities
Sent via e-mail



Dear Cllr Thorne,

COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE – 20 NOV 2023 –HOMELESS CRISIS BRIEFING

On behalf of Committee Members, a sincere thanks to you, and everyone present, for providing an early opportunity to assess forthcoming proposals to address the homelessness emergency in Cardiff.

We, as a committee, are acutely aware of both the seriousness and reality of the situation. With the current financial context forcing many individuals who, perhaps, have not faced hardship before, into destitute situations. We therefore welcome the significance placed on addressing this situation. We as a Council, must continue to place this issue at the forefront of our agenda and go above and beyond statutory requirements. We must continue to find ways of managing pressures, but also continue to place pressure on national government that this issue cannot be solved by the local authority alone; and we, and other organisations, must receive adequate support through an effective policy and financial framework.

Like you, we pay tribute to the hard work and dedication of all staff both within the council and in partner organisations, who provide such vital support to individuals facing homelessness. Whilst the performance of the council's Homeless Prevention team is welcomed, including the plans in place to address winter demands; we note that sadly, current measures are not enough to manage the situation.

Whilst remaining mindful to the current demand levels, and financial context in which we must operate, we offer our observations and recommendations to assist you in finalising proposals.

Committee Members Observations

- Support-led approach – whilst we recognise the importance of housing-led approaches in ensuring safe, suitable accommodation in the city; the principle of addressing the underlying causes and consequences of homelessness must not be lost.

We know addressing the underlying causes of homelessness is a key part of the Council's approach, and welcome the confirmation provided at our meeting that individuals with complex needs will not be offered unsuitable accommodation as a way of managing this emergency.

We therefore urge Cabinet to recognise the importance of balancing both the causes and consequence of homelessness and the availability of suitable accommodation when deciding on these, and all future proposals.

- Longevity of the Solutions – during the discussion we were informed the new build and modular accommodation proposed will fully comply with the Rapid Rehousing model, however some of the properties being purchased, along with the emergency provision contained in the proposals, may not.

Whilst the severity of the current situation is fully appreciated, the potential for emergency provisions and purchased properties to not align with the long-term strategic approach does raise questions about the longevity in the proposals, and in turn the value for money. We do however recognise it is a balancing act, and the proposal regarding the council purchasing property is overall welcomed due to the speed of solution it provides.

- Additional Accommodation– it was pleasing to note the plans to address the need by providing immediate accommodation solutions; and also, to receive assurance on the intent for the additional accommodation proposed to be dispersed across the city; and in particular, to reduce pressure in the Hansen Street area of the city centre.
- Applying intentionality – we note the need to manage demand and the desire to easily identify and support those most in need. Further, we recognise the need to deter people from the perception that presenting as homeless is the quickest route into social housing.

We are however deeply concerned about the Council's proposals to apply intentionality in determining whether an individual is owed a homelessness duty. We do not believe that this is a compassionate approach to homelessness. We are concerned that this intention to manage demand could have significant, damaging repercussions for some individuals. We would urge the Council to consider the extent to which this proposal could, inadvertently, move the problem along or even accelerate people's circumstance by potentially restricting an individuals' access to homelessness duties and housing support. We further note that this is contrary to Welsh Government proposals in its 'Ending Homelessness in Wales White Paper'.

Overall, we would recommend that other measures be considered in place of this proposal. We note the importance of strengthening the message that presenting as homeless is not a quick, easy route into social housing and we wonder if, as raised at the meeting, more could be done around how the councils delivers this message and its content; for example, if we could better project clear information on the average length of time waiting for social housing; and the lack of accommodation availability to a wider audience.

We heard at the meeting that at present, 14% of individuals living on the street have no recourse to public funds, and 23% have no local connection. As mentioned earlier in this letter, though the pressures and current context is understood, we would urge the authority to lead the way in going above statutory duty to support individuals and agree with the external partners present at our meeting on the need to remain mindful of our moral obligations when individuals are in destitute situations.

- Offers of Private Rented Accommodation outside of Cardiff – with regard to this proposal, there is initial concern this may present an increased risk of repeated homelessness due to the potential for individuals to be moved away from their support network, employment, and council services.
- Partnership Working – in the discussions we noted strong partnership working between Welsh Government, the authority, the third sector, and the private rented sector is vital, and we would strongly encourage this partnership being strengthened and continuously assessed.

Committee Members Recommendations

From the discussion at the meeting, we were informed the council is limited in what it can do to reduce private landlords leaving the market to pursue Air BnB opportunities. Given the severity of how this issue is impacting the current context, we offer the following recommendation for your consideration:

R1 As an authority, undertake, or increase efforts, to lobby the relevant government to enact legislation, such as placing covenants on buildings to reduce the prevalence of Air BnB's in the city; citing the pressures and ramifications the increased Air BnB markets presence is placing on the availability of long-term accommodation in the city. The council should also consider using new levers provided by Welsh Government to manage second homes and holiday lets.

R2 We would strongly urge Cabinet to withdraw proposals to re-apply Intentionality in determining whether an individual is owed a homelessness duty, owing to the significant consequences this will have for individuals, and recognising that this proposal would not be in line with current Welsh Government proposals. We would encourage Cabinet to pursue alternative means of communicating the demand pressures on and waiting times for social housing.

To confirm, a response to this letter is requested which advises if the recommendations made¹ are accepted.

We wish to end by stressing the importance of exercising caution on the proposals relating to changes in policy and protocol. If these proposals to change policy / protocol are carried, we urge they are piloted with the possibility of allowing a revert to previous approaches in a timely manner, without undergoing any bureaucratic measures to do so.

Further, we also urge proposals that strengthen our support for complex needs in line with this continuing demand is also considered and carried. We note this matter is linked to resource and revenue funding and so we urge they be considered and prioritised in the council's forthcoming budgetary decisions.

Yours,



COUNCILLOR RHYS TAYLOR

CHAIR, COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE

cc. Members of the Community & Adult Services Scrutiny Committee

Jane Thomas, Director Adults, Housing & Communities

Helen Evans, Assistant Director, Housing & Communities

Dave Jaques, Assistant Director, Development & Regeneration

Matthew Evans, Operational Manager Supported Accommodation & Assessment

Huggard

The Wallich

Cardiff Council Chair of Governance & Audit

Tim Gordan, Head of Communications & External Relations

Jessica Tomlinson, Improvement Project Manager

Cabinet Office

¹ R1 & R2

**SWYDDFA CYMORTH Y CABINET
CABINET SUPPORT OFFICE**

Fy Nghyf / My Ref : [CE:0044997]

Eich Cyf / Your Ref :

Dyddiad / Date: 6th December 2023

Councillor Rhys Taylor
Chair
CASSC
Cardiff Council
County Hall
Cardiff
CF10 4UW



Neuadd y Sir
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Ffôn: (029) 2087 2088
www.caerdydd.gov.uk
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Dear Councillor Taylor

CASSC Scrutiny Committee – 20th November 2023 – Homeless Crisis Briefing

May I thank Committee for the opportunity to present a briefing on the Housing Emergency at the November meeting.

I note the observations set out in your letter, in particular I would wish to confirm that our work to continue to address the underlying causes of homelessness remains vital and we remain committed to the continued development of the multi-disciplinary support available for individuals with complex needs. While the briefing was focused on the housing emergency, I am very aware that housing alone cannot address homelessness.

In terms of your recommendations, I have set out my response below:

R1 As an authority, undertake, or increase efforts, to lobby the relevant government to enact legislation, such as placing covenants on buildings to reduce the prevalence of Air BnB's in the city; citing the pressures and ramifications the increased Air BnB markets presence is placing on the availability of long-term accommodation in the city. The council should also consider using new levers provided by Welsh Government to manage second homes and holiday lets.

While I agree that the Air BnB market is placing additional pressure on the housing market, I am also aware that some action is already being taken to address this issue. The Welsh Government have already announced new criteria that will need to be met before self-catering accommodation can be classified as a business and subject to Non-Domestic Rates rather than Council Tax. For those properties that are included in the Council Tax list a new premium is being introduced in Cardiff from the 1st April 2024 which will charge an additional 100% on top of the normal Council Tax charge for vacant furnished dwellings. It will also be possible to consider increasing the level

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



of this premium in future years. This premium will apply to AirBnB properties where the owner is not in occupation. It is estimated that this premium will impact on at least 3000 properties in the city including second homes and vacant furnished lets, although there are some exceptions in the landlord sector for properties being actively marketed for sale or rent.

I also understand that a formal Welsh Government consultation was issued earlier in the year about registration of holiday lets. Hotels, B&Bs, caravans and other holiday lets were all in scope for the registration/ licensing scheme at the consultation stage. Benefits the scheme could provide include:

- the mechanism to address concerns about safety and compliance
- a comprehensive database of who is operating in the industry and
- a valuable tool to understand the scale, location and impact of the industry economically and on local communities.

The aim is to level the playing field as part of a long-term response to the major challenges faced by the loss of residential property in many Welsh communities, whilst enhancing the visitor experience and visitor safety.

I understand that Welsh Government is currently drafting new legislation relating to this issue.

While this is good progress I do however accept that further dialogue should take place with Welsh Government officials about any additional steps could be taken to address this issue.

R2 We would strongly urge Cabinet to withdraw proposals to re-apply Intentionality in determining whether an individual is owed a homelessness duty, owing to the significant consequences this will have for individuals, and recognising that this proposal would not be in line with current Welsh Government proposals. We would encourage Cabinet to pursue alternative means of communicating the demand pressures on and waiting times for social housing.

While I note and understand the Committee's concerns about this matter unfortunately, I cannot accept this recommendation. While I would not choose to implement this change in normal circumstances, given the current crisis I feel we have no choice. As set out during the meeting the consideration of intentionality during homeless decision making is necessary to prevent individuals from taking advantage of the homeless legislation to bypass the social housing waiting list. Officers report cases where individuals are deliberately giving up housing to enter homeless services with the intent of gaining social housing, this means that those households with higher housing needs are waiting longer on the Common Housing Waiting list as a result.

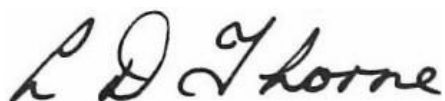
I regret that I find it hard to understand how communicating the demand pressures and waiting times for social housing would address this issue. While the Welsh Government's White Paper on Ending Homelessness in Wales proposes a future

change to this area, considering intentionality in homeless decision making is fully in line with current legislative requirements. This week I attended an all Wales Cabinet Member briefing and discussion on the Welsh Government white paper and every single Local Authority Cabinet member present made the case for not changing the intentionality rule.

I do however accept that implementing these proposed changes in protocol and policy this should be carried out with caution and therefore while the cabinet report will agree the approach in principle, further consultation will take place to inform a full impact assessment before these changes are taken forward and any action that is required to mitigate any issues. This approach will also ensure that the needs of individuals with complex needs are fully considered.

May I once again thank the Committee for the opportunity to present this issue.

Yn gywir / Yours sincerely

A handwritten signature in black ink, appearing to read 'L D Thorne'.

Councillor / Y Cynghorydd Lynda Thorne
Aelod Cabinet dros Dai a Chymunedau
Cabinet Member for Housing & Communities

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By virtue of paragraph(s) 16 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

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