

**COUNCIL:**

**27 OCTOBER 2022**

---

**CABINET PROPOSAL**

---

**LOCAL AUTHORITY SOCIAL SERVICES ANNUAL REPORT 2021/22,  
INCLUDING MARKET STABILITY REPORT**

**Reason for this Report**

1. To enable Cabinet to consider the 13<sup>th</sup> Annual Social Services Report as required under Part 8 of the Social Services and Well-Being (Wales) Act 2014 (SSWB Act).
2. The Council is also required by law (Section 144B of the Social Services and Well-being (Wales) Act 2014) to prepare and publish a Market Stability Report (MSR) which includes an assessment of the sufficiency of provision of care and support in respect of both Adults and Children's Service. The first such report for the Cardiff and Vale region is included as part of the documents supporting the Annual Social Services Report.

**Background**

3. From 2009/10, each Director of Social Services in Wales has been required to produce and publish an Annual Report as part of an Annual Council Reporting Framework for Social Services.

**Issues**

4. This is the 13<sup>th</sup> Local Authority Social Services Annual Report, and the sixth such report since the implementation of the SSWB Act in April 2016.
5. The Regulation and Inspection of Social Care (Wales) Act 2016 places the Annual Report on a statutory footing and Care Inspectorate Wales (CIW) no longer produce an individual performance evaluation report for each council.
6. CIW do, however, send each local authority an annual letter which:
  - a. Provides feedback on inspection and performance evaluation activity completed by CIW during the year.

- b. Reports on progress the local authority has made in implementing recommendations from inspections and/or child and adult practice reviews.
- c. Outlines their forward work programme.

The 2021/22 letter is due to be received by the authority.

## **Overview of Progress – 2021/22**

7. The challenges presented to directly provided, commissioned and partner services in the year 2021/22 focus on the increasing complexity of issues being experienced by our citizens and the longer term impact of COVID-19 on demand for services.

8. Despite this, significant progress has been achieved in a range of areas with key highlights being:

### **Children's Services:**

- Interventions Hub launched.
- Reviewing Hub launched.
- Family Drug and Alcohol pilot commenced.
- Implementation of Youth Justice improvement plan.
- Increasing use of kinship arrangements.

### **Adult Services:**

- Strengthening our Independent Living Services.
- World Health Organisation (WHO) Age Friendly City Network acceptance.
- Ageing Well Strategy developed.
- Re-opening of Day Centres.
- Development of the Cardiff Cares Academy.

9. Work to respond to the challenge of increasing service demand and increasing complexity in the issues impacting on Cardiff's most vulnerable individuals, families and communities is set out in the priorities identified in the Annual Report. Our priorities are also reflected in the Directorate Delivery Plans for Children's Services and Adult Services for 2022/23. The delivery plans provide the detail of how the key priorities will be implemented (see appendices 3 and 4).
10. A key priority theme across all services identified for 2022/23 is to progress locality working models, integrating council and partner services to provide support and aligned interventions at the right time to improve outcomes and reduce duplication and gaps in provision.

Children's Services will:

Have a continued focus on shifting the balance of care -

- Tackle gaps in the sufficiency of placements and accommodation for children looked after and care leavers.
- Continue to prioritise the recruitment and retention of a permanent, engaged workforce.
- Develop a more integrated wellbeing approach, working to families' strengths to provide them with the support that they need.
- Work with partners in response to the increasing number of children and young people experiencing serious mental health and emotional wellbeing issues and to address the recent increase in serious youth violence in the city.

Adult Services will:

- Implement the Ageing Well Strategy across Older People's Services, embedding preventative services and strengths-based working.
- Improve hospital discharge through "whole system" joint working with health colleagues.
- Continue to develop the appropriate use of technology and equipment.
- Improve the support available for informal carers and reviewing services for those living with dementia.
- Work with partners to ensure the sustainable delivery of high quality care and support.
- Continue to support individual voice and control by improving access to advocacy and direct payments.
- Prepare effectively for the implementation of the Liberty Protection Safeguards.

## **Consultation**

11. The Local Authority Social Services Annual Report has been shared with staff and partners offering them the opportunity to feedback and share their views with us and a workshop with young people was held to discuss the themes and details in the report. A summary of feedback, responses and subsequent amendments made to the report is available at Appendix 2.

## **Market Stability Report**

12. The preparation and publication of Market Stability Reports (MSR) must be carried out on a regional footprint, with Local Authorities and Local Health Boards working together through the seven Regional Partnership Boards (RPBs). The Market Stability Report is attached at Appendix 5. The report will be published when approved by all partners.
13. The MSR must describe the market for Social Services regulated services across the region and within each Local Authority area and assess its overall stability. It must also consider services not regulated under the Regulations & Inspection of Social Services (Wales) Act 2016 (2016 Act) which also help meet

an individual's need for care and / or support, in particular support for unpaid carers and for young people leaving care.

14. The MSR must be undertaken every local government electoral cycle and should look forward, encompassing the period until the next iteration. This inaugural MSR will cover the period 2022 to 2027 and complements the most recently published Population Needs Assessment and Cardiff's Well-being Assessment.

## **Issues**

15. The Social Services and Well-being (Wales) Act 2014 (2014 Act) specifies the regulated services which should be included within the MSR. These are set out in the bullet points below and are presented in the report as individual sections.
  - Older people's (aged 65+) residential and nursing care homes.
  - Domiciliary care for adults aged 18 and over.
  - Adult placements / shared lives.
  - Adult advocacy services.
  - Children's care homes (residential care homes, secure accommodation, residential family centres).
  - Adoption services.
  - Foster and kinship care.
  - Advocacy services for children and families.
16. Each section includes details of the current service landscape, the services required to meet the needs of our citizens, a stability assessment (risks to the market) and the actions required to address those risks. Additional sections consider the sufficiency of services to meet future needs and the strategic themes which will require consideration to ensure stability of regional care and support markets in the future.
17. The MSR was undertaken between October 2021 and July 2022 and consultants, Alder Advice, were commissioned to support the region to undertake the engagement work, analysis of data and development of the MSR. Alder Advice are a group of independent professionals, providing expertise and specialist advice in the field of social care and health.
18. The MSR recognises that COVID-19 has impacted upon services in a number of ways, including increasing demand in some areas. There has also been a need to adapt or change the operating models of some services on an interim basis in order to maintain service delivery. Whilst many services are now returning to their pre COVID-19 delivery models, the longer-term impact of the pandemic on the care and support needs of the population will require continual monitoring in order to fully understand its impact on future market sufficiency.

## **Findings of the Market Stability Report**

*The need to address workforce capacity and skills shortages.*

19. The report found that recruiting and retaining staff with the skills needed to provide services for people with complex support needs is presenting a particular challenge.
20. In response to these challenges:
  - **Children and Young People Services** will prioritise recruiting / training more in house foster carers, kinship carers and adoptive parents.
  - **Older Persons Services** will prioritise assisting providers to recruit and train domiciliary care staff and specialist dementia and end of life skilled care home staff.
  - **Adult Services** will focus on recruiting / training adult placement / shared lives carers and staff with specialist learning disability, autism, early onset dementia, and mental health care and support skills.

*To tackle the lack of placement sufficiency to meet specific needs and to ensure the fees paid to providers are fair and appropriate.*

21. The report found that ensuring the fees that we pay providers is fair is key to addressing the workforce recruitment and retention challenges and therefore to addressing market stability risks. Adult and older persons' care and support providers in particular are concerned about their financial sustainability.
22. In response to this finding of the report, work will be completed to:
  - Undertake a cost of care exercise for care homes for older people, using the Welsh Government's Lets Agree to Agree Toolkit to inform the development of a new Fee Setting Strategy. The Strategy will set out a standard cost of care that reflects a fair price for the care that the Local Authority commissions.
23. The report also found that the lack of supply of residential care for our children and young people along with growing demand for residential care, particularly for those with complex needs, has resulted in Local Authorities paying high and unsustainable fees to access scarce service options.
24. In response to this finding work to:
  - Increase the market in Cardiff will be progressed including the development of in-house services to lower the dependency on market conditions alone.
25. Insufficiency of supply was also an issue for services for working age adults with complex needs.
26. In response the Local Authority will:
  - Develop additional in-house services and/or work in partnership with local not for profit organisations to increase high quality local provision.

*To modernise our approaches to commissioning and contracting*

27. The report identified a heightened risk of disorderly exit(s) from the adult care home market in the next 5 years due to sudden financial collapse or owners choosing to employ their assets in more profitable sectors due to unsustainable occupancy levels.
28. In response to this finding, the service will:
- Seek to improve the confidence and certainty that providers need if they are to invest in order to modernise service models and expand capacity where demand is highest by investing in a dedicated strategic manager role to lead on engagement with providers and shaping and management of the adult care market.
  - Co-produce our commissioning strategies, working in partnership with providers to shape the market. Specifically we will work with care home providers for older people to increase provision of good quality dementia care whilst moving away from general residential care.
  - Explore new ways of contracting based on outcomes where providers have greater choice, flexibility, and responsibility to deliver services to best meet the needs of citizens such as through community / locality contracts.
  - Improve our planning evidence base in both Children's and Adult Services, improving our modelling capability to guide the development of preventative services and more integrated health and social care pathways.
  - Use regional approaches where they will provide better value for money.

*Re-establish and strengthen quality assurance processes*

29. The report highlighted that during the COVID pandemic the Local Authority adapted quality assurance processes to comply with new pandemic regulations. The report recognises the importance of fully reintroducing robust quality assurance arrangements whilst highlighting the need to modernise approaches.
30. In response to this finding, we are:
- Developing new quality assurance frameworks for Domiciliary Care and Care Homes that include feedback from individuals regarding their experience of receiving care and support and provider self-assessment that will be validated by monitoring visits.

- Implementing a new dementia care learning network for providers, highlighting good practice and learning lessons from research around what works in dementia care.

*Shape the market to close gaps in non-regulated services including prevention and early intervention services*

31. The Population Needs Assessment (PNA) completed recently identified several gaps in the range of services available. Most gaps relate to non-regulated services. The MSR identified that often the gaps highlighted in the PNA were prevention or early intervention services. The MSR suggests that if these services were in place and were effective, they would enable more people to live their lives without needing support from the regulated services.
32. Our response to these findings includes, but is not limited to:
  - Increasing extra care housing / assisted living capacity.
  - Addressing delays in Occupational Therapy, continence and social work assessments.
  - Addressing gaps in effective support for individuals with a learning disability and sensory impairment / mental illness as these services can often enable greater independence.
  - Developing more support for families / foster carers to keep children at home during challenging periods
  - Improving access to support for families with children with learning disabilities / difficulties.

*Maximising choice and control by deploying Direct Payments appropriately*

33. The report found that, with the exception of a small increase in the number of Direct Payments for people with Learning Disabilities, the numbers of people in receipt of Direct Payments over the past 5 years have levelled out. The report recognises that Direct Payments maximises the choice and control individuals have over their care and support and as such it proposes that the service should work to increase take up.
34. In response to this finding, we will undertake work to:
  - Review opportunities to develop the micro-enterprise model currently used in some Local Authority areas to increase the number of personal assistants available to deliver direct payment funded services.
  - Adapt quality assurance systems that help our citizens identify and access good quality support.
  - Improve access to information and advice to help citizens make informed choices.
35. The Market Stability Report has assisted in formulating the key priorities in the LASSAR and a review of market stability will be included in future annual reports.

**Scrutiny Consideration**

36. The Local Authority Social Services Annual Report has been shared with the Community and Adult Services and Children and Young People's Scrutiny Committees – their initial comments have been received and responded to. Further letters are attached at Appendix 6.

### **Reasons for Recommendations**

37. To receive the Local Authority Social Services Annual Report for 2021/22 in order to fulfil the responsibilities required by the Welsh Government in the document entitled 'Part 8 Code of Practice on the Role of the Director of Social Services (Social Services Functions)'.
38. The Cardiff and Vale of Glamorgan Market Stability Report for the Regulated Social Services Care and Support Market considers the sufficiency of services to meet the future care and support needs of citizens within the region.
39. The MSR identifies strategic themes that need to be addressed to ensure future stability of the regional care and support market whilst developing market capacity.
40. There is a statutory duty placed on all Local Authorities and Health Boards to produce a MSR every Local Government electoral cycle. The report must be formally approved by Council.

### **Legal Implications**

41. The reporting requirements for local authority social services have been placed on a statutory footing by Part 8 of the SSWB Act and Regulations and Codes issued thereunder. The new legal provisions came into effect in September 2017.
42. Each local authority is required to produce an annual report on the discharge of its social services functions during the previous financial year (pursuant to s.144A of the SSWB Act), which must include:
- i. an evaluation of the performance in delivering social services functions for the past year, including lessons learned;
  - ii. how the local authority has achieved the six quality standards for well-being outcomes;
  - iii. qualitative and quantitative data relating to the achievement of well-being outcomes;
  - iv. the extent to which the local authority has met the requirements under Parts 3 and 4 of the SSWB Act;
  - v. objectives for promoting the well-being of people needing care and support and carers needing support for the following year including those identified by population needs assessments under section 14 of the SSWB Act;
  - vi. assurances concerning:



- structural arrangements enabling good governance and strong accountability;
  - effective partnership working via Partnership Boards; and
  - safeguarding arrangements;
- vii. the local authority's performance in handling and investigating complaints;
  - viii. responses to any inspections of its social services functions;
  - ix. an update on Welsh language provision; and
  - x. how the local authority has engaged people (including children) in the production of the report.
43. The report must be:
- i. published as soon as practicable after 31<sup>st</sup> March of the year to which it relates;
  - ii. presented to the council by the director;
  - iii. copied to Welsh Ministers; and
  - iv. made available on the local authority's website.
44. The Local Authority Social Services Annual Reports (Prescribed Form) (Wales) Regulations 2017 prescribe the format and headings of the report, which must be followed.
45. Non-statutory guidance has been issued by the Association of Directors of Social Services and Welsh Government [Microsoft Word - Annual Report Guidance.docx \(socialcare.wales\)](#) which provides guidance on the statutory requirements and best practice. The guidance states that: 'Although the report must be delivered to the council by the director, it is the local authority's report on the performance of its social services functions. It needs to explain how the wider functions of the local authority such as transport, housing, education and leisure have contributed and will continue to contribute to the achievement of individuals' well-being outcomes.' (paragraph 4.13)
46. The decision maker needs to be satisfied that the Annual Report for 2021/22 meets the requirements set out in Part 8 of the SSWB and the Codes and Regulations issued thereunder, and complies with the non-statutory guidance, as referred to above.
47. Under executive arrangements, social services functions are the responsibility of the Cabinet (pursuant to section 13(2) of the Local Government Act 2000 and Regulations made thereunder, SI 2007/399), which means that the Cabinet is authorised to approve the Local Authority's Social Services Annual Report, prior to submission of the report by the Director of Social Services to full Council.

#### Equality Requirements

48. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010. Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations

on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation, (i) Religion or belief – including lack of belief.

49. 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

50. 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.
51. In discharging its duties under the Act, the Council has set and published wellbeing objectives designed to maximise its contribution to achieving the national wellbeing goals. The wellbeing objectives are set out in Cardiff's Corporate Plan 2022-25. When exercising its functions, the Council is required to take all reasonable steps to meet its wellbeing objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the wellbeing objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
52. The wellbeing 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.
53. 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>

54. The decision maker should also have regard, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.
55. The Council must ensure that its procurement of services (and of any goods and works) are carried out in accordance with all procurement law requirements and with regard to the Council's wider public sector legal duties. Legal advice should be taken on each proposed procurement including as to the form of contract to be used. Appropriate resources (including legal resource) will need to be provided and adequate time allowed for the planning and carrying out of such procurements.

### **Financial Implications**

56. Whilst there are no direct financial implications arising from this report, the Market Stability Report (Appendix 5) sets out both the current and forecast state of the social care market over the next five years in respect of sufficiency and risks, including those of a financial nature. The report details seven areas of work that are planned to be undertaken in order to mitigate those risks, many of which will have associated costs. As each piece of work is developed and implemented, specific financial implications will need to be considered to inform both officer and member decisions, and reported as necessary at that time.

### **HR Implications**

57. There are no HR implications arising directly from this report. However, there are a number of employee related matters identified within responses to areas of concern identified within the Appendices. As those responses are taken forward there will be real and meaningful consultation with Trade Unions and any affected employees. If any changes to employees terms and conditions or working practices are required, these will take place in line with corporately agreed processes.

### **Property Implications**

58. There are no specific property implications in respect of the Local Authority Social Services Annual Report 2021/22. Where there are any property transactions or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with Strategic Estates and relevant service areas.

## **CABINET PROPOSAL**

Council is recommended to approve the Local Authority's Social Services Annual Report for 2021/22 (including Appendix 5 MSR) respectively) for consideration by Council.

THE CABINET  
20 October 2022

*The following Appendices are attached:*

Appendix 1: Director of Social Services Annual Report 2021/22  
Appendix 2: Challenge Overview  
Appendix 3: Children's Services Directorate Delivery Plan 2022/23  
Appendix 4: Adult Services Directorate Delivery Plan 2022/23  
Appendix 5: Market Stability Report  
Appendix 6: Letters from Scrutiny

*The following Background Papers have been taken into account:*

Part 8 Code of Practice on the Role of the Director of Social Services (Social Services Functions)  
The Local Authority Annual Social Services Reports - Guidance