Delivering Transformation in Wales: Social Services and Well-being (Wales) Act, 2014

Interim findings, November 2017

1. INTRODUCTION

WCVA and the Wales Co-operative Centre have been asked by the Welsh Government's Health and Social Services Group to deliver two pieces of complementary work, due to report at the end of March 2018. The primary focus is to develop sources of information and guidance to secure more meaningful engagement and involvement with social enterprise, co-operative, user-led and the third sector organisations (as set out in the Act) in the implementation of Social Services and Well-being Act (SSWBA), through the Regional Partnership Boards (RPBs) and Regional Social Value Forums (SVFs). Referred to as social value organisations, social enterprises, co-operatives, user-led and third sector organisations are seen as a crucial partner to support the implementation of the SSWBA and as driver to promote innovation and new delivery models (Part 2, Section 16) to meet the care and support needs of the population of Wales.

This briefing paper, taking a collaborative information and data exchange approach, brings together interim findings based on evidence from:

- A series of ongoing interviews and conversations (Appendix 1) initiated by WCVA outlining the sector's experience of engaging with the core principles and concepts of the SSWBA and the role of the third sector representatives on the RPBs and the SVFs; their experiences of representation, alongside the those of Regional Implementation Managers and key third sector organisations, such as Carers Wales and third sector networks/alliances in health and social care in Wales,
- interviews undertaken by the Wales Co-operative Centre with regard to the Social Value Forums, and
- the initial findings (across four RPBs) from WISERD[1], Cardiff University's research project on *Territoriality and Third Sector Engagement in Policy-Making and Welfare Provision*.[2]

2. KEY FINDINGS

The SSWBA is welcomed from a social value organisation perspective. It is seen as a force for good, bringing substantial and considered opportunities to change the way care and support is delivered. While research carried out by WCVA, the Wales Co-operative Centre and WISERD found much vibrancy in discussions about the Act and considerable activity in establishing structures and processes to deliver it, a clear message across the sectors was that it is still very 'early days' in terms of

implementation. There are a number of common themes emerging that indicate both the merits of the legislation and commitment to its ethos and aspirations. However, also identified were significant threats to its effective implementation, these include: variable understandings of the legislation, inconsistent interpretation of official guidance, divergent practices in relation to implementation of the Act, differences in regional structures and uneven capacity across the social value sector, including County Voluntary Council's (CVC) ability to respond to the demands placed upon them, alongside their other responsibilities.

2.1 VISION FOR SOCIAL VALUE FORUMS

It is recognised that SVFs can become a space to enable transformational change in the design and delivery of services through sharing ideas, knowledge and expertise to influence the agenda. Support is welcomed by stakeholders interviewed so far, especially in improving understanding of social value and identifying the means to achieving co-production and building capacity to develop new ways to commission and deliver services. More 'thinking space' and opportunities to learn from best practice would be welcomed. Consideration should be given to the potential role of SVFs in supporting authorities to meet duties under the Well-being of Future Generations Act and thus creating stronger links between the two Acts.

Challenges:

A number of considerable challenges have been recognised by all sectors in seeking to ensure SVFs play a full role in successfully delivering the Act:

- The absence of a shared understanding or definition of 'social value' creates confusion about what constitutes a social value organisation. Variable Governance structures and inconsistent approaches to developing SVFs inhibit transparency and accountability. In some instances earlier governance structures appear to have been tweaked rather than new structures developed specifically around the Act.
- There are challenges to promote alternative social value delivery models and long-term austerity has placed budgets *'on the floor with little room for forward looking and straight thinking'.* The public sector is perceived as engaged in *'fire fighting'* creating a perception that the public sector is in a static position and inward looking.
- Aversion to risk can obstruct the ability to implement change. Lack of internal expertise on social value in authorities finds discussions resulting in decisions to do further research and information gathering, rather than taking action which requires leaving the comfort zone and trying new things.
- Social enterprises, co-operatives, user-led and other social value organisations may not align with CVCs or the wider 'third sector'. This creates a missing link in strategic leadership and undermines the creation of a shared vision, to guide developments.
- Stakeholders across sectors feel there is a lack of capacity and resources to deliver the transformational change required by the Act in such a short timescale.

- Expectation about SVFs is high but without appropriate funding, LA and LHB resources are being directed to other priority areas such as integration and pooled budgets.
- Commissioning processes and framework agreements limit opportunities for contract delivery by social value organisations and the wider third sector. However, equally it is not possible to procure alternative services which may not yet exist at the scale required by commissioners.

Guidance highlights a key objective of SVFs is to create a space to enable transformational thinking, discussion, preparing and planning to take place. However, there are few resources for the SVFs, limiting their development. Commissioning processes, framework agreements and local authorities taking services in-house mitigate against third sector contract delivery. Leadership, drive, capacity and support are required due to the length of time to effect change and implement the Act.

3. MAKING CONNECTIONS

A reoccurring concern relates to the relationship between different institutional structures created *within* the SSWBA and, those *between* arrangements established by other key Welsh Government legislation. Thus, structural disconnection was highlighted within the Act between RPBs and the SVFs, but also critically between the RPBs, the Public Service Boards (PSBs), other groups and networks that have a role to play in supporting the implementation of the Act. It is apparent that from both a third sector perspective and more broadly, there is disconnect between the SSWBA and the Well-being for Future Generations Act (WBFGA), and more specifically with the WBFGA well-being duty; and additionally with the themes and priorities within *Prosperity for All*. The technical brief for the Act encourages the RBPs and PSBs to complement each other building upon common themes and priorities. There is some evidence of RPBs and PSBs addressing their structural relationship, for example through the exchange of minutes and shared representatives, but arrangements across Wales appear adhoc, with a procedural as opposed to substantive planning focus. In respect to the third sector there is uncertainty regarding the channels of communication, a lack of understanding and knowledge as to the current structures, reporting mechanisms, and feed-into and feedback mechanisms. There are inconsistencies in relationships with the third sector, and whilst there are genuine attempts on the ground to receive and share information, it is reliant on the goodwill of CVCs and other third sector organisations. Some respondents thought that Citizen Panels could offer a conduit to flag up issues, but there is confusion about where these groups should raise issues, and through what mechanisms.

3.1 Understanding of the core principles and concepts of the Act

The principles of co-production are overwhelmingly welcomed, but are often confused with engagement and consultation. There is a limited understanding as to how to co-produce services with current or intended beneficiaries and how they might be actively involved in the design and delivery of services. However, some respondents reported that developing services through co-production is considered to be *'too difficult amongst other pressures'*.

- Co-production is welcomed as an approach across sectors, but requires support to create knowledge and capacity about 'how to' undertake this work. This would enable officers to move forward their thinking and action to support the citizen's part in designing alternative service models. What *matters to us* should be the focus.
- Support is required to direct the way in which co-production is developed, in the short, medium and the long-term. This would facilitate the sector as a whole to engage with users and carers and potential beneficiaries to develop care and support, around their needs.
- There needs to be clarity as to what is meant by 'alternative/new delivery models'. The Act describes them as being social enterprises, co-operatives, user-led or third sector organisations. A 'new' delivery model would be using a strength, asset or place/community based approach using co-production principles or person-centred circles of support building the human economy.
- Social prescribing, understood as a social model of well-being, provides opportunities for creativity and innovative models of service delivery. The third sector is seen the *'natural home'* to social prescribing due to the historical role in providing grassroots services and support in the community, building on the aim of enhancing community resilience.

3.2 Regional Partnership Boards: working with the third sector

Third sector representation is largely welcomed across the public sector. The third sector is seen as an important partner to support the transformation agenda, but there are significant challenges to inclusion as full partners in the planning and delivery of the Act. Regional Partnership Boards were fully cognisant of their responsibilities to include the third sector as full members of the Board. But, in practice, the level of the sector's involvement is highly variable. There are considerable differences in how the sector is represented, the extent of the sector's involvement in the operational work of RPBs, and the approach taken to promote 'social value' organisations.

Key factors related to representation:

- There is a view that only some 'voices' are being presented while others are not aligned to local or regional networks and, are in effect, excluded from debates.
- The usual third sector networks do not necessarily encompass social enterprise and cooperatives. Since no designated seat exists at the RPBs for social enterprise, it is essential that the SVFs ensure these organisations have representation and the opportunity to influence the agenda.
- There is a concern that third sector representation at the regional level is heavily weighted towards older people with limited representation from children and young people's organisations. This may arise from the focus on integrating older people's services. Additionally, respondents reported difficulties in recruiting representatives due to capacity issues, and in some instances the recruitment process had to be run more than once.
- Third sector representatives at a regional level require support to carry out their role, for example briefings on key developments and opportunities to develop collective strategies. Within their current workload, CVCs are challenged to fulfil this support and facilitator role. One proposal is for the creation of a support

mechanism within Third Sector Support Wales (the joint work between WCVA at national level, with the 19 CVCs across Wales) to enable the third sector representatives to be effective in their role. The inclusion of national third sector organisations on RPBs is, in part, recognition of the heterogeneity of the third sector, and welcome recognition of the need for a plurality of perspectives within the RPB framework. However, it is also recognised that national third sector representatives may struggle to represent the national 'voice' if they are not connected to specific networks. The support needs of certain representatives are beginning to be addressed through an informal support system initiated by Age Alliance Wales.

The culture and practice of RPBs is critical in establishing the working practices of the Board. In particular, the extent to which third sector organisations participate as equals throughout the many tiers of planning, task and, decision-making groups. While both the legislation and guidance direct RPBs to ensure third sector representation at Board level, it is less clear about their participation in groups below Board level. Inevitably, much of the planning work attending to the technical delivery of the Act takes place in the working groups beneath the full Board. When third sector involvement is limited to RPB Board level, there are limited opportunities for third sector organisations to shape and debate developments. In such instances the new arrangements are in danger of being a 'rubber stamping' exercise. Unless the sector participates across all tiers of RPB work (where appropriate), their role as partners will be limited and their capacity to share in the delivery of the Act restricted.

4. COMMISSIONING: WORKING SMARTER

The issue of commissioning of services in relation to social value organisations raises many complex issues that sometimes sit uneasily alongside those of third sector representation and service development. Part 2, Section 16 of the Act is welcomed by the sector; however, there has been limited impetus to deliver services through more innovative service models. This is perhaps most evident in the limited use of the Integrated Care Fund (ICF) within the social value sector. Commissioning practices have the power to shape the effective implementation of the Act, as highlighted in the issues below.

Some examples from our research are listed below:

- Local authority responses to what constitutes 'promotion' (of the third sector) are varied. The research suggests that this arises in part from different conceptions of the sector and, the nature of relationships LAs seek to promote. For example, in one instance the relationship between local authorities and third sector organisations was managed primarily through the procurement of services. In this case, we were told that contracting services with the third sector was no different to doing so with the private sector. In contrast, in another instance, commissioning was understood to be part of the development of a holistic preventative strategy in which third sector organisations played a key role in identifying both needs and service innovations. In this instance, strategic commissioning was viewed as part of a collaborative process, in which third sector organisations were a significant partner. These differences highlight how the role of the third sector is directly

impacted by local commissioning practices, with significant consequences on the extent of integration between services within an area.

- The idea of collaborative service delivery networks or partnerships of third sector organisations, at a rhetorical level, incorporates notions of collectively producing something greater than the whole. However, one of the starkest differences we have found is in the understandings and practice of 'developing collaborative services', with significant consequences for the third sector. For example, in one area, through dialogue between local authority commissioners and third sector organisations, a project was developed involving four independent organisations to support people leaving hospital, funded by the ICF. It is viewed as part of the development of a county-wide preventative strategy, and seen as a model for regional development. In contrast, in another area, driven by financial pressures, the local authority sought to 'rationalise' its welfare delivery contracts with the third sector. In consequence, it issued a limited number of generic contracts and instructed third sector organisations to form 'collaborative' third sector groupings, and to competitively bid for the work.

  The consequences of these different approaches are significant. In the latter example the anticipated collaborative approach set out in the Act is undermined. Instead, the new practices are effectively creating a quasi-market. Moreover, relations between third sector organisations are being shaped by competition and tendering, with smaller, community focused third sector organisations being directed to work in formal collaborations with larger third sector organisations in preference to local community groups. Economies of scale and the impact on tender costings inherent in this approach run the risk of undermining the role of community and smaller third sector organisations, threatening both the sustainability of the sector and ultimately the preventative focus of the legislation.

Funding issues:

- Funding issues are linked to broader debates about the sustainability of both individual third sector organisations and the wider local network of third sector agencies. The legislative focus on the development of preventive services and the duty to promote well-being should, theoretically, lend itself to dialogue and deeper understanding of issues of sustainability within social value organisations. However, research findings suggest that there is variation in statutory partners' understanding of the 'promotion' of third sector engagement and service delivery.
- The creation of quasi-markets set alongside significant budget pressures can be seen to accentuate power imbalances within the social value sector as a whole. In turn, this raises issues about the sustainability of smaller groups both in their own right, but also most critically as a part of a preventative network.
- The issue of short term funding and in particular the practice of annual contracts, was raised by research participants. They highlighted the challenges it creates for organisations in terms of recruitment and retention of staff, and ultimately leading to an adverse impact on the quality of services.
- There appears to be little knowledge of the concept of a *Well-being Bond* to identify new ways of delivering services and the potential for collaborative working through the use of such a Bond.

- There is public sector willingness to work with the third sector and see the social value in small organisations in the community providing a preventative approach and early intervention services. However, this needs to be aligned with an open mindedness to potential 'solutions', that remain focused on the aim of building individual and community well-being.
- From a commissioning perspective, there is an understanding that local authorities and partners need to provide services differently, however the challenges in making this leap are great, not least due to an environment of competing priorities and adversity to risk.

5. MEASURING SUCCESS

Officers across all sectors recognised the need to monitor the implementation of the Act and its impact on individuals. However, it remains unclear as to how local authorities will be required to report on and, be held to account for, their Section 16 actions to promote the third sector. Under the *Regulation and Inspection of Social Care (Wales) Act 2016* (RISCA), a statutory duty is placed on Directors of Social Services to produce an Annual Report and Welsh Government Guidance sets out requirements to report on local authorities' 'improvement journey'. While Guidance refers to the third sector as a partner and instructs local authorities to ensure 'due regard' is given to how they are involved in the planning of local services, no reference is made to the statutory duty to 'promote' the sector, and how this will be measured or assessed. We understand work is underway to monitor the effectiveness of the implementation of the Act. The National Outcomes Framework (WBFGA) to track the well-being outcomes is quantitative in nature and in the tradition of other performance indicator frameworks, with some attempt to measure the progress against personal outcomes, but it is less than person-centred. The third sector acknowledges that a standardised methodology is required to measure their wide-ranging role and impact. However, there is a strong message from the sector that measuring qualitative outcomes for individuals is of critical importance, and should be aggregated to form the basis of reporting.

6. CONCLUSION

This paper has brought together the interim findings of WCVA, Wales Co-operative Centre and WISERD, with a final report to be provided at the end of March 2018. We conclude that it is early days in the life of the SSWBA and its implementation and that managing expectation is a challenge across the Sectors. Innovative practice examples are emerging across Wales, such as the work led by Mantell Gwynedd on social prescribing, Community Connectors work in many CVC regions and, early discussions in Neath Port Talbot seeking to develop a new delivery model for domiciliary care.

Undeniably, the Act has been well-received and valued as seminal piece of legislation. There is a consensus that the Act offers significant opportunities to transform the social care sector, particularly as it relates to prevention and early intervention work. This is where much of the social value sector is well-placed to respond. The sector has rich intelligence and data to inform the transformation agenda, but there are limited mechanisms to deposit, utilise and share the evidence and, to offer solutions to drive change and innovation. The social value sector needs robust strategic leadership to be effective. This would be welcomed by Social Care Wales as is commences work

on developing a national social care dataset and collate usable data from the social value organisations.

From a social value organisation perspective two of the biggest barriers to implementing the Act are attitudinal and behavioural changes. The public sector, without *'start up'* funding, feels that it is almost impossible to consider new ways of delivering care and support, whilst at the same time *'managing people coming through the door'*. There is recognition within the social value sector that local authorities and health board officials are working at the limits of their capacity and are continuing to *'fire fight'* due to deficit budgets and the continued impact of austerity, which are felt to be biggest challenges in transforming social care provision in Wales.

7. NEXT STEPS
The interim recommendations are:

1. Review the roles and responsibilities of third sector representation; taking into account the need to agree the feed into and feedback mechanisms to the wider third sector community.
2. Review the role and responsibilities of the RPBs and their relationship with the SVFs and the PSBs.
3. Address the tensions felt between the social value and public sector on meaningful engagement and early involvement, with the aim of supporting an active relationship between the two sectors, built upon trust and openness.
4. Issue guidance and or briefings clarifying the term 'social value' what constitutes a social value organisation and the role of SVFs. Guidance should also include the ways in which social value can be demonstrated. Develop guidance on the role of the social value sector in supporting the implementation of the Act.
5. Design and deliver robust integrated and consistent training to ensure that there is a shared understanding of the SSWBA and the core principles and concepts enshrined across the sectors, particularly co-production.
6. Consider the need for strategy/framework, as the first step, to develop a Wales Third Sector Research Collaborative to host and be a depository of intelligence and data to provide the evidence base for best practice and innovation to support transformation of health and social care provision.
7. The social value sector requires resourcing to be able to engage and be equal partners and that a support mechanism needs to be in place to enable third sector representatives on RPBs to be effective and able to communicate out to the wider social value sector community.

Authors:
Dr Sally Rees (WCVA)
Dr Christala Sophocleous (WISERD, Cardiff University)
Dr Natasha Hirst (Wales Co-operative Centre)

Appendix 1

Conversations with:

Melanie Minty (Social Care Forum)
Gaynor Richards (Neath Port Talbot CVC)
Sue Leonard (PAVS)
David Hartwell-Williams (Greater Gwent Health, Social Care and Well-being Partnership)
Simon James (Interlink)
Wendy Jones (Conwy CVC)
David Worrell (British Red Cross - North Wales Regional Partnership Board Third Sector representative)
Lynda Colwell (Conwy and Denbighshire Care and Repair - North Wales Regional Partnership Board Third Sector representative)
Vin West (Regional Partnership Board Carer representative)
Adrian Roper (Cartfrefi Cymru)
Karen Warner (Learning Disability Wales)
Beth Evans (Carers Wales)
Mark Saunders (Regional Commissioning and Partnerships Social Care and Housing, Gwent)
Jeff Hawkins (Age Connects Cymru)
Rachel Jones (Cardiff and the Vale UHB Implementation Manager)
Rebecca Cisero (Social Care Wales)
Bethan Edwards-Jones (North Wales Implementation Manager)
Sian Nowell (Cwm Taff Implementation Manager)
Carl Cooper (PAVO)
Mark John Williams (Co-production Network) former Director
Emma Tweed (Western Bay Care and Repair, Western Bay Regional Partnership Board Third Sector representative)
John Gallanders (AVOW)
Shelia Hendrickson-Brown (Cardiff Third Sector Council)
Andrew Belcher (Mirus/Gwent Regional Partnership Board Third Sector representative)
North Wales CEO's of CVC meeting
Four Regional Case Studies (40 anonymous interviews) (WISERD)