



## **Consultation Response**

### **Public procurement in the foundational economy**

#### **The Economy, Infrastructure and Skills Committee**

**September 2019**

### **Introduction**

Age Cymru is the leading charity working to improve the lives of all older people in Wales. We believe older people should be able to lead healthy and fulfilled lives, have adequate income, access to high quality services and the opportunity to shape their own future. We seek to provide a strong voice for all older people in Wales and to raise awareness of the issues of importance to them.

We are pleased to respond to the Economy, Infrastructure and Skills Committee's consultation on public procurement in the foundational economy.

### **What is the current position regarding the proportion of public contracts in Wales that go to Welsh suppliers?**

### **To what extent could increasing 'local procurement' by the public sector create stronger local supply chains and build wealth in communities across Wales?**

### **Residential care homes**

We are particularly concerned about the functioning of the care home market in Wales. The Social Services and Well-being (Wales) Act places a duty on local authorities to promote social value based providers in their area.

There are currently a number of barriers to the effective operation of markets for care homes for older people. We support the conclusions of the Competitions and Markets Authority's care homes market study report<sup>1</sup>, that the market needs to work well for current and prospective care home residents; they must be able to make well-informed choices, and must be protected if things do not work out as expected. But also, the market must support the state's intention to ensure that all those who

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<sup>1</sup> Competition and Markets Authority, Care homes market study, 2017

have care needs have them met. This requires that the industry is sustainable, so that efficient care home providers can continue to operate, and that the sector is positioned to invest to meet growing future needs.

The CMA identified 2 broad areas where there are problems in the market:

- those requiring care need greater support in choosing a care home and greater protections when they are residents;
- the current model of service provision cannot be sustained without additional public funding; the parts of the industry that supply primarily local authority (LA)-funded residents are unlikely to be sustainable at the current rates LAs pay. Significant reforms are needed to enable the sector to grow to meet the expected substantial increase in care needs.

In considering procurement and local supply chains, we believe the Committee should take account of the needs of care home residents for security and stability. Ease of entry and exit from the care home provider market might indicate an efficient market, but high levels of 'provider churn' are not desirable in this market.

Services provided to individuals who are funded by local authorities fall within the ambit of the Human Rights Act (HRA). The right to respect for private and family life, home and confidentiality (Article 8 of the European Convention on Human Rights) is relevant to decisions that might result in the person having to leave their home, or in their being unable to maintain contact with friends or family. However, people whose care is not funded or arranged by local authorities do not receive this protection. Age Cymru has a long-standing position that this introduces a serious gap in protection which should be filled. In the meantime, this places a greater onus on consumer bodies to ensure that people who are not within the ambit of the HRA are adequately protected. The extent to which the functioning of the market enables local authorities and their contracted service providers to comply with these duties should be taken into account in assessing how well the market is serving the interests of consumers.

### **Information, Advice and Assistance services**

We are aware through one of Age Cymru's local partner organisations of one local authority who failed to commission an Information, Advice and Assistance service from April 2019. Neither our local partner nor the other local provider considered the monies available through the tender offer sufficient to enable them effectively to deliver the three lots of contracted services on offer. The Local Authority did not receive any tender submissions. This leaves small pockets of Information and Advice service provision available locally, which cover only certain people; we understand that none of the service providers are quality assured.

### **Advocacy services**

The funding appears to have been used instead to commission an Adult Advocacy Service from October 2020. Age Cymru is committed to supporting the development of the independent advocacy sector in Wales and views it as a vital tool to secure the well-being of all citizens, not just that of older people. Age Cymru's Golden Thread Advocacy Programme has been funded by Welsh Government to support the

implementation of Part 10 (advocacy) of “The Act” in a strategic and unified way, seeking to develop consistent, sustainable services across the whole of Wales.

In light of the new requirements placed upon Local Authorities by the Social Services and Well-being (Wales) Act 2014, we expect demand for advocacy services to grow. The availability and sustainability of services is therefore a priority for all involved. However, both providers and commissioners remain uncertain about the implications of the Regulation and Inspection of Social Care Act (2016). We are also concerned that the overall number of advocates, numbers of people supported, and the number of services funded to deliver advocacy across Wales have all decreased since 2016.

Age Cymru’s biannual publication *Advocacy Counts 6*, published in November 2018, provides an updated snapshot of advocacy provision in Wales for adults with a particular emphasis on older people. Previous editions enable us to track the evolution of the sector. *Advocacy Counts 6* is available at:

[https://www.ageuk.org.uk/globalassets/age-cymru/documents/golden-thread-advocacy-programme/advocacy-counts-6/age-cymru-advocacy-counts-6-summary\\_e.pdf](https://www.ageuk.org.uk/globalassets/age-cymru/documents/golden-thread-advocacy-programme/advocacy-counts-6/age-cymru-advocacy-counts-6-summary_e.pdf)

Of particular concern for Age Cymru is the continued fall in the number of specialist advocacy providers and advocates for older people. In our experience, older people need specialist support on, for example, retirement, changing or declining physical or mental health, sensory or cognitive impairment, bereavement, changes in housing or living arrangements and ageism. Examples of issues dealt with by specialist older people’s advocates in Wales include: arranging care and paying for care; dealing with finances or financial issues; neglect, abuse, scams and financial abuse; change of accommodation; and dealing with utility companies. This specialist focus and expertise for supporting older people is unlikely to be replicated to the same extent in a service supporting adults of all ages.

The loss of specialist providers may be due to more local authorities procuring advocacy services from providers who deliver to all ages across a larger geographical area, and to the end of Big Lottery Advantage Fund projects. Approaches to commissioning advocacy across Wales continue to be varied and at different stages of development. At the time of publication of *Advocacy Counts 6*, six Local Authorities had commissioned the IPA provision required of them by the Social Services and Well-being (Wales) Act 2014; the rest were continuing to use existing contracts to ensure advocacy support was available, but most were in the process of developing their future strategies.

Safeguarding remains a fundamental part of the advocacy services provided by the respondents to this survey. Safeguarding is a key area in which there is a requirement for Local Authorities to provide IPA in certain circumstances. Whilst nearly all services ensured their staff had adult protection training, less than half (47%) reported that their volunteers received it. This contrasts with the position in 2016 where 75% of volunteers received adult protection training. 85% of respondents had supported someone who had been abused in the last 12 months. In 2016 this response was 100%. The significant reduction in the number of services

providing their volunteers with adult protection training is a concern and will need monitoring in future.

We are therefore very concerned that there is insufficient funding in the system to enable local authorities to procure sufficient high-quality Information, Advice and Assistance and advocacy services to meet the needs of older people across Wales.