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**SUPPORT FOR OLDER PEOPLE IN WALES**  
**HEALTH, SOCIAL CARE AND THE THIRD SECTOR**

**A discussion paper**

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# INTRODUCTION AND CONTEXT

## PREAMBLE

In April 2015 the Welsh Institute for Health and Social Care (WIHSC) provided a report to the Alliance of Alliances and the WCVA on improving regional leadership and the relationships between local and national organisations within health and social care in the third sector in Wales.<sup>1</sup> Much has happened since, and with the recent publication of the Welsh Audit Office (WAO) report<sup>2</sup> there has been a focus again on the nature of the relationships between the third sector and public bodies, and within the sector, and the opportunities this presents. Challenges around commissioning and the relationship between organisations and the public sector, the overall funding of the sector, workforce pressures and requirements, the context of Brexit and other factors remain, which perhaps mean that this is a good time to take stock.

Recognising its role in being able to provide a space in which to help progress this work, WIHSC has led the following project in partnership with WCVA and Age Alliance Wales. This partnership between an academic research institute, the national membership body for the sector, and a network of organisations focused on older people's needs and issues has proved very effective. In this study, we have taken as a 'case' for consideration the health and social care needs of older people, and accordingly worked with colleagues across the public and third sector to address a number of key questions facing us today.

## CONTEXT

The Commissioner provides the following summary about the circumstances for older people in Wales:

*There are almost 800,000 people over the age of 60 within our country – over a quarter of our population – and in the next 20 years this will exceed 1 million. Older people have a wealth of knowledge and experience, and through their volunteering, caring and, for many, their continued years of employment, older people are a major contributor to the Welsh economy, and our communities across Wales. Society must fundamentally change the way it thinks about older people and ageing, and recognise them for the significant asset that they are, both to our communities and wider economy.*

*For many older people, Wales is a good place to grow older. They have a good overall quality of life, and receive the services and support they need to stay safe and independent. However, despite the many examples of good practice across public services that make a real difference to the lives of older people, too often we fail to get the basics right. Too many older people struggle to get the information, support and services they need on a timely basis and feel that they have little voice or control. Too many older people live in poverty and many of the community services upon which they depend are disappearing.*

*Older people rarely talk about services or systems – their priority is to stay safe, as healthy and independent as possible, and to lead lives that have value, meaning and purpose. This is how older people define quality of life – synonymous with the concept of wellbeing. Older people are also very clear that they want to have a strong voice and meaningful control over their lives, particularly in how they are supported and cared for. The extent to which they do has a direct impact on their quality of life and, in many cases, both increases the impact of services and reduces the cost of those services to the public purse.<sup>3</sup>*

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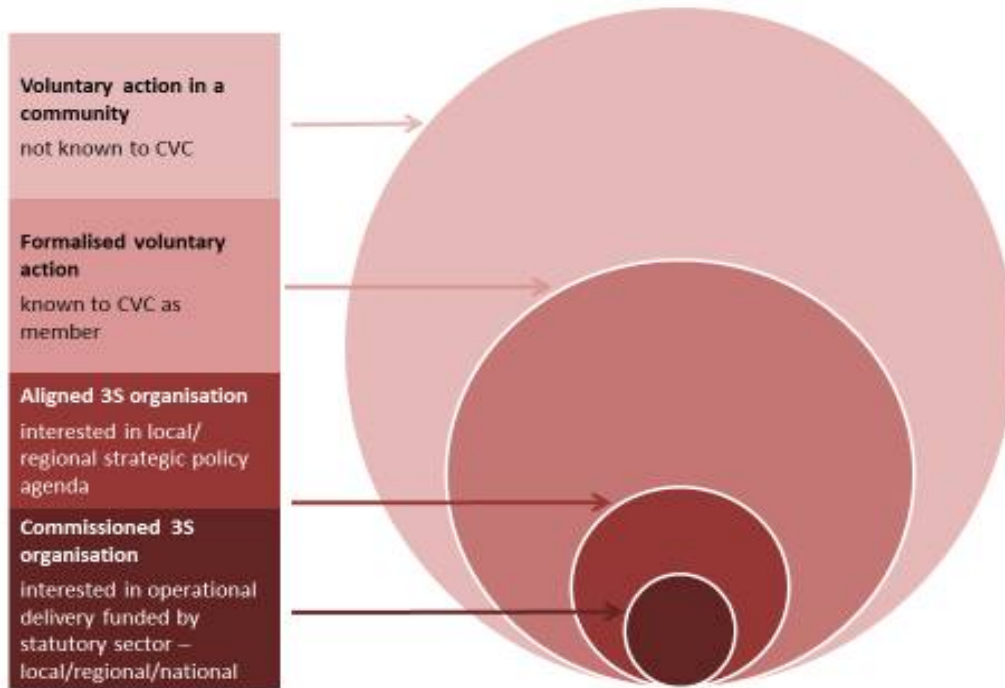
<sup>1</sup> Llewellyn M, Longley M, Garthwaite T, Evans R and Hilgart J (2015) *Improving regional leadership and the relationships between local and national organisations within the third sector in Wales* Alliance of Alliances and the Wales Council for Voluntary Action, 43pp – available on request from the lead author: mark.llewellyn@southwales.ac.uk

<sup>2</sup> Auditor General for Wales (2017) *Local authority funding of third sector services* Welsh Audit Office – accessed, 29.8.17 from <https://www.audit.wales/system/files/publications/Third-sector-funding-eng.pdf>

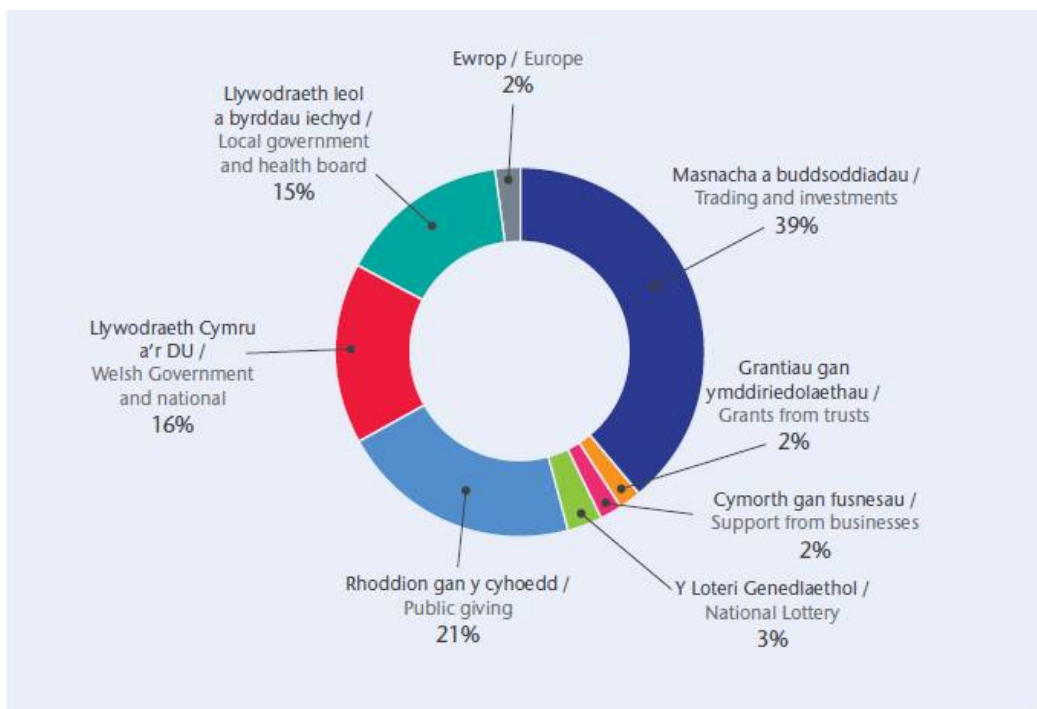
<sup>3</sup> Excerpts from Older People's Commissioner for Wales (2013) *Framework for Action, 2013-17* – accessed, 20.9.17 from [http://www.olderpeoplewales.com/Libraries/Uploads/Framework\\_for\\_Action.sflb.ashx](http://www.olderpeoplewales.com/Libraries/Uploads/Framework_for_Action.sflb.ashx)

Building on this, it is important to note the crucial role that the third sector plays in the lives of older people every day. There is a wide variety of third sector activity in communities across Wales – ranging from voluntary action undertaken by volunteers – whether known or not to county voluntary councils (CVCs) – through to commissioned third sector organisations undertaking work on behalf of the public sector. It is difficult to quantify the proportions of activity in these categories, but Figure 1 tries to represent this typology, acknowledging that without the support on offer in these categories, older people would be more reliant on public services than they currently are. It is followed by Figure 2 provides the latest data from WCVA on the sources of funding of the third sector in Wales.<sup>4</sup>

**Figure 1** · Third Sector activity in communities



**Figure 2** · Funding of the Third Sector in Wales, 2013/14



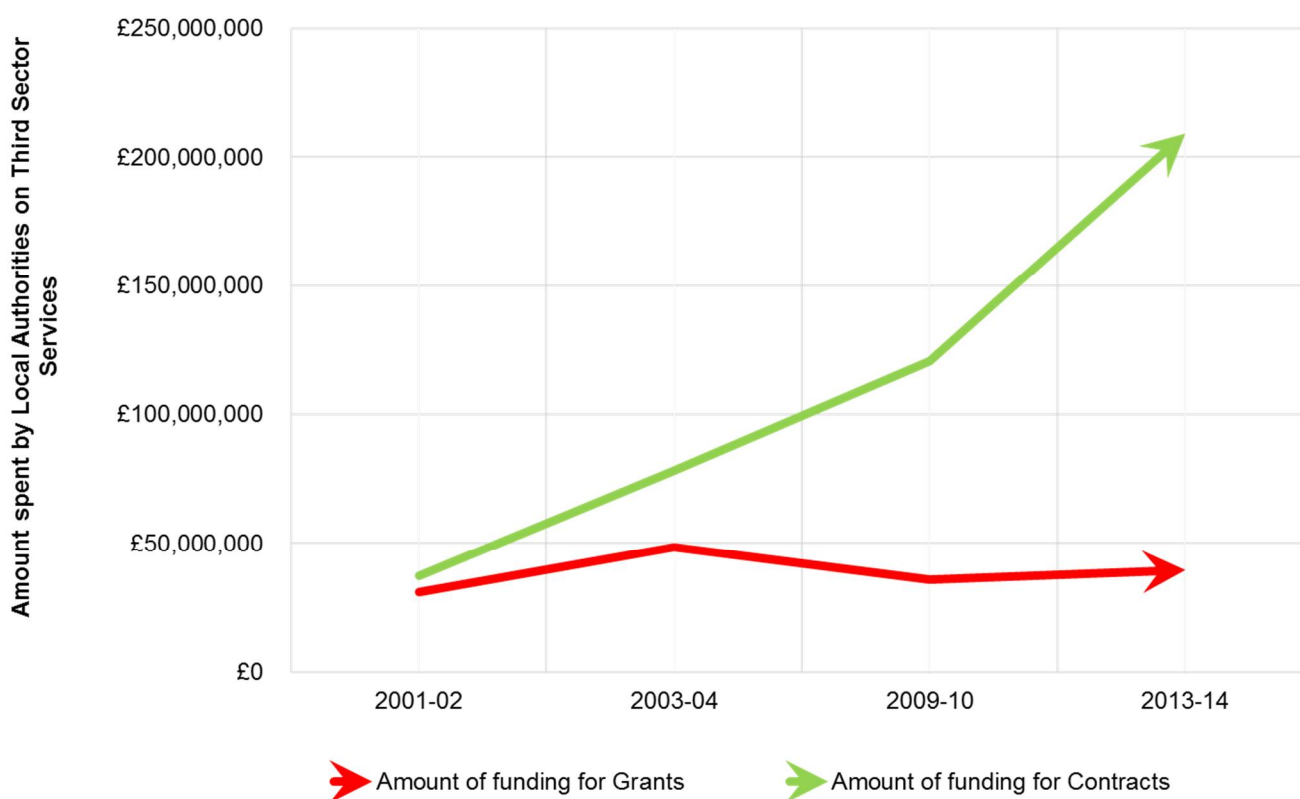
<sup>4</sup> WCVA (2016) Third Sector Statistical Resource – accessed, 29.8.17 from [https://www.wcva.org.uk/media/3594846/wcva\\_almanac\\_2016\\_6\\_.pdf](https://www.wcva.org.uk/media/3594846/wcva_almanac_2016_6_.pdf) – data relates to 2013/14

The reason for including this data on funding is that the 15% (equivalent to £250m in 2013/14) that comes to the sector from local government and health boards for services has been subject to real change since 2001, increasing by 165% in just over 10 years. The WAO have reported on this, and Table 1 along with Figure 3 provide an indication of the scale and pace of the change, including the different amounts spent on grants and contracts during that period.<sup>5</sup> There are clearly huge implications of this change for the third sector, especially the increasing amount of public money spent on contracts rather than through grants.

**Table 1** · Total funding of the Third Sector in Wales from local government and health boards, 2001/02 to 2013/14

2001-02	2003-04	2009-10	2013-14	Change in real terms
£68m	£126m	£156m	£249m	165.5%

**Figure 3** · Total amount spent on the Third Sector in Wales – split into spend on grants and spend on contracts, 2001/02 to 2013/14



<sup>5</sup> Auditor General for Wales, op. cit.

## FINDINGS

The project constituted two packages of work. First was the publication of a Think-Piece report<sup>6</sup> in which WIHSC received a series of contributions from leaders within parts of the third sector that are focused on the health and care needs of older people. The second part of the study consisted of two round-table meetings which brought together contributors to the Think-Piece and a number of other leaders from the sector, with senior colleagues from Welsh Government. Both of these meetings discussed the issues emerging from the Think-Piece and the discussions were facilitated by WIHSC.

The following 20 points summarise the key matters that came from this process, and are structured around three headings:

### FUNDING

1. There must be a major overhaul of the funding regime for the third sector, and financial pressures must be better understood. Developing contracts has limitations and the flat-lining of grants has had huge implications for the sector. As part of this it is important to recognise the broad range of activities that third sector organisations undertake, and that not all of these are easily monetised (see Figure 1). The size and diversity of the sector is crucial in supporting older people in very many ways, and these activities are at risk.
2. The commercialisation and professionalisation of the third sector has come about through a growth in contract relationships. The obsession with value for money as a principle of the third sector relationship with statutory partners needs to change if there are to be more mature and effective relationships that better respect the principles of the third sector and avoid unintended consequences.
3. The third sector is in danger of losing its original identity both in terms of volunteering but also in terms of the other roles it often fulfils like engagement, influencing, user voice. The overall 'professionalisation' or 'commercialisation' of relationships between the public and third sector is a reality that cannot be ignored, neither can the unintended consequences on those organisations who do rely on volunteers. It is important for the public sector to respect the fact that volunteering, social and community engagement is free of charge, but is not free of cost.
4. The Social Services and Well-being Act is being used to move people away from statutory services, on occasion even when they are entitled to them. When this happens, the third sector is often the only option for people in need, and finds itself picking up the pieces without associated funding. There is a disconnect between the policy and legislation and the reality of practice – the aspirations of the Act have not yet been met by services provided in communities, and there needs to be a greater recognition that resources should follow responsibilities.
5. Commissioning practice need to change, and this change needs to be drive and evidenced by what isn't working currently – like larger contracts and shorter call times in home care; time and task commissioning; command and control approaches – this will require a different set of relationships to be developed between the public and third sectors, where power is shared more equally.
6. Overall there is a need for greater respect of the third sector by statutory sector so that sustainable strategic relationships can be built without the public sector just looking for the 'cheap' option. It is also important that any confusion over the third sector being perceived by the public sector as the delivery arm

<sup>6</sup> Available from [http://wihsc.southwales.ac.uk/media/files/documents/2017-05-26/THINKPIECE\\_-\\_Health\\_Social\\_Care\\_and\\_the\\_Third\\_Sector\\_.pdf](http://wihsc.southwales.ac.uk/media/files/documents/2017-05-26/THINKPIECE_-_Health_Social_Care_and_the_Third_Sector_.pdf)

and the state needs to be reconciled. Can the third sector retain its independence, and not just be funded by the state?

## CURRENT RELATIONSHIPS

7. There must be more input from deliverers of service into identifying what people need. The use of the 'intelligence' within the third sector is sub-optimal at the moment, and there is much that could be done to improve information sharing to help commissioners in their work.
8. There is much to be learned by local authorities in implementing an outcomes-based approach to commissioning and service delivery which is based on co-production. There is recognition that this is not easy to do, and that it is easy to pay 'lip-service' to concepts like co-production, without properly recognising the potential for transformative change that co-production could bring to citizens across the country. That said, there is a big agenda here.
9. There is great complexity in extant relationships, and many layers of perspectives. Collaboration and partnership have been talked about for many years, but are we clear about what these terms mean? There are inhibitors to collaboration and partnerships, and developing shared values and vision would be a very good way to establish common ground. The growth of 'commercialisation' is an increasing challenge in this regard.
10. There are examples of positive recent engagement, but there is still variation across Wales in the quality of relationships between the public and third sector. It is important to think through what a 'public sector relationship' and what this might mean in practice. What is the charitable sector's place in such a public sector relationship, and how do we ensure that this doesn't just slip into a 'commissioner/provider' relationship? In this context, the tone with the NHS and social care is important. The aim is to ensure that having mature strategic relationships with the third sector becomes the 'norm'.
11. In the context of the new Regional Partnership Boards and Public Service Boards, notions of 'representation' and 'membership' are not yet fully worked up. These are continuing to evolve, as are the cultures and behaviours around board tables. There is a feeling that the third sector needs to get better and smarter around networking, but there is also a challenge that the roles around boards need to be clarified so that all parties reciprocally know what is expected. In no small part this is a function of considering the capacity and ability of third sector members on those boards, and importantly what support is available to them to act as true 'representatives'? How would any learning and development deficit for third sector members be addressed? How could they be facilitated to engage with and consult with national and regional 3S colleagues? Could role profiles for all board members be issued so that such clarity is provided? How are the requirements and responsibilities placed on the Boards and how does this relate to the decision making processes of the sovereign bodies? Is having a legitimised not a representative voice a way forward?
12. There is also a need to acknowledge that it is not just at the board level that these relationships matter – there are a number of sub-committees, and sub-regional working to take into account, alongside that fact that 'sovereignty' remains with the health boards and local authorities, and not at the regional level. This in itself will need to be resolved, as there are multiple levels at which engagement is needed. This requires questions being asked as to whether leaders within the third sector have the capacity to contribute to all of these boards/committees/groups without resources.
13. The context of Prudent Healthcare is important here. The Think-Piece is a positive contribution to the debate on PH – the heart and head arguments need to be made, and the Think-Piece provides a credible evidence-base on where PH is, and it is also helpful in busting some myths about what the third sector can do, and does.

14. Legal and procurement frameworks need reconsideration. Who is it that dictates that 'OJEU thinking' – i.e. that everything has to be formally procured in a strictly legalistic manner, or the "lawyers say no" approach – is the only way we can do things? Are there examples that the third sector can provide to help challenge the orthodoxy that the OJEU route is the only route? This thinking can be challenged, and should be challenged. In order for this to be done effectively, might the third sector need to get its own legal advice on these matters? What are the skills that are needed to develop services in a different way if we are truly to move beyond 'OJEU mindset'? Do we have them, and if not, how do we get them?
15. Much of what is required is about developing real relationships, spending time to reach out to each other, deliberately building trust by building a relationship, and not going beyond what we should as organisations.

## THE FUTURE

16. The third sector is responding to the challenge but it is struggling to keep pace with the changing landscape and needs help and support to engage effectively in these new arrangements, especially around the agenda across regions.
17. The current Welsh Government relationship with the sector needs to evolve in order to allow for the Alliances to bring their expertise around older people to the fore. This has been very positive in recent times, and there is a willingness on the part of the sector to try and maintain and build on such relationships.
18. An ongoing voice from the third sector is needed as important decisions are taken in the latter stages of the Parliamentary Review around new models of care, and ensuring that 'services are fit for the future'. This is crucial, and the four themes under Taking Wales Forward may offer a useful way of framing engagement going forward: prosperous and secure, ambitious and learning, united and connected, and healthy and active.
19. Statutory partners need to be more ambitious in the work that they do around planning, and strategic engagement. It was felt that the Parliamentary Review might offer a good opportunity to build new sort of relationships. For example, what role will the third sector play in the Stakeholder Forum that is proposed ahead of the final report of the Review? Importantly a way to do this is to focus the language around people, especially given that the third sector is particularly good at engaging seldom-heard people. Similarly, the next stage after the Population Assessments – the Local Area Plans – could also afford an interesting and useful opportunity to build relationships.
20. A new approach to engagement is needed that fully involves communities, alongside a systematic improvement in the service planning process.

## DISCUSSION

So, where does this leave us and what might we conclude about the future?

### THE NEW NORMAL

In many ways, the circumstances facing the third sector in Wales could be described as reaching a new normal stage. Grant funding for the sector is set to continue to fall, but there is a growing role for sector in contracted services in the huge and ambitious, but as of yet still-to-be fully implemented, legislative agenda. Austerity has been difficult for the third sector in Wales, and the WAO have noted that the impact of cuts in service provision often not captured or known.<sup>7</sup> There are also new realities in the relationship between the public and third sector, which are impacting and changing how people work. Principal among these is the move from financially supporting the third sector to deliver its own plans and priorities (through grants) to a situation where the third sector delivers against the plans and priorities of local authorities and health boards (through contracts). This change has meant that in parts of Wales the relationship within the third sector has become less collaborative and more competitive, which flies in the face of the direction of policy in Wales. 'Representation' and 'membership' remain contested terms, and there is a growing perception of a gap between the rhetoric and reality of the legislative agenda. And finally, the increasing 'professionalisation' and 'commercialisation' of the sector is a challenge to its identity.

### THE CHANGE THAT'S NEEDED

Much has been done, but much remains to be done. Colleagues within the third sector recognises that duplicate services can no longer be funded, but is unified by a motivation to do the best for and by older people. There is much change happening currently, and the challenge of the new legislative programme offers a number of positive opportunities to reform ways of working and alter mindsets. The description above requires a number of changes to be made, for both the public and third sectors. In particular there is a need to change the way in which organisations think about the kinds of questions that they might use in engaging with older people – Table 2 provides an account of the change that is needed.

**Table 2** · Questions to be asked of older people – from the old mindset to the new

From...	To...
What do we have that you need?	What matters to you?
What can we deliver to you?	What outcomes can we achieve?
What is it we are responsible for?	What can we do together to support you?

### WITH 2020 HINDSIGHT...HOW WILL WE REFLECT BACK ON THIS PERIOD IN THREE YEARS TIME?

What should we make of the messages in this paper? It is important to think about the next three years as a positive opportunity to take on board the points made above, and embed practices, cultures, behaviours and relationships that address the points. Thinking about 2020, it is useful perhaps to think about what 'good' strategic and sustainable relationships between the public and third sectors will look like, and the following

<sup>7</sup> Auditor General for Wales, op. cit.



provide a check-list against which progress might be assessed:

- What is it that we'd like to have by 2020 that we don't have now?
  - What do we need to do about it now in order to get us there?
  - Are we content with the evolution to date?
  - How mature and strong are our relationships?
  - How can we best clarify definitions over collaboration and co-production?
  - How best do we develop shared vision and values? What are they, and what should they be?
  - How do we work together to ensure that key decision-making boards are doing what they should and optimising their impact?
  - Do we know what each other is bringing to the table?
  - Do we know what we need/want from each other?
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We need to listen to older people and each other, and consider behaving differently to support different ways of operating to deliver in the different policy and practice environments taking a rights based approach. Working together – across, within, in formal collaboration or informal partnerships – is the best way to improve practice, with organisations using evidence to both understand and communicate the positive impact that they have.

The reason for doing this – that without exception everyone recognises that there is more to be done to improve outcomes for older people in Wales. And how will older people know that change has been made? When day by day they feel a material improvement in their circumstances and their quality of life, with greater opportunities to have their say and make their voices heard and acted upon. No one organisation can achieve this on its own. What is crucial here is the concept of reciprocity – change will only come about if both the third sector and the public sector make a commitment to improve the current situation, and move towards developing more sustainable strategic relationships.

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## PROJECT TEAM

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