

## Y Pwyllgor Plant, Pobl Ifanc ac Addysg

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Lleoliad:

Ystafell Bwyllgora 1 – y Senedd

Dyddiad:

Dydd Mercher, 17 Medi 2014

Amser:

09.15

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



I gael rhagor o wybodaeth, cysylltwch â:

**Marc Wyn Jones**

Clerc y Pwyllgor

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### Agenda

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Rhag-gyfarfod preifat 09.15 – 09.30

#### 1 Cyflwyniadau, ymddiheuriadau a dirprwyon

**2 Y Bil Addysg a Chynhwysiant Ariannol (Cymru) – Sesiwn Dystiolaeth 1**  
**(09.30 – 10.30)** (Tudalennau 1 – 37)

Bethan Jenkins AC Aelod sy'n gyfrifol

**3 Y Bil Addysg a Chynhwysiant Ariannol (Cymru) – Sesiwn Dystiolaeth 2**  
**(10.30 – 11.30)** (Tudalennau 38 – 40)

Cymdeithas Cyfarwyddwyr Addysg Cymru

CYPE(4)-21-14 – Papur 1

Eifion Evans, Cyfarwyddwr Addysg Ceredigion a Chadeirydd y Gymdeithas

Pierre Bernhard-Grout, Swyddog Gweithredol Cymdeithas Cyfarwyddwyr Addysg  
Cymru

#### **4 Y Bil Addysg a Chynhwysiant Ariannol (Cymru) – Sesiwn Dystiolaeth 3 (11.30 – 12.00)** (Tudalennau 41 – 47)

Canolfan Cydweithredol Cymru  
CYPE(4)-21-14 – Papur 2

Jocelle Lovell, Rheolwr Prosiect  
Dave Brown, Cyfarwyddwr Strategaeth

#### **5 Papurau i'w nodi**

**Gwybodaeth ychwanegol gan Addysg Uwch Cymru yn dilyn cyfarfod 25 Mehefin**  
(Tudalennau 48 – 60)  
CYPE(4)-21-14 – Papur 3 i'w nodi

**Llythyr gan Addysg Uwch Cymru at y Pwyllgor Cyllid** (Tudalennau 61 – 66)  
CYPE(4)-21-14 – Papur 4 i'w nodi

**Gwybodaeth ychwanegol gan y Gweinidog Iechyd a Gwasanaethau Cymdeithasol yn dilyn y cyfarfod ar 17 Gorffennaf** (Tudalennau 67 – 97)  
CYPE(4)-21-14 – Papur 5 i'w nodi

**Llythyr gan Gadeirydd y Pwyllgor Deisebau** (Tudalennau 98 – 101)  
CYPE(4)-21-14 – Papur 6 i'w nodi

#### **6 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y canlynol:**

Eitem 7

**7 Y Bil Addysg Uwch (Cymru) – Ystyried adroddiad drafft Cyfnod 1 (12.00 – 12.30)** (Tudalennau 102 – 133)  
CYPE(4)-21-14 – Papur preifat 7

## Eitem 2

Mae cyfyngiadau ar y ddogfen hon



To: Children, Young People and Education Committee - Financial Education and Inclusion (Wales) Bill

The Association of Directors of Education in Wales (ADEW) is the network of statutory chief education officers in Wales and represents the interests of local authority delivered education. ADEW welcomes the opportunity to provide evidence to the National Assembly for Wales' Children, Young People and Education Committee on the Financial Education and Inclusion (Wales) Bill. This evidence provided by ADEW will focus on the first element of the Bill, that pertaining to financial education only and will not make comment on the wider implications for local government outlined in the sections on financial inclusion strategies and advice about financial management.

It is the view of ADEW that it is unnecessary to legislate for the inclusion of financial education within the school curriculum in Wales. ADEW believes that in order to support the programme for school improvement in Wales, there needs to be a creative and flexible curriculum, which is able to adapt to the fast paced environment that children and young people find themselves in today. Having primary legislation relating to one specific section of the curriculum could become a barrier to flexibility. In addition, financial education already plays a central role in the curriculum, making legislation in this area unnecessary.

There is currently a great deal of work underway relating to the curriculum in Wales as part of a collective effort, between local and central government, to improve performance in schools across the country. The Welsh Government has recently commissioned Professor Graham Donaldson to undertake a review into the curriculum in Wales - in evidence to that review ADEW stated that the curriculum needs to reflect the core values of the education system in Wales particularly in relation to the Welsh Government's key priorities to improve literacy, numeracy and to narrow the gap in performance for the most economically deprived learners. The curriculum also needs to be flexible enough for schools and teachers to use professional judgement to address the learning needs of the children and young people that they teach in their classrooms. Allowing teachers to exercise this professional judgement, within a framework of school improvement support working with their peers and school

improvement professionals from local authorities and regional education consortia, is essential if Wales is to make the kind of improvements that everyone in the education system aspires to. Legislating to place financial education on a statutory footing in the curriculum removes some of this ability to address the exact needs of children and young people in a particular setting.

As part of the overall strategy for school improvement in Wales, Welsh Government recently commissioned a report by the Organisation for Economic Co-operation and Development (OECD), to give a view on the state of the education system in Wales. One of the key themes outlined in the findings from this report, was that Wales needed a clear vision for education in Wales. This means focusing on key outcomes and developing proven strategies to achieving these; creating and implementing an engaging and challenging curriculum is a vital feature of this work. There is currently a complex system of statutory requirements for education delivery in Wales. It is the view of ADEW that legislating for the inclusion of financial education within the curriculum, particularly before the findings of the Donaldson review, will add to this complexity.

This is not to say that ADEW does not value the teaching of financial literacy, indeed it is case that there is a great deal of work in this area presently underway within schools that is fully supported and commended by ADEW. It is therefore the view of ADEW that legislating to include financial education in the curriculum would not only be undesirable but also unnecessary.

Since 2008 children and young people in Wales have been taught financial education through the Personal and Social Education (PSE) element of the curriculum and also through mathematics. In addition to this, the implementation of the National Literacy and Numeracy Framework (LNF) in 2013 further emphasised the teaching of financial literacy through the framework module called "Manage Money". The LNF also provides a variety of support packages and training for teachers specifically to aid the delivery of this module. This module includes sections on how to manage a bank account, savings and budgeting, and also understanding taxation.

In addition, ADEW has been working closely with Welsh Government on the development and implementation of the new areas of learning and programmes of study for mathematics which are due to become statutory in 2015. These have a focus on financial literacy skills across the foundation phase and all key stages. This is also case with the development of the new GCSEs which will be introduced in 2015. The new numeracy GCSE in particular will require learners to have a range of skills specifically in the area of financial literacy.

In relation to the specific requirement in the Bill relating to the duty for schools to ensure that children and young people looked after by the local authority receive financial education, ADEW takes the same view as that of the inclusion of financial education more broadly in the curriculum. The welfare of looked after children is of paramount importance to the local authority education departments and clearly the education of this particularly vulnerable group of children and young people, is a priority. ADEW fully agrees that looked after children should receive financial education as part of a rounded and broad education, as should all children and young people, but it is not necessary to legislate for this to be achieved. Those children who

are looked after should have access to the same opportunities and the same curriculum as all children and young people.

It is also the view of ADEW that children and young people who are not attending maintained schools in Wales, so those who are excluded or are receiving informal learning through youth services for example, should also have access to skills that are taught in maintained schools. Again, however, it is not necessary to create primary legislation in order to achieve this.

In conclusion, ADEW fully support the teaching of financial literacy in maintained schools and within other educational settings, in order to equip our children and young people with the skills that are necessary for adult life and the work place. It is the firm opinion of ADEW however, that it is not necessary to create a statutory requirement within the curriculum in order to achieve this. The curriculum is currently being review by Professor Donaldson and the findings of this review should be used to inform the debate about the nature of the curriculum in Wales.



Eifion Evans  
Chair of ADEW

**Executive Officer: Pierre Bernhard-Grout**  
Welsh Local Government Association, Drake Walk, Cardiff. CF10 4LG

CYPE(4)-21-14 – Paper 2



Children, Young People and Education Committee - Consultation on the Financial Education and Inclusion (Wales) Bill

Wales Co-operative Centre Response

September 2014

## About the Wales Co-operative Centre

The Wales Co-operative Centre welcomes the opportunity to provide evidence to the Children, Young People and Education Committee's consultation on the Financial Education and Inclusion (Wales) Bill. The Wales Co-operative Centre is Wales's national body for co-operatives, social enterprises and employee owned businesses. The Centre champions and strengthens co-operatives, mutuals, social enterprises, and employee owned businesses. As well as supporting social businesses, we develop and implement co-operative solutions to tackle poverty and promote inclusion. We do this through:

- Facilitating access to joined-up financial advice and support services, including those offered by credit unions and the wider social enterprise sector;
- Support for social enterprise and co-operative business development and growth;
- Encouraging people to use digital technologies, and;
- Supporting the development of co-operative housing initiatives in Wales.

Our projects include:

- The Tackling Homelessness through Financial Inclusion project, which is helping to tackle homelessness by engaging people in using credit union services;
- The social enterprise support project, which provides advice and support to social enterprises and co-operatives to help them set up and grow;
- The business succession and consortia project, which supports business owners to pass on their enterprises to their employees as well as supporting businesses to work together in consortia;
- The Communities 2.0 project, which tackles digital inclusion and helps communities and social enterprises make the best use of the internet.



**1. The Bill's proposals fall into three broad categories:**

- **The Bill will improve financial capability amongst school-age children and young people by making it a legal requirement that financial education is included in the school curriculum (sections 4 to 7 in the Bill).**
- **The Bill will strengthen the role of local authorities in helping people avoid falling into financial difficulty, by requiring local authorities to adopt a financial inclusion strategy (sections 8 to 10 in the Bill).**
- **The Bill will give local authorities duties in respect of providing advice about financial management, both generally and specifically to looked after children aged 16 or 17, to former looked after children and to students (sections 11 to 13 in the Bill).**

**Is there a need for a Bill for these purposes? Please explain your answer.**

The Wales Co-operative Centre welcomes and encourages any opportunity for open debate around the subject of financial inclusion. There is a definite need to improve financial capability and literacy in Wales. We believe there is scope to make more effective use of existing frameworks to embed financial inclusion and education.

*i. Improving financial capability amongst school-age children and young people by making it a legal requirement that financial education is included in the school curriculum:*

Money and financial matters are entirely relevant to children at school. At the most basic level the environment that children are brought up in is fundamentally affected by their financial environment and money management behaviour of their parents or carers. This environment is also detrimental to the aspirations and achievement of young people as recognised in the current Welsh Government's Tackling Poverty Action Plan. It is an obvious corollary that educating our young people in managing money is needed to break the cycle of financial exclusion in our communities. Integrating financial education as part of the culture of learning in schools through existing frameworks could be more effective than incorporating it into the formal curriculum. For example, the new numeracy framework includes financial inclusion. The framework embeds the teaching of numeracy skills, including financial inclusion, in all subjects across the curriculum. We believe that this is an appropriate way to ensure that financial skills are embedded in the culture of learning rather than dealing financial education separately. We also believe it would be pragmatic to allow the frameworks to become established before introducing further reforms.

*ii. The Bill will strengthen the role of local authorities in helping people avoid falling into financial difficulty, by requiring local authorities to adopt a financial inclusion strategy (sections 8 to 10 in the Bill):*

Government will need to ensure that any changes do not add to the bureaucracy faced by local authorities. Existing frameworks and methodology could be further utilised to deliver long term systemic change in both service delivery and people's behaviours towards money matters allowing for a flexible approach that responds to local dynamics. For example, where it is most appropriate to embed financial inclusion into a local authority's Single Integrated Plan there would not be the need for the authoring of a separate strategy. Taking best practice from Wales and further afield and embedding this into wider strategies would have practical outcomes.

We note that the Bill's explanatory memorandum responds to these points as they were raised in the previous consultation. It states that these comments have been taken into account by including within the Bill a power for the Welsh Ministers to issue guidance about financial inclusion strategies, which can include the way in which they are produced and revised. We believe that integrating financial education and inclusion into existing frameworks will be more effective at embedding it than the need for authoring separate strategies. We are also unclear on what this will mean in practice for local authorities.

We also feel that local authorities are already intensely aware of issues of financial exclusion. We have worked productively with the Welsh Local Government Association and the Money Advice Service to update local authorities' Welfare Benefit Reform Leads with developments in this field. Financial inclusion and budgeting will be included as part of the Local Support Services Framework once it is introduced.

*iii. The Bill will give local authorities duties in respect of providing advice about financial management, both generally and specifically to looked after children aged 16 or 17, to former looked after children and to students (sections 11 to 13 in the Bill):*

Looked after and former looked after children:

Bearing in mind our comments on the way young people learn about money management, we would voice our concerns for looked-after children. Often from chaotic and challenging family circumstances, young people in this situation are unlikely to have formed a positive and healthy perspective on money by the age of 7 as the research suggests. In 2011, Consumer Focus Wales recommended that local authorities support looked after children in their journey towards a financially capable adulthood. We believe that looked after children and care leavers should be dealt with separately from students due to their different needs.

Students:

Clearly the nearer a young person gets to having to manage their money for everyday purposes, the more acute the need to form good money habits. In addition the moment an individual becomes 18 they are potentially at risk of making inadvisable financial decisions that can affect their lives for years to come as they are legally contractually capable.

Colleges, higher education institutions and student bodies are in an ideal position to guide young people in forming their money habits. For example, there is some valuable work being delivered on this by Colleges Wales through the Money for Life programme. Working with young people and training those in the youth work field (train the trainer) the programme helps young people to prepare for financial independence. We do not believe that legislation is the best way of encouraging more of this type of work.

**2. Do you think the Bill, as drafted, delivers the stated objectives as set out in the Explanatory Memorandum? Please explain your answer.**

Please refer to our answer above. In addition, we would make the following points.  
*Requiring local authorities to adopt a financial inclusion strategy*

From our experience of working with local authorities, we believe that that a one-size fits all approach is not appropriate. Working with local authorities and other service providers, such as social landlords, our Financial Inclusion Champions project has supported the integration of financial inclusion into service delivery with a wide range of organisations. Our methodology has not, however, imposed a single approach as we prefer to work with the local dynamics to ensure sustainability. Where it is most appropriate to embed financial inclusion into a Single Integrated Plan, for example, we would not recommend the authoring of a separate strategy. Our aim is not to increase bureaucracy but to use existing mechanisms to promote sustainable change.

*Improving financial capability amongst school-age children and young people:*

As noted in our response to Question One, we recognise the importance of educating our young people in managing money to break the cycle of financial exclusion in our communities. However, when considering the evidence on how children learn and how knowledge manifests itself as behaviour in adulthood, it is clear that this works needs to begin with children at a very young age.

Numerous studies on attitudes to money and financial habits demonstrate that these are formed from a very young age. Recent research by the Money Advice Service shows that financial habits start to be formed from age 3 and are fully formed by age 7. As with other public campaigns such as healthy eating, environmental issues and sexual health, a complex picture emerges. Children and young people form their ideas and attitudes about money at a young age and primarily by watching adults' money management behaviour. These ideas are crystallised through their development until they start to manage personal and household money themselves. It is through multiple messages that children learn and form these behaviours. We would recommend therefore that money management learning at school is complemented by ongoing local campaigns and availability of training for adults in the community.

*The need for an all-encompassing approach*

Although there is no doubt that financial exclusion is an increasing and pressing matter, it is important to focus on the problem as a whole addressing each of its contributory parts, as opposed to tackling single issues as they arise. A co-ordinated approach is necessary. By teaching our young people about money and its role in their lives, we are equipping them with a life skill which they themselves will pass on. However seeking to deliver this in isolation would be ineffective. In order to reach our young people we must also bring their parents, families and communities along to change habits and behaviours that undermine their financial wellbeing.

**3. Are the sections of the Bill as drafted appropriate to bring about the purposes described above? If not, what changes need to be made to the Bill?**

While we welcome attempts to tackle the issues of financial education and inclusion, we believe that the sections outlined in the Bill form only a small part of the solution. As outlined above, an all-encompassing, co-ordinated approach is needed. The Bill needs to take account of wider strategies aimed at changing behaviours and the need for tailored approaches rather than one-size fits all solutions. The Bill could also consider the role of digital inclusion in supporting financial inclusion.

**4. How will the Bill change what organisations do currently and what impact will such changes have, if any?**

We are acutely aware of the pressures on class contact time and are concerned that the Bill will place additional demands on this. We recommend that work is done with teachers and experts in the field of financial education to insert further learning into the classroom in the most effective and efficient way, building on the previous work of the Welsh Financial Education Unit. Estyn, as the schools inspectorate for Wales, could be involved in overseeing this shift of focus towards money management, providing a leadership role in managing the change.

As noted above, we would not want any new legislation to detract local authorities from developing and implementing locally-appropriate solutions through their Single Integrated Plans. This could have a detrimental impact upon the provision of financial education and inclusion programmes.

**5. What are the potential barriers to implementing the Bill (if any) and does the Bill take account of them?**

As explained earlier, our key points would be:

- To avoid placing additional bureaucratic burden on local authorities
- To avoid disrupting significant new changes within education, such as the literacy and numeracy frameworks, which are not yet embedded.
- To ensure measures and evaluations are feasible and meaningful due to the difficulties in assessing progress of financial inclusion measures.

**6. Do you have any views on the way in which the Bill falls within the legislative competence of the National Assembly for Wales?**

We do not have a view on this.

**7. What are your views on powers in the Bill for Welsh Ministers to make subordinate legislation (i.e. statutory instruments, including regulations, orders and directions)?**

We do not have a view on this.

**8. What are your views on the financial implications of the Bill?**

We do not have a view on this.

**9. Are there any other comments you wish to make about specific sections of the Bill?**

No.

# Eitem 5.1



Sarah Bartlett, Deputy Clerk  
Children & Young People Committee  
Legislation Office  
National Assembly for Wales  
Cardiff Bay, CF99 1NA.

25 July 2014

Dear Sarah

## **HE (Wales) Bill**

Please find attached some comments from HEW on the Minister for Education and Skills' follow-up letter to the Children and Young People Committee dated 2 July 2014. We would be grateful if you could pass the information onto the Chair. We hope that it helps to clarify our position on a number of the issues identified in the Minister's letter at this stage.

Yours sincerely

Ben Arnold  
Policy Adviser

Extracts from the letter to Ann Jones AM, Chair Children, Young People and Education Committee from Huw Lewis AM, Minister for Education and Skills as part of the Children, Young People and Education Committee stage 1 scrutiny of the Higher Education (Wales) Bill (letter dated 2 July 2014 and available on the NAFW website via this [link](#))

Original text of the letter from the Minister below with HEW comments in *italics*

## **ORIGINAL TEXT**

### **Institutional autonomy and academic freedom**

I have also noted that HEW has raised issues in relation to institutional autonomy and academic freedom. I would like to stress that I value and respect these two important principles and have sought to protect them in introducing this Bill. To be clear, the existing funding powers and restrictions set out in the Further and Higher Education Act 1992 will not be repealed. The Welsh Ministers will still be subject to the same restrictions in terms of individual institutions, courses and staff when providing direct funding to HEFCW.

Furthermore, section 6(5) of this Bill builds additional protection relating to academic freedom and institutional autonomy into the new regulatory framework. When prescribing matters which must be included in fee and access plans, the Welsh Ministers may not require a plan to include provision which refers to particular courses or the manner in which they are taught, supervised or assessed or provision relating to the criteria for the admission of students. These matters will remain the responsibility of institutions.

### **HEW COMMENTS**

*The Further and Higher Education Act 1992 will be repealed in relation to HEFCW's duty to assess the quality of education provided by institutions it funds (or intends to fund). The institutional and academic protections contained in the 1992 Act will continue to apply in relation to the administration of grant. However, they will not apply to the new regulatory controls proposed by the Bill.*

*The limited protections of academic autonomy contained in section 6(5) only apply to general fee plan provisions, and not the requirements of the Code which is not subject to any restrictions relating to institutional or academic autonomy. They are also not 'additional' in the sense of being new – they are simply transferred over from existing provisions in the Higher Education Act 2004.*

## **ORIGINAL TEXT**

### **Regulatory control and public funding**

During their written and oral evidence HEW queried the relationship between regulatory control under the Bill and public funding. One of the key drivers behind the Bill is to enable HEFCW to continue to undertake its existing statutory functions, albeit on a revised statutory footing. This was acknowledged by HEFCW during their evidence session, where they stated that the operational relationship between the Funding Council and institutions was unlikely to change as a result of the Bill. The key components of the Bill relate to fee limits and access arrangements,

quality assessment and the financial management of institutions. All of these elements are connected to public funding, in that they relate to the delivery of courses attended by publicly-funded students.

### **HEW COMMENTS**

*Under the FHEA 1992, HEFCW may not set terms and conditions which relate to sums derived otherwise than from the Council (i.e. grant funding). Similarly, remedies under current fee plan legislation relate only to the HEFCW funding. In the 1992 Act, HEFCW also has a duty not to discourage institutions from attracting income from other sources. The Welsh Government claims to replicate existing levels of regulatory control as far as possible and points to the public funding used to support students in their private investment in higher education. However, the powers in the Bill enable the Welsh Government and HEFCW to make financial requirements which are not limited either to grant funding or the use of regulated fees (which together amount to about a quarter of universities' income), but may relate to the use of universities income from any source.*

### **ORIGINAL TEXT**

#### **Subordinate legislation**

HEW have described this Bill as a 'framework' Bill and have expressed concerns about the level of detail which has been left to subordinate legislation. On this point, I was pleased to hear the positive comments by Committee Members and others, which acknowledged that a significant amount of detail is set out on the face of the Bill.

I would like to reiterate that, in general, the matters left to subordinate legislation deal with matters of technical and practical detail which will require updating from time to time. I do not accept that it is not possible to understand the full scope and implications of the Bill as a result of the number of powers to make subordinate legislation. The intention and scope of the Bill is clear, with the vast majority of detail being set out on the face of the Bill. In short, this is not a framework Bill. In addition, to further assist with the scrutiny process, I have published a statement of policy intent alongside the Bill, which provides further detail on our plans for subordinate legislation.

### **HEW COMMENTS**

*The Bill incorporates 27 powers to make subordinate legislation, most of which will need to be exercised in order to make the Bill operational. We do not accept that the subordinate legislation deals with matters of technical and practical detail only. In our submission we point to numerous instances, where the matters delegated to subordinate legislation concern substantive and significant issues which can have important ramifications for providers and we believe further detail is required on the face of the Bill. No drafts have been seen or consultation taken place on the subordinate legislation at this stage.*

### **ORIGINAL TEXT**

On a related point, I note that HEW and NUS Wales have raised the specific powers to make regulations which may amend the Bill or other pieces of primary legislation (the so called 'Henry VIII powers'). These powers are set out at sections 13(3), 37(3) and 55(3) of the Bill. In respect of the first two powers, which are restricted to amending provision of this Bill, I would like to make



clear that they are designed to provide additional protection to institutions. For example, if HEFCW are provided with new powers of sanction under section 13, then it is important that the Welsh Ministers can also attach the same procedural safeguards as apply to other HEFCW sanctions under the Bill. This would include the application of the warning notice and review procedure in sections 40 to 43. Similarly, it is important that the same procedural safeguards can be attached to a notice under section 37(1).

These powers are not designed, as has been suggested, to provide the Welsh Ministers with an unfettered power to change the statute book. Rather, they will enable the Welsh Ministers to make relatively minor changes to related provisions of this Bill which primarily would protect the interests of institutions.

Furthermore, contrary to what has been suggested, the power in section 55(3) is not unusual or controversial in any way. This power enables the Welsh Ministers to make consequential and transitional provision which may amend, repeal or revoke pieces of primary legislation. It is a 'tidying up' provision which has no substance of its own and exists only to deal with what can be broadly described as 'consequential provision'. Again, the Welsh Ministers will not be able to use this power to make any changes of substance. It is simply designed to enable the effective operation of the new regulatory framework established under the Bill and ensure a smooth transition from the current framework to the new one.

### **HEW COMMENTS**

*The use of 'Henry VIII clauses' has been viewed as controversial in the past since it raises constitutional issues. We note that the Welsh Government already has powers to make primary legislation in the field of education. We are unconvinced by the need for these provisions which are so broadly drafted as to allow change for almost any matter. If any changes to primary legislation are required, we would prefer this to follow the due legislative process involving the full scrutiny of the National Assembly.*

### **ORIGINAL TEXT**

#### **Fee and Access Plans**

The evidence provided to Committee to date has raised a number of matters concerning the proposed operation of fee and access plans. Firstly, the new plans will for the most part be similar to the fee plans required under the current regime. There will, of course, be some changes to the scope of application of the new plans, the enforcement of the commitments made by institutions in their approved plans as well as an increased focus on the evaluation of the outcomes of the plans. I have outlined the key changes below.

### **HEW COMMENTS**

*HEW has outlined the extensive nature of these changes in its submission.*

- *Increased application - in Wales, the fee and access plans will be applied to all areas covered by the HEFCW corporate strategy targets (see HEFCW Circular W14/02HE) with the exception of those related to ITT (which we assume may later be brought in depending on future regulations), research council income, reconfiguration and collaboration and governance.*

- *Increased freedom to determine requirements - our submission points in particular to the lack of protections of institutional and academic autonomy contained in the FHEA 1992.*
- *Increased enforcement powers – including the ability to make directions enforceable by injunction including expenditure directions which may relate to any of the universities' income.*

## **ORIGINAL TEXT**

### **Guidance powers**

HEW have expressed concerns about the Bill making provision to place institutions under a duty to take into account guidance (including information and advice) issued or given by HEFCW. I very much hope that HEW are not suggesting that institutions should be free to simply ignore guidance issued to them by a regulatory body. This is an unacceptable proposition. HEW's objection is hard to understand, particularly in view of the fact that all the requirement entails is that institutions have regard to relevant guidance. It does not require compliance with the guidance. If there is a good reason for not following the guidance, institutions are able to depart from it.

I firmly believe that it is entirely appropriate to place a clear duty on institutions to take account of relevant guidance in making decisions about steps to be taken in order to comply with a direction about compliance with fee limits and reimbursement, decisions about improving or maintaining the quality of education they provide, decisions in respect of the organisation and management of financial affairs or best practice in respect of equality of opportunity and the promotion of HE.

It is very common for legislation to require the targets of guidance to have regard to it in performing their functions. While it is the case that the application of the ordinary principles of administrative law will lead to a duty to have regard to guidance, I do not believe that in this case it is appropriate to have such a duty left to be implied because institutions may not be susceptible to the process of judicial review in every case. Whether they are will depend on the facts of each case and on the nature of the institution. The nature of institutions is also likely to become more diverse in future with the arrival of new entrants to the sector.

The imposition of a duty to take guidance (including information and advice) into account makes for clarity of the legal expectation which is that if you are the target of guidance you have to have regard to it in exercising your functions.

I must also point out that where HEFCW have a power under the Bill to issue guidance to institutions, HEFCW are also placed under a duty to consult institutions before issuing that guidance.

### **HEW COMMENTS**

*HEW welcomed the role of HEFCW in developing best practice and guidance in its submission. However, we question the merit of making it mandatory to take into account. As the Minister recognises in this paragraph, this will make institutions susceptible to the process of judicial review. In reality, quality assurance or financial assurance assessments require institutions to take account of accepted best practice. HEFCW may also continue to require information from institutions demonstrating how they have taken any best practice into account. The scope of the powers is so wide (e.g. 'the promotion of higher education') that mandatory guidance can cover almost any matter. Universities are not public bodies exercising functions on behalf of government. They are*

*independent charitable bodies which exist to provide higher education for the public benefit. In short, powers to issue guidance which is mandatory to take into account are unnecessary, may add to the administrative burden of regulated institutions, and increase the risk of litigation.*

## **ORIGINAL TEXT**

### **Eligibility criteria for regulated institutions**

In their written evidence to the Committee HEW indicated that the eligibility requirements for determining which providers may apply to HEFCW for approval of a fee and access plan are unclear. I do not accept this point. Section 2 of the Bill sets out three clear requirements in respect of eligibility:

- 1) an applicant must be an institution in Wales;
- 2) the applicant must be an institution which provides higher education; and
- 3) it must be a charity.

For these purposes, section 54(3) confirms that an institution in Wales is one whose activities are carried on wholly or principally in Wales.

I also note that there has been some confusion around the scope and purpose of section 3 of the Bill. This section does not allow the Welsh Ministers to designate additional providers as regulated institutions, nor is it wholly concerned with providers who provide lower level higher education courses. Instead, it enables the Welsh Ministers to designate charitable providers of higher education in Wales as ‘institutions’ for the purposes of section 2. Such providers may not normally be classed as ‘institutions’ for these purposes. To be clear, these providers will still need to meet the other eligibility requirements and apply for approval of a fee and access plan under section 2, irrespective of their designation under section 3. Designation under section 3 does not confer automatic regulated status.

### **HEW COMMENTS**

*There remains confusion over this section. Section 3 enables providers of higher education in Wales that are charities but would not be regarded as an institution for the purposes of the act (i.e. are not automatically eligible to apply for a fee plan) to apply to the Welsh Government for special designation to apply. According to the Explanatory Notes on s.3, which may be taken into account in judicial interpretation of the legislation: “This power might be exercised to designate a provider which is not able to award degrees but which provides other courses of higher education at a lower level on the credit and qualifications framework” as “such an institution might not consider itself an ‘institution’ for purposes of section 2”. However, such providers already appear to be covered by the definition/eligibility requirements in s.2: according to the definition section (s.54) ‘higher education’ means a course of any description mentioned in the Education Reform Act 1988 (Schedule 6) which includes any course of study, whether for an examination or otherwise, that is higher in standard than GCE A-level and includes HNCs/HNDs and degrees. In other words, it would appear that either s.3 is redundant or the drafting of s.2 has not given effect to the Welsh Government’s intention.*

*We further note that s.2(3)(a)&(b) refers to ‘an institution in Wales that provides higher education’ whereas s.3(2)(a) refers to a provider that ‘provides higher education in Wales’. It is not clear*

*whether this difference is intentional. As a result, however, some have interpreted this as meaning that s.2 applies to institutions 'in Wales', whereas s.3 applies if the institution is based outside Wales but delivers higher education in Wales.*

*More generally, we note that although institutions are required to be charities, they do not have to be higher education charities – i.e. their charitable purposes and duties may be entirely different.*

## **ORIGINAL TEXT**

### **The regulatory system**

HEW raised a number of queries in relation to the scope of the regulatory system provided for in the Bill. In particular they have referred to part-time courses, automatic and case-by-case designation and quality assessment. The Committee will note that I have already provided further evidence on some of these issues in my letter of 27 June.

However, I would like to rebut the implication that the Bill 'leaves important gaps in the overall regulatory framework for higher education in Wales'. The Bill is indeed reliant on universities and other providers becoming regulated institutions, but this is nothing new. The current system is reliant on universities accepting HEFCW funding, just like the new system is reliant on institutions wanting access to the most generous elements of the student support package for their students (automatic course designation). Entrance into the regulated Welsh HE sector has always been, and will continue to be, voluntary.

### **HEW COMMENTS**

*As things stand it is not clear what the respective packages will be for regulated and unregulated providers in terms of student support and fee limits. Although the intention is apparently to give regulated institutions access to the more generous elements of the student support package, this is not yet clear. The key benefit identified for regulated institutions is that they will have access to the grant element in addition to the loan element of student support – but since fee grants are currently paid from HEFCW's budget, this would not appear to provide a net gain for universities. If Further Education Institutions or new providers becoming regulated institutions, this would also impact on the grant available for existing universities.*

## **ORIGINAL TEXT**

Furthermore, I do not accept the argument that the Bill does not deal with the whole regulatory system. As stated above, this legislation is about replacing elements of the existing statutory framework for higher education which are no longer fit for purpose. I have not sought to make changes to other elements of the statutory framework which are still working effectively. For example, automatic and case-by-case course designation will continue to be dealt with via the annual set of student support regulations made under the Teaching and Higher Education Act 1998. Whilst complex, this is nothing new so I see no reason why it should not be understood by the HE sector in Wales.

On a related point, HEW have stated that in the absence of further legislation there will be no public body with a duty to provide quality assurance for unregulated providers (i.e. those not subject to an approved fee and access plan). That is correct, but again this is nothing new. HEFCW's current

quality assessment duty under section 70 of the Further and Higher Education Act 1992 only extends as far as 'funded' or regulated providers. This is equivalent to their new duty which is limited to education provided by, or on behalf of regulated institutions (those with an approved fee and access plan in place). The different formulation of the two quality assessment duties simply reflects the revised nature of the voluntary regulatory system. The position has not changed.

### **HEW COMMENTS**

*The position under the Bill changes significantly. HEFCW's duty to assess the quality of education will only extend to regulated institutions under the Bill, not those which it funds or intends to fund (as is currently the case). This means that certain types of providers would not be subject to the quality assurance arrangements, even if they are funded and their courses cannot be the subject of an approved fee and access plan. HEW has provided the Children & Young People Committee with additional evidence on the apparent gaps in the scope of the proposed quality assurance arrangements for part-time specialist providers. Postgraduate and research specialist providers could not be included in a fee and access plan. The current legislation allows all institutions which HEFCW funds or is considering funding (it does not contrary to this paragraph) apply to regulated institutions.*

### **ORIGINAL TEXT**

#### **Charity Commission/ONS**

HEW have raised concerns over the impact of the Bill on the charitable status of institutions. To be clear, whilst the funding system for HE will be on a new statutory footing, operationally the system will be very similar to the current one where HEFCW undertakes similar activities albeit via terms and conditions of funding. My officials have consulted the Charity Commission, who I understand have also provided evidence to the Committee. My view on this point is unchanged: the Bill will not affect institutions' ability to comply with charity law. Further, in written evidence to the Committee the Charity Commission have indicated that they have "no concerns about the policy intentions of the Bill, or the proposed new regulatory framework, in terms of charity law, the charitable status of HEIs whose courses are funded by the Welsh Government, or charity regulation"

To put this matter beyond doubt my officials will continue to engage with the Charity Commission to pre-empt any possible issues that could arise, for instance, at the amending stages.

### **HEW COMMENTS**

*We welcome this. It is essential to put this matter beyond any doubt.*

### **ORIGINAL TEXT**

In terms of ONS classification, I believe the Bill is a proportionate and measured response to the necessity of maintaining public confidence in the funding system for higher education in Wales. I do not see any need to engage with ONS. The Bill is intended to strike the appropriate balance between maintaining institutions' independence while at the same time safeguarding the significant amount of public money that is invested in the higher education sector and ensuring that students receive the highest quality of education. As I explained to the Committee, the situation when

compared to FE institutions is readily distinguishable. FE institutions are directly funded by the Welsh Government, whereas the HE sector is funded through HEFCW (which separates HE institutions from government), student tuition fees and other income.

## **HEW COMMENTS**

*It is a major concern that the Welsh Government is not intending to seek assurances from the Office for National Statistics as urged by HEW. It is essential to put this matter beyond any doubt.*

## **ORIGINAL TEXT**

### **Rights of entry and inspection of documents**

HEW, in both their written and oral evidence, describe the powers of entry and inspection in sections 22 and 35 of the Bill as “new” and unnecessary. They also refer to legal advice that describes the powers as draconian. I do not accept that interpretation.

The purpose of the Bill is to provide HEFCW with the means to continue its existing work in assessing the quality of education and monitoring the financial management of institutions. In order for HEFCW to be able to carry out this work it must be able to gain entry to premises and to inspect documents as it considers appropriate.

In the vast majority of cases I would expect institutions and HEFCW to come to amicable arrangements but the Bill must make provision for those occasions, however rare, when an institution refuses to co-operate by allowing HEFCW entry to its premises or to inspect documents.

It is important to remember that the right for HEFCW to enter premises and to inspect documents is not new. HEFCW can currently provide for a right of entry to premises and to inspect documents through its terms and conditions of funding.

In the absence of funding to which terms and conditions can be attached an alternative mechanism is needed to ensure that HEFCW is able to continue to undertake its work in assessing the quality of education and monitoring the financial management of institutions. That includes, when necessary, having a right to enter premises and inspect documents.

The Bill achieves this by establishing a new statutory framework, but in operational terms little changes. Sections 22 and 35 provide for a person authorised by HEFCW to enter the premises of a regulated institution and to inspect, copy or take away documents found on those premises. Those sections replace terms and conditions of funding that HEFCW can currently impose. They provide a mechanism to ensure that HEFCW can continue to require entry to premises and to inspect documents.

I do not consider that it is unusual for legislation to make provision for a right of entry and inspection of documents in this context and nor do I consider that the Bill is draconian. The powers in the Bill are proportionate and are subject to adequate safeguards by requiring notice to be given other than in very limited circumstances and for the powers to be exercised only at reasonable times. HEW also refers to what they consider to be similar powers available to H M Revenue and Customs. In my view such comparisons are misplaced given the very different context in which H M Revenue and Customs operate.

## **HEW COMMENTS**

*Under current arrangements HEFCW may make provisions relating to access and inspection as part of the terms and conditions of grant (i.e the Financial Memorandum). The current Financial Memorandum in Wales, for instance, provides that an institution shall provide the Council's Assurance Service with access to all books, records, information and assets. The HEFCW assurance service must be allowed unrestricted access to any work of the internal auditor, including the annual report, or correspondence between the internal and external auditors. In turn, internal auditors must also have unrestricted access to all records, assets, personnel and premises, and be authorised to obtain whatever information and explanations are considered necessary by the head of the internal audit service. More generally, the Financial Memorandum requires institutions to provide the Council, or agents acting on its behalf, whatever information the Council requires to exercise its functions under the 1992 Act, provided that the Council acts reasonably in its requests for information and has regard to the costs of providing this information, and, where appropriate, to its confidentiality. The Financial Memorandum does not make specific provision in relation to access and inspection for purposes quality assurance – it relies on cooperation for obtaining the necessary information for a satisfactory quality assessment which is mission-critical to universities.*

*The Bill introduces four new specific powers:*

- *Section 21 of the Bill provides that regulated institutions and their external providers would be under a duty to cooperate with HEFCW by providing such information, assistance, and access to the institution's facilities as are reasonably required for purposes of assessing quality. If HEFCW is satisfied the institution has failed to comply, it may issue directions to comply (s.21), which would be enforceable by injunction.*
- *In addition, section 22 provides that HEFCW may enter the premises of a regulated institution (or its external provider) and inspect documents for purposes of assessing the quality of education, including carrying out reviews.*
- *Similar powers in relation to the Code is provided by section 33 and 34 in relation to the Code.*

*Are these new powers necessary?*

- *It is not clear why HEFCW/the Welsh Government could not instead continue relying on the existing arrangements for access, information and inspection for quality assurance purposes (which do not appear to rely on grant) or establish them under the Code in relation to financial assurance.*
- *It is unclear why separate powers of entry and inspection enforceable by injunction (s.22 and s.34) are required in addition to the powers in s.21 and s.33.*

*Although the s.22 and s.34 powers are subject to procedural protections, this does not appear to be the case in relation to the s.21 and s.33 powers.*

## ORIGINAL TEXT

### Financial management code

For the avoidance of doubt I wish to clarify that there are no regulation-making powers arising from Part 4 of the Bill. HEFCW's functions of preparing, consulting on, issuing and keeping under review the proposed financial management code will not be supported by regulations. Currently HEFCW develops, consults on and issues a financial memorandum applicable to funded institutions. Under the new regulatory framework HEFCW will be required to consult all regulated institutions on a draft financial management code and will additionally be required to provide a summary of those consultation responses when they submit the draft code to the Welsh Ministers for approval. It is intended that the Code will be published and take effect from the start of the 2016/17 academic year. This will allow HEFCW sufficient time to prepare, consult on and gain approval of the Code. For the 2015/16 academic year, HEFCW will continue assure the financial management arrangements of higher education institutions via its existing financial memorandum.

The proposed arrangements for oversight of the management of the financial affairs of regulated institutions are therefore similar to those currently in force. However, in future they would not be dependent on the application of terms and conditions of funding for their enforcement. It is unlikely that there would be conflict between the proposed code and any arrangements that HEFCW may consider necessary to put in place to deal with ongoing terms and conditions of funding granted under section 65 of the Further and Higher Education Act 1992. That will be a matter for HEFCW to determine, in consultation with the sector.

### HEW COMMENTS

*The Bill identifies three areas that the Code may potentially cover (restrictions on transactions without HEFCW consent, accounting & audit arrangements, and provision of information), but there is nothing in the Bill to limit what the Code can cover. We note that the Code is no longer a 'financial and governance' code for instance, which is a notable change since the Technical Consultation – but there is nothing in the legislation to prevent governance (or other matters) being covered. The Code can also be different for different institutions.*

*The provisions relating to the Code do not incorporate the protections of institutional and academic autonomy that are currently in place under the FHEA 1992, and apply when HEFCW sets terms and conditions of grant for institutions through the Financial Memorandum.*

- In common with the provisions for use of the fee and access plans, this means, for instance, that there would be no legislation in place to prevent the Welsh Government from specifying requirements in relation to individual institutions, or which ensured that HEFCW must have regard to the denominational character or distinctive characteristics of institutions. The Bill would not prevent HEFCW from determining the criteria for the appointment and selection of academic staff.*
- Additionally, use of Code is not subject to the protections of academic autonomy which apply to the use of the general provisions of the fee and access plans (transferred across from the current Higher Education Act 2004). Whereas the general provisions of the fee and access plans may not refer to particular courses, the manner in which those courses are taught or relate to the admission of students (see s.6(5)), when using the Code there*



would be no such protections in place.

- *In particular, there are serious concerns that enforcement powers are not limited to the extent of grant or regulated fee income received and do not have to relate to activities which are supported by that income. Similarly, there would be no legislation to prevent HEFCW from discouraging institutions from obtaining income from other sources (as is currently the case when setting terms as part of the Financial Memorandum).*

*The need to be clear about what matters the Code can or cannot include, and for those to be appropriately limited, is particularly important given the fact that HEFCW will be able to enforce any requirement it chooses to include in the Code e.g. through issuing directions enforceable by injunction.*

*The Bill allows HEFCW to withdraw fee plan approval for serious failure to comply with the financial Code. It is noted, that the test proposed in the Technical consultation was that HEFCW could withdraw the fee plans where there had been serious financial mismanagement or persistent failure to comply with the Code. A question remains whether this test is the correct one, and whether the conditions which satisfy the test are sufficiently clear and detailed in the Bill itself.*

*The potential scope and use of the Code is a significant factor which has contributed to the advice we have received that the Bill overall has potential implications for charity law relating to universities and classification of universities for purposes of national accounting.*

*As recognised by in the Minister's comments, both the Code and conditions of grant (i.e. Financial Memorandum) would apply to regulated institutions in receipt of HEFCW funding. This could give rise to potential conflict in the exercise of the separate statutory functions. Although we note that the Welsh Government believes that this would be unlikely, we are unclear how this will operate at this stage.*

*Procedural issues:*

*The Bill requires that HEFCW consults with regulated institutions and others in drafting or revising the Code (this partially replicates existing requirements under the FHEA 1992) and provides a summary of the representations when submitting a draft to the Welsh Ministers. The consultation requirement is important but, but ultimately this does not prevent HEFCW (or the Welsh Government) from exercising their discretion as they see fit, so this is not seen as a substitute for addressing the substantive issues outlined above.*

*The Code is subject to approval by the Welsh Government, which makes the Welsh Government the final arbiter on the content of the Code. If the Welsh Government refuses to approve the Code, it must give reasons – but there are no provisions in the Bill which stipulate the conditions or criteria for when a Code can be refused (or incorporate the protections of the FHEA 1992 relating to the Welsh Government's power to make requirements).*

*In our response we said "In the light of this, too much discretion is left to determine the content of the Code through a non-legislative process. We believe that it should be for HEFCW and not the Welsh Government to determine the detail of the Code, subject to appropriate limits – but given the powers of enforcement and potential for wide interpretation, the limits need to be much more tightly prescribed than in the past through due legislative process overseen by the National Assembly."*

## **ORIGINAL TEXT**

### **Cross-border issues**

HEW raised concerns about the provisions of the Bill which restrict HEFCW's functions in respect of fee limits and quality assessment to courses provided by Welsh institutions in Wales. As stated in my previous evidence to the Committee, we have reserved our position on legislative competence in these areas.

However, as you will be aware, my officials are currently in discussion with their counterparts in the Department for Business Innovation and Skills and the Wales Office on this issue. These discussions are focused on bringing forward an Order under section 150 of the Government of Wales Act 2006. This Order would seek to extend the functions of HEFCW in respect of courses provided in England by Welsh institutions and would therefore resolve the concerns raised by HEW. This Order is referred to in the Explanatory Memorandum published alongside this Bill and throughout my evidence to the Assembly to date.

### **HEW COMMENTS**

*We welcome this development and look forward to seeing a draft to ensure that it does address concerns. The current legislation places a duty on HEFCW in relation to the quality of education delivered by Welsh universities wherever it is delivered, and we would expect this to continue. At the moment it appears that the Order under s.150 would only cover HE provision in England, and the detail of the proposed legislation is uncertain. It is important to ensure that this issue is fully addressed before the Bill is passed.*

## **ORIGINAL TEXT**

### **Transitional arrangements**

I would also like to take this opportunity to provide some clarity on the transitional arrangements which will apply under the Bill. If passed, the Bill will not be fully implemented until academic year 2016/17. This will provide institutions and HEFCW with the opportunity to fully prepare for the introduction of the new regulatory framework.

However, I am proposing some transitional arrangements in respect of academic year 2015/16. These arrangements are primarily designed to protect students who will be undertaking courses at Welsh institutions during this transitional year. Institutions who commit to fee limits for this academic year (via fee plans approved under existing legislation) will be required to comply with those limits. If they fail to comply, HEFCW will be able to take action to bring about compliance. I consider this to be perfectly appropriate.

### **HEW COMMENTS**

*We agree that institutions should remain committed to existing agreements and fee limits. However, we do not believe that it is appropriate to apply the new powers of enforcement and sanctions to existing agreements since they were not approved/agreed for these purposes.*



Bethan Davies, Clerk  
Finance Committee  
National Assembly for Wales  
Cardiff Bay, Cardiff  
CF99 1NA  
[FinanceCommittee@wales.gov.uk](mailto:FinanceCommittee@wales.gov.uk)

31 July 2014

Dear Bethan

## HE (Wales) Bill

Please could you pass our comments on to the Finance Committee relating to the above Bill, in the hope that they are of use in identifying the key outstanding issues relating to the financial implications of the Bill in so far as we can assess them at this stage. We would like to thank the Committee in seeking further information and clarity over the costings provided. At this stage the issues which the Committee may wish to consider further, or seek clarification on, are as follows:

- *Regular and recurrent costs of implementation.* The Welsh Government identifies recurring costs of around £1.6m p.a. for regular tasks of which £363k is identified as additional cost. The Explanatory Memorandum appears to confirm that there was no consultation with the sector on these costings and the cost estimates for institutions rely on the 'sense-checking' by Welsh Government officials only (Explanatory Memo, Annex A paras 333-35). The further information provided by the Welsh Government to the Finance Committee is helpful in understanding the how the cited figures were reached, but lacks detail on the salary assumptions used or where the additional costs have been assumed at this level. HEFCW, in its submission, estimated costs at one additional relatively senior member of staff per university which appears to be a significantly higher estimate of the additional costs for universities than estimated by the Welsh Government. We would welcome further comment on the difference in these estimates.
- *Exceptional costs.* The Explanatory Memorandum provides estimates of exceptional costs relating to sanctions which would only be incurred when compliance activity is triggered (paras 245-5), and models two potential scenarios on this basis. It does not appear that the costs of litigation have been adequately included, however. The further information provided by the Welsh Government in their letter to the Finance Committee clarifies that the costings

assume a number of days of specialist staff time (costed at an institutional rate) relating to sanction/compliance costs for institutions (18 by our count), of which only some would be additional (it is not clear how many). From this it appears that the exceptional costs do not include the costs of commissioning legal advice and/or litigation costs, or these cost estimates are significantly lower than we may have expected. On the face of it this looks like a serious omission in the costings and we would welcome further clarification on this.

- *Other compliance costs.* HEW has also drawn attention to the fact that the Bill, as it stands, enables the Welsh Government and/or HEFCW to impose financial requirements or requirements with a financial impact which do not relate either to grant funding or fee grant payments. Under current legislation, the Welsh Government/HEFCW may not set terms and conditions which relate to income/grant which does not come from the Funding Council. The Bill could mean that the Welsh Government/HEFCW set requirements that universities have to fund from other sources and is effectively an additional cost for universities: there is a risk that in future policy requirements have financial consequences for universities without the corresponding public funding to support it. This heading of potential costs is not dealt with by the Bill and we would welcome clarity on how the Welsh Government intends to ensure that there will be no additional costs for universities under this heading in future if that is the Welsh Government's assumption.
- *Major contingent costs.* In addition, it is noted that the Bill does not deal with the financial implications in the event that the Bill compromises charitable status/duties or universities classification for purposes of national accounting, or the damage to the business and financial interests of universities arising from the actual or apparent erosion of financial autonomy, as outlined in our submission to the Children Young People & Education Committee (see the appended extract). Para 227 of the Explanatory Memorandum states that the Welsh Government discounted some of the benefits in the light of risks identified in the consultation responses relating in particular to the 'breach of institutional and academic autonomy with unintended consequences and that direct funding and control would risk HEIs in Wales being reclassified as part of the public sector'. The paragraph states that benefits are discounted in Option 3 (see paras 272-282) – but they are not mentioned there, and the benefits are not quantified in any way. We would welcome any figures relating to discounting of benefits under this heading. These potential major costs appear not to have been included in the costings presented.
- *The cost of providers other than existing universities becoming regulated institutions.* The Welsh Government's costings are based on the assumption that the existing universities in

Wales will become regulated institutions only. They do not include costs relating to other potential regulated institutions. The Explanatory Memorandum (EM, para 240) also assumes no additional costs in tuition fee grants and loans arising from the Bill. Are these realistic assumptions? If providers other than universities become regulated institutions their courses would automatically qualify for student support and this could have a significant impact on the student support budget. It could also, as current arrangements stand, have a significant financial implication for existing universities since fee grant payments are paid from HEFCW's budget. We would welcome further scrutiny of these assumptions.

- In particular, we understand that the Bill is designed to allow further education institutions (among others) to become regulated institutions. We would welcome the Committee seeking to clarify the Welsh Government's assumptions on this. How far could this lead to an increase of students eligible to receive student support? What mechanisms would be in place to control student numbers if necessary (there are none included in the Bill). If there is a potential increase in student support and fee grant costs, how will this increased cost be met?
- *Costs relating to HEFCW's regulation of providers who are not 'regulated institutions' with an approved plan.* Under the Bill only regulated institutions would be covered by HEFCW's statutory duty to assess the quality of education. However, the Explanatory Memorandum suggests (although we have queried this) that HEFCW could maintain quality assessment arrangements for part-time only providers through terms and conditions of funding 'because HEFCW will continue to pay some recurrent funding to institutions for part-time courses for the foreseeable future' (EM, para. 112). What are the Welsh Government's assumptions about HEFCW's available budget for the foreseeable future, the sums required to meet this commitment, and how will the Welsh Government ensure that this commitment can be met in the light of the above points?
- Will a similar commitment be needed to enable HEFCW to make quality assurance arrangements for postgraduate only providers in future? It is noted that although part-time only providers may potentially be brought within the new regulatory framework in future, postgraduate provision cannot be included in the list of qualifying courses covered by the fee and access plans i.e. postgraduate only providers cannot be later included.
- *Costs arising from revisions to HEFCW's quality assurance duty.* An issue raised with the Welsh Government is that the new duty to assess the quality of education appears to extend to all education provided by a regulated institution, not just higher education. It is not yet

clear whether this is intentional or not. In the case of further education colleges or other providers with significant provision at levels lower than HE, this duty could be significant (and conflict with the statutory duties of other bodies). We would welcome greater clarity on the cost implications of this.

- *Impact on HEFCW budget available for grant funding.* More generally we would welcome clarification on how the Welsh Government intend to ensure that there is enough funding in HEFCW's budget for research or other strategic priorities (including support for expensive and strategic subjects) as a result of the regulatory changes in light of the above. Would HEFCW be expected to make fee grant payments in relation to students on courses designated on a case-by-case basis? If so, how could it control its budget? How would the costs fall between the Welsh Government, HEFCW and universities?
- *Financial implications for regulated institutions compared to unregulated institutions.* The Explanatory Memorandum states that the Welsh Government assumes that all existing universities would wish to become regulated institutions under the Bill proposals – and this has been our assumption so far too. However, the key benefit identified for institutions in return for accepting greater regulation is that their students would be eligible to receive the grant element in addition to the loan element of student support. The grant element, however, is paid from the budget that HEFCW has available for making grants to higher education. Does this not mean that there is no net financial advantage for universities becoming regulated institutions, compared to seeking designation of all courses on a case-by-case basis? Clarity is needed over how this would operate in order to assess the costs and impact of the proposals.

Finally we note that, in so far as we were aware, there was no consultation with the sector on these costings, and the costings for institutions rely on the 'sense-checking' by Welsh Government officials only (Explanatory Memo, paras 333-35). We query whether the Welsh Government has been able to set out its best estimates as required by standing orders without any consultation with the sector, and hope that these issues can be clarified.

Yours sincerely

Ben Arnold  
Policy Adviser

**Extract from HEW's submission to the Children Young People & Education Committee:**

37. The costs for the sector may largely depend on the further regulations and exercise of the HEFCW's powers. There will undoubtedly be an additional administrative cost for both HEFCW and universities anticipated as result of this Bill. Since the new regulatory framework would rely on enforcement through legal action we would also expect there to be significant costs for the Council and sector arising from increased litigation.
38. The Bill includes several new powers to allow the Welsh Government and/or HEFCW to determine and enforce spending requirements. These are not limited to income derived from the Funding Council, or additional income received from regulated fees. Where powers are used to direct university spending which does not relate to the use of grant or regulated fee income, this would represent additional cost to the sector which must be met from other sources. There is a clear danger that the Bill could be used to enforce policy on universities, at the expense of other activities, without proper financial support.
39. The new powers to direct income could also seriously damage the business and financial interests of universities. Investors, contractors and bankers need to be confident in universities ability to determine their own financial and corporate affairs. There is evidence in Wales to suggest that any questions regarding this could significantly damage universities ability to compete for business and research contracts and research council income, to enter partnerships and agreements, to obtain banking covenants or to attract investment more generally.
40. As it stands our advice is that the Bill and its subsequent regulations could lead to the breach of the charity duties of university governors, leading to their personal financial liability should their institution apply to become a regulated institution. The wider financial and reputational impact on universities would be critical to their continuation.
41. In the case of reclassification of universities to central government for purpose of national accounting we would expect there to be significant consequences for the DfES budget, which in turn would have serious implications for the sector – in particular surpluses and losses would become Welsh Government funds and would have to be managed within their overall budget. If universities lost NPISH status and became part of the public sector then it would also be necessary for the universities affected to conduct a comprehensive review of all their contracts and legal agreements with third parties. Particular areas of concern include: employment arrangements and collective employment agreements; banking covenants to ensure there is no

breach of covenant; and representations and warranties as to a university's legal status in commercial agreements, and joint ventures.

42. It is not clear whether these have been identified or included in the costs set out in the Explanatory Memorandum. In general, we note that we do not understand the costs presented in the Explanatory Memorandum. We are not aware of any engagement with universities in their preparation. We are uncertain whether HEFCW has been appropriately involved but would regard HEFCW as the most appropriate body to comment on the costs as shown. We would welcome the Finance Committee scrutinizing these further to clarify what these costs refer to and how they were calculated in producing a Stage 1 report.



Mark Drakeford AC / AM  
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol  
Minister for Health and Social Services



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref SF/MD/1653/14

Ann Jones AM  
Chair  
Children, Young People and  
Education Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

28 August 2014

Dear Ann,

I was pleased to attend the Committee on 17 July to provide further evidence to inform the inquiry into Child and Adolescent Mental Health Services (CAMHS).

I hope it was clear from the discussion that I value the important work of CAMHS, but recognise that there is a need for clarity over what we can, and should, expect a small, specialist service to provide. This is the overarching driver behind the changes I am seeking to implement in CAMHS over the course of the next year.

I attach the further information requested in your follow-up letter of 4 August. I also include information, and a supporting paper, relating to the evaluation of the mental health core data set pilot scheme. This is not included in your 4 August letter, but was requested during the Committee meeting (paragraphs 60-63 of the meeting transcript refer).

I look forward to receiving the final Committee report in due course.

Best wishes,  
Mark.

Mark Drakeford AC / AM  
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol  
Minister for Health and Social Services

## **Further information on the ‘national CAMHS improvement plan’ and the money that the WG has allocated for it (paragraph 22 of transcript)**

A copy of the CAMHS Service Improvement Plan is attached at annex a. The Plan was developed in 2013 with the aim of taking forward a range of actions to enable the service to adapt to meet current challenges. The plan was amended to incorporate the actions required to implement the recommendations from the WAO/HIW report when the CAMHS follow-up review was published. The Plan requires concerted effort by LHBs and partners over the next 12-18 months. It is overseen by a Project Steering Group which is chaired by Welsh Government. CAMHS lead clinicians; LHB management; WHSSC; the NHS Delivery Unit; and the Chair of the CAMHS/ED Planning Network are represented on the group.

Supporting the Plan, my announcement, in October 2013, of an additional £250,000 annually for CAMHS to improve Eating Disorder Services, is also intended to improve the ability of the service to adapt and reduce out of area placements. The associated savings being reinvested back into CAMHS. Whilst it is still early days, there is some evidence that this is beginning to have the desired effect, with increasing capacity at the two CAMHS in-patient units.

Welsh Government will also be funding service change expertise to support the Plan. This will take the form of a nationally recognised clinical leader to shape and inform CAMHS strategic development in order to promote service change. This role will be supported by a senior ‘turnaround manager’, and Sian Richards, a former NHS Chief Executive and the current Together for Mental Health Strategy implementation lead has agreed to take on this role, as CAMHS forms a key theme within the Strategy. Work has already commenced including leading Welsh academic input, activity by the NHS Delivery Unit and national benchmarking work. Activity will be funded over the remainder of this year and next, and is expected to cost around £100,000.

**Clarification on the position regarding AOF targets. During the meeting, your official referred to “old targets” (paragraph 39 of the transcript). Was this a reference to the AOF targets?**

Yes, as my original evidence of 2 June set out.

### **Mental Health Core Dataset (MHCDS) evaluation**

At Committee you asked that the evaluation of the pilots of the dataset be provided to the Committee. I attach this at annex b. I have provided information that our priority is to begin to measure outcomes, rather than focusing solely on processes within services such as waiting times or bed numbers. Our Together for Mental Health Strategy (2012) committed us to developing a Mental Health Core Dataset (MHCDS) which will capture data to allow us to measure the impact and outcomes of actions as well as processes.

Whilst not limited to CAMHS, work is progressing to develop the MHCDS for all ages. The Welsh Government and Public Health Wales are project managing the work to develop a specification for a nationally standardised mental health core dataset. The dataset covers both primary care and secondary care mental health services. Phase 1 of this project commenced in 2014 with work continuing into 2015-16. Innovatively this incorporates outcomes from a service user perspective, enabling service users to monitor and report their perception of the achievement of outcomes agreed in their care and treatment.

## **A note on the specific issues raised in relation Betsi Cadwaladr LHB (paragraph 48 of the transcript)**

The Abergele inpatient unit opened in July 2009. Welsh Government invested £15m capital funding for this project, with the revenue funding being provided from existing LHB funding. It was planned to provide 6 acute care/emergency admission ward beds and 12 planned treatment beds. Initially WHSSC commissioned the 12 planned beds but the acute/emergency beds provision was not opened pending further evidence of demand for those beds.

The commissioning of specialised services, including CAMHS Tier 4 beds is delegated by all LHBs to WHSSC. Funding for the Tier 4 CAMHS inpatient unit in Abergele (which can also accommodate residents of Powys or south Wales) is provided via WHSSC to BCUHB.

WHSSC has worked with both Tier 4 providers in Wales to reduce out of area placements by both increasing intensive community services and increasing the bed occupancy within the units in Wales. In the context of north Wales, WHSSC has worked closely with BCUHB regarding the balance between Tier 4 and local services given the shared funding responsibilities.

The plan agreed between WHSSC and BCUHB is to reduce the number of out of area placements required by both supporting the unit to be able to deliver to funded capacity and to develop a new community intensive team (CIT). The CIT commenced during the latter part of 2013 and has already started to impact by working with the in-patient unit to help manage patients more effectively within local services and reduce the need for escalation to Tier 4 beds. The CIT also helps with supporting patients post discharge. The BCUHB CIT began operating last year and was funded by reducing the cost of out of area placements. The final component of the plan is to assess the impact of the development of the CIT, together with the improvements in the Tier 4 service, on the balance of demand for Tier 4 services.

The new CAMHS/ED Planning Network will assist in sharing best practice between the different assertive outreach/intensive community CAMHS teams across Wales. This will enable an improved view of demand for Tier 4 beds and the type of beds required. As part of this plan it is important to understand that owing to case mix complexity there will always be a need to have a mix of internal and external capacity on the grounds of safety and quality. The overarching aim of the plan is to maximise delivery within BCUHB supported by specialised outsourcing as required on an exceptional basis.

One of the key drivers for the development of the CAMHS Improvement Plan is to ensure that the two in patient units in Wales are working at optimum capacity to reduce the need to refer outside Wales. The occupancy rates of the units in Wales have been increasing steadily since the 2nd half of 2013 and have continued to make further progress in 2014 to date. Clearly there will always be a need to use out of area placements for certain young people to ensure their specific needs are met but I am encouraged that these appear to be falling in the period from 1st April 2014 to date (with 5 new referrals inc 2 Forensic CAMHS) as more Community Intensive Teams become available across Wales and by making fuller use of the Welsh units.

## **A note on Local Authority funding (paragraph 77 of the transcript)**

By law, Local Authorities are required to set a balanced budget for each financial year and should consider the range of funding sources available to them. In addition

to core revenue funding provided by the Welsh Government, they also receive a significant amount of funding in targeted grants from various sources, and are able to raise income through the council tax, fees and other charges. Local Authorities have considerable flexibility in how they manage the resources available to them and the majority of resources at their disposal are unhypothecated. Local Authority Leaders and Councillors are democratically elected by residents to ensure local needs are appropriately represented and provided for. Authorities are expected to be open and transparent about the decisions they make and are encouraged to consult with their communities before formally setting budgets and most do this as part of their annual process.

Ministers are fully aware of the financial and demographic pressures on all public services. We must acknowledge, however, that Local Authorities are facing an unprecedented financial situation from 2014-15 onwards as a result of significant cuts to the overall Welsh Budget by the UK Government. In the current financial climate, effective forward planning will be crucial in ensuring citizens can continue to receive these services. The Minister for Local Government and Government Business has been clear that ultimately, Local Authorities need to be prepared to do things differently, and they need to focus on delivering efficient, innovative and collaborative services. The Minister meets regularly with Local Authority Leaders, the Welsh Local Government Association and the Welsh Police and Crime Commissioners to discuss a range of finance matters.

The Welsh Government has sought to limit the impact of these cuts on Local Government as far as possible and decisions taken by the Welsh Government in recent years have placed Welsh Authorities in a better position to deal with the cuts than their counterparts in England. This has been recognised in various reports by the Institute of Fiscal Studies and the Wales Audit Office.

The 2013 Royal College of Psychiatrists document on building and sustaining specialist CAMHS, to which the Committee has referred several times, defines CAMHS in two ways. One applied specifically to specialist CAMHS provided at Tier 2, 3 and 4, the provision of specialist mental healthcare to children and young people is their primary function. Local Authority input has always been integral to specialist CAMHS and social workers have been core members of multidisciplinary teams. We know from a contacts audit of CAMHS in June 2012 by the Delivery Unit there were 7.5 WTE social care workers in specialist CAMHS teams. This contrasts with Durham Mapping of CAMHS which showed social workers within CAMHS were 11.1WTE in 2008 and 25.7 in 2007. While the number of social workers seconded into CAMHS teams has reduced, the Welsh Government has provided £4.2 million to put in place multidisciplinary teams across Wales for Integrated Family Support Services (IFSS). These teams are supporting families with complex needs with preventative services intended to reduce future demand for other services, including CAMHS.

They respond to referrals where there are problems with substance misuse. The roll out of IFSS has now been completed and they operate across the whole of Wales. The IFSS will deliver family focused services to enable parents to achieve the necessary behavioural changes that will improve their parenting capacity, and will engage with the extended family in the process of that change. They also seek to address the social, cultural and organisational factors which have a direct impact on the safe care of the child or young person and their parents. They seek to meet the needs of all family members. At the heart of the IFSS will be an Integrated Family Support Team which will be multi-disciplinary and multi – agency, consisting of

professionals with the skills and experience in working directly with children in need, their parents and adults with complex health and social care needs.

A separate 2012 Audit report by the NHS Delivery Unit into CAMHS in order to support the introduction of Part 2 of the Mental Health (Wales) Measure indicated that Local Authority colleagues did not attend multidisciplinary team (MDT) meetings, though the reasons for this are not given. A recommendation was made that LHBs and Local Authorities should review the multidisciplinary referral meeting for specialist CAMHS to support integrated working and enhance patient care by having a multi disciplinary approach to decision making.

The Royal College also defined CAMHS on the basis of a broad concept embracing all services that contribute to the mental healthcare of children and young people, whether by health, education, social services, or other agencies. This includes services whose primary or only function may not be mental healthcare (e.g. schools). Tier 0 or Tier 1 providers such as schools, youth services, primary care and social service departments are frequently the first point of contact for the child and their family. They can often deal with the majority of problems, with appropriate support from specialist CAMHS, and prevent those problems escalating to the point where specialist CAMHS needs to take over responsibility for the individual. There are a number of Local Authority funded services that offer such tier 1 interventions.

Families First was rolled out across all 22 local authorities in Wales from April 2012, following a pioneer phase which tested a range of delivery models across five consortia. Families First will run for the life of this assembly, and is funded at £46.9m for the current financial year. Families First succeeds the Cymorth grant which Welsh authorities received from 2003 to support children and young people. We have been clear that as such Families First Funding is available for Local Authorities to utilise for issues such as primary care level interventions. It is however for the LAs to decide where to invest that funding to best meet local need.

Schools are a key CAMHS partner and as part of their work for the Welsh Network of Healthy School Schemes (WNHSS), schools will be looking at all aspects of mental and emotional health and well-being. They will identify areas of concern in the school, and may choose to develop a programme to deal with any issues raised.

From 2008-09 to 2012-13 the Welsh Government also put over £13 million grant funding into school based counselling, with the result that counselling was being delivered in all maintained secondary schools from September 2010. An independent evaluation of the School-based Counselling Strategy (2011) found that link teachers reported counselling services had made a positive impact on the attainment, attendance and behaviour of pupils (65%, 69% and 80% respectively). From April 2013, under the School Standards and Organisation (Wales) Act, local authorities have been required to make reasonable provision of counselling services for children and young people aged between 11 and 18 in their area and pupils in year 6 of primary school. At the same time £4.5m was transferred to the Revenue Support Grant for the continued support of this service.

In June 2013 we published Professional Advice for Service Planners, which was developed by a national expert group of multiagency practitioners. It provides a range of best practice examples of how services need to work across disciplines and agencies to provide for the needs of young people. It is important that consideration be given to ensure a coordinated approach. This will avoid duplication between agencies and facilitate the development of comprehensive and responsive services.

The Social Services and Wellbeing (Wales) Act 2014 gives further impetus to working in partnership to promote resilience and emotional wellbeing for children and young people. All Health Boards have partnership boards which are looking to developing effective, evidence based services across the age range. Some Health Boards have developed partnership boards specifically to address the needs of children and young people to sustain stretched services in the most cost effective ways with local authority partners. Sharing of good practice across Wales and, where appropriate, working across boundaries in collaboration is key to this.

Earlier I referred to the establishment of community intensive treatment teams. I see these as central to the future development of specialist CAMHS. Evidence shows that community based treatment could reduce admission rates and length of stay for severely ill adolescents. Research is increasingly endorsing the benefits of assertive outreach and supports the need for the development of local partnership arrangements across agencies. This is in line with prudent healthcare and wherever possible, when risk allows, young people should be cared for in the community as near to home as possible. Young Minds research shows that young people and families want CAMHS to be delivered flexibly and in a variety of settings including youth clubs, and the home. A community based team therefore needs to be flexible in its delivery. To do so they need to collaborate closely with other agencies involved with the child/family and participate in multi-agency operational and strategic planning of services for children requiring substitute care.

There are many other areas where partnership working, between CAMHS and other agencies, is equally important, such as in relation to the provision of support for those with neurodevelopmental problems, learning disability services and substance misuse.

**Information on how much of the £635,000 invested by the Welsh Government in psychological therapies has been spent on therapies for children and young people (paragraph 87 of the transcript).**

We are expecting plans for the use of the psychological therapies funding by LHBs to be submitted at the end of August. We have been clear that funding should be equally distributed across service users of all ages in accordance with the local population's age profile. Plans must be agreed by the local Psychological Therapy Management Committee (which includes CAMHS representation) prior to submission.

**CAMHS ACTION PLAN (MARCH 2014)**

The attached table details the main issues and the actions requiring addressing by in partnership with LHBs and others to improve CAMHS provision. The delivery of the individual actions are underpinned and will contribute to the delivery of the core principles we wish to for CAMHS services in Wales, as reflected in Together for Mental Health, that CAMHS should :

1. be child and family centred, putting the child at the heart of service delivery by promoting early and easy access to provide specialist assessment and intervention, particularly for children in crisis and for those with protected characteristics.
2. promote partnerships with other agencies and disciplines in health, social and education services, criminal justice and voluntary agencies to ensure appropriate interventions.
3. have strong governance structures with robust planning, commissioning, review and reporting arrangements between services and across the age range, which ensure the correct agency/staff are able to deliver the most appropriate intervention, with mutual support from other agencies.
4. be safe and ensuring safeguarding of young people is paramount.
5. involve children and young people and their carers in planning, delivery and development of services.

Risk

Each issue has been risk assessed, using a matrix which measures individual risk and safety, and the political and reputational risk to the Welsh Government and public services. Those issues coloured red are considered the most significant areas of risk.

Impact (An assessment of the consequences of the risk materialising, a combination of the risk to individual/safety issues (scored R/S 1-5) systems risk (scored P 1-5))

L = Likelihood (An assessment of the probability of a risk materialising, scored 1-5)

O = Overall Score (Impact (risk/safety+systems) x Likelihood)

Tolerances:    1- 9    low risk  
                   10 - 19    medium risk  
                   20+    high risk

Individual actions in the plan fall either to the Welsh Government or to LHBs to take forward, though in order to maintain a focus on delivery a workstream lead has been identified who will act as 'owner' for the action ensuring work progresses and reporting progress to the Project Manager and ultimately the

Project Steering Group (which has been established to oversee implementation of the plan). Where an ‘expert group’ has been identified as the vehicle for progressing the action, then, wherever possible we will look to use existing groups rather than convene new groups.

Issue and Risk	Delivery Plan	What we propose to do and by when					
		Core Principle	LHBs/ NHS DU/ WHSSC Commissioning	Owner	Core Principle	Welsh Government	Owner
<p><b>1a.</b> Inpatient Unit S Wales</p> <p>Risk R/S 1 P 4 5 L x4 Score 20</p> <p>Endalen y Bectyn 74</p>	No	2	(i) LHBs to produce proposals (SW letter August 2013) for service reconfiguration, closer working between IPU and community teams. (LHBs to provide proposals by end of 2013, implementation Dec 2014). Await revised proposals in line with ED funding agreement, <b>(by January 2014)</b>	WHSSC	3	(vi) Scope provision in other (English IPU) in order to learn lessons. <b>(by March 2014)</b>	DW
		3	(ii) As part of reporting requirements for £250,000 ED funding, LHBs/WHSSC to report progress in relation to: <ul style="list-style-type: none"> <li>bed occupancy</li> <li>the range of complex conditions being treated within the IPU</li> <li>reducing out of area placements.</li> <li>improved out of hours provision</li> <li>increased staff competency</li> </ul> <b>(first report by December 2014)</b>	WHSSC	3	(vii) Convene National Expert Reference Group to review/agree formal criteria as proposed by professionals that determines appropriateness of admission to IPU. Criteria would include those relating to diagnosis/problem type and to a wide range of contextual factors, including risk posed to and by the young person, their social and family situation, and the availability or otherwise of community-based services that might act as an alternative to admission. <b>(first meeting to scope activity by March 2014)</b>	DW/ BB
		3	(iii) DU to identify the outcomes for those CYP referred for a psychiatric assessment in non CAMHS settings. To evaluate any learning from the information collected. <b>(by August 2014)</b>	DU	5	(viii) Ask Children’s Commissioner to consider developing proposals to examine young people’s views on access and appropriateness of Tier 4 services as part of his review work with cyp on their mental health needs. <b>(initial contact by January 2014)</b>	JP
		3	(iv) DU to assess the possible reasons for CYP not being admitted to a specialist CAMHS Unit. To evaluate any learning from the information collected. <b>(by August 2014)</b>	DU			



		2	(v) Consider if practical for Cwm Taf and ABMU to broker agreement for the provision of support to the IPU from Princess of Wales staff, during time of pressure on IPU (i.e. the ability for PoW nurses to provide support to IPU during times of staff absence, on-call arrangements, etc). <b>(initial discussions and scoping by March/April 2014)</b>	LHBs + JF			
		2	(ix) Develop proposals for standing cross health board and cross agency group to develop agreed service models, monitor and advise under the auspices of WHSSC. <b>(by November 2014)</b>	WHSSC			
	IPU (under) Llysoedfa R/S 1 P 3 4 L x4 5 re 16	No	3	(i) <b>From HIW/WAO report</b> 'Welsh Government makes clear whether or not one of its aims is that out-of-area placements and admissions to adult mental health or paediatric wards should not occur due to a lack of capacity in the two CAMHS units, and, if so, sets a deadline by which the aim should be achieved'. LHBs have been asked (October 2013) for a detailed implementation plan regarding our £250,000 investment, including a reduction in out of area placements. Detailed implementation plan awaited from LHBs <b>(by 10 January 2014, with evaluation reports expected end 2014-15 and end 2015-16)</b>	WHSSC	3	(iv) Need to review/develop guidance on criteria for admission to adult/paediatric ward and the acceptability of such an admission for under 18 year olds (specifically 16-17 year olds). <b>(to be considered as part of expert group activity being pursued as part of 1(vii) above, with first meeting to scope activity by March 2014)</b>
		3	(ii) <b>From HIW/WAO report</b> 'Welsh Government requires Welsh Health Specialised Services to routinely report the number and cost of out-of-area placements that result from a lack of capacity in the two CAMHS units'. To be reported as part of (i) above.	WHSSC			

		3	(iii) <b>From HIW/WAO report</b> 'Welsh Government requires Welsh Health Specialised Services and health boards to establish mechanisms for identifying and reporting admissions to adult mental health or paediatric wards that result from a lack of capacity in the two CAMHS units'. To be reported as part of (i) above.	WHSSC + LHBS			
<p><b>2.</b> Inappropriate admissions of under 18s to adult wards</p> <p>Risk</p> <p>R/S 3 P 3 6 L x4 Score 24</p>	<p>Y 12.4 by Dec 2012</p>	3	(i) DU to assess the service capacity to respond to CYP requiring a specialist level of intervention that is delivered in the appropriate environment. To evaluate any learning from the information collected and consider whether the audit findings are reflected in the other home countries. <b>(by August 2014)</b>	DU	3	(vii) <b>From HIW/WAO report</b> 'Welsh Government confirms in writing the need for health boards to report to it all admissions of young people under the age of 18 to an adult mental health ward, identifying those admissions that are inappropriate and the steps taken to minimise risks'. We will convene a multi clinician group <b>(by February 2014)</b> to review mix of LHB inappropriate admission reports to Welsh Government with a view to considering processes and procedures, particularly for those highest risk admissions, share information about risks and actions needed to ensure safety of the patient. Subsequent guidance will be developed and issued <b>(by July 2014 see 2(viii))</b>	JF
		3	(ii) DU to confirm that the WG directive for HBs to report CYP admissions to adult inpatient units as SUIs is being adhered. To confirm that HBs have the appropriate systems in place to report CYPs as SUIs that meets the WG reporting requirements. <b>(by August 2014)</b>	DU			
		3	(iii) <b>From HIW/WAO report</b> 'Welsh Government requires health boards to validate that they are accurately reporting the number of under 18 year olds admitted to adult mental health wards, by periodically comparing the number of these admissions reported to the Welsh Government with the number registered on patient admission systems'. LHBs will be asked to report periodically to the CYPFDAG that they are validating the numbers of inappropriate admissions reported by comparing numbers reported to the LHB Mental Health Board, with those reported to the Local	LHBs + JD/JL	2	(viii) <b>From HIW/WAO report</b> 'Welsh Government clarifies, by providing a range of detailed examples, what constitutes an inappropriate admission of a young person to an adult mental health ward'. Following multi clinician group (action 2(vii)) develop guidance for LHBs to share good practice and produce a range of good practice scenarios to inform LHBs in the management of the range of inappropriate admissions <b>(by July 2014)</b>	JF
					2	(ix) Welsh Government will write more detailed guidance on what does/does not constitute an	LR/AG

Tudalen y pecyn 77		3	Area Children's Safeguarding Board. <b>(first such report to the CYPFDAG by July 2014)</b>  (iv) <b>From HIW/WAO report</b> 'Welsh Government requires health boards to regularly report the number of designated wards, the appropriateness of their environments, and the number of admissions to designated and non-designated wards'. LHBs will report this annually to the CYPFDAB. <b>(first report by July 2014)</b>	LHBs + JD/JL		inappropriate admission and incorporate this into the revised Welsh MH Act Code of Practice <b>(by September 2014 for consultation)</b>	
		4	(v) Ask Heads of MH Nursing to review with staff why there seems to be anomalies around reporting admissions (i.e. is there a lack of clarity over the guidance or other issues?). <b>(by May 2014)</b>	LHBs + JF			
		1	(vi) <b>From HIW/WAO report</b> 'Welsh Government confirms with health boards and Welsh Health Specialised Services the extent to which the two specialist CAMHS inpatient units should provide initial assessment, emergency and crisis support'. WSHCC need to develop CITT/Assertive outreach capacity to ensure equality across health boards and preferably extended hours. This could be achieved through developing the proposed CAMHS case manager post. <b>(WHSSC to agree proposals with LHBs by July 2014)</b> Following this LHB's need to ensure their AMH and CAMHS resources are used together to provide robust OOH provision especially for 16-17year olds, particularly for those young people detained under s135/136 of the MHAct. <b>(LHBs to report progress to November CYPFDAG).</b>	WHSSC + LHBs			
	<b>3. Out of</b>	No	3	(i) WHSSC to examine reasons for OOA placement	WHSSC		3

<p>area placements</p> <p>Risk</p> <p>R/S 2</p> <p>P 5</p> <p>7</p> <p>L x4</p> <p>Score 28</p>		3	<p>of all cases over last year and present findings to future CYPFDAG. <b>(by July 2014)</b></p> <p>(ii) LHBs to report future OOA placements as part of requirements for £250,000 ED funding, in line with agreed evaluation. <b>(WHSSC to report end 2014-15 and end 2015-16).</b></p>	WHSSC	3	<p>maximum timescale that placements should be for, procedures for considering repatriation, alternatives to OOA, such as community based support and the ability of family and friends to maintain contact with the patient. <b>(by May 2014)</b></p> <p>(iv) Write detailed guidance in new Code of Practice regarding use of use CTP to improve OOA care and support and speed repatriation. <b>(by September 2014 for consultation)</b></p>	AG/BB
<p>4. Community and Crisis (out of hours) provision variability</p> <p>Risk</p> <p>R/S 3</p> <p>P 2</p> <p>5</p> <p>L x3</p> <p>Score 15</p>	Y 13.3 by Dec 2012	1  1  1  3	<p>(i) LHBs (Powys, HD and AB) to agree deadline for the establishment of community teams in those areas currently without provision. <b>(agreed structure of teams and plan for recruitment be in place by July 2014)</b></p> <p>(ii) LHBs to confirm that joint working pathways exist, which clarify roles and responsibilities between CAMHS and Adult Services for the provision of crisis/out of hours provision. <b>(by November 2014 in line with 2(iv))</b></p> <p>(iii) LHBs to confirm detail of on-call rota system in place to ensure a crisis response from CAMHS is available at all times, including contingency provision to ensure service is not affected by absences or sickness issues. <b>(by November 2014 in line with 2(iv))</b></p> <p>(iv) DU to implement a national process and system that informs on the numbers and outcomes of CYP who present in crisis. To evaluate any learning from the information collected. <b>(from November 2014 onwards)</b></p>	WHSSC + LHBs  LHBs  LHBs + JP  DU	1	<p>(v) Convene expert group as task and finish group to produce crisis guidance which ensures:</p> <ul style="list-style-type: none"> <li>• CAMHS work with all potential referrers and other local CAMHS, to ensure appropriate requests for a crisis response are received</li> <li>• Details the advice and support from CAMHS to frontline referring services</li> <li>• CAMHS disseminate clear referral criteria to all relevant referring services (including frontline services) for eliciting a crisis response</li> <li>• Referral procedures specify what action is to be taken for children and young people in need of a crisis response, taking account of whether: <ul style="list-style-type: none"> <li>○ They are known to CAMHS (e.g. young person's care co-ordinator is quickly identified and contacted);</li> <li>○ They are <i>not known</i> to CAMHS, but present in a crisis and require an urgent mental health assessment</li> </ul> </li> </ul> <p><b>(by September 2014)</b></p>	DW/SH

<p><b>5. DBS checks</b></p> <p><u>Risk</u> R/S 2 P 2 4 L x5 Score 20</p>	No				4	<p>(i) <b>From HIW/WAO report</b> 'Welsh Government sets a deadline for health boards to arrange DBS checks on all staff working in CAMHS, and requires that the checks are updated at least every three years'. Write seeking assurance from LHBs that this will be actioned by August 2014. <b>(by January 2014)</b></p>	JL
<p><b>6. Information sharing across health and also with other organisations</b></p> <p><u>Risk</u> R/S 3 P 1 4 L x4 Score 16</p>	No	2	<p>(i) BCU to provide evaluation of progress, effectiveness of implementation of information sharing protocol, ensuring:</p> <ul style="list-style-type: none"> <li>protocol is in line with latest version of WASPI Accord, Information Sharing Protocols (ISPs) and Data Disclosure Agreements.</li> <li>review of existing ISPs (e.g. Children with Additional Needs: Community Development Team - Aged 0 – 4) where Health are engaged</li> </ul> <p><b>(by June 2014)</b></p>	BCUHB + PC	2	<p>(iv) Issue with relationships and links between CAMHS and Schools Based Counselling. Works well in some areas, not so well in others.</p> <ul style="list-style-type: none"> <li>Scope good practice where it exists and develop guidance for practitioners</li> <li>Ensure agreement in place between SBC and CAMHS to promote consistency of provision (ensure these are linked to wider info sharing protocols, or other appropriate protocols/agreements).</li> </ul> <p><b>(by December 2014)</b></p>	JL
		2	<p>(ii) Following BCU evaluation all LHBs to adopt protocol and implementation in their areas. <b>(by September 2014)</b></p>	LHBs + PC	4	<p>(v) <b>From HIW/WAO report</b> 'Welsh Government agrees with health boards systems for routine monitoring to check, at least annually, on compliance by service provider staff with their safeguarding and information sharing responsibilities, and with the all Wales 'was not brought' protocol'. Welsh Government to ensure routine (annual) reporting by all LHBs to the CYPFDAG <b>(first such report by November 2014)</b></p>	JL
	No	4	<p>(i) DU to review whether HBs are adhering to WG Guidance on DNAs for CYP. To evaluate any</p>	DU	4	<p>(iii) <b>From HIW/WAO report</b> 'Welsh Government agrees with health boards systems for routine</p>	JL

<p>practices (DNA)</p> <p>Risk R/S 2 P 2 4 L x2 Score 8</p>		4	<p>learning from the information collected. <b>(by August 2014)</b></p> <p>(ii) <b>From HIW/WAO report</b> 'Welsh Government agrees with health boards systems for routine monitoring to check, at least annually, on compliance by service provider staff with their safeguarding and information sharing responsibilities, and with the all Wales 'was not brought protocol'. WHSSC to consider HR implications and develop plan to address recommendation <b>(plan developed by September 2014)</b> and report to CYPFDAG annually on progress <b>(see 7(iii))</b></p>	WHSSC		<p>monitoring to check, at least annually, on compliance by service provider staff with their safeguarding and information sharing responsibilities, and with the all Wales 'was not brought' protocol'. Welsh Government to ensure routine (annual) reporting by all LHBs to the CYPFDAG <b>(first such report by November 2014)</b></p>	
<p>8a. Waiting times (16 weeks significant variation)</p> <p>Risk R/S 1 P 4 5 L x4 Score 20</p>	No	1	<p>(i) LHBs to review and explain the underlying causes of excessive waiting times (i.e. do they relate to repeat DNA rates). <b>(by May 2014)</b> Linked to this LHBs to review pathways to ensure these are operating correctly, where the blockages in the system are arising. Work with LHBs with good waiting times to benchmark process and share good practice in waiting list management. <b>(by May 2014)</b></p> <p>(ii) LHBs to develop a plan to reduce waiting lists to acceptable level and in line with (i) above. <b>(plan by summer 2014, with demonstrable reduction in wait by March 2015)</b></p>	<p>AB &amp; BCUHB + DW</p> <p>AB &amp; BCUHB + DW</p>	1	<p>(iii) Scope need for an escalation policy and greater flexibility in the way we use the totality of CAMHS services similar to a South Wales programme approach, sharing capacity to reduce demand and pressures <b>(by May 2014)</b></p>	DW
<p>8b. Waiting times (need to move to</p>	No	1	<p>(i) Equitable waiting times require effective and efficient joint working of all age sectors of specialist mental health services within health boards, particularly in ensuring out of working hours emergency and crisis support. In some cases</p>	LHBs + DW	1	<p>(ii) Issue guidance to LHBs stating that we expect them to ensure, that the range of mental health services it provides is accessible to all ages when required and appropriate. Waiting times for assessment of emergency, urgent and routine</p>	DW/JP

<p>adult measure targets)</p> <p>Risk</p> <p>R/S 1</p> <p>P 4</p> <p>5</p> <p>L x4</p> <p>Score 20</p>			<p>regional solutions may be required. To achieve this, and ensure CAMHS are able to safely deliver services to those who are at highest risk and most in need, (whilst maintaining an achievable input into prevention and shared work in chronic paediatric conditions such as neurodevelopmental disorders), LHBs need to proactively plan and monitor service priorities, demand and capacity, with agreed pathways (associated with defined capacity) between the services, primary care and partner agencies. LHBs to develop plans and agree implementation dates and report these to the CYPFDAG <b>(by March 2015)</b>, with annual reporting of progress thereafter.</p>			<p>assessment should be the same for patients of all ages. This includes those currently receiving input primarily from Child &amp; Adolescent Mental Health Services. <b>(by April 2014)</b></p>	
<p>Transition to adult services</p> <p>Risk</p> <p>R/S 2</p> <p>P 2</p> <p>4</p> <p>L x4</p> <p>Score 16</p>	<p>Y</p> <p>11.2</p> <p>by Nov</p> <p>2013</p>	<p>2</p>	<p>(i) DU to:</p> <ol style="list-style-type: none"> <li>1. assure the processes that HBs have in place for the transition of CYP to adult mental health services meet WG requirements.</li> <li>2. assure the processes that HBs have in place to meet part 3 of the Mental Health Measure.</li> <li>3. identify the unmet service needs of CYP aged 17 years</li> </ol> <p>evaluate any learning from the information collected.<b>(by August 2014)</b></p>	<p>DU</p>	<p>2</p> <p>5</p>	<p>(ii) Ideological, structural, functional and organisational differences between CAMHS and AMHS produce complex challenges for those involved in negotiating the boundary. CAMHS and adult services differ in their view of diagnostic categories and processes, treatment focus, service organisation, delivery and availability, and in professional training, all of which accentuate the problems at the interface. Convene expert group as joint adult and CAMHS task and finish group to examine issues and closer working relationships between CAMHS/AMHS; effectiveness of LHB transition protocols and pathways; detail of working of local LHB transition forum; and the extent to which CAMHS and Adult services have shared knowledge and skills among staff. <b>(Expert group to consider issues between April and November 2014 and report finding to CYPFDAG in Winter).</b></p> <p>(iii) Review user involvement in planning for their</p>	<p>JF</p> <p>AG</p>

						transition needs; their engagement in developing their transition plan; and for those not transitioning what access to help, advice and further support is available. <b>(by August 2014)</b>	
<b>10.</b> Training (risk management)  Risk R/S 2 P 2 4 L x2 Score 8  Tudalen y pecyn 82	Y 14.2 ongoing	4	(i) LHBs to confirm that risk management training of CAMHS staff is incorporated into LHB training and development plans. Provide details of lead in each CAMHS service and provide details of number of trainers in place to cascade training to staff and numbers of staff trained to date and in what settings. <b>(by November 2014)</b>	LHBs + BB			
		4	(ii) LHBs to confirm that safer mental health services toolkit (developed as part of confidential inquiry into homicide and suicide) has been reviewed for relevance to CAMHS services. <b>(by November 2014)</b>	LHBs			
		3	(iii) DU to assure HBs compliance with WG requirements for risk assessment / risk management of CYP is adhered and progressed further to the national CAMHS audit (2011). To evaluate any learning from the information collected. <b>(by March 2015)</b>	DU			
<b>11.</b> Parc prison in reach, forensic consistency of provision and FACTs and	Y 11.4 ongoing from March 2013  13.7 by Dec 2013	2	(i) Develop MoU/SLA between LHB, G4S and YJB for appropriate in-reach for YOI Parc following receipt of Health Needs Assessment (due March 2014). <b>(by May 2014)</b>	CTLHB + MH/JP	2	(iv) Scope provision in England for similarities within the secure estate against which to benchmark provision. <b>(by August 2014)</b>	JF
		1	(ii) LHBs to detail forensic provision available to each YOT, which details people in post, rather than just post details, with a named lead in each LHB. <b>(by March 2014)</b>	LHBs + MH/JP	2	(v) Establish expert group to consider redesign of forensic services to have integrated community forensic, FACTS and PARC in reach service within CAMHS, and scope need for a specialist planning sub group of the proposed all-Wales CAMHS and ED Planning Group. <b>(Expert group to meet by May</b>	JF/JP/SH



<p>access to CAMHS by YOTs</p> <p>Risk</p> <p>R/S 1</p> <p>P 3</p> <p>4</p> <p>L x5</p> <p>Score 20</p> <p>Tudal</p>		2	<p>(iii) LHBs to enter into formal agreement with the YOTs in their area (with a particular emphasis on the areas covering YOI Parc and Hillside SCH) setting out expectations, referral pathways, etc. Establish a reporting mechanism, with performance monitoring meetings, for monitoring performance data (e.g. each referral by YJB to CAMHS and how effectively it was responded to (speed and appropriateness of CAMHS response)) and what the outcomes were in terms of mental health needs assessed/identified. This can then be reported on an LHB basis to the CYPFDAG annually to inform future service developments for this client group. <b>(agreements to be in place across LHBs by March 2015, with first reports to the CYPFDAG by September 2015)</b></p>	LHBs + MH/JP	2	<p><b>2014 and conclude scoping/produce recommendations by November 2014)</b></p> <p>(vi) Produce draft Mental Health Policy Implementation Guidance for Children and Young People in the Criminal Justice System (which explicitly ensures that no child detained under s135/136 of the MH Act should be denied access to CAMHS) for consultation <b>(by April 2014)</b> and implementation <b>(by June 2014)</b>. Review operation one year from implementation and report outcomes to CYPFDAG <b>(during 2015)</b></p>	MH
<p>Provision for deaf children</p> <p>Risk</p> <p>R/S 1</p> <p>P 1</p> <p>2</p> <p>L x2</p> <p>Score 4</p>	No				1	<p>(i) Convene meeting of LHB Deaf children CAMHS leads and NDCS to build and establish networks. <b>(by March 2014)</b></p>	JL
<p>13. General issues in consistency in service provision</p>	No	3	<p>(i) Ensure clarity of understanding of roles of WHSSC and LHBs and the ongoing development of national planning arrangements, with agreed network arrangements in place and driving improvements and developments within CAMHS and across partners <b>(by April 2014)</b></p>	WHSSC + DW	3	<p>(iii) Expert group to provide guidance on criteria for access to secondary and tertiary CAMHS, as still too many of the wrong children being seen <b>(by December 2014)</b> and ask LHBs to produce action plan to move services to compliance with guidance, matched with resource, accessible to all who have the need and ensuring those that are seen receive</p>	LR/SH

across Wales		3	(ii) Du to assess HB systems and processes to meet the governance requirements for the commissioning and delivery of CAMHS. To evaluate any learning from the information collected. <b>(by September 2014)</b>	DU		safe, effective services from appropriately trained staff. <b>(by June 2015)</b>	
<u>Risk</u>							
R/S 1							
P 1							
2							
L x2							
Score 4							

# Monitoring Outcomes through a Service User Lens

## Summary Report on Piloting

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### Executive Summary

*Outcomes from a Service User Lens* is a priority project for delivery in the 2012 Welsh Government *Together for Mental Health* (T4MH) strategy and is part of the first phase of the development of a National Mental Health Core Data Set to commence implementation in September 2014. The challenge is to evidence whether the strategy is delivering improved outcomes for people who use mental health services.

Robust outcome evaluation requires multiple assessments of change over time (e.g. improvement, stability or deterioration) using a range of different survey tools, ideally with professional/therapist rated assessments, triangulated with service user/carer self assessments. The latter is the focus of *Outcomes from a Service User Lens*, the aim of the project being to establish an easy to use, reliable method to routinely gather the views of service user and carers of the extent to which the goals they set in their care and treatment planning are being met. Following wide consultation with stakeholders, initiated by service user/carer groups and third sector agencies<sup>1</sup>, it was agreed to pilot methodologies using Goal Attainment Scaling (GAS) and Goal Based Outcomes (GBO's). These are evidence based and validated methodologies that have received psychometric evaluation.

This report summarises the learning from piloting throughout 2013-14 which has involved over 500 service users in 21 mental health service settings (e.g. community teams, inpatient wards, supported accommodation units) across 6 Health Boards, 15 Local Authority's and two voluntary agencies. All age groups have been involved in the piloting, excluding very young people.

Piloting indicates that the survey tools are easy to use, positively evaluated by the vast majority of service users as well as most staff who have been involved and the approach can be fairly easily and effectively integrated with Care and Treatment Planning processes required under the Mental Health (Wales) Measure. The tools do not, however, suit all service settings (e.g. people in crisis; people with impaired cognitive ability) or all available treatment options, being particularly suited to the Care and Treatment Planning (and review) process itself and also therapeutic modalities where goals, and the monitoring of goals, are built into the process or intervention themselves, e.g. Cognitive Behavioural Therapy (CBT), Cognitive Analytic Therapy (CAT), and Solution Focused

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<sup>1</sup> Members of the Wales Alliance for Mental Health (WAMH) and Mental Health Action Wales (MHAW).

therapies. A flexible approach to national implementation is advised, with an ‘impact assessment’ which is to commence later in 2014.

This report concludes with a summary of the next steps, including the development and piloting of therapist rated assessment tools drawing on learning from their use in specialist services for Eating Disorders and First Episode Psychosis.

### **National Policy Context**

The Welsh Government 2012 *Together for Mental Health* (T4MH) strategy states the need to ‘evaluate individual service user outcomes’ from a service user perspective and in doing so play a part in ‘measuring the wider effectiveness, quality and outcomes of services’. This is Delivery Plan Key Action 19.2 that states:-

- Welsh Government to work with the third sector, NHS and Local Authorities to develop a set of outcome indicators from a service user lens by Dec 2013.
- Indicators to be tested through selected pilot sites across all ages in 2013 for roll out in 2014.

Care and Treatment Plans (CTP) provide a suitable foundation on which to build monitoring of life outcomes for people using secondary care services the following reasons:

- There is a legal requirement under the Mental Health (Wales) Measure to plan outcomes across one to eight life areas as part of co-producing a Care & Treatment Plan<sup>2</sup> and to review the CTPs at least every 12 months<sup>3</sup>.
- For many service users, CTPs will be reviewed more frequently (e.g. every 6 months) and it is expected that every service user will have at least a single CTP review (at discharge).
- The Lincoln University guidance<sup>4</sup> states that CTP outcomes should be ‘specific, measurable and achievable, realistic and timely’ (SMART). Outcomes set in accordance with these principles should provide a suitable basis for service users’ self-assessment of progress, or change over time, or in the case of people with chronic conditions, attainment of stability or quality of life.

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<sup>2</sup> Part 2 of the *Mental Health Measure 2010*

<sup>3</sup> Part 7 of the *Mental Health (Care Co-ordination and Care and Treatment Planning) Regulations 2011*

<sup>4</sup> [Core Unit 4](#) of *Excellence in care and treatment planning* (the Lincoln guidance) describes this process in greater detail.

In short, Care and Treatment Planning should already provide a process of SMART outcome setting and review that lends itself readily to a service user self-assessment of those outcomes. The *Outcomes from a Service User Lens* project has sought to establish a simple, but effective way of doing this that is (i) suitable across all age groups and conditions, both acute care and long term chronic conditions, and (ii) easy to use, collate and analyse without generating lots of paperwork and administration. Thus, the aim of the project is to enable service users to monitor and report their perception of the achievement of outcomes agreed in their care and treatment in a way that:-

- Builds on and complements Care and Treatment Plans (CTP) under Part 2 of the Mental Health (Wales) Measure with its focus on the co-production of SMART ‘outcomes’.
- Uses an evidenced based, validated survey methodology that is easy to implement, analyse and interpret from the perspective of both the service user/carer and practitioner.
- Allows for comparison between service user self assessments and practitioner/therapist rated assessments so as to enable the future development of a robust system of outcome evaluation.

### **Monitoring Outcomes**

Welsh Government strategy *‘Together for Mental Health’* is focused on outcomes. The key question is whether the strategy is delivering improved outcomes for people who use mental health services and also for the wider population in terms of improved mental health and wellbeing. This is ambitious as outcome evaluation is poorly developed in mental health services across the globe. This partly explains the current reliance on ‘process’ evaluation – on data measures to capture service usage, activity, capacity, etc. These are measures that go to service ‘performance’, but do not tell us whether the service itself, or intervention, is having the desired or intended effect.

The gold standard for outcome evaluation is randomised, controlled trials (RCT’s) which are ‘double blind’.<sup>5</sup> RCT’s are routinely undertaken on prescribed medications and for other types of treatment interventions, such as psychological therapies, and the evidence is profiled in NICE Guidelines. However, whilst RCT’s are considered ethical where the benefits of a treatment or intervention are unknown or unproven, it is unethical to use such methodology in the context of the general

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<sup>5</sup> Where an experimental treatment or intervention is tested on a suitable sample of people who are randomly allocated to either the ‘treatment group’ who receive the experimental treatment, or to a ‘control group’ who received no treatment (a [placebo-controlled study](#)) or a previously tested treatment (a [positive-control study](#)). It is ‘double blind’ if neither the provider of the treatment, nor the recipient, know who is in the ‘treatment’ or the ‘control’ group.

provision of health or mental health given the obligation of service providers to help people in need and the rights of people to make choices regarding their care.

For these and other reasons, routine outcome evaluation of health and mental health services focuses largely on monitoring change in a person's status or condition over time, using repeat test assessments. There are many survey tools used for this purpose in mental health services. For example, 69 survey tools were selected for the 2008 NIMHE *'Outcomes Compendium'* from an expert review of 188 tools – selected on the basis of the evidence for their validity, reliability and quality. Some are general assessment tools designed for repeat test assessment of change over time, such as the Health of the Nation Outcome Scale (HONOS) or the Child Global Assessment Scale (CGAS). Others are for assessment of specific clinical conditions, usually as an aid to diagnosis – e.g. Beck Depression Inventory or the Obsessive Compulsive Inventory. Each tool has its strengths and weaknesses and its advocates and opponents. There is no consensus, except that robust outcome evaluation requires multiple assessments using a range of different tools, ideally with both professional/therapist rated assessments, triangulated with service user/carer self assessments. This is the intended direction of travel in the development of the Wales Mental Health Core Data Set (MHCDS) and the plan is to move stepwise towards it.

The selection of tools for assessing outcomes within the MHCDS is, therefore, being approached with wide consultation with stakeholders, starting with the views of service users themselves and the priority within the *Together for Mental Health Strategy* for the setting and monitoring of *'outcomes from a service user lens'*. This priority was established by Welsh Government in response to consultation on the Strategy and the Mental Health (Wales) Measure, where third sector and service user groups asked that service users be enabled to monitor and report their perception of the achievement of outcomes agreed in Care and Treatment Plans (CTP) under Part 2 of the Measure. To this end, the Public Health Wales 1000Lives Improvement Service, the third sector and service user groups have consulted widely and agreed to pilot methodologies using Goal Attainment Scaling (GAS) and Goal Based Outcomes (GBO's).

These are established and validated methodologies that have received psychometric evaluation. *Goal Attainment Scaling* (GAS) was originally developed for use in the evaluation of different community mental health programmes ([Kiresuk & Sherman, 1968](#))<sup>6</sup> but has since been applied across a broad variety of health and social care settings. In order to simplify the process of

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<sup>6</sup> Kiresuk, T.J., Sherman, M.R.E. (1968) Goal attainment scaling: A general method for evaluating comprehensive community mental health programs, *Community Mental Health*, 4(6), 443-453. Also Kiresuk, T.J., Smith, A., Cardillo, J.E. (2014) *Goal attainment scaling: Applications, theory and measurement* .

measuring attainment, the *GAS-light* approach has been adapted as described by [Turner-Stokes \(2009\)](#).<sup>7</sup> The GBO is already in use in CORC, the CAMHS Outcome Research Consortium. (Ref Duncan Law 'Goals and Goal Based Outcomes', Sept 2011).<sup>8</sup> They are a way to evaluate progress towards a goal in clinical work with service users, and their families and carers. They simply compare how far a person feels they have moved towards reaching a goal they set at the beginning of an intervention, compared to where they are at the end of an intervention (or after some specified period of input).

The goals should be those that the service user (and/or their family/carers) themselves want to reach from coming to a particular service – not the goals a clinician or practitioner might wish to see them achieve, although along with the co-production of CTP's there is often need for some negotiation. As such, it gives a different perspective to clinical outcome measures and can measure different sorts of change that might not always be captured using only behavioural or symptom based outcome measures. Note that goals are, by their nature, varied and subjective - what is important to measure is the amount of movement towards a goal and not the goal itself.

### **Piloting the GAS & GBO**

The GAS and GBO have been piloted during 2013-14 across the range of secondary care mental health services for children and young people, working age and older adults. The pilots involved over 500 service users and/or their family/carers from 6 of the Health Boards and 15 of the 22 Local Authorities. One voluntary agency (Hafal, Housing Support Services) was also involved in piloting, plus ongoing input and advice from the Mental Health Foundation who use the GAS in routine evaluation of a range of services.

The GBO was selected for piloting in services for children and young people by the CAMHS National Expert Reference Group (NERG)<sup>9</sup>, largely on the basis of its current use in CORC for both Specialist CAMHS and local primary CAMHS services with the advantage of using a pre-existing set of forms and guidance designed specifically for CAMHS and validated and tested for reliability in this service setting. The GBO was also selected for piloting in a limited number of adult service sites. The GAS was preferred for piloting in services for all adults and was selected for this purpose at national meetings of the Mental Health Clinical Leaders Group, General Managers Group and at national workshops with service user, carer and third sector agencies. The selection of the GAS was informed

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<sup>7</sup> Turner-Stokes, L. (2009) Goal attainment scaling (GAS) in rehabilitation: a practical guide, *Clinical Rehabilitation*, 23 (4), 362-370

<sup>8</sup> Law, D. (2006) Goal Based Outcomes (GBOs): *Some Useful Information*. Internal CORC publication; CORC (CAMHS Outcomes Research Consortium). (2011a) CORC Measures. CORC (CAMHS Outcomes Research Consortium). (2011b) CORC Protocol. Available at: [www.corc.uk.net](http://www.corc.uk.net)

<sup>9</sup> At the last meeting of the CAMHS NERG in January 2013.

largely on the basis of its ease of use and the strength of the evidence base for this methodology. The pilot versions of both tools are attached. Note that small amendments have been made to these using the feedback from piloting and the final version of the tools for impact assessment from September 2014 will be similar, but not identical. Note that there are versions of the GBO suitable for younger children that were not subject to piloting, but are already routinely used in CORC.<sup>10</sup>

The pilot sites were not meant to be representative, but inclusive of the main service settings across all age groups, excluding very young people. Some 25 service sites were initially identified for piloting by General Managers and Clinical Leaders Groups, of which 21 participated (summarised in Annex 1), providing a range across community mental health teams, acute and continuing care inpatient wards, low secure and rehabilitation services, supported accommodation houses, etc. The sites ranged from small time-limited pilots, such as over 10 weeks involving 10 inpatients of an Older Persons' Psychiatric Ward in Hywel Dda Health Board, to a very large scale pilot involving over 200 service users across four services (adult CMHT and Assertive Outreach Team, and older adult CMHT and inpatient ward) in Cwm Taf Health Board. The latter integrated the GAS pro-forma into the Swift information technology system (electronic patient record system) and the pilot was undertaken alongside monitoring and evaluation of service users experience and satisfaction with Care and Treatment Planning. Some pilots involved members of the multi-disciplinary team across a whole service division, such as in the Abertawe Bro Morgannwg Health Board Rehabilitation services. Others involved clinicians from a single speciality, such as Clinical Psychologists in Aneurin Bevan Health Board CAMHS.

Feedback from the pilots was by way of written report and/or interviews, facilitated regional workshops and focus groups with staff and/or service users. Coordination and monitoring of the pilots was led by PHW 1000Lives Improvement, with support for the pilots in CAMHS from Dr Rhiannon Cobner, Lead for Psychological Therapies, Aneurin Bevan Health Board.

In addition to testing if the approach worked, the feedback specifically sought information on how to improve the tools and support roll out nationally with a focus on:-

- How service users felt about the approach, including their sense of ownership of the monitoring and the goals.
- How professionals felt about the approach, including any added burden of the process, with their recommendations and advice on 'how to' and 'how not to' best use it.

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<sup>10</sup>Braille and large print copies of the tools will also be produced for people who are visually impaired.



- Baseline processes for analyzing data returns and meaningfully presenting data to a range of different stakeholders.

### Learning from the pilots

Overall, the feedback from the pilots indicate that the survey tools are easy to use, quick to implement, positively evaluated by the vast majority of service users as well as most staff involved in piloting and can be easily and effectively integrated with Care and Treatment Planning processes required under the Mental Health (Wales) Measure. Indeed, many service users reported positively valuing the opportunity to identify their most important CTP goal/s and monitor themselves in their 'achievement', not least people whose goal concerned maintaining their current status or 'stability', e.g. with goals relating to maintenance of their quality of life such as by continuing to live independently at home. Only a small minority of service users declined to participate in the survey, averaging 5% across the pilots where these data were routinely recorded, but with a range up to 14% in some pilot sites, mainly inpatient services for people in crisis or detained under the Mental Health Act.

In terms of its practical application, the following consensus feedback from one staff team is illustrative and typical of the feedback from the pilot sites:-

*"Comments regarding the advantages of the tool are as follows:-*

- *Quick to implement*
- *Not daunting for service users*
- *Simple to use*
- *One sheet therefore service users are not presented with lots of paperwork*
- *A good way of generating discussion; assists in engaging service users*
- *It captures the service users voice*
- *Good visual tool – one services user reported that they liked the tool as they were able to identify with what was on the tool itself*
- *It keeps the focus on the desired goals of the service user and not necessarily that of the health care professional or service*
- *Empowering, the service user can keep ownership of the tool and could be used by the service user during their Care plan review, Care and Treatment Plan meeting or to present it in Ward Rounds*
- *It helps to highlight deficits in the service*
- *Data collection, to assess if we are meeting service user needs."*

Comments regarding disadvantages:-

- *“As with any pilot, and due to service user’s levels of engagement, some participants would decline involvement in this process.*
- *Staff perception of the document on the whole, was that of a positive one, as noted above. However, a staff member did report that they felt the tool was too simplistic and that the comprehensive documentation that is currently being used within their specialised area (the Recovery Star) was of greater value, during their reviews with the service users.*
- *Levels of motivation and engagement by staff members are varied and it was felt by the link people that this was reflected in the participation rate and who did engage.”*

Staff/clinician engagement is clearly a major factor and the focus of staff concerns was less about the practicalities of using the tools, than on the ‘appropriateness’ of their use in specific circumstances where ‘goal setting’ and/or monitoring are considered neither practicable nor useful, or worse, to be ‘contra-indicated’ in the therapeutic relationship between practitioner and client – e.g. with the potential to change or negatively impact on therapeutic practice. Indeed, in one atypical pilot, only 15% of people using the service were involved in the pilot, the vast majority being considered by staff as inappropriate for inclusion for various reasons. Thus, the pilots indicate that the tools do not suit all service settings (e.g. people in crisis; people with impaired cognitive ability, people with Autistic Spectrum Disorder and Attention Deficit Disorders) and do not suit all available treatment options, being particularly suited to the Care and Treatment Planning (and review) process itself and also therapeutic modalities where goals, and the monitoring of goals, are built into the process or intervention themselves, e.g. Cognitive Behavioural Therapy (CBT), Cognitive Analytic Therapy (CAT), and Solution Focused therapies.

The key learning from piloting is that the GBO and GAS have been found easy and quick to use as part of CTP where services have received training, supervision and support to facilitate clinicians to develop the skills for developing appropriate, realistic goals with service users, carers/families as part of the delivery of Mental Health Wales Measure CTP. Indeed, the tools should be suitable for any therapeutic process that starts with a joint understanding of what the goals of the intervention are (the destination) before the therapy (the vehicle to get you there) begins, although it is noted above that there are circumstances, therapeutic interactions and relationships where clinicians will consider it inappropriate to use goal setting and monitoring. Future implementation will obviously require flexibility for clinicians to use the tools and approach as they deem appropriate.

### **Data analysis**

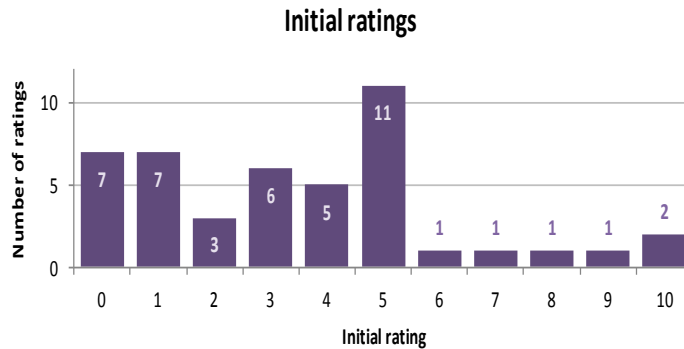
Over 500 service users were involved in the pilots and the collated data analysis indicates that the most important goal/s (at initial assessment -time 1) tended to focus on the following ‘life areas’ in

descending order of importance (on a basic frequency count):- Accommodation; Work & Occupation; Education and Training; Personal Care & Physical Wellbeing. The latter was the most frequent/important goal for older people, alongside the goal 'to return to my own home' for people in inpatient care. These data, of course, reflect a bias of sampling in that the pilot sites included mostly adult (working age services) and many rehabilitation and supported accommodation services, but they begin to illustrate the potential value of using the data (at clinician or service/team level, as well as locally and nationally) to consider service users' own perceptions of what is most important among the 8 'life areas' of the CTP, as well as the use of the data in clinical supervision and service audit. For example, in focus groups with service users involved in the pilots, a small number reported that their 'most important' goal had not been included in their CTP until they had identified it when first using the GAS. These and other data suggest that the *'Outcomes from a Service User Lens'* project may help support and drive the delivery of Care & Treatment Planning with effective co-production of treatment goals and their monitoring.

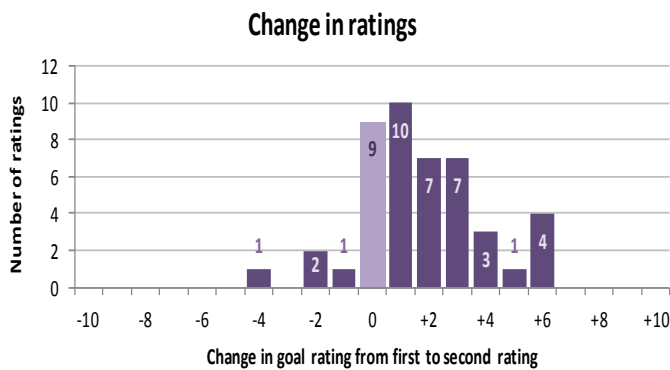
Of more interest are the data from repeat testing (at time 2) from service user self assessment of change over time. The following data from one of the pilot sites is illustrative of the type of collated data analysis possible, in this example using the GBO with young people. The first table below shows their initial rating, for comparison with the second table showing that the majority of the young people reported positive change. Many of the pilots reported similarly positive data.

Of course, these data offer only a partial insight into service 'outcome' evaluation and reinforce the need to develop comparable 'therapist' rated assessment tools to enable us to triangulate the different measures, including other existing data.

## Initial Ratings



## Change in ratings



### Next steps

A flexible approach to national implementation is advised, with an 'impact assessment' which is to commence later in 2014 as part of the wider testing of the first phase the Mental Health Core Data Set. The immediate issue for the development of the MHCDS is to test the capacity and capability of Mental Health Service Information Technology systems, such as to effectively manage the routine data from CTP, including these data from the 'Outcome from s Service User Lens'. This is a priority for all Health Board Informatics Departments.

Additional piloting in Local Primary Mental Health Services is also planned, the tools being considered suitable for people who receive time-limited interventions - where there is an ongoing therapeutic process, not just a one-off intervention.

Learning from piloting of the *'Outcome Lens'* has been recorded to inform the production of guidance on methods for roll out and the training implications. A *'How to Guide'* is now in preparation to support baseline training for further testing and implementation of these tools after summer. The Guide will reinforce the need for flexibility in the use of the GBO and GAS, with practical advice to clinicians to use their judgement on when to introduce the tools; when to review; how to help identify realistic and achievable goals and how to manage *'changing'* goals, etc.

Assuming effective implementation of *'Outcomes for a Service User Lens'* which will require clinician engagement and ownership, the next priority is to develop comparable *'clinician/therapist'* rated assessment tools. This is a challenge of a different order as there no agreement among clinicians or different professional groups as to the most appropriate assessment tool/s to use nationally. Progress has been made with CAMHS, but an agreement to a limited range of tools reached in 2013 lost momentum and ownership with the dissolution of the CAMHS NERG. However, progress is being made in specialist service areas, with agreement to standardise nationally on a small number of service user and clinician/therapist rated assessment tools for outcome monitoring and evaluation of services for Eating Disorders and First Episode Psychosis. These evaluations are currently ongoing as part of the impact evaluation of the 1000Lives *'intelligent targets'* for these services.

Finally, it is noted that the GBO or GAS were piloted in services for people with a Learning Disability and were only partially successful, with some major limitations. PHW is, therefore, currently supporting a pilot evaluation (in ABUHB) of the NDTi Health Equalities Framework (HEF) as the preferred approach to outcome evaluation in Learning Disability services.

## **ANNEX 1 - Pilot sites**

A number of the pilot 'sites' incorporate a number of different discrete services across a range of localities.

### **Older People's Mental Health – GAS pilots**

1. HDUHB – Inpatient ward. With this client group the ability to highlight their own needs is often severely compromised and it was therefore agreed that families, Carers and Community Practice Nurse (CPNs) would need to contribute to identifying the patient's wishes.
2. CTUHB – Older Person's inpatient ward
3. CTUHB Community Mental Health Teams

### **Adult Mental Health – GAS pilots - some GBO pilots**

ABMUHB – Rehabilitation services – Piloting alongside 'The Recovery Star'

4. Locked ward
5. Low Secure ward
6. Women's Rehab ward
7. Mixed rehab ward
8. Mixed community Rehab unit
9. Step down house 1
10. Step down House 2
11. Criminal Justice Liaison Service.

CTUHB

12. Community Mental Health Team
13. Assertive Outreach Team.
  
14. C&VUHB – Community Mental Health Team
15. Voluntary sector – Mental health Foundation
16. Voluntary sector – Hafal Housing Support/recovery services

**CAMHS** – GBO pilots with young people and not the 'child friendly' version for very young people.

17. ABUHB – Pilot project registered with R&D Dept and undertaken as formal evaluation involving staff in Clinical Psychology dept (Child & Clinical Psychologists, Systemic Family Therapists) with small numbers of young people whom they expected to at least see twice during 6 week period, with administration of GBO at two or more time points. Practitioner and service user feedback collected at time point 2 on their experience of using the GBO.

18. CTUHB – Commenced pilot using ABUHB methodology, but feedback workshop undertaken before time point 2.
19. HDUHB - Commenced pilot using ABUHB methodology, but feedback workshop undertaken before time point 2.

**Learning Disability – GAS pilots**

20. BCUHB Community Learning Disability Team
21. ABUHB Community Learning Disability Team

# Eitem 5.4

Y Pwyllgor Deisebau  
Petitions Committee

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



Ann Jones  
Chair of the Children and Young People  
Committee  
Welsh Government  
Tŷ Hywel  
Cardiff Bay  
CF99 1NA

Bae Caerdydd / Cardiff Bay  
Caerdydd / Cardiff  
CF99 1NA

Our ref: P-04-408

September 2014

Dear 

The Petitions Committee is currently considering the following petition:

## **Petition: P-04-408 Child and Adolescent Eating Disorder Service**

*We call on the National Assembly for Wales to urge the Welsh Government to fund the Child and Adolescent Eating Disorder Service in Wales to the same degree as the Adult Eating Disorder Service in Wales.*

*It has come to my attention that there is a disparity in funding between Adult Services and Child and Adolescent Services as regards funding for Eating Disorder Treatment. At the present time Adult Eating Disorder Services receive £1 million per year from the Welsh Assembly, as well as 4 specialist trained provider groups.*

*Sadly research points to the fact that Eating Disorders, especially Anorexia Nervosa, are predominantly first experienced around puberty. Historically puberty was around 12-15, however, puberty is becoming younger and therefore statistics are beginning to show the prevalence of Anorexia Nervosa starting at younger ages is apparent. Bulimia Nervosa is generally a disease with an onset age of 18-25, however as with Anorexia this may differ from person to person. The fact that in both disorders, and indeed all diagnosable Eating Disorders, early intervention is the key to a quick recovery, therefore preventing long term financial implications for the WAG, makes this plea more pertinent.*

Bae Caerdydd / Cardiff Bay  
Caerdydd / Cardiff  
CF99 1NA

Ffôn / Tel: 029 2089 8242  
E-bost / Email: [Stephen.George@wales.gov.uk](mailto:Stephen.George@wales.gov.uk)



*I therefore implore the Assembly to consider this a priority for debate and to mend this disparity by giving equal finances and services to the Child and Adolescent Eating Disorder service in Wales as already given to Adult EDS.'*

Further information relating to the Committee's consideration of the petition can be found via the following link:

<http://www.senedd.assemblywales.org/ielIssueDetails.aspx?IId=4197&Opt=3>

At our meeting on 1 July the Committee considered the attached correspondence from the Minister for Health and Social Services and the petitioner.

It was noted that the Children, Young People and Education Committee are currently undertaking an inquiry into Child and Adolescent Mental Health Services. Therefore we agreed to highlight the petition to your Committee and ask whether the issues can be looked at as part of the inquiry.

Yours sincerely



**William Powell AC / AM**  
Cadeirydd / Chair

*(Please respond to the Committee Clerk at: [Stephen.George@wales.gov.uk](mailto:Stephen.George@wales.gov.uk))*

Enclosure: Correspondence from the Minister for Health and Social Services dated 11 June.

Mark Drakeford AC / AM  
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol  
Minister for Health and Social Services



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MD/02252/14

William Powell AM  
Chair  
Petitions Committee

[Stephen.George@wales.gov.uk](mailto:Stephen.George@wales.gov.uk)

11 June 2014

*Dear William,*

Thank you for your recent letter on behalf of the Petitions Committee regarding Petition P-04-408 about Child and Adolescent Eating Disorder Services (CAMHS ED).

When I made the announcement of additional funding for CAMHS ED services in October 2013, I was clear that this was specifically to improve ED services in south Wales and this is still the case. I made this announcement for south Wales, as the north Wales CAMHS unit already has experience and over capacity of provision, per head of the population. I also undertook to consider the wider needs of all-Wales following evaluation of activity in south Wales. Nevertheless, north Wales will benefit from the training being delivered by the funding; north Wales is also covering north Powys, while southern Powys is provided for from south Wales.

The funding is intended to provide dedicated specialist staff with experience in ED treatment, enhanced ED training for existing CAMHS staff and enable community outreach clinics to be expanded in south east and west Wales and also southern Powys. Local Health Boards are now progressing this and a dedicated training package has been developed in association with the South London and Maudsley NHS Foundation Trust, the exemplar Eating Disorder Service in the country.

Recruitment is also progressing and, until the posts have been filled substantively, the Welsh Health Specialised Services Committee (WHSSC) have appointed a part time locum CAMHS Consultant Child and Adolescent Psychiatrist and Senior Nurse who began working from 1 June. Both the locum staff have a significant amount of experience in this field. The Consultant will be working one session per week in June and July and two per week from August. The Senior Nurse will provide two sessions a week. These sessions are in addition to the ones being provided into the existing Eating Disorder clinic at Ty Llidiard.

I have been clear from the outset that the funding is intended to ensure that more young people can be repatriated to Wales instead of being sent out of area. The savings on these out of area placements then being reinvested back into general provision CAMHS in Wales, instead of funding CAMHS services elsewhere in the UK.

Bae Caerdydd • Cardiff Bay  
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Llinell Ymholiadau Cymraeg 0845 010 4400  
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With regard to the comments about providing a state of the art facility for children with ED, this already exists in the two CAMHS inpatient facilities we have invested over £42m in at Abergele and Bridgend. A key priority of mine is to ensure these expensive resources are fully utilised and occupancy levels are increased, though this should be coupled with more community provision, as I believe hospitalisation should be the last resort. This is why the funding will also expand community clinics, these working in association with the expansion of Local Primary Mental Health Support Services, which have been created with £3.5m of Welsh Government funding as part of our Mental Health (Wales) Measure to ensure services are delivered as locally as possible.

I have previously stated that ED has always comprised a significant proportion of the CAMHS caseload, with, at any given time, around 40% of the inpatients in the south Wales Unit being there as a result of ED. Figures provided to me by WHSSC to inform the discussion we had in the Committee last October showed that during 2012-13 11 of 36 out of area placements were for an ED. These will have been for a variety of reasons, including the need for very highly specialised treatment only available at a handful of clinics in the UK, a lack of capacity within Wales, and risk factors.

I hope this is helpful.

*Best wishes,*

*Mark*

**Mark Drakeford AC / AM**

Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol  
Minister for Health and Social Services

# Eitem 7

Mae cyfyngiadau ar y ddogfen hon