

Y Pwyllgor Plant a Phobl Ifanc  
Children and Young People Committee

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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Deputy Minister for Social Services

29 October 2013

Dear Ministers

**Welsh Government draft budget 2014-15**

Thank you for attending Committee on 16 October 2013 to discuss the Welsh Government's draft budget for 2014-15. Our scrutiny concentrated on matters affecting our Committee portfolio, the main conclusions of which are outlined in the Annex to this letter and will be published on our website. This letter will also be shared with the Finance Committee with a view to aiding its overarching scrutiny of the draft budget.

We have sought to label our key issues in accordance with the four principles of good financial scrutiny: affordability, prioritisation, value for money and budget process.

Yours sincerely

**Ann Jones AC / AM**  
Cadeirydd / Chair

## **Budget Process**

### ***General***

1. The Committee feels that it is difficult to scrutinise the **spending** allocations for health and social services spend in relation to children and young people due to the fact that the Government is not able to provide detailed information. We recognise that the expenditure is a matter for Local Health Boards and intend on holding discussions with them in advance of next year's budget process.

### ***NHS Expenditure on services for children and young people***

2. While we accept the principle that it is for Local Health Boards to determine the amount of their discretionary spending they should spend on services for children and young people, and that it would be inappropriate for the Welsh Government to require Local Health Boards to spend specified amounts on services for children and young people, we feel that the Welsh Government should ensure that there are mechanisms in place to ensure that the funding allocations are delivering value for money. Further to this, we would like you to provide the committee with information on the mechanisms you use to, firstly, gain an overview of the provision of services across Wales and, second, to monitor delivery to ensure that all people in Wales are able to access those services.

3. One of the areas where improvements could be made, particularly in the context of value for money, is where there are differences of approach in delivering services across different Health Boards. When asked how the Welsh Government monitors this to ensure value for money, you recognised that "Where spend is directly under the control of the local health board or the national health service, it is relatively easier to make sure that some of that preventative spend is applied across Wales in the way that we would want it to be applied." You went on to recognise that variation in service "comes when you have to negotiate with different local authorities and different third sector organisations sometimes."

4. We recognise that such difficulties can occur, but wish to emphasise the importance of effective working across agencies, particularly in the context of delivering value for money. We therefore request an update from you on the steps you have are taking to address this particular issue.

### ***Reducing Health Inequalities for Children***

5. The Committee notes that there is no stand-alone budget for the implementation of Fairer Health Outcomes for All. In response to a question on how, without a specific budget to reduce health inequalities, it was possible to demonstrate that reduction was being achieved, you said that your focus was on

mainstreaming the issue. An example of this approach working in practice was through vaccinations, because:

“[...] they are probably the single most demonstrated form of health inequality action we have, because they really do reach those children in the community who might suffer more from the types of illnesses that would otherwise be there.”

### ***The Rights of Children***

6. On this issue, the Committee welcomes the confirmation from the Deputy Minister that “we are required to consider the rights of children, and officials are required to consider the impact as they give advice to Ministers, as well as to ensure that they can show Ministers, in giving that advice, that they have also considered these rights. There is no getting away from that fact – it is a requirement and it is the law in Wales”.

7. This Committee has discussed the issue of children’s rights with the Minister for Communities and Tackling Poverty. We were concerned that the budget for children’s rights over the next two financial years will be reduced by 70.1% in real terms. We are concerned about the impact such a significant reduction will have on the Government’s ability to implement the full range of duties under the Rights of Children and Young Persons (Wales) Measure 2011. We would be grateful if the Deputy Minister could provide us with her views on this issue.

### ***Hospice support***

8. We note the reduction in funding for hospice support in the draft budget and seek reassurance from you on the actions you are taking to ensure that children’s hospice support is not affected disproportionately.

### **Value for Money**

#### ***Designed to smile***

9. In relation to monitoring the scheme to ensure value for money, you confirmed that there were two mechanisms in place to monitor the effectiveness of the scheme, one in-house and one being run by Cardiff University. You said that:

“The latest figures show that the oral health of children in Wales has improved by 6%, but they are preliminary findings, and I will get into trouble if I try to put too much weight on them. However, the preliminary findings show that in the Designed to Smile schools, the gain is 17%. If that were the case, in some ways, the scheme is almost like the holy grail of health inequalities, because so many health inequality schemes end up

improving the health of everybody, and the gap between those who most need the health and those who least need it stays stubbornly wide. Designed to Smile looks as though it has succeeded, not simply in improving the oral health of all children, but of the children who need it the most.”

10. The Committee welcomes your comments that initial monitoring indicates that the scheme is having a positive impact. We also welcome the fact that the scheme is being monitored by an external source. However, we note that the findings are not in the public domain as yet and will be published in January. We note that the Public Health Improvement Review suggested that Designed to Smile should be monitored for effectiveness and value for money. We will return to this issue once the initial findings are published and will expect a report from you on the outcome of the evaluation.

## **Prioritisation**

### ***Child and adolescent mental health services***

11. The Committee notes that the total expenditure on CAMHS in 2011-12 was £51.4 million. In relation to variations in services across Wales, and the potential impact that this could have on value for money, you acknowledged that, in levels two and three of the four-tier service, there is some variability. You said that “Achieving consistency can be more of a challenge the more players you have in the field”.

12. In terms of the bringing together of services for children and young people, adults and older people under “Together for Mental Health”, and whether or not this approach provides value for money, you recognised that the question of whether creating age-specific services was appropriate, was something “you always have to think about”. You went on to say that, in this case, on the whole, you felt that the appropriate approach was through an all-age service “with some proper sensitivity to making sure that the age-specific things that people need do get the proper attention”.

13. With specific reference to ADHD, you said that a number of safeguards had been built into the system and that one of these was that, “if medication is to be prescribed, and NICE guidelines say that medication is our first approach, that can only be prescribed by a specialist and can only be re-prescribed by a specialist”. You confirmed that, in the last financial year, £880,000 had been spent on the two drugs that are most often prescribed for young people identified as having ADHD. We would be grateful to receive further information from you on the work the Welsh Government is undertaking, firstly, to monitor the increase in uptake of such medication and, second, to evaluate the causes or reasons for such increases.

14. This committee intends on undertaking an inquiry into CAMHS. As part of that inquiry, we will explore the effectiveness of the Government's early intervention policies; the use of resources across portfolios and expenditure on specialist services, such as ADHD, to ensure the policies are delivering value for money.

### ***Social Services Spend***

15. A member of the Committee highlighted the funding pressures on local government in relation to delivery of social services. In response to a question on how the Welsh Government intended to monitor social services spend, the Deputy Minister said that the prioritisation of services was a matter for local authorities. However, she felt that it was encouraging that, having monitored the previous year's built-in protection for local government, every local authority had spent in excess of that 1% protection on children's services. We will seek a report from the Deputy Minister in due course on the expenditure on children's services as a result of this budget.

### **Affordability**

#### ***Childhood immunisation and screening programmes***

16. You confirmed that £7.6 million had been included in the budget for next year for vaccination and immunisation projects and that the vast bulk of that allocation was for children. In response to a question, you confirmed that you felt that this allocation was sufficient to achieve a number of outcomes for children:

- 95% levels of vaccination in MMR for both courses;
- Vaccination for rotavirus for very young children;
- The flu vaccine for 2 and 3 year olds (to be administered by nasal spray);  
and
- A vaccination programme for meningitis C for children in year 7.

17. The Committee notes that the £7.6million is contained within the Promote Healthy Improvement and Working Action as well as funding provided through annual Local Health Board allocations. However, we note that funding is also provided in the Public Health and Prevention SPA for 'Deliver Targeted Health Protection and Immunisation Activity'. The Committee would like further clarification about the amounts and location within the budget that has been allocated to immunisation and screening.

18. We also note that the allocation of funding for the outcomes listed above is based on a number of assumptions around the costs of vaccines and uptake levels on each vaccination programme. On this basis, we seek further reassurance that the amounts are sufficient and that the outcomes can be delivered on budget.

## ***CAFCASS Cymru***

19. The Committee notes that CAFCASS Cymru's programmes' revenue allocation has been maintained at 2013-14 levels for 2014-15. In response to a question on the improvements the Deputy Minister expected to see as a result of maintain current levels of funding, she said that she felt that there had been an improvement in the work of CAFCASS and that very good working relationships had been developed with CAFCASS Cymru, ADSS and the WLGA to ensure effective joint working. The Deputy Minister referred to the fast-track procedure for courts as a particularly important factor in the system.

20. We would like further reassurance from the Deputy Minister that CAFCASS will be able to deliver its functions effectively, in light of the changes to operational practice and legislation arising from the Family Justice Review.