

EXECUTIVE SUMMARY

The Direct Payments Research and Development Project undertaken by Solva Care and its Partners was intended to test whether the provisions in the Social Services and Well-being (Wales) Act 2014 for local authorities to provide Direct Payments to individuals, to allow them to purchase care and support services independently, would result in improved service delivery and efficiency savings. The model of delivery chosen for investigation was a localised Care Co-operative, with the charity Solva Care providing some, non-personal care services. The Project's location was the village of Solva in west Wales, and the local authority was Pembrokeshire County Council.

Key lessons learned through the research process were as follows:

- The current rate of Direct Payments in Pembrokeshire – and across Wales – is too low to enable carers to switch to working for Care Co-operatives.
- The regulations governing care provision preclude individuals or Care Co-operatives from having enough clients to make a co-operative viable.
- Individuals using Direct Payments become Employers, and many are reluctant to take on such a responsibility and the complex administration required.
- PCC does not currently pay for existing services that are free to communities.
- The current framework conditions for care providers impede Care Co-operatives from getting on them, thereby limiting their market share to clients who only utilise Direct Payments.
- There is a low level of knowledge about Direct Payments and the choices that they offer, among both potential users and Social Workers.
- There is a capacity issue in the care sector generally, with a shortage of carers available to provide the care required for Pembrokeshire residents.

However, there are positive changes happening in Pembrokeshire such as:

- Three posts funded by LEADER and the Integrated Care Fund which will address some of the issues with both the supply of care workers and with the setting up of Care Co-operatives.
- Pembrokeshire County Council liaising with the Care Inspectorate Wales to review the regulatory requirements.
- An increase in the Direct Payment rate for 2019/20.

Therefore, although the Project has not succeeded in facilitating the setting up of a Care Co-operative, Solva Care is now in a better position to assist individuals interested in pursuing the Direct Payment route, and also to support organisations that are aiming to set up Care Co-operatives in the county.

The recommendation of this report is for PCC to consider making changes – for a trial period – on the St Davids Peninsula that would address a number of the barriers identified, and increase the opportunities for a viable Care Co-operative to be set up and to deliver care. This is, however, dependent on:

- an agreement being reached between the Care Inspectorate Wales and Pembrokeshire County Council;
- an increase in the rate of Direct Payments to the United Kingdom Homecare Association (UKHCA)-recommended level of £18.93 per hour;
- altering the eligibility requirements and tendering requirements structure of the care providers framework; and
- making some of Solva Care's services eligible for Direct Payments.

In conclusion, Care Co-operatives – subject to Care Inspectorate Wales regulatory changes and support for the LEADER- and ICF-funded posts – along with an increase in the Direct Payments rate, procurement changes and paying for Solva Care's services could deliver service-delivery changes and possible cost savings for Pembrokeshire County Council.