

This discussion paper has been written by officials of the Welsh Government. Ministers have not had an opportunity to comment on the contents. Exemplifications of changes are provided simply to inform discussion by DSG members. They are not Welsh Government proposals or statements of Government policy for or against changes.

## **Funding of Social Care for Prisoners in the secure estate in Wales – further considerations**

### **Summary**

1. This paper follows on from DSG (2016) Paper 9, which looked at a possible transfer of funding into the Settlement for the provision of care and support to adults and children in the secure estate. This paper focusses more on the current distribution of the funding outside the Settlement as well as the way in which prisoner populations currently affect the distribution of funding through the formula.

### **Views sought**

2. The DSG is asked to note the current distributional issues and to consider the distributional basis of a possible transfer into the Settlement of funding for the provision of care and support to adults and children in the secure estate.

### **Background**

3. Under the Social Services and Well-Being (Wales) Act, from 6 April 2016, Welsh Local Authorities are responsible for the provision of care and support to adults and children in the secure estate in Wales. This is a new statutory duty for Local Authorities and additional funding has been provided by the Welsh Government to meet these duties and to be delivered initially through a hypothecated grant for 2016-17, and possibly 2017-18.
4. Wales currently has four functioning prisons, with HMP Berwyn due to open in Wrexham in February 2017. Local Authorities currently with prisons are Cardiff, Swansea, Bridgend and Monmouth.
5. The allocation of funding to the LAs with existing prisons is as follows:

**Table 1: Proposed Allocation of Specific Grant Funding, 2017-18**

<b>Prison</b>	<b>Ongoing Allocation 2017-18 (£)</b>
Cardiff (Cardiff)	52,855
Parc (Bridgend - Western Bay)	217,448
Swansea (Swansea - Western Bay)	32,629
Usk & Prescoed (Monmouthshire - Gwent Collaborative)	109,068
<b>Total</b>	<b>412,000</b>

6. A further £258,000 is to be allocated for social care at Wrexham prison once that is up to full capacity.

## ***Distribution Sub-Group (2016) Paper 14 – Social Care for Prisoners***

7. DSG members were asked to consider, in DSG (2016) paper 9, whether a partial transfer into the Settlement of funding for the provision of care and support to adults and children in the secure estate was suitable for 2017-18 or whether the full amount should be transferred in the future once the funding for HMP Berwyn in Wrexham is made available and the service is more fully established.
8. The DSG recommended the deferral of any transfer of funding until the full financial implications of these arrangements are established and all funding can be transferred at one time.
9. The DSG queried whether prisoners were included in the population projections data used in the current Settlement calculations and the basis of the underlying distribution of the current specific grant. These points have been covered below.
10. On the distributional basis for transfer, the group was inclined to go with Option C (to transfer in on a phased approach over 2 years) but felt it was important to understand more fully what drives the need to spend in this area before making a decision on the basis of transfer.

### **Analysis**

#### Prisoners in Population Projections

11. In the calculation of the population projections used in the calculation of the Settlement, prisoners are classed as a *special population*, in that they are a sub-set of the population that has a specific age structure which is fairly constant over time.
12. To prevent ageing of these populations, they are removed at the start of each year of the projection; the projections model is applied to the remaining population; and the special populations are added back in at the end of the process for each year of the projection period. Therefore, prisoners are included in the population projections used in the calculation of the Settlement.
13. Around 94% of the UK prison population is aged 18-59, inclusive<sup>1</sup>. [For the remainder of this analysis, we shall focus on this age group and generalise to the Wales prison population when making financial assessments.]
14. Assuming the prison population in Wales is completely within the 18-59 age bracket, the following service Indicator Based Assessments (IBAs) have funding distributed on the prison population (prison populations outside of this age bracket will result in further distributional effects):
  - Road maintenance
  - Street cleansing
  - Refuse disposal
  - Adult and continuing education
  - Electoral registration
  - Council Tax admin
  - Younger adults PSS
  - Concessionary fares
  - Public Transport Revenue Support
  - Road safety
  - Fire service

---

<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/519445/prison-population-31-march-2016.xlsx](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/519445/prison-population-31-march-2016.xlsx)

## **Distribution Sub-Group (2016) Paper 14 – Social Care for Prisoners**

- Environmental and other port health
- Planning
- Refuse collection
- Library services
- Other services
- Recreation
- Food safety
- Consumer protection

15. While it may be argued that prisoners drive the need to spend in some service areas (such as waste disposal and food safety), prisoners do not have access to, or drive the need to spend on, the majority of these services.

16. The combined 2016-17 SSA unit for the services listed above is £382.53, meaning that, in 2016-17, there was £382.53 of SSA distributed for each prisoner in Wales aged 18-59.

17. The population of the existing 4 Welsh prisons totals 3,350<sup>2</sup> and the table below shows a breakdown of the population, along with the current potential impact on SSA.

**Table 2: Potential Impact of Prison Populations on 2016-17 SSA**

<b>Prison</b>	<b>Population<sup>1</sup></b>	<b>Assumed 18-59 Population<sup>2</sup></b>	<b>SSA Attributable to prison population (£)</b>
Cardiff	765	720	275,549
Parc	1,653	1,556	595,401
Swansea	404	380	145,519
Usk / Prescoed	528	497	190,183
<b>Total</b>	<b>3,350</b>	<b>3,154</b>	<b>1,206,651</b>

<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/528580/may-monthly-bulletin.rtf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/528580/may-monthly-bulletin.rtf)

<sup>2</sup> Prison population multiplied by 94% - the UK proportion of prisoners in the 18-59 age bracket as outlined in the following: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/519445/prison-population-31-march-2016.xlsx](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/519445/prison-population-31-march-2016.xlsx)

18. The table shows that around £1.2 million of SSA is distributed on the current prison population of Wales.

19. The capacity of Berwyn prison, which is due to open in February 2017, is 2,100 prisoners. Applying the same methodology as above, and assuming the prison was operating at capacity, this will equate to around £750 thousand of SSA being allocated to Wrexham, based on its prison population.

### **Specific Grant Distribution**

20. The current specific grant funding allocation for Social Care for prisoners in Wales was set at £0.412m. This represents 4% of the total allocated by the Department of Health (DoH) in England and is in line with the proportion of prisoners in Wales relative to the English total.

21. The English costing model takes into account a number of factors, including separate considerations of the over and under 50s age groups, the number of new assessments each year in relation to new entrants, transfers and re-assessments and

<sup>2</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/528580/may-monthly-bulletin.rtf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/528580/may-monthly-bulletin.rtf)

## ***Distribution Sub-Group (2016) Paper 14 – Social Care for Prisoners***

the one off costs in year one of working through the initial assessments of the population.

22. In allocating the funding available in Wales Health and Social Services (HSS) officials looked at where the main prisons are located in Wales and then analysed the prison populations between over 50s and under 50s.
23. Following the split of funding calculated by the DoH modelling work, for over and under 50s, HSS officials have then allocated these elements of funding for Wales based on the percentage of these prisoners in each prison<sup>3</sup>.
24. In Settlement IBA format, the formula distributes £412,000 as follows:
  - 78.6% - March 2016 projected prison population aged 50+
  - 21.4% - March 2016 projected prison population aged 18-49

### **Conclusion**

25. Members are asked to discuss the potential implications of the current inclusion of the prison population in the population projections data.
26. Members are asked to consider this conjunction with the previous inclination of the group to recommend a transfer of funding into the Settlement as a fixed IBA based on the distribution in table 1 and then to move onto formula once the RO data catches up, after 2 years (option C from DSG (2016) paper 9).

### **Local Government Finance Policy Welsh Government**

---

<sup>3</sup> Prison population data was from NOMS forecasts for expected Welsh prison populations (split by age group) for 2016.