Consultation

Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

1. Yes, we provided comments to the consultation on the draft Bill; and yes, we commented on the financial implications of the Bill.

If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

2. We commented that an appropriate level of administration funding would be required by local authorities (LAs) administering the SWF.

The funding of £5m for 13/14 and 14/15 is clear, however there is no confirmation regarding the level of administration funding required in future years. The share of the administration funding required by this authority is far below the level of spend actually being incurred, and we believe this is the case in many LAs.

We also commented that the entire funding requirement for the SWF should be borne by the Scottish Government – the Bill continues to provide further support, in our view suggesting that the funding provided by the Scottish Government may not be sufficient to meet demand. The bill should be amended to remove this provision and should instead include provisions which state explicitly that the Scottish government should be required to provide appropriately the full level of funding to ensure local authorities have the level of required funding available to both administer the scheme and meet anticipated demand.

Finally, we commented that the available funding should be appropriately apportioned across LAs – actual spend figures from 2013/14 demonstrate that the original basis for the distribution is not appropriate and should be reviewed as a matter of urgency. Within Renfrewshire, the Council has during 2013/14 and is fully expecting during 2014/15 for the level of the Scottish Government resources to be fully exhausted prior to the financial year end. This despite making financial awards under the scheme only in the very highest of priority cases and also reducing the level of support provided. It is clear therefore that Renfrewshire Council has been provided with insufficient resources to meet local demand for support.

Did you have sufficient time to contribute to the consultation exercise?

3. Yes

Costs

If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

4. The FM mentions in paragraph 38 that LAs had requested £6.8m in administration funding, however only £5m has been provided. We continue to believe that the £5m available is unrepresentative of the administration costs being
incurred nationally. Locally, the cost to administer the scheme is far in excess of the level of administration grant provided and there is a requirement for this issue to be addresses by the Scottish Government and for this to be explicit statutory obligation moving forward on the part of the Government.

**Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?**

5. Experience and evidence from the operation of the interim scheme in 2013/14 demonstrates that the £33m available for the SWF was sufficient in that the first year of operation on a national basis, albeit we are of the view the distribution of these resources does not reflect demand, particularly when Renfrewshire and as detailed in response to point 2 above. However as the availability of the SWF becomes established we fell there will be increasing demands on the total funding available; which in turn will put LAs under the increasing pressure to contribute to the SWF from their own scarce resource.

Para 39 mentions that LAs currently undertaken second tier reviews and are absorbing this costs – we believe there have been so few second tier reviews requested that there are no savings to be made by LAs from the transfer of this obligation to the SPSO.

We have no evidence of the costs to LAs of providing care services being reduced following the introduction of the SWF as is mentioned in pare 40 of the FM.

**If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?**

6. We are not content that we continue to meet the administration costs being incurred over and above that funded by the Scottish Government. The Scottish Government should provide adequate funding to administer the SWF and as referred to above, this should be a statutory on the part of the Scottish Government.

**Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?**

7. There are degrees of uncertainty – that highlight in relation to SPSO costs is accurately reflected but given the relatively small costs involved this is a marginal concern. What is more concerning is the potential for significantly increased demand in the years following the current spending review.

**Wider Issues**

Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

8. In terms of the organisations affected, we consider the cost headings (if not the magnitude) are appropriately captured.

**Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?**
9. We are not aware of any other costs which may be incurred, other than those we have already highlighted.