Consultation

Did you take part in either of the Scottish Government consultation exercises which preceded the Bill and, if so, did you comment on the financial assumptions made?

1. Yes, North Ayrshire submitted a response to CoSLA, modelling a number of options around the increase to child care hours and made general comments on the uncertainties around the wider financial implications of the Bill.

Do you believe your comments on the financial assumptions have been accurately reflected in the FM?

2. A degree of clarity has been provided in certain aspects, in particular the additional child care hours; however uncertainty remains in respect of other aspects of the Bill and other elements of proposed change only became clear on publication of the current Financial Memorandum.

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 these have been accurately reflected in the FM? If not, please provide details?

4. There continues to be a level of uncertainty around the sufficiency of funding for the increase in childcare hours. Delivery of the anticipated outcomes can be achieved if sufficient local flexibility is permitted on the service model.

5. The FM concludes there will be no overall additional direct costs to LAs arising from the support associated with Getting it Right for Looked After Children. The Bill assumes that any additional costs in some aspects of the Bill will be offset by savings in other areas. The FM provides details for the first time around additional potential costs which had not been previously considered – i.e. extension of provisions around kinship care orders to “informal carers”; potential requirement to provide up to three years transitional support to “formal carers” and potential costs of family therapy.

6. Given the demographic profile in North Ayrshire it is anticipated that the elements of the Bill, outlined below, will result in an overall additional cost;

• North Ayrshire does not anticipate the switch to kinship care orders; as the assumption that any immediate savings associated with the move of a small number
of formal carers to a kinship care order (i.e. reduced kinship payments) will offset the cost of transitional support for up to three years at £70 per week is not realistic.

- The costs associated with the requirement to provide assistance to “informal carers” in respect of the kinship care order.
- The costs associated with the provision of family therapy to both formal and informal care.
- The costs associated with family group conferencing.
- The extension of throughcare from either 19 or 21 to 25.

7. Funding is also required to support the promotion of the Bill and training.

**Do you consider that the estimated costs and savings set out in the FM and projected over 15 years for each service are reasonable and accurate?**

8. The range of assumptions in respect of kinship care is too broad; as such it is difficult to make an accurate assessment of the anticipated financial impact of the Bill.

9. The assumptions in respect of additional child care hours appear reasonable for the 6 years outlined in the Bill – significant uncertainty exists beyond this.

**If relevant, are you content that your organisation can meet the financial costs associated with the Bill which your organisation will incur? If not, how do you think these costs should be met?**

10. No. There are significant financial implications emerging from the Bill, in particular the extension to child care hours and the additional costs associated with the activity identified in section 4. It is North Ayrshire’s expectation that additional costs as a result of the Bill will be met through additional Scottish Government funding.

**Does the FM accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?**

11. As noted at the response in section 5 – a wide range of options has been outlined in the Financial Memorandum; as such high degrees of uncertainty remain around the anticipated actual cost.

**Wider Issues**

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

12. The FM captures the breadth of costs associated with the Bill, however high levels of uncertainty on the financial implications remain.

**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?**