



PUBLIC AUDIT AND POST-LEGISLATIVE SCRUTINY COMMITTEE

AGENDA

22nd Meeting, 2017 (Session 5)

Thursday 28 September 2017

The Committee will meet at 9.00 am in the James Clerk Maxwell Room (CR4).

1. **Decision on taking business in private:** The Committee will decide whether to take item 3 in private.
2. **Self-Directed Support 2017 Progress Report:** The Committee will take evidence from—

Fraser McKinlay, Director of Performance Audit and Best Value, Antony Clark, Assistant Director, Lorraine Gillies, Senior Manager, and Zoe McGuire, Audit Scotland.

3. **Self-Directed Support 2017 Progress Report:** The Committee will consider the evidence heard at agenda item 2 and take further evidence from—

Fraser McKinlay, Director of Performance Audit and Best Value, Antony Clark, Assistant Director, Lorraine Gillies, Senior Manager, and Zoe McGuire, Audit Scotland.

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The papers for this meeting are as follows—

Item 2:

Written Submissions

PAPLS/S5/17/22/1

PRIVATE PAPER

PAPLS/S5/17/22/2
(P)

Public Audit and Post-legislative Scrutiny Committee

22nd Meeting, 2017 (Session 5), Thursday 28 September 2017

Self-Directed Support 2017 Progress Report

Introduction

1. The Committee will take evidence from Audit Scotland on its 'Self-directed support 2017 progress [report](#)¹, which was jointly published for the Auditor General and the Accounts Commission in August 2017.

Written submissions

2. Audit Scotland's briefing paper and written submissions from COSLA and Paul Gray, Director-General Health & Social Care, Scottish Government, Chief Executive, NHSScotland are attached below.

¹ http://www.audit-scotland.gov.uk/uploads/docs/report/2017/nr_170824_self_directed_support.pdf

AUDIT SCOTLAND BRIEFING PAPER OF 20 SEPTEMBER 2017

1. The joint Auditor General and Accounts Commission report *Self-directed support: 2017 progress report* was published on 24 August 2017. This report gives an update of progress since the previous report on self-directed support in [June 2014](#).
2. Key messages from the report are:
 - Our evidence shows many examples of positive progress in implementing SDS. But there is no evidence that authorities have yet made the transformation required to fully implement the SDS strategy. Most people rate their social care services highly and there are many examples of people being supported in new and effective ways through SDS, but not everyone is getting the choice and control envisaged in the SDS strategy. People using social care services and their carers need better information and help to understand SDS and make their choices. More reliable data is needed on the number of people choosing each of the SDS options. Data should have been developed earlier in the life of the strategy in order to measure the progress and impact of the strategy and legislation.
 - Social work staff are positive about the principles of personalisation and SDS but a significant minority lack understanding or confidence about focusing on people's outcomes, or do not feel they have the power to make decisions with people about their support. Front-line staff who feel equipped, trusted and supported are better able to help people choose the best support for them. What makes this possible for staff is effective training, support from team leaders or SDS champions, and permission and encouragement from senior managers to use their professional judgement to be bold and innovative.
 - Authorities are experiencing significant pressures from increasing demand and limited budgets for social care services. Within this context, changes to the types of services available have been slow and authorities' approaches to commissioning can have the effect of restricting how much choice and control people may have. In particular, the choices people have under option 2 (when people choose their support and the authority or another organisation arranges the chosen support and manages the budget) are very different from one area to another. Authorities' commissioning plans do not set out clearly how they will make decisions about changing services and re-allocating budgets in response to people's choices.
 - There are tensions for service providers between offering flexible services and making extra demands on their staff. At the same time, there are already challenges in recruiting and retaining social care staff across the country owing to low wages, antisocial hours and difficult working conditions.

- SDS implementation stalled during the integration of health and social care services. Changing organisational structures and the arrangements for setting up, running and scrutinising new integration authorities inevitably diverted senior managers' attentions. Some experienced staff are also being lost through early retirement and voluntary severance schemes as the pressures on budgets mount.

COSLA WRITTEN SUBMISSION OF 18 SEPTEMBER 2017

Introduction

1. COSLA welcomes the opportunity to provide a submission to the Committee in support of its consideration of Audit Scotland's report. We believe the report provides important information which will support the Committee's scrutiny of implementation of the Self-directed Support Act in particular, as well as your consideration of how wider legislative and other measures are functioning to support the sustainability of the health and social care system overall.
2. Empowering communities is local government's reason for being and so we have long been committed to developing models of public service delivery which offer people more choice and control. Self-directed support (SDS) is one way of applying this principle to social care, which is funded by local government and delivered through the new health and social care integration authorities, and requires a step-change in the way those services are provided and commissioned.
3. Local government's vision for this step-change is set out in the joint COSLA-Scottish Government Self-directed Support Strategy, published in 2011¹, and subsequent implementation plans. We are working jointly with Scottish Government to deliver our current implementation plan, covering the period 2016-2018².

Key findings

4. Audit Scotland's key findings included a recognition that authorities have been tasked with delivering transformational change against a backdrop of increasing demand for social care, coupled with tighter budgets. The report also highlights that, despite these challenges, 81% of people rated their social care services as excellent or good.³ That is not to detract from the report's other findings, but it is important to highlight the context for the Committee's post-legislative scrutiny of the inputs, outputs and mechanics surrounding the SDS Act is one of authorities continuing to deliver for their communities despite significant challenges.
5. Audit Scotland also reported findings in relation to integration, workforce, strategic commissioning, new models of care, and service-user expectations, which raise key issues regarding the sustainability of the system overall that the Committee will want to consider. These issues relate not just to SDS, but also to the wider system and legislative contexts within which councils and their integration partners are operating. Along with colleagues serving on the Parliament's Finance and other committees, the Public Audit and Post-legislative Scrutiny Committee is uniquely placed to take a strategic view across the wide range of social care and other legislation which place new duties on councils, and to consider to whether these are functioning to support the sustainability of the health and social care system overall and deliver improved outcomes for our communities.

¹ <http://www.gov.scot/Publications/2010/11/05120810/0>

² <http://www.gov.scot/Publications/2016/12/5432>

³ Scottish Government National Health and Social Care Survey 2015/16

Legislative and policy context

6. Audit Scotland's SDS report states that implementation stalled following the introduction of the Public Bodies Act as setting up new organisational structures inevitably diverted senior management's attentions. This is in line with the findings of their 2016 report on social work in Scotland, which noted that there has been an increase in the volume of legislation related to social work since the Scottish Parliament was established, coupled with significant policy developments which require considerable change to the way services are provided. These include the SDS, Children and Young People, Public Bodies, Carers, and Community Justice Acts, and the Community Empowerment Act is also a factor.
7. Audit Scotland also quite rightly note that implementing legislation can increase financial pressures and staff workload and go on to warn that new legislation often has financial consequences and that cost estimates in financial memoranda 'have sometimes proved inaccurate'.⁴ Indeed, COSLA has repeatedly set out our concerns around specific financial memoranda in submissions to the Parliament's Finance Committee, for example, in relation to the SDS and Carers Acts.⁵ This gives rise to a fundamental question over whether councils have been adequately resourced to fulfil all the duties placed upon them, while at the same time deliver major reform.
8. Where insufficient resource is available to meet a high volume of new duties and priorities, a major unintended consequence is that those priorities end up in competition with each other – so Audit Scotland's findings on SDS and integration are perhaps unsurprising. This is compounded by a lack of strategic oversight across the whole legislative programme and there is a need to ensure that scrutiny extends to questions about whether the whole programme of government, and associated budget, is functioning to support the delivery of agreed outcomes. The national health and wellbeing outcomes are jointly owned by Scottish Parliament, Scottish Government and Local Government and the Committee will have an interest in whether the fiscal and legislative landscape outlined above is functioning to support their delivery, and the delivery of SDS as one tool for achieving those outcomes. To that end, the Committee may wish to also consider COSLA's submissions on this topic to the Scottish Parliament Budget Process Review Group⁶ and Health and Sport Committee⁷, and a summary of the former is provided below.

The Scottish budget process

9. The successful implementation of SDS is hugely dependent on the functioning of the health and social care system, including budget processes, within which it is sited. COSLA has significant concerns around the current budget process in Scotland and the ways in which it acts against effective prioritisation of resource, both for health and social care and more widely across public sector services.

⁴ Social Work in Scotland, Audit Scotland, 2016, page 15.

⁵ SDS:

http://www.parliament.scot/S4_FinanceCommittee/General%20Documents/Web_version_of_all_responses.pdf;
Carers: [http://www.parliament.scot/S4_FinanceCommittee/General%20Documents/COSLA\(4\).pdf](http://www.parliament.scot/S4_FinanceCommittee/General%20Documents/COSLA(4).pdf)

⁶ Entry no.5:

http://www.parliament.scot/S5_Finance/General%20Documents/Master_Document_of_Written_Submissions.pdf

⁷ http://www.parliament.scot/S5_HealthandSportCommittee/Inquiries/DRB047_COSLA.pdf

10. In summary, issues identified include:

- one year short term budgets which prevent long term financial planning, including disinvestment in traditional service models and reinvestment in individual budgets and more flexible support
- initiative led budgets which are hampering the ability for collaborative working and longer term prioritisation across public sector services
- the inflexibility that the current level of statutory prescription and central prioritisation brings, when trying to manage budgets locally to deliver innovation and a shift in the balance of spending towards prevention and more flexible models of social care e.g. central ringfencing of spend, central commitments on staffing numbers
- new commitments or duties funded on the basis of 'working assumptions', or incomplete evidence, where no further opportunity exists to reassess costs and seek further funding, should those assumptions prove to be flawed
- reductions to core local government budgets with no cognisance of the relationship between all that local authorities do to reduce inequalities - build community capacity, resilience and assets - and the positive impact this has on decreasing demand for services in other parts of the system such as health and social care
- the continued focus on inputs not outcomes
- a disconnect between the public narrative around the level of investment in public services, versus budget pressures and the need for service redesign so that public services can be sustainable into the future. This is especially apparent in the lack of a real public debate about how much we as a society value social care, and how we should pay for it into the future

Community empowerment

11. The legislative context set out above broadly relates to social care and support, however wider council services are also of relevance. Core to the principles of SDS is a shift away from deficit models which focus on 'needs' and services to meet them, toward assets-based models which focus on 'outcomes' and the resources available to achieve them. This includes recognising individual and community strengths and capacities as a key component of these resources, in addition to service provision (or payment in lieu of services via a direct payment). In this sense, many social workers describe SDS as a return to the principles of empowerment which first attracted them to the profession.
12. Councils can face challenges in making this shift from insofar as it both raises expectations about the flexibility of support, but at the same time can create an anxiety about moving away from traditional, especially buildings-based, services – particularly when councils are being asked to implement SDS at a time when local government budgets are being significantly cut. This dichotomy is evident in the feedback from people using social care services contained within the Audit Scotland report, and it is important to be aware of the underlying tensions at play.
13. Within this context, it is important to acknowledge the contribution made by local authority services which sit both inside and outside of social care – all that local authorities do to build community capacity, resilience and assets which can be harnessed to help achieve personal outcomes in a more empowering way. The success of SDS will be in part

dependent on our ability to make a shift from traditional social care/dependence models, toward greater investment in empowering communities. It goes without saying that the current fiscal environment makes this extremely difficult.

14. In their 2016 report on *Social Work in Scotland*, Audit Scotland highlighted that local government's revenue funding has reduced by 11 percent in real terms since 2010/11. Any ring-fencing of social care budgets by Scottish Government needs to be seen within this wider context and from COSLA's perspective, cutting local government budgets is counter-productive to our overall objectives as a country, to the objectives of health and social care in the longer run, and inevitably stores up more problems and costs to be met by the public purse later on. This impacts on the implementation of SDS by affecting investment in prevention and increasing failure demand, but also by affecting councils' ability to meet the transformation costs associated with SDS.

Transformation

15. The financial pressures facing councils make it extremely difficult to invest in the systems and processes required to support SDS, or in the innovation and market-stimulation required to develop the new more flexible models of care needed to fully implement SDS. SDS requires councils to make fundamental shifts in both culture and infrastructure, both of which take a considerable amount of time. This time is inevitably extended by the plethora of new duties and initiatives outlined at paragraph 6 above, which are competing for diminishing resources and must be delivered by a much smaller workforce (taking account of the significant reductions in local authority staff numbers across Scotland).
16. The Audit Scotland report sets out Scottish Government investment, including that given to councils to help meet transformation costs. COSLA set out our concerns that these transformation costs had been significantly underestimated in our submission to the Finance Committee⁸. We would also highlight that any funding provided is against the backdrop of ongoing reductions in local government budgets, coupled with escalating demand and a requirement to meet additional new duties in connected policy areas.
17. Setting aside those concerns about the quantum of resource, COSLA would highlight the fact that the way the funding was profiled means that it tailed off in the years immediately following the Act's introduction (from £11m the year before introduction, to £6m in year one, and £3.52m in year two). When considered alongside Audit Scotland's finding that the scale of the changes needed and the challenges in implementing SDS were underestimated (para 87), it becomes apparent that councils and their partners are facing a longer programme of change but without the funding needed to make those changes.
18. Within this context, bridging finance is a significant issue. Maintaining existing services until new models are fully in place and they can be closed or scaled down incurs dual running costs – for example, meeting fixed overheads for services running below capacity, maintenance costs for buildings until alternative uses can be found. Without adequate funding to meet those costs, it becomes difficult to disinvest and re-invest in a planned way which also takes account of the wishes of service-users, their families and carers and the wider community.

⁸ http://www.parliament.scot/S4_FinanceCommittee/General%20Documents/Web_version_of_all_responses.

19. These issues are evident across the whole health and social care system, particularly where councils and Integration Authorities are subject to central commitments and initiatives which focus on 'add-ons', rather than the fundamental question of how we ensure a sustainable social care system into the future.

Workforce

20. The Audit Scotland report highlights a number of challenges in relation to the social care workforce, including difficulties with recruitment and retention. COSLA and Scottish Government have been working together to advance a fair work agenda, including through agreements on the Scottish living wage. However, central commitments such as increased early learning and childcare and free personal care will affect the social care workforce, and therefore SDS implementation, going forwards. The Committee will be interested in how these commitments are resourced, but also in the action required to ensure a workforce which is already experiencing problems with recruitment and retention can be developed to have the capacity necessary to meet these commitments.

Culture and expectations

21. Councils are inevitably at different stages of SDS implementation, depending on their starting point when the Act was introduced, and differences between areas in relation to factors such as rurality, population age, economic profile etc. COSLA is working with Scottish Government and other partners, through our SDS Implementation Plan⁹ and wider work on reforming adult social care (for example on the Scottish living wage), to address systemic challenges and support sharing of good practice.
22. However, there remain challenges in relation to the culture and expectations surrounding SDS and the Committee may wish to consider. Audit Scotland's report quite rightly highlights that offering people choice and control is challenging authorities' position on taking risks. Within this context, it is important that COSLA, Scottish Government and other key partners are clear that SDS was never intended to allow almost limitless choice. Councils remain statutorily accountable to their communities for the use of public resources and also have duties in respect of protecting vulnerable groups. In exercising these duties, social work professionals are inevitably required to use a degree of professional judgement, and authorities' commissioning practice – particularly in relation to option 2 – will also be developed in response to local decisions about those risks.
23. Audit Scotland's report both acknowledges these points and highlights the different ways in which authorities are approaching them locally. COSLA, CIPFA and Scottish Government have issued joint guidance on finance and commissioning for SDS and are continuing to work with authorities to understand how commissioning is working at the local level.

Conclusion

24. COSLA welcomes Audit Scotland's SDS report, and in particular the recognition that authorities have been tasked with delivering transformational change against a backdrop of increasing demand for social care, coupled with tighter budgets. We also welcome the report's acknowledgement that our joint COSLA-Scottish Government SDS

⁹ <http://www.gov.scot/Publications/2016/12/5432>

Implementation Plan details activity already underway which addresses many of their recommendations and will keep implementation activity under review in light of their recommendations.

**COSLA Health and Wellbeing Spokesperson
September 2017**

PAUL GRAY, DIRECTOR-GENERAL HEALTH & SOCIAL CARE, SCOTTISH GOVERNMENT, CHIEF EXECUTIVE, NHSSCOTLAND WRITTEN SUBMISSION OF 13 SEPTEMBER 2017

1. Scottish Government approach to Self-directed Support

Self-directed Support: A National Strategy for Scotland was launched in 2011. This joint Scottish Government and COSLA strategy set out an ambitious vision to refocus social care in Scotland around the outcomes that matter to people, rather than those that systems are set up to deliver. A key aim for this strategy is that people are asked what matters to them, and what level of choice and control they would like to take over their social care support.

Implementation of this strategy has been guided by the Christie Commission and 2020 Vision for Health and Social Care and can be broken down into three phases to date. The first phase from 2010-2012 developed information to promote understanding of Self-directed Support. The second phase, 2012-2016, was focused on development of the Social Care (Self-directed Support) (Scotland) Act 2013, guidance and supporting innovation. The purpose of the current phase is to consolidate the learning from innovative practice and the application of guidance within the new context of Health and Social Care Integration. At all stages, Scottish Government has taken a collaborative approach, working with supported people, carers, third sector organisations and local authorities in developing guidance and legislation that support independent living.

As the Audit Scotland Progress Review acknowledges (page 42), the [Self-directed Support Strategy Implementation Plan 2016-18](#)¹ developed through this collaborative process addresses the challenges identified by Audit Scotland. The plan sets out four strategic outcomes (relating to supported people, workers, commissioning and systems), identifies the barriers to their achievement and sets out partnership activities to address these. It also serves as a platform for Health and Social Care Partnerships and local authorities to take forward their own implementation of Self-directed Support, working with local communities to shape progress.

2. Recommendations for Scottish Government

The Scottish Government should report publicly on the outcomes it has achieved from the almost £70m funding it has committed to support implementation of SDS.

Scottish Government has distributed nearly 40% of the funding 2010-2018 (£26.05M) through two open funding streams:

- Support in the Right Direction (aimed at third sector information and advice organisations to support people to navigate the social care system)
- Innovation Fund (for third sector social care providers to deliver flexible and creative support and promote culture change through the workforce).

Support in the Right Direction annual report to 31 March 2017 finds:

¹ <http://www.gov.scot/Resource/0051/00510921.pdf>

- £2.9m has been invested;
- 12,000 people have been supported;
- 3,000 people have accessed clearer information about Self-directed Support;
- 1,800 people feel listened to, supported and less stressed;
- 1,000 people have an increased sense of choice and control; and
- 1,000 people have progressed towards their personal outcomes and live the life they want to live.

Innovation Fund annual report to 31 March 2017 finds:

- £1.2m has been invested;
- 2,000 people have improved knowledge and awareness of approaches to increase choice and control;
- 900 people have improved planning and better support to achieve personal outcomes;
- 800 people have increased knowledge of Self-directed Support choices and available support options;
- 700 people have improved opportunities to influence work culture and practice; and
- 600 people have increased their opportunities to access services that meet their personal outcomes.

The 6 monthly programme reports are available [here](#)² and a report on the programme from 2012/13 to 2014/15 *What Works in Independent Support* can be viewed [here](#)³. Together these reports serve the dual purpose of reporting impact and sharing points of learning across the system.

In addition, an evaluation into the value of independent support and service innovation has been externally commissioned and will report in November 2017.

£35.5M was distributed to local authorities to support the transformation of systems and develop understanding and confidence across the workforce. This money was distributed within an agreed framework and reported on through existing internal governance processes. Learning has been shared through Social Work Scotland's SDS Practice Leads network and through various national conferences and events. Additional work is underway to identify and write up good examples of practice and will report by the end of March 2018.

The remaining **£8.27M has supported national partners** to develop understanding of Self-directed Support and new ways of working with their members to support culture change in the social care workforce, and promote the use of improvement methodology. This money also supports a survey of supported people every two years to explore their experiences around Self-directed Support. This will next take place from April 2018.

While there is already considerable information in the public domain relating to the impact and outcomes of the funding, Scottish Government recognises the need to ensure that impact and learning from the overall transformation programme is made accessible and visible. We are working with NHS Education Scotland to build on their existing Social Work

² <https://www.inspiringscotland.org.uk/results/?type=publication&fund=self-directed-support>

³ <http://www.evaluationsupportscotland.org.uk/resources/338/>

Services Knowledge Scotland portal to draw together this information and identify key messages by March 2018.

3. Joint recommendations for Scottish Government, COSLA and partners

These recommendations recognise the collaborative nature of the development and publication of the joint Implementation Plan 2016-2018.

Continue working together to develop:

- **the accuracy and consistency of national data on the number of people choosing each SDS option**
- **Methodologies to understand the impact of SDS on people who need support and their carers.**

Routinely report publicly on progress against the 2016-2018 SDS implementation plan and the Self-directed Support strategy.

Scottish Government has published two Data Under Development papers 2014/15 and 2015/16 to highlight the need to improve data collection around Self-directed Support. In addition we have hosted a workshop with local authority analysts and Self-directed Support leads to examine together issues around data definitions and collection. As we prepare to move data collection to SOURCE⁴ a further workshop will be held with Health and Social Care Partnership analysts and policy leads in December 2017.

Scottish Government is in the process of seeking an independent evaluator to lead on research work to fill evidence gaps and advise on how to evaluate the impact of Self-directed Support, including work with people who use support and their carers. There are three parts to the research:

- Part 1: Review and refine the existing evidence framework and identify what data and evidence is required to evaluate the impact of Self-directed Support. This will include reviewing and appraising the utility and quality of existing evidence and making proposals for new data as necessary;
- Part 2: research on the economics/resource implications of Self-directed Support;
- Part 3: research on how Option 2 (as the new provision within the Self-directed Support Act where a personal budget is held by the local authority or a third party) works in practice.

The research will be led by an advisory group to include COSLA, Health and Social Care Partnerships, Chief Social Work Officers and disabled peoples' organisations. The contract is to be awarded and the first meeting of the research advisory group to take place by end of

⁴ 'SOURCE' refers to the work to support better use of information and data to inform strategic planning. SG commissioned NHS National Services Scotland (ISD) to develop linked individual level longitudinal health and social care datasets for all Integration Authorities. It is intended that areas will be provided with linked health and social care information, which can be accessed locally within each partnership and used for analysis in locality and strategic planning.

October 2017. Progress reports are due February, April and June 2018 and a final report by August 2018.

Review what independent information, advice and advocacy people will need in future, and how that should be funded after current Scottish Government funding for independent organisations comes to an end in March 2018. This review should fully involve users, carers, providers and authorities, and should conclude in time for appropriate action to be taken

The Minister for Public Health and Sport announced on 24 August that there would be a further round of funding for independent advice and support providers to run October 2018 – March 2021. We will take a collaborative approach with COSLA, disabled people's organisations and others to the design of this funding stream, ensuring that it builds on research into the value of independent support currently underway. This research includes extensive interviews with people who use support. To enable this collaborative process, relevant projects under the 2015-18 funding will be extended for a further six months to September 2018.

Agree how any future financial support should be allocated, taking into account how authorities' local commissioning strategies will inform future spending priorities

Through the Implementation Plan 2016-18, Scottish Government and COSLA have agreed strategic outcomes and planned activity. Evaluation of the impact of the plan and development of subsequent plans will be taken forward jointly, engaging Health and Social Care Partnerships, providers and people who use support services.

Seek solutions that address the problems of retention and recruitment in the social care workforce

Health and Social Care Partnerships are responsible for planning and commissioning adult social care services. To support this, Scottish Government and COSLA are working with Partnerships, and third and independent care providers to develop Part 2 of the National Health and Social Care Workforce plan, covering workforce planning for social care, which will be published later this year.

Ensure that the requirement to effectively implement self-directed support is reflected in policy guidance across all relevant national policies, such as health and social care integration, community empowerment, community planning, housing and benefits

This recommendation will be examined and progressed under the joint Scottish Government and COSLA Reform of Adult Social Care programme. It will consider the role and value of social care within the new integrated environment, with a particular focus on its connections to primary care, acute care, mental health strategy, public health reform, housing, community empowerment and benefits. Working with a full range of stakeholders, including social care providers and people who use support, this will also add new impetus to implementation of Self-directed Support, ensuring we focus on what matters to people.