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**20 May 2025**

I am writing in response to the Committee's request of 29 April 2025 regarding the Committee's scrutiny of the supplementary Financial Memorandum (FM) for the Care Reform (Scotland) Bill, published on 25 March. I will be giving evidence to the Committee on the supplementary FM on Tuesday 27 May.

To support this evidence session, the Committee has asked that the Scottish Government provides, prior to the session, a document setting out the overall estimated costs and savings associated with the Bill in its current form (the supplementary FM sets out estimated costs relating solely to amendments made at Stage 2). This is attached as an Annex.

I hope the Committee finds this information helpful.

**MAREE TODD MSP**

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

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## Care Reform Bill – Financial Summary

### Introduction

1. The following paper sets out the costs associated with the Care Reform (Scotland) Bill following the amendments made at Stage 2.
2. This paper has been prepared by the Scottish Government to provide updated estimated costs for the Bill, following the supplementary Financial Memorandum provided at Stage 2 which covered solely the costs associated with the Stage 2 amendments. This is in response to the Finance and Public Administration Committee's request to the Scottish Government to provide, prior to the Committee session on 27 May 2025, a document setting out "the overall estimated costs and savings associated with the Bill in its current form (given the supplementary FM sets out estimated costs relating solely to amendments made at Stage 2)". With regard to the removal of Stage 1 costs, it should be noted that these represent the removal of costs rather than savings to the public purse.
3. The summary is structured as follows.

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4. Following the removal of Part 1 of the original Bill as introduced, there is no longer the requirement for large structural change relating to the creation of Care Boards and their associated costs. Each of the sections noted above will be assessed and will set out where applicable.
  - The best estimate of any administrative, compliance and other costs to which the provisions of the Bill will give rise;
  - The best estimate of the timescales over which the costs associated with the Bil will arise;
  - An indication of the relative margin of uncertainty associated with the estimates.
5. The figures presented here are the Scottish Government's best estimates of the costs of the activities provided for in the Bill as amended at Stage 2. These figures are not spending commitments and should not be used as a tool for future budgeting, as costs may be affected by other factors in addition to the changes made by the Bill. Funding for the organisations involved will be negotiated in the usual way taking into account the projected costs of their functions at the time.

## Background

### Background to the Bill

6. The purpose of the original National Care Service (Scotland) Bill was to improve the quality and consistency of social services in Scotland. Part 1 gave the Scottish Ministers a duty to promote a comprehensive and integrated care service, and was to give them the powers they needed to achieve that, including making provision for the establishment of care boards to

carry out Ministers' functions in relation to social care and community health. Part 1, also gave the Scottish Ministers powers to transfer relevant functions from local authorities or from health boards.

7. Following extensive consultation with a range of organisations and individuals and, scrutiny of the Bill in Parliament, it was determined that at the current time the best way to achieve the objectives relating to improved quality and consistency of social care services was to remove Part 1 of the Bill. This was agreed to at Stage 2 and the Bill has been amended, and retitled to be the Care Reform (Scotland) Bill. Parts 2 and 3 of the original NCS Bill remain.
8. Part 2 of the Bill creates provisions to improve the flow of health and social care information. The principal policy driver behind the information sharing provision has been to create a scheme that allows for the direction of what information should be shared for what purpose, removing the uncertainty that persists within some organisations as to whether they are allowed to share certain information or not. Further to this, information standards are essential in ensuring that information is collected and shared in a way that improves technology interoperability and overcomes technological barriers to sharing and collating data.

Part 3 makes additional reforms to the delivery and regulation of care. Amongst other things it introduces a right to breaks from unpaid caring, and Anne's Law, to support people living in care homes to maintain contact with family and friends even in outbreak situations. It makes changes to the powers of the Care Inspectorate, and Health Improvement Scotland. These are all changes that can be implemented to improve the lives of people who access social care support and their carers. Some of them, such as those relating to independent advocacy, take the framework approach to allow for further engagement and flexibility; others are more detailed where they address specific points in existing legislation.

## Sectoral background to the Bill

9. In 2023, social services directly employed 212,780 people, approximately 8% of the Scottish workforce, with a whole time equivalent (WTE) of 161,750<sup>1</sup>. A 2018 report commissioned by the Scottish Social Services Council (SSSC)<sup>2</sup> quantified the direct, indirect and induced contributions that the adult social care sector makes to the Scottish economy:

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<sup>1</sup> [Scottish Social Service Sector: Report on 2023 Workforce Data.](#)

<sup>2</sup> The Economic Value of Adult Social Care (<https://data.sssc.uk.com/data-news/15-announcements/175-the-economic-value-of-adult-social-care#:~:text=The%20adult%20social%20care%20sector,and%20Wales%20published%20similar%20reports.>)

- The direct economic value of social care activity is estimated at £2.3 billion - £2.6 billion (dependent on the measurement used)
- The indirect economic value of goods and services in the sector's supply chain is estimated at £0.5 billion - £0.6 billion.
- The indirect impact associated with goods and services bought by those directly or indirectly employed by the sector are estimated at £0.7 billion.
- The indirect and induced impacts resulted in an additional 50,800 jobs
- The total estimated economic value of the sector is therefore in the range £3.5 billion - £3.9 billion (excluding harder to quantify catalytic effects).

10. The social care sector has an important role in supporting local economies across the country. Social care employment and investment is present in every area of Scotland; in areas of economic disadvantage the sector can be a critical employer, particularly in areas with high youth unemployment. The sector is also an important procurer and purchaser of goods and services and this can have important local benefits such as directing spend towards local small businesses, voluntary, and community organisations rather than national corporations, and can also lead through setting importance on quality non-financial standards in procurement processes.

11. Investment in social care support generates social value in terms of people's emotional wellbeing and better health. A study of the Independent Living Fund in Northern Ireland estimates that every £1 spent generates £11 of social value<sup>3</sup>. Both for people who use social care support, and equally importantly for unpaid carers, the availability of high quality adult social care support can help people to engage in and remain in education and also to enter and remain in work.

12. Improving social care support, particularly increasing early intervention and prevention and supporting unpaid carers to protect their health and wellbeing, also reduces costs which would otherwise fall on other parts of the public sector. This can include unplanned hospital admissions, additional residential care needs, and family breakdown. It is difficult to estimate the

size of these wider savings and benefits in total but the Scottish Government expects these to be considerable. Some estimates relating to the benefits of improving support for unpaid carers are provided in paragraphs 32-35.

## Summary of the total costs of the Bill

Table 1: Total estimated costs of Bill provisions

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)
Anne's Law	90 - 99	0 - 0	0 - 0	0 - 0	6 - 11	0 - 0	0 - 0
Protection of Adults	0-5	0	0	0	0	0	0
NSWA	500 - 612	781 - 955	775 - 947	795 - 972	816 - 998	838 - 1024	860 - 1051

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)
Information, advice and advocacy	0 - 0	0 - 0	1.2 - 1.7	2.3 - 3.5	3.5 - 5.2	4.6 - 6.9	5.8 - 8.6
Carers Breaks	13.7-22.8	27.8-46.6	42.6-71.3	57.9-96.9	73.8-123.5	90.4-151.2	107.5-179.9

Total Costs	14.3 - 23.5	28.6 - 47.6	44.6 - 73.9	61 - 101.4	78.1 - 129.7	95.8 - 159.1	114.2 - 189.6
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\* Note – The top table is shown in thousands due to the smaller numbers involved, whereas the second and third tables reflect millions due to the higher cost as a result of carer's breaks.

## Reduction in anticipated costs following the Removal of Part 1

13. Part 1 of the Bill, which provided for the establishment of a national care service, was removed from the Bill by Stage 2 amendments. As a result, the costs, savings and changes to revenue expected to arise from Part 1 as set out in the Financial Memorandum that accompanied the Bill on introduction no longer exist.

Table 2: Original estimate of Part 1 costs

	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)
Establishment and running of NCS (Scottish Administration)	24-36	60-90	72-108	92-138	83-124
Establishment and running of Care Boards	0	4-6	12-18	132-326	142-376
Total estimated costs of Bill provisions Part 1	24-36	64-96	84-126	224-464	225-500

## Inflation

14. The rate inflation utilised in calculations is based on the GDP deflator. This is calculated by the Office for Budget Responsibility and referenced by the Scottish Fiscal Commission.

Table 3 – Inflationary Forecast

2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
2.39%	1.97%	1.96%	1.97%	1.97%	2.00%	2.00%

## Part 2

### Health & Social Care Information

15. Part 2 of the Bill contains two provisions on health and social care information, section 36 (Care Records) and section 37 (Information Standards). These provisions give the Scottish Ministers the power to set up a statutory scheme through Regulations to permit data sharing for the efficient and effective provision of services, and to produce information standards

to ensure information is processed in a consistent way. This will enable better sharing of information across the health and social care sector, to the benefit of people and professionals.

16. There is an associated ‘integrated health and social care record’ technical development which will benefit from this provision by making it easier to specify what information should be fed into the ‘record’ by what organisation. However, the Scottish Government considers the scope of the information sharing and information standards provision to be broader than this. For the avoidance of doubt Section 36, as drafted, will not in itself legislate for the creation of an ‘integrated health and social care record’, and the provisions will have far wider utility than the Integrated Social Care and Health Record. This provision is about information sharing to improve the delivery of care in its broadest sense, not about the creation of any particular technology or product (e.g. an integrated record). While the sharing of information for the purposes of creating an Integrated Social Care and Health Record may be one example, there may be others such as the sharing of ‘management’ information, which may come about from this process, and the sharing of information within services (e.g. GP data with hospitals). The creation of these provisions will have no immediate financial implications for Social Care, NHS or Scottish Government.
17. These provisions are a crucial part of addressing the need for individuals to continue to ‘re-tell’ their story, and ensuring that the right professionals have access to the right data at the right time. They will be a key enabler in the programme to reform health and social care and deliver a stronger digital first approach to all health and social care services.

### **Part 3**

#### **Reforms Connected to the Delivery and Regulation of Care**

##### *Right to breaks for carers*

18. Section 38 of the Bill makes changes to the Carers (Scotland) Act 2016 (“the Carers Act”) to establish a right to personalised short breaks support for carers who have an identified need for that support, through an adult carer support plan (ACSP) or young carer statement (YCS). These changes will adjust and extend the duties of Local Authorities and Integration Authorities. These duties will lead to additional costs in providing breaks for carers.



19. The Scottish Government also intends to maintain a national short breaks fund, using existing powers<sup>4</sup>, to enable easy-access support for people in less intensive caring roles. This will build on existing non-statutory voluntary sector short breaks funding. This includes micro-grants schemes for unpaid carers to help them take short breaks that meet their needs. Individual grants can be used flexibly, e.g. for a weekend away, entertainment subscription or sporting or hobby equipment. [Time To Live](#) grants are delivered locally, usually by local carer centres. [Take a Break Scotland](#) grants for carers of disabled children and young people and their families are delivered nationally by the Family Fund. The Scottish Government is committed to increasing this funding to provide easy access to breaks for carers without the need for a support plan or statement. While this fund does not require new legislation, it will have an impact on the costs of providing the personalised support required by the provisions of the Bill, depending on the balance of whether carers access personalised support or easy access breaks.

20. The cost of these measures has been estimated using data on the following:

- Number of carers by intensity of caring<sup>5</sup> using the latest carer data <sup>10</sup>
- Balance of replacement care between residential and home based
- Unit costs for replacement care, carer breaks and easy access support at 2025/26 prices.
- Cost and Whole Time Equivalent for young carer support workers at 2025/26 prices.
- Estimate of the increase in number of carers due to demographic change over the growth period

21. There are a number of areas of uncertainty, for which information is incomplete or missing, where assumptions have had to be made, in particular:

- The number of carers who will seek to exercise their right to breaks
- The average level of replacement care required for personalised support
- The balance of breaks between personalised support and easy access support
- Current levels of local authority and Integration Authority expenditure on breaks and replacement care, for which local authority systems do not generally differentiate short breaks support from other services, and
- The rate at which demand and available provision will build over time

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<sup>4</sup> Social Work (Scotland) Act 1968, section 10

<sup>5</sup> Intensity of caring based on the bands of number of hours per week, as per table 3.

22. The full set of assumptions for all groups is extensive, the following example is provided for illustration: For adult carers providing over 50 hours of care per week, it is assumed that 50% of those with an ACSP will take up replacement care, and that this will average 4 weeks per carer per year, of which 65% is assumed to be residential care and the remainder intensive homecare at 22 hours per week. Additionally, it is assumed that 60% of this group will take up a carer break (additional support to help them recharge during their time away from caring), averaging 3 breaks per year. These figures can then be combined with the numbers of carers set out in table 4 and the costs of breaks<sup>6</sup> identified above and netted against estimates of existing expenditure to estimate the total net cost of implementing breaks for carers.

23. Table 4 shows how a selection of the assumptions vary for different intensity groups.

Table 4: Assumptions used in calculating costs of breaks from caring

	<20 hours a week	20 - 34 hours a week	35 - 49 hours a week	50 or more hours
Proportion of adult carers with ACSP that receive replacement care (%)	5%	10%	20%	50%
Number of weeks replacement care per carer (Adult carers)	1	2	3	4
Proportion of adult carers with ACSP that receive carer break (%)	10%	20%	40%	60%
Number of carer breaks per adult carer	1.0	2.0	2.0	3.0
Proportion of young carers with YCS with activity enabling break	100%	100%	100%	100%

<sup>6</sup> Care home respite at weighted average of cost of £1,226 per week and homecare at £26.30 per hour. Carer breaks costed at £395 per break. All at 2025/26 prices.

Proportion of young carers with YCS that receive replacement care	0	100%	100%	100%
Easy access payment (£/carer)	350.0			
Uptake of easy access support by adult carers	10%	40%	40%	40%
Uptake of easy access support by young carers	10%	40%	40%	40%

24. The calculations produce estimates for a future steady state of support in which the proportion of carers with an ACSP and or a YCS has reached the same proportions as those assumed in the Financial Memorandum for the Carers (Scotland) Bill<sup>7</sup>, specifically 34% of adult carers and 64% of young carers (see table 5, rows 2 and 5 for steady state number of carers with ACSP and YCS respectively). The estimates for personalised support are based on the number of carers with plans and statements, and those for easy access support are based on the balance of carers who do not have plans/statements.

25. Table 5 shows the number of carers (updated using the latest published carer population data<sup>8</sup>) by intensity of caring and our estimate for how many will have ACSP/YCS in the steady state. The distributions assume that 80% of carers in the 50+ hours per week band will have plans/statements, with reducing proportions for less intensive bands and with the balance in the <20 hours per week band to give total proportions of 34% and 64%.

Table 5: Number of carers and proportion expected to have ACSP / YCS in steady state

	<20 hours per week	20 - 34 hours per week	35 - 49 hours per week	50+ hours per week	Total
<b>Number of adult carers</b>	451,615	62,531	41,688	111,167	<b>667,000</b>
<b>Number of carers with ACSP</b>	87,822	25,013	25,013	88,933	<b>226,780</b>

<sup>7</sup> [https://archive2021.parliament.scot/S4\\_Bills/Carers%20\(Scotland\)%20Bill/b61s4-introd-en.pdf](https://archive2021.parliament.scot/S4_Bills/Carers%20(Scotland)%20Bill/b61s4-introd-en.pdf)

<sup>8</sup> Scotland's Carers update release [Scotland's Carers - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-s-carers/update-releases/pages/12/default.aspx)

<b>Proportion of carers with ASCP</b>	19%	40%	60%	80%	<b>34%</b>
<b>Number of young carers</b>	25,579	568	284	568	<b>27,000</b>
<b>Number of carers with YCS</b>	16,243	369	213	455	<b>17,280</b>
<b>Proportion of carers with YCS</b>	64%	65%	75%	80%	<b>64%</b>

26. Based on Carers Census<sup>9</sup> and Health And Care Experience (HACE)<sup>10</sup> data on the numbers of such plans and statements, the Scottish Government estimates that it will take approximately ten years to reach the steady state number of carers with plans and statements, increasing on average by approximately 19,000 plans and 1,300 statements per year from 2026/27 to 2035/36. This assumes the right to personalised short breaks support under the Carers Act, established by the Bill, is implemented from April 2026, although the implementation date is yet to be decided. Table 6 shows estimated additional costs of the Carers Act personalised breaks element of the proposed right to breaks established by the Bill.

Table 6: Costs of Carers Act Breaks

<b>Carers Act Breaks</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>	<b>2030-31</b>	<b>2031-32</b>	<b>2032-33</b>	<b>2033-34</b>	<b>2034-35</b>	<b>2035-36</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Upper Estimate	0	22,848	46,592	71,264	96,891	123,536	151,208	179,937	209,755	240,694	272,787
Central Estimate	0	18,094	36,897	56,436	76,730	97,831	119,745	142,496	166,110	190,611	216,026
Lower Estimate	0	13,653	27,841	42,585	57,898	73,820	90,356	107,524	125,342	143,830	163,007

- Note - Tables 6-8 project costs out to 2035/36 to cover the full anticipated implementation timeline

27. Table 7 on the costs of easy access breaks is included to show the balance of funding, although this is not a consequence of the Bill (and is not included in the total costs of the Bill in Table 1). Table 7 includes estimated costs from 2025-26, including the additional £5m in the 2025-26 budget as this support does not require new legislation and already building on existing support. The model assumes this support builds over time allowing the sector to expand its staffing and provision

<sup>9</sup> [Carers Census - gov.scot](https://gov.scot/carerascensus)

<sup>10</sup> [Health and Care Experience Survey - gov.scot](https://gov.scot/healthandcareexperience)

while growing the numbers of unpaid carers being supported. These figures are predicted to reach a steady state towards the middle of the period as higher numbers of carers are expected to be receiving personalised breaks under the Carers Act.

Table 7: Costs of Easy Access Breaks

Easy access breaks	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Upper Estimate	5,000	10,197	15,595	21,203	27,026	33,080	39,365	40,153	40,956	41,775	42,610
Central Estimate	5,000	10,197	15,595	21,203	27,026	33,080	34,867	35,564	36,275	37,001	37,741
Lower Estimate	5,000	10,197	15,595	21,203	27,026	29,772	30,368	30,975	31,595	32,226	32,871

28. Combining the estimates for personalised breaks under the Carers Act (as a consequence of the Bill) and easy access breaks, the cost of the steady state is estimated to be between £196m and £315m by 2035/36, with the central estimate being a cost of £254m. at 2035/36 prices.

Table 8: Total additional costs of rights to breaks

Total Carers Act & Easy access breaks	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Upper Estimate	5,000	33,045	62,187	92,468	123,917	156,616	190,573	220,090	250,711	282,469	315,397
Central Estimate	5,000	28,291	52,492	77,639	103,756	130,911	154,611	178,060	202,385	227,612	253,767
Lower Estimate	5,000	23,850	43,437	63,788	84,925	103,593	120,724	138,499	156,937	176,057	195,878

29. Recognising the considerable uncertainty inherent in these estimates, it will be important to continue to monitor the rate of growth in provision of breaks from caring as implementation progresses and refine estimates accordingly. Decisions on funding will also be dependent on future government spending reviews. The Carers Census already aims to collect information about breaks provided under the existing Carers Act. However, this information has proven challenging for organisations to return and so the data available is largely incomplete. The Carers Census has been reviewed and work is ongoing to support local areas to improve the collection.

30. Sections 38A and 38B added by amendment at Stage 2 of the Bill make further changes to the Carers Act, requiring the Scottish Ministers to make regulations setting timescales for the preparation of ACSPs and YCSs for all carers who want one. (This replaces a similar requirement to set timescales for carers of people with a terminal illness.) The duties to prepare such plans already exist and statutory guidance states that they should be prepared “within reasonable timescales taking into account the urgency of needs for support”. Therefore, while all implications would need to be considered in engagement to develop such timescales, the new requirement to make regulations would be unlikely to lead to additional costs. The following paragraphs look at the potential benefits realised by the introduction of rights to breaks. Currently there has been no assumed cost saving as a result of rights to breaks but a potential system wide saving is noted which if realised would work to offset any additional cost but further exploration of this is required before stating categorically.

#### Savings due to rights to breaks

31. The Scottish Government estimates unpaid care is currently saving Scotland £13.9 billion per year in social care costs, plus £386 million in health care costs – a total saving of £14.3 billion per year<sup>11</sup>.
32. The measures in the Bill are designed to protect carers’ health and wellbeing, helping sustain caring relationships. This will reduce costs which would otherwise arise for the NHS, Local Authorities and Integration Authorities, through unplanned hospital admissions, delayed hospital discharge and additional residential care when caring relationships break down. There are around 152,000 people in Scotland providing 35 hours of unpaid care or more per week<sup>12</sup>. If the right to breaks helps prevent 1% of these intensive caring relationships breaking down, that will save £77 million per year in health and social care costs. If the right protects 5% of these intensive caring relationships, the saving will be £386million per year<sup>13</sup>.
33. Research suggests that unpaid carers have on average 11<sup>14</sup> fewer days of full health per year compared with non-carers. For Scotland’s unpaid carers this is 7.6 million days per year. If these measures reduce carer ill health by 1%, that will avoid

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<sup>11</sup> Scottish government calculation of replacement care and hospital days avoided (April 2022 updated March 2025) using results in Weaver et al: Does availability of informal care within the household impact hospitalisation? Health Econ Policy Law. 2014 Jan; 9(1):71-93.

<sup>12</sup> The number of and profile of adult carers is based on the Scottish Health Survey (SHeS) 2019-23 (published at: Scotland’s Carers update release [Scotland's Carers - gov.scot \(www.gov.scot\)](https://www.gov.scot/scotland's-carers))

<sup>13</sup> Scottish government analysis of replacement care and hospitalisation (April 2022 updated March 2025)

<sup>14</sup> Informal carers’ health-related quality of life and patient experience in primary care: evidence from 195,364 carers in England responding to a national survey. Thomas et al. BMC Family Practice (2015) 16:62

76,300 days of ill health valued £15 million per year. If they reduce days of carer ill health by 5%, that will result in 382,000 fewer days of ill health, valued at £73 million per year<sup>15</sup>.

34. There are around 352,000 people in Scotland balancing paid work with an unpaid caring role<sup>16</sup>. Women make up 61% of unpaid carers of working age<sup>17</sup>. Protecting carer health and wellbeing should also lead to wider benefits to the Scottish economy by enabling more carers to remain economically active, reducing the gender pay gap and social security costs. It is not possible to precisely estimate the size of these wider savings and benefits but they are expected to be considerable. Additional breaks can make the difference to help people remain in work or return to work. If the right to breaks helps 1% more carers to remain in work, the benefit to them and to Scotland's economy would be worth £107 million<sup>18</sup>. If it means an extra 5% are working, the benefit would be £536 million per year. This would also reduce the current £340 million per year expenditure on Carer's Allowance (DWP) and on Carer's Allowance Supplement (Social Security Scotland).

*“Anne’s Law” – Rights to visits to or by care homes residents and the identification of an Essential Care Supporter*

35. Section 40 makes provision for “Anne’s Law”, which will ensure that people living in adult care homes are able to connect with those who are important to them even in infectious outbreak situations through in-person visits and visits out of the home, unless there is a serious risk to life, health or wellbeing. Amendments made at Stage 2 will also ensure that people living in adult care homes can identify at least one person as an Essential Care Supporter that will provide vital care support and companionship, if that is their wish. The financial cost of these measures should be viewed in the context of the progress made since 2021 in maximising meaningful social connections and visiting in adult care homes, effectively readying the care home sector for the implementation of Anne’s Law
36. Since 2021, guidance on managing outbreaks in care homes recommends that residents are supported to nominate “named visitors” to see them even in outbreak situations. The guidance promotes and encourages care homes to maximise opportunities for meaningful contact both in and away from the home.
37. On 31 March 2022, the Scottish Government utilised powers conferred by Section 50 of the Public Services Reform (Scotland) Act 2010 and introduced two new statutory Health and Social Care Standards relating to visiting. The Health and

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<sup>15</sup> Scottish government calculation of unpaid carer days of ill health (April 2022 updated March 2025)

<sup>16</sup> ([Scotland's Census 2022](#))

<sup>17</sup> Scotland's Carers report, Scottish Government, 2015: [www.gov.scot/publications/scotlands-carers](http://www.gov.scot/publications/scotlands-carers)

<sup>18</sup> Scottish government calculation using data from Annual Analysis of Hours and Earnings (ASHE) 2024, ONS

Social Care Standards set out what people should expect when experiencing health, social care or social work services in Scotland. They are taken into account by the Care Inspectorate in relation to inspections, and registration, of social care services. These standards support people to nominate relatives/friends (and substitutes) to visit at times where there is a need to restrict visiting to prevent infection. It also supports people to nominate relatives/friends (and substitutes), who will be supported by the care home to be directly involved in providing their day-to-day care and support if that is what they want.

38. Section 40 of the Bill inserts new provisions into the Public Services Reform (Scotland) Act 2010 which make it a requirement for the Scottish Ministers to exercise the power under section 78(2) of the Public Services Reform (Scotland) Act 2010 to make regulations which impose a duty on providers to facilitate visits to and by residents. These regulations will also specify that providers of adult care home services are under a duty to use their best endeavours to identify at least one Essential Care Supporter for every resident, if that is their wish. It will also require Ministers to issue statutory guidance (a 'Code of Practice') about the importance to residents of visiting, and provides for consultation and publishing requirements in respect of the 'Code of Practice'. This will build further on the principles established through the guidance and Health and Social Care Standards and ensure that Anne's Law is enshrined in legislation.

#### Costs to care home providers and others

39. It is expected that there will be some costs for care home providers and those supporting care homes, to promote and champion Anne's Law through staff and provider awareness sessions, formal training, updating visiting policies including the identification of the Essential Care Supporter and for printing leaflets and other administration. However, much of this is already in place as given that care homes have adopted the new visiting Health and Social Care standards and no specific costs have been highlighted by care home providers. Accordingly, it is anticipated that the new requirements will be absorbed within the usual costs of following current guidance around named visitor policy, updating care plans, training and other materials. There is potentially a time burden associated with any proposed local oversight and assurance arrangements for Anne's Law involving professional leads from Local Authorities and NHS Boards. However, this could be facilitated through existing local mechanisms for care home support and is not expected to result in additional staff costs.
40. The Scottish Government will continue to consult widely on the anticipated practical application of Anne's Law within the expected provisions of the legislation and make note in any divergence from current guidance and potential costs. While this process is ongoing, it has not highlighted additional costs to the sector.



## Costs to the Care Inspectorate

41. Currently, complaints regarding visiting can be made to registered services, or directly to the Care Inspectorate and for individual staff via the Scottish Social Services Council (SSSC). Complaints can also go via the local authority, the Health and Social Care Partnership (HSCP), or the individual NHS health board. If individuals are not happy with the decision relating to their complaint, from any of these bodies, they can approach the Scottish Public Services Ombudsman.
42. The Scottish Government estimates that there will be heightened public interest in the new legislation, which may result in, people exercising their right to complain. Therefore, complaints to the Care Inspectorate may increase in the short term, although current arrangements for adopting the new Health and Social Care Standards and supporting visiting during outbreaks are already well adopted within the sector. Any increase in complaints via other routes is not expected to be significant.
43. We identified that the Care Inspectorate would incur costs in the lead up to the introduction of Anne's Law, as there was a need to promote the guidance, the new Standards and prepare the sector for Anne's Law.
44. The Scottish Government have worked with the Care Inspectorate to determine the work over and above their core responsibilities. The Scottish Government have agreed a package of additional measures, materials and resources to support preparation for Anne's Law including support for care homes to develop new policies reflecting the Health and Social Care Standards; staff induction and internal and external training; self-evaluation improvement support for services; and developing capacity to enable the immediate resolution of complaints through direct engagement with providers and services.
45. From 2022/23 through to 2025/26, the total Care Inspectorate costs to support the introduction of Anne's Law is estimated to be £364,000. Thereafter, improvements to visiting will become embedded in the sector and we estimate that costs will fall away from year 2026/27 onwards. Presuming the Bill is enacted work will be undertaken after enactment on both laying the Regulations and the Statutory Code of Practice, however we are not anticipating any further costs as a result.

## Benefits

46. The financial cost of Anne's Law should also be viewed in the context of the benefits to the health and wellbeing of adult care home residents and their friends and families, with a case to be made that that there will be savings realised in other aspects of the Health and Social Care system.
47. During the Scottish Government's consultation on Anne's Law in September 2021 there was widespread support for the approach of introducing Anne's Law. Many respondents commented on their own experiences of family members being isolated in care homes over the course of the pandemic and the lasting harm this caused.
48. Reference to the potential individual and wider system benefits because of improved health and wellbeing was highlighted during the consultation by NHS Greater Glasgow and Clyde:
  - "There is a wide range of evidence internationally that social connectedness is required for good health. Anne's Law would reduce social isolation, poor mental health and associated effects on physical health. This creates a more efficient and effective service as there are less care needs for staff to manage and residents, carers and staff are happier"
49. Respondents to the Scottish Parliament's consultation on the National Care Service Bill in September 2022 offered near universal support for Anne's Law.

## *SSSC Power to Require Information*

50. Section 41B was added to the Bill by amendment at Stage 2. It will insert a new section into the Regulation of Care (Scotland) Act 2001 which will enable the Scottish Social Services Council to require any person to provide it with information that it requires which is relevant for the exercise of its functions. Currently, the Council only has the power to require information in that way from the employer of a social service worker. Where the Council requires information from any other person for the purposes of an investigation it must incur costs by making a summary application to a sheriff. It is therefore anticipated that section 41B will result in savings for the Council.
51. The cost of a summary application to a sheriff varies from case to case within a range of £2,000 to £20,000 per application based on information from the Council. Due to the variability in application cost and the number of applications made each year, with these being in the low single digits, a definitive value of savings has not been presented so as not to overstate it.

The purpose of the amendment is to close a legislative gap and mitigate risk versus obtaining a cost saving. It is nevertheless expected there will be a small financial benefit to the public purse.

### *Protection of Adults at Risk of Harm*

52. Section 43A was added to the Bill by amendment at Stage 2. Amongst other things, it clarifies the legal gateway for information to be disclosed to and by the providers of certain independent health care services that are not themselves public bodies (for example, general practitioners, dentists and opticians) where there are concerns about an adult at risk of harm.
53. There may be a small cost to amend and reprint current Scottish Government guidance that was originally produced specifically for public bodies and also a need to amend and reprint the code of practice. However, as the amendment to the Adult Support and Protection (Scotland) Act 2007 is in line with existing guidance and best practice, this may not be required, to avoid duplicating guidance where this already exists. If any updating and reprinting is required, it is estimated to be a one-off minimal cost of less than £5,000.

### *National Social Work Adviser and Agency*

54. Section 43B was added to the Bill by amendment at Stage 2. It inserts a new provision into the Social Work (Scotland) Act 1968 which requires the Scottish Ministers to designate a member of their staff as the National Chief Social Work Adviser (“NSWA”) and to organise other civil servants into an agency to support the Adviser’s work.
55. Table 9 below sets out the anticipated costs of establishing and running the agency through to 2031/32. Further work will be undertaken during the preparation of an agency business case to ensure the budget aligns with the Scottish Government’s strategic objectives, and is deliverable, affordable and provides sufficient value for money. The costs will be met by repurposing the existing budget allocated to the Office of the Chief Social Work Adviser, a division within the Scottish Government, in order to minimise any additional cost to the public purse.

Table 9 – NSWA Costs

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
<b>Set Up</b>	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)
Staff	44 - 54	23 - 28	0 - 0	0 - 0	0 - 0	0 - 0	0 - 0
Staff Related	2 - 2	1 - 1	0 - 0	0 - 0	0 - 0	0 - 0	0 - 0
Non Staff	348 - 426	3 - 3	0 - 0	0 - 0	0 - 0	0 - 0	0 - 0
<b>Total Set Up</b>	<b>395 - 482</b>	<b>26 - 32</b>	<b>0 - 0</b>	<b>0 - 0</b>	<b>0 - 0</b>	<b>0 - 0</b>	<b>0 - 0</b>
<b>Running</b>							
Staff	48 - 59	591 - 722	607 - 742	624 - 763	641 - 784	659 - 805	677 - 827
Staff Related	2 - 3	29 - 35	30 - 36	30 - 37	31 - 38	31 - 38	32 - 39
Non Staff	55 - 68	81 - 99	83 - 101	85 - 103	86 - 105	88 - 107	90 - 110
<b>Total Running</b>	<b>106 - 129</b>	<b>701 - 857</b>	<b>720 - 880</b>	<b>739 - 903</b>	<b>758 - 926</b>	<b>778 - 951</b>	<b>799 - 976</b>
<b>Executive Board</b>	<b>0 - 0</b>	<b>54 - 66</b>	<b>55 - 67</b>	<b>57 - 69</b>	<b>58 - 71</b>	<b>60 - 73</b>	<b>61 - 75</b>
<b>Overall</b>	<b>500 - 612</b>	<b>781 - 955</b>	<b>775 - 947</b>	<b>795 - 972</b>	<b>816 - 998</b>	<b>838 - 1024</b>	<b>860 - 1051</b>

56. The staff costs for set up are based on the provision of 1 extra short term HR post during the set up phase to help manage the work associated with the transfer of existing staff to the new agency along with support for the recruitment of an additional 8 staff cutting across various grades that will be required to support the operational functions of the new agency once it is up and running. These include a dedicated HR, finance and business management function that would previously have been utilised from within core Scottish Government. The basis of these numbers came from discussion with other public bodies about their operational requirements. The staff related costs cover the provision of shared services per user for system access, premises and related staff expenses. These are based on internal Scottish Government recharge figures for those accessing shared services. At 2024/25 prices the costs per person are approximately £1,030 for premises, £1,610 for systems and £1,010 for general staff related expenses.

57. In terms of non-staff costs, within the set-up phase there is the provision for new IT equipment for both new staff and also existing staff as their current equipment cannot transfer with them. This is approximately £2,520 per person and covers the hardware, software and set up costs. There has also been included a £50,000 provision for a new website for the new agency. This is based on taking an averaged cost derived from previous Bills which showed a range of between £10k and

£100k. There has been funding allocated to co-design work to ensure that the agency reflects the needs of those using and accessing the services with the circa £25,000 based on current levels of provision used within the Programme. There is a small provision for costs related to recruitment out with the HR post referenced above of £13,000 to cover the appointment of the chair, vice chair and other staff and finally there is circa £50,000 set aside for other costs to ensure there is coverage for any unidentified issues or cost overruns.

58. As regards the running costs, there will be the requirement for an annual audit £34,000, provision of legal services as the Scottish Government can no longer provide this (£38,000), and provision has been made for ongoing engagement with external stakeholders to ensure the agency is cognisant of the needs of those with lived experience £25,000. There have also been costs allocated to administrative expenses £5,000 and other miscellaneous costs £18,000. These costs have been derived from discussion with other public bodies regarding their key areas of expenditure, from analysis of annual account data and with insight from the current Office of the Chief Social Work Adviser on the migration of roles. Options for shared services with other organisations will be pursued as noted above to ensure value for money and keep costs within the parameters of existing budgets.

59. Finally, the executive board costs have been taken from analysis done on member costs from various sets of annual accounts, allocating circa £37,000 to cover the chair and vice chair and also provision for lived experience members to participate circa £10,000. Core members are assumed to be present due to their substantive roles and will therefore not incur any additional expenditure

#### *Independent Information, Advice and Advocacy*

60. Section 13 was amended at Stage 2 so that, whereas when the Bill was introduced, it was a regulation-making power for the Scottish Ministers to make provision about independent advocacy in relation to social care, it has become a duty to make provision by regulations not only about independent advocacy but also about independent information and independent advice in relation to social care. The amended section does not specify the sort of provision that regulations are to make about independent information, advice and advocacy and therefore the potential cost implications of those regulations are wide.

61. Funding of such services is currently undertaken through powers provided by the Social Work (Scotland) Act 1968. The Government intends to use the new power to provide a basis for its continued funding of such services, bringing them under the umbrella of the Care Reform Bill.

62. Current funding for such services are provided through the Support in the Right Direction Fund, at an annual rate of £3.3 million per year, with the current contract set to expire in 2027. Future annual costs are estimated to continue in broadly the same vein, dependent on available budget at the time. For the sake of prudence, table 10 below shows costs on the basis of allowing for an increase in funding over time, to reach £10.5 million by 2031/32 as a potential illustrative expansion of these services. The costs in the table assume the £3.3 million fund continues and so the figures presented are the additional cost on top of the £3.3 million current spend.

Table 10 - Independent Advocacy, Advice and Information Estimate of Expanded Support

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)
Independent Advocacy, Advice and Information	0	0	1.2 - 1.7	2.3 - 3.5	3.5 - 5.2	4.6 - 6.9	5.8 - 8.6

63. As referenced previously, the precise details of the regulations are still to be worked through. The financial implications of any regulations brought forward under section 13 will be set out for the Parliament in the usual way when the regulations are brought forward. Table 10 is therefore intended as illustrative only.