

Executive take

The five-year *Ambitious for Scotland Programme for Government 2026–2031*, announced on **1 September 2026**, puts large-scale public-service reform, prevention and more joined-up delivery at the centre of government policy. Its most consequential proposals for social care are the replacement of 14 territorial NHS Boards with two strategic Boards and an immediate three-month engagement process on local government and social care reform.

Social care is now structurally central

The Government explicitly connects social care governance, hospital performance, delayed discharge and NHS reform.

The three-month window matters

Major decisions on accountability, funding and local governance are not yet settled. Provider participation will be essential.

Funding is the key gap

The announcement does not yet provide a new core funding, commissioning or Fair Work settlement for independent providers.

Scottish Care assessment: the direction offers genuine opportunities—greater consistency, reduced duplication, prevention, care closer to home and clearer accountability—but it will only succeed if social care capacity, workforce and independent-provider sustainability are treated as infrastructure to be funded, not simply as delivery resources expected to absorb additional responsibility. Social care’s value is broader than its contribution to NHS performance, and fiscal and public-service sustainability cannot be achieved without sustainable social care.

1. What has been announced

Area	Confirmed position	Provider significance / outstanding questions
Social care governance	Social care will be included in three months of engagement with local government, trade unions, the third sector, community partners and political parties. The First Minister’s stated starting position is a single line	This is a major policy direction, not yet a settled operating model . It remains unclear what happens to Integration Joint Boards, council statutory functions, commissioning

Area	Confirmed position	Provider significance / outstanding questions
	of decision-making, accountability and funding, with the NHS taking the lead.	authorities, local democratic accountability and provider representation.
NHS structure	The Government will replace the existing 14 territorial NHS Boards with two strategic Boards . Separate or bespoke arrangements for island areas remain under consideration; final decisions will follow consultation.	Potential benefits include consistency, reduced boundary barriers and strategic planning at scale. Risks include transition disruption, remote decision-making and weakening local relationships unless strong locality arrangements are built in.
NHS performance and flow	By the end of 2031, the Government intends that nobody waits over 26 weeks for NHS treatment. The associated Flow Plan seeks one connected system, simpler access, more community-based care, earlier discharge and expansion of Hospital at Home so that 10,000 people can receive hospital-level care at home over the coming winter.	Independent providers will be critical to discharge, recovery and community capacity. Responsibility cannot safely shift from hospital to community without resource, workforce, equipment, information and realistic commissioning arrangements.
Community infrastructure	At least £10 billion of health capital investment is proposed over ten years, including new community health and care hubs beginning in Fife, West Lothian and Inverclyde.	Providers should seek clarity on whether independent social care, supported housing, care homes and care-at-home infrastructure can participate in—or connect digitally and operationally with—these investments.
Public-service reform	Services are expected to move decisively towards prevention and early intervention. Government intends to simplify payments, revenues, inspections, shared services, enquiries and data through a “tell us once” approach, while substantially reducing the number of public bodies.	This could reduce duplicated reporting and assurance burdens. The test will be whether simplification reaches provider-facing processes rather than only reorganising public bodies.
Legislation	The 2026–27 legislative programme includes a Public Service Renewal (Scotland) Bill , a Budget Bill and a Buildings (Heating and Energy Performance) and Heat Networks Bill.	Providers should monitor the Public Service Renewal Bill for governance, inspection, data-sharing and accountability provisions, and the buildings legislation for capital and operating-cost implications.

Area	Confirmed position	Provider significance / outstanding questions
Human rights	A Human Rights Bill is intended for Year 2 of the Parliament .	This aligns with rights-based, person-led social care. Reform, commissioning and budgets should be assessed against dignity, choice, continuity, participation and access to justice—not solely efficiency savings.
Housing	Government proposes 111,000 affordable homes by 2032, at least 70% for social rent, alongside a £50 million homelessness prevention fund.	This supports the wider conditions for independent living, but the announcement does not specify a dedicated programme for housing-with-care, supported living or accessible social-care infrastructure.
Digital and data	More effective technology, data sharing and digital connectivity are presented as reform enablers.	Opportunity depends on interoperability and investment reaching independent providers. New digital requirements without funding, support or shared standards could instead increase cost and exclusion.
Workforce and skills	The broader programme includes at least 150,000 apprenticeships and an Apprenticeship Accelerator Grant. Separately, the Government's 100-day programme has reopened the Adult Social Care Displaced Workers Scheme, intended to help deliver up to 45,000 additional care hours monthly.	These are positive capacity signals, but they do not amount to a comprehensive social-care workforce settlement. Eligibility, provider access, career pathways, Fair Work costs and sustainable long-term recruitment require clarification.
Funding and commissioning	The Programme's headline announcement does not specify a new core provider-sustainability fund, multi-year social-care settlement or cost-of-care mechanism .	The pre-existing 2026–27 local-government settlement includes £174.7 million for adult social care workers in commissioned services, but this is not new core capacity funding announced through the Programme.

How the reform strands connect

The reform programme therefore has two parallel tracks: structural NHS consolidation and a time-limited process to determine the future of local government and social care. These

converge around unresolved decisions on governance, resource transfer, commissioning and delivery—as illustrated below.

2. What this means for independent providers

Immediate opportunities

- **A stronger national voice in system design.** The acknowledged connection between social care capacity and NHS performance creates an opening to establish providers as essential partners in prevention, discharge, rehabilitation and community wellbeing—not as a transactional supply chain.
- **Greater consistency.** Larger strategic health structures and simplified public services could reduce postcode variation, duplicated reporting and conflicting assurance or commissioning requirements.
- **Community and capital investment.** New hubs, digital infrastructure and more care close to home could support new partnerships, service models and housing-linked care—provided independent services are involved from design through delivery.

Principal risks

- **Responsibility without resource.** Hospital-flow targets may increase expectations on care homes, homecare, housing support and community services before sustainable capacity is commissioned.
- **Transition instability.** Changes to NHS Boards, councils or integration structures could interrupt commissioning relationships, decision-making and payments unless continuity arrangements are explicit.
- **Centralisation.** A single line of accountability could improve clarity, but NHS leadership must not reduce social care to an instrument of acute-system performance or marginalise rights, prevention, community capability and local knowledge.
- **Fair Work obligations without full costs.** Scottish Care’s position remains that pay, conditions, pensions, training, supervision and organisational infrastructure must be properly funded; otherwise new expectations increase provider fragility.
- **Digital exclusion and administrative transfer.** Simplification within government must not result in unfunded data, compliance or interoperability burdens being transferred to providers.
- **Rural and island impact.** Larger strategic structures require explicit safeguards for travel, workforce, fragile markets, specialist provision and local decision-making.

3. Scottish Care response

Core position

Scottish Care welcomes the Programme's clearer recognition of the relationship between social care, community capacity and NHS performance. Our position is that these ambitions cannot be delivered without sustainable investment in social care. However, structural reorganisation is not an outcome in itself. Success must be judged by whether people experience better rights, choice, continuity and quality—and whether the organisations and workforce delivering support are viable.

Scottish Care principles for evaluating reform options:

1. **Independent providers must be partners in design and decision-making**, with formal representation rather than occasional consultation.
2. **Governance and funding must be redesigned together**. A single line of accountability cannot succeed while funding remains fragmented, annual and disconnected from the true cost of care.
3. **Resource must follow responsibility into communities**. New discharge, prevention and Hospital at Home expectations require funded social-care capacity, not reliance on provider goodwill or unused capacity.
4. **The social care workforce must be strengthened meaningfully**, including Fair Work, professional recognition, career pathways, nursing capacity and international recruitment routes.
5. **Commissioning reform must protect continuity, quality, choice and market diversity**, supported by multi-year arrangements, transparent cost modelling and ethical commissioning.
6. **Rights and lived experience must shape reform**, including the voices of people accessing support, families, frontline workers and providers.
7. **Provider-facing duplication must reduce**, including overlapping inspection, reporting, information and assurance requirements.
8. **Digital transformation must include the independent sector from the outset**, with shared standards, interoperability, workforce support and investment.
9. **Rural, island and fragile-market arrangements must be explicitly tested**, with local safeguards and contingency planning.
10. **A transparent implementation and transition plan must follow**, setting out decisions, funding, responsibilities, measures of success and protections for continuity of care.

These asks reflect Scottish Care's established position that reform must move social care from being treated as a spending pressure to being recognised as preventative, social and economic infrastructure.

4. What providers should watch

- **The Government's three-month engagement**: who participates; what options are tested; how provider, workforce and lived-experience voices are weighted; and whether financial modelling accompanies structural proposals.

- **Health Board consultation and transition:** proposed geography, island arrangements, governance, locality mechanisms, implementation timetable and consequences for IJBs and Health and Social Care Partnerships.
 - **Public Service Renewal Bill:** potential changes to public bodies, inspections, shared services, data and accountability.
 - **2027–28 Budget development:** whether prevention is accompanied by multi-year investment in commissioned capacity, true-cost funding and Fair Work.
 - **Flow Plan mobilisation:** baselines, standards, performance measures, discharge expectations and how payment follows capacity.
 - **Care Reform implementation:** ethical commissioning, market monitoring, Fair Work strategy and provider participation.
 - **Human Rights Bill development:** ensuring social care support, commissioning and budget decisions are included in rights implementation.
 - **Buildings and climate policy:** capital support and realistic transition arrangements for energy-intensive residential and community services.
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5. Next steps

Scottish Government and national activity

1. Publish the scope, governance and participation arrangements for the three-month engagement.
2. Clarify the status of councils, NHS Boards, IJBs and statutory social-work responsibilities under each reform option.
3. Produce financial and workforce modelling showing how community capacity will be sustained.
4. Confirm the legislative route and transition protections for health and social care restructuring.
5. Align the Flow Plan, Public Service Renewal Bill, Care Reform implementation and 2027–28 Budget.
6. Demonstrate how independent providers, people accessing support and frontline workers will participate throughout design and implementation.

Scottish Care activity

1. **Seek formal representation** in the three-month process and establish regular engagement with Government, COSLA, NHS, trade unions and sector partners.
2. Develop a **reform proposition** drawing on these principles, member evidence and the outcomes of engagement.
3. **Gather evidence rapidly** on discharge, commissioned capacity, true costs, workforce, duplicated processes, digital barriers and rural/island fragility.
4. **Test proposals with members**, including care homes, homecare, housing support, specialist and small/family-run services.

5. **Influence the Public Service Renewal Bill and Budget**, using a consistent message: *reform must strengthen—not destabilise—the infrastructure on which community care and NHS sustainability depend.*
6. **Publish feedback loops**, explaining what members said, where evidence was used and what Government response or change followed.

Scottish Care’s planned programme of survey activity throughout Autumn provides immediate evidence routes through the Hospital Transitions Survey, Care Inspectorate experience work, international recruitment research, technology survey and November workforce and financial sustainability survey. Members are encouraged to engage with these surveys and associated activities as much as possible.

Immediate member actions

- Share examples of **effective and unsafe hospital transitions**, including delays, equipment, medication, information and escalation issues.
- Evidence the **cost and workforce capacity required** to support discharge, prevention or new community responsibilities.
- Identify duplicated reporting, inspection or information requests suitable for the “tell us once” reform agenda.
- Provide examples of innovation, collaboration and prevention that could be scaled.
- Engage local MSPs and offer service visits, using the consistent message that social care is essential community and NHS infrastructure.

Essential links

- [Programme for Government 2026–2031 – HTML](#)
- [Programme for Government 2026–2031 – PDF](#)
- [First Minister’s Programme for Government speech](#)
- [Health and Care Improving Flow Plan 2026–2031](#)
- [Scotland’s Public Service Reform Strategy](#)
- [Scottish Care Manifesto – Care Creates...](#)

To discuss this briefing further, please contact:

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Reforming social care with Scotland's independent sector

Scottish Care evidence to the Finance and Public Administration Committee | September 2026

Purpose

To support the Committee's scrutiny of affordability, sustainability and public service reform, and to secure its support for six practical actions that recognise independent social care as preventative, community and economic infrastructure. These actions would strengthen rights and outcomes while reducing avoidable demand, duplication and cost across Scotland's public services.

Scottish Care and the independent sector

Scottish Care is the membership body and innovation hub for independent social care providers in Scotland, representing more than 350 organisations and almost 900 services across care homes, care at home, housing support, day services and related support. The independent sector includes private, not-for-profit, charitable and employee-owned organisations. It employs more than 100,000 people and is a core part of Scotland's public service ecosystem, local economies and community resilience.

Our mission is social care that works for Scotland. We pursue it by making social care more visible, viable, valued and visionary. Scottish Care's overall judgement is that public service reform is necessary and achievable, but it will succeed only if social care is treated as essential national infrastructure and reform is designed with the independent sector, people accessing support, unpaid carers and the workforce. Reform that focuses on structures or short-term savings without addressing true costs, prevention and delivery capacity will displace pressure rather than resolve it. A sustainable Scotland needs sustainable social care.

Committee asks, fiscal issues and why action matters

Committee ask	Fiscal issue addressed	Why this action matters
1. Treat social care as preventative and economic infrastructure, not as a demand-led cost pressure.	Prevention is not visible in fiscal decisions. The costs avoided across health, local government and households, and social care's contribution to employment and economic participation, can be overlooked.	Earlier care and support can reduce avoidable admission, delayed discharge, crisis intervention and unpaid carer breakdown, while sustaining labour-market participation. Embedding the Preventative Investment Framework in spending reviews, budget decisions and evaluation would make avoided harm, displaced cost, sustained independence and wider economic contribution visible.
2. Require multi-year settlements and commissioning arrangements that reflect the independently assessed	Short-term funding does not meet the true cost of care. The full cost base includes but is not exclusive to workforce, digital, data, capital, climate and rural or	Stability supports fair work, quality, workforce development and innovation. It reduces repeated procurement, emergency funding decisions, workforce churn and the cost of

true cost of safe, sustainable and rights-based care.	island delivery. The short term nature of funding means additional admin burden on the commissioner and funded organization, as well as costs associated with job insecurity for the employer and employee.	providers recruiting to meet need only for commissioning to stop. Medium-term alignment prevents instability from creating higher costs elsewhere.
3. Apply a Social Care Impact and Assurance Test to public service reform.	Structural reform can create unfunded transition risk. Fragmented systems and workforce pressure can amplify risks to continuity, provider sustainability, equality, rights and local accountability.	A consistent test covering continuity of support, workforce, provider sustainability, equality, human rights and local accountability would help the Committee distinguish reforms that are deliverable and fiscally sustainable from those that displace cost or destabilise support.
4. Publish the investment, transition and implementation costs of reform, rather than assuming structural change will produce immediate cashable savings.	Reform costs are not consistently transparent. Digital, data, capital and service redesign require investment, while structural change can interrupt delivery before benefits are realised.	Transparent costing would distinguish genuine whole-system efficiencies from short-term savings that transfer cost into hospitals, crisis services, providers, workers or families. It would also allow Parliament to assess affordability, sequencing, payback periods and delivery risk before reform proceeds.
5. Place independent and third-sector providers, people accessing support and unpaid carers at the centre of reform design, governance and evaluation.	Reform can overlook essential delivery knowledge. People, carers, providers and the workforce understand where pathways fail, how support is experienced and which changes are viable.	Early involvement would expose delivery risks, reduce redesign and implementation failure, improve take-up and identify unintended consequences before they become expensive system problems. It would also ensure that reform protects dignity, choice, continuity and local voice.
6. Reform fragmented pathways, data and assurance arrangements so that public money supports direct care rather than duplication, while maintaining clear accountability, privacy and rights.	Fragmentation creates delay, duplication and workforce pressure. Disconnected pathways, information, clinical governance and assurance arrangements prevent health and social care from operating as one system.	Clear routes into and out of support, interoperable information, integrated clinical governance and proportionate assurance can release professional time, reduce repeat assessment and reporting, improve patient flow and direct more resource to care and support without weakening accountability or privacy, at the same time as upholding human rights.

Overall fiscal conclusion: Taken together, the evidence shows that social care reform should be assessed by its impact on costs and outcomes across the whole public system, not by short-term savings within a single budget. Sustainable, preventative investment in social care can reduce avoidable demand and duplication, while underfunding, fragmented pathways and unfunded transition costs displace pressure onto the NHS, local government, providers, workers, unpaid carers and families.

How Scottish Care can help

Scottish Care's record in innovation and improvement includes conceiving and rolling out the Care Technologist role, independently evaluated by HACT as generating £9.50 in social value for every £1 of public funding invested. This experience enables us to help turn reform ambitions into practical delivery by:

- bringing provider and workforce experience into policy design early;
- convening people who access support, unpaid carers, providers, commissioners and system partners to test proposals;
- co-designing sustainable commissioning, workforce, digital, data and governance solutions; and
- identifying unintended consequences and supporting evaluated demonstrators before national roll-out.

Useful figures

- **£5.2bn:** adult social care's estimated direct, indirect and induced economic value in Scotland.
- **£1 → £1.98:** estimated socioeconomic return for every £1 spent in the sector.¹
- **705,952:** delayed-discharge days in 2025/26 — an average of 1,934 beds each day.²
- **£440m+:** estimated annual hospital cost associated with delayed discharge in 2024/25, before wider system and human costs.³
- **Workforce and participation:** social care supports labour market participation both directly through employment and indirectly by enabling unpaid carers to remain in or return to work.

Sustainable social care is essential to a sustainable Scotland.

¹ Scottish Social Services Council and Alma Economics (2025) *Economic and social value of the UK adult social care sector: Scotland*. Dundee: Scottish Social Services Council. Available at: <https://data.sssc.uk.com/data-publications/397-economic-and-social-value-of-the-uk-adult-social-care-sector-scotland> (Accessed: 22 September 2026).

² Public Health Scotland (2026) *Delayed discharges in NHS Scotland annual: annual summary of occupied bed days and census figures, data to March 2026*. Edinburgh: Public Health Scotland. Available at: <https://publichealthscotland.scot/publications/delayed-discharges-in-nhs-scotland-annual/delayed-discharges-in-nhs-scotland-annual-summary-of-occupied-bed-days-and-census-figures-data-to-march-2026/> (Accessed: 22 September 2026).

³ Audit Scotland (2026) *Delayed discharges: a symptom of the challenges facing health and social care*. Edinburgh: Audit Scotland. Available at: <https://audit.scot/publications/delayed-discharges-a-symptom-of-the-challenges-facing-health-and-social-care> (Accessed: 22 September 2026).

References

Scottish Care (2024) *Ethical commissioning for the independent sector: Rights, respect and redistribution*. Ayr: Scottish Care. Available at: [Scottish Care](#)

Scottish Care (2025) *Myth busting 2025: Compassion in crisis*: Scottish Care. Available at: [Scottish Care](#)

Appendix 1

Scottish Care Member Briefing (2026), *Programme for Government 2026-2031: Social Care Briefing*, attached PDF in email