LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

CALL FOR VIEWS ON THE NON-DOMESTIC RATES (SCOTLAND) BILL

SUBMISSION FROM SCOTTISH CARE

As the voice of the independent social care sector in Scotland, Scottish Care welcomes this opportunity to give our views on the Non-Domestic Rates (Scotland) Bill and the findings of the Barclay Report.

Scottish Care is a membership organisation and the representative body for independent sector social care services in Scotland and speaks with a single unified voice for small, medium and large providers across the independent care sector. This covers private and voluntary sector care home, care at home and housing support services.

Independent and voluntary sector providers combined employ nearly 100,000 social care staff, with nearly 71,000 of these individuals working in housing support and care at home services.

Each night of the week, home care providers support nearly 50,000 individuals in their own homes, most with increasingly complex needs.

The social care sector plays an important part in the Scottish economy, providing employment for over 202,000 people and generating an annual turnover of several billion pounds.

We believe that serious consideration needs to be given to the relief of payment of Non-Domestic Rates for care at home services in order to support the growth and sustainability of the health and social care sector in Scotland and we outline our reasoning below.

The importance of accessing support at home is vital for many members of our ageing society. The direction of Scottish Government policy supports the choice for many older adults across the country to stay in their homes for as long as they are willing and able to, as supported by the Age, Home and Community: a strategy for housing Scotland’s older people 2012-2021. This is especially pertinent in our ageing society where the population projections for the next 25 years from the Scottish Government show that “The number of people aged 75 and over is set to increase by 85% by 2039. It means that, by then, over 800,000 people will be over 75.” A care home environment is not suitable for everyone and therefore provisions need to be made to support the health and social care sector to be able to provide these essential services to some of our most vulnerable citizens.
However, there is most definitely a serious threat to the financial viability of the sector for several reasons: funding of the Scottish Living Wage, issues around commissioning and recruitment and retention challenges to name a few. All of these challenges are putting a significant and unprecedented strain on care at home providers and within the last month alone, we have seen a number of home care providers that have been unable to sustain the current financial pressures and have closed as a result. This in turn has far reaching and negative implications on the people these organisations support, the community and the staff and families affected as a result of job losses. It also puts additional practical and financial strain on other parts of the health and social care sector, including acute hospital services.

Care at home providers' premises are in most instances an organisational hub for carrying out critical care duties. These are a locations used to organise, facilitate and enable carers to do their job safely and to a high quality standard through training. It is our view that the Non-Domestic Rates (Scotland) Bill as it stands is prohibiting the economic growth of care providers and potential new care providers as it stifles their ability to develop, extend and innovate their services in the economic climate they operate in. This means that in many areas, home care provision is limited and hospital discharges are delayed due to demand for home care provision outstripping what is available. The integration of health and social care services is aimed at ensuring continuity of care and consistency across all sectors. These home care services are essentially an extension to the support and care delivered by the public sector and are often delivering support on behalf of the NHS and Local Authorities. We would argue that there is a responsibility to support the growth of care at home providers given the criticality of their existence and development to the economy of Scotland and wellbeing of its citizens.

The Bill also suggests that hardship relief can be applied if “giving hardship relief to you is in the interests of local people.” Similarly, Rural Rate Relief can be applied to “any other business providing a benefit to the community with a rateable value of up to £17,000”. We would argue that within the current proposals, care at home providers meet these conditions and that there should be serious consideration given to the extension of the proposed rates relief to care at home services. Whilst some providers are able to apply for relief currently, the criteria is unclear and open to interpretation meaning that there is an inconsistency of approach. We would argue that at this critical time of workforce shortage, challenging sustainability especially in remote and rural areas where the existence of these services is even more imperative, and increasing demand on services that this relief would increase investment and further enable the delivery of high quality social care to some of the most vulnerable in our society.

Scottish Care would welcome the opportunity to discuss the removal of Non-Domestic Rates for care at home providers in more detail and is happy to provide more evidence as to why this is important to both the health and social care sector and the Scottish economy as required.