

AUDIT COMMITTEE

Tuesday 28 September 2004

Session 2

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AUDIT COMMITTEE

16th Meeting 2004, Session 2

CONVENER

*Mr Brian Monteith (Mid Scotland and Fife) (Con)

DEPUTY CONVENER

*Mr Andrew Welsh (Angus) (SNP)

COMMITTEE MEMBERS

*Rhona Brankin (Midlothian) (Lab)
*Susan Deacon (Edinburgh East and Musselburgh) (Lab)
*Robin Harper (Lothians) (Green)
*Margaret Jamieson (Kilmarnock and Loudoun) (Lab)
*George Lyon (Argyll and Bute) (LD)

COMMITTEE SUBSTITUTES

Chris Ballance (South of Scotland) (Green)
Mr Ted Brocklebank (Mid Scotland and Fife) (Con)
Marlyn Glen (North East Scotland) (Lab)

*attended

THE FOLLOWING ALSO ATTENDED:

Mr Robert Black (Auditor General for Scotland)
Angela Canning (Audit Scotland)
Barbara Hurst (Audit Scotland)

CLERK TO THE COMMITTEE

Shelagh McKinlay

SENIOR ASSISTANT CLERK

Joanna Hardy

ASSISTANT CLERK

Christine Lambourne

LOCATION

Committee Room 5

Scottish Parliament

Audit Committee

Tuesday 28 September 2004

[THE CONVENER *opened the meeting at 10:42*]

The Convener (Mr Brian Monteith): Okay. We can now start the 16th meeting in 2004 of the Scottish Parliament's Audit Committee. I welcome to the meeting members of the public and the media, and the Auditor General for Scotland and his team. I apologise for the late start and for the committee's having to flit to another committee room, and assure colleagues that we will look into the cause of the matter, the difficulty of rectifying it and the speed of attending to it so that the problem does not happen again.

I intend to take agenda items 1 and 2 after agenda item 6, as Andrew Welsh is not here and it would be difficult to deal with items 1 and 2 without him. We have not received apologies from him, so we are trying to ascertain whether he is able to come to the meeting. Taking agenda items 1 and 2 after item 6 makes some sense anyway, as he intended to be in absentia for items 5, 7 and 8. He has declared a conflict of interest on those agenda items, as he has been a member of the Scottish Parliamentary Corporate Body. If he cannot attend the meeting, items 1 and 2 will obviously have to be taken at a future meeting. Do members agree to that proposal?

Members *indicated agreement.*

Items in Private

10:44

The Convener: Agenda item 3 is to discuss whether to take agenda items 7, 9 and 10 in private. I will run through those items for the benefit of those who are listening to our proceedings.

Item 7 is to enable the committee to consider its approach to the report by the Auditor General for Scotland entitled "Management of the Holyrood building project". Item 9 is to enable the committee to consider its approach to the reports by the Auditor General entitled "Commissioning community care services for older people" and "Adapting to the future: Management of community equipment and adaptations". Item 10 is to enable the committee to consider a second draft report on its inquiry into the report by the Auditor General entitled "Better equipped to care? Follow-up report on managing medical equipment". Consideration of item 10 might have to be postponed, given the difficulty of starting the meeting late, but we will take it as it comes.

Do members agree to take agenda items 7, 9 and 10 in private?

Members *indicated agreement.*

**“Commissioning community care services for older people” and
“Adapting to the future: Management of community equipment and adaptations”**

10:45

The Convener: We move to agenda item 4, which is to consider two reports, more or less one after the other. They are “Commissioning community care services for older people” and “Adapting to the future: Management of community equipment and adaptations”. I invite the Auditor General to start by speaking about the first report.

Mr Robert Black (Auditor General for Scotland): Over the summer, we published two reports, both of them published jointly by Audit Scotland and the Accounts Commission. One looks at commissioning community care services for older people and the second one looks at the specific service of managing community aids and adaptations.

The first report is a high-level examination of the services that are currently provided for older people. Back in 2000, a handbook for councils was published in the name of the Accounts Commission, which aimed to help councils to develop a best-value framework for such services. In the new report, we follow up some of the key issues that were identified in that handbook. The main part of the report looks at councils, because they have the lead role in planning community services. However, as joint working between councils and the health services increases, we also comment in the report on how councils are working with their local health partners.

I suggest that there are important issues about how the Scottish Executive monitors its major policies in this area. The report considers the performance of all 32 councils in three key areas: planning, commissioning and reviewing performance. We identify five areas that need to be addressed by the various bodies, including councils, the health service and, indeed, the Scottish Executive.

The first point that we identify is about planning. Councils and health partners need to do more to plan for the likely growth in demand for community care services for older people, and the expected shortage of carers, both paid and unpaid. As the committee knows, the number of people aged 65 and over is expected to grow by about 45 per cent over the next 20 years or so. We also expect the number of paid and unpaid carers to fall in line with the expected decrease in the working-age population.

Secondly, although councils and health partners collect a lot of information about the older population, they do not always use that information to inform their planning. We have considered the types of contracts that councils use, for example. We addressed that significant issue back in 2000. Different contracts are suited to different situations and we outline in the report the advantages and disadvantages of each. Strategic planning needs to be supported by a balance of contracts that ensures value for money and sustainable services. We recommend that councils review that balance regularly to ensure that those are being achieved.

The third point is that research shows that most people want to stay in their home for as long as they can. There has been a small shift in the balance of care for older people away from care homes towards more intensive care packages delivered at home. Care at home is also being delivered in a more flexible way, with an increase in the proportion of older people who get home care outside normal office hours. However, that focus on more intensive care packages might have affected the number of older people who get lower-level preventive services. I am sure that the committee will recall that we touched on that issue in our overview of national health service performance.

The fourth point is that the Scottish Executive needs to ensure that it collects information about the local implementation of key national policies so that it can analyse their impact and cost and establish whether quality services are being delivered. There are three examples relating to the implementation of national policy in the report.

The first example relates to the data provided by councils to the Executive about the uptake of free personal and nursing care. Gaps in the data make it difficult to assess the effect of that important policy and to forecast future expenditure in the area. Of course, free personal and nursing care is a major policy, and examining its implementation is only a small part of reviewing it. A much more detailed review will be needed in the future to examine the numbers receiving the service, how it affects their quality of life and the cost of the policy, and it will be difficult to conduct that review without proper information. We understand that the Scottish Executive will today produce national statistics on free personal and nursing care, and we are keen to find out whether that information base is more comprehensive than the data that were available to us when we were doing the support work.

There is also a problem with information about the implementation of the new duty on councils to offer direct payments to disabled and frailer older people. We suggest that there are some

unanswered questions about changes in the pattern of service delivery where large numbers of older people opt for direct payments. We have also found that the estimated costs and take-up vary significantly between the nine councils that have made estimates. That is quite starkly evident in the report.

We touch on the implementation of rapid-response services in each council area. It appears that such services are helping to reduce unnecessary admissions to hospital and to achieve earlier discharge but, again, the information at a national level is incomplete, so it is difficult to advise the committee on exactly what is happening.

Our final main point is that our census of older people on waiting lists for care homes and home care, in 31 March 2003, showed that almost every council has a waiting list for care home places and almost two thirds have a waiting list for home care. Although information about how long people wait for services is extremely important in the health service, the same information in relation to community care services is patchy and inconsistent, because the monitoring systems differ between councils and there is a lack of standard data definitions. We think that, in parallel with the concern about waiting times in the health service, the Scottish Executive should consider how long people wait for care homes and home care and how that is monitored.

We will be happy to answer any questions that you have. Alternatively, Barbara Hurst can take you through the other report on the agenda today.

The Convener: I see that Margaret Jamieson and George Lyon would like to ask questions.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): I have concerns about the fact that the Scottish Executive does not seem to be collating information on certain policies as they are rolled out. I say that from my experience of dealing with the Community Care and Health (Scotland) Act 2002 in the Health and Community Care Committee. Is there any indication of the amount of bed blocking that is caused by old people who restrict the type of care home that they are willing to go into? In my constituency, people specify which home they want to go to, although they could be moved much more quickly if that stricture were removed, even if only on a temporary basis.

I know that some authorities pioneered direct payments before they were rolled out across all councils. If we do not have information, how can we gauge whether the council in a given constituency is good, bad or indifferent?

Barbara Hurst (Audit Scotland): The issue around choice for care homes is key. Older people should be given a choice—that is paramount.

Angela Canning will correct me if I am wrong, but I think that the stats that have been collected on delayed discharges include a category that would cover the issue that you raise, although it does not necessarily form the greatest category for delayed discharges.

We would agree with the committee that the data that are available for monitoring policy and service delivery have been weaker in the social care field than in the health field. We have picked that up over a number of years now, particularly as the evidence base for services in social care is so much weaker than it is for health. It is relatively easy to consider the outcomes of interventions in health—people either get better or not. The evidence base is more subjective for social care and is very much tied up with people's quality of life.

Without the core information, there is no way that we can get at the outcomes. We have been pushing strongly the point that we need not just information on services and choice; we need information on cost. If we are going to monitor the effect of a policy and a service, we need good information on cost and on quality, most importantly from the user end, and indicators for the management of the service. The report on community equipment tries to explore some of those themes.

George Lyon (Argyll and Bute) (LD): The fact that you report that the measurement of outcomes in relation to care of the elderly is worse than it is in the health service is worrying, given some of the discussions that we have had recently on measuring outputs in the health service.

The lack of focus on outcomes is a recurring theme in our reports, especially those concerning health and community care—it seems to be prevalent throughout the Health Department and other areas of government. When you try to prod the Health Department on the subject of money being allocated for a given policy on the basis of it delivering the expected outcomes, do you encounter resistance?

Barbara Hurst: I am not sure that we have encountered any resistance. I think that everybody subscribes to the approach that you describe as being the holy grail, as it were. It is hard to measure outcomes that concern the quality of an individual's life, but that does not mean that we should not try to do so. If we can get evidence of the difference that can be made for people, surely service providers can, too.

George Lyon: Even basic information about how many people are waiting for services would assist. It is not rocket science; you need basic information that will allow you to calculate how much more money needs to be put into the system

and what value is being derived from the various types of care that are being offered. That is nuts-and-bolts stuff. For any system, the issue is to try to measure the effect of policies and the amount of money that might be required to deliver certain outcomes.

Mr Black: As George Lyon recognises, we have a recurrent concern that, in study after study, the information simply does not exist to allow resources to be managed well. That leads to an element of doubt about the quality of the management of programmes throughout Scotland. We are working on the development of indicators for some community planning issues. I ask Barbara Hurst to say something more about that.

Barbara Hurst: It is probably safer for Angela Canning to say something about it.

Angela Canning (Audit Scotland): We are working with the Health Department's joint future unit under its joint performance, information and assessment framework. Part of the work that the joint future unit is doing involves developing indicators for waiting times for community care services as a whole. The unit is in the process of developing definitions, which will enable us to have a national overview of waiting times for community care. The plan is to roll those out next year, so we hope that, over the next few years, there will be information at a national level about waiting times for community care services as a whole.

To emphasise the point that the Auditor General was making, we think that what is lacking at local level is the kind of information that would let managers who are involved in the services know how long people are waiting for home care and for community equipment and adaptations. If they could break down that type of information, they could have detailed knowledge of how their service is performing.

11:00

George Lyon: Where in the Executive does the responsibility for driving that agenda lie? Is it with accountable officers in each department? Does it lie with the Finance and Central Services Department? Given the modernising government agenda, one would think that that is where accountability should lie. Do you have a view?

Mr Black: I find it difficult to answer that question, because we are talking about a cross-cutting service area, so we have the sort of systemic problem that we came up against in youth justice, in that more than one accountable officer has a role. I would imagine that ministers are well aware of that, but the question would really have to be addressed to the accountable officers. If the committee were to take evidence,

the chances are that it would be necessary for more than one accountable officer to be invited to appear, so it would then be possible to have a discussion that would tease out an answer to that fundamentally important question.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): I would like to pick up on the question of accountability. Although this is not part of the Audit Committee's remit, should we not be thinking about the specific roles, responsibilities and accountability of local authorities? It strikes me that we are seeing only one side of the coin if we sit here talking about who in the Scottish Executive is accountable for driving the changes, when there are, in fact, 32 local authorities with their own democratic mandate and lines of accountability for doing that. Is that a fair point to factor into this specific area of consideration?

Mr Black: The answer to that has to be that the committee is primarily concerned with how the Scottish Executive uses resources, so questions must be put in the first instance to the accountable officers. On where local government fits into the picture, I would suggest that part of the answer is certainly in the best-value regime. It would be perfectly possible—and I am sure that this will happen—for the Accounts Commission to expect Audit Scotland to ask questions about the implementation of a major national policy such as personal care or direct payments, and for that to be challenged in a constructive way at the level of individual local authorities.

In the past, the committee has taken evidence from local authority interests in the round, to get a better understanding of some of the system problems that local authorities face in cross-cutting areas such as this. The committee might wish to think about taking some evidence on that.

Susan Deacon: That is helpful.

I have four specific questions. First, you recommend in your report on adaptations, "Adapting to the future", that updated national guidance is needed to support new ways of joint working between social work, housing and the national health service. Is more national guidance really what is needed? Will more of the traditional form of written national guidance emanating from the Executive necessarily be any more effective than all the guidance that has gone before? I wonder why you recommend that, rather than some other effort or measure at national level to aid implementation locally.

My second question relates to joint resourcing, which is mentioned in paragraph 81 of "Commissioning community care services for older people". That area jumped out at me because of the disparity in progress. It is some four or five years since both the Executive and the

Parliament—Margaret Jamieson referred to the Health and Community Care Committee's work on this—made some clear recommendations and put in place mechanisms to support joint resourcing of those services. Some councils have followed those recommendations, but they are the minority and the fundamental question is why others have not. On the key question of implementation, beyond what is in paragraph 81—which strikes me as more of the same, in terms of the Executive process—are there any other suggestions that you might make at this stage for how progress could be accelerated across the board?

My third question relates specifically to the policy of free personal care. Paragraph 32 of "Commissioning community services for older people" states:

"Public perceptions are reported to have been that all aspects of care are 'free' when in fact it is only the 'personal' element of their care that is free."

From the anecdotal evidence that I have received, I think that you are right, but I wonder what the basis for your view is and whether you have any comments about the impact of that perception—if it exists—on demand for the service locally and the experiences of people throughout the country.

My fourth question is whether you have any plans to undertake—or whether you might consider undertaking—a more wide-ranging piece of work jointly with the registrar general for Scotland on the impact of demographic change on future planning for public services in Scotland. The work that the registrar general has done on that should be required reading for us all. It strikes me that the combined efforts of both agencies could be enormously powerful.

Mr Black: May I work from the back forwards?

The Convener: Certainly.

Mr Black: As soon as I run out of my comfort zone, I shall pass the ball along the line.

The Convener: As Beckenbauer recommends.

Mr Black: I heartily agree with what Susan Deacon says about joint working and the impact of demographic trends on services. That is clearly a major issue. Some good work has been done on it and more could be done. I would be prepared to consider undertaking such a piece of work if the committee, on behalf of the Parliament, felt that that was a helpful area for me to go into. Some people might argue that the role of the Auditor General is not to look forwards but only to look backwards; on the other hand, our skills in the analysis of systems, for example, might be helpful in that area. If the committee was of the view that that might be useful at some point, I would explore the possibility with the Scottish Executive and the registrar general for Scotland.

I look to members of my team to answer on free care and the issues round the joint future agenda, as they have much more detailed knowledge of those things. On the first point, concerning adaptations, it might be helpful to the committee if we gave you a brief outline of some of the key issues. Barbara Hurst will be able to pick that up, if that is acceptable to you.

Barbara Hurst: We asked councils about the implementation of free personal care. We do not often report what councils tell us on the ground, but in this instance we felt that they made an interesting point. They told us that they are having some issues around the definitions of free personal care and what people expect. The 32 councils reported to us directly and that issue was flagged up fairly much across the board.

On the demand for free personal care, the policy was challenging to implement locally and it is to the credit of councils and the health service that they rolled it out. Unmet need in relation to private provision—where people who bought care privately in the past are now eligible for free personal care—is still an unknown factor. That matter came up at our most recent meeting. We are uncertain about the true scale of such need and councils need to get a better handle on it if they are to know how to plan for it in the future.

That is all that I can say on free personal care, but I will pick up on joint resourcing. A couple of years ago, we made a decision that the most effective way of working on the matter was to support the Executive's joint future unit in rolling out that approach. Angela Canning, in particular, has done a lot of work with the joint future team. There are clear differences across the country, but the joint planning framework assessment did not identify why those differences exist, as it was more or less a desk-based exercise. We probably need to go in underneath that work; a number of our local auditors are starting to examine the partnerships, particularly in relation to the accountability arrangements. If one has joint resources, one needs clear accountability arrangements. We are rolling out that work throughout the country in local audit; we need to pull it together in our headquarters and consider where to target the audit. That work is for the future, but we recognise that it is an issue.

Should I quickly run through the community equipment report and then pick up the point on guidance, or would you prefer me to pick up that point first?

The Convener: It would be better to keep them separate, because we still have Rhona Brankin's question to take.

Rhona Brankin (Midlothian) (Lab): What is the role of the Scottish Commission for the Regulation

of Care? How is the quality of care monitored? Is there a standard way of doing that, or are you saying that the work that is continuing just looks at indicators? When I have asked questions about staff qualifications and training and the monitoring of quality of care in the community of adults with learning disabilities, I have been told that the care commission has a role in that, but I am unclear about where it sits.

Barbara Hurst: The care commission is, I think, a non-departmental public body and its role is to inspect all social care services and some independent health care services. It does that by setting standards for services, including quality standards or proxy quality standards around staff training. Its programme of inspections of care providers applies to all care homes and home care providers, although it does not go down to the level of the individual home carer.

The care commission has a key role to play in the quality of services. Last week, it published a report on care homes, which arose from its Scotland-wide inspections of the quality of services. On the back of that, we are in the early stages of discussion about doing some joint work. The care commission has the quality angle and we can bring the harder financial and management angles, so we could do a good joint piece of work. The care commission has a clear role in the quality of care that is provided.

Rhona Brankin: Given the quality part of the best-value agenda, it strikes me that it is hugely important to work with the care commission on the issue.

The Convener: At this point, it would be useful to move on and take up some of the issues arising from the report "Adapting to the future: Management of community equipment and adaptations". Barbara Hurst will cover that, after which we will take Susan Deacon's question and other questions from members.

11:15

Barbara Hurst: The report complements the report on commissioning care services and examines in detail a specific service area. We drilled down to look at the management of the service and did a lot of work to get users' views on the services that they receive. The service is a low-expenditure one, relative to some other community care services, but it has such a big impact on people's lives that we felt that it was worth looking at. We also felt that, because community equipment had been around for a long time and health bodies and councils should have been working together for a long time, it would be a good area in which to examine joint-working initiatives.

Equipment and adaptations help people to live as independently as possible and so enhance the quality of their lives. Moreover, they can prevent more costly interventions, such as admissions to hospital, and they help people to get out of hospital sooner. The issue is not just about the £30-odd million that we identified.

Because we were interested in getting the views of users and carers, we did a Scotland-wide survey of just under 1,000 members of the general public and held five in-depth focus groups with users and carers. We used that information to illustrate points throughout the report, which adds a necessary dimension to our work in looking at community care services. The study was challenging for us, because it was difficult to track services through different agencies. For example, exhibit 6 on page 19 shows in a simplified form the complex route for service users.

I will highlight four key findings. First, the users told us that, from their perspective, it was not easy to find information on how to get hold of services, what they are eligible for, whom they go to for help and whether they need to pay. Clearly, there is an issue about providing better information to potential service users. It is fair to say that people were overwhelmingly positive about individual staff. Although users and carers highlighted a number of difficult issues for service providers, they focused on the system rather than on individuals, because they recognised what staff were trying to do for them individually.

The report also picks up on waiting times. We heard sad stories about how long people had to wait for services and what that meant for them on a day-to-day basis. Therefore, when we examined the management of the service, we wanted to know from the data how long people were waiting. Where we could obtain information—which was not everywhere, by any means—on, for example, the time taken from referral by a general practitioner through to assessment for the service, we found an average waiting time of three months. If we add on the time that it takes to get the equipment or the adaptation, that is a long period.

Secondly—this picks up the point that Susan Deacon raised—services are still fragmented, even though action has been taken in a number of areas to improve and co-ordinate them. There is an issue around guidance. We are not asking for more guidance; we are asking for clarity on the guidance. The joint future agenda, which promotes joint working, has come in, but some of the guidance is now out of date and is positively acting against joint working. Our recommendation is for clarifying some of the guidance to enable service providers to provide a more joined-up service. We can return to that, because Susan Deacon still looks sceptical.

The third issue, which is a kind of mantra in the report, is the lack of good performance information on every level—the cost of the service, how it is being managed and its quality. How on earth can a good, streamlined service be provided to users without such information?

Even given the increase in the older population, which the Auditor General has already picked up on, we found a lot of historical budget setting that takes no account of the growing demand for the services. We found an over-reliance on non-recurring funding in the health service in particular. The winter money is being used to boost provision of the service.

Finally, in considering the policies and procedures that are in place for the service, we found that there are some risk management issues for providers. For example, we found that only a third of the councils and half the NHS bodies that we considered had written procedures in place to recall faulty equipment; that could be serious if a recall notice needed to go out. Users told us that, because of the lack of clarity about where to get their equipment in the first place, they often did not know whom to approach about repairs and maintenance.

That is a quick run-through of a complicated and detailed piece of work. We are happy to answer any questions. I do not know whether I have answered Susan Deacon's question; perhaps she wants to come back on that.

The Convener: It makes sense for Susan Deacon to follow that up before Robin Harper and Rhona Brankin ask questions.

Susan Deacon: Barbara Hurst has answered my question; whether she gave the answer that I wanted to hear is another matter. She has also aided my understanding of why the recommendation was made for yet more national guidance on joint working. Her answer served to compound my view that we need to think of a different way of taking forward such change, rather than rewriting yet more guidance and having carefully crafted words on a page emanating from within a department. As to whether the guidance is the most effective way of driving forward and implementing change in culture and practice in this area, I wonder whether we need to start saying, "The emperor has no clothes."

In both reports, a great deal of emphasis is put on the need to shift towards outcomes. Are we not at a stage where anything that could be said has been said about how to do some of this stuff? There is a case for drawing a line and saying, "Here are the outcomes that are required in relation to the delivery of the service." That is what will be tested to the limit by the various processes in place, be it through the monitoring systems in

the joint future unit, through the Executive audit process or through Audit Scotland. My fear is that we or some future committee could be back here three or four years from now having exactly the same conversation.

Barbara Hurst: In many ways you are right. We have evidence that, where local systems have pushed the boundaries and worked together, they have radically reduced waiting times for the service.

I want to come back to the guidance issue. I will talk about housing, because that is the one area that surprised me. The guidance firmly places the responsibility for major adaptations with a council's housing function. However, we know of authorities that are challenging that policy and have a co-ordinated, joined-up system based in the social work part of the organisation. They are going against the national guidance. Therefore, either we should get rid of the national guidance and say, "This is the outcome that you are aiming for, so go for it," or we should clarify the guidance.

Robin Harper (Lothians) (Green): Following on from Susan Deacon's question and what you have just said, do you want to draw attention to any particularly good examples of good practice? You are saying that that departure from guidance appears to be working towards a desired outcome. Are there any other departures from guidance that allow things to be done better or are there places that you could point to as examples of where an approach is being taken that should be considered?

Barbara Hurst: We always try to pick up on good practice and we flag up several examples in the report. We do not say, "This is best practice," or that it can necessarily be applied across the country, because there might be different dimensions to take into account. However, there are several areas where innovative work that makes a difference is being done. I do not know how much local partnerships are using the guidance issue as an excuse for not getting on more or whether there really is a barrier. In one area, the guidance issue has been a barrier, but I do not want to say where, because I think that the authority is currently in dispute with the department about whether what it is doing is acceptable.

Rhona Brankin: As someone who has been a user of the service on behalf of my daughter, I welcome the report. Absolutely everything that you say in it is something that I have found to be true over the years. The point about the difficulty of accessing information is absolutely right. From what I can see, there is no mechanism for reviewing whether the provision is appropriate and I am sure that, as you have said, provision varies a lot between local authorities. This is a hugely

important area, despite its small budget. The report is also hugely important; it has the potential to make a huge difference to people's lives.

George Lyon: My point is not so much about the detail of the report as about the general theme of outcomes and the lack of good information to enable us to measure whether the local authorities or whoever is responsible are delivering the outcomes that we expect from the policy. What is the Auditor General's view on moving to a system of payment by results, as has been introduced in the health service south of the border. Could that be one way of dealing with the issue? There has been a lot of talk about guidance and trying to ensure that organisations go about things in a certain way. However, if the major driver is payment by results, the responsibility to deliver lies with the deliverers—it is up to them to figure out the best way of delivering—whereas it is our responsibility to fund the outcomes. What is your view of that?

Mr Black: Moving to payment by results would be a policy issue and not one on which we should comment. However, given that mechanisms for payment by results—to use that phrase loosely—are being introduced south of the border, there is an issue about gathering evidence on whether those mechanisms are making a difference.

George Lyon: That is important.

11:30

Mr Black: It seems to me that, generally, many of the presented problems that we come to you with, which are about poor information, lack of co-ordination and so on, relate to incentives and opportunities for staff locally to get on with things. There seem to be barriers in the way of that—not least some of the guidance, which is completely out of tune with where people want to go with their services.

I cannot give you a simple answer today in which I state that we have evidence that payment by results is the way to go; I think that some good solid work will be needed over the next few years to find out what seems to be working best. That does not necessarily simply mean considering a formal payment-by-results system but, as Barbara Hurst indicated, it involves examining more carefully the areas that seem to work best, by going round the restrictions.

George Lyon: I take it from that answer that you intend to investigate the subject in the next few years and to do some benchmarking.

Mr Black: I invite Barbara Hurst to remind me of what we are saying in that area.

Barbara Hurst: Are you talking about benchmarking specifically against what is happening in England?

George Lyon: Yes. One could argue that such benchmarking should be done on health, given that there is starting to be quite a divergence in the way in which the systems north and south of the border are managed. Surely it would be useful to measure the impact of those different systems.

Barbara Hurst: Yes. We have kicked off discussion with the health services management centre in Birmingham about our doing joint work on trying to bottom out some of those differences, but first we want to examine the evidence on what is happening. We must track that evidence and date it according to the time at which different initiatives have been introduced.

We have started that process, but I think that it will be more difficult than I initially thought that it would be. We had a very interesting discussion on payment by results. It is clear that the health services management centre feels that it is too early to say what is happening with that, so we might not be able to map the development of payment by results against changes in activity. However, we are certainly pursuing work on that.

Margaret Jamieson: Having read both reports, I am quite depressed in some respects, given what the policy outcomes of care in the community and free personal care, for example, were supposed to be. In some cases, things have not moved on or changed.

It is good that we introduced the single shared assessment, but thereafter things fall to bits. I am interested in the way in which housing seems to see itself as something separate that does not have an input. I think that we could all outline examples of cases in which we have dealt with constituents who have had a single shared assessment and who have had people out to measure them up for a motorised wheelchair, only to find that housing could not provide the ramp. It seems that no one is examining how that journey is progressing. Social work departments get to hear about such situations only when there is a further difficulty because the quality of life of the individual who needed the adaptation has been affected and they and their carer have said, "Look, we haven't been able to get out because we don't have that adaptation."

In the health service, we talk about the patient journey but, as far as I can see, the report contains no recommendations on how the client journey can be overseen, improved on and followed through. How do we measure that journey from the single shared assessment to the outcome that was agreed? Is there a timescale for that? Are there any measures that we can apply?

Barbara Hurst: You are right. We could have—and perhaps should have—examined the single shared assessment and the impact that it is

having. In our defence, that was such a detailed piece of work that it was hard to get a handle on.

In theory, the single shared assessment should help because it provides a single point of reference and, in the future, we will be able to measure whether it has had an impact on the whole system. I still have reservations about where housing sits. When we got some of the findings, I was surprised that that area was not pulled in closer, given the fact that 32 councils run both housing and social work departments. I would have expected the departments to be more integrated.

Angela Canning has had some involvement with work on the single shared assessment with the joint future unit. Are there plans properly to measure its impact?

Angela Canning: As part of the joint performance information and assessment framework, the plans are to develop a tool that will be sent out for councils to use. That will be a way of measuring whether the single shared assessment has had a positive impact on the user—for example, how involved they were in the assessment process, how involved their carer was in the process and whether they were happy with the end result. That work is under way.

Margaret Jamieson: Will that work pick up on the situation in which an individual gets a single shared assessment that identifies that they require a motorised wheelchair, which is a health matter, and a ramp to get out of the house to use it, which comes under housing? How will such situations be charted effectively? It is all very well to say that single shared assessment worked, but that the other bits did not kick in. How do people feel about such assessments? What is the waiting time from an initial assessment to getting an assessment for a motorised wheelchair? What interface with other organisations takes place? Most local authorities have a small housing repair grant scheme, but there is nothing left in it by August. If someone gets their assessment in September, they might be lucky to get their wheelchair by the following summer. Sometimes, the client does not have that time to wait, but organisations are not responsive enough. I do not know whether the problem is professional barriers or a lack of understanding of the client's needs. At the end of the day, it is a question of how we measure quality of life.

Barbara Hurst: Measuring quality of life is difficult. The information technology systems that the councils use are among the current barriers to our being able to collect all that information. There might be two different systems for housing and social work even within one council. That takes us back to the issue that we discussed earlier about how those areas should be managed. It would make sense for them to be managed together

because that would bring them closer together. There are genuine barriers around the IT systems within councils, let alone around systems between councils and health partners. When a single shared assessment is carried out, there should be a record of all that information on an individual. The question is about how one aggregates the information to achieve a meaningful picture of what is going on in an area. That is not a very satisfactory answer, but the situation is difficult.

Mr Black: I will add a couple of thoughts, the first of which relates to resources. We summarise in paragraph 4.11 of "Adapting to the future" one of the many striking features in this area of work: the way in which moneys are allocated to primary care activities by the health service does not seem terribly clever. We say in the report that the budgets are way short of demand among those primary care trusts that were able to provide financial information. What seems to happen each year is that a budget line is allowed that falls far short of the expenditure required and then the tap is turned off or on during the year, depending on how the overall budget is going.

I am sure that members will recall that I have been concerned for some time about the movement to unified health boards. For example, if there is pressure on acute services, the tap will be turned off and on elsewhere in the system to do as much as possible to bring everything in on budget at the end of the year. I am not criticising managers who do that but, as far as the health service is concerned, the fact that the insufficient money that is allocated is drip-fed into the system adds to the complications in service delivery that Barbara Hurst has outlined and about which Margaret Jamieson has expressed concerns. How can one plan on a reasonable timescale when resources are being managed in such a way?

In her introduction, Barbara Hurst mentioned exhibit 6 on page 19, into which Margaret Jamieson's example of the electric wheelchair fits beautifully. One would go down one side of the diagram in question to identify the need for such a wheelchair and then go down the other side of it to work out whether it required a home adaptation. If a minor adaptation were required, the matter would go to the social work department; if a major adaptation were required, it would go to the housing department, but only if a council tenant were involved. If a council tenant were not involved, the matter might go elsewhere. The system is horrendously complicated; indeed, as Angela Canning keeps reminding me, the diagram in the report is a simplified version. As a result, the report highlights some very big issues about systems for which there are no easy answers.

The Convener: I remind members that we will discuss our reaction to the report later in the

meeting. I suggest that we move on, unless members have further questions that are meant to elicit information.

Susan Deacon: I want to ask one very brief question about information. Would the Auditor General or Barbara Hurst like to indicate where coterminosity features in the overall picture? Are the boundaries of health bodies and local authorities coterminous in the areas that are performing better? I do not think that you have touched on that matter.

Barbara Hurst: We have not done a systematic match in that respect, but I can say that the good practice that we have identified tends to come from areas that have coterminous boundaries. However, that is not exclusively the case. The issue is important, because a health board or service provider could be working with up to six councils, all of which have different systems. Indeed, that became quite clear once we tried to map the partnerships, which we found to be an incredibly complicated task. When we drew up a boundary map of Scotland to get a feel for the number of potential partnerships, we found that there could be a huge number of them. Obviously, things are easier if boundaries are coterminous, but that does not mean that there is no good practice where there is no coterminosity. It is just that the matter is more complicated.

Mr Black: I should point out that as boards do not have the strategic resources to cope with issues such as planning capacity, it gets extremely difficult to work one's way through such a complicated system.

The Convener: That completes our discussion under new agenda item 2, which was agenda item 4. I am sorry if that confuses anyone.

I now intend to move on to what were agenda items 1 and 2, on declaration of interests and choice of deputy convener, after which I will take the item on a committee debate in Parliament. After that, we can have our discussion on the SPCB accounts, the management of the Holyrood building project and subsequent items from which Andrew Welsh will absent himself. That will make the meeting flow better.

I also intend to take an aural break just as we go into private session to give members some respite from the background noise. [*Interruption.*] For those who did not quite catch that, I said "aural" not "oral".

Interests

11:45

The Convener: We have a new committee member, Andrew Welsh, who will be familiar to some of those present for the obvious reason that he was the convener of the Audit Committee in session 1. I invite him to make a statement of his registered interests.

Mr Andrew Welsh (Angus) (SNP): As the cause of the reshuffle in today's agenda, I apologise to you, convener, and to the committee, for my delay in arriving this morning. The fault is entirely mine. I apologise for any inconvenience caused.

I declare an interest as a member of the Scottish Parliamentary Corporate Body, and I will therefore take no part in any proceedings that deal with corporate body matters. I have no other interests to declare.

Deputy Convener

11:46

The Convener: We move on to agenda item 2. It is the job of the committee to select a new deputy convener. Members should note that Parliament has agreed that members of the Scottish National Party are eligible to be chosen as deputy convener of the Audit Committee. As there is only one member of the Scottish National Party on the committee, we have just one nominee. I therefore ask the committee to agree that Andrew Welsh be chosen as deputy convener of the Audit Committee.

Mr Andrew Welsh was chosen as deputy convener.

The Convener: I welcome Andrew to his role as deputy convener of the Audit Committee.

Committee Debate

11:47

The Convener: We move on to discuss what was item 6 on the agenda, on a possible committee debate in the Parliament. I will first make some comments on the subject while members find the papers that have been prepared on the matter.

Members will recall from our visit to Westminster and from those occasions on our away days when we have discussed issues surrounding our reports, some consideration has been given to how we might better discuss our reports once we have published them. During our visit, it was noted that, in general, there is no process at Westminster whereby every report is debated. However, members there will have a full day's debate on the findings of the Public Accounts Committee.

Having attended a number of meetings of the Conveners Group at which the subject of debates on committee reports have come up, I have noticed that those debate slots fill up until quite far into the future. Indeed, four slots were available before the Christmas recess, but two have already been taken. It struck me that it would be useful if we could clarify our position. Would it be to the committee's benefit if we were to have a committee debate? The suggestion in the paper that the clerks have prepared is not to the exclusion of any other subject for debate, if we felt that we wanted a committee debate.

In the past, the committee has not sought to have a debate on any of its reports. There are a variety of reasons for that. It might be that we will not seek a debate on any of our reports in future but, whether we approve or reject the proposal before us, it would be useful for me, as convener, to know whether the committee favours holding a debate in the chamber—albeit possibly not before Christmas, as time is running on and slots are being taken up. I presume that such a debate, during which we might present an annual report, would last an hour and a half or so. That would allow MSPs to pick up on different aspects of the reports that we have published and the work that we have done. As the paper outlines, it would be up to committee members to open and close the debate. Ministers would be able to make their own contributions, but of course they would not be held to account in relation to the findings of committee reports. That is a brief introduction as to why I felt it useful to have this item on the agenda.

Margaret Jamieson: I accept that the proposal has been discussed previously, but it was felt to be totally unworkable. Given that the committee's

remit is organised around holding accountable officers to account, ministers who deal with policy matters could not respond to a debate. Having a debate would run contrary to the committee's remit.

If we were to have a debate, it would need to be limited to one of our reports. Most of our reports relate to a specific accountable officer, although responsibility was shared across several people in the case of our youth justice inquiry. It would be difficult for a minister to respond to a debate that dealt with more than one of our reports. I believe that we should not change our position on parliamentary debates.

Robin Harper: I am afraid that I disagree with Margaret Jamieson. I think that the committee should have a higher profile. If it is possible to have a reasonable parliamentary debate on our work, we should have one. Surely if we were to lodge a motion in a form that allowed the Parliament simply to accept our reports, the debate could be limited to the subjects of the two or three amendments to the motion that might be lodged. Those amendments could be drafted so as to provide further debate on subjects that the committee had dealt with. I would have no objection to such a proposal. It would be precipitate to have a debate before Christmas, as we would need to consider carefully how the matter should be presented in the chamber, but I am disposed towards having a debate in the chamber on the work of the Audit Committee.

Susan Deacon: Given our discussions this morning, and given the subject of the discussion that we are about to have under the next agenda item, there are good reasons why the committee should have a debate. One of the biggest questions that the Parliament is grappling with is how policy is delivered effectively and how the approximately £25 billion of taxpayers' money that is the Scottish block can be put to best effect in implementing that policy. The fact that our committee is concerned with implementation rather than with policy provides us with a unique and incredibly useful role in fostering that debate about delivery and implementation. After all, we have agonised over those issues for hours on end over the past year, and we will no doubt continue to do so in the months and years to come. In the course of those deliberations, we have all developed our thinking and observations and we have amassed a great deal of insight spanning many aspects of Scotland's public services. At this juncture in the Parliament's development, it would be useful to take those insights into the chamber to share them with colleagues who could be given the opportunity to participate.

George Lyon: I am persuaded that some of our reports should be debated. I understand Margaret

Jamieson's concern that such a position could not be defended because we hold to account only accountable officers. However, rather than focus on accountability issues, our debate could focus on the general issues regarding the implementation of policy and the failure of policy delivery. Time after time, the key themes that we discussed this morning—such as a lack of information and the ability to monitor the impact of policies—arise in our reports. All those issues are important and should be raised in a proper debate in Parliament. The Minister for Finance and Public Services would be the person to respond to such a debate, as it could be argued that he is the minister who is responsible for improving policy delivery in a value-for-money way to ensure that we get good results.

Given the work that we do, we desperately need a chance to air these issues in parliamentary debates. I do not see any problem with that being done in a committee slot, as that tends to be the way in which committee debates work: reports are discussed and issues are raised.

Mr Welsh: I have always believed that, in its own quiet and effective way, the Audit Committee has been one of the most important committees in the Parliament. I am thinking of the range of topics that we deal with and the fact that we look at practical issues and for practical solutions. The committee has, rightly, never dealt in policy but has always sought to be factual and objective. In the past, our purpose has been to bring officials to account rather than to instigate debates; nonetheless, it would be wrong if we never applied for a committee debate slot. If the subject were proper and correct, it would be most useful for Parliament and would be a platform to enable Parliament to see the work of the committee. The committee tends to be taken for granted, but its work—especially the work of the independent public watchdog, Audit Scotland—is important. We should not say that we will never apply for such a slot, although we should choose the subject carefully.

Rhona Brankin: I would be interested to hear what the convener or anybody else has to say about the paper's proposed discussion with the Executive. I am not sure how this links in with ministers. The whole issue of best value and the emerging ways in which best value is being implemented are hugely important, and I would welcome a debate that examined some of the broader issues around best value.

The Convener: Before I sum up, I invite the Auditor General to add any comments or observations that he may have.

Mr Black: It goes without saying that it is entirely for the committee to dispose of its business as it wishes. However, it might help the

committee if I flesh out for a second the thinking behind the submission that I made last year when the Procedures Committee was considering the application of the consultative steering group principles.

As Audit Scotland continuously raises its game—I hope that we are doing that to the satisfaction of the committee—through overview reporting, we find ourselves in a position where, from time to time, quite significant issues to do with the implementation of policy arise on which the committee might consider making a report to the Parliament, which could give rise to debate. Within this small country of ours, it is not unreasonable for members of Parliament to engage with ministers on how effectively policy is being implemented and whether changes need to be made to improve services in what one might call the systems of delivery. Such matters cannot always be addressed appropriately by the civil servant who is gives evidence to and engages with the committee.

I anticipate that, in the future, we will produce more and more reports like "Adapting to the future" in which we look at big issues of service delivery and which may well merit consideration in the wider Parliament.

12:00

The Convener: Thank you. It strikes me that there is no need for us to try to run before we can walk or to press this issue by trying to act on it immediately.

The concerns that Margaret Jamieson raised at the outset were well made. She points out that a number of obstacles would have to be overcome before we could have reassurance about the outcome of the debate and what its purpose might be. Therefore, rather than seek to secure debating time, it might be more useful for us to treat the clerks' paper as a starter paper and to invite the clerks to explore with the Executive what parameters there might be that would allow a useful debate to take place. We can then revisit the issue to decide whether individual debates about reports or a debate about the general work of the committee might be productive. There are issues about who is accountable to whom and who can make certain comments.

In achieving a debate in the chamber, we want to end up not with a partisan debate but with a debate that adds to the process and allows members who are attending other committees or who are occupied with other business, but who normally take part in our affairs, to see the work that we do and make some contribution. If members agree, we can instruct the clerks to explore what other parameters there are and what obstacles we might have to overcome.

George Lyon: As well as looking into individual reports on general work, we might consider some of the key themes that keep recurring as a possible subject for debate on implementation.

The Convener: Do you mean the availability of information, for example?

George Lyon: Yes—the general themes that are coming out about the need to improve the process of government, rather than an individual report. That is a legitimate subject for the committee to try to persuade the rest of the Parliament to take on board and run with. It is fundamental.

The Convener: I see many heads nodding. With that, we conclude that agenda item. The clerks can prepare a further report to be brought before us, possibly early in the new year.

Scottish Parliamentary Corporate Body

12:02

The Convener: We move on to discuss the Scottish Parliamentary Corporate Body. I excuse Andrew Welsh, who has declared an interest and will leave us. Following this discussion, we will take a break and move into private session.

We will consider the response to a report that we have received in a letter from the chief executive of the Parliament's corporate body, Paul Grice. I will quote a section from that letter, as not everyone will have received the committee's papers or have had the privilege of seeing them.

In the third paragraph of the letter, Paul Grice states:

"All items outstanding from the 2002-03 bank reconciliations have now been fully resolved and the accounting treatment agreed with Audit Scotland. The extensive reconciliation exercise has positively confirmed that there were no instances of duplicate or irregular transactions in that period and provides retrospective assurance on the regularity of the SPCB's 2002-03 transactions. As previously reported, reconciliations in 2003-04 and the current 2004-05 financial year are all fully up to date."

I invite members and the Auditor General to make any comments that they wish about the response. Do members have any comments?

Members indicated disagreement.

The Convener: Members are simply pleased that the matter seems to have been resolved. Does the Auditor General wish to comment?

Mr Black: For the record, I am comfortable with the terms expressed by the clerk and chief executive in this letter.

The Convener: Very good. On behalf of the committee, I record the fact that we are delighted that the issue has been resolved to everyone's satisfaction and that progress is being made towards avoiding any difficulties in the future. With that, we conclude agenda item 6.

We will now take a break and then move into private session. I suspend the meeting until quarter past 12.

12:04

Meeting suspended until 12:18 and thereafter continued in private until 13:11.

13:11

Meeting continued in public.

“Management of the Holyrood building project”

The Convener: Our final item is to report the committee’s decision following our consideration of how to approach the Auditor General’s report “Management of the Holyrood building project”, which members will recall was on previous agendas.

The committee has decided that it will take no further action in relation to the Auditor General’s report. During his inquiry and in publishing his report, Lord Fraser took account of and built on the work of the Auditor General. The committee therefore feels that, in this instance, the Fraser report, which has been debated in the Parliament, effectively addresses the issues raised by the AGS. The committee considers that conducting a further inquiry would represent duplication of effort and would not add to the information that is already in the public domain.

However, the committee will scrutinise future Audit Scotland reports and laid documents on issues such as procurement and management within the civil service and the Scottish Parliamentary Corporate Body to ensure that the recommendations of Lord Fraser and the Auditor General are being implemented. That will mean that, while this committee cannot be proactive, we will scrutinise those future reports to see that progress is being made. That concludes our report on our deliberations.

Our next meeting will have to be rearranged to take account of item 10, which has fallen off today’s agenda due to lack of time. The clerk will be in touch with members to see how to arrange the next meeting.

I thank all those who attended the meeting and put up with the background noise. Thank you for your time. We will see you again.

Meeting closed at 13:13.

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