

PE1533/PP

Scottish Government submission of the 4 July 2019

Given that a key aspect of the letter is a request that the Scottish Government and COSLA set up a working group to conduct a review of the social care charging policy, and that you have written to COSLA in similar terms, we have liaised with COSLA in preparing our reply. The Committee's request is directly relevant to our work on the reform of adult social care, which the Cabinet Secretary for Health and Sport outlined during her appearance at the Committee on 10th January and further in a written submission on 22nd January. There has been significant progress on the reform programme since then. This is outlined below. Rather than a traditional working group, we believe that the process being undertaken under reform is a more holistic and co-productive approach to considering these important issues.

As the committee is aware, Scottish Government and COSLA have been working with a range of people and partners to develop a national programme to support local reform of adult social care. At the centre of this has been the People-led Policy Panel, a group of 50 people who use social care support and unpaid carers. They have been working alongside leaders from across the sector to consider evidence and views from a wide range of individuals and organisations about the challenges and opportunities in social care support now, and what needs to change. Analysis of responses to a joint COSLA-Scottish Government Discussion Paper that formed part of this process found consensus for fundamental change to enable adult social care support to be fit for the future: focused on supporting people to achieve positive outcomes and sustainable. It also highlighted work to be done on perceptions around social care support, and improvements needed for it to be an effective partner in the integrated landscape consistently across Scotland.

The programme was officially launched on 12 June 2019 by the Cabinet Secretary for Health and Sport and COSLA's Health and Social Care Spokesperson. The co-produced programme documents are available online (see the link below). They are: a shared vision for adult social care support, which describes what things will look like in the future; and a programme framework, which sets out the priorities and workstreams for the programme to achieve that vision (a blueprint for change). The next steps will be to work together with people and partners to agree the details of the workstreams, how to take them forward, and how to measure the changes.

Link to programme documents: <https://www2.gov.scot/Topics/Health/Support-Social-Care/Support/Adult-Social-Care>

The reform programme will include a specific focus on exploring the cost of care and support and how it is paid for. Also, on ensuring there are consistent experiences and expectations across Scotland. As for all parts of the reform programme, the detailed workstream activities will be co-produced with a full range of stakeholders, in particular people who use social care support and those who run services. While this can take longer than traditional approaches, it has the dual advantage of ensuring that the programme is built on evidence, expertise and views from a comprehensive range of perspectives. Consideration of future funding and charging models will be included within this area of work.

In terms of the issues raised by the petitioner (Scotland Against the Care Tax) in their latest response, it may be helpful to explain the funding provided by Scottish Government in recent

years to support local authorities in making positive changes to charging policy for non-residential care and support. In 2016/17, we provided £6m per year to enable an increase in the levels of income at which charges begin to apply. This funding is mainstreamed and is therefore provided to local authorities each year. From 2017/18, we provided a further £5m per year to ensure that veterans in receipt of social care support retain the full value of their war pensions. This funding has similarly been mainstreamed. The combination of these funds is the £11m referred to in the SACT paper.

In addition, from 2019/20, Scottish Government is providing £30m per year to support the extension of free personal care to those under 65. This is to compensate local authorities for the anticipated loss of charging income resulting from the policy in home care and also for the cost of payments to self-funding residents in care homes. Importantly, it also includes provision for new clients coming into the care system for the first time following the extension. It is particularly hard to estimate the number of new clients who may come forward and the overall cost of this. However, given the significant increase in demand for services following the introduction of free personal care for over 65s, it was considered important to factor this into the funding arrangements for the extension.

COSLA's non-residential care charging guidance sets a framework to guide Local Authorities charging policies whilst maintaining local democratic accountability and decision making. The guidance is intended to support greater consistency between local areas whilst recognising that there are legitimate reasons why charges may vary such as responding to local need and democratically determined priorities.

The COSLA guidance provides information on charging thresholds which are a set level of personal income below which a person cannot be charged towards their non-residential care. The charging thresholds are linked to personal allowance rates set by the UK Governments Department for Work and Pensions. These rates are different for below and above pensionable age. The charging threshold is worked out by applying a buffer (25%) to the guaranteed minimum income amount depending on an individual's age.

We agree with the petitioner that those making larger contributions to their personal care due to their higher incomes or assets are likely to benefit more from free personal care than those on lower incomes. This is similar to the impact we would expect for over 65s. We also agree that those only receiving non-personal care will not benefit from the extension of free personal care. Those who already receive personal care free, due to lower incomes or assets, will also not directly benefit from the extension.

The impact free personal care may make to a person's social care charges will be dependent on each individual's care package, means, and local authority charging policy. If personal care is part of that care package, the individual will receive this element of their package, free of charge. The paper includes SACT's modelling of the expected impact of the policy reflecting a range of assumptions and data. In practice, it will be possible to determine the actual impact of the policy overall through the monitoring arrangements which are now in place following trials. These arrangements have been developed working with COSLA and the Implementation Advisory Group for the extension.

This monitoring will use information provided by local authorities to collate the local authority expenditure on care at home and personal care; and numbers of people receiving care at home and personal care. This will provide information on the additional costs and ensure that the extension is appropriately funded for the future. We anticipate that initial data sets on this should be available early next year.

Alongside that we will also work with people with lived experience of social care support and the social care system to understand the impact of the extension.

Scottish Government officials met recently with members of Scottish Independent Living Coalition (SILC) and agreed that more needed to be done to ensure that the impact of the extension of free personal care to under 65s on individuals' outcomes and experiences was captured in the monitoring and evaluation of the policy. We agreed together that this work would be incorporated into the wider review of data and evidence planned as part of the reform programme. This work is already underway and we will be in touch with SILC alongside other interested parties with regards being involved in the co-production process.

As part of the reform process, we would welcome the input of members from Scotland Against the Care Tax (SACT) to the co-production process involved in the investment workstream, and will ensure members of the Committee are informed of progress on reform.