

Social Work Scotland: Evidence submission to the Finance Committee - Carers (Scotland) Bill.

Social Work Scotland welcomes the opportunity to provide written evidence to the Scottish Parliament Finance Committee on financial aspects of the Carers (Scotland) Bill. Social Work Scotland – formerly the Association of Directors of Social Work (ADSW) – is the leadership organisation for the social work profession in Scotland.

Social Work Scotland acknowledges¹ the crucial support that unpaid carers provide to family members, friends and neighbours. We recognise that unpaid carers, rather than the State, provide the majority of care which enables people with health and social care needs to continue living at home. Improving support to carers is essential on moral grounds, as well as forming one of the most important elements in prevention strategies for health and social care.

However, Social Work Scotland is not convinced that the significant sums included in the Finance Memorandum really are sufficient to fully fund the Carers Bill provisions. We have **five main areas of concern** which we cover in our answers to the questions in the Committee's call for evidence document:

- (a) The **additional carer assessments required is likely to be under-estimated** – see our response under [Question 4](#). The Bill's provisions create a right to a carer's assessment on demand. According to the Finance Memorandum (FM) there are 745,000 carers in Scotland and currently around 12,000 adult carer's assessments of all types each year. This means that only 1.6% of carers are currently assessed annually. While we agree that many, perhaps most, carers will not request an assessment, the right to an assessment on request is likely to increase demand very significantly. Current legislation restricts assessment to carers who provide "substantial and regular care"; the abolition of this condition via the Bill's revised definition of a carer removes the ability of local authorities to focus assessment resources on carers who are likely to require support. There is a real risk that assessment on demand will consume resources that would be better spent on providing carer support. The FM assumptions about the numbers of additional assessments required each year are not well-connected to the survey data said to inform these judgements.
- (b) The **numbers of carers assessed as requiring support is also likely to be under-estimated** – also covered in our response under [Question 4](#). The FM calculations are highly sensitive to the assumptions used. The key assumption that 60% of adults with a Adult Care Support Plan and 69% of young carers with a Young Carers Statement will require support is not well-supported by the evidence that 70% of carers receive no support, and only 4% receive respite care. There also appears to be an error of £11.5m in the calculation of the cost of support for adult carers in 2020-21.
- (c) The **unit costs used to cost assessment and support are too low**. Our response to [Question 7](#) argues that the ACSP assessment costs should be modelled on the average costs reported by councils in the questionnaire survey (£176 per assessment). Instead this average is presented in the FM as the high-end cost, and a lower English figure from Surrey is used as the average. Average costs for Young Carers Statements appear to be lower for reasons that are not clear. The unit costs for support are also unrealistic, particularly for respite care (£300 per year) which would only buy two days of respite care per year.

¹ See also: [Social Work Scotland response to Health & Sport Committee on Carers Bill](#)

- (d) The **rate at which additional demand will build up will be quicker than estimated** – also covered under Question 7. Previous social care legislation, eg Free Personal Care, created new demand more quickly than the 4-5 years assumed in the FM for the Carers Bill. Work in England on similar new legal rights for carers also assumed a faster build-up of new demand. We have also analysed the specific arguments in the FM for a slower build-up but they are not convincing.
- (e) The **ongoing increase in demand in future years** is unlikely to flatline after the initial build-up of new demand for assessment and support from carers – this is covered in our response under Question 9

Consultation

Question 1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Social Work Scotland submitted a written response² to the Scottish Government's consultation between January 2014 and April 2014 on proposed carers' legislation. However, there was no Scottish Government consultation on a draft Bill, and the earlier consultation provided no information on financial assumptions. In common with many respondents, Social Work Scotland commented on the need to adequately fund new legislation for carers, and these financial concerns are captured in the independent analysis of the consultation responses that the Scottish Government commissioned from *Why Research* but did not publish³ until February 2015.

Social Work Scotland also assisted COSLA and the Scottish Government with the content of two questionnaires issued in December 2014 on the costs of the planned carers' legislation and on the financial implications of the 2014 Regulations waiving charges for carers.

Question 2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

Not applicable. There was no consultation on specific financial assumptions. The FM draws upon a range of sources of information, including the questionnaire responses mentioned above. However, legitimate concerns remain about the funding levels proposed.

Question 3. Did you have sufficient time to contribute to the consultation exercise?

Yes – see comments above.

Costs

Question 4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

The Bill has very serious and substantial implications for Social Work Scotland members in local authorities. Local authority funding has been reduced in both cash and in real terms in recent years, and public sector austerity is likely to continue at least in the medium term. While local government will wish to fully implement new legal duties to identify and support carers, in practice it can only do so if the new legislation is fully funded by the Scottish Government. New duties that are not fully funded can only be delivered by cutting other services.

(a) Estimating additional carer assessments required

Social Work Scotland considers that the FM under-estimates the increase in demand for carer's assessments:

- The new terminology of "Adult Care Support Plans" (ACSPs) for adult carers assessments introduced by the Bill immediately suggests that support is somehow entailed by assessment.

² Available at: <http://www.gov.scot/Resource/0045/00450490.pdf>

³ Scottish Government Social Research (2015): Carers Legislation: Analysis of Consultation Responses. Available at: <http://www.gov.scot/Resource/0047/00472122.pdf>

However, the duty to provide support is only engaged where the carer has assessed eligible support needs. That is why the new terminology is deeply misleading.

- Councils are able to use the current “substantial and regular test” to manage demand for assessment (and about half do so, according to questionnaire results mentioned at FM para 41). However, the Bill’s revisions to the definition of “carer” remove this qualification, and the FM’s reasons for assuming this will not increase demand are not convincing⁴.
- The new duty to provide support for assessed eligible needs is likely to increase demand for assessments.
- Publicity around the Bill and the new duty to provide information and advice will also increase assessment demand.

The Bill, if enacted, would create a right to assessment on demand, which local authorities do not have resources to meet. The 2011 Census shows that 35% of adult carers provide care for 20 or more hours per week. Social Work Scotland considers that over time it is likely that the majority of these carers will require assessment for support, plus a minority of the large number of carers providing fewer hours. However, the Finance Memorandum assumes that no more than 16% of the total number of adult carers will be assessed in any given year, and 30% of the total number of young carers, once the new legislation is fully bedded in. While there are many statistics quoted in the Finance Memorandum from different carer surveys and research, none of this evidence leads to these particular estimates, or to the “steady state”⁵ cumulative estimates of 34% of the total number of adult carers ever having had an ACSP⁶, and 64% of young carers ever having had a YCS⁷. It would be helpful if the FM had achieved greater transparency about the basis for the estimates: clearly many are matters of judgement.

(b) Estimating the numbers of carers assessed as requiring support

The cost of meeting the new duty is likely to be far larger than anticipated in the Financial Memorandum (FM), which assumes that only 21% of the adult carer population and 40% of young carers will have eligible needs (FM para 77).

The FM assumes that the proportion of carers assessed who are also eligible for support will be 60% for adults who have had an assessment and 69% for young carers by 2012-22 (para 79). The numbers who have had an assessment are cumulative, but are adjusted for people ceasing their caring role – estimated at 13% per year for adults and 20% for young carers – and also for “renewals”: people already assessed whose ASP or YCS is revised (re-assessed), also assumed at 20% for both adults and young carers. This brief description shows the complexity of the calculations, which are highly sensitive to the various assumptions.

The evidence “taken into account” in these estimates includes a finding from one survey that “44 per cent [of carers] on average are positive about feeling supported to continue caring” (FM, para 72). However, the Policy Memorandum quotes from a different survey that “70% of carers said they receive no support with their caring responsibilities” (PM para 17, fifth bullet). Moreover, support needs change over time in a way that snapshot surveys are unlikely to capture.

Social Work Scotland has modelled the FM calculations for adult carers shown in the table in paragraph 79:

⁴ FM para 41 states: “*The Scottish Government’s view is that removal of this test will not, in itself, result in a large increase in the numbers of carers requesting the ACSP. Most of the councils who do use the test did not know how many carers fell short of the regular and substantial threshold for access to the carer’s assessment*”. If the second sentence is intended to support the first, the argument is simply a non sequitur.

⁵ We use this term to denote the period after the initial increase in assessment requests following implementation of the Bill.

⁶ Paragraph 56 states that: “*The estimate is that over time 34 per cent of adult carers will be the highest percentage of carers who will have an ACSP*”.

⁷ Paragraph 60 says “about 60%”, however Table 2 in paragraph 64 gives 64%.

Year	Para 56 T2 Estimate of cumulative number with an ACSP	% of Adult carer support plan holders	Estimated numbers receiving support	% of carer population receiving support	Cost of support to adult carers @ £333 unit cost (£m)
2017-18	22,350	50%	11,175	1.5%	3.721
2018-19	59,675	50%	29,837	4.0%	9.936
2019-20	102,577	50%	51,288	6.9%	17.079
2020-21	181,622	60%	108,973	14.6%	36.288
2021-22 (recurring)	256,351	60%	153,810	20.6%	51.219
2022-23	256,351	60%	153,810	20.6%	51.219

We have found what seems to be an error in the FM calculations for 2020-21: the formula yields £36.288 million costs as shown above, but in the published FM the costs for that year are shown as £24.808 million – a difference of some £11.5 million.

We criticise the unit cost assumptions in our response to **Question 7**.

Question 5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

Social Work Scotland does not under-estimate the difficulties civil servants have faced in costing the provision of the Carers Bill. While we are aware of meetings between Scottish Government and COSLA officers to discuss these costs, we are also aware that the FM has been produced over a short timetable with less stakeholder involvement than has been the case with other financial memoranda associated with new health and social care legislation (such as Self Directed Support, or Health and Social Care Integration).

Nevertheless, we do not consider the FM estimates of the Bill's implementation costs to be reasonable and accurate, for reasons given in our answers to other questions. We welcome the Scottish Government's commitment, given in paragraph 7 of the FM, to further work with COSLA on the cost estimates. Social Work Scotland is willing to assist such work.

Question 6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Social Work Scotland does not believe that local government will be able to meet unfunded costs of the Bill, when enacted. Local authority funded social work and social care services are already under extreme pressure as budgets are static or reducing while demand is increasing – as the Finance Committee has recognised in its previous work on prevention and on the financial implications of demographic change.

In England, similar legislation to improve support to carers also faces funding challenges and the UK Government's impact assessment⁸ (equivalent to the FM) states that

The extra numbers of carer assessments and carer support services that might result directly from these changes to legislation are inevitably uncertain. We believe that our estimates are plausible, but clearly there is a risk that they could prove to be under-estimates or over-estimates. If our estimates of take up prove to be under-estimates, councils may need either to limit the amount of support that they offer to each carer or to change local priorities between support for carers and other services.

The consequences of under-funding will be similar in Scotland. It is a long-established principle that new legislation should be fully funded.

⁸ UK Government (2014): The Care Act 2014 - Final version of the Impact Assessment, para 3.78. Available at: http://www.legislation.gov.uk/ukia/2014/407/pdfs/ukia_20140407_en.pdf

Question 7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

No, there are two problems: (a) the FM’s assumed unit costs are problematic, and (b) there is reason to expect a quicker build up of new demand.

(a) Unit costs of assessment and support

ACSP assessment costs have been modelling on three unit costs – £72, £110, and £176 per carer assessment – referred to in the tables as Options 1, 2 and 3.

The first problem is that the selection of the lowest and highest options is biased. Footnote 32 explains that the questionnaire survey of Scottish local authorities yielded unit costs for 14 LAs of between £72 and £342 per carer assessment, after excluding the highest and lowest unit costs. The average unit cost was £176 (para 54). This would normally generate low, medium and high estimates of £72, £176, and £342. Instead the FM takes the *average* of £176 as the *high end* estimate.

The FM’s mid-estimate of £110 is said in paragraph 50 to be based on 2011 costs in Surrey County Council in England. That doesn’t seem particularly relevant to costs in Scotland between 2017-18 and 2022-23.

Social Work Scotland considers that the ACSP assessment costs should be modelled on the average unit costs⁹ in Scotland of £176 per week.

The Young Carers Statement (YCS) assessment costs have been modelled on a narrower range of options: £106, £125, and £167, and are said to be based on the Scottish LA questionnaire returns but with higher cost returns excluded (for reasons stated in para 62¹⁰). The lowest cost of £106 appears to be based on one return, while the £125 middle cost is an “average across five LAs with a unit cost of less than £200”, and the higher cost of £167 is an “average across seven LAs with a unit cost of less than £300”.

The exclusion of all assessment unit costs above £300 may or may not be valid; if it is, then we can take a weighted average of the three unit costs in terms of the number of LA questionnaire returns behind each figure: that suggests an average of £146 across the 13 LAs. Quite why the assessment cost should be lower for young carers is not clear, and there may be an argument for using a common unit cost for young carers and adults.

The FM estimates the **unit costs for support services** at £333 per year for both adult and young carers (para 78). For adults it is assumed that 60% of the cumulative number of people with a ACSP and 69% of young carers with a YCS will be eligible for support worth £333 per year: this amounts to £51.2m for adults and £6.5m for young carers, recurring by 2021-22 (table at para 79). In addition a further 5% of the total number of carers in the population are assumed to need short breaks at £300 per year, costing a further £2.36m per year (para 82).

While the unit cost of support of £333 per year is based on UK Government work on implementation costs for the similar legislation in England (FM footnote 51), the **short breaks unit cost** of £300 per person per year is much lower than that assumed in England (£967). In Scotland, the average unit cost of residential respite is around £1,000 per week, which is close to

⁹ FM paragraph 52 appears to concede that “the average unit cost of preparing the ACSP should be approximately the same as the unit cost of the carer’s assessment” – which is what the questionnaires to Scottish LAs have captured at £176 – but then argues that these may be reduced by a “light touch” approach to assessment before going on to describe a carer’s assessment in terms that are very comprehensive indeed!

¹⁰ They were taken as representing “comprehensive integrated assessments” of all the young person’s needs, not just of their needs as carers.

the English estimate if that is for one week’s respite per person. The FM’s estimate of £300 is too low and would only buy a short break of 2 days per person per year.

The assumption that an additional 5% of carers will need a short break is based on a 20% estimate¹¹, reduced to 5% on the assumption that the other 15% is already included in the support costs already calculated. The English analysis proceeds rather differently: the proportion of assessed carers assumed to be eligible is similar (63% compared to 60%) but it is split between eligibility for personal budgets (48%) and eligibility for respite care (15%) to avoid any double counting. Applying this approach to the FM data on the numbers of adult carers with an ACSP in 2021-22 produces a far higher estimate of total support costs:

Revised estimates for care support (Social Work Scotland)

Type of support	Numbers of adult carers with an ACSP	% with eligible support needs	Number with eligible support needs	Unit costs of support	Total funding required £ Million
Personal Budgets	256,351	47.9%	122,664	£333	£40.847
Respite		15.5%	39,632	£967	£38.324
Total		63.3%	162,296		£79.171

Social Work Scotland considers that this approach is more likely to be more accurate, and that £79m is a more realistic and better evidenced funding estimate than the £53.6m in the FM (£51.22m + £2.36m). At the very least it demonstrates how small changes to the assumptions produce large differences in the funding requirements.

(b) Assumptions about the build up of new demand

The FM assumes a relatively slow build up of demand over four years from commencement of the Act, with year 5 the first year of full post-implementation demand estimated at 119,200 assessments per year. The tables therefore show additional demand starting in 2017-18, reaching saturation point in 2020-21 and flat-lining at the same level in 2022-23 and beyond.

However, in reality, the Scottish Government acknowledges that demographic factors will continue to increase the numbers of people requiring both formal care and care by unpaid carers beyond 2022-23, and that the number of carers will increase although not as fast as the need for care (FM paragraph 19, and Policy Memorandum paragraph 20). This means that additional demand for ACSPs is likely to continue to rise after the initial steeper build-up to “saturation”.

The FM arguments¹² in favours of a slow build up are not convincing:

	Argument	Response
1	Previous national and local carers policy initiatives to increase the numbers of carer’s assessments have only led to modest growth. (Para 45)	The difference this time is that policy intentions are being backed by legislation and some funding. Enhancing carer’s rights to a support plan through legislation is surely a step change – otherwise why do it? The legislative intention has been very positively received by carer’s organisations and is being well-publicised. (There is also some local counter-evidence, such as Edinburgh’s carer payments which have greatly increased the numbers of carer assessments).

¹¹ The 20% is a “proxy measure” based loosely on a survey finding that 70% of carers felt that they had a good balance between caring and other things in their lives (para 81). There is no data on how many of the 96% of carers who currently receive no short break or respite would have eligible assessed needs that indicated a break was needed.

¹² Elsewhere (para 79) the FM acknowledges that “It is challenging to estimate how quickly an increase in ACSPs and YCSs and provision of bespoke support might occur”.

	Argument	Response
2	Many carers are content with their support arrangements so are unlikely to request an ACSP: "...44 per cent of carers currently feel supported to continue caring (Scottish Health and Care Experience Survey) ...[and] some who do not feel supported will opt out of the ACSP because they want more support from family and friends..." (Para 56)	The FM considers this argument mainly in relation to the level of "saturation", but it could also apply to the rate of build up of additional demand. There are two problems with the argument: (1) feeling supported at the survey date is not the same as feeling supported over a period of time, especially if the needs of the carers or cared for person change. (2) The Survey estimate of the number of carers who currently feel supported is too large for them to be receiving that support from local authorities, so they must be supported by family and friends. The Bill provides new entitlements to assessment and to a support plan, and new duties on local authorities to meet assessed eligible needs of carers. That will be read as an improved offer so it is unwise to assume that people who report currently feeling supported will not seek further support from a new source.
3	Council questionnaire responses show they were divided on how soon additional demand would happen (Para 39)	According to the FM, 16 out of 17 LAs said that there would be increased demand: 10 said "immediately" and 6 said "at a later date" (unspecified in the FM). This not good evidence in favour of a slow build up.

Social Work Scotland considers that a **faster build up of demand is more likely**, for the following reasons:

- (1) The Scottish Government wishes to ensure that all carers who request an assessment will get one – that is bound to increase demand for assessments significantly.
- (2) Previous social care legislation known to increase demand did so more quickly. Published Free Personal Care statistics from implementation in July 2002 to 2013 show three distinct periods: (a) early take-up period of just over 3 years from July 2002 to September 2005; (b) a period of lower growth up to the end of 2010 (with demography a key driver); and (c) a flatter period of growth from 2011 in response to increasing austerity and resource constraint.
- (3) The UK Government has implemented very similar legislative changes for England within the Social Care Act 2014: their analysis of new demand for carer's assessments assumes only two years of build-up before saturation¹³ in year three.

Wider Issues

Question 8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

Our response is focussed on the local authority costs which we do not think the FM has reasonably captured. However, Social Work Scotland members also include senior managers working in the Third Sector and we are aware of the recently published¹⁴ *Carers (Scotland) Bill - Third Sector position statement*. While we do not agree with everything in this document, Social Work Scotland would wish to call the Finance Committee's attention to the following section on funding:

The additional duties on local authorities to provide carers with information and advice and to support carers who meet eligibility criteria will inevitably result in an increase in the number of carers identified and a corresponding increase in demand for services. Previously hidden carers will begin to seek early and preventative support and since the majority of these carers will not meet eligibility criteria it is likely that they will need to access universal support services, provided by the third sector. These services are already operating in a challenging environment, and the implications of the Bill on service provision, funding and capacity must be viewed in a wider policy context that takes this into consideration.

¹³ Their estimated increase in the number of assessments has been criticised as too low by leading academics – see Linda Pickard, Derek King and Martin Knapp (2015): *The 'visibility' of unpaid care in England*, Journal of Social Work online, 1-20.

¹⁴ Available at: http://www.sharedcarescotland.org.uk/wp-content/uploads/2015/04/NCO_Third_Sector_Statement_on_Carers_Scotland_Bill.pdf

Question 9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

The main future costs not covered in the FM relate to: (a) **charging**, and (b) **demographic change**.

(a) Waiving of charges for support to carers

Sections 88-98 of the FM cover charging issues, as is summarised in the recent SPICe briefing as follows:

The FM notes that the Bill amends section 87 of the Social Work (Scotland) Act 1968 and that regulations are expected to be made enabling local authorities to adjust or waive charges for support to carers. These changes will be expected to address the challenges faced by local authorities in implementing the current regulations in relation to waiving of charges. Given the uncertainties surrounding this area, the FM does not reflect the costs that might be associated with regulations introduced in this area. A revised FM would be presented if required once the position is clearer.

The “current regulations” are *The Carers (Waiving of Charges for Support) (Scotland) Regulations 2014*, put through the Scottish Parliament under negative procedure early in 2014 with an implementation date of 1.4.15, without any additional Scottish Government funding to councils to implement. Where councils use their current *powers* to provide services to support carers, following a carer’s assessment, then the Regulations stipulate that any charges must be waived.

The new Bill replaces such powers by a duty; therefore there will be an increase in support to eligible carers. As long as the 2014 Regulations remain in force such support must be provided free of charge.

Sections 92-96 of the FM admit that the implementation of the 2014 Regulations has been “challenging”, and suggest that this is due to practical ambiguities as to whether care is provided to benefit the carer (not chargeable), or to benefit the cared-for person (chargeable, unless free personal care for older people), or to benefit both. However, in our view, the fact that there was no implementation funding is at the very least an equal ingredient in the “challenging” mix.

Civil servants are working with COSLA on revised Regulations, and “if there are cost implications to the Scottish Government would present these in a revised Financial Memorandum” (para 98).

(b) Demographic change

All the costs in the FM flat-line from 2021-22, following a four year build-up period we have already criticised for being unrealistically long. As we noted in response to Question 7, in reality it is unlikely that such a “steady state” will be achieved. Indeed the Policy Memorandum acknowledges (in para 20), the number of carers is likely to increase, albeit at a slower rate than the increase expected in the future numbers of people with health and social care needs. This will mean funding pressures as a result of the Bill that are higher than those shown in the steady state period.

Response prepared by:

Mike Brown
Vice-Convenor, Social Work Scotland Resources Committee
Email: mike.brown@edinburgh.gov.uk; Tel: 0131-553 8302

1 May 2015