

Response to Scottish Government Consultation on Proposed Changes to Local Authority Financial Return LFR03: Social Work

Social Work Scotland, the membership organisation for the leaders in social work in Scotland, welcomes this opportunity to contribute to the Scottish Government's consultation on the collection of local authority income and expenditure data on social work and social care services. These services form the second largest area of spend for Scottish local authorities (after education), accounting for £5.041 billion¹ in 2020-21, or about 25% of total local government gross expenditure. Information on public expenditure of this scale is important for public accountability, alongside other important uses.

Our submission follows the order of the consultation paper proposals²:

1. Removal of Client Group Lines;
2. Changes to Gross Expenditure by Expenditure Type (Rows 38 to 42);
3. Changes to Gross Expenditure by Service Type (Rows 44 to 73);
4. Replacement of Net Expenditure by Service Type with Customer and Client Receipts by Service Type (Rows 75 to 102).

We also thread some comments on the preceding Background section, and Summary of Review findings, where appropriate under the above headings, to avoid duplication.

Brief summary of Social Work Scotland's concerns

Our greatest concern is that the proposals complete the reduction in the full service expenditure and income data previously available for seven **client-group categories** over almost 20 years to 2018-19, to only three: **children & families, adult social care, and criminal justice social work**. The returns for 2019-20 and 2020-21 included only total gross expenditure for **older people**, for adults with **learning disabilities, physical or sensory disabilities, mental health needs, or other needs** – but even this minimal retention is to be abolished.

At a population level, social work and care work workforce and service planning, budgeting and commissioning (for in-house and purchased services, and for prevention support) is necessarily undertaken differently for **all of these client groups** (at a minimum), taking account where possible of groups of people with multiple and overlapping needs. Expenditure data by client-group is needed to monitor trends against demographic and other indicators of need, both over time and between different areas of Scotland, and to help cost and monitor strategic plans and policy development, including new legislation, and as an input to models of

¹This figure of £5.041 billion is **gross expenditure** (that is, before income from specific grants and service user charges, etc, are deducted) excluding double counting of LA expenditure on Health and Social Care Integration Joint Boards (which arises because LAs fund IJBs and then spend again the money they get back for social work and care services).

² Available at: <https://www.gov.scot/publications/local-financial-return-03-social-work-review-consultation/>

equitable resource distribution. All these requirements are thrown into sharper relief by the Scottish National Care Service development.

We fully acknowledge the data quality problems that affect some of the client-group disaggregations for particular service expenditures. These arise from the fact that council financial ledgers are not fully structured along social work and care client-group categories, and therefore include generic categories which then would need to be split using service volume and activity management information. The Scottish Government's review of the local government financial return for social work and care, LFR03, is reported in the consultation paper as having found that councils vary in their disaggregation methods, with the result that the adult client group breakdowns produce data considered to be of poor quality. Social Work Scotland would have liked the full Review Report to have been published, as only a brief summary is available in the consultation paper.

These data quality problems are not new, but were identified as long ago as 2002 when the LFR03 return was revised to include a full client-group service matrix to reflect the realities of social work and care service planning needs, and to also reflect and help implement the new CIPFA (2000) Best Value Accounting Code of Practice (subsequently Service Reporting Code of Practice). Considerable work was done at that time on a partnership basis to find **solutions to the various client-group disaggregation problems** for LFR03 service expenditure lines and detailed guidance was prepared, supported by COSLA workshops for local authority accountants and other staff. Since then, the annual guidance for the LFR03 return has continued to state that "Detailed guidance on the apportionment of generic services to client groups is contained in 'Guidance on Implementing the BVACOP Social Work Service Expenditure Analysis' issued in March 2002 by CIPFA Scotland), ADSW³, and the Social Care Data Standards Project". However, that document has not existed online for many years, and has never been updated for subsequent changes in social work and care services or expenditure data requirements. In short, the solutions contained in the guidance atrophied in the absence of ongoing implementation support. Indeed, there is evidence that the government statisticians perceived this "additional information" in the LFR03 as an anomaly and not needed for what seemed to data users to have been a very narrow conception of the purpose of local government financial statistics.

In our view, an invalid inference is at the heart of the present proposals to abolish the client-group breakdown for adult social care expenditure. This is the statement that "the data quality concerns cannot be minimised to an acceptable level", which does not follow from the findings that the data quality is currently not minimised to an acceptable level. It is our view that these concerns could be minimised by re-assessing and updating the solutions provided in 2002, and considering what would be required for effective implementation. In our detailed response below, Social Work Scotland sets out a four-point plan to re-identify and assess solutions to the client-group disaggregation problems. This would have to start with the documentation of council ledger structures in each local authority, some of which the review has undertaken but not yet published. **We argue that such work is needed in any event as part of the planning for the National Care Service.**

³ The Association of Directors of Social Workers (ASDW) was the precursor body to Social Work Scotland.

The consultation paper acknowledges that abolishing all expenditure and income data for the separate adult social care client-groups leaves a huge data gap, but states that “mitigation” work is ongoing – for reasons set out in our submission we do not believe that available mitigation is possible.

Our other comments raise concerns about the data loss since 2019-20 on the expenditure share between in-house council services, services purchased from the private sector, and from the voluntary or third sector. We relate the concerns to issues raised in the Feeley Report.

The development of Scotland’s National Care Service faces many challenges, one of which is the patchy nature of available statistical information on social work and care expenditure, service volumes and activities, and the needs (both met and unmet) of service users and unpaid carers. Social Work Scotland is willing to assist the developed of a planned and resourced approach to fixing these problems, but now is not the time to “solve” data quality issues by abolishing the data collected for such items.

Full consultation response

1. Removal of Client Group Lines

Social Work Scotland **does not support the removal** of the current client specific lines which break down **Adult Social Care** expenditure into constituent client-groups, as shown below for the latest year available for the benefit of our members reading this submission:

LFR03		Scotland, 2020-21	£'000s	£ Billions
Row	Column			
47	F	Older persons (aged over 65)	2,314,846	2.315
48	F	Adults with physical or sensory disabilities (aged 18-64)	291,102	0.291
49	F	Adults with learning disabilities (aged 18-64)	932,747	0.933
50	F	Adults with mental health needs (aged 18-64)	209,076	0.209
51	F	Adults with other needs (aged 18-64)	78,955	0.079
52	F	Total Adult Social Care	3,826,726	3.827
15	C	Service Strategy	69,454	0.069
15	D	Children's Hearings	621	0.001
15	E	Children & Families	1,004,987	1.005
15	F	Adult Social Care	3,826,726	3.827
15	G	Criminal Justice Social Work Services	138,771	0.139
		Total Social Work & Care excluding IJB transfer double-count	5,040,559	5.041
15	H	Integration Joint Boards (IJBs)	2,647,636	2.648
15	I	Total Social Work (as published, but with IJB double-count)	7,688,195	7.688

Notes: Items in italics have been added by SWS. Reference to double-counting transfers from LAs to IJBs is our own simplified interpretation of the two total lines shown. Figures are published in £'000s, as above; the equivalent in £ Billions is also shown for the benefit of SWS members.

(As an aside, Social Work Scotland does not support publishing⁴ the figure of £7.688 billion as the total local government expenditure on social work and care services in 2020-21, if this included double-counting the monies transferred from councils to IJBs, and then again the monies spent from the transfer of funding back from IJBs to councils with directions. We are also not entirely sure whether the adjusted gross spend of £5.041 billion included any of the temporary Covid-related funding).

Prior to the 2019-20 LFR03, the full data by service type was collected for both gross and net expenditure, and for income from service charges, for each of the Adult Social Care client groups, as well as for Service Strategy, Children's Hearings, Children & Families, and CJSW. In our submission⁵ to the 2020 LFR03 Review Consultation we argued that this should be retained after temporary Covid-related reductions to ease the collection burden, alongside resourcing solutions to long-standing data quality problems.

The current consultation seeks to abolish the residual information (gross expenditure totals) collected in the 2019-20 and 2020-21 LFR03 returns for the Adult Social Care Client-groups, leaving no expenditure or income data collected on this return specifically for older people⁶, or for adults with learning disabilities, physical or sensory disabilities, mental health needs, or other needs. **Social Work Scotland does not support that proposal.**

At a population level, social work and care work workforce and service planning, budgeting and commissioning (for in-house and purchased services, and for prevention support) is necessarily undertaken differently for children and families services, adult services, and criminal justice social work, but also *within adult care services differently* for older people, people with learning disabilities, physical disabilities, people with mental health problems, people with substance abuse problems, and other groups of people with social work or care needs, taking account where possible of groups of people with multiple needs. Expenditure data by client-group⁷ is needed to monitor trends against demographic and other indicators of need, both over time and between different areas of Scotland, and to help cost and monitor strategic plans and policy development, including legislation.

To some extent, this has been recognised in the consultation paper:

⁴ SG 22 March 2022: <https://www.gov.scot/publications/scottish-local-government-finance-statistics-slgfs-2020-21/>

⁵ SWS 26 August 2020, at: <https://socialworkscotland.org/consultations/response-to-the-scottish-government-review-of-local-authority-financial-returns-social-work-services/>

⁶ We are also concerned that the expenditure rows on Free Personal and Nursing Care for older people and adults have also been abolished, leaving the financial consequences of these landmark Scottish policies unmonitored.

⁷ That is why the Social Work chapter of CIPFA Scotland's Best Value Accounting Code of Practice (subsequently Service Reporting Code of Practice, SERCOP) was developed jointly in 2000 by CIPFA and the then Association of Directors of Social Work around a full client-group/ service matrix for budgets and expenditure. This was subsequently adopted by the Scottish Executive in the 2002 revision to the LFR03. Since then, LFR03 Guidance continues to state that "Detailed guidance on the apportionment of generic services to client groups is contained in 'Guidance on Implementing the BVACOP Social Work Service Expenditure Analysis' issued in March 2002 by CIPFA Scotland), ADSW, and the Social Care Data Standards Project" however that document hasn't existed online for many years, and would require updating supported by implementation resources.

Feedback from the stakeholder working group has made clear that breakdowns of Social Care expenditure data are a key user requirement as they support a more detailed understanding of social care expenditure. In particular, breakdowns by both type of social care services and for different client groups are of most value. (Page 2).

But the consultation paper goes on to argue that:

However, following the conclusion of the [LFR03] review, it is considered that, given the level of detail of the data and the ways in which it can and may be used, the data quality concerns cannot be minimised to an acceptable level and / or be explained in a sufficiently clear way in order that users can mitigate the impacts of the data quality concerns. Further, it is clear that the burden on data providers to provide figures containing data quality issues is **not** proportionate to the benefit arising from the use of these figures. (Page 3, second line).

This leaves the argument open to a logical objection: that the statement “the data quality concerns cannot be minimised to an acceptable level” does not follow from the findings that the data quality is currently not minimised to an acceptable level.

Those findings about data quality concerns are summarised earlier⁸ on page 2 and again⁹ later on page 3, and mainly concern having to use service volume or activity data to split by client group the expenditure recorded in more generic cost centres on local authority financial ledgers. Such methods were found to be “not consistent across councils and, in some cases, are based on use of historic proportions or administrative data of unknown quality” (page 3). [No examples are given, but obvious candidates include home care services, social work and other “fieldwork” services, and self-directed support option 1, which (among others) are likely to have generic cost centres on ledger systems].

No further detail on the data quality is provided, with one exception discussed later. There seems to be no full report on the data quality issues, such as the “technical reports” published previously by ISD and now Public Health Scotland on data quality issues with other social care datasets – these give much more information about the scale and scope of data quality problems, by local authority¹⁰.

⁸ “Feedback from data providers captured throughout the review process has raised significant data quality concerns around the ‘Additional Information’ data collected in the LFR 03. These concerns relate to inconsistencies in approaches between LAs, in particular where the data split required is not available directly from the ledger and so has to be apportioned. Further investigation, including a review of Adult Social Care cost centres for around three-quarters of councils, has identified that the data quality issues are most prevalent in data split by client group, including age, and figures on net expenditure by service type” (page 2).

⁹ “Social Care ledger data does not directly correlate to client groups for the majority of LAs. This is because financial transactions are generally not recorded at an individual level and so cannot be easily allocated based on the clients to which the transaction related. At present, costs for specific client groups recorded within the LFR 03 that cannot be drawn directly from the ledger are calculated as an estimated allocation based on other data available for each LA. Feedback from LAs has made it clear that the approach to estimating allocations where required is not consistent across councils and, in some cases, are based on use of historic proportions or administrative data of unknown quality” (page 3).

¹⁰ See for example Public Health Scotland 2022 *Insights in Social Care: Statistics for Scotland 2019/20 & 2020/21 Publication Technical Document*, at: <https://publichealthscotland.scot/media/13278/2022-04-26-social-care-technical-document.pdf>

Social Work Scotland believes that **the LFR03 Review has not given sufficient objective assessment of what would be required to resolve the data quality problems of the financial return**, in its full pre-Covid client group format, up to an acceptable standard. This is now needed to support transition to the National Social Care Service, which will still include local authorities as partners in delivering the care services that people need. Solutions would involve considering the following issues:

- the scope for standardising council ledger categories for adult social care and social work and care services as a whole, with associated costs and timescales;
- identifying for each local authority the ledger categories that it is not practical or desirable to split within the ledger between the agreed client group headings;
- producing an apportionment template for each council, specifying the service volume or activity data that councils are known to have, to be used to apportion aggregate ledger categories into the required client-group and service headings; and
- for each of these apportionments, decide whether the template data is to be input annually by accountants and management information staff, either locally or, whenever possible, nationally (which would reduce the burden on councils).

The data collected on “Adult Social Care cost centres for around three-quarters of councils” (page 2) has not been made available to the stakeholder working group. That work, extended to include the remaining councils, is needed as the first action in the above outline plan.

Working through such a plan would establish whether the data quality concerns can be “minimised to an acceptable level”, and would also help establish the costs to local authorities and to Scottish Government (or National Care Service) of any additional work involved to develop and maintain social work and care financial data of sufficient quality and detail to be useable for the purposes we have set out at the start of page 4 above.

Without such an assessment of what is involved in solving the data quality problems, the cost/benefit conclusion given on page 3 is premature:

Further, it is clear that the burden on data providers to provide figures containing data quality issues is **not** proportionate to the benefit arising from the use of these figures.

We agree that data quality problems add to the burden and detract from the benefit. We do not agree that the data quality problems are unsolvable; solutions are still to be worked through and costed. **We therefore do not agree with the conclusion** at the end of page 3:

On the basis of these data quality and consistency concerns it is proposed that all lines relating to figures for a specific client group be removed from the LFR 03. As noted in the ‘Summary of Review Findings’ section, work to mitigate this loss of data from LFR 03 is ongoing.

The section on **mitigation** is also on page 3:

As the LFR 03 is the main source of social care expenditure data in Scotland, any reduction in data collected in the LFR 03 will likely create gaps in the social care data landscape. [...] Review work to consider both short and long term options to resolve this gap in Social Care data is ongoing by Health & Social Care Analytical colleagues within Scottish Government in conjunction with this review. In particular, work with colleagues who lead on the Free Personal & Nursing Care Quarterly Collection and associated publications is underway to

consider the implications on their 2021-22 collections and to ensure that data requirements for the continued monitoring of this policy can be met.

The monitoring of expenditure on Free Personal & Nursing Care is important and is being given attention. However, this is a small part of the data gap created by merging the adult social care client-groups and the other changes (and we support the reinstatement of the FPNC lines¹¹ to enable the expenditure consequences of these landmark Scottish policies to be monitored). Other mitigations are far from clear.

Social Work Scotland is aware, via its membership of the stakeholder working group, that consideration has been given to adding financial information to the person-based data collection in the former Social Care Survey (now called “Source”¹²) has been considered as a longer-term solution to the financial data gap. However, despite this survey of social work and care service users running now for several years, there are still many gaps in the data submitted by councils in the form of data extracts from their various client information systems— see the Technical Report in the latest publication set for 2020-21¹³, which notes that “partnerships have found certain aspects of the return difficult to fulfil” before providing detail on the gaps and anomalies. For this reason, the annual publication *Insights in social care: Support provided or funded by health and social care partnerships in Scotland* is still badged as “Experimental Statistics”.

Even if these problems with the Social Care Survey were resolved, considerable work would be required to add Self-Directed Support personal budgets to the dataset. Investigation would be needed into the extent to which eligible people had personal budgets recorded for all four SDS options, whether or not the personal budget aggregates aligned to the expenditure data on council ledgers, and how expenditure on service users ineligible for personal budgets could be identified and recorded on each council’s client information system(s). As a mitigation route, the best candidate is very much in the long grass.

A massive improvement in the totality of social work and social care information is required as one of several essential building blocks needed by the National Care Service – Social Work Scotland covered this in its November 2021 submission to the NCS consultation¹⁴.

Meanwhile, **we recommend that the Scottish Government and partners undertakes the assessment of what would be required to resolve the data quality problems** of the financial return, in its full pre-Covid client group format, up to an acceptable standard, as set out on page 5 above, with the aim of implementing an **agreed improvement plan**.

¹¹ The FPNC expenditures are currently collected by bespoke rows on the LFR03, split by older people and adults. These are lost in the deletion of the current net expenditure section, but could easily be re-instated under gross expenditure, since they are the consequences of ceasing to charge (so gross=net).

¹² Public Health Scotland *Revised Source Social Care Dataset Definitions & Recording Guidance, March 2020*. At: <https://www.isdscotland.org/Health-Topics/Health-and-Social-Community-Care/Health-and-Social-Care-Integration/Dataset/docs/V1-4-Recording-guidance.pdf>

¹³ <https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-201920-202021/>

¹⁴ See the section on “Using data to support care” on pages 21-24: <https://socialworkscotland.org/wp-content/uploads/2021/11/SWS-Consultation-Response-FINAL.pdf>

2. Changes to Gross Expenditure by Expenditure Type (Rows 38 to 42);

This section discusses the restoration of the data line for LA employees, the retention of data about third-party payments to private companies, and the rejection of an option to restore a line for payments to the third sector. There is no reference to Feeley Report discussion of the **mixed economy of care**, and the criticism there of over-reliance on the for-profit private sector, often with poor pay and conditions for staff, and with serious concerns also expressed in the report about “value leakage” into profits, payments and other opaque transactions with parent companies. There is therefore no account being taken of the need to monitor the balance of care between the three sectors of care: direct council services, the third sector voluntary organisations, and private care providers, whose care services are purchased by councils as a significant part of public expenditure. The only considerations mentioned are the ease or difficulty of extracting data from council ledgers and Scottish Government and ONS requirements “to support production of economic statistics in compliance with international standards”.

Social Work Scotland agrees with the proposal to add a “new line to capture **employee costs** by subservice (Row 39)” but notes that it is not a new line, but a restored line that had been cut from the LFR03 in the 2020 data reductions in the 2019-20 return.

The consultation paper states on page 4 that “In 2020-21, **employee costs** accounted for around one-third (32%) of Social Work gross expenditure (excluding transfers to IJBs) and so it was felt that having this cost split by subservice would be of value”. We agree, but are unclear where the total employee cost comes from for 2020-21 since this is not on the face of the LFR03 for that year, having been deleted since 2019-20. We have the same puzzle about the statement that “**third party payments** accounted for just over half (56%) of Social Work gross expenditure (excluding transfers to IJBs) in 2020-21”. We would **welcome the re-instatement of this row**, but this does not seem to be proposed.

We **welcome the retention** of “lines capturing third party payments to **private companies** (Rows 40 & 41)” but we do not agree with the decision to exclude adding a “new line to capture third party payments to **third sector organisations**”. That new line would be a restoration of a line that existed in the LFR03 until the 2019-20 return, and in our view should be reinstated.

From 2002-03 to 2018-19, the LFR03 contained the following additional information:

Additional Information - Funding basis

Expenditure

Employee Costs

Third Party Payments

of which:

Gross Payments to Private Persons

Gross Payments to Private Companies

Gross Payments to Voluntary Bodies

Gross Payments to Health Authorities

Gross Payments to Other Local Authorities

We had understood that this was based on the standard analysis of accounting “subjectives” that had formed part of CIPFA SERCOP guidance to local government. Since the data was produced for many years up to 2018-19, and was suspended originally as a temporary Covid-measure to assist councils, we are surprised to learn that “the majority of LAs cannot draw this data directly from their ledgers, but are required to manually allocate third party payments for each organisation to the appropriate type” (page 4). **Social Work Scotland considers that the need for information on third party payments should be considered again in the context of the Feeley Report discussion mentioned above, and the need for information about the balance of public expenditure between public sector, third sector, and private care provision.** As the **National Care Service** proposals are developed, the need for expenditure data to inform political and policy choices will increase.

3. Changes to Gross Expenditure by Service Type (Rows 44 to 73);

Social Work Scotland welcomes the change in emphasis such that the service detail is now fully in Gross Expenditure, rather than mainly being in Net Expenditure, as was the case in the reduced returns for 2019-20 and 2020-21. This is because gross expenditure should have a closer relationship with the service costs and outputs, being independent of charging policy and accounting conventions as to what counts as “income” (eg SG Specific grants, but not general revenue funding).

However, we would welcome more clarity on the face of the new LFR03 return about how the **interface with IJBs** is treated in terms of gross service expenditure. For example, using the 2020-21 published data, would the sum of all gross expenditure on listed services (plus “other”) be equal to the £7.688 billion in the table on page 3 above, or (as we would argue) to £5.041 billion?

We also fully support the intentions expressed in the following statement on page 4:

These changes will allow the total of this section to match the total gross expenditure value in Row 15 of the LFR 03, allowing LAs to more easily validate between these sections. They will also improve clarity for data users in terms of understanding how this additional information section relates to the headline figures for LFR 03.

We agree with the proposal to add “lines on Support Services and Recharge Income (Rows 45 & 46) [...] with the data pre-populated from data in Rows 9 and 11 respectively” (page 4).

We do not fully understand the changes proposed to expenditure on **Self Directed Support**. The first proposal is to add “a line to capture all direct payments via SDS (Row 48), this is currently captured outwith the gross expenditure by service type section”. The LFR03 return for 2020-21 contained two items for “Gross Expenditure by Type of Self-Directed Support (SDS)” for SDS Options 1 and 2 (Options 3 and 4 being inseparable from other expenditures):

SDS Option	Children & Families	Adult Social Care	2020-21 Total
	£'000s	£'000s	£'000s

SDS 1 - Direct Payments	10,016	129,819	139,835
SDS 2 - Managed Personalised Budget	7,040	167,669	174,709

SDS seems already captured within gross expenditure. The **first proposal** appears to replace these two rows with one Row 48 for “Direct payments to individuals via SDS” (the wording on the draft new LFR03 return). This appears to be a **loss of information about Option 2**, which Social Work Scotland would prefer to retain.

We have assumed that **SDS 1** expenditure is the sum of all direct payments, even when the person chooses to spend some of their direct payment on council or third sector services? The 2020-21 LFR03 Guidance included this statement about **SDS 2**:

SDS 2, or Managed Personalised Budgets, expenditure should be treated as principal transaction by the local authority. That is, where the budget is used to purchase known services from either the council or another provider, the money should be recorded as expenditure against that service. Any residual expenditure from the budget, where it is entirely unknown what support was purchased, should be included in 'All other community-based services' expenditure.

This suggests that the £175 million shown for 2020-21 is less than the sum of person budgets provided to people who choose Option 2, since some of this may be used to “purchase known services from either the council or another provider”? For both Options 1 and Options 2, there is interest in knowing both the quantum of payments made by councils, and what it is spent on. We feel this needs more detailed work in terms of what it is reasonable to collect on the LFR03, and the apparent tension between *recording only the payments* and *accounting for their use* to pay for specific services. With increasing emphasis on personalised care; eligibility; and rights-based services, such data is likely to be more, rather than less, necessary in developing a National Care Service.

The **second proposal** is to add “a line for SDS spend that cannot be allocated to a specific service (Row 70), this is currently recorded against ‘All other community-based services’”. We are not clear what this would cover, apart from SDS Option 2 if this is deleted as a separate row. The latest SWS statistics show Option 3 is the most popular of the four options, but then councils arranging the support should know which services to allocate these expenditures; similarly, if any mixed options under Option 4 involve council services. However, the Public Health Scotland dataset shows over 10% of people receiving “any SDS”, but with no account given of what this means – the technical report shows some councils seem unable to state which option has been chosen, so possibly these are the “any SDS” category. It will be helpful to clarify whether this is what the new Row 70 is intended to capture.

2020-21 PHS Statistics	Data From SDS Dashboard ¹⁵	Number of people
Option 1	Direct payment to the person	18,990
Option 2	The person directs the support via a third party	17,470

¹⁵ <https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-201920-202021/self-directed-support/>

2020-21 PHS Statistics	Data From SDS Dashboard¹⁵	Number of people
Option 3	The council arranges the support	185,590
Option 4	Mixed option	10,680
Any SDS		211,580
Grand Total		2,062,330

A **third set of proposals** in this section relate to separating council-run services from those purchased from the private or voluntary sector:

It is therefore proposed that expenditure on Care Homes and Care at Home be split by provider type (Rows 50 to 52 and 59 to 61 respectively). (Page 5).

In line with our previous comments on third party payments, **we support this proposal**.

We **also agree** with the further proposal for a new line for “**supported living services**” (with typo corrected):

A new line for ‘Support[ed] Living Services’ (Row 53) has therefore been proposed, with the intention that the guidance for what is to be included here will be developed with LAs prior to the 2021-22 LFRs being issued.

Many if not most supported living schemes might be counted equally under “home-based services” or “accommodation-based”. They have tended to be set up under housing support legislation, but increasing over the last 20 years are seen to be an important part of social care.

Finally, we also support the additional “Other” line (Row 71) with an explanation provided in a comments box. This could help identify further data quality issues or areas where more guidance is needed.

4. Replacement of Net Expenditure by Service Type with Customer and Client Receipts by Service Type (Rows 75 to 102).

In an ideal world, the gross and net service type expenditure sections would use the same service classifications, as was the case between 2002-03 and 2018-19, but we accept this economy. We also note the arguments in the consultation paper that the impacts on reported gross expenditure of differences between councils in their treatment of certain service charges are likely to be mitigated to some degree by the auto-calculated rows 104-132 for “Gross Expenditure net of Customer and Client Receipts by Service Type’ (page 6). It would be useful if that could be **followed up post-implementation** by before and after comparisons for specific councils known to differ in their accounting for service charges. An example might be where a council does not add back to gross expenditure the charging income received from self-funding but LA-assessed people in non-council residential care (an issue which we believe was once covered in the guidance, but is now not mentioned).

We note that the description “**Customer and Client Receipts by Service Type**” now replaces “Income from Charges to Service Users for Services purchased or provided directly by the Council”. We are not sure why the new nomenclature is preferred, but have no objections to it.

We appreciate the reasons why the list of service types has been expanded for service user charges to match the list for gross expenditure. However, the guidance relating to this section would benefit from a sense check with those familiar with the **legal constraints on charging** for some services. For example, we cannot think of any circumstances where it is legal to charge for “assessment, casework, care management or occupational therapy” yet historically there is always some small charging income shown against this service heading – in 2020-21 it was £1.8 million; it would be useful to know what that is so this can be explored further. As you know, the Scottish Government has pledged to abolish all non-residential social care charging, so computer query and vetting processes should also take that into account.

Finally, as well as the work we have identified as necessary to improve the data quality of the financial returns, there is also a wider need for the Scottish Government, COSLA, Audit Scotland, the Improvement Service, and other stakeholders such as Social Work Scotland, to review the limited statistical information currently available about people’s social work and care needs, the services people receive, the expenditure and other costs involved, and their impacts upon improving or maintaining health and wellbeing, independent living, and other outcomes. A resourced improvement plan for such necessary “management information” is an essential part of the establishment of a National Care Service.

We trust that this response is of practical assistance in taking the next steps in revisiting the LFR03 and we are happy to provide further information or to discuss any additional support we may be able to offer to help ensure that the revised arrangements best meet the wider care system needs.

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