

COMMUNITY CARE PROVIDERS SCOTLAND

The Scottish Budget Spending Review and Concordat Impact on social care providers: members' survey 2008

Key findings

In November 2007 the Scottish Government published its Scottish Budget Spending Review and accompanying Concordat with local government.

These documents signalled a period of considerable change to the policy and funding landscape for social care services in Scotland, including:

- removal of the ring-fence from a number of social care and support funding streams
- agreement that local authorities will not seek to raise additional revenue in 2008/09 (and beyond) through Council Tax increases
- a National Performance Framework setting out 15 outcomes to which all public authorities (and their funded partners) should work
- the introduction of Single Outcome Agreements, based on the 15 national outcomes, as the primary tool for planning, prioritisation and accountability in each local authority area and to be drawn up jointly with community planning partners
- a requirement for 2% efficiencies from all public bodies.

This survey set out to assess the initial impact of these developments on voluntary sector social care providers.

All CCPS members were invited to respond to the survey in October 2008: the response rate was 49% (32 responses from 65 members).

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REMOVAL OF THE RING-FENCE

96% of providers responding to this survey were in receipt of funding from a ring-fenced stream in 2007-08. Of these:

- 87% were in receipt of Supporting People grant
- 32% were in receipt of Mental Health Specific Grant
- 23% were in receipt of Changing Children's Services Fund

Much smaller percentages (10% or less) were in receipt of a range of other funds ring-fenced in 2007/08, including:

- 10% Youth Crime Prevention
- 7% Violence Against Women Fund
- 7% Working for Families
- 3% Homelessness Task-force
- 3% Anti-social Behaviour Funding
- 3% Community Safety Partnership
- 3% Childcare Strategy Workforce Development Fund.

Respondents indicated that since the removal of the ring-fence in 2008/09, relevant services have experienced the following:

- 74% of respondents said that they had experienced no change to funding in 2008/09, ie. standstill budgets
- 42% of respondents said that they had received uplifts for inflation
- 39% of respondents said that funding has been reduced
- 3% of respondents said that funding has been increased.

NB. this adds up to more than 100% because almost half (44%) of respondents ticked more than one box, ie. they have had different experiences with different funding streams in different areas. But for a clear majority, funding is either at a standstill or has been uplifted for inflation, with a significant majority experiencing funding reductions and a very small minority experiencing funding increases.

No clear patterns emerge relating to any one funding stream being more likely to be uplifted, reduced etc. Within each funding stream, there were standstills, uplifts and reductions, depending on the authority; and a variety of treatments within each authority.

Having said that, there are clearly some authorities that have treated all funding streams and all services the same way (ie. no uplifts provided to any organisation using any funding stream) whilst others have made different decisions in relation to different organisations/services (ie. uplifts for some but not others, reductions for some but not others).

The only reports of increased funding relate to services formerly funded by Supporting People grant (but note, an increase was only reported by one respondent and may therefore be exceptional).

Services formerly funded by the Changing Children's Services Fund, Anti-social behaviour funding, Violence Against Women Fund, Homelessness Task Force or Youth Crime funding are more likely to experience reductions in funding than those funded through Supporting People or Mental Health Specific Grant: however, as the percentage of providers reporting information relating to services funded by these streams is small, it is difficult to be conclusive about this.

50% of respondents have received indications from local authorities that the impact of the removal of the ring-fence has not yet filtered through the system, but that it will happen in 2009-10 (equally, 50% have received no such indication). Those authorities that have indicated that there will be an impact next year differ in their approach, with some providing only factual information (eg. SP funding will be merged with mainstream care funding) and others indicating 'trouble ahead' as a direct result of the ring-fence being removed:

- efficiency savings to be sought
- service reviews to take place
- re-tendering to take place.

Only one provider has been told what the specific impact will be, in terms of the percentage funding reduction that will be imposed on a specific service. Elsewhere, providers report that some authorities are requesting that formerly ring-fenced monies for specific programmes continue to be charged, paid and reported separately from other budgets.

Meanwhile some respondents noted that they have tried to obtain information about the likely impact in 2009/10, without success.

SINGLE OUTCOME AGREEMENTS

90% of respondents indicated that they had not been approached or invited to contribute or input to the SOA in any local authority areas.

Of the 10% who had been invited to contribute, this was through a local forum or CVS. No provider had been invited to contribute in their own right. Most of those who had been invited to input were unsure about the result of their contribution, with one respondent commenting that the process had at least demonstrated a commitment on the part of the authority.

NB. CCPS is aware from research conducted by SCVO that a number of authorities did, in fact, invite the participation of the 'third sector' in their SOA process, primarily through the CVS: what these findings appear to demonstrate is that care providers may not themselves participate in CVS and other third sector networks or forums with which LAs work.

75% of respondents did not make any proactive attempts to influence the content of SOAs. Of those who had tried to influence the content of SOAs, 55% did so in their own right, for example by raising related issues in meetings with LAs, and 45% did so through a local forum (eg. SP Forum, provider forum, and in one case, a CVS). Those who had sought to influence the content of the SOAs reported that this had little or no impact on the content of the SOAs, although in one area the process has led to the setting up of a local provider forum.

One respondent contacted every LA with detailed information about learning disability in the area, and suggested appropriate indicators for the SOA regarding levels of employment, education, respite and other priorities. The response was that SOAs were strategic documents and the information that was sent was too detailed.

84% of respondents had read some or all of the SOAs (50% had read some and 34% had read them all). Only one respondent was unable to find any connection between their organisation's work and the content of the SOAs, with 54% finding it relatively easy to make connections and 58% finding it quite difficult (some respondents ticked both that they found it easy and that they found it difficult, reflecting that some SOAs have more obvious connections with their work than others).

Respondents tended to comment that whilst they could see the connection between the outcomes identified in SOAs and the work they did as providers, these connections remained "vague" and did not translate into anything concrete regarding levels of service provision or measurable commitments.

Several respondents commented on the significantly different approaches taken to the structure and content of SOAs by different authorities, and the challenging task of responding to them as national organisations.

76% of respondents expect SOAs to change the way they relate to local authorities. Comments fell broadly into four categories:

- those who thought that changes would be for the better, because the focus on outcomes would eventually translate into outcomes for individuals as well as for the whole local authority area
- those who thought the changes would be for the worse, in particular by distancing providers even further from planning and decision-making
- those who did not say whether they thought things would be better or worse, but commented that they would need to reposition their own service offering in the context of the SOAs, and measure and report on outcomes in line with them
- those who thought that relationships would certainly change but at this stage it is far too early to tell what the change might be.

A number of respondents highlighted here and in the 'general comments' section of the survey that the emphasis on SOAs/outcomes is being outstripped by the emphasis on efficiency and procurement (see below).

Just under a quarter of respondents (24%) thought that SOAs would not change the way they relate to LAs.

50% of respondents indicated that they have, or are developing, a strategy for their organisation to engage with local authorities in relation to their SOAs. These strategies range from finding routes to engage with CPPs, the next round of SOAs and the service plans that feed into them, to examining the organisation's own strategic aims in light of the content of SOAs.

50% of respondents state that they are not developing a strategy: many of these indicated that this was due to limited resources within their organisation; however a number also reported that they are “watching and waiting” to see what difference SOAs will make in practice: “not sure if [a specific strategy] is worth it”.

26% of respondents indicated that they are being commissioned by local authorities to achieve outcomes, rather than to provide services.

Some of those who are not yet being commissioned for outcomes note that local authorities are nevertheless moving in this direction, for example by setting up monitoring and reporting requirements that are outcome focused.

However a large majority (74%) of respondents are not being commissioned to achieve outcomes and note that reporting is still focused on inputs/ outputs. Tendering is mentioned again in this context:

“There is no appetite at LA level to engage in anything other than direct service tendering.”

COMMUNITY PLANNING PARTNERSHIPS

45% of respondents state that they already have a route into community planning partnerships locally, through a local CVS, provider forum, mental health forum or similar vehicle (57% of those with a route) or in their own right (29%). Fourteen percent indicated that both of these routes are open to them. This contrasts with the high percentage of respondents who reported that they were not invited to and/or not able to access a route to influence the SOAs, leading to the supposition that consultation and involvement relating to the 2008/09 SOAs may not have made full use of existing community planning channels, perhaps because of the timeframe in which they had to be drawn up.

55% of respondents report that they have no route into CPPs locally; few of these respondents commented further but those that did noted the difficulties for a national organisation of engaging with local processes.

77% of respondents indicated that they would have the capacity to make a contribution to Community Planning Partnerships, either directly or through a forum, if such routes were available.

EFFICIENCY SAVINGS

Only 13% of respondents have been set a specific efficiency target by a local authority for 2008-09. Of these, no organisation could be entirely sure that the target related directly to the 2% efficiency target set out in the Concordat. Most thought that their target related to distinct or pre-existing financial issues within the authority, whilst others did not know what the target related to.

87% of respondents have not been set any specific target for efficiencies. Several of these noted however that standstill budgets, at a time when inflation is rising in real terms, forces them to make efficiency savings in any case (some respondents have been specifically told by local authorities that they should make efficiency savings in lieu of an inflationary uplift); others state that targets are implicit in the funding reductions that have been

Those respondents whose funding has been reduced have also reported this under the first section of the survey (on ring-fence removal), however in this section, a number of respondents say that cuts may reflect a general restraint on resources and are not necessarily related directly to the removal of the ring-fence.

Several respondents indicate that they expect to have to make efficiency savings in 2009/10.

DISCUSSION AND CONCLUSIONS

These findings indicate that most of the key elements of the Concordat (in particular the ring-fence removal, the requirement to produce SOAs and the 2% efficiency target) have had a fairly limited impact on day to day reality for providers. Nevertheless, the majority of providers responding to this survey are experiencing standstill budgets or cuts, although as noted, it is hard to say whether these are the result of ring-fence removal or of the general financial constraints under which local authorities operate. Whilst the removal of the ring-fence has not had a major impact in this period, there is a considerable level of disquiet about next year and beyond.

“A significant percentage of our funding comes from former ring-fenced sources, and there is a real threat to our future provision if councils elect to spend their money in radically different ways: there is a fear we are just at the start of a period where social care services will be slowly eroded...”

Providers report that despite the Concordat’s clear focus on the National Performance Framework and SOAs, and the associated need to identify (and be accountable for the achievement of) outcomes, local authorities’ main focus remains firmly on budgets and costs, again because of the financial constraints under which they are operating:

“LAs have balancing their budgets as their main priority...outcomes, quality, choice and full engagement of providers are not high on their ‘to do’ list.”

“While efficiency is one of the key objectives agreed in the Concordat it seems to be overshadowing the drive by service commissioners to discuss outcomes for people and communities.”

“All informal messages have been about future financial pressures and the requirement for efficiency, not about outcomes.”

There appears to be a missing link between the concentration on national and local outcomes as they are expressed in the National Performance Framework and the SOAs, and the more specific social care agenda relating to outcomes for individuals. Providers found it difficult to make such links from their reading of the SOAs.

Similarly, there is a missing link between the high level strategic outcomes set out in SOAs and the services that need to be put in place in order to bring those outcomes about.

“We are concerned that priority and resources will be put to achieving the outcomes of the SOA – and we can see that these are mostly ‘high level’ and strategic.”

“SOAs rarely enter into the current conversations that we have with commissioners...they do not provide a clear link between top tier strategy and services on the ground, and this is a major issue that will have to be addressed before they can realise their full potential to shape joined-up local services.”

Despite providers reporting the existence of a variety of ‘routes in’ to community planning processes, very few were able to use these to influence the SOAs. Many providers reflected on the difficulties for them, as national organisations, of responding to the new ‘localism’ and their experience with this round of SOAs bears this out.

“In general I think [the Concordat] is a positive move. However I feel that getting access to the community planning process is a big challenge.”

Many (if not most) providers’ comments in this survey were accompanied by caveats along the lines of “but it’s too soon to tell,” or “but this is not yet clear.” There appears to be a considerable amount of confusion and communication failure.

“Huge uncertainty and confusion...exclusion from normal discussions with local authorities as they have been thrown into confusion.”

There is certainly a degree of enthusiasm for the principles behind the Concordat and the National Performance Framework, and some remaining optimism that it will result in positive changes (although this optimism is not as widespread as it was in 2007, when CCPS canvassed members’ views immediately after publication of the Concordat). At the same time, some strong cynicism is emerging:

“The Concordat allows government to maintain a high position morally, saying all the right things, whilst absolving themselves from any responsibility for making them happen.”