



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government, Housing and Planning Committee

Tuesday 8 November 2022

Session 6



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LOCAL GOVERNMENT, HOUSING AND PLANNING COMMITTEE
27th Meeting 2022, Session 6

CONVENER

*Ariane Burgess (Highlands and Islands) (Green)

DEPUTY CONVENER

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

COMMITTEE MEMBERS

*Miles Briggs (Lothian) (Con)

*Mark Griffin (Central Scotland) (Lab)

*Paul McLennan (East Lothian) (SNP)

*Marie McNair (Clydebank and Milngavie) (SNP)

*Annie Wells (Glasgow) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Ewan Aitken (Everyone Home Collective)

Yvette Burgess (Coalition of Care Providers Scotland)

Andrew Burns (Accounts Commission)

Carol Calder (Audit Scotland)

Ashley Campbell (Chartered Institute of Housing Scotland)

Eddie Follan (Convention of Scottish Local Authorities)

Eddie Fraser (Society of Local Authority Chief Executives and Senior Managers/East Ayrshire Council)

Douglas Hendry (Argyll and Bute Council)

Michelle McGinty (Glasgow City Council)

Paula McLeay (City of Edinburgh Council)

Eileen McMullan (Scottish Federation of Housing Associations)

Shea Moran (All in for Change)

Dr Dawn Roberts (Dumfries and Galloway Council)

Derek Yule (Chartered Institute of Public Finance and Accountancy)

CLERK TO THE COMMITTEE

Euan Donald

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Local Government, Housing and Planning Committee

Tuesday 8 November 2022

[The Convener opened the meeting at 09:30]

Decision on Taking Business in Private

The Convener (Ariane Burgess): Good morning and welcome to the 27th meeting of the Local Government, Housing and Planning Committee in 2022. I ask all members and witnesses to ensure that their mobile phones are on silent and that all other notifications are turned off.

The first item on our agenda is to decide whether to take items 3, 4 and 5 in private. Do members agree?

Members indicated agreement.

National Care Service (Scotland) Bill: Stage 1

09:30

The Convener: We turn to agenda item 2, which is to take evidence as a secondary committee on the National Care Service (Scotland) Bill at stage 1. We will be joined by three panels of witnesses.

Our first panel will explore local authority governance and structural issues. Joining us are Andrew Burns, a member of the Accounts Commission and Carol Calder, interim audit director, both from Audit Scotland; Eddie Follan, chief officer for health and social care at the Convention of Scottish Local Authorities; Eddie Fraser, representing the Society of Local Authority Chief Executives and Senior Managers Scotland; and Derek Yule, a council member of the Chartered Institute of Public Finance and Accountancy, otherwise known as CIPFA. I thank all our witnesses for joining us.

I have some initial questions about public expectations following the Covid pandemic. The questions are for everyone but, as we have only an hour, my colleagues and I might put a question to just one person as it may be relevant to that person's work.

My first question is a general one for everyone. The Feeley review said that the Covid pandemic

"demonstrated clearly that the Scottish public *expect* national accountability for adult social care support and look to Scottish ministers to provide that accountability."

Do you agree with that? Does anyone want to pick that up?

Derek Yule (Chartered Institute of Public Finance and Accountancy): I will clarify that I am here to represent the institute. I appreciate that a couple of groups are affiliated with CIPFA, which is the professional organisation for directors of finance, but I am here to represent CIPFA itself.

The Convener: Thank you.

Derek Yule: That is a difficult question to answer. The immediate focus is on the impact of the pandemic, but we would look further than that, at the wider implications of how social care is provided in this country. Our response highlights some advantages and disadvantages of a national system.

Overall, CIPFA has pushed for local democracy and is an acknowledged proponent of subsidiarity and place-based decision making. You will probably hear from other witnesses that there are many benefits to looking for local solutions to particular issues. The challenges are different in

different parts of Scotland, so there is a challenge if we look at national decisions or national conditions and put forward proposals on that basis. Both models have advantages and disadvantages.

Eddie Follan (Convention of Scottish Local Authorities): To come at that from a slightly different angle, there is no doubt that the pandemic had a huge impact on the social care system. We know that providers are under huge financial pressure and that the cost of living crisis has added to that. COSLA agreed with many of the things in the Feeley report. We made a joint statement of intent with Government, which looks at things such as improving pay, fair work terms and conditions and an end to residential charging. There was a lot that we agreed on, such as paid breaks for carers.

However, we never agreed with the centralisation of services and the transfer of staff, assets and functions to a national body, because we did not think that that would add to the reform of social care. As it stands, the bill is a framework bill, so it is really difficult for us to take a view on what its impact will be.

I should press home the point that local authorities are doing a lot of work with the Government in a range of areas that Feeley touched on. However, the one issue on which we are a bit stuck relates to the shift of staff and the shift of accountability to ministers.

Andrew Burns (Accounts Commission): I will build on some of the points that Eddie Follan and Derek Yule have made. There is a lot to agree with in the Feeley quote that the convener read out. From the perspective of the Accounts Commission and local government, we have not argued against what Feeley recommends.

However, as Eddie Follan indicated, the bill is a framework bill, and we do not have any details of the secondary legislation. The financial memorandum is now many months old, and a lot has happened in the past few months in relation to energy prices and inflation. That will have a significant impact on what is in the framework legislation, let alone the secondary legislation that is yet to come.

Although there is a lot to welcome and agree with in what Feeley recommended and said, such as the quotation that the convener read out, there are also lots of questions. The commission is concerned that we will be distracted from the urgent requirement for social care reform right now by months, if not years, of bureaucratic reorganisation. There is a significant danger of that.

In our joint submission with the Auditor General for Scotland, we provide previous examples of

how the creation of national organisations, such as the police and fire services, has come with challenges. The Government and the Parliament need to be mindful of the lessons that, I hope, have been learned from those reorganisations.

The Convener: That is very helpful. We should be aware of the point about the financial memorandum being old, with a lot having happened since it was published.

I will bring in Eddie Fraser.

Eddie Fraser (Society of Local Authority Chief Executives and Senior Managers/East Ayrshire Council): Committee members will see from the SOLACE submission that we recognise that there is a role for the Scottish ministers in a national care service. We have never argued against a national care service, but we are asking what its role will be. What role will it have in setting national standards, in providing assurance, in national workforce planning and in developing ethical commissioning and procurement? Where we differ relates to the point about taking away from localism, because people should know their local system and do things to meet the needs of that system.

That is a short statement but, as others have said, the issue is quite complicated. It is complicated because we think that there is a role for a national care service in setting the overall framework and standards, but local people and local systems know how to deliver at a local level. We need to take both those points into account.

Carol Calder (Audit Scotland): I agree with that. The convener's question was about national accountability. There needs to be national and local accountability. There is also a question about the extent to which a national care service will fit with other policy objectives relating to community empowerment, local governance and the European Charter of Local Self-Government.

As Andrew Burns said, the case for a national care service has not yet been proved. We do not have enough information to say whether a national care service will deliver better outcomes. How will it deliver those? What is the evidence base to show that the structural change will improve outcomes and lead to a shift to a preventative agenda and early intervention? How will a national care service be better for local people? That might be more apparent when we see the business plan but, at this point, it is not clear how a national care service will deliver in a better way.

The Convener: I will move on to the role of local authorities. Should care services continue to be delivered by local authorities? If so, could you expand on the benefits and challenges of the current system? I would be interested to hear

whether anyone has any experience in relation to rural and island local authorities.

Eddie Fraser: My background is in social work and social care, where I have worked for the past 35 years. First, I managed social care services, after which I was a social worker and then a chief social worker.

Social work and social care are not delivered only by social work departments or by health and social care partnerships. We are absolutely engaged in everything from wellbeing through social care to community health and other health services. That engagement is really important in local communities.

If I think of my local communities in East Ayrshire, in rural areas, we tend to find that the vast majority of social workers are employed by the local authority. That gives a level of consistency. It is also something that we do for economic growth. We engage across a whole community planning partnership in terms of what we do there.

You need to remember that the bill is not only about social care but about social work. In the submissions from SOLACE and the chief officers groups, we express concerns about the removal of the responsibility for social work from a local authority level to a national level, in terms of public protection.

One of my roles as council chief executive is to chair the chief officers group for child, adult and public protection. The bill is not just about changes to social care but about changes to child protection, adult protection, multi-agency public protection arrangements—MAPPA—and violence against women, for example. All those aspects are covered in the bill—that is, they will be removed from a local context to a national context. We have set out in our submission where we think that the significant risks are in changing that accountability.

Andrew Burns: I will broaden things out. I will not comment in detail on the Government's policy—it is entirely within its rights to put forward whatever policy it wants to, and it is up to the Parliament, through its committees, to scrutinise the legislation, as you are doing.

On the wider implications for local government, as Eddie Fraser has outlined, the bill will have significant ramifications for the local government family across all 32 local authorities. In our joint submission, we make it clear that, because it is a framework bill and we do not have the secondary legislation that will go with it, we cannot be absolutely certain of the full ramifications yet. However, they will definitely be significant. There will probably be a gearing effect on the smaller local authorities, given the nature and size of some of them.

I think that I am correct in saying that Audit Scotland's annual review of local government, which was released only a couple of weeks ago, indicated that just shy of 24 per cent of local government funding is now ring fenced. That compares to 18 per cent just 18 months ago. That is a 30 per cent increase in ring fencing in less than two years. If the national care service goes through along the lines of the provisions in the framework bill, with a lot being decided through secondary legislation, that could have a major if not an almost existential impact on small local authorities in particular. The Parliament must look long and hard at that. Carol Calder has already made the point about how that fits in with other elements of what the Scottish Government is proposing, such as the local governance review.

Eddie Follan: I will build on Andrew Burns and Eddie Fraser's comments. There is a lack of clarity in the bill about the role that local authorities will have in being a commissioned service or as commissioners of services. The bill says that local authorities will be commissioned to provide services. If, as the Scottish Parliament information centre has said, we remove 75,000 staff and, potentially, the assets from local authorities, that would not really create an incentive for them to be a provider of social care services. Equally, if they are providers, they would not be on a level playing field, because the terms and conditions of staff providing social care in local government—we are working on this through the fair work agenda—are better than they are in the private and third sectors. That is not a level playing field in which to be a provider of services.

I think that the legislation allows local authorities to choose to be a provider of services; they do not need to be a provider of services. There is a real risk that local authorities will choose not to be a provider of services if we remove the core assets from local government. If that happens, you must ask yourself the question: who will provide social care in Scotland?

The private and third sectors in Scotland do a great job, and we work in partnership with them, but their capacity to provide the social care that we need could be grossly impacted by the bill. That is a real concern for us, particularly given the pressures on the system at the moment.

09:45

Carol Calder: Something needs to change. As Andrew Burns said, we are not commenting on what the policy change should be—that is for the Parliament to decide—but there needs to be action right now on the issues that the sector faces. Our reports have shown that big structural reform is difficult enough when services are in a stable position, and reform does not necessarily

deliver the expected benefits—certainly not in the short term. At the moment, the sector is really struggling.

To pick up on other comments, I think that one element relates to the links with the other social determinants of health and the other services that councils provide. How will the links with housing, education and, as Eddie Fraser mentioned, MAPPA—all the other services that are important to health and social care—be maintained?

My point is that structural reform will not necessarily be the solution. The solution involves sustainable funding, meeting unmet need and developing the workforce that can deliver that, whatever structure happens to be used.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): Good morning. That comment brings me to the question that I had in mind for you. Audit Scotland's "Social care briefing" identified a number of issues, most of which require urgent attention. How do those sit alongside the plans to introduce a national care service? Can they run in parallel? Clearly, the national care service will be a longer-term change, but you identified in the report that some urgent action is required. Will you expand on your concerns relating to tackling the urgent and pressing needs?

Carol Calder: The Auditor General described the service as being in a "precarious" position. There are big issues with funding and the workforce. Addressing those alongside developing a national care service will have cost implications, because that will involve double running and transitional costs. Have those costs been built in? We know from the emergency budget review that the national care service will be rephased and that £400 million from its budget will cover a 7 per cent increase in pay, which has not been agreed, so the figure might get bigger. How will we tackle the here-and-now issues that people experience with the service alongside double running, structural change, the transition and uncertainty for the workforce and local government in relation to financial planning and recruitment? All of that is enormously complicated.

As I said, reform is never easy, even with stable services, and nothing is stable at the moment; everything is difficult just now. Resources will be needed, and it is not clear from the bill—which I recognise is a framework bill—what costings have been provided for keeping the services going and improving them now. Shifting towards a prevention agenda does not happen overnight, so how will that work? We need to see more detail in the business plan to show how the national care service will improve services. However, it is not just about improving services; it is about improving terms and conditions and changing the way in which services are delivered. It is very difficult to

do all that alongside delivering the current services, particularly given the pressure that they are under.

Willie Coffey: My next question is for COSLA and SOLACE. On the flip side of that, the Audit Scotland report identified that, although we know that a huge amount of public money is spent on social care,

"progress in moving to more preventative approaches to delivering social care has been limited."

What are your views on that? Perhaps both Eddies could comment on that.

Eddie Follan: I am happy to go first, Mr Coffey. I think about integration in the broadest sense here. I do not need to tell you that we have been through a pandemic and we are now experiencing a cost of living crisis. I agree that progress has been limited but, as Carol Calder said, a lot of that will be down to the amount of investment that is needed.

We are working on the fair work agenda. The difficulty with fair work and the improvement in terms and conditions is the complexity and that is what is taking time. I know that colleagues from trade unions and other organisations genuinely get frustrated, and I totally understand their frustration in terms of how we deliver on our objectives. However, to look at just one element of fair work, if we were to raise wages and improve terms and conditions in one area, such as social care, that would have a knock-on effect in other areas—we often use the example of early years and childcare, where there is an equivalence in terms of the workforce.

There has been progress, but there are things that we are working on at the moment that we need to progress quickly. For example, we need to think about what we do about non-residential charging.

At COSLA, all that work is going on in the background, but the debate about the national care service is almost taking away from it. We have a focus on structural change. A good example of that is recruitment and retention. We have a huge recruitment crisis in social care at the moment, which sometimes feels intractable. However, we know about it and we are working with Government and looking at things such as overseas recruitment and how we can make the profession and that area of work more attractive. Again, those things link very heavily to terms, conditions and pay, which are sticky and complex issues. Those issues are what take time, combined with the fact that we also have a fairly tight fiscal environment in which we are working.

Eddie Fraser: I think that you know that both the bill and the policy memorandum say

repeatedly that there is not capacity to show improvement in the current system. Earlier I mentioned how long I have worked in the current system—I worked in it when care at home was home helps from 9 am to 1 pm, Monday to Friday. If someone had a significant learning disability or mental health problem, they lived in an institution. We are not speaking up about how progressive our social care system is in Scotland. People predominantly live at home, where they are supported; we have seen huge progress in that. Our work around self-directed support is some of the best in the world. I accept that there is an implementation gap between the policy intent and what is happening on the ground, but we need to look at why that is and how we can improve it. Instead, the issue is lost in looking at structural reform rather than the improvements that we need to make.

I also think that we need to start to link different bits together. I spoke before about wellbeing, and Mr Coffey knows how much we invest in that in our local area. There have been more investments in wellbeing and peer support in alcohol and drug services to make a difference because the traditional things have not worked for us. Things can change in how we do that.

At the core of it, it is also about value in social care. If people see social care only as a means to support a health service, they will not value it for what it is, or value it as a means to support people in their local communities to be as independent as they possibly can be. When we do value social care and we can recruit people into the profession, then we will have capacity in care services so that, if people need to move about the system and be transferred from hospitals into communities, there is the capacity to do that. If there are big waiting lists in the community, it becomes very difficult to transfer people out of hospitals. Everything is linked.

It gets back to what you first said about wellbeing and the preventative aspects of social care. We need to be able to invest in those things and in initiatives such as our tea dances, learning disability awareness tap dancing events and all the things that Mr Coffey knows that we do—Mr Coffey is my local MSP. Prevention has to be done in order to prevent people from needing social care, which will take the weight off further up the system. One of the dangers is that, if we separate social care from wellbeing, there will be no incentive, in systems under financial stress, to cross-invest in such things. That is one of the risks.

Willie Coffey: It is important that I let other colleagues come in. Thank you for those responses.

Paul McLennan (East Lothian) (SNP): Good morning to the panel. I am coming to this having had 15 years of experience as a councillor and a council leader. The Deputy First Minister asserted that there are significant variations in performance among local authorities. How do witnesses account for that disparity in performance, and how do they suggest that the Scottish Government and COSLA address that?

Eddie Fraser: There are differences. Across the different systems, there is no single reason for those differences. The reason for challenges in Highland will be different from the reason for challenges in Edinburgh. I come back to those local systems.

Under the Public Bodies (Joint Working) (Scotland) Act 2014 there are means of holding integration joint boards to account. If a health board and a council do not think that an integration joint board's strategic plan is delivering, it can be called back to be redone. If the Scottish Government does not think that a council or a health board is performing appropriately, it can hold it to account. There are arrangements for accountability if there is a wish to apply them.

I see things a bit differently. I would want to work with local systems, see what the particular issues are, and talk about focused improvement for systems, rather than getting into accountability, which always becomes a punitive type of discussion. What are the issues in a local area? How do we support local areas with improvement plans and monitor them to see that improvement?

Paul McLennan: I appreciate the pressures that you mentioned around funding and other issues such as Covid, but just to play devil's advocate, how many improvement plans have there been in the past and has that approach worked?

Eddie Fraser: Improvement has been done in different ways. At times, it has been done by support from the Scottish Government to the local level. At a local level, improvement is done by adding additional capacity, including linking COSLA into that. When there is focused support, there is improvement.

Sometimes, the challenges are wider than that—more workers need to be brought into the system somehow, and things need to be done differently. Sustained improvement has been a challenge for a number of areas. Across the statistics, over a number of years, we see that, on the whole, the same areas have the same challenges.

Paul McLennan: I will bring in Andrew Burns and Carol Calder for an Accounts Commission and Audit Scotland view on the reasons for the disparity. What has gone on in the past and, without moving on to the national care service,

what lessons do we need to learn from that? The question is about learning from the past and how we can move forward.

Andrew Burns: Despite two or three of us having said that there are challenges in the fact that this is just a framework bill and that we will not see the detail until we get to the secondary legislation, I will contradict myself slightly, in response to your point, and say that there is an opportunity in that. There is space within the development of the secondary legislation to go forward with a proper co-design and co-creation of the new service.

Those words, “co-design” and “co-creation”, sound great. Actually making them happen and involving stakeholders such as COSLA and SOLACE is not always straightforward and it has to be followed through.

Crucially, in the view of the commission and Audit Scotland, the stakeholders have to include service users. To be positive about some aspects of what the Government has done in recent years, the involvement of service users in the design of Social Security Scotland has been exemplary. Things can be done well, therefore, but making the words “co-design” and “co-creation” happen, as they come forward as part of the secondary legislation, is difficult. Social Security Scotland shows that it can be done well, with positive effects, and that improvement can happen, but from a local government perspective it is fundamental that stakeholders and service users are properly involved.

10:00

Paul McLennan: Carol Calder, do you want to touch on that point? Then I will see whether anyone else wants to come in. Eddie Fraser mentioned IJBs, so I will move on to IJBs in a wee second.

Carol Calder: I will be quick. I agree with what Andrew Burns just said. The thing with community engagement and co-creation is that consistency will probably not be achieved. Performance does not need to be the same—one size does not fit all. There are local priorities, and if they are agreed with local communities, we can understand performance at a local level, where the improvements are and what work is going on to make sure that those improvements happen, but that does not mean that it will be the same as the next community. Variation is not always a bad thing; it can reflect local community needs.

Paul McLennan: Does anyone else want to come in on that? I will try to move on to IJBs.

Eddie Follan: I will add to that. I agree with the points that colleagues have made and the point

that Eddie Fraser made about support. We sometimes need to be careful with the language; we hear phrases such as postcode lottery and inconsistency of provision, which suggests that there is good and bad practice, but as Eddie Fraser said, every area is under different pressures for different reasons. We need to change that language to the language of how we can support areas.

I think back to working in the education arena, where we used a system of peer support and we would go to areas to look at where things could improve. We need to be careful that we are not saying that inconsistency means that there is good and bad practice, because everybody faces different financial and other pressures.

Derek Yule: I support that comment, because that is the point that I was going to make. I go back to the first question that I answered, which was about local decision making as opposed to national decision making. We look at qualitative and quantitative measures to assess performance. At the moment, there are different pressures in different areas, and there is local decision making where councils determine their priorities, such as how they view pressures on social care compared with pressures on a range of other services. Taking that away and providing a national service sets different challenges for how that national and local interface works.

Over the years, I have worked in a number of authorities and social care is probably the area out of all council services that faces the greatest demand-led pressure. I have seen councils where I have worked put more resource into and support and protect the social care service at the expense of other services. I cannot say that that has happened across the whole of Scotland, but my experience in a number of councils that I have worked in has been that local members have made decisions to protect the social care service at the expense of others, reflecting that local priority.

Paul McLennan: I want to move on. I will come to Eddie Fraser first. You mentioned that IJBs were brought in. My question is about the impact on local democracy and democratic accountability through the IJBs. As you know, not every councillor sits on an IJB; a limited number sit on them. Do councillors who do not sit on them have influence? How has democratic accountability worked over the five or six years since IJBs have been brought in, and what is their role? You touched on that in your answer to the first question.

Eddie Fraser: I was chief officer of an IJB from 2015 to 2021. It is a structure that works very well in most places. The accountability is with the health board and the council for appointing

members to the IJB, and the council and the health board are responsible for approving the strategic plan of that IJB.

As you know, the legal responsibility for providing social work and social care stays with the council, and for health it stays with the health board and gets delegated to the IJB, so there are levels of accountability there. It is clear that the bill would remove that representation and accountability in relation to the IJB, which is a significant change. Every IJB provides performance reports to the council and the health board, so those structural links are there.

I think that, at times, people still misunderstand the difference between the IJB, which is a separate public body, and the health and social care partnership, which is the joint delivery body between the health board and the council. People who are chief officers are not only the chief officer of a separate public body, but a joint director of health and social care, and it is in that joint director role that they are able to deliver the model of integrated services.

I was responsible for not only the local services of NHS Ayrshire and Arran and East Ayrshire Council on my patch, but primary care for the whole of Ayrshire and Arran for a number of years. I was doing that in the joint director role, not the chief officer role. I was responsible to the chief executives of both East Ayrshire Council and NHS Ayrshire and Arran.

The bill as drafted breaks that integration. It clearly says that NHS staff will stay responsible to the NHS, and the council's staff are moving from the council. The bill does not have that joint director post. I can see that the new board will have a chief executive and I can understand that—it is almost the equivalent of the chief officer role—but as the bill stands, there is no plan that we can see for the joint delivery of integrated services.

Remember that the integration of health and social care was supposed to be about integration from the perspective of people who use services. It was not about structural integration. That is why it is okay that in different places in Scotland there are different types of structural integration. Integration should be from the perspective of the person who receives care.

Paul McLennan: Does anyone else want to come in on that one?

Eddie Follan: On the second point, about localism and local democracy, it is easier to get access to local politicians than it is to get access to ministers. That is really important. If people in a community need to get access to somebody who is accountable to them, it is much easier to access local politicians.

Annie Wells (Glasgow) (Con): Good morning, panel. SOLACE notes that the bill's financial memorandum describes savings or efficiencies being made through shared services, but argues that that

“does not acknowledge the corresponding loss of economies of scale for local government”.

Do panellists have further insights into that?

Eddie Fraser: I can give a couple of examples. In a council you have a legal team, and a big part of its work is to support social workers going in and out of court. In a small council, you do not have a big legal team. If you take a few of its members away, it does not leave the legal team very stable. The same goes for human resources teams and all sorts of other teams that provide structural support.

I gave the following example to colleagues. We have moved down the line to a point where social care workers, on the whole, go about in a fleet of electric cars, and a big part of our garage services those electric cars. If we presume that there will be a transfer of assets if the social care workforce is taken away from the council, those cars will need to be taken off the council as well, and that will leave us with a garage that might not be sustainable. The size of the council needs to be considered. The economy of scale that is mentioned in the financial memorandum as a positive for the national care service becomes a difficulty with regard to all the support services in the council.

A wider issue is what happens with capital debt. If you take a quarter or more off a council's revenue, the ratio of revenue to capital debt dramatically changes and that becomes difficult. Ring-fenced money was mentioned earlier, and a lot of that is for education. That stays ring fenced, so suddenly a council will be going from 30 per cent of its money being ring fenced to that being doubled—almost 60 per cent of its budget will be ring fenced, because the social work element will have been taken away.

The structural and financial issues for the council are significant in the bill as it stands.

Eddie Follan: Building on Eddie Fraser's point and adding to it in terms of assets and the transfer of assets, we are aware of some local authorities that are already reconsidering their investment plans as a result of the national care service. We have even, in discussion with all 32 council leaders, had real concerns about the viability of some councils to operate as a council when we are talking about taking potentially a third of the budget away.

The other point on assets is that it becomes a disincentive to invest. I said that a lot of services

are co-located; we have locality models all over the country where children's services, housing and education are in the one place. This is a question that I have not really answered, but I am going to ask it: how do we extricate that? How do we disaggregate those assets and those staff from local authorities when, at the moment, as Eddie Fraser said earlier, they are integrated and working well in many respects across the country.

We need to think really carefully about that. I heard from the Finance and Public Administration Committee that that would potentially be done asset by asset. I am struggling to see how that would be done. It is a real concern and we have certainly heard that from all 32 councils.

Derek Yule: I do not want to repeat what the two Eddies have said, but I entirely support it. I will make a couple of points.

Insurance has not been spoken about in relation to economies of scale. I do not see it mentioned anywhere in the financial memorandum. It is an area on which I believe that the Government would be well advised to take external advice.

A lot of insurance premiums are largely focused on staff costs; staff numbers are used to calculate the premium. The area of social care is one where you tend not to have—touch wood—many cases, but those that arise tend to be quite high-value cases. That can differ quite substantially from other council services, where there tend to be a large number of cases but of relatively small value.

If you remove social care from local government, there is a real challenge as to how insurers will view that in terms of insuring the remaining services within local government. There is also a question of insurance cover for social care and a national care service, which I do not see reflected in the financial memorandum at all.

The other point is that a lot of the focus has been on expenditure, but I do not think that you can ignore the income side of the equation. At the moment, councils are funded by grant, but there is also council tax and fees and charges. The relationship of those three could differ quite significantly if you remove social care from local government. Again, I do not think that that has been explored yet. It is something that needs to be looked at before proposals are finalised because there are potentially some hidden difficulties there.

Annie Wells: Does Andrew Burns want to come in on that?

Andrew Burns: I am conscious of the time, so I will be brief. I know that I have touched on this already, but I am really glad that Derek Yule has brought attention back to the financial memorandum. Table 2 is the Government's projections for the five years up to 2026-27, when

the care service is supposed to come into effect. The figures are significant. They are based on inflation plus 3 per cent, but the memorandum does not say what the 3 per cent increase includes in great detail; it just mentions pay and energy prices. Thinking about that globally, the memorandum was published in June 2022, and pay and energy prices, in particular, have rocketed since then, literally in the past five or six months, so all the projections in table 2 of the financial memorandum need to be updated.

That relates to the point that Carol Calder made earlier about the lack of a detailed business plan. I know that one is potentially coming forward soon, but all that will have a massive gearing impact on local government. There will undoubtedly be increased costs from a refresh of table 2 and that money will have to come from somewhere. I mentioned earlier that the commission feels that there will potentially be a more significant impact on smaller local authorities, just given the nature of the services that they deliver. Other colleagues have touched on some specifics around that.

Annie Wells: Thanks very much. I will return to something that Eddie Follan from COSLA touched on, about assets. Councils are obviously now reluctant to look at assets over the next four to five years because they might lose them in that time. Does anyone else have anything to say on that? What impact could that have on local councils?

Eddie Follan: Can I turn that question around and look at it another way?

Annie Wells: Yes, of course you can.

10:15

Eddie Follan: There is an impact on a national care service. If councils are not investing in properties, for the reasons that have been stated, that means that the assets that are transferred will need a lot of investment. Where will the money come from, given all the pressures that have been spoken about? I totally support what the Accounts Commission has said on that. There needs to be a complete update of the financial memorandum, looking at not just the costs, but the wider implications.

The question of funding capital assets has not been answered either. Local authorities currently have the power to borrow in order to finance capital expenditure; it is unclear how that would operate under a national care service model.

Annie Wells: That is great—you both answered the questions, so I thank you for that.

Miles Briggs (Lothian) (Con): Good morning to the panel and thank you for joining us.

I will follow up on some of the questions that the Chartered Institute of Public Finance and Accountancy highlighted in its submission. The CIPFA directors of finance argue that the issues facing the current system are a product of underfunding by the Scottish Government. However, the same submission states that councils are now spending around 20 per cent more on adult social care and children's services than they did 10 years previously.

Audit Scotland's assessment is that

"the pace of change has been slow. The performance of current services is variable and there are significant service areas that are not meeting expectations".

In the light of those two statements, do the witnesses want to comment on the current situation and the impact that a national care service is likely to have on it?

Derek Yule: We touched on that in some of our previous answers. First, care is an area of service that is under substantial pressure, for the reasons that have been stated such as demographic changes and demand for services. The increase in cost pressure has not been mirrored by the level of funding for local government. That relates to my previous point about how each individual council has managed that pressure and prioritised resources for social care, potentially at the expense of other council services. As I said, that is what I have seen from my experience; I cannot speak for the whole of Scotland. That is the biggest challenge.

The financial memorandum talks about additional investment of 25 per cent in social care. In my mind, however, it is not clear what is meant by that. Are the additional financial resources to meet the growing demand for services or to invest in the preventative side? We would certainly push the argument that investment in prevention is needed if we are to see some of the changes that will need to happen in the wider care sector.

There is a difficulty with looking at things in isolation because there is pressure on the NHS as well. Our concern is that the Government has already stated its policy to protect the NHS, and the bill now proposes to increase investment in social care. That raises the big question of what happens to the rest of the public sector, not just in local government but more widely.

As Andrew Burns said, since June, the Scottish Government has put forward an emergency budget to find £0.5 billion—sorry, I mean £0.5 billion; I wish that it was only £0.5 million—of savings. In the past couple of weeks, that has been followed by a further proposal of £615 million in savings. That emphasises the challenge that the Scottish Government's budget faces.

It will be incredibly difficult at this time to try to square all that. That is why CIPFA has voiced concerns about the financial memorandum, in that there is no understanding of what lies behind the numbers that are there. There is no objective to analyse that, or to challenge some of the assumptions in the paper about increasing costs over the next few years. That emphasises the risk for the wider public sector of committing to that additional expense, which—as others have said—will potentially be swallowed up by structural change rather than being directed towards front-line service delivery.

Carol Calder: I agree with Eddie—I mean Derek. It would be easier if all three of you were called Eddie. I apologise, Derek.

It comes back to the fact that demand outstrips funding, and also to the demographic change. If you look at the local government overview reports that the commission produces every year, it can be seen that funding is directed toward social care and education.

The smaller services—and I do not like using that term because it diminishes the importance of all the other services that are provided, which are also very important and impact on health and wellbeing—have seen cuts of between 25 and 35 per cent during the last few years, which goes to show how much funding is being channelled into social care, alongside education, but it is not enough because of the demographic change.

Miles Briggs: The national care service will be a huge top-down reform. We saw similar reforms when Police Scotland and the Scottish Fire and Rescue Service were created ten years ago. What learning has taken place, in Government, from the mistakes that happened ten years ago, and will those be repeated in this national, centralised service?

Andrew Burns: I cannot comment on what learning has taken place. It would be for parliamentarians to judge whether the Government has learned, but in response to a question that Paul McLennan asked earlier, I gave the example of Social Security Scotland. That has been done well, in that its design involved service users and stakeholders.

I think that it can be seen from the work that Audit Scotland and the commission have done over the last 10 years that that clearly was not the case with some other national reorganisations, such as Police Scotland and the fire service. Without going into all the detail, there were clearly aspects of those reorganisations that did not go as well as Social Security Scotland has gone. It is potentially a positive that some lessons have been learned, but given everything that everyone has said about the scale of what is being proposed, it

is crucial that if the national care service bill goes ahead in its current form, it is done in the same way as Social Security Scotland. If there is repetition of what happened with other reorganisations, the consequences will be significant for hundreds of thousands of people across the nation.

Carol Calder: I cannot answer Miles Briggs's question about whether the same will happen again, but our reports on reform say that the Government should clearly set out what the benefits of the reforms are, make evidence-based decisions, produce realistic costings and robust data—by which I mean data that is comprehensive and reliable—and impact assessments that state what will happen to local government in relation to each reform. It should also provide a route map that explains how it will get to where it wants to go, keep people at the heart of designing the services and the governance around delivery of outcomes and prioritise longer-term workforce and financial planning and accountability transparency.

Miles Briggs: That is a lot.

Carol Calder: I have a longer list.

Derek Yule: I support what Carol Calder said. I am not sure that those lessons were learned last time, and what she mentioned is the exact sort of analysis that we need.

This does not really relate to lessons learned, but the financial memorandum highlights that the same challenges that were experienced by the police and fire services will be faced by the national care service. VAT is an obvious one.

The pensions challenge is bigger than it was when the police and fire services were reformed for the simple reason that staff in social care are part of the local government pension scheme. The police and fire services had separate pension schemes that were funded on a pay-as-you-go basis, whereas the local government pension scheme is self-financed. As we recommended in our submission, I think that professional advice is needed on that. I cannot overstate the significant challenges for pension funds in their current form as they are transitioned to a new organisation.

The big question mark would be over what the status of a national care body would be.

As the Government will be aware, the process for the police and fire services took, I think, four or five years, including discussion and negotiation with the Office for National Statistics, I think it is, which determines the classification of the organisation. In the meantime, the money that comes from costs that are currently offset—for example, VAT, which can be recovered at the moment—could be lost to the Scottish budget.

I do not know whether these are lessons learned, but I see us facing the same problems again. I have to stress, though, that the big difference from what happened with the police and fire reorganisations is pensions.

Eddie Follan: I cannae comment on the lessons that have been learned in Government, but I can say that a big issue is the uncertainty that is being created by the potential transfer of staff. COSLA has made it very clear that we need to focus on the current system rather than on this structural change, because, as you have heard today, the system is facing significant challenges. As the employer organisation, we have been lobbied quite hard by our trade union colleagues to take a particular approach to this issue, and we agree with them that we do not want staff to be transferred.

It is different from, say, the police, because the local government workforce is so diverse and includes not just the workforce in social care and social work but the back-office functions and all the support structures. We need to think about the instability that could be caused by this move.

I think that that was an important point to make.

Miles Briggs: Thank you.

The Convener: Before we move on to a question from Mark Griffin, I just want to say that we are almost at half-past 10. I hope that it is okay if we go 10 minutes over, because the information that we are getting is really important and we have three more questions to ask.

Mark Griffin (Central Scotland) (Lab): I want to ask about the impact on the council services that would be left behind after a national care service was set up. There are synergies in place in local government and services that work well together by having everyone under one roof. What will be the impact on the services that will be left with local government if this goes ahead? I am thinking specifically of housing and education.

Perhaps Eddie Fraser can respond first, to be followed by Eddie Follan.

Eddie Fraser: Many councils have house building programmes, which are quite heavily focused on people with additional support needs and older people. Although the unit cost of building those houses is significantly higher than the unit cost of mainstream housing, we do not re-charge social care for it. We do not say, "If we build this housing, it will reduce the cost to the social care budget, so how do we cross-subsidise that?" The housing issues are important and, indeed, go down even to that basic level of house building.

Another issue that arises from our close working with housing is what will happen with housing adaptations. At the moment, they are delegated to

IJBs, but how it actually works is that we delegate them back again to the council. A more significant issue is the multi-agency public protection arrangements—or MAPPAs—on which housing works closely with social work and the police to manage people in the community, share information and so on. Moreover—and this is different in different places—all our community alarms are run by our housing service, and that particular area is full of social care data.

It is hard to overemphasise how entwined a council's integrated services are. For example, my experience of the preventative services out there, whether they be activity services, lunch clubs or whatever, is that they are, on the whole, no longer delivered by social work and social care. Instead, you will find that they are delivered by leisure services or what we call vibrant communities. Others are out there delivering that preventative work that keeps people as independent as they possibly can be in the community and, at the same time, prevents the social care budget from being spent.

As for education, that is the universal service for our young people, and it is supported by our community health and social work services.

With our direction of travel for that, even for work on something as specific as the Promise, we need to be clear that we are not putting structural barriers in between things that, just now, are quite well knitted together.

It sometimes comes across as though we are negative about everything in the bill. There are a number of things that we are positive about, such as independent advocacy, support for carers and Anne's law. There is a range of things that can be positive and can be progressed without disruption and structural reform. It is not that we are saying that we think that everything is perfect now. Things need improvement and we need to work at that but the structural reform that is being introduced causes a risk to the local structural arrangements and to the time and capacity that we have to improve what we are doing.

10:30

Mark Griffin: Eddie Follan, are you able to touch on child protection?

Eddie Follan: I think that Eddie Fraser is probably better qualified on that in relation to MAPPAs. We have concerns about the integration of children's services. The Promise is a really important aspect of that because every local authority is working hard to ensure that we implement its recommendations but the bill creates uncertainty because we do not know where children's services will lie.

To add to Eddie Follan's point, COSLA does not think that everything about the bill is wrong. It is just the structural change. Our officers are working closely with the Scottish Government on measures such as Anne's law, the national care service charter and the rights to breaks for carers. There are things in the bill that are good but, unfortunately, we get distracted by, and attention is given to, the mass transfer of staff.

I do not know whether Eddie Fraser wants to add anything on child protection.

Eddie Fraser: One significant thing that seems to have been missed in the bill and the policy memorandum is the role of the chief social work officer in giving advice to a council and other partners on social work and social care issues. As chair of the chief officers group, I have accountability for public protection along with my colleagues in health and the police because I have the levers to do things and the management responsibility to make changes. The bill would take away those levers that enable you to change things and support your chief social worker to do that. Therefore, there are concerns that it will interfere with well-established public protection arrangements.

Mark Griffin: Audit Scotland's response to the call for views says:

"There is a risk of fragmentation of local services".

Can Carol Calder expand on that and say in which areas the risk is greatest?

Carol Calder: Eddie Fraser is probably better placed to say which services will be affected, but the general point is that a lot of services are integrated. People work across the service lines in local government and there are joint initiatives and joint services that will need to be disaggregated. How will the national care service link in with housing services, education or employability? Other services on youth work and addiction have been mentioned, but mental health and leisure are also public services.

Councils, and the public sector in general, get criticised for working in silos but, over the years, we have seen how local government has broken down the silos. Multiservice teams work in particular areas. That is where the risk is, because pulling that away would create a gap. How will we fill that gap and ensure that we do not lose services that are integrated around people and communities and end up with two separate institutions working not so closely at the local level?

Marie McNair (Clydebank and Milngavie) (SNP): I will direct my first question to Eddie Fraser from SOLACE. What impact could any element of the national care service have on the

so-called new deal between the Scottish Government and local government, as detailed in the recent programme for government?

Eddie Fraser: The process that we are going through, towards a national care service, makes for challenging relationships, because local government sees that as a diminution of its role. That is not to say that we cannot put that aside and work for improvement. We are, almost, sitting in two different rooms at different times. We are trying to work towards improvement, but local government also feels threatened when it comes to the national care service. Because the bill is a framework bill and because there are uncertainties, there is a lack of trust. The direction of travel is not known. When we talk about the new deal, we have to see how we can all trust each other in what we are doing. Again, as has been said in the written submissions, we absolutely believe that, when it comes to improvement in social care, what ministers want and what local government wants is no different. As I have outlined, a range of things is positive, but the part about structural reform—that core part in the middle—is not. That is the part that puts tensions in the relationship.

Marie McNair: Does anybody else have anything further to add?

Eddie Follan: I will reinforce that. At the moment, the relationship is challenging in that area. The bill says that something will be taken away, and you have heard about the instability and issues that that causes. That will make for a difficult relationship, just around that area.

As Eddie Fraser said, even in the social care field, a series of conversations and joint working for improvement is going on, as it is around all the stuff in the statement of intent about fair work and non-residential charging. However, the bill casts a bit of a shadow—let us put it that way.

Marie McNair: I am certainly aware of that, having been a councillor for 19 years. I stood down just last year.

Eddie Follan, I direct my next question to you. In earlier responses, you spoke about the challenge that is likely to arise from the transfer of 75,000 local authority staff to the new care service. For the benefit of the committee, would you like to add anything to what you have covered?

Eddie Follan: I will just add that that has become the focus of the discussions and the debate. In that sense, it is not helpful. This is about a workforce and the uncertainty over how, when and whether things will happen in pensions, pay and terms and conditions. All of that creates uncertainty in a workforce that is already stretched in the context of what we have been through in the past few years and what we are still going through.

The COSLA view is very much that we should take that away—that that should not happen; we should not do that—then work together to see what we can do.

From a chief executive's perspective, Eddie Fraser might have a view on the impact of what that would mean for terms and conditions, pay, and his workforce—so, if it is okay, I will hand over to Eddie.

Marie McNair: I was going to go over to him anyway. Thanks.

Eddie Fraser: Earlier, we spoke about how councils could choose not to become involved in the delivery of social care. As things stand, I suggest that they would not be able to be involved in the delivery of social care. That is because, as I understand it, local authority social care services would have to compete against the private and independent sector. The terms and conditions of local authority social care workers are such that they get access to things such as the local government pension scheme, which means that local government adds at least another 20 per cent on top of pay costs. Unit costs are therefore significantly higher. If we went out into the market, we simply could not compete.

From my perspective, the solution to achieving fair work is to make sure that there is enough resource so that the people who work in care in the independent and third sectors also have access to good pension schemes. Fair work would involve all social care workers, no matter which sector they worked in, having decent terms and conditions.

At that stage, if it is levelled up, it will be possible to compete, if that is what is wanted, but that takes us back almost to where we were many years ago with compulsory competitive tendering for local authorities, internal markets and so on. However, right now, unless our colleagues in the independent and third sectors are able to get their terms and conditions up to an equivalence with those of local authority social care workers—which are just the same as every other local authority worker and health service colleagues in the public sector—frankly, we could not compete, financially.

Derek Yule: I am conscious of the time, but I just want to add a point. Do not underestimate the scale of the challenge of transferring that number of employees. There is a hidden cost, which, again, I do not think is reflected in the financial memorandum. Ultimately, terms and conditions will have to be standardised, which will push up the underlying cost. I leave it at that, but it is just a warning that there are additional costs, which are not reflected, as well as a logistical challenge.

Marie McNair: Thank you. I take that on board.

The Convener: That concludes our questions for this panel. I thank all the witnesses for coming to speak with us, sharing their important evidence and responding to our questions.

I suspend the meeting briefly, to allow for a change of witnesses.

10:40

Meeting suspended.

10:48

On resuming—

The Convener: Our second panel of witnesses focuses on local authorities. We are joined online by Douglas Hendry, executive director, Argyll and Bute Council, and in the room by Eddie Fraser, chief executive, East Ayrshire Council; Michelle McGinty, head of corporate policy and governance, Glasgow City Council; Paula McLeay, head of policy and insight, Edinburgh City Council; and Dr Dawn Roberts, chief executive, Dumfries and Galloway Council.

I will begin the questions. I am interested to know whether witnesses agree with the Feeley review that the Covid pandemic

“has demonstrated clearly that the Scottish public expect national accountability for adult social care support and look to Scottish Ministers to provide that accountability.”

I open that up to everybody.

Eddie Fraser: It is clear that the public looks to ministers for accountability on setting standards and for assurance that a framework of social care services will be delivered across the country. The public would expect ministers to make sure that there were programmes of improvements where required, but the public is used to having access to accountability for local services through the local council and health board. There is a place for a national care service in setting an overall framework of standards and assurance, but there is definitely also a place for people with local knowledge about how to deliver against those standards.

Dr Dawn Roberts (Dumfries and Galloway Council): In relation to accountability, we saw through the pandemic the benefit of local partners working together and their ability to flex and adapt to the local situation. There is value in local accountability, local democracy and the engagement of local members, because of their knowledge of local areas and the communities that they serve, but I concur with Eddie Fraser’s point about the role of a national body in relation to overall standards, holding aspects of the system to account and supporting and enabling improvement and delivery in local areas.

There is no doubt that some of the challenges that we certainly face in my council are common challenges across local authorities. A national body would definitely have a valuable role in supporting and enabling improvement and enabling some of those challenges to be met in a different way.

Paula McLeay (City of Edinburgh Council): In crisis moments, it is perhaps a natural reaction to raise the issue of ministerial accountability, but I do not think that that implies an on-going day-to-day aspiration for Government accountability for all that social care does every day for years to come—that might be a leap too far for me.

We need to value the connections that councillors have with their communities, as has just been said, and their local knowledge, because when issues arise with a service, the ability to go to somebody who understands you, your place and the service providers is critical. The way that we see the future panning out is that people will be able to find that accountability on their doorstep for the day-to-day provision that they receive. In times of crisis, it is natural that the Government has a role to play, and it has an on-going role to play in supporting local authorities to continue to improve and address shared challenges, but that should not circumvent or replace local accountability.

Michelle McGinty (Glasgow City Council): I support my colleagues’ comments. I will develop the points about the pandemic situation a bit further. A lot of what happened during the pandemic to support our most vulnerable communities was organic and local, which has been of enormous value. We have learned a lot about service delivery, and we have started to change some of the ways that we deliver to our most vulnerable communities as a result. We have learned lessons from the way that support grew in our communities, and we are making some structural changes.

To reiterate, I absolutely accept that ministers have a support role to play in regulation and standards and supporting us in relation to national pressures on recruitment, retention and procurement—there can be real added value in all of that. However, if you were to ask a member of the public in Glasgow where they would go if they expect a service to be delivered, it would be their local councillor.

Douglas Hendry (Argyll and Bute Council): I agree with colleagues’ comments. In my view, there certainly would be an expectation in our communities that things will change and there will be different accountability—or greater, if you choose—on the part of ministers. However, I also suggest strongly that there is an expectation that there will be local accountability when it comes—*[Inaudible.]*—communities best—*[Inaudible.]*

The Convener: Thank you.

Again, this question is for everyone, but there will be questions coming that might be focused on specific areas. I am interested in how much individual councils currently spend on social care, how that has changed over the past decade, and whether there have been changes in outcomes for communities and service users as a result of increased or decreased spending.

Eddie Fraser: In East Ayrshire, we have seen a significant change in how we spend money on social care over the years. We have seen a reduction in the number of people who are in care homes and an increase in the number of people who are supported through care at home. That is not a short-term fix. As far back as 2005, the council decided that we would come out of the care home market and focus our support on care at home, and we decided to work in partnership with the independent sector, which delivers all our care home services in East Ayrshire. Those were long-term strategies, and we have seen a significant change in the number of people who are in care homes as opposed to the number of people who are supported through care at home, in a positive way.

Over the period, we have also seen a significant change in the number of people with complex needs and how they are supported. We have seen them move through a range of things. Some people came out of institutions and were supported on a one-to-one basis 24 hours a day, seven days a week. That did not suit some people, who found it quite intense. We have evolving models for how that is done. We work in partnership with housing on how to support people so that they still have independence but are supported in a slightly different way in housing models.

It goes right through to how we support our young people in the care system. We now support them right up to 26, if they so wish. I go back to what, looking back, were not proud days for social work and social care services, when some young people in the care system left as early as 16 and were then on their own. That has changed.

The spend on social work and social care has changed significantly. We have changed very much to community models of delivery, which give positive outcomes for the majority of people.

The Convener: Thank you for painting that picture of what is going on in East Ayrshire. Dawn, would you like to come in?

Dr Roberts: There is a similar picture for Dumfries and Galloway. On the current budget position, just under £100 million is delegated to the health and social care partnership and we retain about £28 million for care services that we deliver

that are not delegated. That is about 30 per cent of the overall budget, but we also need to take into account the cost of support services such as legal, human resources, information and computer technology, and property and asset services. There are the more direct costs, but there is also a broader cost associated with the support that those other services provide.

Over time, there has been a similar pattern to the one that was described for East Ayrshire. We have seen an increase in care at home and a decrease in residential care, along with changing needs and an increase in more complex needs that have to be supported.

We have also seen greater integration of local authority services such as homelessness, housing, leisure and financial wellbeing with broader services that support people to be independent, healthy and well as they move through their years. That greater synergy between and integration with those broader services and the development of more community-based models have been our direction of travel, and we want those things to progress as we move forward. A lot of learning came out of the pandemic with regard to what more we can do, and there has certainly been a focus on how we continue to address need in the longer term.

11:00

Michelle McGinty: We have a different model in Glasgow, although it has some of the same emphasis on policy change and changing demand. Around £0.5 billion of the council's budget is delegated to health and social care partnership services; we have around 12,000 staff in the HSCP, and in the past 10 or 15 years, £100 million has been invested in care homes, with five new homes replacing 16 old ones, and six new day care centres. It is a different approach not only to providing facilities but in the big emphasis, particularly since the HSCP's formation, on maximising independence for our most vulnerable. We have also provided day and home or residential care both directly and through contracted health and social care providers.

Another slightly different aspect of our model with regard to the HSCP is that some services—for example, sexual services—are actually delivered at health board level. The picture is therefore quite different from other parts of the country.

The fact is that demand is increasing while budgets, ring fenced and protected though they are, are decreasing. There is a lot of demand; indeed, it is increasing by 5 to 6 per cent, and with inflation, that is obviously quite a significant pressure. Finally, like everyone else, we have an

older population, and there is a real emphasis on the need for long-term change to deal with those different needs.

Paula McLeay: In Edinburgh, 40 per cent of the council's budget is spent on social care services and 22 per cent of our workforce. We, too, are projecting a 6 per cent year-on-year increase in demand, but, like the rest of the panel, we are seeing actual demand outstripping that as well as demographic pressures in the capital city. Where we invest in improvements, they can be challenged at certain moments by issues such as Covid, Brexit and Ukraine that bring additional challenges to our systems. We are also seeing increased complexity of need, which is very challenging to respond to.

Outcomes are indeed linked to money, but local authorities are also working extremely hard to remove silos between services, to integrate teams and to ensure that the approaches that they take are as preventative as they can be. It is in that landscape of activity that homelessness, family household support, poverty prevention and so on are embedded, and it is through those integrated teams that we are trying to improve outcomes and prevent people from manifesting as need in the system.

Edinburgh is doing a lot to improve things through the IJB and the council, but the picture is a mixed one, because of the context that we are living through at the moment.

The Convener: Do you want to come in on that, Douglas?

Douglas Hendry: The picture is broadly similar in Argyll and Bute. Social work in the round has, for many years, been—and continues to be—the second largest area of council spend after education. The nature of our engagement with the IJB and the HSCP is that all social work functions—adult services, children and families services and justice services—are covered, and we are in a similar ballpark as other colleagues with regard to the proportion of the council's total spend that social work accounts for.

As to our particular priorities, we recognise national trends in the same way as everyone else does. We see that there has been a move away from residential and institutional care and a rise in more complex cases, and we know that significant numbers of those cases, particularly when they relate to young people, need to be addressed in a non-siloed way—a joined-up way—that goes across all of social work and also involves education, housing and the other players.

It is probably also fair to say that there are particular challenges with delivering services in Argyll and Bute—an authority that covers rural and island areas—where more than 40 per cent of the

population live in very remote or rural areas. The people who live in such areas are distanced from main centres of population and therefore do not have access to the same volume and variety of services that other people can get to within their locale.

The Convener: Thanks very much for bringing in the rural and island perspective.

Willie Coffey: Eddie Fraser spoke at length about how well he feels the IJB arrangements are working in East Ayrshire. Is it fair to say that that is not consistent across Scotland? I want to explore why our witnesses think that is and how they think we can get consistency of provision without taking a national approach.

Eddie Fraser: I think that we will hear from colleagues that it depends on local circumstances. We all work towards positive outcomes for our local communities, but those outcomes might be delivered in different ways to suit different local communities. I spoke to a colleague who formerly worked with Douglas Hendry in Argyll and Bute, and I know that, like East Ayrshire, its IJB had all of its services in it—children's, adults' and justice. However, in larger authority areas, where the structure is different, that is not the right thing to do. That goes back to my reflection that there are different ways to reach the same outcome.

Each local area will have put consideration into how the delivery and scope of IJBs worked previously and how that can be taken forward in a way that facilitates joint working—joint commissioning and internal commissioning—in how we deliver positive outcomes. The issue at the core of that is that it depends on local circumstances. We have vibrant communities and community engagement in East Ayrshire, but, if other areas do not have that, they might do things differently and have their community services within the partnership. For example, financial inclusion teams work within the partnership in East Ayrshire, but in other areas they do not; instead, they work as core council services.

I go back to the point that the integration of health and social care is about integration from the perspective of the people who use the services. When local systems knit that together to deliver it, they have to take into account all the local circumstances, to decide what should be delivered directly, what should be commissioned and whether they need to make decisions about rurality or the urban nature of areas. A range of factors will play into those decisions.

I go back to my point that this is where, at a national level, ministers can play a role. They can say, "Here are the standards, and here are the outcomes that we are looking for. What we want to hear is how you are going to deliver against those

standards.” People at a local level will then design a local system to the standards in the overarching framework that has been set at a national level.

The Convener: Thank you for that response. I am concerned about time, and we still have quite a few questions to get through. I therefore ask that, going forward, witnesses contribute if they are building on what has been said, if something has not been said or if, as I am sure we will hear now, their council is run differently. Otherwise, we will not get through our allocated questions in time.

Michelle, do you want to come in?

Michelle McGinty: There are complex needs everywhere, not least in Glasgow, but we believe, through our performance frameworks, that the HSCP is working extremely well. However, we would absolutely support having a national standards and inspection regime.

It is only fair to expect HSCPs to be variable; they are young, the system is still bedding in and we have had a pandemic through some of that process. As a result, a system of national oversight would be welcome. However, that is different from national delivery.

Perhaps I can give the committee an example to highlight why commissioning and staffing must, in our view, be kept at a local level and why this is all about different needs in different areas. That example is homelessness, which comes under our HSCP. It would be extremely disruptive and damaging to the service if we tried to unknit it from everything else in the partnership.

Dr Roberts: Perhaps I should make you aware of the fact that the model in Dumfries and Galloway is different from that in East Ayrshire. Adult social care is part of the integration arrangements, while justice and children’s social work remain with the council. As has been said, that decision was based on careful consideration of the local system and arrangements and what would work for Dumfries and Galloway. The way in which the IJB works obviously reflects the local arrangements, local demand, local pressures, local delivery models, the strengths in the system, the things that we can build on, the extent of collaboration and the opportunities that exist.

I should also point out that the IJBs might have existed for seven years, but, in that time, we have had two years of a Covid pandemic and most of a year of a cost of living crisis, which is continuing. The IJBs have not yet had the opportunity to fully demonstrate their worth and value in all places, but the building blocks and the confidence are there—certainly in our IJB—to enable them to move forward in a positive way to deliver local outcomes.

The Convener: Douglas, I am going to keep calling you, because I imagine that it is hard to get in when you are the only person online. Do you want to make a comment?

Douglas Hendry: I want briefly to go back to Eddie Fraser’s response to the previous question. It is fair to say that there has been no single clear articulation of what consistency in social care and social work services across the country would look like. I go back to the basic point that we have to recognise that local solutions are needed for local situations. In Argyll and Bute, we have urban, rural and island communities, so it is necessary to deliver services that are, to an extent, bespoke and that fit communities’ particular needs. That is the point that I want to press.

Paula McLeay: As our arrangements are similar to those in Dumfries and Galloway, I will not go over them.

I would highlight, first of all, the difference between requiring consistency of outcome, which we are absolutely committed to, and consistency in evaluating outcomes to ensure that we know what we are working towards, and requiring consistency of inputs. With personalisation and having to understand people’s needs and the different local contexts—say, the differences between Edinburgh and an islands community—you can expect inputs to be designed very differently, as would be appropriate. Over time, rightly or wrongly, councils have structured how we work across services differently. Therefore, the inputs will be bespoke.

We do not disagree with the overall ambition for consistent outcomes. It is about the desire to have some consistent mechanism for delivery. There is not some painting-by-numbers approach to this. We have to design services that meet both people’s needs and the unique nature of our local areas.

11:15

Although we are all facing similar challenges, they are perhaps on different scales. We all have recruitment challenges and issues around complexity of need and responding to that. We also have challenges with the local market mix. For Edinburgh, however, when all of that comes together, it is the scale of it that really challenges us. Again, we would be happy to work with all partners on how we might resolve the scale of those challenges locally and continue on an improvement journey to achieve the outcomes that we all desire.

Willie Coffey: That is probably enough from me, in the interest of bringing in other colleagues.

The Convener: That is great—thanks. I will move to questions from Marie McNair.

Marie McNair: Good morning, panel—and welcome back to Eddie Fraser.

I will put my first question to Eddie. To what extent are councils currently accountable for the social care services that are provided in their area?

I served on an IJB as a councillor; it had me and two other councillors on it. For the benefit of other members of the committee, what role do the rest of the councillors—the majority—have in determining how care services are delivered? What evidence is there that social care provision is considered at local elections? How have you involved service users and carers in reaching that view?

Eddie Fraser: The small number of elected members who are on the IJB tend, in our case, to be the most senior councillors in the council. They very much own what we call our social care services, and the council still sees social care services as local services that are delivered in every local community in East Ayrshire. However, all 32 of our councillors will advocate for social care for their local communities within the IJB. Given that the director of health and social care is an employee of the council, they are perfectly entitled to do that as well.

In relation to formal reporting arrangements, how often IJBs have to report back is built into integration schemes. However, in essence, they do it a lot more than that for us. We do it in relation to all of our papers around the issue of alcohol and drugs, which, although led within the IJB, is clearly of interest right across the whole of the council. They also do it in relation to looked-after or care-experienced children. Again, members of the council who are not on the IJB but who lead on children's services will have an input into that. The IJB and social care services are not managed simply within that unit; they are managed across all of our services.

The most recent example of engaging our local communities is that our IJB is out doing participatory budget work. The IJB generally engages along with the council, but, in this specific example, the IJB is out in our local communities with £250,000 and is, basically, going into local areas and asking how they want to spend that. The decisions about how to spend that IJB resource are actually being made by the local communities.

When we sit down with our services for children and care-experienced young people, which I spoke about—through our “pizza and Coke nights” as we call them—we are actually talking to them.

The work around the Promise and so on therefore very much engages with people.

For us, there has been constant engagement with local communities. I hope that that answers the question.

Paula McLeay: Our IJB reports formally to the policy and sustainability committee and to the governance, risk and best value committee regularly, so there are opportunities to transparently engage with the work of the IJB and hold it to account for the decisions that it independently takes. The council remains responsible for the staff we employ to deliver the services and the duties that we still hold, so there is definitely a legitimate relationship for councillors on integration without in any way circumventing the arrangements for the IJB to take the decisions that it is delegated by law to take.

On engagement, we survey our care home residents annually, and community-based teams engage with them from day to day. Engagement is not something that happens only once; it is about working closely with communities, particularly around any key service design proposals, as we are required to do by our policies.

Marie McNair: In the interests of time, I will move on to my next question, which I will put to Michelle McGinty. Does the bill's financial memorandum adequately explore the potential financial implications for councils? If not, what financial assessments would councils expect to see at this point?

Michelle McGinty: On the financial memorandum in general, as has been widely discussed at different committees and by the previous panel, the envelope lacks detail and some pressures are not included in it. We want to see much more work take place on the detail. The lack of a business case at this stage to partner with the financial memorandum is a major issue for us.

For a structural change of this proportion in the council, we would be looking at feasibility and risk studies, financial gaps and all the things that you have to consider before you change something on this scale, but we do not have any of that, and we have a financial memorandum that lacks detail. It is almost impossible to give you a good answer in the sense that there is detail missing that we cannot respond to, so a lot more work needs to be done.

Marie McNair: Do other witnesses share that view?

Paula McLeay: I absolutely share that view. I do not know how we can accurately assess the financial memorandum with the bill as high level as it currently is and the absence of detail from it,

which is very worrying. The only point that I would add is that the financial memorandum and the debate around the issue fail to understand that this is not just reforming social care; it is reforming local government, but we are not looking at the wider financial, operational and systemic implications for local government and giving them the level of consideration that a reform of this scale deserves.

Marie McNair: This is my final question. What impacts will there be on local authorities should a third of their budget be transferred to the new national care service?

Michelle McGinty: We have talked a lot about the integration of delivery of service. During your previous question, I wrote down a list of the different parts of the council that would be impacted—in fact, it is all of it, so the impact in terms of detriment on other parts of the council would be significant. Apart from the fundamental issue of the transfer of staff—which, as you have heard from other witnesses, is extremely complex—it will leave behind a structure that has been knitted into the HSCP for good policy reasons and good integration reasons. All back office and other services—whether education, housing, Glasgow Life or city building—have an input, so where are the boundaries? Because they are so blurred, the impact is, in effect, as Paula McLeay said, the reorganisation of the council and its budget.

Eddie Fraser: In the current situation, there is a risk whether or not we go with the model of everything going into the new arrangements. One of the biggest risks is what happens in the interim period, when we do not know what we are planning for. With those partnerships that cover children's services, justice services, adult and older people services and addiction services, if there is, as has been suggested, an incremental move to the new care boards, the question is what I am going to do with my justice services. Those services and arrangements are fully integrated with the current system, as are the children's services, and I would need to totally redesign the council to make those kinds of changes.

For some, therefore, the proposed change will be about putting things into the new arrangements, which will require a massive reorganisation, and for those who might say they will do this incrementally, a massive reorganisation will be required, too. There is no do-nothing option—we just have to trust that local systems know how to design something that gets better outcomes.

The issue, therefore, is not just money but the whole structure of councils. It does not matter whether they already have the services in the

partnerships; a big lump of councils are going to have to totally restructure themselves.

Marie McNair: Absolutely. I am mindful of the fact that I have not brought in Douglas Hendry. Do you want to come in, Douglas?

Douglas Hendry: A lot of what colleagues have said would apply to us, too. I do not think that it is possible to overemphasise the issues that councils are having to face, particularly as we roll forward under the current scenario, which, as Eddie Fraser has just highlighted and as far as we are concerned, would mean partial disaggregation of not only front-line services but those parts of the council that support adult services and, some time down the road, potential further disaggregation in the event that the remainder of social care and social work were to be rolled over. That sort of partial disaggregation, with more things coming out as the process runs on, seems, from a council perspective, to be counterproductive and inefficient.

My comments should not be taken as a statement that that cannot be done. It can be, but it strikes me as not necessarily—[*Inaudible.*]—effective solution or the one that will deliver the best outcomes for our people and our communities.

Dr Roberts: I just wanted to highlight the lack of clarity with regard to children's services and justice services, which, for us, sit outside the IJB arrangements. It gives rise to significant concern not just about what that will mean for the local authority, given that not only some of our delegated functions but functions that sit firmly within the council will be transferred, but about support services and having to disentangle those services that work really closely together.

The real risk in all of this is that the disruption will lead to a reduction in performance and poorer outcomes. We also have to remember that we are talking about the most vulnerable people in our society. These are the people we need to put right at the centre of any change, so we must ensure that any such change is taken forward for the right reasons. It should be based on outcomes rather than on the assumption that we need change per se and that structural change is the answer.

My council is really concerned about the workforce implications right across the board, from services that are currently delivered through integrated arrangements and the care and social work services that sit within the council to those services that are not part of any of that but that provide support, and the disruption that will be caused as we move forward.

The Convener: I call Mark Griffin.

Mark Griffin: I was going to continue with the line of questioning that I began with the previous panel on the impact on the remainder of services that will be left with councils, but the panel has already covered a lot of that. As a result, I will ask about the impact on local government in its entirety.

We have had police and fire service nationalisation and we are now looking at social work and social care. We have educational regional collaboratives and chat about a national education service. Is this a return to district councils by stealth? Is it appropriate to change the whole landscape of local government in such a piecemeal way, or should we be taking a wider look at local government?

11:30

Paula McLeay: I would not use the word “stealth”. I would say that it feels as though we are, in effect, reforming local government by default rather than by design. That is not the most advantageous way to talk about the role of local government and councils in delivering services to our communities.

There is certainly space to have that discussion, but taking elements of roles and responsibilities and budgets periodically over time without paying attention to what that means for local government, for the role of councillors and for the role local democracy in and of itself feels inappropriate. We should give that the due regard that it should have and consider it in its own right. The bill is not just about social care; it is also about the future of local government.

Eddie Fraser: I would agree with that. We should speak to local elected members and ask them why they stand for the council and what it is that they want to influence. If people want to stand for the council to influence local services such as social care and, possibly, education and others—the police and fire services are already away—but the council is not going to do that, what is the attraction for those people in standing?

How do we make sure that local democracy has an influence over the local community? Thinking of the Christie recommendations on a local level, how do we make sure that it does that? If you take the accountability away—and this proposal is an example of that—what is the motivation for local government? What is the influence of the local councillor? It is a good question.

The Convener: Does Dawn Roberts want to come in?

Dr Roberts: No—I support those comments. Thank you.

The Convener: Does Douglas Hendry need to come in on that?

Douglas Hendry: The basics from a council perspective have been covered. Again, there is perhaps a lack of clarity in overall terms—and some of it is probably at a national level—about the role of elected members, certainly in relation to the NCS but perhaps even more widely. There is a drive for local authorities to engage on a wider basis about a wider range of issues with communities, local groups and so on, and I believe that there is a question in there about the role of the elected member as a local representative of their community. Those two things do not necessarily sit comfortably together. Apologies—I know that that is going off on a slight tangent, but it is part of the wider picture.

The Convener: There is no need to apologise. It is always good to uncover other perspectives. Mark Griffin has another question.

Mark Griffin: Going back to the impact on individual services, I think that I have heard from the panel here in person, but I would like to ask Douglas Hendry to set out the perspective of a rural and island authority, in particular. What will the impact be on the services that are left over? If we go forward with the national care service, what will the impact be on housing, education and leisure in your authority?

Douglas Hendry: I will come at that from a couple of different angles. The first is that there is an argument that social care and social work and other elements of the local authority—education, housing and a whole range of other services—work better under that umbrella. That is not to say that there could not still be joined-up working under a different arrangement with the NCS, but it seems that the existing umbrella framework within which social care is currently delivered—*[Inaudible.]* That is at one level.

At a different level, others have touched on what the NCS would mean for the remainder of the local authority; we have begun in Argyll and Bute to look at that, and I emphasise the comments that others have made. The work that we have done thus far indicates that there will be some definite and some potential impacts on other services; there will be definite impacts on things such as legal support and human resources. In Argyll and Bute, we have a fully joined-up HR service between the council and the IJB that definitely needs to be unpicked. There would then be a requirement to allocate people to separate parts of the post-unpicking, if you like.

However, the impact is wider than that. We still have care homes and other social work facilities in Argyll and Bute. As things stand, the estates ground maintenance and things like that are

carried out by another part of the council, but there is no guarantee that that would continue after unpicking. It would also roll down to other corporate stuff such as finance, because the finance team is integrated.

Moving to a disaggregated situation will bring challenges for all councils in redesigning what is left to support what is left, if that makes sense. I do not necessarily believe that that would mean the end of local government as it is currently known—that is a particularly gloomy view—but there would certainly be significant impacts on the whole council in terms of service delivery and, as others have said in this panel and in the first one, council finances in general. There would be impacts on capital spend and stuff like that.

That is a whistle-stop tour around the main factors that would be at play.

The Convener: Do you have a view on whether the island communities impact assessment that accompanies the bill meets the requirements of the Islands (Scotland) Act 2018?

Douglas Hendry: In a number of areas, the view could be taken that the impact assessment has flaws. It is possible to take the view that it was not carried out at the appropriate stage in the process, and if you have particular regard to the circumstances of areas such as Argyll and Bute, the terms are pretty high level, so it is possible to take the view that it does not adequately address the position of local authorities such as Argyll and Bute. Ultimately, it is a matter for ministers to determine, and if they are content with the assessment, that is fine, but it is possible to take the view that there were shortcomings in the process.

The Convener: We move to questions from Paul McLennan.

Paul McLennan: We touched before on the understanding that children's services will be transferred to the new care service. I have two questions at once. The previous panel also mentioned the reluctance of councils to invest in new and existing assets if that were to happen, which would not only affect children's services but have a broader impact. My first question is on children's services, my second on the impact on councils' ability or appetite to invest. Eddie Fraser, you touched on that in the previous panel.

Eddie Fraser: Back in 2014, East Ayrshire Council took a decision to put our children's and justice services within the IJB. That was in the context of local accountability and locally integrated children's services. There is a strategic children's services board, chaired by the chief officer. I also chaired that and education is involved in that. It was the right thing to do, because it kept the social work profession together

to work on cross-cutting issues between justice, children, addiction and adult services. If, at this stage, we were deciding whether to do that but we were told that control of our children's services would be separated from our universal children's services, such as early years or the education service, I would need a lot of convincing.

The work that is happening now would have to do some of that convincing by showing what the impact of this transfer would be. The position has changed from where we were back in 2014. We made arrangements then, but we did that within local accountability and local structures. That would need to be reconsidered. I think that every council would want to reconsider that.

You asked about capital investment. Every council chief executive is probably sitting down with their elected members to look at their capital programme and decide whether it is affordable even without new investment, given our financial circumstances. There is uncertainty. If a council takes out a capital loan to build something, is the council assured that the resource will come back to it if there is a transfer of assets? If there is not that assurance, a council would feel almost incompetent to go out and spend significant amounts of council money on an asset that it knew was likely to be transferred away, leaving the rest of the council to pay a direct charge for that for the next 40 years.

It is not that there is a reluctance to invest in social work, social care or wellbeing services. The issue is having the competence to do that in an already tight fiscal position when there is a feeling that that debt might be left with the rest of the council. Most people would say that they are in that position.

Paul McLennan: Paula, I see you nodding. Do you want to add to that?

Paula McLeay: Eddie Fraser said it all, didn't he? This is about risk management and best value, not about a lack of desire to make the right investment decisions for the service, the outcomes and the people. We have to do that legitimately to manage the wider risk to the council and with best value in mind for our communities. We cannot make those decisions well at the moment, because of the lack of detail. There is no information about what happens to the debt or risk that we would carry.

Paul McLennan: Does anyone else want to come in?

Michelle McGinty: I absolutely endorse everything that has been said and have two additional points. There is a fundamental issue about assets that communities have invested in through their council tax. We are not talking only about best value and the practicalities of

investment but about breaking that link. That is a fundamental change in position.

Also, because we deliver in an integrated way, through community planning and through the HSCP, many of our assets are shared with partners. Where is that disaggregation being considered? We cannot answer those questions without a business case.

Paul McLennan: Those are good points. Thank you.

11:45

Dr Roberts: I support my colleagues' comments. I will make a general point. Whether it is about decision making in relation to investments in assets or about giving a view on aspects of the bill, there is a principle of informed decision making—being able to give an informed view and to understand fully so that you can give full consideration to matters.

Many of the comments in our response are underpinned by the lack of detail, the uncertainty that that creates and the concerns that we have, which are shared by others, about the reliance on secondary legislation to take through some of the critical aspects of the overarching bill that will have fundamental implications for local government.

With a backdrop of lack of clarity and lack of information, it is difficult for a council to make decisions about investment and the allocation of resources in the meantime. It is also difficult for us to give concrete answers on aspects of what the bill is about. The reliance on secondary legislation means that the level of engagement and scrutiny that will be available to councils in the process is a cause for concern.

The Convener: Our final questions are from Miles Briggs.

Miles Briggs: I thank the witnesses for joining us. As an Edinburgh MSP, I was particularly concerned by the fears expressed in the City of Edinburgh Council's submission that,

"in the short to medium term, the Bill risks making service delivery significantly worse".

I am acutely aware of the social care crisis that we have in the capital but what disruptions could arise as a result of the bill and what is the Scottish Government telling councils to allay those fears?

I will bring in Paula McLeay as I mentioned Edinburgh.

Paula McLeay: The fears that we allude to are real. Our workforce has been under pressure for a long time in a market that is competitive for roles on the pay scale concerned. Recruitment is incredibly difficult and retention is now difficult.

At the same time, we have an ageing workforce who, after going through a pandemic, after everything that has happened over the past number of years and with the challenges of the role in the round, are facing a change of employer, relationships and the teams around them. There is a pressure on staff retention that is already manifesting in some parts of the council, and decisions that staff might make now not to continue in their roles would exacerbate the challenges that we face.

That is what we mean when we talk about disruption in the workforce. However, there is also an inability to plan, because we do not know how long we are planning for, because of the ambiguity about the bill and the Government's intentions. That exacerbates the first problem and causes more strategic challenges for the council in investing in, changing and reforming our services to manage the pressures that exist now.

Miles Briggs: I agree with all those concerns. Given the specific pressures that Edinburgh faces with delayed discharge—I think that almost half of all delayed discharge is here in the capital—and homelessness, such as the number of children in temporary accommodation, the restructuring cannot help to tackle those problems at this moment.

From the earlier panel of witnesses, we heard about the challenges that are likely to come from transferring 75,000 local authority staff to a new national care service. Specifically, they raised a concern about pensions. That issue did not necessarily exist with the centralisation of the police and fire services in 2013. What lessons have been learned from the creation of a national police service and fire service? What pitfalls are we seeing with the creation of a national care service?

Michelle McGinty: It is not really clear what lessons have been learned—we hope that lessons have been learned. Some of the same examples have been mentioned, specifically around VAT, and you heard from the first panel of witnesses—and I completely agree—that the pensions issue is much more fundamental in this case due to the number of staff who are in one pension arrangement.

On staffing, we worry the most that it is not clear from the bill how reserved employment law and case law that relates to the payment of pensions have been considered and, therefore, how those staffing arrangements will be implemented. The effect on staff back at the ranch was not necessarily an issue for other reorganisations. It is not clear that lessons have been learned from other reorganisations, because we do not have the detail to make that judgment.

Eddie Fraser: There are some risks that we can all talk about. There is wide understanding of what went wrong and what went well last time. This is different—the Scottish police services and Scottish fire services were brought together, but that is not what is going to happen here. In this case, there would be a transfer of local authority staff to the national care service, but there would be no transfer of national health service staff, independent sector staff or voluntary sector staff—so it is not the same type of integration that we have seen before. There are significant differences.

As I mentioned earlier, we have focused on the differences between the terms and conditions of public service staff and people in the independent and voluntary sector, which would need to be considered, as does the fair work agenda that we want to get into here. It is significantly different, because we are talking about at least four different types of staff overall who are going to be participating in the national care service, and will be involved in commissioning and direct delivery. Previously, we were bringing together a police service or fire service; this is a much more complicated issue.

Paula McLeay: I will preface my comment by saying that in Edinburgh we have strong relationships with our police and fire service colleagues, both strategically and at a local level. The centralisation of those services has detrimentally impacted their local flexibility in terms of budgets and assets—it is more difficult for them to make locally appropriate decisions about the use of budgets, buildings and capital assets, and we have seen that coming through the system. If you are focused on trying to make community planning, community empowerment and local responsive services work, that has not necessarily been a by-product of the centralisation of the police and fire services.

Douglas Hendry: Paula McLeay's point was very much along the lines of what of what I wanted to contribute. I agree with her that a lack of local involvement and engagement by the new organisation is something to be wary of. I would say that there are some lessons to be learned, or warning signs to be picked up, from what has happened with the police and fire services. Paula has covered the point.

The Convener: That concludes our questions. Thank you very much for coming in. It has been good to hear the level of detail from all of you. I know that we could have talked for much longer, but we have your written evidence. We appreciate your being with us. I suspend the meeting briefly to allow for a change of witnesses.

11:54

Meeting suspended.

11:59

On resuming—

The Convener: Our final panel of witnesses will discuss housing and homelessness issues. We are joined by Ewan Aitken, who is the chief executive of Cyrenians and represents the Everyone Home collective; Yvette Burgess, who is a unit director at the Coalition of Care and Support Providers in Scotland, otherwise known as CCPS; Ashley Campbell, who is the policy and practice manager at the Chartered Institute of Housing Scotland; Eileen McMullan, who is the policy lead at the Scottish Federation of Housing Associations; and Shea Moran, who is the change lead at All in for Change. Welcome.

I will begin with the first couple of questions. Do you agree with the Feeley review that the Covid pandemic

“demonstrated clearly that the Scottish public *expect* national accountability for adult social care support and look to Scottish Ministers to provide that accountability”?

I have asked the same question of all the panels. Would anyone like to pick that up?

Ewan Aitken (Everyone Home Collective): I have no doubt that there is general agreement that reform is required, that people need to know who to ask questions of when things go wrong, and that people's experiences of asking the people who previously appeared to be responsible were not good. I am not convinced that people have thought, “If we put somebody at the top in charge, it'll all be sorted”. That feels like a bigger leap than the criticism—which was probably accurate—justified.

Eileen McMullan (Scottish Federation of Housing Associations): To be honest, I think that people believed that the Government was already responsible for care, but that it was delivered locally, because there is a department that looks after health and social care. I do not think that they would necessarily draw the conclusion that we should do what is proposed because, obviously, the minister is accountable for what goes on in local government as well.

Shea Moran (All in for Change): Most of the guidance that people were hearing daily in news broadcasts during the pandemic was coming from the central Scottish Government through Nicola Sturgeon's updates. People were definitely looking to the Scottish Government for overall support and regulation, but they were looking to their local authorities and local services to provide on-the-ground care, support and assistance, where they were required.

Ashley Campbell (Chartered Institute of Housing Scotland): The pandemic really shone a light on the role of housing services in supporting people in their communities. This might be slightly off topic, but I feel that it is worth mentioning. Housing services were a cornerstone for people in terms of their receiving the support that they needed. Housing providers, including local authorities, housing associations and local community groups, played a very strong role in ensuring that people's basic needs were met in order to support them throughout the pandemic. I want to make the very strong point at the beginning that housing services are key to prevention, to supporting people and to improving health and wellbeing outcomes in the community.

The Convener: Thank you. My next question is initially directed to Yvette Burgess. What is the third sector's current involvement in IJBs? Do third sector organisations feel that they are partners in the design and delivery of social care, within the current system?

Yvette Burgess (Coalition of Care Providers Scotland): It varies. In some areas, third sector partners are more involved. We have learned since IJBs came into being that it is about more than just structure; we need to make sure that relationships are embedded at the local level. Use of IJBs in commissioning social care services needs to be looked at to ensure that it is more collaborative, because third sector partners, along with other partners, can play a really important part in delivery.

Eileen McMullan: I would like to add to that, if you will consider housing associations to be part of the third sector. Their experience is similar, but varies considerably. Some housing associations work very effectively with their IJB partners, but others work less effectively. They contribute to the whole area of prevention by supporting people to live independently. That is often overlooked.

Ewan Aitken: The word "varies" does not mean that one is good and another is bad: different communities take different approaches. I sat as a representative on Midlothian IJB for three years and was able to make a clear contribution that was equal to those of others. I do not think that we ever had a vote; we reached collective decisions. I had a relationship with a referral group, so I was able to bring in its views. In East Lothian, there has been work between the two sectors on a joint planning process, in order to build that stuff up.

Our experience of working with Falkirk Council, which is a different size—size is often the challenge, because there are different capacities—is that we are able to have conversations with it directly as a result of there being a space that it has created for those conversations. Conversations are not had directly

at the board meeting; because conversations are had before then, the board is able to make the decisions that we hope for.

In Edinburgh, because it is so much bigger, three organisations are represented, so feeding back needs to be done in a very different way, because managing something of that size is complex.

Variation is therefore a necessary part of the structure that we have at the moment, rather than it being the case that one thing is good and another is bad.

The Convener: I appreciate that clarification on variation, because I was going to ask a bit more about it. That has been really helpful. We move to questions from Willie Coffey.

Willie Coffey: The previous two panels were at pains to emphasise local variability in delivery of services. We have information and evidence—for example, from the Improvement Service's local government benchmarking framework—that shows differences not in how services are delivered, but in performance. The idea is that the national care service will improve performance and make it consistent. Why are there such differences? Are they down only to localism, or are there real differences in performance and the level of service that people get across Scotland?

Ewan Aitken: The question is whether to run to that solution before you have asked what is at the root of the performance differences. There is no doubt that people have different experiences, across the board. Sometimes the differences are driven by geography, sometimes by finance and sometimes by politics, it has to be said. There are questions to be asked about that.

To my mind, that relates to the point about accountability. It seems odd to say, in the first instance, that we need to make sure that there is consistency not in how a service is delivered, but in the quality of what is delivered in each different place, and to say that accountability will be designed locally, with the ability to call people to account, but then to push accountability upwards and distance it from where it needs to happen. If services are to be locally designed, people will make the decisions locally, by necessity—unless they are always going to have to punt everything upwards first, before it comes back down. That seems to be a long way round and not a shortcut to where we want to get to.

I am unconvinced that creating a model of centralised accountability will deal with the issue that you rightly identified, which is that in some places we do not have what we need, at the standard that we need.

Ashley Campbell: I agree with Ewan Aitken. We all want better outcomes for individuals and communities. That is not in question.

On the bill and the national care service, we certainly appreciate and agree with the principles of creating more consistent outcomes and taking a person-centred and human rights-based approach to providing services. That all sounds great, on paper.

When it comes to differences in performance, the first thing to state is that the 32 local authorities operate within very different contexts. There are local variations in their economies, and whether they work in an urban or rural context can have a big impact on housing need and affordability, and on the types of services that people need.

I agree with Ewan about the need to consider local solutions for local people, and to have local decision making. From the bill, it is a bit unclear whether the proposed structure will fix those issues. It is difficult to tell because there is so little detail about what, ultimately, the national care service will look like.

Willie Coffey: However, we agree that there is inconsistency across Scotland in delivering the outcomes that we all seek. How do we address that without a national model that could apply the standards that Eddie Fraser described earlier? How, without national application of standards, would we improve consistency in authorities where it is needed?

Ewan Aitken: You need to do the good things that are in the bill. Ethical procurement, a human rights-based approach and a single electronic record would all make a huge difference. However, I am yet to be convinced about the level of structural change that is proposed. You are pushing everything upwards. Also, when I asked why all the local authority staff would be transferred but national health service staff would not, the answer was that it is because the minister is already in charge of NHS staff.

Clearly, the culture is to push things upwards, but you could do culture change without a massive and highly disruptive structural change. There is already evidence of methods through which to do that. I argue that we have done it with the Promise and the “Ending Homelessness Together” action plan. Those were both massive shifts in how we deal with intractable problems with new lines of accountability without creating a new structure that would remove accountability from where you are trying to make decisions using local resources, understanding and wisdom.

Willie Coffey: That was clear, Ewan. Thank you for that.

I have a question for Yvette Burgess. The CCPS submission talks about the importance of flexibility and collaboration at the local level. Other witnesses have talked about that at great length this morning. Are those threatened by the bill or can they be enhanced, retained and protected by it?

Yvette Burgess: At CCPS, some work has been done to develop a model of change in line with the review of adult social care. It took the principles of the Feeley report and considered whole-system change rather than simply structural change. That work was done with a desire to improve outcomes for individuals and to ensure that individuals are at the heart of decision making, that social care is transferable between areas and through different stages of life, and that a whole-systems approach includes all the other services that contribute to people’s wellbeing—in particular, housing. It also focused on the cultural changes that are needed, with acceptance that, at its best, social care is about relationships—it is a relational activity rather than a transactional one.

That is the model of change that CCPS has been developing. We have been able to look at the bill—we are still in that process, to be fair—to determine the extent to which it promotes that model. We have concerns about the focus on structural change and the lack of detail, at this stage. As many other witnesses have said, we are concerned that a lot is being left to secondary legislation.

We also feel that the people who should be at the heart of the process are not at that level of involvement yet. It is great that the bill includes the principle of co-design, but we have not seen evidence that co-design has been used to get to this stage. It is important that people with a diverse range of lived experience be involved in developing the primary legislation.

Willie Coffey: Are there any other comments about flexibility and collaboration? Will we lose them or can we retain and develop them under the bill?

Eileen McMullan: I agree with what has been said. Although the principles that are set out in the bill look really good, it is difficult to see how they would be translated into a care service in practice.

12:15

Ashley Campbell: I do not think that anybody thinks that the Public Bodies (Joint Working) (Scotland) Act 2014 has had the impact that we wanted it to have in terms of housing, health and social care working more closely together. I think that, principally, the 2014 act was a health and social care integration act; it seems as though housing was pinned on at the end. There were

housing contribution statements and a little bit of partnership working, but not the kind of deep partnership working that we would like and which would have an impact on national outcomes and on the Scottish Government's commitments to ending homelessness and supporting people to live independently in their own homes for as long as possible, to ensure that they can age within their communities. Housing is key to achieving those aims, but only in partnership with health and social care.

Looking at the bill optimistically, I say that the national care service provides an opportunity to change how partnership works, but we have heard a lot of concern from our members and others in the housing sector about the risks of breaking down the relationships that have been built since 2014.

In terms of housing working well with IJBs, we have done quite a lot of work with local authorities over the past year or so on the implementation of rapid rehousing transition plans, in transforming homelessness services. We can do that really well only with input from healthcare and social care, so we asked local authorities how that is going. We got 30 responses from the total of 32 local authorities, so it was a big sample. About half the local authorities that responded said that their IJB was not giving enough priority to their rapid rehousing transition plan. The other half, which were more positive, said that where things were working, it was because they had built up local relationships and were working differently in different areas.

Housing and homelessness services have spent the past six or more years working on such relationships, so there is concern that if we scrap IJBs and start again from scratch, that progress could be lost. If that happens, where would that leave people who really need and rely on the services? The services are essential to supporting people with complex needs who might be homeless, for example, and to supporting people to live independently in their own homes if they are ageing, have a disability or are developing dementia. There is potential, but there are also big risks, which is where much of the concern lies.

Willie Coffey: Thank you for that, Ashley.

Paul McLennan: I will follow on from that point. To what extent does the bill adequately reflect the role of housing and homelessness services in improving the quality and consistency of social services, thereby leading to improved outcomes? You have touched on that. I do not know whether you want to say anything else, but your point led really well into the question that I wanted to ask.

Ashley Campbell: The role of housing and homelessness services is not adequately reflected

in the bill. We are keen that housing be embedded in the structure and that its importance be reflected in the bill, if it goes forward.

As I said, housing is essential to big Scottish Government commitments—to supporting people to live well at home, to ending homelessness, to tackling poverty and to achieving net zero. Whatever the national outcome is, housing is key to achieving it.

At the very least, what we want from the new structure, whatever it ends up looking like, is a really strong message from national Government and local government about the importance of the role of housing and about making sure that there is better partnership working. As I said, in some areas it is working well, but that seems to be because relationships have grown and developed organically rather than because of a structure that has been put in place. The messaging is very clear and we are starting to see that with things such as the prevention duty. The Scottish Government is sending the message that homelessness is not just a housing issue—it needs support from a range of partners. It is the same with independent living: housing cannot do everything on its own, and it needs support from healthcare and social care.

Paul McLennan: You have touched on my second question, which is about whether panel members agree with the Scottish Government's reasoning for excluding homelessness services from the remit of the national care service. You have kind of answered that, as well. You think that it is really important that those services be part of the structure, whatever it looks like, going forward.

Ashley Campbell: Homelessness services need to be part of the process, whether that is because they are built in as a statutory part of the structure or because there is a clear message and direction about the role of homelessness services.

As I said previously, it is difficult to comment when there is so little detail in the bill about the make-up of care boards or what that structure will look like on the ground, but we certainly want to see the importance of housing and homelessness services being acknowledged.

Paul McLennan: Does anyone else want to comment on those two questions?

Ewan Aitken: It seems odd for the Government to use the rationale behind decisions that were taken on something that it is going to break up in that way—to say, in effect, “We got everything else wrong, but that was right.”

It is not quite true to say homelessness services were excluded—they were given the option to be included. The reason was that the delivery of services had to be designed in the right way for

each local area, so what was required in one place—in Edinburgh, for example, because of the high pressures of homelessness—would be very different from what another place, such as Orkney, might require. The services needed that level of flexibility, and that was why they were excluded. The view was taken that that decision would be devolved; some people took one decision and some took another, and the Government is now saying, “Well, we’ll agree with this lot and not the other lot.” It seems to be unwise to start from that perspective.

What we are looking for is seamless access to the range of care that somebody requires at the point of presentation. We know that 50 per cent of those who present as homeless to local councils—which will, by the way, still have the statutory duties from the Housing (Scotland) Act 1987; I understand that those will not be transferred—do not require support, but 50 per cent do. We need to ensure that, whatever is created, there is a seamless duty. How do we ensure that access to the support that a particular person—not everyone, but that person, at that moment—requires is absolutely seamless? At present, there is nothing that suggests how that would be achieved.

Talking about whether homelessness services are in or out rather misses the point. It is about what we design for people, in certain circumstances, in a certain place, given the resources that are available. That conversation needs to be had before we start talking about who is in charge.

Eileen McMullan: There is very little detail in the bill, but there is really nothing in it at all about the potential contribution of housing and the homelessness sector to support the Government’s wider agendas of supporting independence and prevention. There are links with many areas of key public service delivery and with partnership working in health and social care, which we have heard a lot about today. Where that works well for people, it works really well.

There was a missed opportunity in the decisions around the creation of the health and social care partnerships, when housing was excluded or left out. What happened subsequently meant that it was an add-on, whereas—to pick up on Ashley Campbell’s point—it is really important that that element is a central part of working collaboratively with the national care service.

It is important to say that the wider agenda, with its focus on prevention and supporting independence, cannot be delivered if the housing sector is not involved and recognised as a key strategic partner. Good care is only delivered where people live, and safe, appropriate and adaptable housing is really important in achieving

that. The arguments for all that are really well rehearsed, and it is quite disappointing to see that there is nothing in the bill that reflects some of that.

If we look at what the Government has been doing around preventing homelessness, we see that it recognises that homelessness is a shared public responsibility, but again, that is not reflected in anything that has been said so far in respect of the bill.

Shea Moran: I echo a couple of those points. First, with the consultation on the prevention duty, the Scottish Government and other bodies have acknowledged that homelessness is not just a housing issue. Secondly, however, I completely agree that the bill in its current state does not reflect the needs of the homeless population as far as housing is concerned. That seems to be sending two messages—there is a divergence from the overall message that was previously put out with the consultation on the prevention duty.

With regard to how that looks for people on the ground with lived experience, there is a lot of confusion and doubt as to how, or if, the bill is going to affect them in their daily lives, and whether it is going to have any benefits or positive outcomes for how they receive or access care. At present, I find that most people I speak to, if I mention the national care service, do not think, as things stand, that it will be of any relevance to them as far as their journey through homelessness to finding a permanent home is concerned.

Where people have thoughts and opinions on it, they tend to be towards the more negative aspects. They feel that that divergence between care and housing and homelessness services will mean that the support that they currently receive from homelessness organisations and local authorities will be minimised or taken away from them in some way because the services are so intrinsically linked at the moment.

Yvette Burgess: Picking up on the point about the housing support enabling unit, we work with housing support providers and supported housing providers across Scotland. It strikes me that in housing support—in the context of homelessness, I am thinking of preventative housing support right through to the more critical intensive housing support that people who face homelessness might call on—there is something about prevention, and it is important that we do not lose sight of that. It is great that one of the principles is around prevention, but we really need to see what that will look like in the bill. We do not yet have a sense of how much priority will be given to the services that are looking ahead to help people to avoid situations such as homelessness, which we know greatly reduce their outcomes.

We need to keep an eye on prevention. I also highlight that, in the current system, a housing support assessment goes on when people present as homeless. That is not necessarily done in housing departments, but it often is. It is really important that there are smooth links to the right support, whether that is specialist support for addictions or other support, or whether it is long-term support. That is where it is crucial that a new national care service makes a smooth pathway. There needs to be some recognition of that in the bill—at the moment, we are not clear where housing support fits into the new vision for the national care service.

Annie Wells: Good morning. CCPS's submission suggests an alternative model in which the primary change drivers will be

“cultural in the form of relationships and behaviours embodied in the system.”

Yvette Burgess, could you expand on what is meant by that, and how that approach could be reflected in the bill?

Yvette Burgess: One of the ways in which the bill could do that is by looking at the way that services are planned, commissioned and procured. The process needs to be more collaborative than it is currently. There is already some flexibility, and collaboration is possible under existing legislation, but it is often not used. More often than not, housing support services, other care services and housing services are designed without enough collaboration with potential delivery partners. Providers are put in the position of competing with one another, whereas the outcomes are much better when people who are potential users of the services, as well as existing service users, are involved just as much as those who will potentially provide the services.

Annie Wells: If no one else would like to come in on that, I will hand back to the convener.

The Convener: It is good to hear of an alternative. I will move to a question from Miles Briggs.

Miles Briggs: Some of my questions around the impact that the bill will have on homelessness prevention legislation have been touched on, but I want to expand on third sector involvement. At the time of the integration of health and social care, one of the key criticisms that we heard was that the third sector was not at the table and therefore did not have a chance to influence decision making. Do you think that that has changed with regard to the early stages of the development of the national care service?

Ewan Aitken: No—in fact, the members of the third sector and the homelessness prevention and strategy group, which is made up of the third

sector and the Scottish Government, put in strong views to the Feeley review, asking for homelessness and housing to be at the heart of it, but they were not. It feels as though that has continued, and we have to continually fight to get there.

12:30

We are told that we will be part of the co-design, but it is difficult to see how that is the case. Our concern is that we are doing it the wrong way around. We do co-design all the time, as do colleagues. That is what we do; it is in our DNA. What you do is design the thing that you want, based on the evidence that you have—the lived experience and so on—and then work out who needs to take what decisions, when, who needs to have what powers to make sure that it can happen and how they will be held accountable for quality, standards and so forth.

This feels as though it has come the other way around. Although it would appear that we may be able to be part of the conversations on the design, we are not being heard in saying that this is the wrong way around and our contribution will be limited by the fact that the methodology that is being used is not the one that we would use.

There is a recent report on evidence about national systems of social care in Nordic and Scandinavian countries that makes it clear that it is all about the roles and responsibilities, which is what we would argue. That is the most important thing, rather than a balance between centralised and decentralised decision making.

That is always our experience about designing things. You design them so that people know whose job it is to do what and how to nurture the quality of relationships that mean that the right things will happen. That is where we would start, rather than saying, “We have got this structure. Design something to fit the structure.”

Eileen McMullan: I will just add that when we talk about the third sector we often ignore the role that housing associations play in all of that. They are significant providers of care and support through specialist housing pathways with adaptations and all the rest of it. They are in a similar position, I think, in relation to how the IJBs currently work. Again, we have talked about the variation, which often happens for quite good reasons. In Scottish Borders Council, for example, housing associations are very involved in the planning and development of policy in that area with the IJB. I have not seen anything in the current bill that picks that up and suggests that it might carry on.

Miles Briggs: Is that a missed opportunity? I totally agree with what you said. Here in

Edinburgh, some of the key challenges around delayed discharges and homelessness have arisen because housing associations are not part of that integration joint board work. If the bill is going to be forced through by the Government, where will there be a pause to try to include housing, do you think, or is there not going to be one?

Eileen McMullan: Sorry?

Miles Briggs: In terms of being able to get housing into the discussion, where do you think that that can now take place, or is it just not going to happen?

Eileen McMullan: There is an opportunity, I think. Ashley Campbell touched on that earlier. If the bill goes ahead, there is an opportunity to change, I hope, some of the structure as it passes through Parliament, so that we can see some of those things included. Whatever is set up, whether it is a care board or an IJB, there should be a recognition that some kind of duty to collaborate with housing and homelessness sectors is needed in order to deliver. As you said, there is a lot of evidence around improvements in discharges from hospital, preventing crisis admissions to hospital and supporting people to stay at home for longer, which can only happen if housing is part of that planning and development process.

Marie McNair: The Scottish Government argues that the reason why much of the design is left for later regulations and policy is so that it can be co-designed with people who have lived experience. What are your expectations of co-design of the national care service and what would you especially like to see in that regard, Ewan? I know that you have touched on that a bit already, but is there anything else that you would like to raise?

Ewan Aitken: As I have indicated, I think that we have done this the wrong way around. Two examples of good co-design getting to a place where the right legislation is then put in place would be the Promise and the ending homelessness together action plan. Both of those started with people with lived experience and front-line staff, built things up and worked out what was needed, and then the appropriate legislation was developed. I think that what they achieved was often underplayed, particularly with regard to the ending homelessness together programme agreement. That had an incredible level of sign-up across sectors. When it was signed, there were no people saying "I'm against it"; people were up for it right across the public and the third sector. It used a tool—the rapid rehousing transition plan tool—which required that every area had a plan and everybody would help account for its delivery, but people would need to design it for their own area based on the resources that they had there.

In ending homelessness together, we have something that maintains standards and has clear lines of accountability—we know who is in charge. There are challenges; it is not perfect. As was referenced earlier, some of the relationships are not where they need to be, but some of them are really good. We are part of that programme through the delivery of housing first in the Borders, and that relationship really works. You do not unpick the whole programme because some people didn't get it right.

That is an example of how to do co-design by beginning at the bottom, working up and then getting the legislation that is required. The Promise is another example. I urge the Government to ask whether we really need such structural change to sort out some specific issues, or whether we need to start where people are and build the right programme from there to get the cultural change that we know that we need. As I said earlier, the voice of lived experience tells us that we need a single electronic record, and we certainly need a human rights-based approach. Those are good things and we should not lose them, but we do not need to rebuild the whole thing to get to where we need to get to. That is the kind of approach to co-design that we should take.

Marie McNair: That is helpful. Does anyone else want to come in? I know that we are pushed for time, but we can get a few more comments in.

Ashley Campbell: Given that we are at the point where the bill has already been introduced, I will say that I appreciate the commitment to a co-design process.

I think that a lot of the concerns arise from the fact that there is not a lot of detail in the bill. I understand the argument that that can be developed down the line with more input from service users and people with lived experience, but I would like to see housing and homelessness organisations included, too.

It is difficult to sign up to a complete unknown. The committee will probably have heard this quite a lot through your evidence sessions, but it is difficult to see from the bill what it will look like in practice, so it is difficult for us to support the bill and say that it definitely presents the right course of action. As I said previously, it raises opportunities, and it would be a real missed opportunity if housing and homelessness were not integrated more centrally within the new structure, whatever that looks like. There are potential opportunities, but there are big risks as well, and those are where the concerns are coming from.

Marie McNair: Eileen, a number of councils have expressed concerns that, in the short to medium term, the bill

"risks making service delivery significantly worse".

What disruptions could arise as a result of the bill, and what can the Scottish Government do to allay fears?

Eileen McMullan: The committee has heard quite a lot about that today, but I would tend to agree that, because of the lack of detail in the bill at the moment, there is a lot of uncertainty about what is going to happen. It is not clear how that will improve the flexibility and the integration that is desired and that everybody wants.

In people's experience of setting up the IJBs, there was a feeling that there was a planning blight for a long time, as everybody was focused on what structural change was actually happening and people were not clear about who was going to be doing what, what their responsibilities were, and how they would be able to think about things such as, for example, the future of supported housing. I think that there is a real risk that we could face that again.

A couple of things are bubbling away at the moment. The "Coming Home Implementation" report that was commissioned by the Scottish Government, for example, talks about bringing lots of people with learning disabilities and complex needs back into their local areas. With the uncertainty over what is happening—again, there are risks around housing developments for that client group in particular—there are questions around how that is going to be funded, who will be in charge of running it and how will it be commissioned. There is a risk that all of those kinds of things will stop happening until we are clear about what the structures are going to look like.

That is a problem because there are many issues at the moment around the workforce, funding, and, as Yvette Burgess mentioned, commissioning. People have real concerns. For example, some people have contracts that might be ending. There are concerns that no one is clear about what to do, so no one does anything. That is a potential risk.

Marie McNair: I have seen that in practice, too. Do we have time to hear from anyone else, convener?

The Convener: Yes, if witnesses keep their answer brief.

Shea Moran: One of the main concerns that people have is the potential for further delays to the implementation of what are essential services. For example, in the local authority RRTPs we have seen renewed commitments to the implementation and expansion of housing first, and to the implementation of housing first for youth. One of the core principles of that is wraparound care, and not just housing. A complete restructure of all the care-based services

raises a lot of concerns about unnecessary delays to that or about the possibility that a complete redesign of any implementation of services that are essential to many people experiencing homelessness will be required. In particular, we have finally got commitments to housing first for youth, which has always been on a very small scale in Scotland and is very new. Any delays to the implementation of that by local authorities or possible expansion to new local authorities would be detrimental to many young people who are currently experiencing homelessness or who are at risk of it.

Marie McNair: Thank you.

The Convener: That concludes today's evidence session. Thank you all for coming. It has been good to get your perspectives on the situation in relation to housing and homelessness, and that has added another layer to the evidence. We will be taking further evidence on the National Care Service (Scotland) Bill at our next meeting on 15 November.

As we agreed at the start of the meeting, we will take the next two items on our agenda in private. We have no more public business today.

12:42

Meeting continued in private until 12:57.

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