

Health and Community Care

Counting the Cost of Choice and Control: Evidence for the costs of self-directed support in Scotland

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Self-directed support (SDS) allows people needing social care services to exercise greater choice and control over how they receive services and support. Under the forthcoming Social Care (Self-directed Support) (Scotland) Bill, local authorities in Scotland will be placed under a duty to offer service users a variety of options on how they can direct their own support. This project aimed to provide macro-level financial and economic evidence on the actual and potential costs, benefits and impacts of an increase in the uptake of SDS in Scotland.

Main Findings

- SDS has the potential to offer more choice and control over services with no significant rise in their cost. There were no significant differences in the hours of care received between direct payment (DP) users and those who receive standard social care services. On this basis it is predicted that there will be no significant rise in demand, or reduction in service, attributable to SDS. Fears about reduced services and increased costs associated with SDS are therefore unfounded;
- The use of DPs has resulted in more transparent costing methods for these kinds of social care services, which should translate into more transparent and fairer costing methods for all social care services in the future;
- The research found that there were significant variations between local authorities concerning the range and price of services available to users. Tackling some of these variations would make the costs of SDS more transparent, fairer and more equitable across Scotland;
- Unpredictable variations in the demand for services and changes in the amount local authorities are able to pay may make it difficult for some providers to effectively plan and deliver services;
- There may be costs associated with the new systems needed for SDS (e.g. new ways of invoicing users combining DPs and standard services), but these will not be significantly different from standard social care services and DPs;
- There were set-up and monitoring costs associated with DPs and SDS (e.g. checking that users were able to manage payments and supervise carers), but it is predicted that these will reduce over time as users gain more experience in managing their own care. It may be possible to see some long-term savings in care management costs as growing numbers of users become more experienced in using DPs and SDS;
- DP users and family carers were overwhelmingly positive about the benefits of DPs and it is likely that these benefits will also be felt by new users of SDS. However, they were concerned about managing the 'hidden' costs of DPs and the complexity of SDS (e.g. managing services from different providers). It is important that there is continued investment in support and advocacy;
- The total cost of providing social care services in Scotland will continue to rise: however, the analysis and modelling indicates that this is due to an increased demand for services rather than the result of a move towards SDS.

Introduction

The aim of this work was to provide macro-level financial and economic evidence on the potential costs, benefits and impacts of an increase in the uptake of SDS in Scotland. The findings from this work are intended to inform the SDS strategy and to provide evidence to help estimate the costs and benefits arising from proposals in the forthcoming Social Care (Self-directed Support) (Scotland) Bill.

Policy and practice of SDS

SDS in Scotland has the potential to deliver significant benefits in social care. These include better choice and control over services by users, better co-ordination of services across different sectors (including the public, private, and voluntary sectors, and family carers), improved cost effectiveness and efficiency of services.

However, there are also risks for service providers, front-line staff, service users and family carers associated with SDS. These include the potential destabilisation of services (Rummery, 2006), the potential exploitation of vulnerable users and workers (Witcher et al, 2000), the risks to users and family carers of coping with a breakdown in support, and the inequity across different user groups and locations caused by different eligibility criteria and uptake (Glendinning et al 2008, Leece and Leece, 2006).

SDS is being introduced at the same time as significant pressures on social care resources in Scotland. The eligibility for services is being tightened, and service charges are increasing in some local authorities. There is therefore an association in people's minds between SDS, reduced services and increased costs for users.

Uptake of SDS in the form of DPs has increased in Scotland from 207 users in 2001 to 4392 in 2011 with the sharpest rate of increase in recent years. The forthcoming Bill will place a duty on local authorities to offer service users options in directing their own support. These options include: receiving a DP; directing the available budget; receiving a local authority managed service (standard social care services); or a combination of these options.

Methods

The study firstly established the baseline and current position of SDS services in three local authorities. It then compared costs for SDS with those of standard services for a stratified sample of users controlled for user group and need level (n=265).

In all three local authorities, DPs were the only form of SDS identified with reliable data, therefore the data collected relates to DPs.

A postal survey gathered service users' views (n=59) on the value of their DPs, services purchased, other help and support received (paid and unpaid), costs associated with managing the DP and satisfaction with the DP.

Perspectives of local authority commissioners, service providers and a DP support organisation on the impact of increased uptake of SDS/DPS and costs associated with SDS were collected by means of interviews and a focus group. (Interviews: 22 participants, focus group: 8 participants).

A reference group comprising of users, carers and advisors also provided their views on the validity and reliability of the findings.

The data gathered in all elements of the study was used to model and predict the future costs associated with an increase in uptake of SDS services within those local authorities.

Findings

Issues for service commissioners

The full costs of providing SDS are difficult to predict. However, the experience of DPs shows that it is possible to develop transparent costing systems for individual users.

There were significant variations in costs, and the way these are calculated, across different user groups and different local authorities. More transparency about service costs may make the way services are costed simpler and fairer. However, greater transparency may also expose inequities across different groups and locations that may not be easy to address.

Respondents felt that commissioners, such as local authorities, are likely to continue to play an important role in safeguarding the quality and cost of care services. However, individual SDS users will be able to exercise their choice on service provision, and arguably be able to move contracts with providers, more quickly than local authorities.

In the view of local authority respondents (as care commissioners), the resources needed for SDS assessments and monitoring may increase initially, but they also felt these costs were likely to decrease over time as SDS becomes more mainstream and assessment, care management and costing systems develop. Evidence from comparisons between the two groups in the matched sample suggested that the resources and costs associated with SDS were not significantly greater than those associated with managing the provision of standard social care.

Issues for service providers

There was broad support for the aims of SDS, particularly around increased empowerment, choice and control offered to users. However, there were also concerns about the costs of providing flexible services, particularly the risk of investing in staff training and infrastructure if services are destabilised (e.g. by SDS users changing contracts at short notice).

Variations in pricing and the possibility of an unpredictable demand for services may make it difficult for some providers to effectively plan and deliver services.

There was a perceived danger of a ‘two tier’ social care system emerging, with (relatively unregulated) personal assistants (PAs) on the one hand, and (more regulated) workers for care agencies and local authorities on the other.

Issues for SDS users and carers

Although it is difficult to predict what the costs for users may be, there were concerns that some of the costs of the increased flexibility of SDS will fall on users and family carers (for example, managing the risks when paid carers fail to arrive as expected and navigating the complexity of different providers and different management systems). It is suggested that some of these risks could be offset if local authorities invest in independent advocacy and support organisations, to give users and family carers support in managing SDS.

DP users were overwhelmingly positive about the increased choice and control offered by DPs and SDS. The benefits of increased empowerment and flexibility were also experienced by family carers.

Future trends

Our research indicates that the relationship between an individual user’s needs and the costs of the support they receive is not clear. Higher needs do not necessarily mean costlier services, users may also be receiving unpaid care.

DP users were most likely to purchase services from a PA, and least likely to purchase local authority services. We predict that this pattern will continue under SDS.

Our study shows that there were no significant difference in the hours of care between DP users and those who receive standard local authority social care services. This suggests that a move to SDS will not result in a reduction in services, and that costs do not differ significantly between DPs and standard local authority social care services. Fears about reduced services and increased costs associated with SDS are therefore unfounded.

However, as SDS becomes mainstream, there are likely to be concerns about the market for care services if costs are driven up by new contractual forms, or by more SDS users opting to employ PAs rather than use services.

Our research and modelling indicates that the total costs of care will increase. However, these rising costs are due to increasing need for social care services in the population which result in part from the increasing number of older people, and the better health enjoyed by younger disabled people, and are not specific to SDS.

Our predictions on the costs of SDS are sensitive to the rate of expansion – e.g. the costs of employing PAs compared to ‘in-house’ (public, private or voluntary sector) carers. If these costs change, or if the types of choices SDS users make deviate significantly from the way they have used DPs in the past, our conclusions are likely to be less robust.

Conclusions

The expansion of SDS in Scotland is not uncontentious. The aspirations for improved empowerment, choice and control which drive the policy are broadly supported by all the stakeholders involved in this project. However, it is not yet clear that SDS can deliver all its promises, particularly in an era of resource constraints and significant pressures on social care budgets. This project highlighted concerns about the variation in costs across local authorities and different user groups, and uncertainties about

equity and fairness in delivering high quality, cost-effective social care services to individual users. There were concerns about where costs will fall, and what the impact of SDS will be on different sectors. Implementing SDS policy will require, to a certain extent, a ‘leap of faith’ for local authorities.

However, there was no evidence to suggest that SDS is more costly than other options for delivering social care services. Given the potential for increased empowerment, choice and control for users and family carers, that ‘leap of faith’ will, hopefully, prove justified.

References

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This document, along with full research report of the project, and further information about social and policy research commissioned and published on behalf of the Scottish Government, can be viewed on the Internet at: <http://www.scotland.gov.uk/socialresearch>. If you have any further queries about social research, please contact us at socialresearch@scotland.gsi.gov.uk or on 0131-244 7560.