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Press release

Strictly embargoed until 00:01, Friday 1 February 2008

Better planning and funding needed to sustain Scotland's free personal care policy

Free personal and nursing care (FPNC) needs to be better planned, managed and funded for it to continue to benefit older people in the future.

An Audit Scotland report published today, A review of free personal and nursing care, says demand for FPNC will grow with the projected increase in the older population in Scotland.

Scottish ministers decided to introduce FPNC in early 2001 and set the Scottish Executive and councils a challenging timetable for developing and implementing the policy. The Executive and all councils met this deadline and had systems in place to deliver FPNC from July 2002. The policy was introduced at the same time as several other significant changes in health and social care, making it difficult to isolate the impact of FPNC.

The Auditor General for Scotland, Robert W Black, said: "Free personal and nursing care is an important policy for older people in Scotland. It is well documented that Scotland has a growing older population, and demand for free personal care will grow. There needs to be better planning and better funding of this policy.

"Because of the limited information at the time the Scottish Parliament did not receive sufficiently robust and comprehensive financial information and risk assessments. The Parliament should require this as a matter of course to enable it to properly scrutinise all major policy proposals."

The report finds that continuing ambiguities in what constitutes free personal care mean the policy has been applied inconsistently across the country. For example, eight councils charge for food preparation, whereas others do not. Older people are often unclear about what they can receive under FPNC.

Accounts Commission chairman Professor John Baillie said: "The Scottish Executive and Scotland's councils were set a tight deadline for developing and implementing this policy. They were successful in doing so. However, there is variation across the country in how the policy has been implemented.

"Councils and the Scottish Government should work together as a matter of urgency to clarify the current ambiguities and ensure FPNC is consistently applied across Scotland. Councils should also provide clear information to older people about what care they are entitled to under the policy."

The total cost of FPNC in the first four years was an estimated £1.8 billion. Councils would have spent around £1.2 billion of this even if the policy had not been introduced, as older people were previously means-tested for free care. The report indicates that there is likely to be a growing shortfall in funding for FPNC. Working with the existing data Audit Scotland estimates this shortfall at £46 million or £63 million for 2005/06. However, there are continuing limitations in the available financial information about FPNC, and no long-term projections of the costs.

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Notes to editors

1. All Audit Scotland reports published since 2000 can be found on Audit Scotland's website <u>www.audit-scotland.gov.uk</u>

- 2. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. Audit Scotland has prepared this report jointly for the Auditor General for Scotland and the Accounts Commission for Scotland:
 - The Auditor General is responsible for securing the audit of the Scottish Government and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament.
 - The Accounts Commission for Scotland was set up in 1975 and is independent of both central and local government. The commission checks whether local authorities, fire and police boards spend £9 billion of public money properly and effectively.