



The professional association for
social work and social workers

Money and Power:

How does social work in Scotland work and how is it paid for?

Contents

Introduction	2
Scottish Parliament	3
Scottish Government	4
OCSWA: The social work function in Scottish Government.....	4
Local Authorities	4
The Chief Social Work Officer	5
NHS Boards	6
Integration	6
Funding for social work.....	10
Setting the Budget	11
Trades Unions and Professional Associations.....	12
Why is this important?.....	12
Useful Websites	14

Introduction

This is a paper aimed primarily at social workers at the beginning of their careers and social work students in Scotland. It sets out to explain how Scotland's social work system is governed and financed, and how social workers might influence these systems for the benefit of the people they support. People who are not social workers and who may not know much about the profession may find the SPICe¹ briefing about the functions of social work helpful.

This description of the political and policy background will help social workers and students to understand how decisions are made, how public finance works and how these crucial aspects affect the everyday work of social workers. If you need more detail, please refer to the [useful websites](#) section at the end of this paper.

Social work is a profession rooted in human rights and values that empower individuals and communities to live the best life that they can. Social workers must often balance diverse sets of rights, including identifying and managing risk to themselves and to others. This requires robust assessment, positive relationships, good judgement, negotiation, and contextual knowledge. Local authorities have powers to intervene in people's lives in particular circumstances and social workers are usually the lead professional taking decisions or providing expert advice to others in these situations.

The statutory framework for social work services spans a range of legislative and policy areas. The foundational Social Work (Scotland) Act 1968 placed the responsibility for social work within Local Authorities which has shaped the way that social work as a profession is practised in Scotland today. Social work has evolved since then to improve outcomes for people through personalisation, integration, self-directed support and more.² Social work exists in a complex organisational environment that includes Local Authorities, integration authorities, health organisations and the third sector.

Further changes are on the horizon with the Scottish Government presenting a National Care Service (NCS) Bill to the Scottish Parliament. The original NCS Bill laid before Parliament in 2022 proposed changing the way community health, social work and social care services are delivered by transferring responsibility for these services from the 32 Local Authorities to one national body. In June of 2023, the Scottish Government and the Local Authorities' representative, COSLA, agreed that all staff who could potentially be part of the NCS will remain employed by local authorities. This is a radical change from the original bill and significantly changes the structural options for the NCS from the initial thinking. We await further information from the Scottish Government on amendments likely to result from this agreement. The Scottish Association of Social Workers (SASW) will look closely at the potential impacts these may have on social work.

¹ [Social Work in Scotland | Scottish Parliament](#)

² [Struggling-to-Care.pdf \(commonweal.scot\)](#)

Scottish Parliament

The Scottish Parliament was created by The Scottish Parliament Act (1998). The act devolved legislative responsibility from the UK Parliament to the Scottish Parliament for: agriculture, forestry and fishing, education and training, environment, health and social services, housing, law and order, local government, sport and arts, tourism and economic development, some areas of taxation such as income tax, and parts of transport policy. These areas are often referred to as *not reserved* or **devolved**. **Reserved** matters remain within the powers of the UK parliament. These include defence, foreign policy, immigration, international trade and international development, and the constitution.

The Scottish Parliament consists of members (Members of the Scottish Parliament, or MSPs) who are elected every 5 years. There are 129 seats in the Scottish Parliament and the number of seats by party as of September 2023 are: SNP (64), Conservative (31), Labour (21), Green (8), Liberal Democrat (4).

Parliament's primary role is to propose, consider and amend proposed legislation. MSPs begin the scrutiny and amendment of legislation when bills are first introduced to Parliament. Bills then progress through three stages before they can become law. When a bill is passed by Scottish Parliament it is then presented to the King for Royal Assent. Only at this stage does it become a law.³

After a bill is introduced, it moves on to Stage 1 where the lead committee examines the Bill and parliament debates its general principles.

In Stage 2 the Lead Committee and Parliament examine the Bill in more detail, consider amendments (changes) and vote on whether it should proceed.

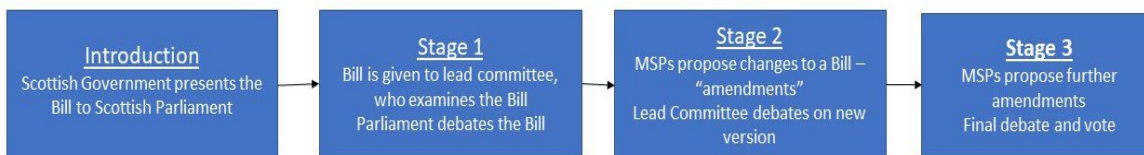


Figure 1 - Legislative process in Scottish Parliament

Stage 3 is the final point where amendments can be considered before a bill goes forward to its final parliamentary debate and vote.

Parliament is a separate body from the Scottish Government and performs a secondary but equally important role of scrutinising government policies through debates, parliamentary questions, and by the work of committees. The Scottish Parliament uses a committee system, acting as a check and balance to power, and alternative to a second chamber.

³ [How a Bill becomes an Act | Scottish Parliament Website](#)

Scottish Government

The Scottish Government develops national strategies and consultations through working groups of key professionals and subject matter experts (SMEs), and works with Local Authorities, the NHS, Integration Authorities and others to ensure that national policy and local priorities align.

National strategies, frameworks, and legislation are implemented by the responsible organisations such as the NHS and Local Authorities.

These processes create the policy and financial framework for local public services including social work.

OCSWA: The social work function in Scottish Government

The Office of the Chief Social Work Adviser (OCSWA) is a department of the Scottish Government that provides advice to Scottish Ministers and other Scottish Government departments on social work and social care matters. It has a lead role in crafting policy and procedures that govern social workers. For example, OCSWA leads on the Scottish Government's response to the Independent Review to Adult Social Care (the Feeley Review), The Promise and Getting it Right for Every Child (GIRFEC).⁴ The Chief Social Work Adviser at the time of writing is Iona Colvin.

Local Authorities

Local Authorities are responsible for providing most public services in their geographic areas. There are 32 Local Authorities in Scotland, each governed by a council. The councils are part of the representative democracy system. Citizens views and wishes are represented by councillors who are elected to the local authority every 5 years.

When councils are formed the majority party or coalition proposes a *civic lead*, often designated *convener* or *Provost*, and a *Leader of the Council*, who jointly form the council administration. Whilst this is a convention across Scotland, the Leader of the Council has no statutory or executive powers.⁵

There are three layers of decision making in local government:

- Full council – sets the annual budget and annual rate of council tax that can only be approved by a full council.
- Committees – The full council can delegate powers to make decisions to committees and sub-committees. Individual councils make their own arrangements and guidance for this, normally within their standing orders.⁶ Social work responsibilities are often shared across committees with responsibility for children, adult social care, partnership planning, and health and social care integration.

⁴ [Chief Social Work Adviser - gov.scot \(www.gov.scot\)](http://www.gov.scot)

⁵ <https://www.legislation.gov.uk/ssi/2007/183/made>

⁶E.g., <https://www.glasgow.gov.uk/CHttpHandler.ashx?id=6616&p=0>

- Officers – Decision-making can also be delegated to officers (an individual appointed by a council under Section 64 of the Local Government (Scotland) Act 1973). Each local authority provides their own guidance for those officers.

The Convention of Scottish Local Authorities (COSLA) is a councillor-led organisation with representation from all political parties which represents all Local Authorities in Scotland, particularly in negotiations with Scottish Government or collective bargaining with unions. COSLA also liaises with public sector unions via a joint consultative committee or forum with the recognised unions who advocate for their members who are employees of the Councils. The name of the committee varies from council to council.

In addition to COSLA, the Society of Local Authority Chief Executives and Senior Managers (SOLACE) represents public sector leaders, such as council Chief Executives, in national negotiations or consultations.

The Chief Social Work Officer

The Chief Social Work Officer (CSWO) is a statutory position in each Local Authority established by the Social Work (Scotland) Act 1968. CSWOs are responsible for the strategic and professional leadership of social work services and *'the provision of appropriate professional advice in the discharge of local authorities' statutory social work duties*⁷ within their area.

CSWOs are the professional lead within the council for social work, working to national standards.⁸ They are responsible for the standard of practice learning, the promotion of evidence driven best practice, the integrity of social work as a profession and report to the council on social work matters as required. Most CSWOs also have an operational portfolio, often in children's services.

CSWOs have a key role in the management and resolution of complex issues, and modelling, maintaining, and promoting professional standards. They provide strategic and operational advice across the full range of social work services and play a primary role in managing risk.

CSWOs have a role in Integration Joint Boards (IJBs) as non-voting members. They represent social work views and provide advice.⁹ CSWOs are accountable to their local authority Chief Executive, elected members and to IJBs. They are responsible for identifying and responding to issues and factors that might impact social work service delivery.¹⁰ CSWOs produce an annual report describing how they have performed in their role and how social work has delivered strategic and operational

⁷ <https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2010/01/role-chief-social-work-officer-principles-requirements-guidance-pursuant-section-5-1-social-work-scotland-act-1968/documents/0093741-pdf/0093741-pdf/govscot%3Adocument/0093741.pdf>

⁸ [Standards for Chief Social Work Officers](#)

⁹ [The Chief Social Work Officer Role - The role of the Chief Social Work Officer - gov.scot \(www.gov.scot\)](#)

¹⁰ [The Role of Chief Social Work Officer: Guidance Issued By Scottish Ministers: Pursuant to Section 5\(1\) of the Social Work \(Scotland\) Act 1968 \(socialworkscotland.org\)](#)

outcomes in their Local Authority.¹¹ There is a list of current Chief Social Work Officers on the Social Work Scotland website.¹²

NHS Boards

National Health Service (NHS) Boards are the legally responsible bodies for planning, commissioning, and delivering all public health services in Scotland. There are 14 geographic NHS Boards in Scotland, providing primary care services (e.g., GPs, dentists, community pharmacists and opticians), secondary care (e.g., hospital-based services), and specialist tertiary care services (e.g., disease specific treatment and diagnostic services).

NHS Boards and Local Authorities collaborate through health and social care partnerships (HSCPs), to provide integrated health and social care services.

A further 8 non-geographic NHS Boards provide specialist, national services including, for example, the Scottish Ambulance Service (SAS), NHS Education for Scotland (NES), and NHS 24. They support all geographic NHS services as well as providing training and workforce planning.

Integration

The Public Bodies (Joint Working) (Scotland) Act 2014 is the legislation that gave the Scottish government powers to integrate health, social work and social care.

Before 2014, health and social care voluntarily worked together through local health care cooperatives (LHCCs from 1999-2005) and Community Health Partnerships (CHPs from 2005-2015), normally within the same geographic boundaries as local authority areas.

The 2014 Act created 31 Integration Authorities (IAs), which are partnerships between the 14 regional health boards and 32 local authorities, to combine systems and resources across NHS, Social Care¹³ and Social Work.¹⁴ The intention is to deliver coordinated health and social care as a single joint enterprise. The IAs are intended to create clear lines of accountability and responsibility to the general public and a consistent approach to service delivery across health, social work and social care.

Integration Authorities are responsible for planning, designing, and commissioning services from a single consolidated budget. Their purpose is to ensure that health and social care resources deliver seamless services to citizens and, where necessary, to reallocate health and social care resources to where they are needed.

¹¹ <https://www.iriss.org.uk/resources/reports/chief-social-work-officers-annual-report-summary-2021-2022>

¹² [Chief Social Work Officer Committee \(CSWO\) - Social Work Scotland](#)

¹³ For example personal care at home or social support provided by SSSC registered social care workers, normally with or working towards an SVQ at SCQF levels 6-9

¹⁴ [Health and Social Care Scotland | About Integration \(hscscotland.scot\)](#)

Map of integration authorities

There are 31 IAs, established through partnerships between the 14 NHS boards and 32 councils in Scotland

The size of IAs varies depending on council boundaries. Most NHS boards have two or more IAs within their boundary, but there is a range from a single IA to six. Variations include:

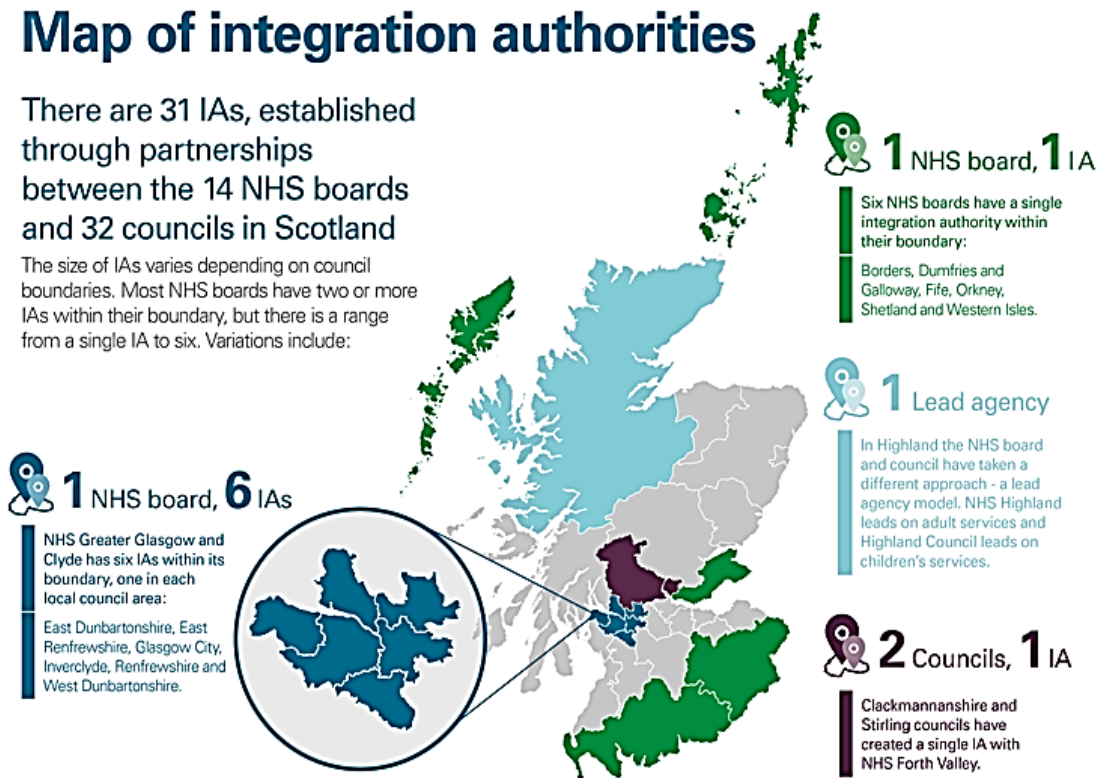


Figure 2 - Map of integration authorities (source: Audit Scotland)¹⁵

- IAs are responsible for planning and commissioning all aspects of adult social care delivered by Health and Social Care Partnerships
- The 31 IAs manage around £9 billion of health and social care resources.¹⁶ There are 30 Integration Joint Boards governing Health and Social Care Partnerships (HSCPs) as the joint delivery organisations.
- Clackmannanshire and Stirling councils have combined to form a single joint integration authority.
- Highland is the only Local Authority to follow the “lead agency” approach. In this case all children’s services are delivered through the local authority and all adult services through the NHS.

¹⁵ [What is integration? A short guide to integration of health and social care services in Scotland \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/what-is-integration/)

¹⁶ <https://hscscotland.scot/integration/>

How integration authorities are structured

IAs can be structured in two ways, either through establishing an 'Integration Joint Board' or a 'Lead agency'.

Whichever model is chosen, the underlying objective remains the same. The IA is expected to plan and deliver services that provide care for individuals in their community or in a homely setting and avoid unnecessary admissions to hospital.

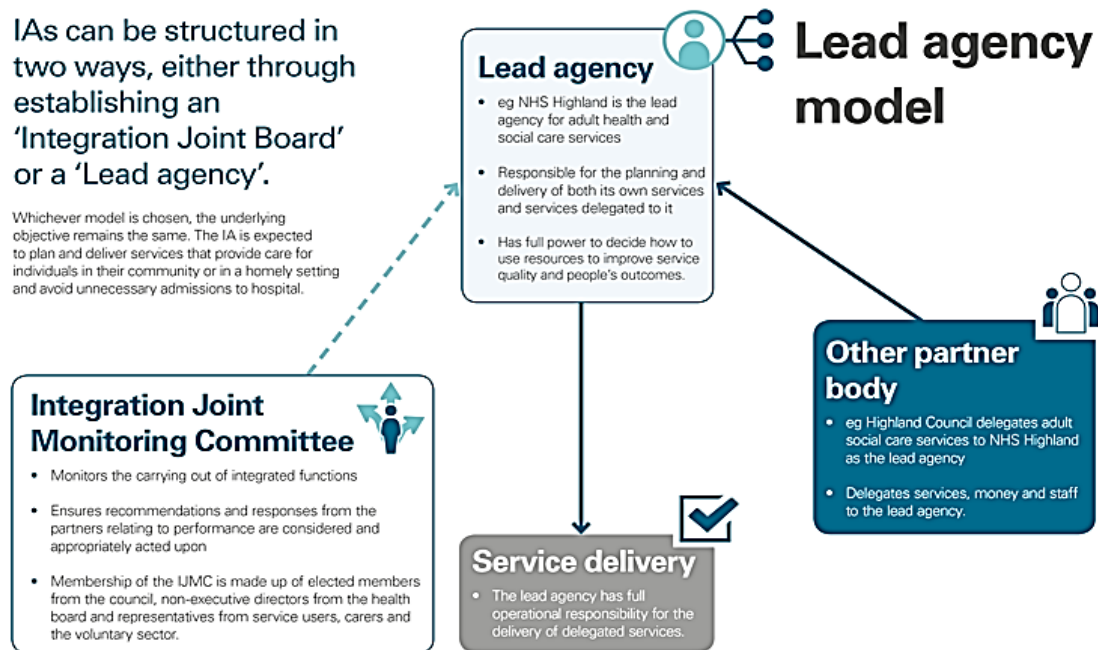


Figure 3 -Lead Agency Model¹⁷

Each IA has a formal arrangement, or scheme of delegation, defining which services will be delivered through the integrated system. All schemes of delegation currently include adult social services, primary and community health care and unscheduled/emergency hospital care.

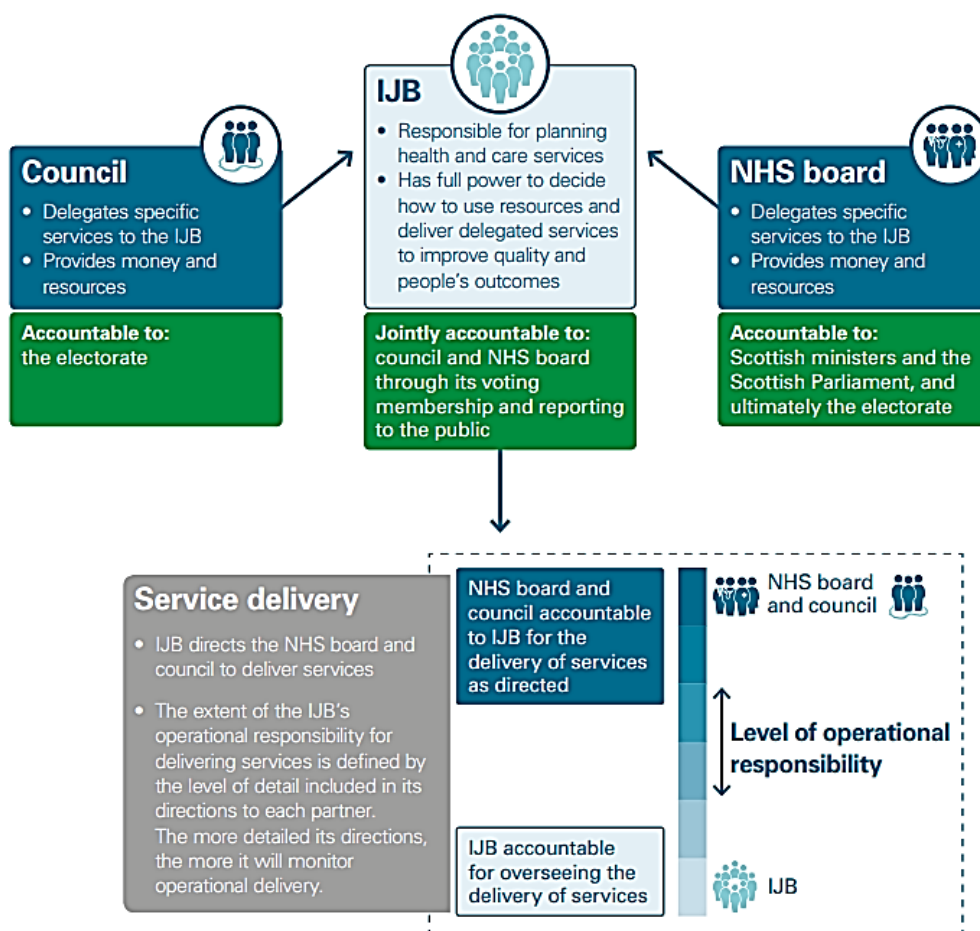
- 19 IAs have full responsibility through delegation for children's health services. The remaining IAs have responsibility for some aspects of children's health which vary from one IA to another.
- In some authorities, justice social work is delegated.
- In some authorities, children's social services are delegated.

Integrated Joint Boards consist of voting members including councillors, members of the regional NHS Board (who are appointed by Ministers), and non-voting members such as professional representatives, community, and staff representatives.

¹⁷ [What is integration? A short guide to the integration of health and social care services in Scotland | Audit Scotland \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/what-is-integration/)

Integration Joint Boards

There are 30 Integration Joint Boards across Scotland.



Source: Audit Scotland

Figure 4 - IJB structures (source: Audit Scotland)¹⁸

IJBs are required to establish a strategic planning group which sets out how services will be commissioned, resourced, and delivered. This strategic planning group also develops and reviews the IJB's strategic plan at least every three years.

Strategic planning groups must include at least one person nominated by the NHS Board and at least one person nominated by the Local Authority. They must also include 'such groups of persons appearing to the Scottish Ministers to have an interest'.¹⁹ This is open to interpretation but normally means:

- People entitled to or receiving health and social care,
- Unpaid carers,
- Commercial and non-commercial healthcare providers,
- Health and social care professionals,

¹⁸ [Health and social care integration: Update on progress \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/health-social-care-integration-update-progress)

¹⁹ Public Bodies (Joint Working) (Scotland) Act 2014 32(2)

- Social housing providers and/or,
- Third sector bodies.

Where the IA has been formed using the Lead Agency model, the Integration Joint Monitoring Committee (IJMC) has the overall responsibility for the IA. The IJMC has the same functions as the IJB; however, membership and Chair arrangements are slightly different reflecting the different responsibilities held by each lead agency.

Despite these legislative and structural changes, achieving fully integrated health and social care services remains a challenge.²⁰ Budget restrictions since 2008 have made sharing continuously reducing resources difficult. This has in turn negatively impacted the services delivered and outcomes for supported people, particularly in preventative and early intervention for both health and social care needs.²¹

Funding for social work

Scottish NHS Boards and Local Authorities are primarily funded directly by the Scottish Government through the block grant from the UK Government and money raised through Scottish taxation. Health, social work and social care funding accounts for 59% of all public sector spending. The remaining 41% is controlled by the UK Government under reserved powers.²²

The Scottish Government receives most of its funding from the UK Government as part of the annual budget process. This is often referred to as ‘the Barnett Formula’ or ‘Barnet Consequentials’.

The Barnett Consequential is a block grant formula that is used to set expenditure across the devolved UK governments. The formula sets an allocation of available funds per capita to England and each of the devolved nations. This is regularly reviewed and uplifted when appropriate. There is no *ring fence* applied to this funding. This means that there are no restrictions on how the devolved administrations use the funding such that they allocate funding according to their own priorities.

The block grant has been adjusted in recent years to reflect changes in devolution. This is designed to ensure that neither the UK government nor the devolved administrations are negatively impacted by the transfer of power to the devolved nations²³.



²⁰ [Health and Social Care Scotland | About Integration \(hscscotland.scot\)](https://www.healthscotland.scot.nhs.uk/about-integration/)

²¹ [Integration Joint Boards: Financial analysis 2021/22 Financial analysis 2021/22 \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/integration-joint-boards-financial-analysis-2021-22/)

²² <https://www.deliveringforscotland.gov.uk/scotland-in-the-uk/public-spending/>

²³ [Block grant adjustments - Fiscal framework: factsheet - gov.scot \(www.gov.scot\)](https://www.gov.scot/block-grant-adjustments-fiscal-framework-factsheet/)

Figure 3 – an allocation based on the Barnett Consequential (Fraser of Allander Institute)²⁴

The Barnett Formula is often considered to lead to higher spending in the devolved nations than England, although, this is also disputed²⁵. This formula is also increasingly contested as it does not take account of the impact of industrial decline and deprivation nor the consequential national or local service needs in Scotland. Lord Barnett himself, the designer of the formula, said that this was a temporary solution to balance government allocations and recommended that it “*be scrapped*”.²⁶ A public debate about replacing this formula with a needs-based resource allocation formula is ongoing. There is a needs-based factor for Wales which was recently introduced, those interested can see more [here](#).

The Scottish Government has powers to generate income through devolved taxes such as the Scottish rate of income tax, value added tax, corporation tax and North Sea oil revenue. This normally accounts for roughly 40% of the annual budget. However, this figure fluctuates depending on the number of people subject to income tax, the health of the economy and global oil prices. The Scottish Fiscal Commission takes these fluctuations into account when it produces annual tax forecasts which informs the national budget. However economic changes within a tax year will influence the revenue by tax, either increasing or reducing the ‘tax take’ and therefore available finance, in year, for the Government.

Setting the Budget

The Scottish Government sets a budget annually for the spending priorities for the following year. The Scottish Parliament then votes on whether to accept or amend the proposed budget. The annual budget has allocations for health and social work/care services. Funding for the Scottish health services, devolved via the Barnett Formula, is distributed by government to NHS Boards. Similarly social work and social care allocations are distributed to the local authorities.

Unlike NHS Boards or Local Authorities, Integration Authorities cannot directly employ anyone other than the Chief Officer and the Chief Finance Officer because they do not hold their own budgets. IAs are funded by contributions from both the relevant Local Authority and the relevant NHS Board informed by the IA’s annual plan.

Over 80% of Local Authority net budgets are set by the Scottish Government through the General Revenue Grant,²⁷ Non-Domestic Rates Income,²⁸ and additional specific service grants made available in year. Less than 20% of local funding comes from Council Tax, the only tax set by local authorities.²⁹

²⁴ [Scottish Budget Guide | FAI \(fraserofallander.org\)](#)

²⁵ [Barnett formula | Institute for Government](#)

²⁶ [BBC News - Devolution: What's the Barnett formula?](#)

²⁷ <https://www.gov.scot/policies/local-government/local-government-revenue/>

²⁸ <https://www.gov.scot/publications/non-domestic-rates-income-statistics/>

²⁹ [Local government finance - Scottish Public Finance Manual - gov.scot \(www.gov.scot\)](#)

Where it makes sense to consolidate services across more than one local authority and NHS Board, Local Authorities may also receive some funding contributions from NHS Boards for non-IJB services and other Local Authorities to deliver services across local authority boundaries.

Funding social work services

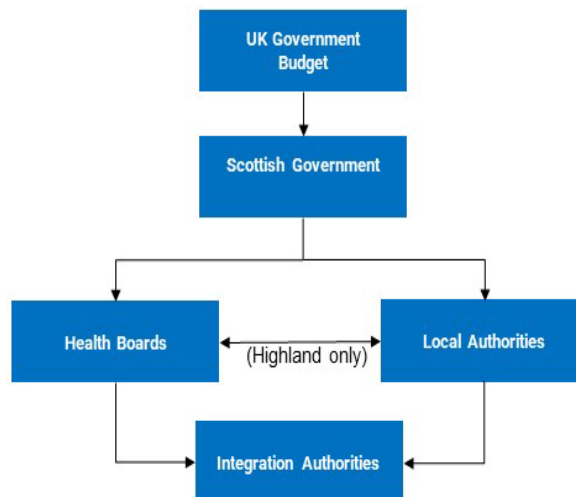


Figure 4 - Processes of funding social work services

Trades Unions and Professional Associations

Trades unions play an important role in representing workers who are in dispute with their employer, negotiating terms and conditions and collective bargaining across the professions. They represent staff on IJBs as non-voting members.

Whilst the Social Workers Union (SWU) is specifically for social workers, they are often members of generic local authority unions such as UNISON, the GMB, etc.

Professional associations, such as the Scottish Association of Social Workers (SASW)³⁰ and Social Work Scotland (SWS), have a very different role to unions; lobbying and representing the needs, values, and opinions of our members to Government to influence national and local government policy.

Why is this important?

The policy and structural landscape around social work is complicated, but we need to understand this environment in order to contribute effectively to local and national discussions about how our profession should operate. Being able to navigate the

³⁰ The Scottish national body of the British Association of Social Workers (BASW)

social work policy landscape means we are better able to target our advice and professional insights to the places it will be most influential. As SASW continues to represent the voices of social workers across Scotland, we are committed to providing insight, information, and deeper understanding of the factors at play and to ensuring our members feel confident in contributing to national debate.

If you want to know more about how to get involved, get in touch with us at scotland@basw.co.uk.

Useful Websites

- How a bill becomes statute: <https://www.parliament.scot/bills-and-laws/about-bills/how-a-bill-becomes-an-act>
- Scottish Parliament research briefings: <https://digitalpublications.parliament.scot/ResearchBriefings/>
- Commonweal thinktank: <https://commonweal.scot/>
- Health and Social Care Scotland: <https://hscscotland.scot/>
- Audit Scotland Guide to Integration: https://www.audit-scotland.gov.uk/uploads/docs/report/2018/briefing_180412_integration.pdf
- SSSC Standards for CSWO's; <https://socialworkscotland.org/wp-content/uploads/2018/01/TheStandardforChiefSocialWorkOfficers.pdf>
- SASW: <https://www.basw.co.uk/what-we-do/around-uk/scotland>
- SWS: <https://socialworkscotland.org/>
- COSLA: <https://www.cosla.gov.uk/>
- SOLACE: <https://solace.org.uk/>
- Fraser of Allender Budget Guide: <https://fraserofallender.org/scottish-budget-guide/>
- SWU: <https://swu-union.org.uk/>
- Members of the Scottish Parliament: <https://www.parliament.scot/msps>
- Being a local councillor: <https://www.localcouncillor.scot/>