1. I have received the audited accounts of the Scottish Commission for the Regulation of Care for the year ended 31 March 2004. The auditor has given a clean audit certificate on the accounts but I have decided to issue this report on the accounts.

2. I submit these accounts and the auditor's report in terms of sub-section 22(4) of the Public Finance and Accountability (Scotland) Act 2000, together with this report which I have prepared under sub-section 22(3) of the Act.

3. Under the Regulation of Care (Scotland) Act 2001 (the Care Act), the Scottish Commission for the Regulation of Care (the Care Commission) is responsible for furthering improvement in the quality of care services, including housing support services, provided in Scotland. All providers of housing support services were required under the Care Act to apply to the Care Commission by 1 October 2003 for registration of any services that required to be registered. Because these services are multiple and complex, agreement was needed with individual service providers (including local authorities) to determine the number of applications for registration they required to make.

4. The Care Commission, therefore, adopted a two stage approach to the registration process. By 1 October 2003, however, the first stage discussions had not proceeded far enough to enable it to invite service providers to submit applications. Consequently, no valid applications were made before that date. As a result of this and the requirements of the Housing (Scotland) Act 2001, expenditure by local authorities funded by Supporting People grant since 1 October 2003 in respect of registrable housing support services is not in compliance with the statutory requirement.

5. The problem was recognised in May 2004 and the Scottish Executive has taken steps to amend the relevant legislation. As at 3 December 2004, the Care Commission has registered 1,210 out of 1,284 valid applications received.

6. I refer to my report, also prepared under sub-section 22(3) of the Act, on the 2003/04 audit of the Scottish Executive Consolidated Resource Accounts where this issue is considered in more detail.

ROBERT W BLACK
Auditor General for Scotland
13 December 2004