

SUPERVISING PRIVATE SOCIAL SERVICES

Private social services are a significant part of the social security system. In 2002 about one-fourth of social services were produced privately, the cost of private social services amounted to about 1.2 billion euros and nearly 65,000 persons were employed by private social service providers in Finland. That same year local authorities purchased over 700 million euros worth of private social services, with the state supplying about 33 % of this in grants.

Supervising private social services is regulated by a special Act according to which the state provincial offices and local authorities are responsible for this task. Emphasis has been placed on supervising private social services because social services - for instance services for children and young people, the disabled, the elderly or substance abusers - are most often supplied to people who are in a weaker position when it comes to demanding their rights.

The audit evaluated how well the state and local authorities have succeeded in supervising private social services. The main question was whether the system used in supervising private social services can adequately ensure that privately produced services comply with regulations. With regard to the supervision system the audit looked at the legislation, the organization of supervision and the division of labour, the direction and planning of supervision, and resources, criteria and the information system used in supervision. With regard to execution the audit evaluated the procedures used by the state provincial offices and local authorities in supervising private social services. A supplementary question was how well supervision and guidance support each other and whether information collected in supervision work has been used to support guidance.

The audit indicated that the supervision system can mostly ensure that privately produced services comply with regulations. The supervision framework is not always sturdy, however. The openness of key legislative concepts to

to interpretation along with the vague nature of criteria have caused a lack of clarity in the division of labour among supervising authorities and in practical supervision work. National guidance of supervision work has been lacking, nor have the ministry and the state provincial offices systematically supported local authorities in developing supervision models and carrying out supervision work. Moreover planning supervision has not been given much attention by the state provincial offices and local authorities. The state provincial offices' resources are quite small in relation to the amount of supervision that is required. The information system used in supervision has not worked satisfactorily.

Supervision has been carried out better than one might expect, given the framework. Local authorities and state provincial offices maintain passable contacts with service providers, using a variety of means and forms of cooperation in collecting information and in actual supervision work. The supervision system is not systematic and comprehensive, however. Instead supervision mainly focuses on local authorities' outsourcing partners and new licensed service providers. Furthermore, the inspections conducted by the state provincial offices do not adequately cover supervision needs. The use of information for guidance purposes, which is emphasized in the Act on Supervising Private Social Services, has not received much weight in supervising authorities' work. Information collected in supervision work has not been used to support guidance. Models have not been created for guiding and advising service providers and few local authorities have systematic procedures for arranging advice or training.

The problems that were observed in the supervision framework apparently reflect broader challenges that face the entire administrative sector under the Ministry of Social Affairs and Health. There is no guiding and coordinating body in this sector that could take charge of national guidance and coordination with regard to supervising private social services. Guidance by the state provincial offices in the sector is hampered by the fact that financial control takes place through the Ministry of the Interior rather than the Ministry of Social Affairs and Health. Developing the

use of information for guidance purposes in the sector is still under way, and using information for guidance purposes has not been made an effective tool.

On the basis of the audit the State Audit Office has presented a number of recommendations to the Ministry of Social Affairs and Health as to how supervising private social services should be developed.