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Health and Sport Committee

Tuesday 16 February 2021

Session 5

The Scottish Parliament
Pàrlamaid na h-Alba

Tuesday 16 February 2021

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HEALTH AND SPORT COMMITTEE

6th Meeting 2021, Session 5

CONVENER

*Lewis Macdonald (North East Scotland) (Lab)

DEPUTY CONVENER

*Emma Harper (South Scotland) (SNP)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)
*Donald Cameron (Highlands and Islands) (Con)
Alex Cole-Hamilton (Edinburgh Western) (LD)
*David Stewart (Highlands and Islands) (Lab)
*David Torrance (Kirkcaldy) (SNP)
*Sandra White (Glasgow Kelvin) (SNP)
*Brian Whittle (South Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Jeane Freeman (Cabinet Secretary for Health and Sport)
Richard McCallum (Scottish Government)

CLERK TO THE COMMITTEE

David Cullum

LOCATION

Virtual Meeting

Scottish Parliament

Health and Sport Committee

Tuesday 16 February 2021

[The Convener opened the meeting at 11:00]

Subordinate Legislation

General Pharmaceutical Council (Coronavirus) (Amendment) Rules Order of Council 2021 (SI 2021/26)

The Convener (Lewis Macdonald): Good morning, and welcome to the sixth meeting in 2021 of the Health and Sport Committee. We have received apologies from Alex Cole-Hamilton.

I ask all members and witnesses to ensure that their mobile phones are in silent mode, and that all notifications are turned off during the meeting.

The first item on our agenda is consideration of two statutory instruments that have been laid before the Scottish Parliament and both Houses of Parliament at Westminster by the Privy Council. The instruments are subject to the negative procedure.

The first instrument that we will consider today is an order of the Privy Council that approves rules that were made by the General Pharmaceutical Council and will come into force on 4 March 2021.

No members have comments to make on the order. Do members agree that we will make no recommendations on the order?

Members *indicated agreement.*

Health and Care Professions Council (Coronavirus) (Amendment) Rules Order of Council 2021 (SI 2021/27)

The Convener: The second instrument is also an order of the Privy Council, which approves rules that were made by the Health and Care Professions Council, and will come into force on 4 March.

The instrument was drawn to our attention by the Delegated Powers and Law Reform Committee, which wrote to the Scottish Government to highlight what appeared to be an error in drafting in the schedule to the order. The Scottish Government acknowledged that there had been an error and confirmed that the United Kingdom Government will produce a new order in council to correct the position, ahead of the instrument coming into force, which the DPLR Committee welcomed.

The instrument that we are considering today has not been withdrawn, but will be superseded by a new order.

Do members agree that the committee will make no recommendations on the order?

Members *indicated agreement.*

Budget Scrutiny 2021-22

11:02

The Convener: Agenda item 2 is consideration of the Scottish Government's budget 2021-22, and is a continuation of the evidence taking that we started at last week's meeting. I welcome back to the committee Jeane Freeman, the Cabinet Secretary for Health and Sport, and Richard McCallum, who is interim director of health finance and governance at the Scottish Government.

Thank you for joining us again today. As everyone knows, our pre-budget report was published last November in order to provide the Scottish Government with time to consider our recommendations ahead of its forthcoming budget for 2021-22. The Government's response to our report was received on Monday 8 February 2021, so we have had the opportunity to consider it further.

We move directly to questions. When will boards be notified of any further Covid-related funding for the current financial year, and when will Covid funding for 2021-22 be allocated to national health service boards?

The Cabinet Secretary for Health and Sport (Jeane Freeman): Thank you, and good morning. Richard McCallum can deal with the current position. With regard to the future position, boards are currently working through their mobilisation plans—the third iteration of the mobilisation plans, as we seek to get through the pandemic. They are considering how they intend to deal with the backlog of non-Covid healthcare that has inevitably accumulated because of the response to the pandemic across the whole sector. That includes primary care and work with partners in social care. The work will take account of current pressures on the workforce and the consequences of those pressures.

Staff have been working under considerable pressure and at a considerable pace for about 11 months now. We need to factor that in to the planning, so it will come through in the mobilisation plans. We have asked boards to get the plans to us by the end of this month. They will give us an indication of intent—which we will discuss with the boards—what financial resourcing is required and where there are continuing Covid pressures with which they need to deal.

Some of the national Covid pressures will flow through into the next financial year. For example, personal protective equipment, testing and the vaccination programme are dealt with nationally, but I am sure that boards will want to highlight to us the additional pressures that will continue. We will factor in all those pressures, then discuss with boards and their finance directors their Covid requirement over and above what is currently in the draft budget.

On the current financial year, I know that following distribution of the first tranche of money to meet boards' Covid pressures, Richard McCallum led detailed discussions with them. He can update the committee on where we are.

Richard McCallum (Scottish Government): As the cabinet secretary said, we have allocated two significant tranches of funding. The first allocation of £1.1 billion was made at the end of September, and just over a week ago we followed that up with a further £600 million for health boards and integration joint boards. Therefore, the—[*Inaudible*.]—funding has now been allocated to boards. We expect that that will, by and large, be the full additional requirement for Covid costs in 2020-21.

There might be some additional costs that are still to come through, in particular in relation to live programmes of work such as vaccination and test and protect. We have a couple of other opportunities before the year end—at the start of March and the start of April—to make final allocation adjustments. However, I think that they will be much smaller—not in the billions that we have been talking about that have already been allocated.

The Convener: Thank you. I will also ask about additional funding for running Covid hubs by general practitioners. Over and above the bank-holiday working costs, which we have seen, is it possible to identify figures for hub funding? We have not seen any figures or details of any offset that has resulted from cessation of services at GP clinics during the pandemic. Richard—are you able to help on that point?

Richard McCallum: We have a breakdown of the full £1.7 billion, and we have allocated an additional £77.7 million to primary care over the course of 2020-21. That included costs for community hubs and other additional costs—additional funding specifically for community hubs is contained in the £77.7 million that has been allocated. As I said, that is additional funding as part of our Covid response.

The Convener: It would be helpful if the committee was able to see that information in a little more detail, if that is feasible.

David Stewart (Highlands and Islands) (Lab): Good morning, cabinet secretary and Mr McCallum. How does the Scottish Government plan to use the initial allocation of £869 million of Covid-related funding for 2021-22?

Jeane Freeman: There are a number of carried-forward pressures in relation to the

vaccination programme, test and protect and PPE. Richard McCallum can give you additional detail on that.

Richard McCallum: In many ways, that question links to the first one. We will undertake, with boards, a detailed review of their remobilisation plans in March, after we have received them at the end of February. As the cabinet secretary said, a significant part of the costs will be associated with our vaccination, test and protect and PPE programmes, but we will also use some funding to continue remobilisation of the NHS, which is very much dependent on the form in which the pandemic continues. There will be specific funding to support health boards' remobilisation plans, which will become clearer once we have carried out detailed assessments with the boards.

David Stewart: The United Kingdom Government has kept £21 billion in reserve for the pandemic. Are you expecting funding from that source, and have you made contingency plans for that extra funding?

Jeane Freeman: Could you say a little more so that I am clearer about the question.

David Stewart: Certainly. You might have missed what I said. The UK Government has kept a contingency fund of £21 billion in reserve for Covid-related expenditure. In your discussions with the UK Government, has there been any hint that the Scottish Government will receive some of that funding? If that is the case, have you made contingency plans for any subsequent spend from that funding source?

Jeane Freeman: Thank you. That was helpful.

My colleague Ms Forbes continues to have regular discussions with the UK Government on such matters, and on areas other than health in which we have spent more than the consequentials that are permitted or afforded. There are pressures as a result of Covid in a number of other portfolios, so she pursues those matters with the UK Government. All the health consequentials so far have come to us, and we have used them as we have described and as I set out in my letter.

Following Mr McCallum's answer on Covid hubs, the convener asked for a bit more detail. We will be happy to provide that. Perhaps Richard McCallum has more to add on David Stewart's question.

Richard McCallum: I will add only one thing. I highlight that the UK Government will make a spring statement on 3 March. Until that point, we will not have full clarity on how the £21 billion will be used and whether consequentials will flow from it.

Clearly, this is a moving picture. The picture on funding has moved over the course of the past year, and it is likely that there will continue to be some uncertainty about funding over the next few months.

On contingency plans, we should know more on 3 March, which will inform our discussions with health boards. We have to balance all the decisions that we make on the basis of funding certainty, and we have to make reasonable assessments of the funding that is likely to materialise.

David Stewart: Am I correct in assuming that not only the NRAC—NHS Scotland resource allocation committee—formula is used to allocate funding to individual boards? If I am correct, what yardstick is used to allocate Covid funds to individual boards?

Jeane Freeman: That is correct, in part. Richard McCallum can provide a more detailed explanation. In some instances, a more hybrid model is used. If a board spends more than what is given through the NRAC formula, the additional amount is also given, because we recognise that the pandemic has not had the same impact on all health boards. That is evident from the differing case numbers and levels of virus prevalence around Scotland.

All boards have faced pressures; all are contributing to the vaccination and test and protect programmes, and they all need PPE. However, boards have all responded differently to the pressures of the pandemic; they have had different case numbers and have experienced different levels of associated costs.

Richard McCallum can take the member through the detail of how we work that out with individual boards.

11:15

Richard McCallum: I agree with all those points. Where is it has been obvious, or where there has been a clear and comparable need across all boards, we have distributed funding according to the formula. The NRAC formula was developed before Covid and therefore takes no account of the pressures that have emerged from it. We have had to take a different approach to scrutiny this year; we have received detailed returns from health boards each month and my team and I have looked at the costs. Some of the costs relate to where the pandemic has been most acutely felt. Other additional costs have been caused by pressures that have been brought about by rurality. We have undertaken a detailed exercise to work through all that.

We have worked closely in partnership with health boards in all three regions: north, east and west. Boards have also undertaken peer reviews of costs and have compared each other's costs in order to understand the differences. That has helped us to ensure transparency and consistency in the approach. That is how we have worked in this financial year.

Sandra White (Glasgow Kelvin) (SNP): With reference to allocating Covid-19 funds, what lessons have been learned in the course of the pandemic so far? How is that influencing funding decisions for 2021-22 and beyond? In particular, how does that affect the movement of funding to social care?

Jeane Freeman: I will make three points.

The first is about the NRAC formula. We touched on that last week and discussed whether there is a case for reviewing the formula. I made it clear that I think that there is a case for doing so. That will be a lengthy exercise and will be one for the next Government.

In the meantime, as Richard McCallum made clear and as I have also said, we recognise that events such as the pandemic can lead to specific additional costs. When such events happen, there is a need for greater flexibility in our approach to the allocation of funding. In this instance, we have adopted what I would describe as a hybrid model. We will consider how that sort of flexibility might be applied to future allocations of health board finance as we move out of the pandemic.

The second point is that it is critical that we shift the balance of spending. Covid hubs have been mentioned. The hubs were introduced as a direct response to the pandemic. They provided a community-based route to healthcare and support and allowed us to keep our primary care general practices free of Covid, as best we could.

To an extent, the flexible approach to considering what primary care needs and how it works is replicated in the redesign of urgent care, which is under way but in its very early stages. That approach can also be seen in the flow centres, which use a triage model to ensure that people get the right care in the right place using more of our primary care resource, including community pharmacy—the role that it plays has increased significantly, and there is still more for it to do—optometry and dentistry. The shift in the balance of care applies to resourcing, of course, but also to a wider recognition that community-based and primary care exist in addition to general practices.

The third point is the importance of considering health and social care funding in the round, so that we recognise that the resource that goes into social care can have an impact on the demand in healthcare and, equally, that the flow through healthcare has an impact on the demand in social care.

That will all feed into a future Government's response to, for example, the Feeley report. It is also a feature of our regular consideration of the pandemic and the public health measures that are necessary to restrict the transmission and spread of the virus.

We talk about non-Covid health harms, which are serious and significant. The mobilisation plans that boards are currently working their way through and finalising, before sending them to us, look specifically at what needs to be done to reduce the scale of non-Covid health harms that have, inevitably and unavoidably, been created by the response to the pandemic. That links directly to social care. For example, if someone's hip operation has been delayed, their dependence on social care support will have increased, because they will have been less mobile for a longer time than if we had been able to deliver the planned procedure as we would have done before the pandemic.

Sandra White: I have a small follow-up question. I know that there is a debate this afternoon in which this and various other issues will be covered.

Guidance that was issued in December 2020 talked about the Scottish Government continuing to work with stakeholders to determine the support for the social care sector. Are the talks between various groups of stakeholders still taking place? Will that have a direct effect on how much funding goes to social care?

Jeane Freeman: The membership of the mobilisation recovery group, which I chair and which has been in place for some time, represents key stakeholders in health and social care. Scottish Care is a member of the group, as is the Convention of Scottish Local Authorities, in the form of Councillor Stuart Currie, who is COSLA's health and social care lead. Allied health professions are represented, along with the royal academies, the British Medical Association, the Royal College of Nursing, trade unions, health boards and others.

The broad discussion around the mobilisation plans that I talked about earlier will come back to a future mobilisation recovery group meeting, as will the winter plans for health and social care, which the group also discusses. It is deliberate that the group has an overview of health and social care, so that it can ensure that, when we make decisions, we continue to take an overview approach, recognising the interdependencies of the two parts of the health and social care sector.

To a degree, the Feeley report and its recommendations go one step further in saying that more needs to be done to ensure that we fill the gaps in the implementation of our legislation that underpins health and social care integrations. As you said, there is a debate in Parliament this afternoon, but delivery on the recommendations of the Feeley report will, of course, properly be for a future Government following the May elections.

Sandra White: Thank you for that very full response.

You mentioned community hubs. I was surprised and concerned that the workload and output of GPs are not measured and that the Scottish Government does not hold data on GP throughput or activity. What plans does the Scottish Government have for the continued use of community hubs, if they are to continue at all? If we continued with community hubs, would the data that GPs hold, to which the Scottish Government does not appear to have access, not be helpful?

Jeane Freeman: Ms White is absolutely right that data is critical. However, members will recall that the retrieving of data from independent contractors—which is, in essence, what our GPs are—is a long-standing issue. Resolving that issue through production of regular data is part of the GP contract. Inevitably, progress on phase 2 of the GP contract has been slowed as a consequence of the pandemic, which is unfortunate. However, the other side of that is that GPs, including BMA GPs, increasingly recognise that the absence of that data means that, when we look at the pressures on our health service, the pressures on general practices and primary care are less visible to us in the form of data.

I can tell you the pressures on beds, intensive care units and other areas of secondary and tertiary activity, board by board and hospital by hospital, because I have the data. It is less clear cut in relation to primary care in its widest sense, which includes community pharmacy. Work is under way—and is now picking up—with our colleagues in the BMA and the Royal College of General Practitioners to ensure that we resolve those data issues and have agreement on what data should come to the Scottish Government, so that we can understand the system as a whole on the basis of quality information and use that to identify pressures and gaps and to plan services.

In the meantime, we are working closely with those stakeholders to look at the future value of community hubs. They have a significant value and they undoubtedly proved themselves in response to the pandemic; they proved popular and useful to patients and to the practitioners who work in them. Our primary care team is therefore actively looking at ways in which a community hub could add value to community-based care without duplicating what properly would go on in a general practice.

Sandra White: Thank you for that explanation. I am concerned about the historical issue of general practices, as private businesses, not being able to share that data, and I wonder whether that will need legislation. I will leave it there for the moment.

Have any efficiencies been identified as a result of new ways of working through the pandemic, and can savings be quantified? Last week, you mentioned greater use of technology. Have any other efficiencies been helpful during the pandemic?

Jeane Freeman: As we are still in the middle of the pandemic, it is a bit early to identify or quantify savings that have come as a consequence of new ways of working that we want to maintain. We have touched on community hubs. Last week, we spoke about increased use of digital technology, which, for many patients, saves time without completely doing away with face-to-face consultation when that is the right thing to do and what the patient wants.

11:30

There will be work to look at the improvements in service delivery that we have seen as a consequence of the pandemic that we want to retain, and at how that would increase productivity or decrease costs, which would produce savings that could be used in other ways in the health and social care system. However, work on the detail of that and the planning is under way. Mr McCallum might want to say more about that.

Richard McCallum: I have a couple of points to add. I agree that that work is under way and that we will not be able to quantify those levels of savings until we have a bit more certainty. On Ms White's points about digitising, there are real opportunities there. We have already seen that and will continue to do so over the coming months.

I will flag up another two points. The redesign of urgent care is not just about saving money; it will be a real benefit to patients and the population, too. As well as working closely with our national boards, we are working with NHS National Services Scotland in particular. NSS has always had the national procurement function, but it has taken on even more responsibility through the pandemic, and the work that it has done has generated more investment in Scottish businesses. There is therefore a picture of the opportunities that there might be through boards, NSS and the work of NHS 24. It is about how NHS 24 and the Scottish Ambulance Service can help with the pressures that some territorial boards

have. The redesign of urgent care is one example of that, but the SAS and NHS 24 are exploring other opportunities as well.

Sandra White: This is my final question. Will the Scottish Government commit to providing more timely information on the allocation of any additional Covid-related funding in 2021-22 to support parliamentary scrutiny?

Jeane Freeman: Yes, we will. We believe that we have done that in the current financial year. As Mr McCallum said, it has not always been straightforward to understand from the Treasury exactly what the consequentials are and what they relate to, so those discussions take some time. However, as soon as we are clear about the consequentials that will come to health and how we intend to allocate those, we will, of course, do everything that we can to ensure that that information is provided in a timely fashion.

Sandra White: Thank you.

Donald Cameron (Highlands and Islands) (Con): Good morning, cabinet secretary and Mr McCallum. I will return, if I may, to the questions that I asked last week on NHS board budgets. I have a couple of specific questions to start with. Why are NHS Highland and NHS Orkney receiving higher uplifts than other territorial boards?

Jeane Freeman: Mr McCallum will respond to that.

Richard McCallum: There is a specific reason for the higher uplifts. We have committed to ensure that all boards are within 1 per cent of NRAC parity. In fact, all boards are within 0.8 per cent, as a minimum, of NRAC parity this year. However, the NRAC formula moved in 2020-21, which pushed NHS Orkney and NHS Highland further from parity. In essence, therefore, that additional funding that we provided, which I think is £16 million for Highland and just under £2 million for Orkney, is to ensure that those boards remain within the NRAC position that we have set out.

Donald Cameron: Why are Healthcare Improvement Scotland and NHS National Services Scotland receiving higher uplifts than the other national non-territorial boards?

Richard McCallum: There are different factors involved, but again there is a specific reason. National boards receive funding in-year from the Scottish Government, and in 2021-22 we have, in essence, baselined some of the funding that NSS and HIS—and, I think, NHS Education for Scotland—are receiving. In a sense, beyond their core uplift, those bodies have received on a recurring basis some of that in-year funding that we provide. I can give the committee a bit more detail on the specifics, but that is the reason for the difference between those bodies and the other national boards.

Donald Cameron: Various boards are at stage 3 or stage 4 of the performance escalation framework. What are the Government's expected timescales for the de-escalation of those boards? Have the timescales been affected by the pandemic?

Jeane Freeman: The framework itself has been paused in response to the pandemic. Just so that we are clear, I will set out the current position. NHS Greater Glasgow and Clyde, NHS Tayside, NHS Highland and NHS Borders are currently at stage 4 on the performance escalation framework; NHS Ayrshire and Arran is at stage 3; and NHS Lothian is at stage 4 on specific issues relating to the Royal hospital for children and young people, and at stage 3 on performance. As the board mobilisation plans are returned to us by the end of this month, we will review them, and we will then review boards' positions on the escalation framework.

Donald Cameron: NHS Highland has described the changes that have been put in place through the team that has supported it as "transformational". How do you ensure that lessons that are learned from such experiences are applied more widely in Scotland?

Jeane Freeman: I am sure that Richard McCallum will want to say a bit more about that. It is worth remembering that boards' directors of finance meet regularly; that is one way in which they can exchange their experiences. Mr McCallum touched earlier on the regional peer-review exercise that boards have undertaken in relation to their Covid costs. Our boards are increasingly looking to share best practice and good experience, which includes taking on board the lessons from and experience of NHS Highland.

There will be other routes by which such information is shared; Mr McCallum might pick up on one or two of those.

Richard McCallum: Donald Cameron raised an important point. There have been significant changes and developments in NHS Highland through the work that has been done through its programme management office. NHS Tayside has taken a similar approach. It is important to recognise that there were specific challenges for Highland, Tayside and the other boards in financial escalation; the financial challenges were particularly acute for them.

There is wider learning to be taken from that. I do not think that implementing some of the changes will necessarily require the level of support that NHS Highland has had. As the cabinet secretary said, there are regular forums for sharing such information. NHS Highland has

updated the NHS planning group and the directors of finance group on matters. Just last Friday, some of the work that has happened in Highland, and information on the key things that the board has done, was shared with the directors of finance.

I and my team have a key role in ensuring that that sharing happens in Government as well as across boards, and we are absolutely focused on that. We need to get the balance right: the immediate focus is on responding to the pandemic, but, as we touched on last week, we will need to consider very quickly the financial sustainability of boards and the impacts on them, and we are focused on taking that work forward over the next few months.

Donald Cameron: Thank you very much. That is reassuring to hear.

My final question is more general. Is there a case for earlier intervention to provide financial support to boards before they are in what might be termed financial crisis? Is that something that you would consider, and will it cost more?

Jeane Freeman: That is a very good question. The approach is already under way. Richard McCallum and his team are in regular discussion with boards—during the pandemic but in the normal course as well—about their financial performance, as indeed are the chief operating officer and the chief executive of the NHS with chief executives about their overall performance in delivering against what they have set out and what we have agreed should be their operating plans for any year. That work is under way and, because of those regular discussions, warning signals can be spotted and interventions can be—and are—made by Mr McCallum and his team.

Of course, responsibility sits with the board—the chair of the health board, its audit committee and so on—to ensure that it closely monitors financial performance as well as the other performance matrices that exist. The chair has a responsibility to highlight directly to me as cabinet secretary any concerns over performance, in any regard.

We still have regular discussions. Every six weeks, I think, I have a meeting with NHS board chairs and senior Government officials. Prior to the pandemic, I made it a habit, in advance of such meetings, to meet two or three chairs individually to talk about specific issues in and around their boards, to get their understanding of the issues and see whether there were specific ways in which we could provide support. Those issues might include staffing, finance and performance. That continues, and I anticipate that it will continue once we are through the pandemic. In the meantime, we have regular meetings.

In addition, at the moment, the chief operating officer of the NHS, John Connaghan, meets chief executives at least once a fortnight and is in daily discussion with some or all of them.

George Adam (Paisley) (SNP): Good morning, cabinet secretary. You will be aware that most of my questions have been about the integration agenda and the integration authorities. There has always been some pressure when it comes to the budgets for integration authorities. What progress has been made in ensuring that authorities deliver on the statutory requirement to report budgets against outcomes, and when will that be available?

Jeane Freeman: We have committed to publishing information on the 2021-22 budgets, by local authority, and we will do that. The timing of that is in some measure determined by local governance timetables, in particular those of local authorities, but we will publish that information as soon as possible.

George Adam: When we get to that stage—I am asking you almost as if you had a crystal ball—are we confident that we will be able to achieve the desired change when the information is published?

Jeane Freeman: Maybe Mr Adam will help me by being clearer about what change he wants.

George Adam: Sorry—I was just following up on my first question on the statutory requirement to report budgets against outcomes. When we get there, will that bring about the desired change?

11:45

Jeane Freeman: I anticipate that it will. The integration authorities and the chief officers have not raised direct concerns with me or with any of my officials about their capacity to do that. Like those in other parts of the system, they are hard pressed at the moment. They are playing a major role in the vaccination programme, of course, and there are additional demands in social care. However, they have not raised any concerns to indicate that they will not be able to do that.

George Adam: The committee has done a lot of work on social prescribing and can see it as a way forward—I know that the Government believes that, too. What measures should be taken within the budgets of integration authorities to facilitate that change and to promote the idea of using social prescribing as a way forward?

Jeane Freeman: We share the committee's commitment to and enthusiasm for social prescribing. We expect the integration authorities to be clear, and we reiterated our commitment in our programme for government. We have a short-life working group examining social prescribing with a view to identifying the ways in which integration authorities can share best practice and

undertake social prescribing. We expect authorities to reflect that in the allocation of their resources as they set their budgets for 2021-22.

Emma Harper (South Scotland) (SNP): Good morning, cabinet secretary and Richard McCallum. I note that there is an increase of £22.1 million across the Government for the funding of mental health services, which is up 18.9 per cent. Our documents tell us that there is now £139.2 million for mental health. What do you think the estimated expenditure will be for mental health during this parliamentary session? I know that pandemic planning and mental health will be part of that.

Jeane Freeman: The total amount spent on mental health services between 2016-17 and 2020-21 so far has been more than £5 billion. The spending increase between 2017-18 and 2018-19 was 5.2 per cent. Significant additional funding has gone in to support additional mental health services for the wider population, with specific mental health and wellbeing services for the adult social care and health workforce. All that is a consequence of the pandemic, and we expect all of it to need to continue throughout the coming financial year. As the member will know, my colleague Ms Haughey published the mental health transition and recovery plan as a response to the impacts of Covid-19. Further funding is part of the Covid consequentials that we spoke about earlier. Some of the additional funding will go towards addressing psychological therapies and child and adolescent mental health services—CAMHS—and Ms Haughey will set out more detail on that in the weeks ahead.

Emma Harper: This question is on the back of George Adam's questions about the budgets of integration authorities. The committee has previously noted that it was sometimes challenging to get comprehensive information on spending on priority areas by individual integration authorities. Can the cabinet secretary help us by providing an update on how mental health expenditure will be presented by integration authority, so that we can analyse how authorities are achieving their goals and outcomes?

Jeane Freeman: That indeed partly relates to the question that Mr Adam asked on the publication of those budgets against outcomes. As I said before, we will do everything that we can, working with the integration authorities, to ensure that that information is published. There is an impact in relation to local governance timetables, as I indicated, but our intent is nonetheless to do that as soon as possible.

Emma Harper: Thank you. We will obviously want to assess the effectiveness of mental health spend. I assume that that will be an on-going process, which will continue, beyond the end of this session, into the next parliamentary session.

Jeane Freeman: Absolutely, it will.

The member will be well aware of all the different areas in which resourcing has gone into mental health. It has not been possible to see the total impact of some of that. For example, we have not seen the full impact of the preventative spend on counselling in schools and in further and higher education, because the response to the pandemic and lockdown measures have meant that schools and further and higher education have been disrupted. Nonetheless, it has been possible to see the effect of some of the support for children and young people's mental health and wellbeing that has come through YoungScot, the extension of the Distress Brief Intervention and the Clear Your Head work—using different delivery channels, if you like.

As we move into the next financial year and the next parliamentary session, I sincerely hope that we will work our way through the pandemic to something that is closer to normal working in education, higher education and health and social care. Then we will be able more easily to see greater impact from some of the spend. It will be for a future Government to consider whether the particular areas of spend remain the right ones to address the wider needs of the population—children and adults—as a consequence of the pandemic. We know that the pandemic has had a significant impact on people's mental health and wellbeing and we might need an approach that is different from the way in which we respond to crises, for example, or to psychiatric ill health.

Emma Harper: I remind the committee that I am one of the co-conveners of the cross-party group on mental health. I probably should have said that at the beginning. I appreciate all the work and welcome all the interventions that have been made during the pandemic. Thank you, cabinet secretary.

Brian Whittle (South Scotland) (Con): Good morning. My line of questioning is on alcohol and drug services, which links to Emma Harper's questions around mental health. The way in which the budgets for alcohol and drug services and for mental health are aligned will be crucial to tackling some of the issues that we currently face.

As you know, cabinet secretary, the committee has previously expressed concerns about the reduction in the budget for alcohol and drug partnerships. Much as for mental health spending, however, the ADPs will be accountable by individual ADP, which will make it difficult to track the overall spending. We recognise that the Scottish Government has increased that budget by £50 million for 2021-22 and note that it has invested the best part of £1 billion since 2008 to tackle problem drug and alcohol abuse, but the Government acknowledges that the number of

drug-related deaths in Scotland is far too high. Given that investment, why has so little progress been made?

Jeane Freeman: That is an entirely fair question. Before I answer it, I note for the committee's benefit that, in responding to Ms Harper, I omitted to mention the mental health research advisory group, which we set up in the early stages of the pandemic to consider emerging research in order to guide policy and to examine the impact and effectiveness of the measures that we were taking. That group will play into an assessment of the effectiveness and outcomes of our work on mental health.

That takes me on to Mr Whittle's question, which is on a complex and challenging issue. I say that not as a way of deflecting from what is a perfectly reasonable question, but I know that he understands that. The overall assessment is that we have not sufficiently recognised the interplay between drug and alcohol problems and mental health issues, and we have not sufficiently provided a more holistic response. Progress has clearly been made, but it has been insufficient, as has been acknowledged.

We recognise that the delivery of support and services needs to change to that person-centred approach that we always look for in healthcare and that Derek Feeley's report on adult social care emphasises considerably. That is the area that Ms Constance is now focused on. She is working with those who have direct experiences—individuals and family members as well as the organisations and agencies in the public and the third sector that deliver support—to find a better way to use the resource in order to get the outcomes that they and we seek. I am absolutely certain that Ms Constance would be happy to update the committee on the work that she has undertaken and the work that she plans.

Brian Whittle: As I said in my opening gambit, much of the spending on ADPs will be accounted for by individual ADPs, which will make it difficult to track the spending. How is the effectiveness of the additional spending on alcohol and drug services being assessed and how can that effectiveness be improved? I am thinking specifically of how the third sector can access the additional spend. My concern is that the ADPs will act as a block or a wall that prevents that money from cascading down to the front-line third sector organisations that do such a great job in some of the problem areas in our society.

Jeane Freeman: I understand that. In some ways, the issue of how to track the money that is spent on securing—or not—the results that we spent it to achieve is not dissimilar to some of the issues that the committee and I have grappled with in relation to integration authorities. It is about being able to see where the money goes and what difference it makes. Again, this is an incomplete answer for Mr Whittle and the committee, but that is part of what Ms Constance is actively looking at. She is considering how we ensure that the considerable resource that is rightly directed in that way gets to the people who need the support via the quickest and easiest route and is not blocked at any point along the way. That would always be unintentional, but it can often happen through systems and processes.

The other part of that is for us not only to think about the drug money and mental health money and the work on homelessness but to see that the individual should be at the centre, and therefore to consider what services should wrap around them and how we fund those. The outcome that we are looking for is that that individual is supported to live the life that they want to live, free of addiction and not at risk of drug death or suicide. All of those things come together.

Government is doing a lot of work on how we remove some of the blockages to that joint working and how we get—with proper governance, because we are talking about public money—that support more directly to those individuals and have the services work around the individual as opposed to trying, unintentionally, but this is what happens in reality, to have individuals reshape themselves to fit the service.

12:00

Brian Whittle: I wanted to get that on the record, cabinet secretary. We have an opportunity here with that investment in relation to the integration of statutory services with the third sector, as well as integrating across portfolio finance, as you have alluded to.

When will we get updated information on the expenditure on alcohol and drug services by the integration authorities and how will we be able to measure that against the outcomes that we want?

Jeane Freeman: In part, my answer is as I have given it before: we are working with integration authorities to ensure that that information is published as soon as it possibly can be, bearing in mind those local government timetables. Equally, I am sure that Angela Constance would be happy to write to the committee detailing some of the work that she has under way right now, before Parliament rises, and the plans that she is putting in place for a new Government and new Parliament.

The one point that I failed to mention, although I know that Mr Whittle will have seen this, is in relation to the Feeley report, which paid a lot of attention to a much wider perspective on adult social care needs than perhaps we think of them—

much beyond care homes, important though they are, and beyond older citizens, too—and considered all adults who have social care needs that should be supported and responded to throughout their lifetimes, if that is the duration of their needs. The system should be capable of flexing itself to meet their continued progress or increased frailty.

David Stewart: I have two questions on sport and, if the convener allows, I have two quick questions on finance. On sport, like the cabinet secretary, I am concerned about levels of obesity in Scotland and, as the chair of the cross-party group on diabetes, the increase in type 2 diabetes and its effect on health inequalities. How is your increased budget for sport being directed to increase levels of physical activity?

Jeane Freeman: The additional investment in sportscotland to support active Scotland has a number of key outcomes, including encouraging physical activity, developing physical confidence at the earliest age, improving active infrastructure, supporting wellbeing and resilience through physical activity and improving opportunities to participate, progress and achieve in sport. Sportscotland has a great deal of focus on encouraging people to take more inexpensive opportunities for activity, and a lot of that has featured in the mental health and wellbeing work that has been undertaken during the pandemic, so that we can encourage young people from an early age to be physically active and to maintain that even if the activity that they engage in changes as they go into their teens and older years, while at the same time encouraging progression and participation in sport. Those are the outcomes that sportscotland has been tasked with.

In addition, the active healthy lives funding will increase next year by £2 million, or 15 per cent. There is also additional investment in childhood obesity, which we are using to support delivery of our intent to halve childhood obesity by 2030.

David Stewart: This is more of an observation than a question. That is all valid information, but my concern is how we will tackle disadvantaged areas, because that is where we are really toiling when it comes to obesity and where there are horrendous rates of type 2 diabetes.

Jeane Freeman: That is a good point. The member will recall that, in the programme for government, we promoted two big thematic headings, under which a range of activity was set out. One theme was population health. I have talked before about looking at why our work on population health is still not cutting through into those areas where people have, as Mr Stewart said, high levels of obesity and type 2 diabetes. People in those areas—as much as any of us—want to live more healthily, and they want that for their children, too.

The work that is under way on population health is starting with those individuals. They are being asked to tell us what obstacles are in their way. We know that it is not because they do not care about their physical wellbeing, or that of their children—they care as much as anyone else does—so we want to know what is preventing them from living more healthily and how we can help to remove the obstacles to their doing that. The work will inform a more targeted approach by some of the active healthy living work, for example, and also inform the discussions with sportscotland.

David Stewart: This is my final question on sport before I move on to finance, on which I will ask two quick questions. How do you balance funding for elite sport on the one hand, and grass-roots sport on the other? I make it clear that I am not suggesting that they are in competition, but, obviously, there are financial decisions to be made about the funding for each.

Jeane Freeman: To a degree, they are in competition, because the funding pot is finite, so the two must be balanced. It is a difficult set of decisions to make.

On the overall longer-term health of the population, the balance should always favour activity that targets precisely the areas of disadvantage that Mr Stewart has mentioned. We need to find better ways to help people achieve what they want to achieve, which is to live more healthily and to have better long-term health, while not ignoring the importance of elite sport not only to the individuals engaged in it but to Scotland's wider place in the world, and the economic gain that large-scale events and so on bring us, including from tourism and for the wider economy.

I do not have an easy answer for you; there is no algorithm that allows us to do that. We just have to make the best decisions that we can to balance the competing pressures, while bearing in mind that there are, of course, other sources of financial support for many of the elite sports.

David Stewart: I return to the issue of finance, and I apologise to the cabinet secretary for not asking these questions earlier. You will know that the committee's pre-budget report highlighted concerns about delays in Covid-related payments reaching social care providers. Are you confident that the new guidance issued last December will resolve those issues?

Jeane Freeman: Part of the difficulty that we had in issuing the funding that was clearly available to social care providers was the absence of information from them. It is difficult to know what additional financial pressures they were

experiencing with which we could support them if we do not get the information about that from them.

I know that Mr McCallum and his colleagues have done a great deal of work to ensure that that exercise is as streamlined as it possibly can be, in the hope that that secures swifter responses from social care providers, so that we can disburse the money. Mr McCallum may want to say a bit more about that.

Richard McCallum: The brief answer is that, since December, it has made a difference. It probably took a bit of time for providers to familiarise themselves with the approach and the processes. As the cabinet secretary has said, it took time to get that information. We have had to balance a clear need to provide support with ensuring that there is robust governance and a value-for-money process included in that. As we have progressed over the past number of weeks, we have got to a much better place on that.

David Stewart: Mr McCallum has just covered my last point, which was around governance, so I will hand back to you, convener.

The Convener: Thank you. I call Emma Harper.

Emma Harper: Thank you. My question is on the increase in financial input in the budget for Food Standards Scotland. We know that FSS is the central regulatory body for food and feed regulation. We also know that Brexit has had a massive negative impact on the fishing industry and that Food Standards Scotland has had to step in with support for our fishing businesses because of that.

Do you think that the Scottish Government expects that the increase in Food Standards Scotland's budget will be adequate for it to manage the consequences of the UK's departure from the European Union and the new arrangements for our relationship? Given what we have seen recently with the fishing industry, I just hope that that increase will be enough to support Food Standards Scotland as we move forward.

Jeane Freeman: We believe that it is adequate, but we have also agreed to revisit it in 2021-22, as part of our formal arrangements with Food Standards Scotland, to make sure that our current expectation that, with the additional funding, the total funding will be adequate remains the case. That seems to be a sensible proposition for all of us, given that the play-out of the Brexit outcomes and the current deal has some way to go. With every day, we see additional impositions on business and additional costs.

David Torrance (Kirkcaldy) (SNP): Good afternoon. How does the national performance framework fit with other performance frameworks in place for health, such as the local development plan standards and the integration health and wellbeing outcomes? Which has greater prominence in influencing spending decisions in the budget?

Jeane Freeman: The national performance framework indicators, particularly in relation to health, are closely aligned to the wider targets in health. Therefore, spending decisions around the budget are made against the overall objectives of the health portfolio, and those objectives align with the national performance framework.

David Torrance: Has the evidence and information in the national performance framework caused you to make any specific changes to your budget plans?

Jeane Freeman: It has supported our consideration of areas such as mental wellbeing, physical activity and healthy weight. We covered some of that earlier in response to David Stewart's questions. The alignment of the two areas and the crossover between them are an important part of the consideration that we give to how we will put policy forward, particularly in relation to health inequalities.

David Torrance: I come now to my final question. The equality and fairer Scotland statement that accompanied the budget outlines the areas in which health spending is intended to tackle inequalities. How is spending—both new and existing—evaluated in respect of its impact on inequalities?

Jeane Freeman: That is a key focus of our health analytical services—and information on that is set out in the equality budget statement. Our analytical colleagues undertake that work, assessing how we are allocating our resources and whether the outcomes impact positively on reducing health inequalities.

The Convener: Returning to David Torrance's questions about the national performance framework, is there any conclusion that you would reach on the resources that are required to deliver improved outcomes in health? Is there a need for additional resources, or does the national performance framework allow you to make decisions about spending resources differently?

Jeane Freeman: The national performance framework allows that to happen. On the question of additional resources, the planned budget for health for the next financial year, at £16 billion, is of course considerable, although it is always possible to spend more on health and social care. It will not have escaped members' notice that the Feeley report and recommendations come with a considerable additional investment requirement, which is for a future Government and Parliament to determine.

The Convener: Indeed—and that is for another day.

Thank you very much, cabinet secretary, for that second, comprehensive evidence session. I also thank you, Mr McCallum, for your evidence.

That concludes the evidence session and the public part of the meeting.

12:16

Meeting continued in private until 12:36.

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