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Public Service Reform Committee

Comataidh Ath-leasachadh nan Seirbheisean Poblach

Thursday 17 September 2026

Session 7

The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 17 September 2026

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PUBLIC SERVICE REFORM COMMITTEE
5th Meeting 2026, Session 7

CONVENER

*Bob Doris (Glasgow Kelvin and Maryhill) (SNP)

DEPUTY CONVENER

Michelle Campbell (Renfrewshire North and Cardonald) (SNP)

COMMITTEE MEMBERS

*Max Bannerman (Highlands and Islands) (Reform)
*Joe Fagan (South Scotland) (Lab)
*Murdo Fraser (Mid Scotland and Fife) (Con)
*Alex Kerr (Hamilton, Larkhall and Stonehouse) (SNP)
*Lorna Slater (Edinburgh Central) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Victoria Carson (Wise Group)
Liam Davenport (Public and Commercial Services Union)
Jayne Jones (Scottish Food Commission)
Carmen Martinez (Scottish Women's Budget Group)
Paul McLennan (East Lothian Coast and Lammermuirs) (SNP)(Committee Substitute)
David Phillips (Institute for Fiscal Studies)
Dr Spencer Thompson (University of Strathclyde)
Dr Chris Williams (Royal College of General Practitioners Scotland)

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Public Service Reform Committee

Thursday 17 September 2026

[The Convener opened the meeting at 09:35]

Decision on Taking Business in Private

The Convener (Bob Doris): Good morning, everyone, and welcome to the fifth meeting in session 7 of the Public Service Reform Committee. Our first item of business is to decide whether to take agenda item 3 in private today. Do members agree to do so?

Members *indicated agreement*.

Pre-budget Scrutiny 2027-28

09:35

The Convener: Item 2 is an evidence session on the committee's pre-budget scrutiny inquiry into how the 2027-28 Scottish budget can best advance public service reform. We will hear from two panels of witnesses today. For the first panel, I welcome to the meeting Victoria Carson, engagement and influence director at the Wise Group; Jayne Jones, chief executive of the Scottish Food Commission; Dr Spencer Thompson, senior knowledge exchange fellow at the University of Strathclyde's Scottish health equity research unit; and David Phillips, head of devolved and local government finance at the Institute for Fiscal Studies, who joins us remotely. Thank you all for supporting our scrutiny work this morning.

We have agreed that each witness may make a short opening statement. I will come to David Phillips first, and then we will go to our other invited guests.

David Phillips (Institute for Fiscal Studies): This is a really important committee to have been set up, so I am pleased that it is taking evidence on how changes to service delivery can not only improve services for those who use them but support the sustainability of the Scottish budget. As we will come to in the questions, we think that that is particularly important and that the task is urgent.

However, that will require some really difficult trade-offs in the 2027-28 budget. We know that, to deliver longer-term reforms, it is often necessary to make up-front investments, and there can be short-term costs in doing so. We also know that 2027-28 is a particularly tough year for the Scottish Government, with, on current forecasts, funding for public services set to fall by close to 2 per cent in real terms. That means that the 2027-28 budget is a perfect storm, if you like. On the one hand, it is the year in which the Government will need to start making progress on public service reform, which will potentially cost money. On the other hand, it is the year in which, to some extent, the least funding is available. That will make it a very difficult year, and an important one for scrutiny not only by this committee but by committees across the Scottish Parliament.

Dr Spencer Thompson (University of Strathclyde): I thank the committee for the opportunity to be here today. If I had one message to deliver to the committee from our work at the Scottish health equity research unit, it would be that public service reform needs to be bottom up, not just top down. It also needs to be owned and

driven by a wide range of stakeholders, not just by the centre.

In our work with local authorities, front-line practitioners, third sector delivery partners and communities, we repeatedly find that it is the people at the coalface of delivery and implementation who are best placed to advise on public service reform. They are the ones with the real-world intelligence and information to advise on what reforms are possible, what reforms are necessary and, indeed, what reforms are desirable, as well as on the costs and consequences of any given reform.

That may sound obvious, but another repeated finding in our work is that implementation is too often treated as an afterthought. We have some very ambitious national-level strategies that are not translating into real action and real impact, because they are not grappling with the issues that plague delivery on the ground. That includes short-term funding cycles and associated resource constraints, a lack of join-up across the system, and vulnerable populations with complex needs slipping through the cracks and finding themselves in limbo.

That implementation gap already holds back policy in Scotland, and there is a danger that it will hold back public service reform as well, so fixing that problem should be at the heart of the public service reform agenda. However, the solution cannot be only consultation. Real deliberative processes need to be put in place so that people with implementation intelligence are brought to the table in a meaningful way. There are a number of areas in which that is particularly important, but I suspect that those will emerge during these exchanges, which I look forward to.

Jayne Jones (Scottish Food Commission): The Scottish Food Commission's central message is that public service reform should be judged by whether it delivers better outcomes for people and communities, for nature and the environment, and for Scotland's long-term social and economic wellbeing. Prevention has to be central to that, with public resources being used to address underlying causes and to reduce the need for more costly interventions later.

Reform should deliver sustainable public value. Food provides a practical test of that, because poor diet, food insecurity and unequal access to healthy food are shaped by income, education, local environments, public procurement and the wider economy. Their consequences, though, are felt across health and across public services, as well as in our communities, in our economy and in our climate and natural environment. The preventative approach that was set out in the Good Food Nation (Scotland) Act 2022 means that we are able to act across the whole system, rather than only responding after poor outcomes have been driven by those factors.

Historically, food policy and delivery have been fragmented across multiple departments and organisations. Agriculture sits in one place, health inequalities in another and school food in another. For the first time, we have an opportunity to achieve the aims of public sector reform and draw them together through good food nation plans to break down silos and deliver services differently. The good food nation plans align all the different parts of the system around shared outcomes, which we want to see, and prevention. However, to provide meaningful change, the plans must connect with budgets, with clear evidence and with delivery and accountability.

Reform also needs effective system connectors who listen, understand different perspectives and help organisations to work across all those traditional boundaries. Scrutiny has an important role in listening and learning, as well as in assessing performance. It should help us to demonstrate whether change is really happening and whether resources and activity are moving towards prevention, where progress is being made and where further attention might be needed.

Structural change might create opportunities to deliver some of those outcomes, but the real test is whether it improves outcomes for our people, whether it protects statutory delivery and whether it supports a more preventative, connected and effective system.

Victoria Carson (Wise Group): We are hugely supportive of this agenda and are really pleased that the committee has been set up, so thank you for having us today. The Wise Group is a multipolicy area organisation, and in our daily work, we epitomise public service reform. We interact with services for people and integrate with them every day.

We have confidence that Scotland can do this—we really do. Scotland has signalled a big and ambitious shift, and we hope that it holds its nerve. By that, I mean that headlines do not always create change. We need to stop doing the wrong things. Not all things that sound good are good.

I want to make three points today. First, we hope that when we reform public services and the services around them in Scotland, services will follow the person and not the budget line. Every day, we see the impact of services not following the person or the household. That creates inefficiency and fragmentation.

09:45

Secondly, we hope that public service reform considers how the Government can buy outcomes, rather than spending on services. There is a big distinction between buying outcomes and spending on activity, and we would like that issue to be explored during the debate.

Thirdly, as the convener mentioned in his opening remarks and as my colleagues have mentioned, we need to make prevention work financially. That means that we need to understand what we are trying to prevent when we invest in services. That will allow us to look at what will appear on the balance sheet, when it should appear and how things will be measured.

I hope that we will touch on those three issues. Again, I thank the committee for the invitation to come to the meeting today.

The Convener: I thank all four witnesses for their short opening statements, which were very helpful. I will open up the discussion with a general question, and my colleagues will then ask much more detailed questions.

I was interested to read the Wise Group's comment, in its submission, about "institutional friction" in relation to achieving public service reform. Sean Duffy, the Wise Group's chief executive officer, went further—I am sure that what he said was meant to provoke thought and discussion, so I will read out his quote:

> "much of Scotland's public sector architecture now appears better designed to protect itself than to solve the problems it exists to address".

Victoria Carson, you are here not to speak for Sean Duffy but to give the thoughts of the Wise Group. Could you elaborate on what you have said on the matter? What are the institutional or cultural barriers to effective public service reform?

Victoria Carson: In the same way that our services augment public services, I hope that I can augment what Sean Duffy has said.

We have hundreds of mentors in Scotland, and we work with tens of thousands of households every year. I see that some committee members have their laptops open and, if they are anything like me, they probably have several tabs open. That is what life feels like for households that are trying to engage and participate with public services. That is the fragmentation that I am talking about. Too many tabs are open on a household's screen. There will be a tab open for a work coach with the Department for Work and Pensions, there will be a tab open for a housing officer, there will be a tab open for a general practitioner, and there will be a tab open for something else. Committee members probably see that in the in-trays of their constituency offices every day. That creates friction in people's lives. Services are provided, but that friction means that people cannot participate with those services in a good, holistic way that leads to positive and sustainable outcomes. I hope that visualising the tabs helps, because that situation is real. It is what our mentors see every day, and it creates friction.

The Convener: I understand that friction can be caused as a result of how public services are designed, siloed and compartmentalised, but is there any cultural friction? What I took from Sean Duffy's comment—perhaps wrongly—was that we can all get defensive when change is on the agenda. What are the challenges in dealing with cultural resistance?

Victoria Carson: Mr McKee has spoken about that. It would be easy to progress with public service reform and forget about culture, but we are aiming for a social impact, an economic impact and a cultural impact. On the point about culture, I go back to what I said in my opening remarks about what we, as a social enterprise that delivers services, see and feel every day. If we could move from paying for activity to buying outcomes, that would represent a significant cultural shift that would allow organisations such as ours to deliver holistically and to create sustained outcomes and progression in people's lives.

The Convener: Jayne Jones, do you have any reflections on this line of questioning?

Jayne Jones: Convener, you are right about silo working and how organisations have evolved to run as areas in which people have distinct jobs, roles and purposes that are funded by pockets of money to deliver certain things and actions. However, particularly through legislation such as the Good Food Nation (Scotland) Act 2022, we have seen a way of beginning to unpick some of that quite naturally. We are able to get people together in a room who would traditionally not sit together—for example, someone from planning sitting with someone from public health—and work through how we create a local food system that works for people and communities. That is a new and different way of working, and the first national good food nation plan articulates how government itself will start to do some of that and break down its own departments and silos to look at food holistically. That is a good example of legislation that has already been passed in order to break down some institutional barriers and frustrations. That does not mean that that is always the case, and there are great examples of people working across organisational boundaries to deliver better outcomes for people.

The Convener: You are highlighting institutional buy-in rather than institutional resistance. You

gave an example of that, and it is reasonable to put that on the record.

Dr Thompson: I would like to reinforce Jayne Jones's and Victoria Carson's comments—particularly Victoria's comments about the way in which people have to engage with so many different public services and the strains that that causes. Another aspect of that is that there are gaps in the system, such that people are engaging with many different services but often not the right ones, because the support is not available. Seen from the perspective of service providers, that creates real strain, because we often hear that service providers are managing failure demand from elsewhere in the system, so they end up acting as holding systems for people who are not fitting into the services that are available, because those are not the services that they need. An example is a young man who needs mental health support but who is unable to access that; he might be able to find his way to his local employability service, which is able to help him to some extent, but, ultimately, what he needs is mental health support. In that instance, the employability officers are doing work that should be done by a different service that is not available. That sort of failure demand militates against prevention, because the staff are occupied with dealing with what is in front of them and are unable to work towards prevention in their own areas.

The Convener: You have provided a very specific example. Can you give me a concrete example of how we use public service reform to stop that situation from happening?

Dr Thompson: I would take a step back from that, because I think that the reason why that sort of situation occurs is what I said in my opening remarks, namely that that sort of on-the-ground intelligence is not being fed back into high-level strategies. There are countless examples, and I am happy to write to you to provide some, but it is a matter of process and structure and not just about individual cases.

The Convener: I ask because Jayne Jones gave an example of where there was a disconnect, where the Food Commission sought to stitch the process back together in a meaningful way. Concrete examples are always good, because we are not talking about public service reform in the abstract—we are talking about a reality—so the committee will always benefit from specific on-the-ground examples. It is also about budget scrutiny and how budgets can be used to drive that change.

David Phillips: I am not going to give a specific example, I am afraid. It is inevitable that there are institutional tensions when remits are changed, funding is moved around and institutions are, potentially, being merged, but we also need to recognise that individual employees will sometimes find the process of change difficult.

Change can be empowering if it allows people to deliver better services and enables them to do things that they want to do through, for example, better collaboration with other agencies to resolve cases. However, change can also be disempowering if it means that people's job status changes. For example, the use of new technology might mean that some of the tasks that they previously considered a high-status part of their job are now automated. You could imagine, for example, AI being used to help assess medical scans or aspects of pupils' teaching needs. When people feel that their professional status is being undermined by new technology, that could lead to resistance.

As well as thinking about institutions and how to bring them and their culture along, it will be really important, as public service reform, particularly the use of technology in public services, advances, to consider how the wider workforce, particularly the professional workforce, is brought along, so that these technologies are seen as augmenting what people can do rather than replacing what they do.

My last point on this—this might be a topic that we touch on later—is that there will inevitably be certain occupations in which the number of people employed in the public sector will need to increase. That means that staffing in other areas might need to be cut quite substantially if the Scottish Government is to deliver its overall head count reduction targets. Again, when that reshaping of the workforce results in big cuts in some areas while others appear to be receiving more opportunities, that can become a point of tension.

I am laying out that it is not just about institutions but about professional groups and labour relations.

The Convener: That is very helpful. To reassure you, David Phillips, we will come on to all of that imminently.

Before we do so, I will bring in Victoria Carson briefly, because we are keen to hear about your experience of community planning partnerships as an organisation and whether you would be confident that they can be

"the primary mechanism for place-based public service reform",

as stated by the Scottish Government in its six-month update.

As individual MSPs, we all have our own experiences of community planning partnerships. Do you think that they could be a driver for the change that we want to see?

Victoria Carson: I was itching to come in when you were asking for examples. This is what we do. The data that we have and the outcomes that we deliver evidence it. The Scottish Government has, over a number of years, invested in our approach, which is called relational mentoring. The approach is designed to provide holistic support within households and alongside them. Our mentors are trained professionals who are there to help people to break down the barriers to stability.

We do not talk about stability enough. Unless a household is stable, it is very difficult for it to progress. The relational mentoring model is integrated into local services and alongside them. The feedback that we get from local services, including partnerships, is that, when people and households are referred to our services, they can then return to those services more successfully. The outcomes are better.

We are able to produce live, daily data for local authorities and partnerships to help them to understand what is working and how our work is augmenting the outcomes that they are achieving locally.

The Convener: That is helpful. Colleagues will come in on preventative spend, but I note that that could be described as a positive example of preventative spend.

We will move on to budget scrutiny. When budgets are published, there appears to be a disconnect between the allocations that are announced and how they will flow through to grass-roots organisations and communities to deliver preventative spending. When the Wise Group looks at a budget that has been published by the Scottish Government, how long does it take you to break down the various budget silos to work out where that money will go on the ground for preventative spending in the areas of work in which you are involved?

10:00

Victoria Carson: I call it hand-to-hand combat with our mentors and customers, but actually it is hand-to-hand combat and engagement with our local partners. Communication sounds easy, but it is not. Regular communication with local authorities, and with national Government—and maybe in the future at regional level; I do not know—is absolutely the nub of that. Communication and engagement with the organisations that we work with, whether it be in Glasgow, the Borders or Lanarkshire, are key. As I am sure my colleagues' organisations do, we work on a basis of no surprises—that is how we do our business. Communication might sound simple, but really it is the golden nugget.

The Convener: Thank you for putting that on the record. We will move on to more specific questioning.

Murdo Fraser (Mid Scotland and Fife) (Con): Good morning. I will direct my first question to David Phillips, because he neatly set us up by mentioning workforce, which is what I want to ask about. David, in your written submission on behalf of the Institute for Fiscal Studies, you say quite a bit about the Scottish Government's public sector workforce reduction target of 0.5 per cent, how achievable that is and what the challenges are. Will you elaborate a little on that? Can the target be met? What will the challenges be?

David Phillips: The first thing that I would say is that we should not judge the Government's entire efficiency drive just on the basis of the public sector workforce plan, in part because, as I will say more about in a bit, the public sector workforce is not the only way in which public services are delivered. There is also the use of private and voluntary sector workforces, and we sometimes see the public sector workforce changing in a way that is not indicative of the overall scale of the workforce that is involved in delivering public services.

Given that the Government has a target on the public sector workforce, we should consider how feasible it is, what progress has been made so far, and what sort of actions will be needed to deliver it in the context of wanting to deliver good services and fundamental changes in how services are delivered. A 0.5 per cent a year reduction over five years is a 2.5 per cent reduction overall. We think that that is pretty achievable compared with the levels of reductions in workforce that we have seen historically. For example, between 2009 and 2013, there was a 7 per cent reduction in head count. Of course, that was not painless, and it took place in the context of cuts in service provision and in overall Government funding, but it shows that there is scope to make substantial cuts when that is necessary to deliver a Government's agenda within a fiscal envelope.

To an extent, there has been a bit of a step backwards on delivering progress over the first year of the fiscal sustainability delivery plan. Whereas the workforce was flat in the year prior to the plan coming in, between the first quarter of 2025 and the first quarter of 2026, the workforce increased by 0.6 per cent, so it actually moved in the wrong direction. That means that, to deliver the full 2.5 per cent reduction, you now need a 3 per cent reduction over the next four years to offset that initial increase.

Most of that increase came in the national health service, where the workforce went up by, I think, 1.6 per cent. We would expect the NHS workforce

to potentially increase, even in the context of an overall reduction in the public sector workforce, because of the rising demands from an elderly population and the desire to bring down waiting lists and improve performance in the NHS. However, to deliver the 0.5 per cent reduction, if the NHS workforce has gone up by 1.6 per cent, you need a 1.6 per cent cut in everything else. Although we saw reductions in colleges and, to an extent, the police service, the core civil service, which includes things such as Social Security Scotland, saw an increase in head count. The non-NHS things were flat rather than falling. If the Scottish Government is still committed to the 0.5 per cent reduction target, it will need to find a way to substantially reduce growth in the NHS workforce or to make bigger, more substantial cuts outside the NHS.

In addition, we have some concerns about delivering the workforce reduction target just through attrition, because attrition, if it happens randomly across the workforce, might not deliver the scale of cuts that is needed, because at the same time as the overall workforce is cut, there will be areas of the workforce where we know that demand pressures will change or where there will be changes in technology, and there might be a need for an increase in the number of workers who have skills and can play a role in those areas. For example, there might be a need for an increase in the number of nurses, but there might also be a need for increases in the number of software engineers and people who can help to drive the use of technology in the public sector. That might mean that bigger cuts are needed elsewhere, and that the cuts that the Government might want to make might differ, because the use of technology might make it possible to cut back certain roles more than others. A reliance on natural wastage—on attrition—does not allow that.

Although there might be scope to use natural attrition and to redeploy some people, we think that, given the pace of change that is now needed, the Scottish Government might need to consider schemes that involve redundancies. In the first instance, at least, those could be voluntary redundancies. However, if the Government really wants to deliver on the target, unfortunately—this is not something that we are pleased to say—it might need to consider compulsory redundancies in certain areas so that it can increase the number of roles in other areas.

Murdo Fraser: Thank you for that comprehensive reply.

I would like to probe you a little more on that and to put my question in the context of what has already been announced. The Scottish Government has made a proposal to reduce the number of territorial health boards from 14 to two. We might expect that to lead to a reduction in head count in senior management and perhaps in duplicated middle-management roles that will be unnecessary. If the Scottish Government maintains its position of no compulsory redundancies, how will we not end up in a situation in which there will be lots of people still employed in management in the NHS whose jobs basically no longer exist, and, in order to meet the head-count reduction target, the two new boards end up not filling vacancies, for example in front-line medical staff? Is that a risk?

David Phillips: I have two points to make on that. First, it is clear that a move from the number of health boards that there are currently in Scotland to a smaller number will create some potential for head-count reduction and for efficiencies. However, when it comes to the size of health boards in Scotland, it is clear from looking at the international evidence on economies of scale in public service delivery that most public service delivery bodies in the United Kingdom, including local authorities, health boards and so on, are above the point at which economies of scale tend to be a big issue, so I do not see the merger of health boards as being a major driver of efficiencies, even in relation to workforce. However, you are right to say that there could be some scope for reductions in head count in the upper echelons and, to some extent, the middle levels of management.

As you said, if there is a policy of no compulsory redundancies, there could be an issue of what to do with people who were previously chief financial officer, chief executive officer or chief people officer, for whom there is no longer a role in the wider organisation. It might be possible for them to be redeployed in the new, larger organisation, because it is not possible to go from, say, six organisations to one and simply cut the upper echelon or the middle echelon by five sixths. There will need to be some additional people in the system, because a bigger organisation will be being managed, but it might be possible to cut those roles by half, for example, which could involve those people being redeployed to roles that they are less suited for.

You are right in what you said. That is why, especially when it comes to organisational change, but also with technological change, just relying on the random attrition of workers, or recruitment freezes that apply across the board, to deliver the level of reduction in head count that is sought will not deliver the optimum outcome, because it will not be possible to grow the areas that need to grow and shrink the areas that, unfortunately, will need to be shrunk at the same time.

Murdo Fraser: Do other members of the panel have any comments?

Jayne Jones: We need to think carefully about the suggestion that duplication in organisations automatically means that there are unnecessary posts where a saving could be made. Prior to being in this role, I spent many years working in local authorities and health boards in the world of facilities management, which includes front-line catering, cleaning and domestic services, janitors, porters and security. Over the past 20 years, there has no longer been any low-hanging fruit in management and support service staff.

We are in a situation in which most middle-level managers have 60, 70 or 100 direct reports. Even if those teams were merged, those posts would not disappear. A person cannot be managing 300 or 400 people, because they would not be supporting the front-line service effectively. I sound caution about some comments about duplication automatically meaning that there are unnecessary posts that can be stripped out easily, because that is not always the case.

Murdo Fraser: We still have a head-count reduction target of 2.5 per cent over five years. Where will that come from?

Jayne Jones: We need to look at how we will change services entirely. We also need to make tough decisions about what we should stop doing. Local authorities and health boards are doing some things because they are statutory duties, some because they are powers and the right thing to do, and some that are not enshrined in law. There will need to be hard conversations about that and none of it will be easy.

Public bodies are doing some of the work, but they need to think about the implications and who would pick up the tab, whether that would be the third sector, communities or individual households that would have to bear the burden of lost services that are not statutory.

Murdo Fraser: Given that we are already in the first year of the five-year period, are we past the point at which we should already have been doing that?

Jayne Jones: Some of that work will have been done. That is the difficult position that we are in. I will use an example from my experience with domestic services and cleaning. If we have fewer buildings, fewer people will be required to clean them. There are also things that can take time to work through systems. Technology is emerging in domestic services and cleaning that can change how some of it is done, but resources will still be needed to ensure that it is dealt with properly and managed well.

Dr Thompson: I echo some of those comments. I agree that we should be sceptical about the potential for integration to yield efficiency gains. That is true in health boards. I believe that there is a long history of restructuring across the NHS, not just in Scotland but elsewhere, and I am not sure that there is much to show for it. That is also true of some of the other integrations that have been announced in the programme for government. Time will tell, but I do not think that we should assume on the face of it that those things will yield efficiency gains.

On workload more generally, the story that we often hear from people who are at the coalface of delivery is one of increasing workload, staff burnout and mental health and wellbeing issues. As I mentioned before, that is militating against their ability to engage in prevention. We have to be careful with workforce reductions, because there is a tension in that and in the broader agenda between the need to make savings, which I understand, and the imperative of long-term prevention. On the ground, we can see that people are overworked, which is why they are not able to spend more time, effort and resources on prevention.

I will follow up on David Phillips's point about attrition. I agree that it is not the most efficient way to proceed, but that is why we need it to be accompanied by a workforce plan that will show how staff are going to be reallocated and where that is realistic. People are not interchangeable, so there needs to be a lot more detail.

10:15

Victoria Carson: I will not come at this from the angle of how we reduce the number of people. From what we see on the ground, it is about reducing unnecessary work, which you might say is one and the same, but it is not.

To help the committee, I will say what we do see—repeat assessments, multiple referrals, repeated requests for information and failed hand-offs. There is no doubt that those are all things that happen in the system but should not. I respond to your question with that insight, rather than commenting specifically on head count or, in particular, on health boards.

The Convener: Before I bring in Lorna Slater, Joe Fagan wants to explore a similar line of questioning.

Joe Fagan (South Scotland) (Lab): I am all right to come in after Lorna Slater, because she wants to talk about the workforce.

Lorna Slater (Edinburgh Central) (Green): On the back of what Murdo Fraser discussed, I have a supplementary question, which is about front-

line staff versus back-room staff. I find that discussion a bit frustrating. The headline always seems to be, "We won't cut front-line staff; it'll be those dreadful back-room people," but no organisation that we have spoken to has said, "Oh, yeah, our back-room people are not very important." Everybody is important in delivering an organisation's aims.

If we define front-line services as public facing, they might involve the tabs that Victoria Carson spoke about. When I have interacted with public services, such as my general practitioner, I have found that some of the people I interact with feel more like gatekeepers preventing me from getting what I want, which is a prescription or to see the doctor, than people who are there to help me with those things. Do you have thoughts about whether the narrative around front-line services versus back-room services is helpful?

The Convener: Who is that question to?

Lorna Slater: The room.

The Convener: The room will not speak, but Dr Thompson might.

Dr Thompson: I have one or two things to say. To be frank, I want to come down pretty hard on that distinction. It speaks to the implementation intelligence that I spoke about in my opening statement, because such a distinction would be made in an office somewhere by somebody—ironically, perhaps a back-office worker who does not understand how services work on the ground. Anyone on the ground will tell you that the distinction is perhaps not meaningful in most cases.

Most roles probably involve a combination of public-facing aspects and more administrative aspects, so it is not as if people can be categorised in one bucket or the other. Even if that could be done, it is not at all clear why that should be the operative distinction, and I do not really know why we would approach public service reform, planned workforce reductions or anything else with the assumption that that was the right way to do it. I do not see the rationale at all. If you go about it in that way, you will find that, if anything, people have to fill the gaps that are created. It is an example of an area in which the implementation intelligence that I spoke about is not taken into account when it needs to be.

David Phillips: We should see the contrasting of front-line services with back-office functions as a political device, because it is the Government signalling that it wants to protect what matters to people, which is the services that they receive. When it comes to operationalising a reform plan, it is not a particularly useful approach, as Spencer Thompson said.

For example, should administrative staff—those gatekeepers at the GP surgery—be classed as front-line staff or back-office staff if they sometimes deal directly with patients? What about medical professionals, such as chief nursing officers, whose roles now mostly consist of management responsibilities? Such definitions are therefore not particularly useful.

Additionally, although there is often a focus on reducing back-office functions for efficiencies, we should not forget that a large majority of expenditure and staffing is used more directly for the delivery of services. Corporate back-office functions are only a small part of budgets; there is scope for efficiencies and improvements on the front line, too.

Focusing too much on making savings in the back office can mean that opportunities are missed not only to reform and improve services at the front line but to drive efficiencies—for example, in relation to the role that technology can play in improving medical diagnosis.

Rather than focusing on whether roles and functions are front line or back office, when savings plans are being assessed, we need to have a rigorous look at the reasoning and evidence for how those reforms will save money while minimising adverse effects on service users or targeted outcomes. Whether the proposal is for cuts at the back office or the front office—whatever you want to call it—we need to look at the results.

As Dr Thompson said, there is evidence that, if certain administrative roles are cut, that administration does not go away—it needs to be done by someone else who is not necessarily best at that work. If we look internationally, we see that the UK does not appear to have a surplus of managers and administrators in public services. In the health service, we are to some extent relatively underadministered compared with many countries, and we hear about doctors having to spend a lot of time on the administrative side of things.

I echo the point that, although the distinction can be a useful political device to explain what the Government is trying to do, it is not a good device for making plans on the ground.

Jayne Jones: The only point that I will add is that that division creates unnecessary tension in our workforce at a time when we are trying to get staff to pull together and deliver better services and better outcomes, so it would be helpful if we were able to put it to bed, as you describe, Dr Thompson.

Victoria Carson: It is interesting to hear all the system points but, in our world, when it comes to delivery, I cannot divorce, for example, our data

analysts from how a mentor delivers in a household. I cannot do that, but in what you describe, that would be back office and front office. It is very difficult to make that distinction. That is some insight from the ground.

While we are talking about front-line services, I will make the point that continuity is very important. We see every day that our work works when there is trust—100 per cent. I mentioned communication earlier, and trust is the other pillar. When people are delivering services, it is important that they can build trust, so anything that fragments that or affects the continuity of engagement is not helpful.

We all know that trust arrives on a camel and leaves in a taxi. It would be very easy for us to create that scenario with our front-line colleagues.

As I said, in an organisation that delivers these services day in, day out, I certainly cannot divorce the work of the kind of people David Phillips spoke about—the people who are looking at outcomes and data and so on—from the effectiveness and impact that our mentors have on people's lives every day.

Joe Fagan: I want to ask Jayne Jones about the Scottish Food Commission's submission. One of the first points is that a uniform reduction target could have a disproportionate effect on different organisations, because different organisations are at different stages of development and are in different places, and the Scottish Food Commission is a relatively new organisation. Will you elaborate on that?

Have you been issued with a target yet by the Scottish Government, or are you waiting to see what comes out of the national policies and directives? I am particularly interested in the information that the cabinet secretary gave us last week, which was that, although there is a 0.5 per cent overall reduction target for the workforce, for non-front-line roles—whatever the Government decides that they are—that reduction looks more like 4 per cent. Have you been issued with a target?

Jayne Jones: We have not been issued with a target. As you said, and as I said in our evidence, we are a new organisation, so we are in an emerging state, but we have absolutely been setting up with a clear recognition of the public service reform agenda and the need to achieve that as effectively and efficiently as we can. To do that, we have leaned heavily into shared services with other public bodies.

We have a memorandum of agreement in place with the Cairngorms National Park Authority, which delivers our human resources functions including payroll, finance, recruitment and support for governance as part of its remit. Rather than duplicating or repeating things or creating posts to carry out those functions, we share them with a well-established organisation. Separately, we have been leaning into Government information technology, web, procurement and other systems, so that we are not duplicating or replicating them.

We have been establishing that way of working. If we receive a target at some point in the future, we will need to look carefully at how we applied it, because it would have an impact on the delivery of our core services and statutory responsibilities, which include independent oversight and scrutiny of the Scottish Government and relevant authorities.

Joe Fagan: I have a broad question for everybody. Three chunks of opinion have come out of the evidence that we have received so far about whether this is deliverable. There is a big body of opinion that it is not. There is a body of opinion, which perhaps relates to what David Phillips said, that it is achievable. In the middle, there are people saying, "This might be achievable, but it's going to have a negative impact on people and services." The latter view has come out in some of the evidence that we have heard from this panel. Out of those three positions, where do you sit?

Jayne Jones: Under the programme for government, part of the announcement about public service reform and how various public bodies will be situated was that the Scottish Food Commission will integrate with Food Standards Scotland and the Scottish pubs code adjudicator. We will work with those organisations in a productive way to see what that will achieve. The priority will be to consider, from a commission perspective, how we will maintain our independent scrutiny. How will we deliver our functions effectively?

We need to keep our eye on the outcomes that can potentially be achieved to make food better for people in Scotland. How can we achieve a more sustainable, equitable and inclusive food system that will create the change that we want to see? On how we will deliver that or whether it can be delivered, the devil will be in the detail when we have disparate responsibilities coming together.

Joe Fagan: I should maybe declare an interest in case we veer into local government again. I have been in local government, and everything that you said about catering and domestic services was familiar. I suppose the point that I am getting at is whether, if you are expected to achieve the targets, you will be able to do so without there being an impact on service quality or outcomes for people.

Jayne Jones: When things are in flux on food and food policy, it becomes increasingly

challenging to do that. We have a national good food nation plan that has been developed by the Government, and the 32 local authorities and 14 territorial health boards are writing their local plans at the moment. They will articulate in those plans how they will create food systems change by working collaboratively, breaking down the silos and delivering better outcomes for people. We are therefore expecting a book with 46 chapters that will tell us that.

We are now in a place where the health boards will have to work through how they are going to come together as different organisations, and the local authorities are looking at how they will reform and do things differently. That is partly why we need other bodies that can hold them to account and ensure that they still deliver on that work at a time when they will have to spend time and resources in the world of reform, because there is a risk that the work will drop off or not be as robust or as detailed. If we end up with two main health boards and the island health boards, we will no longer have 14 plans. What does that mean for local people? What does it mean for place-based responses and for plans that affect people, communities and households?

There is an element about how we make sure that all this reform works with a focus on outcomes and how we make sure that there will still be change in the things that matter most to people.

Joe Fagan: Thank you. Does anyone else want to answer my question about the three bodies of opinion? Spencer, you had your hand up first.

10:30

Dr Thompson: As you have probably deduced, Mr Fagan, of the three viewpoints that you outlined, we would probably sit most squarely in the third bucket. Whether the workforce reductions are achievable—maybe they are, maybe they are not—the bigger question is what the cost would be. I use the word “cost” intentionally, because the short-term fiscal saving might not actually outweigh the longer-term and more fundamental costs to the system as a whole, if it creates more gaps that have to be filled by other services and so on, to go back to the points that I made previously.

The convener talked about the need for concrete examples, but I think that the situation will vary tremendously between different areas and different services, so it is quite difficult to speak about it in the abstract. One of the areas of discomfort around these very high-level targets is that there is just a lot of heterogeneity across the system.

Victoria Carson: We are really confident and positive about the proposals. There is nothing really to be afraid of. We need to get it right. In that context, if the Scottish Government needs to take a breath to make sure that it does not do the wrong things and invest in the wrong things, that is also fine. This is heavy lifting that needs to be done right. For us, it is about creating a system that enables a legacy for Scotland and does not create a dependency. If we can do that, we are all in, and we will very much be a strong partner.

Also, just while I have the microphone, I would be happy to show the committee some of what is going on, so that you can feel it and smell it. You are welcome to visit, if you like.

Joe Fagan: David Phillips, could you answer that question, too? After that, I have just one more question, and it is for everybody, or whoever wants to take it.

The Convener: We will come back at the end for that question, if we have time, Mr Fagan.

David Phillips: I was going to say briefly that I think that I am in the category of people who say that it is possible. However, I am less clear about whether it might be possible only with service cutbacks. What we do not know at this stage is the potential for new technology—for example, AI—to significantly improve productivity in certain aspects, not just in the so-called back office but also in some of the more direct service delivery aspects of things, such as medical scans or the assessment of pupils’ progress in relation to certain types of learning and learning needs.

At this stage, we are not clear about the extent to which the workforce reduction target and the associated savings would be deliverable without cutbacks in the quality of services that people receive. Of course, there will be a cutback, in a sense, compared with what could be delivered in a world where there was more staff, new technology, better ways of working and so on.

What I would say is that we do not think that the workforce reduction plan and the efficiencies on their own will be sufficient to address the Scottish Government’s overall fiscal challenges, particularly in the context of some quite bold plans to expand service provision in certain areas, such as childcare and free bus passes. Therefore, we think that we would likely need to see cutbacks in service provision and the quality of services to meet that overall fiscal picture and to expand provision in the areas that the Scottish Government wants to expand.

The crunch year will be 2027-28. Given that this is a pre-2027-28 budget inquiry, I think that we need to recognise that there will be tough trade-offs between how fast it is possible to go on reform and on an invest-to-save approach in that first year, and the type of cuts that might need to be made to certain services to deliver the goals. That

will be a big issue that the Scottish Government will face in the 2027-28 budget.

The Convener: I will bring you back in later, if I can, Mr Fagan.

Max Bannerman (Highlands and Islands) (Reform): Please bear with me, I have a touch of the cold.

I want to talk about implementation on the ground. In an exchange last week, the cabinet secretary referred to budget silos as encouraging an "I'm all right, Jack" approach, with individuals in the same organisation who are responsible for different pots of money taking the view that they are responsible and accountable for only those pots of money and nothing else. I might refer to it as a "computer says no" approach to public service delivery.

Dr Thompson, in your opening remarks, you specifically mentioned that we should put in place deliberative processes when considering implementation on the ground, best practice and how to tackle duplication. Could you give an example of what such a process would look like? What would you like to see?

Dr Thompson: There are positive examples from Scotland and elsewhere. I will divide my answer into two parts—I will mention positive examples of deliberative processes being used, and then I will mention the specific issue about budget silos—but I will try not to take up too much time.

There is quite a strong precedent in Scotland for deliberative processes and structures. For example, we have people panels and a strong ecosystem of community organisations. Planet Youth is a particularly laudable initiative. The approach comes from, I think, Iceland and has been adopted by some local authorities in Scotland. Instead of starting with a set of predetermined interventions to reduce substance use among young people, Planet Youth engages with communities to see what parents, children and students think and need. There is quite a strong tradition in Scotland to draw on in that regard, and there are examples from elsewhere, too.

In relation to your specific point about budgets, the issue of budget silos gets to the heart of the public service reform agenda. I know that there is quite a widespread desire to move beyond such silos, and it is mentioned in the public service reform strategy. At the next budget and at subsequent budgets, we will be looking at how preventative budgeting takes shape—whether it marks a meaningful change in the process or whether it just amounts to another product being added on at the end. We really want that to succeed. We also need to adopt a more deliberative approach.

Max Bannerman: I will open up the discussion to other witnesses.

Jayne Jones: I will make a couple of brief comments. There is an opportunity for preventative budgeting to influence decisions about where money sits and how it is spent, rather than it just being a way of classifying money. The good food nation plans provide a great exemplar that the committee can use to track some of the work over years. They provide an opportunity to pull together siloed budgets across various teams and organisations into a systemic plan, which, we hope, will begin to lead to improved outputs and money flowing as a result. Resources will be needed to ensure that we have a system in place to deliver that, but it could be quite exciting if we could use that as a good example of watching change happen.

Victoria Carson: I agree with what my colleagues have said. The panacea involves shifting expenditure to reduce future demand. Every day, our mentors reduce demand on the public services that they work with. That is the reality.

In relation to our engagement with budgets, it is true that they need to be more joined up. For example, the jobs budget is not joined to the skills budget, and the justice budget is not joined to the budget for tackling child poverty, although families fall apart when people go to prison. Those are just two examples. Our civil servants are excellent, so we must find a way to help them to procure outcomes that work across those areas.

Max Bannerman: On what you said earlier about the importance of trust in organisations, obviously, we have just discussed budget silos, but how much of the issue is also influenced by organisational silos? For example, third sector organisations in my region that deliver a service to local people, and that are trusted by local people because they have an identifiable model of delivery that works, find organisational silos in public sector organisations—Government organisations. That is a real problem that those third sector organisations are trying to overcome. How do we get around that, if there is an identifiable problem on the ground?

Victoria Carson: I recognise that a little. The really important thing is that we collectively look at the outcomes that we are all trying to achieve. As I said, organisations such as the ones that you are talking about in your constituency and mine are augmenting services that already exist. We have to be more open to looking at the data and using it. Data is not to tell someone that you have done something, such as helping 50 or 5,000 people.

That is not what data is about. It is about being able to say, "I have worked with these organisations. We have engaged with the local authority and augmented the outcomes as a result." That is where we need to get to, and that helps to deal with the silo working that you are talking about, because you are then all working as one.

There is no one answer, but data is certainly a key part of the answer. That is not just about data flow between third sector organisations; it is about data flow between public services as well.

Max Bannerman: I am happy to throw that question out to anybody else who wants to address the point. Otherwise, I am content to move on.

The Convener: No one is busting a gut, so we will move on.

Before we move on, I need to offer the committee an apology. When we opened the meeting, I did not draw attention to the fact that our deputy convener, Michelle Campbell, is not present and has submitted her apologies. My apologies to Michelle for not putting that on the record.

We are joined by Paul McLennan as a substitute member. Fortunately, Paul has not yet contributed to the meeting, so I still have time to ask whether he wishes to declare any interests that are relevant to the committee's work before we bring him in to ask a question.

Paul McLennan (East Lothian Coast and Lammermuirs) (SNP): Thanks, convener. I have nothing to declare.

The Convener: Phew! Thank goodness we got that sorted. I will bring you in now to ask a question.

Paul McLennan: Dr Thompson, in your written submission you state:

"how efficiencies are identified and implemented is likely to be as important as the overall scale of efficiencies achieved."

You touch on the

"unnecessary complexity, duplication and administrative burden"

that exist. That is self-explanatory, but how practically can the committee identify it? How can we identify the duplication across sectors, and how do we measure that?

Dr Thompson: That is a good question. It is difficult to do. As I said, public service reform is wide ranging, and what is true for education will not be true for health or for social security—and that is before you even get into the finer distinctions. It is about involving more people, including maybe even in this committee. That includes people with front-line experience, but also people who have experience of using services, and those who do not have that experience—people who are deterred for various reasons. It comes back to the need for deliberative processes to be in place. I encourage the committee to draw on as wide a range of voices as possible.

Paul McLennan: I want to expand on that. We are saying that we need public service reform. How do we measure its effectiveness? It cannot just be about saving money—we all understand the need for that, but it cannot just be about that. It is about how efficient services can be and what the services are. How do we ensure that there is an ongoing process? We do not want to be back here in five years' time thinking that we have achieved financial savings but the services are much worse. I will open up the question to the other panel members, too. How do we ensure that there is an ongoing process, so that it is not just a one-off and we do not have to come back every five years?

10:45

Dr Thompson: This is not the full picture, but part of the answer lies in how we monitor progress. One difficulty with what we are trying to do through public service reform is that the outcomes that we ultimately care about will take time to materialise, so it is difficult to monitor how successful we are in the short to medium term. One of our recommendations is that there should be an intermediate set of indicators to measure progress in public service reform. It is important that those indicators—to come back to the point about silos—do not reinforce existing silos and are not just set within siloed areas. It is also important that they incorporate qualitative aspects and dimensions, because part of the problem is that numbers are attractive for lots of reasons, including that you can often put a pound sign in front of them.

Such indicators could include evidence that people are finding services easier to use, that organisations are collaborating more effectively around shared outcomes and that communities have a greater say and more influence over how services are run. It is quite feasible to compile that evidence, and it would help to inform the direction of travel.

Paul McLennan: Does anyone else want to come in on that?

The Convener: I see that several of our witnesses want to come in. I will bring in David Phillips first, and then come to Victoria Carson and Jayne Jones.

David Phillips: I agree with much of what was just said. Having a clear set of outcomes is important, whether you are targeting

improvements or seeking to maintain things. However, I would go beyond quantitative metrics such as the number of patients treated and the number of operations delivered to consider the qualitative aspects of people's experience of services. Although it can be tempting for someone to cut a data collection exercise or survey when savings need to be made, I would be wary of doing so, given the importance of monitoring and evaluation.

Also, if certain things are being trialled in specific areas, it is useful to consider having an evaluation strategy and not just a monitoring strategy. In addition, it is important to disseminate the findings of monitoring and evaluation, because one thing that we know—there has been a lot of research on this—is that it takes quite a long time for innovation, even highly beneficial innovation, to spread across not just the public sector but any set of organisations or sector. Some hospitals are still not making as much use as they should of more effective techniques that we have known about for 10 years or that are at the cutting edge, in terms of outcomes and finances.

I would add—this is similar to Spencer Thompon's point—that value for money will clearly need to be an important aspect when facing a budget gap. We cannot get around the fact that there is a fiscal challenge and that savings and reform plans are developed in that context. However, many early interventions will save money for the public sector down the line and are therefore probably a particular priority at a time like this. There will be others that will come across as negative if assessed purely on the basis of their financial impact on the public sector but that are very important in terms of quality of life and the experiences of people using those services.

A classic example that we found when looking at services in England was adult social care. Investing more in adult social care saves a bit of NHS spending. That saving will not, by a long shot, be enough to pay for those social care services, but the spend will have a significant benefit in preventing problems that have a major impact on people's quality of life.

At the same time as monitoring aspects related to financial savings, it is important to bear in mind that focusing just on financial savings could mean that valuable preventative actions on welfare could end up getting sidelined.

Victoria Carson: For us, in one sentence, this is about being able to evidence tangible household improvements in the lives of the people and households that we work with. I will give you an example of how we evaluate and measure. When we work with households, we keep a live data set on all the outcomes that our mentors enable. That is fine, and it is great evidence of what we are able to achieve and so on. However, it means nothing if the situation does not remain—it means nothing if we achieve that in January but in July the situation has moved back to what it was. We invest heavily in returning six months after we have left the household to ask, "How do you feel now? Do you feel like you are as good as you were when we left you? Have you got better or worse? Has your situation got better or worse?". I am able to share that, of the people who we go back to, 90 per cent say that they are as good as we left them or better. We do that every two months and the number does not really change. It might sound simple, but if, as Scotland, we are to improve people's lives, we need to look at the tangible household improvements that we are effecting and sustaining.

Jayne Jones: We should not lose sight of the reason that we have oversight bodies, which is to provide assurance that that is happening and to maintain and monitor those improvements. Our role—it is certainly the commission's role—as oversight bodies is to keep an eye on the national and local outcomes. We keep an eye on the monitoring framework to ensure that it is recording and evidencing what is changing, that the indicators that are in place around food systems change show signals of change and a direction of travel that is improving, and that our outputs as a commission are leaning into the expertise of others in the food system who are actually doing the work. Doing that work and then reporting back to the Parliament, Scottish ministers and the public on what is and what is not changing is an important role for scrutiny bodies.

The Convener: I should just give the witnesses a time check. We are past our time and we have more witnesses who are waiting to come in and take part in the next evidence session, but I intend to run this session for another 10 or 15 minutes. I just wanted to make everyone aware of where we are.

Alex Kerr (Hamilton, Larkhall and Stonehouse) (SNP): I will keep my comments brief, convener.

The practical examples that we have heard have been helpful—in particular, those from Jayne Jones, who talked about the distinction between the backroom and the front line and the fact that actual duplication is perhaps a better way to look at it.

I will follow up on what my colleague Paul McLennan said about the public service reform strategy and how it looks in practice. Witnesses have talked about how public service reform should be measured and the fact that it should focus on the delivery of public services and

whether they are delivering for people at the other end. At last week's meeting, we had an update from the cabinet secretary on the public service reform strategy. On the back of that—if you saw it—I would be interested to know whether you thought that it was helpful and how you think progress is going in getting away from the high-level stuff and into the weeds of pushing forward the strategy. How would you like that progress to be tracked? I am happy to throw the question to anybody to start off.

Jayne Jones: I saw it, and I thought that it was helpful that the update was circulated to the committee in advance. It was easy to follow, in that it was clearly categorised by action. There are a lot of actions in it, and it will be for the committee and others to drill into the detail of what each of the actions means. It is a big challenge to do this work anyway, so it is no surprise that a large number of actions need to be followed through on. However, the tracker approach is helpful in being able to identify potential signals of change.

Alex Kerr: What are your thoughts, Dr Thompson?

Dr Thompson: I have nothing to add. I agree that it was helpful to see the progress that has been made. In some ways, it is early doors; in some ways, it is not; and in some ways, we are perhaps 15 or so years behind. I want to see further updates and eagerly await the budget, but in some ways the proof will be in the pudding when it comes to whether the Government puts its money where its mouth is.

Alex Kerr: On the preventative budget, or on saying the right things around wider investment in public service reform?

Dr Thompson: Both.

Victoria Carson: I also do not have too much to say on that. Equally, from a practical standpoint, the strategy's publication was in no way unhelpful. The thing for everyone to watch out for is that we must not substitute people for process. At the end of the day, we have to remember that this is about the people who we hope will benefit from public service reform.

That is just a warning about something that we should watch out for, but the visibility and transparency was really helpful, which we welcome.

Alex Kerr: Fantastic. David, can you round it off?

David Phillips: When it comes to monitoring preventative budgeting, our view is perhaps a little bit different from that of some other organisations. It can be useful to look at an individual service or a set of outcomes that you are trying to achieve, and look at the Scottish Government spending that is associated with prevention of those negative outcomes by individual organisations or departments, or with the delivery of positive associated outcomes.

I have a bit more concern about the potential for it to be a bit of a tick-box exercise when it comes to the Scottish Government's overall budget. Given that one of the main objectives of the preventative budgeting tool will be to tag activity as "prevention," there is a risk that things will be tagged in order to meet potential targets.

If I missed anything else, I apologise. I was out of the room for a second, unfortunately, because there was someone at the door, but I hope that that was helpful.

Alex Kerr: No, that was great. As we are running behind time, I am happy to end it there.

The Convener: Lorna, you wanted to explore some matters around prevention as well. Is there anything else that you wish to add or explore?

Lorna Slater: I have only one point. The programme for government focuses very heavily on prevention, which I think that we all support, but it seems to involve looking largely at health outcomes or preventing really devastating outcomes for households.

I found it useful that the papers mention demand reduction—that phrase is broad, in the sense that we can talk about things such as reducing litter in the streets to reduce the demand for street cleansers. In terms of how we scrutinise budgets, how will we be able to see the point at which demand reduction and prevention come into play? That is not always transparent, and it is politically very difficult—in fact, it is impossible—to remove money from acute and crisis services and put it into demand reduction and prevention. How will we scrutinise that and, in political terms, make it happen from budget to budget?

The Convener: That is not an easy question to answer with examples, but it is vital. Who wants to reflect on that question?

Dr Thompson: I can have a go, although it is a very big question. As far as I understand it, that is the problem that the preventative budgeting approach is attempting to solve: how do you not only tag which budget lines are preventative and which are not but also map that on to the drivers of demand?

11:00

Achieving that is a big challenge. I appreciate that there are political challenges in doing that, but there are also analytical challenges, so I think that the preventative budgeting approach has a long

way to go. A great start has been made, but getting to the level that you are referring to, where we can map drivers and outcomes against spend, is an ambitious goal.

There are examples of places where that is done. The Australian state of Victoria has such a model. It is a process but also an analytical model that allows departments to put forward proposals to the Government that are essentially costed in a preventative way. They use the analytical model to show where they think that demand on other services will be reduced by their proposals. The Treasury can then consider and scrutinise those proposals and make recommendations to the Government. There is a sophisticated system for how to monitor that over time and deal with the savings. It is possible to do that, but it is certainly a challenge.

The Convener: Victoria, do you have anything to add?

Victoria Carson: That sounds like an excellent example from Victoria in Australia. There are some examples that I can give, although I might not be able to advise on how to do it politically. We work with people who come out of prison, and we have evaluated that work. People who are mentored by us when they come out of prison have a 10 per cent chance of going back to prison, whereas the national average is 30 per cent. There are a lot of preventative pound signs in between those figures of 10 per cent and 30 per cent. That is one example.

We also work with families and young learners to help them to sustain apprenticeships. In that scenario, the prevention involves colleges, campus cops and so on working with us to identify those kids who might be at risk of not carrying on with their apprenticeship, or perhaps at risk of going into the justice system. When we work with those young people—importantly, we also work with their families, because that is where the instability is—they sustain and succeed in their apprenticeship at a rate of about 86 per cent, when the national average is 50 per cent. Again, that is preventative spend.

The third example is our work on what some people describe as sustaining tenancies; other people refer to it as preventing evictions. We work with housing associations and with those people who they say are at risk of eviction. There is quite a large pound sign above an eviction as well. We are able to help the housing officer and the housing association to sustain the tenancy and prevent the eviction 100 per cent of the time. The cost of an eviction is the cost of an eviction, but the on-cost of an eviction, which could involve someone going back to prison or dropping out of an apprenticeship, is even higher. That is the way that we look at it.

I am sorry—that was not a technical answer about how to scrutinise prevention from a budgetary perspective, but I hope that those examples provide a helpful insight into how the process works on the ground.

Jayne Jones: Demand reduction, particularly when it comes to food and food systems change, will take place over many decades and many generations. Much of what we are talking about is not quick, but that does not mean to say that it is not worth doing and investing in to do well.

Much of the work in this area relates to, for example, potential health impacts and to issues such as healthy life expectancy and the impacts of diet-related ill health on the population. Measures such as up-front interventions on public food and investment in food environment changes would go through certain budgets that were held by certain departments and certain teams at a given point in time. It will take time for those to filter through and make a difference, and the benefits will not accrue to the teams and the budgets that invested in the first place. That is one of the significant challenges with preventative spending and delayed expenditure and demand reduction.

The commission is tussling with the issue of how we oversee and monitor that over time so that we are able to give informed advice and updates on the impact that that work is having.

The Convener: We really are beyond time. If either Mr Bannerman or Mr Fagan has got an absolutely key short question that they must ask, they absolutely can, but if it is any more than a short answer, the witnesses will have to follow up in writing. Let us go to Mr Bannerman first, then we will go to Mr Fagan.

Max Bannerman: My question is for Mr Phillips but I do not know whether he is still with us.

The Convener: I am afraid that he has had to depart, which is disappointing, but it saves us time.

Joe Fagan: My final question is probably a provocative one, but deliberately so. If you cannot answer it now, feel free to follow up in writing.

Basically, we have spoken a lot today about workforce targets and the apparatus of the state. I want to follow up on the last two questioners because, for me, real public service reform—progressive public service reform—is about tackling the root causes of failure demand. It is about poverty, inequality, and ill health. Is there a fundamental flaw in the public service reform strategy and the documents that sit around it in that we are not seriously creating the space for

investment in change because we are being driven by an imperative to make cuts?

I do not know whether you have seen the Institute for Public Policy Research evidence to the committee, which suggests that the workforce reductions risk us slipping back into austerity. We are not going to change people's lives with more austerity. That is my provocation—have you got any thoughts on it? If you cannot give a succinct response on that today, feel free to follow up in writing.

The Convener: Mr Fagan, you absolutely should ask that question—provocations are best at the start of a committee meeting, because that allows members to then explore those provocations, rather than having such questions at the end, but you are quite within your rights to ask it.

I ask for very brief answers—an answer, singular, or answers, plural. An answer, singular, is more than welcome.

Victoria Carson: Briefly, whether it is a flaw or an opportunity—I think that it is an opportunity—the biggest opportunity here is around commissioning and it is around buying outcomes rather than spending money on delivery and activities. There is a huge difference between those two things. If there is something that we want to be looked at most within the strategy, which I think is what you are asking, that is it: buy outcomes.

The Convener: That is very helpful.

Dr Thompson: To answer Mr Fagan's question very directly, I think that the answer is yes. There are two competing imperatives in the agenda: one is the imperative for fiscal consolidation, which is often framed in terms of efficiency savings; the other is the imperative for prevention. I do not know whether it is a flaw, but I think that we need to be really clear about where those two imperatives dovetail and where they really do not do so and, in fact, pull in opposite directions.

Jayne Jones: I concur with what has been said.

The Convener: That is very helpful. Jayne Jones—I have a very specific question for you. It would be remiss of me not to ask it. The Scottish Food Commission is part of the public service reform, as was alluded to earlier, and the organisation will now sit within Food Standards Scotland, but it is still quite a young organisation. Do you think that some of the potential success in relation to that move will be not so much in relation to a contraction in the number of staff but perhaps in relation to how, as it develops as an organisation, it can do things in a much more efficient manner, if that makes sense?

Jayne Jones: It makes sense, yes. For me, it comes back to this focus on making sure that the outcomes are delivering for people, for social wellbeing, and for our environment. The main point is around how we do that and how we manage the machinations of how we will sit as part of, or integrate with, another public body. The detail is yet to be worked out but, absolutely, there are opportunities as well as some challenges around how we do that. As I have articulated, we are keeping an eye on making sure that we retain our independent scrutiny as part of that opportunity and continue to deliver for people and communities.

The Convener: Feel free to contact us more formally in relation to some of the aspects around that if you wish, Ms Jones.

It has been a long evidence session. I thank all our witnesses, not just those who are here in person but David Phillips, who has had to depart, for joining us online. It has been very helpful. Please do follow our scrutiny on an ongoing basis. We will now suspend briefly while we set up the room for the next panel.

11:09

Meeting suspended.

11:14

On resuming—

The Convener: I welcome our second panel of witnesses. Liam Davenport is industrial officer at the Public and Commercial Services Union, Carmen Martinez is policy and engagement lead at the Scottish Women's Budget Group, and Dr Chris Williams is vice-chair of the Royal College of General Practitioners Scotland.

Thank you for attending. I apologise that you had a bit of a wait to take your places at the table. I offer you the opportunity to make some brief opening statements if you wish.

Carmen Martinez (Scottish Women's Budget Group): Thank you for the invitation to provide evidence today. The Scottish Women's Budget Group is a membership organisation that works to promote women's equality. We do that by helping people to understand how budgets and economic policy can be used to tackle inequality. We have more than 300 members, some of whom have directly shaped our response to the committee's calls for views, and I thank them for their time and input. I also thank the members of our latest women's economic empowerment group, who recently shared their reflections on the budget process at both national and local level. They also shared their experiences of using public services,

which helped to inform our thinking and our response.

We share the Institute for Public Policy Research's view that public sector reform is likely to be one of the most defining issues in the current session of Parliament. As the work gets under way, we emphasise the need to embed gender analysis throughout the process. That is essential to ensure that existing inequalities are not baked into future reforms and that policy actions that are linked to the agenda do not inadvertently increase women's inequality.

Dr Chris Williams (Royal College of General Practitioners Scotland): The Royal College of General Practitioners Scotland recognises the need to reform public services to ensure the best possible outcomes for patients and communities from available resources. Scotland's burden of disease is projected to increase by 21 per cent by 2043, so the urgency of meaningful reform is clear. The total health and social care budget and patient demand grow year on year, which raises fundamental questions about the sustainability of our health and care systems. That needs to be explored.

General practice is a highly efficient part of the health service, delivering around 90 per cent of patient contacts while receiving less than 7 per cent of the NHS budget. Back in 2008, general practice received around 11 per cent of the NHS budget, but that figure has fallen to 7 per cent despite rising demand and increased complexity of care. As a result, GP teams have absorbed growing pressures to maintain services, often at the expense of their own wellbeing.

According to recent polling, improving access to GP appointments remains the public's number 1 healthcare priority, and evidence consistently demonstrates that investment in primary care improves health outcomes and generates substantial economic and social health benefits.

Liam Davenport (Public and Commercial Services Union): The Public and Commercial Services Union is the largest civil service trade union in the UK. We represent about 200,000 members UK-wide, about 12,000 of whom are in the devolved Scottish public sector, principally in the civil service and non-departmental public bodies.

Public service reform has been an item of major anxiety for our members, and our submission to the committee is heavily based on what those members told us individually, via their representatives or through a survey that we conducted on the issue over the summer, which had 3,500 responses. Members have been very clear with PCS that public services need to change—in many public bodies, there are changes that members have been suggesting and campaigning for for many years—but they do not support a cuts agenda. The strong suspicion is that that is what PSR is, in reality.

Workloads are already too high across the vast majority of public bodies, including the core civil service. People routinely work beyond their contracted hours, sometimes into the double digits each week, in order to deliver ministerial agendas. The fear among PCS members is that their job security is at risk as a result of this programme. As I said, my members support good reforms—I know that the word "improvement" has been used at previous meetings of this committee. Members have ideas about areas in which there is duplication and improvements can be made. The problem that they encounter is that the senior leaders in their organisations do not listen to them. That genuine worker voice is absent from this process, which I think I made clear in the submission.

PCS wants to engage in good faith with the Scottish Government over reform, and we have constructive discussions at the level of officials and occasionally with the cab sec as well. However, we continually find that Scottish Government officials, when implementing changes, engage primarily with the same senior leaders in bodies that do not engage earnestly with the workers we represent. Therefore, when an instruction comes down to cut head count and to do more with less, there is no genuine discussion about how to do the work efficiently without having a negative impact on the service or on the workers. What happens is that the senior leaders inevitably protect the areas that are closest to them, and other teams that are perhaps out of sight, out of mind have to do more with less, which is why their workloads continually increase.

We need to get away from that approach. We need to move towards a process of improvement that is focused on improving service delivery for Scotland and improving workers' work-life balance and maintaining their job security without making savings the be-all and end-all. As other witnesses have discussed extensively in the committee, those things are in tension with one another, so we need to navigate that.

The Convener: Thank you to all the witnesses for putting their initial comments on the record. We will move to questioning from committee members.

Alex Kerr: Thanks for the opening statements. It seems that there is broad agreement that public service reform, in some form or another, has to happen. Two words that are key to the agenda are efficiency and effectiveness. I am keen to get a sense from each of you what meaning you take

from those words and how that factors into public service reform.

Dr Williams: I will start by highlighting the level of fiscal responsibility and financial restraint in general practice. Most of Scotland's general practices are run as independent contractors. Operationally, those organisations cannot overspend or rely on the possibility of money coming from over the horizon, so a great amount of care is taken in general practice to balance the books.

However, we suffer a lot from the mismatch in the public's expectations around what general practice can deliver. As the most accessible part of the service, we are unable to get into the preventative space as fully as we want, because we must react to the level of demand. We react to the daily number of acute physical and mental illness presentations that come through in high volume.

Alex Kerr: How do GPs work effectively across the system? One of the big issues that we have is siloing.

Dr Williams: When it comes to aspirations to build a better and more integrated health and social care system, general practice sits at the heart of doing that effectively because of our connection into multiple agencies. We have a community-first mindset and try to ensure that we can deal with people's problems in their locality and in their community.

As general practitioners, especially when we work in modern health centres where we have all sorts of other professions working as a multidisciplinary team round about us, we can very much deal with things without admitting people to a hospital bed. We can respond and understand where social care arrangements for somebody are not adequate. We are often the intermediary, and we work at the interface.

When it is adequately resourced, general practice is connected to all the other parts of the health and social care system in order to make a difference.

Carmen Martinez: We posed that question to our members and women from the women's economic empowerment project. They said that there is a need to examine what the term "efficiencies" means in practice, because there is concern that it can act as a euphemism for cuts or austerity measures and that it might rely, inadvertently or intentionally, on essential unpaid care work, which women continue to undertake disproportionately.

Some members mentioned the MyCare app and hospital at home initiatives. Although they are not against them and recognise that they might have positive effects, there is limited understanding of how changes in service delivery might affect unpaid carers or levels of unpaid care. Their reasoning is that, when someone's care moves from the hospital to the home, care is still needed. As I said, our members are not against the MyCare app, but some unpaid carers might need support to use it, because not everyone is technologically savvy.

In our submission to the committee, we refer to a report from the Accounts Commission, published in 2024, that describes how some integration joint boards have had to consider more significant measures, including ending funding for certain care and support services, because resources have been increasingly directed towards meeting statutory targets. That raises questions about the role of non-statutory services, many of which are preventative in nature, so that links with previous questions about preventative spending.

It is important that we understand how reducing or removing such services could affect outcomes, increase inequalities and place additional pressure on unpaid carers. Without that analysis, there is a risk that short-term efficiencies will simply shift costs elsewhere, including on to individuals and communities. The previous question was about what we can do, and I am setting out the negative effects of not carrying out that analysis or having that understanding.

Finally—I know that we all have lots of things to say, but I prepared an answer for this question—two years ago, in October 2024, the Edinburgh integration joint board proposed cuts to its grants programme. I will quote a small part of the blog that we published on the issue, which you can read in full on our website, or I can send it to the clerks. We said:

> "Section 12 of the proposal provides data on what the £4.5million saving could fund if used differently including additional GP appointments. Section 34 states that preventative work which stops people attending the GP or A&E does not 'directly translate into financial savings as cash can only be released by reducing the provision within those areas.'
>
> This assessment seems to misunderstand the nature of early intervention and preventative work, which aims to stop problems happening in the first place or reduces the level of harm. Preventative work delays the need for individuals to use higher cost statutory services."

The previous witness spoke about efficiencies and preventative work. One aims to reduce spending, but preventative work might need resources. In its report, the IPPR made the case that we might need money to do prevention work before we can go on to something else. I hope that our evidence informs views on the issue.

Alex Kerr: That is really helpful—

The Convener: I do not mean to cut across you, but I want to assure all three witnesses that they will get a good chance to chew over all this stuff, so they do not need to put it all out there at the one time. At the end of the evidence session, even if we are running late, if they feel that they have not managed to get something on the record, I will give them the opportunity to do so. I point that out so that the witnesses can pace their contributions and we can have a discussion. That will be very helpful.

11:30

Alex Kerr: I have spoken with a lot of folk in the health service about the hospital at home service, and that is quite an interesting one from an unpaid carer angle, in terms of how best to use that service. It would be interesting, maybe later, to get the RCGP's view on that, because the folk I have spoken with, including allied health professionals, seem to think that it is quite good as a way of redesigning services that might not deliver a financial saving but improves the service for people, if it is done properly.

Liam Davenport: I will try to be brief. I concur with what Carmen Martinez said, particularly around the IPPR report, which I would observe largely reflects what the Christie commission said back in 2011. It has been known all along that you need to invest up front in order to make savings in the long term. Christie's recommendations were not effectively implemented back in 2011 because of the austerity agenda that was in place at the time. There was the urgent need to make cuts, and that was the priority; that is what happened. We are at risk of doing the same thing again right now if the imperative for short-term efficiency takes over that need for long-term effectiveness.

On the measurement question, I would just reiterate that the core thing that needs to happen is engagement with, and feedback from, the workers who deliver public services, because they are not subject to the same incentives that perhaps senior leaders are, in terms of key performance indicators and measurement. They will tell it like it is. They certainly tell us, as trade union officials, like it is. They see a lot of the KPIs and so forth that they are expected to meet as artificial and not genuinely measuring the work that is delivered to the public, and that is a major source of frustration for them. That is where they would like to see change.

There has been a lot of talk about silos, and I am sure that there will be questions about that. I want to emphasise that silos exist not just between organisations but within individual organisations. That is an area in which workers have ideas of their own that they put forward. They want to be able to break down those barriers, but they are often blocked from doing so. Their voices are not coming through. If there is a benefit to come out of this process for PCS, that will be it.

Some of the projects that we have run in the past have borne fruit. I have brought along a couple of reports with me. Before Social Security Scotland was set up, the PCS carried out an investigation and commissioned some work within the Department for Work and Pensions on how Scotland could handle social security better. A lot of those recommendations were implemented, and Social Security Scotland was a better place to work and had more positive outcomes when it was set up. We are doing another project of that kind in Social Security Scotland at the moment, because some problems have crept in.

More recently, we commissioned work within the justice areas on improvements in there. Unfortunately, there was not as positive a response from employers in that area, and they are proceeding with different reforms on an individual organisation basis. We believe that our recommendations were the right ones. Nonetheless, we are engaging constructively with the other reforms.

Changes need to be made, as I said, but the worker voice is paramount. It cannot simply be a top-down process. That will not secure buy-in and, ultimately, will not lead to effective change for the people of Scotland either.

Alex Kerr: That is very important. In your submission, you spoke about the need for a bottom-up approach to driving change rather than a top-down one. Some of the previous witnesses mentioned local intelligence in that regard.

The scale of public service reform that is set out in the programme for government is huge. What is your view of some of those announcements? You will have your own particular interests. How do you feel about what has come out of the programme for government in relation to those interests?

I will start with Liam Davenport and then move across the panel.

Liam Davenport: We are still digesting a lot of it. Some aspects were somewhat expected as a trajectory. We know that the further education and skills reform has been ongoing for a while, so the aspects that were related to that were not a tremendous surprise.

However, the announced merger of environment bodies was a big surprise. That has caused particular anxiety among members in Scottish Forestry. Their expectation was that, if they were going to be subject to a merger, it would probably be with Forestry and Land Scotland. Those are the two forestry bodies, so that would probably make sense. It would probably be the easiest merger that the Scottish Government

could undertake, frankly, because they already have identical or near-identical terms and conditions. They already work very closely together and share premises.

Instead, the suggestion seems to be that there will be a merger of environmental bodies, possibly including Scottish Forestry, and a separate merger of land bodies, including Forestry and Land Scotland. That would actually break up what has been a very successful partnership between the two forestry bodies.

I know that the Scottish Government has been looking at the merger of bodies into Natural Resources Wales as something of a model. PCS is recognised in Natural Resources Wales and we have reached out to our Welsh team for information. That meeting has not yet taken place, but I will be happy to report back once it does.

We know from public information that Natural Resources Wales had a funding shortfall of £13 million last year and had to cut more than 200 jobs, so it is a cause of anxiety that the process here could lead to compulsory redundancies for workers whose roles are being merged and restructured. That is a red line for PCS: we cannot allow people to be made compulsorily redundant. We have had a guarantee of no compulsory redundancies from the Scottish Government for many years and that has enabled us to work constructively with the Government. Throughout PSR, we have pushed to have some sort of redeployment agreement or mechanism that would enable people who are displaced from their jobs due to restructuring or the removal of duplication to be redeployed to other jobs within the public sector, even if that is in a different public body. We have not got very far with that yet, but it is still an ambition.

Things are proceeding at pace and it felt as if what was in the programme for government was announced with some speed. I am concerned that the mergers will begin before we have a mechanism in place to protect jobs, which could lead to workers being made redundant, the loss of their skills and expertise to the public sector and expense to the public purse in giving them redundancy payments when they could be redeployed elsewhere. We must avoid that at all costs.

Alex Kerr: There is more detail to come about the programme for government, and the committee would certainly like to see additional detail.

Carmen Martinez: I have quite a different perspective on the programme for government. The current timescale for the reforms seems ambitious, although members have not gone into that in detail.

The recognition in the programme for government of violence against women and girls is important and we welcome that, but it appears that the actions in the programme focus more on tackling the issue than on tackling the root causes of that issue. The equally safe strategy recognises violence against women and girls as the cost and consequence of gender inequality. From that perspective, if the Government wanted to tackle the issue, we would see it taking key actions to improve childcare and social care, but the programme for government was silent on the expansion of childcare, beyond stating that there will be a consultation—I think that it was called a blueprint. There was also an announcement about a consultation on social care reform. I cannot remember the exact words, but I do not think that it committed to any additional funding: it was about doing things with the same funding.

I understand that we are talking about making efficiencies and reforming public services so that they meet demand without really being able to spend more money. However, the equality impact assessment of the public sector reform strategy recognised that women are more likely to be poor; therefore, if we want to focus on outcomes and to improve the lives of people—and I will particularly make the case for women's equality and gender equality—investment in social infrastructure is important.

I have more points about social care but I hope to make those later.

Dr Williams: I have an observation about something that was not in the programme for government but was in the Scottish National Party manifesto, which was a commitment to publish a long-term GP workforce plan. That remains a priority for RCGP Scotland.

As part of a major restructuring of the health service, there is a proposal to reduce the 14 territorial health boards to two strategic boards. I know that that has generated a lot of chat and discussion in the health workforce.

From a primary care perspective, the restructuring of corporate services is not so much of an immediate threat. There is something to welcome in a focus on pathways and on ensuring that governance is streamlined. However, with a reduction in the number of boards, we would need new structures to be set up to ensure that the local intelligence is joined up with the high-level strategic thinking. At the moment, every territorial board has a GP sub-committee, an area medical committee and an area clinical forum. There are ways in which advice is fed up from the ground—although not always effectively—to, hopefully, reach board level so that the territorial boards are aware and informed of challenges.

We absolutely have work to do on that interface so that primary and secondary care work well together. I mentioned the importance of health and social care integration being done properly. I absolutely understand the desire to look at how local authorities and health boards come together to provide a health and care workforce.

Alex Kerr: Is it okay if I ask another question, convener?

The Convener: You will need to be incredibly brief, because you will squeeze out colleagues otherwise.

Alex Kerr: Absolutely.

I would just like to get Dr Williams's thoughts on hospital at home.

Dr Williams: It has a very catchy name and is filled with promise. There are issues with the variability of how hospital at home is deployed in different parts of the country. Certainly, in areas that have rurality to contend with, there is a different service configuration. General practitioners, as generalists, are involved in some hospital at home services, in terms of the medical advice that is provided to the nursing and multidisciplinary teams.

The services that are offered through hospital at home are carefully selected. It is important to keep people who do not need to be in hospital out of hospital if they can have their personal care given at home, so that they do not lose their package of care as a result of being stuck in hospital needing antibiotics through a drip. I am mindful that that service has generated some impressive metrics, which has been the rationale to invest in it further. However, I note that it is not a round-the-clock service, so out-of-hours services, for example, that support aspects of clinical care are not reflected in those impressive metrics. I also question the extent to which hospital at home can continue to expand, given that it provides a narrow or select range of services.

Alex Kerr: Thanks for your forbearance, convener.

The Convener: I will bring in Joe Fagan for the briefest of supplementaries—it will have to be brief, because Paul McLennan has the next set of questions.

Joe Fagan: The flip side of waiting so late in the day to put that provocation to the previous panel is that a number of the witnesses on this panel heard it and were able to pick up on it. I want to come back to the IPPR's point that

"If austerity is taken to refer to a degradation of public services in pursuit of balanced public finances, then the current workforce reduction target risks Scotland slipping into austerity."

What do you think of that? How do you assess that risk? Is there a high risk or a low risk?

The Convener: I will let you ask that question, as I do not want to set off the committee on the wrong terms, but you know very well that we have a series of questions on workforce reform coming up. That is not really a supplementary, is it?

Joe Fagan: It was more following on from the point about the balance between prevention and workforce targets.

The Convener: I ask the witnesses to answer that briefly if they want, and then I will bring in Paul McLennan. Liam Davenport, you can come in, but you will have lots of opportunities to speak about that, because colleagues have questions on all of this.

Liam Davenport: I will be very brief, then. Yes, that is bang on.

Carmen Martinez: I think that I answered that a little or referred to the question when I talked about efficiency and what our members shared with us.

Dr Williams: In general practice, we have in the past suffered somewhat through some of the workforce discussions centring on head count. Actually, we need to look at whole-time equivalent. The discussions can sometimes be about metrics that are not the most valuable. The shape and composition of the workforce absolutely need to be looked at.

11:45

The Convener: I am sorry if you think that it is unfair, Mr Fagan, but three members want to ask specific questions about a range of workforce issues.

Joe Fagan: I will leave it till the end.

Paul McLennan: I will come to Carmen Martinez first. In your submission, you said that you echoed the concerns of the Wise Group, which talked about the need to prevent avoidable demand across the system. I have two questions about that. First, how do you identify the cost of failure demand at the start of the process? When the Wise Group gave evidence, we heard that evictions can cost between £20,000 and £25,000. If the situation is dealt with at an earlier stage, it is less costly and there will be a better outcome for the people involved. We need to identify where failure demand is now so that we can look at it.

Secondly, if we are talking about efficiencies in public service reform, how do we ensure that the pressure is not being passed down? Not everyone will tackle reform at the same time. How do we avoid the efficiencies being passed from one group to another, which means that the pressure

would grow and grow as we move towards the bottom rung?

Carmen Martinez: That is a good question. The first thing that comes to mind is that, in our annual local budget reviews, there is very little analysis of the cumulative impact of the savings and efficiencies. A previous witness spoke about a strategy for evaluation. If we do not have the data, we cannot evaluate the impact of those changes on public service reform. I have not expressed my view yet that gender budget analysis is about being transparent about decisions and the outcomes that we want to achieve, linking money to those, and advancing equality. Those were the principles of the Christie commission. We need to have the data and evidence to be able to make decisions and to not lose sight of the outcomes.

I do not know whether you want more specific examples, but I brought one, which involves bad news. I was not picking on anyone, but I did a simple Google search and found the North Ayrshire integration joint board strategic risk register, which identifies the financial sustainability of the health and social care partnership as a key risk. Some of the control measures include recruitment delays. There will be a recruitment drag, with approved vacancies being held for four weeks while they are scrutinised. In care-at-home services, a recruitment freeze will be applied to

"gradually reduce the overspend position",

which will

"impact on wait times and service performance."

We need to consider the impact of those changes on service users and how they will affect other statutory services.

I can go on to talk about the implementation gap that some people have mentioned. There is a gap between the Government's ambitions and local delivery. People do not feel the benefits of the big conversations and our vision and ambitions for Scotland.

Paul McLennan: Liam Davenport, I will come to you, because you mentioned the Christie commission. I was a council leader at that time. It was a huge missed opportunity, because the commission identified where failure demand was at that time. How do we identify failure demand through the lessons that we have not learned from the Christie commission?

Liam Davenport: You are absolutely right. The Christie commission identified that failure demand accounted for about 40 per cent of spend, which is a huge proportion. In our submission, I tried to make a distinction between long-term prevention, which is difficult to put a number on, because it is so far in the future, and the short-term failure demand that members report day in and day out.

I will talk specifically about the Scottish Public Services Ombudsman to illustrate that. It could be said that the entire remit of the SPSO is failure demand, because its role is to deal with complaints that have already been through the complaints process in other public bodies and to take a decision on them. In theory, the SPSO would not have any work if everything was working perfectly. Its workload has been increasing year on year. It went up by about 30 per cent between 2024 and 2025, and it has gone up again in 2026. There is currently a nine-month waiting period between someone's complaint reaching the SPSO and it responding to them. That is the scale of the backlog that it is dealing with in relation to failure demand.

The only way to address that is for the SPSO to get more resource, but it is not getting more resource or, when it bids for more resource, that comes with strings attached in a way that is unhelpful. I am aware that, this year, it bid for an additional, I think, six staff to help to clear the backlog. It had to put in a business case to the Scottish Government for that. Those extra staff were recently approved, but only for one year, and it is now quite late in the year. I do not think that the posts have been advertised yet. By the time the SPSO has advertised, people will come in, following disclosure checks, around Christmas time. They will have to be trained up in the first few months of next year, and, by the time the new budget year comes around on 1 April, they will be gone. That is what bodies are dealing with in trying to get resource to deal with the backlog.

In the meantime, I believe that the SPSO, in order to redirect internal resources to that backlog, has restricted public phoning hours to, I think, three half days a week. That is restricting the amount of access that the public have to that public service, which is not helpful, either. There is an acute need for up-front investment to address such urgent failure demand backlogs.

As I said in the submission, the situation could be dealt with more intelligently by reducing the layers of scrutiny, perhaps by putting more resource into the approval layer, but that would require an assessment of current resource and, potentially, more investment. There is no quick fix whereby the Government can implement cuts and also address failure demand. Up-front investment is required.

The SPSO is one example, but there are similar examples right across the public body landscape where backlogs exist and where corners are having to be cut—or that managers, in some cases, are even instructing to be cut—to get through the backlog more quickly. Every time a corner is cut, that creates the potential for something to go wrong, which generates more

failure demand down the line. The only way through is to examine the situation, to listen to what the workers say is required to address it and to put the resource where it is needed.

Paul McLennan: Dr Williams, do you have anything to add?

Dr Williams: Your question made me think of the situation at the Office of the Public Guardian, where it currently takes 12 months to process a power of attorney application, which involves checking the application and registering the power of attorney. The office is now able to deal with urgent live cases that are identified to it that need a rapid response. It strikes me that registering a power of attorney is one of the most valuable pieces of preparation that our citizens can do, and that is an area that I think would really benefit from investment to reduce the backlog. That would help to ensure that that system was smooth and that people could prepare for what might be ahead—what they know and what they do not know.

Lorna Slater: I want to pick up on what Liam Davenport said about redeployment. That is an important point, because when we talk about there being no compulsory redundancies, people have the idea that only natural attrition is being considered. Of course, the worry that we all have about natural attrition is not only about people losing their jobs, but about a loss of experience, of senior people in particular, who have a great deal of knowledge in their heads, when they suddenly decide, "Oh, well—I might as well take early retirement, because I don't want to be made redundant or pushed out in that way."

Another problem relates to one of those things that the public sector has a reputation for, which is not necessarily true—namely that, when such restructuring takes place, people are a bit unhappy about it and anyone who is very employable, who can easily find employment elsewhere, will go off somewhere else, with the result that the people who remain are those who are not easily redeployable.

I want to dig into the issue of redeployment a bit more. What would good redeployment look like and how could that help with the public service reform agenda? I presume that redeployment requires people to be retrained, and that the process needs to take account of employee morale. How do we do that well?

Liam Davenport: You are right that training will be a key part of it. It would not be fair to displace people and expect them to spontaneously manifest skills that they did not have before. If they are required to retrain, they need to have the time, resource and employer support to do it. If another post elsewhere can be identified for them that they do not have the experience for, the expectation of any employer is that they train their staff, so that lack of experience should not itself be a barrier.

We are working with members in Wave Energy Scotland, which is a public body that has already been defunded—the Scottish Government has taken the decision that that is an area that it no longer wants to support. The workers have come up with proposals for ways in which their skills can be put to alternative use. We sent a series of freedom of information requests to local authorities across Scotland to try to calculate the scale of spend on expert engineering and energy work that is currently outsourced to contractors, of which the Wave Energy Scotland staff could potentially take on some. We have engaged with Scottish Government officials about that. That is an example of the types of thing that we are trying to find for people.

Public sector workers have skill sets that are not necessarily known to their employers based on a bare reading of their job description. However, those skill sets are extremely valuable. Potentially, one of the biggest areas of saving for the Government is through reducing the amount of spend on outsourcing to consultants and contractors, and in-housing that. Reports commissioned by the Scottish Trades Union Congress have tried to quantify that spend: they estimate that between £2 billion and £3 billion could be saved in that way.

We have found that there are barriers to that because individual areas are not open to holding their vacancies for people who are elsewhere. They are all being told to reduce their head count, so it is difficult for people to find vacancies in the first place. That is why it is unhelpful to focus on head count reduction as the core metric—because savings can be made while head count increases, if the spend is reduced in other ways. We see that as the ideal outcome for the WES workers. There are only a handful of them—it is a single-digit number of staff—but they could be the core of a body that is able to take in house some of the work that is currently outsourced. They could be an asset to the core Scottish Government or to the Scottish National Investment Bank. That possibility is being explored.

As reform continues, there will be examples like that across the public sector. As part of its restructure, Scottish Enterprise has just displaced a load of staff into surplus roles that, for the time being, are being given deployment work with other teams. There is a question about how long that will be allowed to continue; there will be a need for those staff to get permanent jobs somewhere, if not in Scottish Enterprise then elsewhere. Last year, staff in a similar role at VisitScotland were made compulsorily redundant, in a breach of the NCR guarantee. We cannot allow that to happen

again. A lot of our members have a fear that the NCR guarantee will not withstand PSR unless there is an agreement that will allow them to be redeployed in other permanent jobs. As you said, part of that involves retraining. The workers themselves have the best idea of their own skill sets; trade unions can assist by collating that information and providing it to the teams that are assessing vacancies. However, there needs to be central oversight of the vacancies that exist, and the Scottish Government needs to insist that public bodies get on board with it and do not try to ring fence their vacancies and prevent other public sector workers from moving into them.

Lorna Slater: Do you envision that some sort of public body organisation would need to be created, at least temporarily, to oversee the redeployment? Should there be a line in the budget for a temporary agency that will manage the redeployment and retraining of public sector staff? Should we look out for something like that?

Liam Davenport: Possibly. We have been engaging with the Scottish Government on the basis that it would be the core civil service that did it—that it would be either the PSR team or another core civil service team. There are other potential ways to do it. In essence, there needs to be central oversight and an agreement that is enforced.

Lorna Slater: Convener, do I have time for one other question or are we running late?

The Convener: We are running late, but not at the expense of scrutiny. To give members a steer, that means that we may have to carry over the time to consider in private the evidence that we have heard. However, I do not want to stifle scrutiny, which is more valuable than that.

12:00

Lorna Slater: Brilliant. I want to ask about an issue that Liam Davenport raised. My question, which relates to spend to save, is for everyone.

We have heard in other evidence sessions, and Liam also mentioned, that one of the barriers to implementing the Christie commission's recommendations is that you have to put money in up front. I note that the Scottish Government has allocated £30 million to spend-to-save initiatives. I am not saying that the projects that funding has been spent on so far are all bad, but when I look at them I see that they are small beans. I think that only one of them cracks £1 million. They are all quite small; they will not be transformative.

What do we need to see in the budget that would be transformative? Is £30 million enough, with the money simply needing to be invested differently, or are we talking about a totally different sum of money?

Carmen Martinez: Could you clarify whether you are talking about the invest to save fund?

Lorna Slater: Yes, that is the fund to which I am referring. My question is also a broader one about how much money should be invested in this area. What level of investment should we be looking for in the budget?

I ask that witnesses respond in order from left to right.

Dr Williams: I will pick up on the digital transformation side of things. The MyCare.scot app was mentioned earlier. That started off with basic functionality but, over a period of years, it might have huge potential in terms of how people interact with health and care services, empowering people and carers, reducing some interactions with physical locations, and improving how people are able to book and keep track of appointments and ensure that they are not scheduled when they already have an appointment elsewhere.

Projects are already up and running that could deliver real benefits if prioritised. Digital prescribing is another example of something that has always been coming, but it has been years and years, and we are still potentially three years away from seeing it implemented. Some of these projects take time to build.

I hesitate to mention things that are not workforce spend, but they are also ways to stabilise our workforce or identify areas in which there is sufficient workforce and enough stability for staff to take on extra transformative or preventative roles.

I would particularly highlight some of the digital projects that are already up and running, but where roll-out could be accelerated to increase availability to the wider public and to those who can make use of such technologies.

I realise that digital exclusion exists, but, in terms of identifying where budget investment could deliver clear progress, some of these are already established visions. We have identified where we want to get to, and I am sure that progress in some of those areas could be accelerated.

Carmen Martinez: I am not sure about my answer yet. Again, I am thinking about the women's economic empowerment project. It looked at the Government's previous budget and the money that it had allocated to mental health services. Its opinion was that, although the amount allocated looked like a lot of money, it wanted to know what it would buy, how mental health outcomes would improve, and for how many people. How far would the money go?

I suppose that we need to go back to the Scottish Government and ask it to articulate more clearly what it wants to achieve with the £30 million. It also needs to set out how it will not only advance the reform agenda, but help to eradicate child poverty, grow the economy and tackle the climate emergency.

From a transparency point of view, it is important that, if the money is allocated, there is reporting and evaluation of how it has helped us to achieve A, B and C. That will make scrutiny easier.

I am not answering your question completely, but I hope you get where I am going.

Lorna Slater: Yes, thank you.

Liam Davenport: My comment is not so much about the amount of money as it is about how the fund works. I said in our submission that a lot of employers are put off by the fact that money from the fund needs to be repaid with interest. The cabinet secretary might say, "Well, that's the point. If we can incentivise people to use other funds, that's the job done." That is his view.

Lorna Slater is right to observe that many of the projects that have accessed the fund have been quite small beans—in my assessment, there have been a lot of apps and chatbots. As I said in our submission, the PCS has not been consulted on any of them. For reasons that I could spend all day talking about, we want to be consulted on the implementation of any AI systems in the public sector. Many of the projects seem like small beans because they need to be delivered quite quickly, whereas the fundamental changes that are needed on, for example, IT systems and core databases in the public sector will, inherently, involve multiyear operations.

Before I had this job, I worked for the Crown Office and Procurator Fiscal Service. I can tell you from experience that the core document management system that the COPFS uses does not have a search function. You just have to scroll through hundreds of thousands of documents until you find the right one. That is quite time consuming, so having a search function would be an obvious thing.

In 2010, the phoenix project was in place to replace the core IT systems across the Scottish justice sector for the Crown Office, the courts and the police. Millions of pounds were spent on the project, but it was cancelled because of austerity measures. It was known at that time that the core systems needed to be replaced, but the austerity agenda prevented that from happening, so things have just carried on ever since.

The same issues exist in other public bodies. Some bodies have since updated their systems, so I do not claim that it is a universal issue, but such problems are widespread across the public sector. Unfortunately, the projects that can be funded through the invest to save fund are insufficient in scale to deal with the problems, either because of the amounts of money that are available or because of the timescales that are required. We need longer time horizons if we are to deal properly with such issues.

Lorna Slater: Thank you.

Murdo Fraser: We have already covered quite a lot of ground on head count, but I have two follow-up questions. Liam Davenport, I do not know whether you caught any of the earlier evidence session, but I asked the Institute for Fiscal Studies for its view on the head count reduction target—0.5 per cent per year, and 2.5 per cent cumulatively over five years—and how achievable it would be without there being a negative impact on public services. I think that it is fair to say that it was quite sceptical about whether the target was achievable, and it certainly did not think that it could be achieved without compulsory redundancies. I am interested in the PCS perspective on that.

Liam Davenport: We do not think that cuts in head count are necessary or would be beneficial, because overall head count in the public sector is already insufficient to deliver the commitments that the Scottish Government wants to deliver. We need to remember that everyone employed in the Scottish public sector is employed because the Scottish Government made a decision to deliver some part of its agenda.

In overall numbers, head count has only just recovered to what it was in about 2009. In many cases, it is not that the bodies that existed in 2009 have grown; there are now new bodies, because the Scottish Government has more powers than it had in 2009 and has made more commitments than it had made then. For example, Social Security Scotland, which employs more than 4,000 people, Public Health Scotland, which employs more than 1,000 people, the SNIB, Consumer Scotland, the forestry bodies and South of Scotland Enterprise did not exist in 2009. A lot of new bodies are delivering new priorities for the Scottish Government, so it is not the case that there are more people doing the same work as was done back in 2009.

New work has been committed to, and people have been employed to do that work, so cutting head count will have an impact on that work. As I said in our submission, there was a near miss at the start of the year—Scottish Government underfunding in this year's budget nearly led to the loss of staff working on the Scottish land fund, who are all on one-year rolling contracts, so they are vulnerable to those contracts being cancelled. If

that had happened and those staff had been let go, that would have fatally undermined the Community Wealth Building (Scotland) Act 2026, because the land fund is essential to the functioning of that act.

There will be similar impacts anywhere in the public sector where head count reductions are imposed, unless there is full and proper scrutiny and input from workers. As I said, in aggregate, based on the priorities that have been set, head count in the public sector needs to be higher, not lower. There will probably be scope for moving people around and identifying duplication—we do not claim that there is no duplication, but there is probably more duplication within bodies than there is between them. The merger of bodies is likely to serve as a distraction from identifying real efficiency, because merging bodies itself costs money.

On the head count targets, we might think that 0.5 per cent a year does not sound like much. However, last week, the Cabinet Secretary for Public Service Reform made statements about local government that sounded like he was kind of happy with that trajectory, and nobody particularly thinks that the health service will bear the brunt of this. Therefore, we are talking about core civil service and non-departmental public bodies, which is a cohort of about 60,000 staff. The numbers that have been thrown around of between 10,000 and 20,000 would be a huge chunk of that cohort.

We know through freedom of information releases—we knew this before last week—that the entire civil service is being treated as back office, so the target there is 4 per cent, even though large numbers of those staff spend their days on the phone to the public, meeting external clients and dealing with things that members of the public would consider to be front line, if you accept that distinction. It will be very difficult to cut staff numbers without having a serious impact on services.

Murdo Fraser raised the no compulsory redundancies guarantee, which feels very much under threat right now. As I said, that is a red line for us. If the Scottish Government were to withdraw it, we would rapidly be in a difficult industrial situation.

Murdo Fraser: I will follow up on one point before I come to the other witnesses. You mentioned the Scottish Government core civil service. The figures that we have are that, in quarter 1 of 2019, the head count in core Scottish Government directorates was 6,700 and, in quarter 1 of 2026, it was up to 9,000, which is an increase of 2,300, or 34 per cent. That is a big increase in seven years. Do you know why that is? What are all those extra roles?

Liam Davenport: As I said, the Scottish Government has more powers, responsibilities and commitments than it once did. It has made more promises to the Scottish public, and it is required to employ people to deliver on those.

At the same time, there has been a focus on insourcing. A lot of work that was previously contracted out has been brought in house to the Scottish Government, and those numbers are now reflected in the head count figures. Another submission to the committee—I cannot recall which one—suggested that outsourced and insourced head counts should be included together to avoid that artificial distinction. That is a particular worry at local government level, where a lot of work has been outsourced over the past few years, although that does not mean that there has been a saving—far from it; it means that there is now potentially a profit motive.

When we talk about head count figures, we need to reflect on people's workloads and the hours that they are working. Over the period that you mentioned, people have been working longer and longer hours and doing more and more work. That is for free, actually, because they do not always have the ability to take back their excess hours as flexi or time off in lieu—it just builds up and they lose it. A lot of workers in the Scottish civil service—and in the wider public sector, but I will focus on the civil service just now—lose annual leave every year because they are working flat out to deliver ministerial priorities.

It is hard to square claims that there are too many civil servants with the fact that so many of them are working for free. PCS's priority is to get away from them working for free and to get to a position where they work their contracted hours and take the annual leave that they are entitled to, and there is sufficient resource to deliver ministers' priorities.

Murdo Fraser: I have a question for Dr Williams on the health service. We have an ambitious programme of health board reorganisation. You might anticipate that that would potentially lead to reduced head count at managerial level. What is the royal college's view on how head count changes might impact on the NHS and the roles that you do?

Dr Williams: We have long had a clear view that head count statistics can create a misleading impression of capacity in general practice, because they do not reflect the varied working patterns in modern general practice. We have a multiyear Scottish Government commitment to increase GP numbers by 800 by 2027 but, by 2026, the workforce had grown by only 303 GPs. Updated GP workforce figures that were published this week show that we are sitting at 3,600 whole-

time equivalent GPs. I hope that there is scope for that part of the workforce to expand.

12:15

In recent years, the new general medical services contract brought new working arrangements. Multidisciplinary teams became part of general practice, with those people being employed by health boards, and I expect that workforce to remain stable. We are still trying to understand how cohesion can best be achieved and how physiotherapists, pharmacists and advanced nurse practitioners can best be deployed so that they can make the maximum contribution.

That takes me to the subject of corporate services reorganisation. It is difficult for me to say to what extent the numbers might change, or can be changed, in the short term, but I highlight how the senior medical leadership was affected by the coming together last year of NHS Education for Scotland and NHS National Services Scotland. Lorna Slater highlighted the difficulties in attempting a large-scale reorganisation and working out where people go and which people will be retained in their positions while some people feel the need to look elsewhere.

Across the corporate services, there are various strata of management that have performed necessary functions. Streamlining that will take a lot of thought so that you have a lean, efficient organisation without any gaps in either its organisational memory or its day-to-day functions.

Murdo Fraser: I have a brief follow-up question. You talked about increasing GP numbers, which is a Government commitment, while, in the background, there is a target for reductions. Where will the reductions come from?

Dr Williams: There has always been an ambition in general practice to shift the balance of care, but that has always come without a shift in the resource. Reorganisation will mean disestablishing some parts of our healthcare system that are not providing the value for money that we want to see.

Murdo Fraser: Can you give me an example?

Dr Williams: There was a mention earlier of the number of operations. You can quantify the time that a theatre team spends performing an operation, but the bigger question is about the value that the operation brings to a patient's life. What is the impact when someone who has an illness, disease or condition gets that intervention? We know that some minor procedures, such as cutting off lumps and bumps, are small scale, but that significant and life-changing operations might need months of recovery. If one of those operations happens late in life, when someone has limited functional reserve, how much value and benefit do they derive from that? Is there an alternative that might work for some people?

There is a power of work to do on outcomes, the benefits that individuals receive and how we set up our services to ensure that we offer patients the most valuable interventions that will give them the best quality of life and the most time with their families. We must also be realistic about treatments that we know will not be of value. Some treatments, medicines and operations might come with "maybes" or "what ifs", but, when we look at the hard figures, we know that they are of limited value. We should step back from treatment that is wasteful or is of no, or limited, value.

Murdo Fraser: That is very interesting. You have given us some food for thought.

Carmen Martinez, I appreciate that my question was very specific to your colleagues, but please answer if you want to.

Carmen Martinez: Your question was specific, and we have not done any work specifically on the workforce. However, the message that I wanted to share in our submission and here today was that from the evidence from the Accounts Commission, and from our reviews of local budgets and so on, it appears that savings, recruitment freezes and so on are already impacting front-line services.

I share Liam Davenport's concerns that it would appear to be very difficult to get that workforce reduction without affecting front-line services, because services are already being impacted—that is our logic. That makes me reflect on the need to carry out equality impact assessments. I hope that that will happen prior to changes being made, so that people can think about and analyse the impact that changes could have on communities, and think about the objectives, such as driving equality.

The Accounts Commission's report in 2024 said that unpaid carers were increasingly relied on, and yesterday Carers UK published research, which was in the news, about more people leaving the workforce because of caring responsibilities such as caring for their parents or disabled family members. One of the Scottish Government's four priorities is growing the economy and growing the tax base, which will be a big piece of work. If people are leaving the workforce because their unpaid caring responsibilities are increasing, how will we square that circle?

Those are my reflections.

The Convener: Before I bring in Joe Fagan to explore our final theme, do you have anything to ask on this area, Paul?

Paul McLennan: I have a question for Liam Davenport. You talked about the potential impact on your members of the process, and you said in your response that you want civil servants to

"feel empowered to lead the change we want to see."

What would that process look like for you? What would you like the cabinet secretary to take from that suggestion? What would it look like practically?

Liam Davenport: That gets to the heart of it. What is needed is genuine worker voice, which is, of course, a fair work principle. Across the public body landscape, we see too many employers paying lip service to fair work, and just treating it as a box to tick.

We have engaged with Scottish Government officials on the issue. As you will know, they are producing metrics that they intend to use to measure the progress of reform, and we have made representations to them that those metrics should include measures of genuine worker voice, to ensure that employers are genuinely engaging with the workforce. That includes things as basic as whether there is a recognised trade union, whether regular partnership meetings take place and whether union representatives have the ability to engage with their members and genuinely canvas their views. Too often, employers have closed-door discussions, in which reps are barred from speaking to the workers who know the impact best, and which rely on speaking to one person as if they represent genuine worker voice, which is not the case.

Where there are barriers, we would like Scottish Government officials to speak directly with those workers. We would like them to go and meet with the reps in that workforce who can identify the key workers who have the knowledge needed to bring issues forward.

As I said at the outset, many senior leaders are incentivised to protect their own patch, which is understandable in a situation where budgets are being cut year on year. Wanting to protect your own patch and not worry about anywhere else is a rational response, but that frustrates workers who work in the public sector, because they want to do a good job and help make Scotland a good place to live. Every public sector worker joins the public sector because they believe in it and want to make a difference. It is certainly not for the rates of pay, which are higher in the private sector. They are here because they believe in public service. As has been alluded to, if it gets too frustrating for them, they might leave.

In order to avoid that, they need genuine worker voice. They need channels through which to set out their own ideas and to build a case for them, which PCS and other trade unions can assist them with. An individual worker, depending on their level, might be unfamiliar with how a business case is laid out, but as trade unions, we can provide training on that. We can support people to get the necessary evidence to develop ideas, but we need genuine support and interest in those ideas from the Government. We do not want to see workers doing all the work and then being fobbed off because a director or chief executive has a different idea and is going with that instead. Workers need to have the genuine ability to put ideas forth and get a fair hearing for them and, if they are good ideas, to have them implemented or tried.

The structure for that process would build on what we already have in place through our engagement with the PSR team and perhaps the civil service strategic forum, but it would bring in a wider range of representatives from PCS and all the public sector trade unions to suggest ideas, discuss different initiatives that members want to try and see what feedback Scottish Government officials have on them.

Paul McLennan: Thank you. That was very helpful.

The Convener: If witnesses have time, we will run this session up to 12.40 pm, then that will be us for today. I am conscious that chamber business starts at 1.30 pm.

Joe Fagan: The last area that I will look at is health and social care reform, so I apologise, Dr Williams, if I keep coming back to you disproportionately, but I am sure that there will be something in the questions for everyone.

You will have seen that the programme for government includes some proposals on the future of IJBs, and we have spoken about the proposed changes to health boards. I am curious to hear your thoughts on how structural change drives better outcomes or efficiencies and perhaps the limits to that approach.

One area that I am keen to discuss is some of the unnecessary barriers that exist when it comes to reform and integration, and I wonder whether you think that we give enough visibility to other issues, such as underfunding or sectoral bargaining. Earlier, you mentioned power of attorney, which is a real barrier in this space, as well as legislation on adults with incapacity and even things such as families disagreeing about what should happen.

I am curious to tease out your reactions to, first, what we have heard about health and social care reform, and, secondly, the limits of the proposed structural changes, as opposed to things that we have heard about in other subject matter, such as

actually investing in real social change. I am curious to get some initial reactions to that, and I then have some follow-up questions.

Dr Williams: Some of the problems that we face are due to the structures not being correct. Busy emergency departments can often catch the headlines and can be an awful experience if they are overcrowded, particularly if you are a patient being seen in an area that was not designed for clinical care. We need to understand the drivers behind that issue.

If social care is not powerful enough or unable to flex in the ways that it needs to, that should absolutely be our area of focus, and we need to sort out those issues. It is not simply the level of funding that will do that; we need organisations that are effective at translating that strategy from the top down, in order to commission the right workforce.

We have now had experience of the integration joint boards model. We have also had the lead agency model in NHS Highland, which is something to compare and contrast IJBs against. However, there must have been sufficient learning by now to work out whether those structures are doing what they were intended to do, whether some different model needs to be reintroduced or whether the current model can be redesigned or changed to allow for effective decision making and leadership and for responsibility to be utilised effectively.

12:30

Joe Fagan: The point that I am trying to get to is that, although we understand that there is a problem with the structure, there will likely still be problems with underfunding, recruitment and legislation if we change the structure. Are we putting unrealistic expectations on structural change with the idea that it can be a solution to the problem? That naturally leads to the question of where we can make the highest-impact interventions in order to deliver outcomes, which is what real public service reform is about. I am curious about your thoughts on that question, if you are following me.

Dr Williams: That reminds me of something that I should have picked up on earlier. With the reorganisation of health boards, for example, support will be an important element; it was referenced earlier that additional resource will be needed to support the workforce to understand what is happening around it and to settle in. I take the points that, on its own, reorganisation will not solve things immediately, and that continually reorganising can often be a distraction.

However, it is worth asking whether we have the correct arrangements and balance between local authorities and health boards with regard to their sizes, whether operational areas are properly matched and how services are commissioned. Are they fit for purpose in rural areas, and are there the right number of buildings? For example, do care homes have facilities that are fit for purpose and the staff to work in them? Addressing those questions will be a multiyear endeavour, but we should have enough learning to date for somebody to be able to decide what changes might make best use of the budget that is available.

Joe Fagan: Your written evidence gave us some interesting examples of how we can create the space to invest in outcomes, such as paediatric pathways in NHS Lothian and e-prescribing. You also gave some examples of areas in which there had not been such a good use of public resources to get outcomes. You specifically said that, if the evaluation does not stack up, the GP walk-in services will not be not a good use of money and should not continue. Will you elaborate on where the high-impact outcomes that you think we should be trying to get to are within the wider reform agenda? You also mentioned red tape. If we are following the evidence on prevention, what would not be a good intervention in health and social care?

Dr Williams: I will start with the walk-in centres and their limitations from a general practice perspective. We want to aim for continuity of care and for people to be able to see their GP in a reasonable timeframe, but that does not mean immediately, because there are lots of problems that do not need to be seen immediately. The out-of-hours service, which deals with urgent and unscheduled care when GP practices are closed, is available. If urgent and unscheduled care is the aspect that we are trying to focus on, it might have been feasible to, for example, extend the hours of operation of the out-of-hours service.

Walk-in centres can deliver only a limited set of functions—transactional encounters, if you will. They cannot, by their nature, provide continuity. The approach was researched extensively in the 2000s, when NHS England tried to use them to fix some of its problems, but they did not have the effect that people thought that they would. Coming back to effectiveness and efficiency, we know that that is not an effective and efficient use of money.

I am prepared to accept that someone might want to run a pilot or a test of change to try something a little bit different, but, goodness, I think that that should be done on a small scale, rather than turning a one-year pilot into a multiyear endeavour, when we suspect that, if that money went into core, front-line, general medical services, it could be used very effectively. In general practice, our appointment books are full. We squeeze people into spaces all day long. We

have lots of different ways of meeting people's demands and interacting with our patients and their carers.

Joe Fagan: Quite a lot of change would happen at the local level, as you touched on in response to a question from Murdo Fraser about moving to two health boards. You said that there would be some structural change. I am thinking about things such as public health, pharmacies and other services that rest at the local level and about how you could build collaboration for improvement. Now that we are a couple of weeks into this new parliamentary session, after the programme for government, are you any clearer about what structure would allow you to do that?

Dr Williams: I have mentioned the independent contractor landscape. There have been national policy ambitions about increasing the role of pharmacists, and we welcome the fact that newly qualified pharmacists will be prescribers. There are ways in which we can get our GPs and pharmacy services to work better together. Improving access to GP notes for community pharmacists is an example where technology can improve things. That can improve the information that is available for decision making, and it can improve communication about what types of treatment have taken place.

The Convener: Never get me to run your diary, witnesses, because we are now going to move slightly beyond 12.40. My apologies, Max, for leaving you to the tail end of the session, but you should ask your question.

Max Bannerman: I will keep it brief, because Joe has touched on quite a lot of what I was going to ask. It is a specific point about red tape, which Dr Williams identified in his submission. I would be interested in hearing your views on how much of the red tape is from the 14 existing territorial health boards and how much is from the Scottish Government. Where does the balance lie on that particular issue?

Dr Williams: I would say that it lies with health boards. It comes from the interaction that practices have with their contract management and in their multiple administrative duties, whereby they might need to report figures about what they are doing or they might need to request support on individual matters. It would be interesting to see whether the support that is afforded to practices is improved in the reorganisation from 14 territorial boards to two strategic boards. That would be our desire, but there is the danger, as we mentioned earlier, that organisational memory will be lost.

Max Bannerman: That was a quick answer, so I think that I have time for one more quick question. As you identified, social care is a real issue in rural areas, and particularly the Highlands, which I represent. As part of the reforms, how should the Government approach its dialogue and engagement with unpaid carers? That is a huge issue in my region, where there are a disproportionate number of unpaid carers. I am interested in your thoughts on that.

Dr Williams: As a GP working in the Highlands, and having worked in many locations in the Highlands, I have observed the tension that arises. There are some small towns and villages that have a strong community feel but which are sometimes located far from care home beds and there is not an abundance of people who can work as carers. I have seen people trying to keep family members or relatives in their community or acting for their friends. That might be about home care or it might involve providing transport—different types of care are needed for people to live in the area where they want to live. Different strategies are needed for island, rural and remote areas.

The Convener: Carmen Martinez might want to comment on that. Before she comes in, and before we close this evidence session, it would be remiss of us not ask about one final issue in relation to that. As I am sure you will expand on, Carmen, there is the impact of not getting it right for unpaid carers—you should put more on the record about that. Also, as we reform the social care paid workforce, is there a gendered aspect to that? If so, could you put some comments on the record?

Carmen Martinez: I mention that in my written submission. More than 80 per cent of the social care workforce are female, so reforming social care is not just about improving outcomes for those who require care or unpaid carers; it is about improving outcomes for those who work in the sector, given their contribution to the economy and society.

I want to touch on Joe Fagan's and Max Bannerman's questions about whether changing the structures will move the dial on social care. I am slightly sceptical about that, because the programme for government states that the Government will engage with local authorities, trade unions, healthcare bodies and service providers to agree reform that

"makes best use of the funding in the system",

so I do not think that that includes any additional funding. We are told that the reforms will deliver

"fairer and more efficient services"

and so on. However, it would be good to compare the commitments in the programme for government with the findings and recommendations of the independent review of adult social care in Scotland.

Max Bannerman asked how the Scottish Government could engage with unpaid carers in

the Highlands. In the Highlands and across Scotland, following the recommendations of that report, which was produced in 2021, would be a good start. One of the recommendations, or one of the issues that were raised, is that additional funding is required in a number of areas. I did not bring all the recommendations with me, but one of them was for the removal of charging for non-residential social care support. Last year, we conducted research in which disabled people told us that the social care charges feel like a tax on disability.

Another issue that the independent review highlighted, which is important for the committee's agenda because of the prevention aspect, is that the way that access to social care is currently structured means that people often have to reach a critical point or be in crisis before they receive support. As the review put it, that means that

"there is a lack of focus on prevention and early intervention, and few resources targeted at providing a little support to prevent the crises from occurring in the first place."

Given that the Government is emphasising prevention through public service reform, it is important that any plans for social care are sufficiently ambitious to address that issue. Again, there are links between unpaid carers and growing the tax base, as well as the need to value the people using the services and the workforce.

I am really running here, so I hope that you understand my accent. Last year, we published another piece of research in which we looked at the experiences of people who work in the sector, and many women told us that they were not contributing to their pensions. That is another issue that will be picked up in the long term.

I hope that one of my messages for the committee today is that you should think about the gender consequences of all these conversations and changes.

The Convener: Thank you. I appreciate the efforts of all of our witnesses.

Because of time constraints, I will not allow any final comments but, if there is something that you want us to know that we have not covered, will you please email the clerking team? We will ensure that that is put in front of us so that we can consider and digest it. Thank you for helping us with our evidence session.

Before I close the meeting, I formally ask permission from members to defer agenda item 3, so that we can close the meeting rather than move to that item. Do I have permission from members to do that?

Members *indicated agreement*.

The Convener: The only other thing that I want to do is to remind people that, at our next meeting, which is on 24 September, the committee will continue to hear evidence on its pre-budget scrutiny inquiry for 2027-28, with two further panels. Our final pre-budget evidence session will be with the Cabinet Secretary for Public Service Reform and will be on 1 October.

With that, I again thank our witnesses, and close the meeting.

Meeting closed at 12:46.

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