

STAGE 3 DEBATE: BUDGET (SCOTLAND) (NO.5) BILL

Background

At a time when budgets and resources are stretched, and ever increasing demands are being placed upon Scotland's health care services, it is imperative that funding decisions are taken in a wholly transparent manner, and that their success can be scrutinised in a meaningful way.

As in previous years, we are frustrated at the limited information made publically available by the Scottish Government which makes analysis more difficult. We still find ourselves unable to confidently match investment decisions to government priorities.

We note, however, that the Health and Sport Committee has urged the Scottish Government to look again at the plethora of competing priority measures which NHS boards and Integration Authorities (IAs) must address.

Budget lines

The Scottish Government Health and Social Care Directorate has to make nearly £80m in savings next year to balance its books. There is no indication of how it will do this and no risk strategy that we have seen for delivering the savings.

The presentation of the Budget has changed and we have found it difficult to compare baselines for individual budgets from the 2015-16 and the 2016-17 Budgets.

For example, the 2015-16 level 4 draft Budget showed £88.7m allocated to the eHealth budget. However, the 2016-17 level 4 detail states that just £7.9m was allocated to this budget in 2015-16. This will be reduced further to £1.7m in 2016-17. This suggests that £80m has been lost from this budget in the current financial year and points to a 98% drop in funding for a major Scottish Government priority between the two sets of figures. The only explanation given for any drop is: "This reflects efficiency savings agreed in 2015-16 which come into effect in 2016-17". We suspect that some of this investment may have transferred to the new Outcomes Framework budget line, but cannot trace this in the information we have seen publicly.

Mid-year allocations

We are conscious that major national decisions on funding new schemes – like investing in new health programmes or facilities – are regularly made outside the annual Budget process and are therefore subject to less Parliamentary scrutiny.

Although they fall outside the formal annual Budget considerations, mid-year allocation decision can have a profound impact on the prioritisation of resources, the delivery of policies and outcomes, and the ongoing sustainability of the health and care service in Scotland. They are also a helpful indication of the general approach of government to investment.

The Scottish Government's £200m funding for six new elective treatment centres is, for example, a major investment when boards are clearly struggling to find adequate resources to meet demand and rising costs.

The elective treatment investment decision may well be designed to support key government priorities, but the rationale and the consequences attached to this major decision on committing funds in the current climate should be made clear at the time of the funding decision being taken.

We have now published the RCN manifesto for the 2016 Scottish Parliament elections, [Nursing Scotland's Future – Professional voices: practical solutions](#), which includes specific calls to change how future investment and disinvestment decisions are made before the next Budget is presented. We hope that this will be a useful contribution to the ongoing debate on Budget scrutiny.

Shifting the balance of care

Whilst we welcome the Scottish Government's ongoing work around primary care models based on multidisciplinary teams working together to meet the needs of Scotland's communities, the £45m Primary Care Fund, for improvements to primary and community care, is a drop in the ocean within an overall Budget of £13bn.

The fact that we are not seeing real change in investment in community based services is a concern.

If the Government is serious about moving care out to the community, then we need to see investment in prevention. But financial commitments are hard to track in the Budget information made available.

For example, tobacco control, Family Nurse Partnership, Sexual health and BBVs, specialist children's services, infant nutrition and maternity services are areas in which there are significant differences between the 2015-16 baselines stated in the level 4 detail for 2016-17 and the amounts allocated to these budget lines in the 2015-16 draft Budget published in 2014.

In addition, a number of discrete public health budget lines in 2015-16 have slipped into the sub-£1m miscellaneous pot in 2016-17 (e.g. obesity at £3.5m in 2015-16), and others are completely absent (e.g. GIRFEC at £8m in 2015-16).

Alcohol and Drug treatment services are, on the surface, up by 35% between 2015-16 and 2016-17. However, the baseline being used in this year's Budget information refers to funds which we understand were used solely for implementing the alcohol framework in 2015-16. Drug treatment was not included in 2015-16. We understand that £30m for drug treatment was available for drug treatment recovery services in 2015-16. Had this been simply added to last year's alcohol budget we would have seen a combined alcohol and drugs budget of £71m, not £55m – and as such we are, in effect, seeing a 22% reduction on last year's combined investment.

The presentation of figures is far from transparent and leaves us to conjecture the differences, which total many millions of pounds.

Targets

We recognise that boards are under huge pressure to meet core HEAT targets and standards, but despite cross party commitments to invest in prevention and shift the balance of care to community settings, the most high profile HEAT targets continue to focus attention on acute funding and services.

That is why [*Nursing Scotland's Future – Professional voices: practical solutions*](#), calls for a new approach to health care targets by the end of 2016. This new approach must help our health care services to be sustainable in the long term and improve outcomes for all.

Further information sources

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