

Resource Spending Review Framework

Analysis of consultation responses

May 2022

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Executive summary

To inform the development of the Scottish Government's first Resource Spending Review (RSR) in over a decade, a consultation was launched on 9 December 2021. The associated paper, *Investing in Scotland's Future: Resource Spending Review Framework*¹ (the Framework), invited stakeholders to provide views on the future of Scotland's public finances.

The Framework provided information in line with the requirements of the Budget Process Session 6 Written Agreement between Scottish Government and the Finance and Public Administration Committee². It set out the economic, fiscal and political context for the multi-year spending review, the criteria which govern the assessment of budgets, and the process and timetable for review.

The Framework opened a public consultation which asked six questions covering:

- the Government's suggested priorities for the spending review;
- the drivers of public spending;
- opportunities to maximise the impact of the public sector workforce;
- opportunities to achieve the best value for citizens from limited funds;
- equalities and human rights impacts; and
- future public engagement around Scotland's public finances.

The consultation closed on 27 March 2022 and received 72 responses. Of those, 15 were from individuals and 57 were from organisations. The majority of consultation responses were received through the Citizen Space consultation platform, with a small number submitted via email. A list of organisational respondents and a link to the responses can be found in Annex A.

In addition to the consultation, the Scottish Government also undertook a programme of external engagement to hear the views of a range of stakeholders. A total of six sessions were held over March, April and May 2022. These allowed participants to be part of an open dialogue with Scottish Ministers where they could express their views on the RSR. The key points from these discussions were captured in succinct notes, agreed with participants, which can be found in Annexes B-G.

Scottish Ministers would like to express their sincere thanks to those that submitted a response to the consultation and to those who participated in our programme of external engagement.

The responses to the consultation have informed the outcomes of the RSR and development of the plans detailed within that publication.³ In addition to this, the responses will be used to inform the next steps and reform options outlined in the spending review.

The findings of the consultation will also be used to inform the work that the Scottish Government, especially Director General Scottish Exchequer, is taking forward to improve transparency and participation in public finances (including in relation to our Open Government Action Plan). This will include an evaluation of the consultation process, the

¹ [Investing in Scotland's Future: resource spending review framework - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/investing-in-scotland-s-future-resource-spending-review-framework/pages/1-to-4.aspx)

² [Budget Process Session 6 Agreement \(parliament.scot\)](https://www.parliament.scot/budget-process-session-6-agreement)

³ [Scottish Government: Resource Spending Review](https://www.gov.scot/publications/scottish-government-resource-spending-review/pages/1-to-4.aspx)

findings of which will be used to improve public participation in future budgets and spending reviews.

We have summarised some of the key findings from our analysis below. More detailed analysis is available in the remainder of this document.

1. Respondents generally agreed with the priorities outlined in the Framework, while some also made suggestions for additional priorities or specific focuses within the priorities.
2. Respondents generally agreed with the drivers of public spending listed in the Framework, and a number of respondents recommended the inclusion of other drivers of public spending, with an emphasis on climate adaptation and mitigation.
3. Respondents' suggestions on how policy interventions can be used to maximise the value achieved from the public sector workforce spanned several aspects with most suggestions focused on investment and financing, the third sector, workforce remuneration, recruitment, retention, training and development.
4. Respondents broadly agreed with the Framework's proposed approaches to maximise the positive impact of Scotland's public spending. Respondents also suggested further approaches centred around policy decisions, administrative actions, financial steps, and issues relating to mental health, and technology, among other issues.
5. Respondents supported the decision to conduct an equality assessment of the spending review's findings, and provided their views on equality and human rights impacts centred around spending, including on mental health, gender equality, alcohol use, science, and education, among other issues.
6. Views on how best to continue the engagement featured a number of recurring themes including improving the timing for consultations, including lived experiences in decision making, and the need for diversity of views and deeper levels of engagement.

1. Introduction

This report presents the analysis of responses to a consultation on the Scottish Government’s Resource Spending Review. It also includes analysis of the external engagement programme that accompanied the consultation.

The consultation opened on 9 December 2021 and closed on 27 March 2022.⁴ Alongside the consultation, a number of external engagement events were held with Scottish Ministers looking at specific issues within the spending review. These events were held virtually in March, April and May 2022.

1.1 Number and profile of respondents

In total, 72 responses were received to the public consultation. Most responses were received through the Scottish Government's Citizen Space consultation hub. All organisations submitting a response to the consultation were asked to complete a Respondent Information Form (RIF) or provide consent to publish on Citizen Space. Where consent has been given to publish a response, it can be found on our online consultation page.

Respondents were asked to identify whether they were responding as an individual or on behalf of a group or organisation. Of the 72 responses received, 15 were from individuals and 57 were from organisations. A breakdown of the number of responses received by respondent type is set out in Table 1.

Table 1: Number and percentage of respondents by type

	Number	Percentage
Individual	15	21%
Organisation	57	79%
Total	72	100%

For those responding via Citizen Space, organisations were able to identify themselves according to one of five respondent types. Where an organisation did not use Citizen Space, a “best fit” approach was adopted where Scottish Government officials coded organisations based on knowledge of the organisations themselves and the information provided in the RIFs.

A breakdown of the number of organisational responses received by type is set out in Table 2 below. A full list of organisational respondents can be found in Annex A.

We received no returns from private businesses and only one response from the trade union community. The limited response from these sectors naturally impacts what we are able to report on in this analysis.

⁴ [Investing in Scotland's Future: resource spending review framework - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2021/12/Investing_in_Scotland's_Future_resource_spending_review_framework.pdf)

Table 2: Number and percentage of organisational respondents by type

	Number	Percentage
Local Government	2	3.5%
Academic and Education Institutes/Charities	3	5.3%
Professional and Representative Bodies	10	17.5%
Public Bodies	5	8.8%
Voluntary/Charity/Third Sector	34	59.6%
Parliamentary Committees	3	5.3%
Total	57	100%

Well over half of all respondents replied directly to each of the six questions in the consultation. Questions one and four (on the stated priorities, and on how to secure best value from public spending respectively) received the highest number of responses (over 80% in each case).

1.2 Analysis and reporting

This report presents a question by question analysis of the responses received. The questions asked in the consultation were open; as a result, the analytical approach we have taken is qualitative in nature.

All responses were screened to ensure that they were appropriate/valid. No organised campaign responses were received and there were no duplicate responses. While some organisational responses were similar in content, indicating an element of collaboration in the submission process, none were duplicated in their entirety. All were also submitted on behalf of separate bodies and were therefore counted as discrete responses.

Some respondents did not make their submission using the Citizen Space questionnaire but submitted their comments in a statement-style format. This content was analysed qualitatively under the most directly relevant consultation question.

We were provided with responses from three Scottish Parliament committees. Given the nature and format of these responses, we have considered them separately, and these are presented in Section 8 of this report.

As with all consultations, it is important to bear in mind that the views of those who have responded are not representative of the views of the wider population. Individuals (and organisations) who have a keen interest in a topic – and the capacity to respond – are more likely to participate in a consultation than those who do not. This self-selection means that the views of consultation participants cannot be generalised to the wider population.

With this in mind, the main purpose of our analysis is not to identify how many people or organisations held particular views, but rather to understand the full range of views expressed.

1.3 The external engagement programme

A series of virtual meetings were held focusing on particular issues outlined in the Framework. Meetings were held with stakeholders from think tanks, climate change

organisations (youth and civil society), third sector organisations, public bodies, and the Equality Budget Advisory Group (EBAG). Participants were asked to contribute and share their views on the RSR. The meetings were chaired by Ministers and supported by Scottish Government officials. All engagements were held over Microsoft Teams to support wider attendance.

The meetings allowed for open dialogue between participants enabling them to freely express their views and provide ideas. Ministers and supporting officials guided the conversation but stressed that it was an opportunity for participants to express views rather than a question and answer session. At the end of each session, participants were thanked for their attendance and contributions, and were informed of the steps which would follow the engagement.

Following the roundtables, officials prepared succinct notes on key discussion points. The notes were shared with participants and attending Ministers for comment and approval. Following sign off from participants and Ministers, the notes were fed into the RSR process. All meeting notes can be found in Annex B-G.

It should be noted that some of those who took part in the external engagement sessions were attending as representatives of organisations that also submitted formal online consultation responses. While this may mean that there was duplication in some of the feedback received, especially relating to some organisations' interests, care was taken in reporting not to double count feedback given by the same organisations using the two different response formats.

In relation to terms used, this report refers to respondents when referring to those who have responded to the online consultation and participants when referring to those who attended and contributed to the series of six meetings.

2. Priorities

The first section of the Framework sought views on the three key priorities that the Scottish Government proposed the spending review process would focus on.

Q1. In Chapter 1 we have identified three priorities to guide the Resource Spending Review process:

- To support progress towards meeting our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

Setting these as priorities helps us consider where spend should be targeted and re-directed. Do you agree that our resource spending should focus on these?

We welcome your views on these three priorities for this Resource Spending Review.

Overall, many respondents agreed with the proposed priorities, with some describing them as important, strong, interwoven, and complementary. Most organisations in support of the priorities were charities and non-profit organisations, who constituted a large proportion of respondents to the consultation. The Scottish Community Development Centre commented: *“We agree that the three priorities identified are of major importance ...not only the next five years, but in the longer-term. All three priorities are interwoven and as such spending on one area will have an impact on all three.”*

Voluntary Action North Lanarkshire also commented: *“All three priorities are important and interlinked. A stronger, fairer and greener economy should address child poverty and climate change.”*

While agreeing with the need to focus on these priorities, a number of individuals and organisations also called for additional action. Suggestions included actions within and outside the proposed priorities, and also covered, health and social care, the third sector, technology, and equity, among other aspects.

The Chartered Institute of Public Finance and Accountancy’s Directors of Finance (DoF) noted that public services are operating in *“an extremely challenging environment”*, and said the potential funding gaps under different scenarios highlighted in the Framework were *“deeply concerning”*.

At the Academic / Think Tank and Third Sector engagement sessions, the Cabinet Secretary for Finance and the Economy informed attendees of the inclusion of an additional priority – strong, responsive public services – since the development of the Framework. This addition, along with the other three priorities, was broadly welcomed.

Responses in relation to the three priorities outlined in the Framework

Child poverty

Whilst most respondents supported the prioritisation of tackling child poverty, a number of specific issues were highlighted. A number addressed the language used on this theme: Scotland's Learning Partnership expressed concern over the stereotyping of children and child poverty. In their words, *“the group believes that children are not poor, their parent/guardians are and this type of description often labels them from the start.”* Hence, the group called for a description of the priority as: *‘Address inequalities in life and work’ rather than ‘child poverty’*. Similarly, the Community Transport Association called for a broadening of the first priority to reflect wider issues around tackling inequality and poverty.

Other responses referenced the timescales required to address child poverty: Co-operatives UK called on the Scottish Government to address child poverty in the immediate term but take proactive efforts in the mid-term to avert its future occurrence. The Mental Welfare Commission for Scotland also recommended addressing child poverty outcomes through a metric that indicates reduced later use of secondary mental health services while the Child Poverty Action Group in Scotland also recommended including resource allocation to meet immediate child poverty targets in the framework.

Climate change and the environment

Again, most organisations answering this question supported the prioritisation of climate change. Amongst the specific points made, organisations argued for dedicated funding, and for a focus on particular groups. For example, The Health and Social Care Alliance Scotland (the ALLIANCE) called for the creation of a £25 million climate emergency innovation fund for third and independent sector social care organisations to cater to climate-related risks, while Citizens Advice Scotland called for a just transition to net-zero without negatively impacting vulnerable groups.

Highlighting a specific focus deserving funding attention the Environmental Association for Universities and Colleges Scotland (EAUC Scotland) called for an acceleration of the green skills development of the present workforce to meet net-zero targets.

Some individuals and organisations highlighted the importance of considering the nature crisis alongside the climate change priority. Specifically, the Scottish Wildlife Trust stated: *“The three priorities omit what the Scottish Government already recognised in the Programme for Government in that the climate and nature crises together “are the greatest threats facing people and the planet”. The nature crisis is not a subset of the climate crisis and this needs to be clearly recognised in the Resource Spending Review.”* This view was echoed by participants at the Climate Change – Civil Society roundtable.

Within responses from individuals, arguments were occasionally made to prioritise funding for one theme rather than another, and the case made for deprioritisation of funding. The range of responses offering deprioritisation was broad with both calls for the deprioritisation of environmental issues and support for the higher prioritisation of mental

health. Others who disagreed with the emphasis on the environment, suggested there was a need to support local economies and well-paying jobs to tackle child poverty.

At the Climate Change-Civil Society, and Climate Change-Youth roundtables, the deprioritisation of high emission projects and programmes was emphasised, and participants suggested that the Scottish Government should focus on a just transition and projects to develop wetlands and sea grass.

Stronger, greener and fairer economy

Of responses that offered a view on this priority, there was general endorsement of this theme as being important in the post-COVID era. Addressing the third priority, some important areas of focus were raised by respondents. These highlighted the specific aspects of economic recovery that were considered priorities for funding. For example, the Royal College of Psychiatrists in Scotland included the need for parity of esteem between physical and mental health, spending on mental health care and support, addressing the impacts of COVID-19 on mental health and wellbeing, and tackling unemployment. Furthermore, the organisation expressed support for a mental health and wellbeing impact assessment to be developed to mainstream mental health considerations in all areas of government, including around economic policy.

Organisations also argued that the planning for longer term spending offered the opportunity for a new direction in how the economy is supported by funding. For example, Co-operatives UK called on the Scottish Government to aim towards a five-fold increase in the number of new Scottish co-operatives, the design and delivery of interventions to support new co-operative scale-up, and specifically argued for the allocation of £4.4 million to provide scale-up support that caters to ambitious co-operatives. In addition to listed priorities, further issues raised by individuals included business simulation, the neglect of older people, and concerns about the proper and judicious spending of allocated funds.

As noted in the Climate Change section, the roundtables focused on Climate Change emphasised the importance of just transition in progressing the Scottish Government's economic objectives. This approach was seen as a way to tackle all three priorities simultaneously.

Other issues raised

Respondents raised issues on both the overall approach to the priorities, as well as suggesting a range of additional priorities.

The overall approach

Some respondents considered the overall approach to prioritisation. The Royal Society of Edinburgh (RSE) for example called for "*absolute clarity*" on the rationale underpinning the selection of priorities, alongside information on how they will be delivered, to provide an understanding of any fundamental changes that will be required to support their implementation. Furthermore, the RSE noted: "*The framing and wording of all three priorities lack consistency, and requires re-visiting to ensure there isn't a disconnect between the overarching objectives and what is delivered*". The Fraser of Allander Institute also called for clarity on how the RSR priorities link to the National Outcomes.

The RSE proposed an alternative set of priorities to guide the RSR: (1) establish an efficient, highly skilled economy (2) address the climate change and biodiversity crises, and (3) develop stronger, healthier, and more resilient communities.

The Poverty and Inequality Commission welcomed the Scottish Government's approach to be more outcomes-focused, evidence-informed, and consultative/participative. Public Health Scotland also recommended "*an outcomes-based approach for funding and enabling public services*". The importance of taking an outcomes-based approach was welcomed in all of the stakeholder engagement sessions, as was the importance of prioritisation when taking such an approach.

Participants in the Academic / Think Tank roundtable noted that, in order to deliver on priorities, the Scottish Government would likely need to make some challenging decisions in what to fund and consider the implications of any 'trade-offs'.

Additional priorities

While the question specifically asked about the three priorities set out in the RSR Framework, respondents took the opportunity to put forward additional priorities. A summary of respondents' suggestions can be found in Section 9.

3. Drivers of public spending

The second section of the Framework document outlined the fiscal and economic context for the spending review, including the challenges faced due to the pressures on public spending.

Q2. In [Chapter 2](#) we have identified the primary drivers of public spending over the Resource Spending Review period including:

- Changing demographics
- Demand on the health service
- Public sector workforce
- Inflation

We welcome your views on these and any other public spending drivers you think we should consider.

This question was intended to focus on the overarching drivers of public spending faced by the Scottish Government over the remainder of the parliamentary term. While a number of respondents engaged on this basis, many outlined a case for further investment in particular areas. Where a call for further investment was made, this has been reflected in Section 9 of this report.

Several respondents agreed with the drivers of public spending listed in the review and recommended the inclusion of other drivers of public spending, with an emphasis on climate adaptation and mitigation. The Convention of Scottish Local Authorities (COSLA), however said that it was not immediately clear how the four drivers linked with the three priorities.

Some respondents indicated that the cost implications of the climate crisis should also be included as a driver of public spending (for example Community Transport Association, Cycling UK in Scotland and the Royal Society of Edinburgh). The RSE noted *“that the costs implications of the climate crisis and associated increases in energy prices should be recognised as a fifth primary driver to account for the public, inflationary, and household finance implications of striving to achieve net-zero emissions by 2045.”*

Other primary drivers listed by respondents were the demand on social care and its workforce, failed projects and future initiatives, and land ownership.

Participants at the Academic / Think Tank Roundtable specifically addressed the drivers of public spending, noting that it was useful to consider the drivers of spending over the medium to longer term, the pressures that might be created, and to allocate funding accordingly. Participants also emphasised the need to build in resilience to respond to volatility against any unforeseen changes.

Respondents provided a broad range of recommendations around future drivers of public spending (and responses to mitigate / manage those drivers) ranging from fiscal and

financial measures to issues around health and social care, the public and private workforce, and the third sector, among other areas discussed below.

Health and social care

Some organisations emphasised the importance of health and social care, especially as Scotland recovers from the COVID-19 pandemic. Covid Aid commented: *“demand on the health service should be emphasised, recognising that Covid-19 has at times stretched health-service capacity to its very limits – and its ongoing effects could exert a long-term impact on staffing and other critical factors.”*

COSLA said that there was a *“compelling need”* to drive a focus on greater investment upstream to reduce demand on health and social care services, and that *“prevention is the key”*. COSLA also said that recovery from COVID-19 should be listed as a driver.

ENABLE Scotland suggested that investment in high-quality social care can alleviate the pressure on the health service. The RSE called on the Scottish Government to acknowledge the need to invest in social care to empower community-based services and mitigate increased delayed discharge figures. The Royal College of Psychiatrists in Scotland called for the implementation of sustainable investments and staffing decisions for mental health service provision.

The Royal College of Nursing Scotland highlighted what they saw as deficiencies in the health system including workforce shortages and high vacancy rates, recruitment challenges, poor staff treatment, and a compromise to the overall quality of care provided.

Specific fiscal/financial measures

Individuals provided a broad range of recommendations including levying climate change drivers, incentivising green energy, placing a tax on tourism, and incentivising population growth with appropriate measures in place to support children.

A number of responses focused on income and cost of living considerations as drivers of public spending. For example, the Poverty and Inequality Commission said the Scottish Government should take action to mitigate the worst impacts of inflation to meet child poverty targets. Similarly, the Child Poverty Action Group in Scotland (CPAG) called on the Scottish Government to ensure that low-income families are not disproportionately affected by inflation, rising energy costs, and universal credit cuts. In the same vein, the RSE called for a revision of the 2% per annum increase in public sector pay to account for inflation in light of recent international events.

Renfrewshire Council called on the Scottish Government to develop innovative funding approaches to strongly reinforce its commitment to addressing the climate emergency.

Some organisations emphasised the importance of preventative investment in addressing the drivers of public spending, in particular relating to the pressures on social care and health. The Scottish Partnership for Palliative Care called for an investment in palliative and end of life care over a sustained period while Scotland's Learning Partnership called for an investment in preventive measures and lifelong learning to combat cognitive decline and

degenerative conditions. The Mental Welfare Commission for Scotland emphasised the preventative nature of investment in social care.

The Scottish Property Federation also urged the Scottish Government to work closely with UK colleagues and UK Government to maximise the strength of public sector investment and policy decisions.

4. Public sector workforce

The third section of the Framework outlined the Scottish Government's proposed approach to the spending review, including consideration of how we might optimise the delivery of outcomes through the effective deployment of the public sector workforce.

Q3: In Chapter 2 we identified the growth of the public sector workforce as a key driver of public spending. How can we use policy interventions to maximise the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

We welcome your views on this.

Responses spanned several aspects, including the workforce, finance, and the third sector, discussed below.

Workforce

Responses on maximising the value from the public sector workforce were mostly centred around workforce training and development, smarter investment in public services and the third sector, fair and equitable workforce remuneration, recruitment, retention, and the improvement in the flexibility of working conditions.

A number of organisations identified the key elements required to ensure staff in the public sector were well equipped for their roles and appropriately rewarded. For example, Children in Scotland commented: *"Staff must be valued for their roles, given stability, resources, support, flexible working opportunities and fair pay in order to make the public sector an attractive and rewarding place to work."* Public Health Scotland said that *"continued investment"* in the public sector workforce is needed *"to deliver the best quality services and to address social and economic inequalities"*.

Regarding workforce training and development, EAUC Scotland commented: *"A policy commitment for all public sector staff to undergo basic training aligned to sustainable development and Scotland's contribution to a net-zero and fairer future (covering the three Spending Review priorities), and/or to align staff reviews to these priorities, would help align the Public Sector workforce towards delivering these priorities where appropriate."*

On workforce recruitment and retention, the Royal College of Psychiatrists in Scotland commented: *"Critically, the pressures of the pandemic are likely to exacerbate pre-existing retention of senior staff as we emerge from the pandemic. Efforts are therefore needed not just to bring more staff into mental health services, but to retain those already in place."*

Similarly, Support in Mind Scotland called on the government to provide mental health care and support to the health and social care workforce and increase mental health training for staff and managers and ensure easily accessible services.

The Scottish Science Advisory Council also urged the government to target policy interventions toward the generation and retention of skills and expertise in emerging areas and support for more diverse and sustainable career paths.

Discouraging the use of contractors, the David Hume Institute commented: *“The data shows there has been a dramatic rise in use of contractors which can lead to higher costs and increased turnover resulting in a loss of expertise. It should also be considered how this relates to the Scottish Government’s Fair Work commitments.”*

From individual respondents, there were calls to make the public sector more competitive and attractive, address the flexi-time system and pension scheme, strike a balance between the public and private sector, overhaul management structures, and introduce the LEAN methodology into administrative operations. There were also calls for increased staff and resources for the ambulance and mental health services to reduce the policing burden and clear distinctions on the duty of care between the various services.

Third sector

As observed from previous responses, most voluntary organisations called for the recognition and reward of the third sector’s pivotal role in public service provision and the delivery of preventive approaches.

Among several responses, the Scottish Council for Voluntary Organisations (SCVO) called on the Scottish Government to invest in the training and development of civil servants overseeing funding relationships with voluntary organisations, for equitable funding. Young Scot encouraged the Scottish Government to ensure that the third sector is supported to continue to deliver public services, together with the public sector workforce.

Participants at the Third Sector Roundtable suggested that there were opportunities to develop leaders and improve succession planning through more collaboration between the third sector and public sector. Suggested mechanisms included further secondments between the sectors and further knowledge sharing, especially at collective leadership events.

In response to Question 4, some responses included comments related to this question. Penumbra called on the government to explicitly include the third sector in referring to the public sector workforce, whilst the Scottish Council for Voluntary Organisations called for workforce training and development within the civil service.

Finance

Responses to this question included a number of suggestions relating to finance of the public workforce, with organisations most often referring to examples from the sector they represent. For example, Scotland's Learning Partnership recommended a focus on spending on people and direct service providers rather than institutions and high-level projects. EAUC Scotland called for increased resource funding for colleges and universities to support place-based agenda for sustainable development and increase resources for sector support organisations towards the transition to net-zero. Similarly, Magic Breakfast called for an investment in school partners and the expansion of the public sector workforce to deliver strong policy interventions.

Calling for investment in the educational sector, the Educational Institute of Scotland (EIS) commented: *“The EIS does not believe there are any more “efficiencies” left in any part of the education sector. Furthermore, many teachers would argue that more needs to be invested to ensure that the current needs of pupils and young people are met.”*

The Royal College of Psychiatrists in Scotland also called for investment in a more sustainable workforce across the mental health care and support pathway.

Individual respondents called on the Scottish Government to invest in channels with effective governance, apply ring-fencing and conditionality to the funding of local authorities, step-up revenue intake and scrutinise pay-outs, replace councils to save wasted money, and increase equitable pay in the public sector.

5. Maximising the impact of public spending

The third section of the Framework outlined the Scottish Government's proposed approach to the spending review, including consideration of how we might optimise the delivery of outcomes through increasing efficiency and effectiveness in the deployment of public funds.

Q4: In Chapter 3 we have identified a number of ways in which we will be exploring how to get the best value out of Scotland's public spending, including:

- Improving cross-government collaboration
- Public service reform
- Prevention and invest to save initiative
- The public sector workforce
- Better targeting
- Target revenue raising

We welcome your views on these and other ways to maximise the positive impact of public spending. - Please give us your views.

A broad range of organisations and individuals generally agreed with all the proposed approaches aiming to maximise the positive impact of Scotland's public spending. Several organisations agreed with specific aspects and made suggestions for the Scottish Government; including the expansion of childcare services, improved cross-sector collaboration, fair reward for employees, a focus on prevention and investment partnership working, and building a "*stable framework*" for delivery partners to rebuild public services.

Recurring themes were the support for the improvement in cross-government collaboration, adoption of an outcomes budgeting based approach, and mainstreaming of multi-year funding.

Responses are broadly grouped under the headings from the consultation (above) followed by some of the responses under other themes.

Improving cross-government collaboration

Cross-government collaboration was recognised as essential for optimal public spending by a number of responses and several responses identified opportunities for improvement related to their specific sector. The David Hume Institute welcomed the focus on cross-government collaboration. They caveated: "*However, we would also like to see more focus on tackling the tensions and contradictions between policies and between local and national governments which are likely to undermine progress in addressing priorities.*"

Voluntary Health Scotland and Poverty and Inequality Commission also highlighted the need for more joined-up strategic policymaking, whilst the RSE called for increased transparency on the difficulties encountered enacting cross-government interdisciplinary collaboration.

Welcoming the Framework's focus on partnership working, and building a "*stable framework*" for delivery partners to rebuild public services, the ALLIANCE commented: "*we*

must overcome siloed approaches and hierarchal funding frameworks which reinforce power and control within statutory settings, and which impact negatively on people accessing services. The partnership principle must also extend to looking at overall budgets and policy areas, as opposed to siloed decision making which fails to consider overlapping agendas and priorities.”

The RSE called for increased transparency on the difficulties encountered enacting cross-government interdisciplinary collaboration. Individual respondents also called on the government to maximise efficiency, address the cost of provision first through a structural chain and end cross-party jockeying for positions by focusing on a common goal.

At the Public Bodies Session, participants called for work to be undertaken to enhance the strategic alignment of the delivery of public services. This would involve taking a user-centred design to ensure that the best services were delivered to citizens in the most effective and efficient way.

Public service reform

Under the general theme of public service reform, a number of organisations made statements related to the range of measures or approaches they felt should underpin reform of public services. Suggestions included options around policy decisions, administrative actions, financial steps, and issues relating to specific sectors including mental health, and technology, among other aspects. For example, The ALLIANCE called for a human rights-based approach to public finance and transparent leadership, accountability, flexibility, and trust in the skills, knowledge and expertise of third sector organisations. Focused on the methodologies that should be used more widely, the Scottish Women's Budget Group (SWBG) advocated for the inclusion of a gendered impact and equality impact analysis as an integral part of the decision-making process. The Scottish Wildlife Trust called on the Scottish Government to expand on the HM Treasury Green Book approach to evaluation and appraisal to enable government spending on nature. In a general vein, SCVO called on the government to support the voluntary sector's role in policy development.

Under this theme, participants at the external engagement events made a number of further suggestions as to how the Scottish Government might get the best value out of public spending. On the general theme of alternative methods to underpin reform and policy, in order to achieve best value, there was strong support for taking an outcomes budgeting based approach where spending was aligned with desired outcomes. This was argued to be a continuation of the journey to progress the recommendations of the Christie Commission. Outcomes based working would involve robust analysis and evaluation to understand the effectiveness of spending on policy interventions.

More specifically related to effective spending, there was strong support for streamlining the approach to funding, commissioning and procurement (including via delivery partners) to reduce the administrative burden on organisations. A number of points related to funding sources were raised, with participants in particular arguing that the Scottish Government embrace further partnership working with the third and private sectors.

The Scottish Community Development Centre and Poverty and Inequality Commission also called for a co-productive and participative approach to the review respectively, involving communities, service users, and individuals impacted by spending and policy decisions.

The Scottish Science Advisory Council called on the Scottish Government to do more to strengthen mutual understanding between policymakers and the research community on how best to align objectives.

Individual respondents also called on the government to maximise efficiency, address the cost of provision first through a structural chain and end cross-party jockeying for positions by focusing on a common goal.

Prevention and invest to save initiative

The inclusion of preventative approaches and spend to save initiatives was welcomed and further emphasised by some organisations in line with the principles of the Christie Commission. COSLA agreed that investment in prevention is “*critical to success*” and called for greater understanding of the opportunity cost of introducing new policies. Furthermore, COSLA noted there is a need to stop or change some things that are currently delivered from a national perspective, where they are not required locally. The call to invest in prevention was also made in the Third Sector Roundtable, alongside a request to revisit the Christie Commission.

ENABLE Scotland referred to the recommendations of the RSE Post-Covid-19 Futures Commission: “*The Scottish Government should set up a public service transformation partnership to actively promote the principles and experience of social prescribing from around Scotland and beyond. The Scottish Government should also reaffirm and recommit to the principles of the Christie Commission, and work with delivery partners to implement them across public services and beyond, with business champions engaged to support the approach.*”

Better targeting

A key theme arising from several organisations was the need for better targeting in a couple of areas, including resource allocation to decrease reliance on public services, behaviour change interventions, potential reductions in public spending, and policymaking.

The ALLIANCE called on the Scottish Government to do more to tackle the root causes of inequality and the impact on different population groups.

In this vein, CPAG called on the Scottish Government to ensure free school education for all and allocate resources to welfare rights services located in schools to maximise family income. CPAG also advocated for resources to support parents, ensure an adequate supply of affordable, secure, good quality family housing, ensure funds are allocated to plug the gaps in the current social security system and ensure free school meals for all primary school pupils are rolled out and sustained from August 2022. Magic Breakfast also agreed with the Scottish Government on the universal provision of free breakfasts at primary and special school level, expressing the belief that the universal nature of the policy is fundamental to its success.

On targeting, Support in Mind Scotland agreed that there are opportunities to refine the targeting of some policies in order to focus on achieving outcomes for marginalised groups most in need. As an example, the organisation cited individuals living in rural Scotland as examples of people more likely to face specific challenges relating to their mental health.

Targeted revenue raising

Targeted revenue raising was addressed by several respondents. Comments revolved around a support for the concept, further calls for clarity, and concerns around implementation. The Poverty and Inequality Commission recommended additional targeted revenue-raising through tax to meet the child poverty targets. Similarly, the RSE suggested more targeted, selective spending to raise resources in areas of major priority, whilst also facilitating disinvestment in areas of lower priority, as a means of achieving specific policy priorities within a constrained fiscal environment. The SWBG expressed the need for considerations around the gendered nature of revenue raising and its potential to widen gender and other inequalities. Furthermore, the organisation called for the analysis of targeted revenue raising from a gendered perspective.

The RSE also highlighted the need for clarity on how ambitions for more targeted revenue raising and selective provision align with the Scottish Government's wider commitment to universal provision of services.

Individual respondents also called for increased investment in the detection and prevention of tax evasion and benefit fraud.

Other issues

In addition to the approaches identified in the Framework, respondents also offered a number of ideas related to maximising public spending. Some respondents also offered contributions which focused on suggested priorities for investment and these have been included in Section 9.

Longer term funding

Support for multi-year funding recurred throughout both responses to the consultation and the external engagement sessions. Several organisations called for increased fair, flexible, and sustainable investment in the third/voluntary sector and preventive approaches. In a detailed response, the Scottish Council for Voluntary Organisations called for multi-year funding, inflationary uplifts and contribution to core costs, less restrictive funding, timely decision-making and payments, and improving internal processes and systems. Young Scot, the Prince's Trust, and others commented: *"We support SCVO's calls for all funders to provide funding over a longer-term, with positive terms and conditions. These include inflationary uplifts to meet rising costs, contributing to core operating costs beyond service and project funding, the trust and flexibility for organisations to adapt their offers based on changing needs, and maximising the added value of our skills, knowledge and experience."*

Paths for All emphasised the importance of policy and budget alignment to mainstream multi-year funding across both Scottish and local government funding of the voluntary sector.

COSLA said there should be fair and sustainable funding to local government, and that multi-year settlements are required.

Youth Link Scotland and the Prince's Trust urged the Scottish Government and other funders to provide multi-year funding for the youth work workforce to enable long term contracts and invest in services which are engaging, supporting and improving outcomes for children and young people.

This desire for multi-year settlements was raised in all external engagement sessions, with participants emphasising the importance of multi-year settlements in enabling them to effectively plan for the medium-long term.

Net Zero

Regarding the achievement of net-zero targets. EAUC Scotland called for increased support for a cost-effective public sector transition to net zero.

At the stakeholder sessions on climate change it was argued that investing in local communities would deliver radical economic change (and associated impacts on climate change and child poverty). In terms of how to build foundations of reform in support of addressing climate change, it was argued that embedding climate change and biodiversity education at all levels would ultimately support better policy design and effective spending, while supporting behavioural shifts would yield long terms benefit and savings. This theme was echoed in the view that deprioritising spending on projects or programmes which were classed as producing high emissions would generate savings, while developing a regulatory system that unlocks private sector investment in climate change initiatives would increase funding.

Technology

On technology, Mydex CIC emphasised that a personal data store-based data logistics infrastructure could maximise the positive impact of public spending, especially in relation to the delivery of outcomes.

6. Equality and human rights

An Equality and Fairer Scotland Statement has been published alongside the spending review.⁵ This statement outlines the key opportunities and challenges that the Scottish Government faces over this parliamentary term; what these mean for inequality, fairness, and human rights; and how the spending review and other initiatives respond.

Q5: In Chapter 3 we have shared that we will be conducting an equality assessment of the Resource Spending Review's findings.

We welcome your views on any particular equality and human rights impacts which we should consider in the context of the priorities (question 1) and primary drivers of public spending (question 2) we have set out.

Several organisations supported the Scottish Government's decision to conduct an equality assessment of the RSR's findings, and a number of organisations had specific proposals as to how assessments should be carried out.

COSLA said that all spheres of government should be applying the principle of non-regression of rights, which impacts both revenue raising and allocation of funding, and gender responsive budgeting. It also said that there should be an analysis of current policy, legislation and the Scottish Budget to ensure that it is supporting the progressive realisation of rights. The Scottish Women's Budget Group also called for the use of a gender budget analysis throughout the planning and impact assessment process, and the application of an equality lens to avoid widening the inequality gap.

Scotland's Learning Partnership agreed with the approach outlined in the RSR Framework – that the RSR would be outcomes focused, and evidence informed. However, in supporting this, they commented: *“Sometimes outcomes are driven by SG without proper and due attention to the users of that particular service and this needs to be fully transparent so that doesn't happen. Our recent experience of evidence based has been poor so we will not comment here, similarly with consultation-it has been used to disempower rather than empower people.”*

Respondents provided their views on particular equality and human rights impacts which should be considered in the context of the priorities and primary drivers of public spending set out in the Framework.

Tackling inequality and climate change was an issue for some respondents. EAUC Scotland called for a focus on the *'Just transition'* by concentrating on communities reliant on fossil fuels or high energy processes and poorer communities. This was echoed in the Civil Society – Climate Change roundtable where participants noted the importance of the Just Transition Committee's report.

⁵ [Resource Spending Review: Equality and Fairer Scotland Statement](#)

Human Rights

The importance of human rights analysis was highlighted by a number of respondents. Citizens Advice Scotland also encouraged the Scottish Government to ensure equality and human rights implications are at the forefront of the RSR process, and vulnerable groups (disabled, terminally ill, low income households) are not disproportionately affected in achieving priorities.

ENABLE Scotland highlighted the need for spending priorities to reflect the disproportionate impact of COVID-19 on the disabled and further expressed the need to prioritise the human right to excellent quality human rights-driven self-directed care and support, as well as community-based services while Penumbra called on the government to ensure change and better outcomes for vulnerable communities. The Royal Society of Edinburgh called on the Scottish Government to reflect the disproportionate impact of the COVID-19 pandemic on disabled people, and guarantee the right to excellent quality human rights-driven, self-directed health and social care support services.

Impact Assessments

A number of organisations commented on the importance of impact assessments in making effective policy and finance decisions and emphasised the need for them in order to tackle inequality.

The ALLIANCE called for the use of a detailed, robust and timely Equality and Human Rights Impact Assessment to ensure equitable financial decision making. The Fraser of Allander Institute called on the Scottish Government to conduct Equality Impact Assessments prior to final decision making, ensure accountable financial decision making, appropriately assess decisions to reduce spend significantly, disaggregate protected characteristics to represent views of affected people, and allocate appropriate time to accommodate appropriate consideration.

Regarding meeting child poverty targets, Child Poverty Action Group in Scotland commented: *“Robust statutory assessments, such as Equalities Impact Assessments, Children’s Rights and Wellbeing Impact Assessments and the Fairer Scotland assessment should be used to examine and report, in detail, on a range of potential options before decisions are made to ensure that options chosen contribute to meeting the child poverty targets and do not inadvertently disadvantage or exclude a particular group.”*

Renfrewshire Council called on the government to recognise tackling inequality as a driver of public spending and involve people with lived experiences in Equality Impact Assessments.

In addition to their comments on gender budgeting, as detailed in this report, SWBG commented: *“The Equality Impact Assessment process is integral to decision making and must be properly resourced to ensure public spending achieves its intended goals and does not have negative unintended consequences.”*

Young Scot recommended the use of the Child Rights and Wellbeing Impact Assessment to meet relevant duties, including the Children and Young People (Scotland) Act 2014 and

Getting It Right for Every Child while Children in Scotland recommended conducting an Environmental Impact Assessment in relation to the Resource Spending Review's findings.

The Equality Budget Advisory Group noted that there is a risk if Scottish Government initiatives, such as the RSR, retrofitted Equality and Human Rights Impact Assessments to the process rather than integrating them as core parts of the design, development and decision-making. The Group also noted that transparency around decision-making could be improved by making it easier to locate Impact Assessments on the Scottish Government website.

In relation to equality-specific impacts identified by respondents, a number of common themes emerged:

Carers' Pay

On staff remuneration, Voluntary Health Scotland called on the Scottish Government to apply the minimum hourly rate of £10.50 for adult social care workers to the children's workforce. They also called for information around the possible assumptions that led to the inclusion of adult workforce, but omission of children's workforce, from the minimum hourly rate of £10.50.

Mental Health

The Royal College of Psychiatrists in Scotland called for the consideration of all rights including the use of legal powers under mental health legislation and the improvement of mental health resourcing and staffing. Similarly, Support in Mind Scotland urged the government to identify groups more vulnerable to mental health issues in order to advance mental health equality.

The Mental Welfare Commission for Scotland's said that the RSR, must take account of key mental health legislative provisions, protect people with mental and physical disabilities, consider people of all ages, situations, and conditions with a diagnosis of mental illness or other disabilities and closely align with the outcomes of the Scottish Mental Health Law Review. Furthermore, weight must be given to UN Convention on the Rights of the Child article 2, UN Convention on the Rights of Persons with Disabilities (UNCPRD) article 2 and 7, in addition to article 28 in relation to children specifically. The Human Rights Act 1998 articles. 2, 3 and 8 must be considered to ensure that any impact does not interfere with citizens' fundamental rights.

Gender Considerations

SWBG called on the Scottish Government to integrate a gender budget analysis, within a human rights approach, into the RSR process and design spending commitments on policy and programmes with the help of an intersectional gender analysis.

Alcohol use

Scottish Health Action on Alcohol Problems (SHAAP) called for prioritised spending on people in need of alcohol-related treatment and interventions, the inclusion of individuals with lived alcohol-related experiences in decision making, and proportionate spending and funding for alcohol-related harms among minority groups.

Other Aspects

The Scottish Community Development Centre called on the government to actively involve key equalities/ human rights organisations in public spending decisions and directly engage groups affected by key priorities. Voluntary Action North Lanarkshire called on the Scottish Government to take targeted action for specific equality groups.

According to the David Hume Institute, age diversity should be considered part of workforce strategy and all age groups should be supported into and during employment.

Respondents took the opportunity to raise further considerations as part of their response to the equality impact assessment.

The Scottish Science Advisory Council called for more engagement with the academic community to help SG learn from other countries. Colleges Scotland called for stronger, longer-term funding to help colleges thrive and urged the government to close the gap between secondary school, college and university funding and provide additional resources and support to colleges.

The North United Communities Ltd. called on the Scottish Government to treat the third sector equally. The Scottish Wildlife Trust also called on the government to treat the environment and biodiversity as having equal footing with other priorities while Museum Galleries Scotland called on the Scottish Government to be mindful of the impact of spending decisions on the provision of cultural amenities.

Linguistic rights were highlighted by Bòrd na Gàidhlig which they said should be reflected through all aspects of the Scottish Government's work, not only in relation to cultural rights, but also to ensure the consideration of human rights includes potential impacts on the Gaelic language.

Some individual respondents took the opportunity offered by this question to raise matters such as calling on the government to stop the limitation of free speech through hate speech laws, scrap councils, balance spending with fairness, and balance equal opportunities with competence. Individual respondents also called on the Scottish Government to consider systematic disadvantages which might negatively impact minority ethnic groups, consider lived experiences over statistics and adopt a universal basic services approach.

7. Continuing the conversation

The Framework opened a public discussion on Scotland’s finances. The Scottish Government is keen to understand how we keep this discussion going and effectively engage individuals, communities and organisations across the nation.

Q6. In [Chapter 3](#) we shared that this Resource Spending Review is taking a consultative approach to ensure that we engage with people and organisations across Scotland as we develop multi-year financial plans. Our intention is to use the Resource Spending Review to continue the Scottish conversation on public spending going forwards.

We welcome your views on how best to continue our engagement with people and organisations after the Resource Spending Review.

Overview

Most respondents to the consultation provided an answer to this question. In many cases that included welcoming the opportunity to comment, and a willingness to engage further. A number of these, and other, themes were highlighted by respondents.

Understanding the budget

A recurring theme, in responses from individuals and organisations, was the need for budget information to be accessible, inclusive and understandable. One organisation said people’s level of confidence should be considered as *“they may feel they need “expert” knowledge”* to respond. One individual requested *“short and simple”* and *“bite sized”* information with *“Key headlines.. you said this, we’re doing this, it means this for you”*. The Mental Welfare Commission suggested an accessible format, with access to a range of communication aids. The SWBG said that how information is presented is *“crucial”*, and identified work by the Scottish Parliament Information Centre as a good example. The SWBG also noted that *“producing a Citizen’s Budget document annually to provide budget information in a clear, accessible way that links to everyday life would be an important step forward”*.

Time to respond

Some respondents highlighted the need for adequate time to be provided to enable effective engagement. In this case, SCVO said it was *“pleased with the length of time offered to respond to this consultation”*, but also highlighted that the short time provided for other engagement opportunities by government and parliament has been *“often compounded by holding consultations over key holiday periods such as the summer”*.

Voluntary Health Scotland suggested that a more *“joined up approach across the SG”* would lead to *“greater awareness of the number and nature of consultations underway at any given time”*. The Scottish Property Federation said that budgetary process more generally *“suffers from insufficient scrutiny due to timetable pressures”*. COSLA supported a longer-term conversation about fiscal sustainability, but said that *“engagement needs to be genuinely ongoing, meaningful, accessible and easy to understand”*.

Lived experience

A recurring theme from respondents was, as the ALLIANCE described it, the *“imperative that the voices of lived experience are listened to and placed at the centre of decision making”*. This was a view supported by several others, for example, in relation to mental health (Penumbra and Royal College of Psychiatrists in Scotland), those with alcohol issues (Scottish Health Action on Alcohol Problems), families with lived experience of poverty in Scotland (CPAG), and college learners (Colleges Scotland). This was also noted in respondents’ answers to the question on equality assessment (see above).

Diversity of views

Several respondents highlighted the need to bring in a diversity of views, and as Scotland's Learning Partnership said, *“not always involving the usual suspects”*. SWBG said that *“ensuring particular efforts are made to hear from those who are marginalised and often excluded from such processes is vital”*. The Mental Welfare Commission highlighted groups in the BAME population for example, *“who traditionally have less engagement in public consultations”*. YoungScot said that engaging with young people *“is paramount to ensuring they have a voice”*, and the Scottish Science Advisory Council called for a *“more pro-active approach to exposing the younger generation... to how policy is developed”*.

Deeper levels of engagement

Related to the issue of drawing in lived experiences, and a diversity of views, several respondents discussed new and, potentially, deeper types of engagement. At one level, one individual suggested a *“higher profile”* was needed for this type of consultation. More fundamentally, Children in Scotland said that there should be a move *“away from language that talks about a “consultative approach” towards language that commits to a “participatory approach”*. Referencing their “Being Bold” report, they suggested *“children and their families need to be involved across the entire budget process”*. The Scottish Community Development Centre said that a *“co-productive approach to continuing the conversation... can help to broaden both the reach and depth of these conversations”*. The ALLIANCE also said that *“meaningful partnership working and co-production should be enabled and encouraged”*.

A few respondents highlighted the role of Citizens’ Assemblies. For example, the David Hume Institute said that experience showed that when provided with objective information and space to reflect on it (via a Citizens’ Assembly), *“people with vastly different opinions came to consensus about the way ahead”*. Renfrewshire Council said the government should consider putting in place *“a standing Citizens’ / Business Assembly”*.

The Scottish Science Advisory Council suggested that *“increased engagement of the public during the pandemic through virtual means could be built on and systematised”*. Consultation and communication should also continue throughout the Spending Review Period (SCVO and CPAG).

Related to this, as part of the external engagement work, EBAG noted that there was a risk that consultations can feel extractive and that capacity building is needed around this. At the Civil Society – Climate Change roundtable participants noted that any consultative or

participative process should then report back to contributors on how their input has been actioned.

Role of the third sector

The third sector was well represented amongst respondents and a recurring theme identified was that there would be benefits from engaging with third sector organisations. The ALLIANCE said that this should include *“grassroots initiatives – who receive funding to understand what level of support is needed”*. The SCVO said engagement with the voluntary sector is integral, and support is required *“to enable the sector to participate as an equal partner”*. A few respondents also highlighted the benefits of working with the Third Sector Interfaces, as they have access to residents, community and voluntary organisations at a local level.

The importance of partnership working between the third sector and Scottish Government was emphasised at the Third Sector Roundtable.

8. Consultation responses from parliamentary committees

Three Scottish parliamentary committees responded to the consultation: the Finance and Public Administration Committee, the Social Justice and Social Security Committee, and the Constitution, Europe, External Affairs and Culture Committee. Given the detailed nature of the Committee responses and their role in scrutiny, we have presented an analysis of their responses in this separate section.

The **Finance and Public Administration Committee**, carried out its own short, focused inquiry running parallel to the Scottish Government's call for views, and received 15 responses.

The Committee thought that the Spending Review would provide “a real opportunity to take a fresh look at funding priorities for the lifetime of this Parliament and to refocus spending on those areas that can make most difference to those most in need.”

The Committee said that many of their witnesses were largely content with the three core priorities, though some commented on their breadth and wide-ranging nature. Overall the Committee supported the Scottish Government's plans to publish multi-year spending plans.

The Committee sought some reassurance on a number of issues including:

- Consideration as to whether the Scottish Government’s COVID-19 recovery should feature more prominently;
- Ensuring there is sufficient detail on net zero plans;
- Robust data, evidence and analysis to support spending decisions, including a review of the effectiveness of previous spending;
- Detail on how success will be measured against the core priorities;
- Analysis of the demographic challenges, and scope to tackle them;
- Greater emphasis on prevention and public service reform, and information on how policies are assessed for preventative impact; and,
- Closer alignment of the National Performance Framework outcomes with the Budget, the Medium-Term Financial Strategy, and spending reviews.

The **Social Justice and Social Security Committee** wrote to the Cabinet Secretary for Finance and the Economy, and acknowledged that there are many factors which make it difficult to project forward both funding and spending pressures over the period to 2026-27. It also set out some expectations from the spending review, including the inclusion of the sum total of spend that is committed to tackling child poverty over the review period, as well as what spending in this priority area means for spend elsewhere or where difficult choices are having to be made.

On prevention, the Committee said it would like to see reference to more explicit analysis in the document or at a minimum, the mechanism to be used to monitor or evaluate prevention, particularly in relation to the child poverty priority.

The **Constitution, Europe, External Affairs and Culture Committee** focused on the contribution which culture can make to health and wellbeing as part of the management of fiscal risk, and welcomed the emphasis on delivering the Christie principles.

The Committee set out a number of ways in which culture could be embedded across government portfolios, and welcomed the developing cross-government collaboration on culture and health and wellbeing. The Committee welcomed the aim to redirect funding towards demonstrable preventative approaches, and thought this should include “a more systemic approach to multi-year funding of scalable culture projects supporting health and wellbeing”. The Committee also suggested that there should be a reappraisal of what is considered as health spending, for example, taking account of the preventative impact of spend the arts and other cultural activities.

9. Other comments

Additional priorities

In responding to our question on the three priorities outlined in the Framework, respondents took the opportunity to provide their views on potential additional priorities. These include:

- Health, including specific suggestions on prioritising the ongoing COVID-19 response on reducing health inequalities. Mental health was also put forward as a significant priority by some organisations. There were also suggestions around investing in the whole system for health care, including local government.
- Investment in social care and the care workforce, including addressing the issues of unpaid care.
- The specific inclusion of equality and human rights as a priority within the RSR Framework.
- Investment and policy action to ensure that citizens can live well locally.
- Education, including building Scotland's education system, free school breakfasts and the tertiary education system.
- The enhanced provision of childcare.
- A focus on advancing national wellbeing.
- Support for the Third Sector, including sustainable funding mechanisms.
- Prioritisation and investment in Scotland's children and young people.

Calls for additional funding

In responding to our question on the drivers of public sector costs, most organisations recommended investment in areas that they either represented, or had a particular interest in. Calls for additional funding were also made in other questions in the consultation and during external engagement sessions.

We have listed the recurring areas where calls for additional funding or investment were made:

- Social care;
- Third Sector – in particular around the sustainability of funding and the importance of the sector in delivery outcomes for the citizens of Scotland and providing essential services (such as social care);
- Universal free school meals;
- Social security benefit expenditure;
- Housing supply;
- Lifelong learning;
- Just transition, including specific measures for rural homes;
- Climate change mitigations;
- Investment in colleges;
- Investments in services, programmes and infrastructure to support decarbonisation;
- Active travel infrastructure, resources for physical activity and behaviour change interventions;

- Nature and nature-based solutions;
- Crisis services;
- Scientific collaboration across disciplines; and,
- Alcohol treatment services

Annexes

Annex A: Organisational respondents

See below a list of organisational respondents who have confirmed they are content for their responses to be published.

1. Bòrd na Gàidhlig
2. Constitution, Europe, External Affairs and Culture Committee
3. Child Poverty Action Group in Scotland
4. Children in Scotland
5. CIPFA Directors of Finance
6. Citizens Advice Scotland
7. Colleges Scotland
8. Community Transport Association
9. Co-operatives UK
10. COSLA
11. covid:aid
12. Cycling UK in Scotland
13. David Hume Institute
14. Environmental Alliance of Universities and Colleges Scotland
15. Educational Institute of Scotland
16. ENABLE Scotland
17. Existing Homes Alliance Scotland
18. Finance and Public Administration Committee
19. Fraser of Allander Institute
20. Health and Social Care Alliance Scotland
21. Lead Scotland
22. Magic Breakfast
23. Mental Health Foundation
24. Mental Welfare Commission for Scotland
25. Museums Galleries Scotland
26. Mydex CIC
27. North United Communities Ltd
28. Paths for All
29. Penumbra
30. Police Scotland / Scottish Police Authority
31. Poverty and Inequality Commission
32. Public Health Scotland
33. Renfrewshire Council
34. Royal College of Nursing Scotland
35. Royal College of Psychiatrists in Scotland
36. Scotland's Learning Partnership Learners' First
37. Scottish Community Development Centre
38. Scottish Council for Voluntary Organisations
39. Scottish Health Action on Alcohol Problems
40. Scottish Partnership for Palliative Care
41. Scottish Property Federation
42. Scottish Science Advisory Council
43. Scottish Sports Association

44. Scottish Wildlife Trust
45. Scottish Women's Budget Group
46. Social Justice and Social Security Committee
47. Support in Mind Scotland
48. The Prince's Trust
49. The Royal Society of Edinburgh
50. The Yard
51. Universities Scotland
52. Voluntary Action North Lanarkshire
53. Voluntary Health Scotland
54. Young Scot
55. YouthLink Scotland

Two organisational respondents requested that their responses were not published and are not disclosed above.

To view responses to the consultation in full, please click [here](#).

Annex B: Note of the Public Bodies Session

Resource Spending Review:

Note of meeting of CEOs and DoFs

31 March 2022

Present

Tom Arthur, Minister for Public Finance, Planning and Community Wealth

A number of Chief Executives and Directors of Finance of public bodies and executive agencies

Supporting Scottish Government Officials

Purpose of Discussion

To meet with the leadership of Scotland's public bodies and executive agencies to discuss the Resource Spending Review (RSR) and gain their insight into two key discussion topics:

- Work on the RSR to date has explored a range of options to get the best value out of the Scottish Government's limited funding envelope. The Scottish Government is keen to hear the thoughts of public bodies in this space, given their experience of delivering services and transformation. How can we achieve the best value from Scotland's public sector spending?
- The public sector workforce is one of Scotland's key drivers of spend. How can we use policy interventions to maximize the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

Presentations

The Minister for Public Finance, Community Wealth and Planning provided a progress update on the Resource Spending Review to the attendees.

Notes of discussion

How can we achieve the best value from Scotland's public sector spending?

Attendees offered the following suggestions:

- There should be greater strategic alignment across the public sector landscape where Scottish Government, public bodies and the wider public sector identify shared purposes and how services might be best delivered collectively. This might involve the transformation of elements of the public sector, including delivery bodies. This should extend beyond shared services (which might also be an effective option) and requires effective prioritisation of policies and shared strategic intent including cross portfolio working.
- Opportunity to take systematic approaches to systems and procurement in order to reduce costs and increase efficiency.
- Opportunity to maximise the use of the resources of the full public sector, beyond just considering core Scottish Government.
- Opportunities from taking a user-centred approach to the design of services.

- Opportunities for raising income and self-financing should be explored, however, there is a constraint in areas where all the funding flows from Government.
- Taking an outcomes based budgeting approach might support achieving the best value from Scotland public sector spending aligned with creating the incentives to deliver the best outcomes (attendees noted the recent Scottish Leaders Forum publication on accountability and incentives⁶).
- Scottish Government should consider the local eco-system when considering the delivery of services to ensure that the most efficient and effective approach is taken which meets the needs to citizens.

How can we use policy interventions to maximize the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

Attendees offered the following suggestions:

- Public bodies and executive agencies need the right policy conditions to support effective workforce planning. This includes consideration of the policies around no compulsory redundancy and the differences in terms and conditions across the public sector workforces.
- Scottish Government should help create the conditions for success for public bodies and executive agencies workforce planning.
- A collective approach to workforce planning might help in both delivery and ensuring that the sector is an attractive place to work.

⁶ [leadership-collective-responsibility-and-delivering-the-national-outcomes.pdf \(wordpress.com\)](#)

Annex C: Note of the Academic / Think Tank Roundtable

Resource Spending Review:

Note of roundtable discussion 16:15 – 17:00

31 March 2022

Present:

Kate Forbes, Cabinet Secretary for Finance and the Economy

Mairi Spowage, Professor of Practice and Director, Fraser of Allander Institute

Philip Whyte, Director, IPPR Scotland

Susan Murray, Director, David Hume Institute

Ben Zaranko, Senior Research Economist, Institute for Fiscal Studies

Krishan Shah, Economist, Resolution Foundation

Graham Atkins, Associate Director Performance Tracker Team, Institute for Government

Deputy Director of Public Spending

Supporting Scottish Government Officials

Purpose of Discussion

This is part of the external engagement programme for the Resource Spending Review (RSR) which supplements the online consultation (opened 9 December 2021 with publication of the RSR Framework, closed 27 March 2022).

The Cabinet Secretary for Finance and the Economy welcomed stakeholders from the think tank and academic community to discuss the RSR and gain their insight into two key discussion topics:

- What a successful RSR might look like.
- Good practice examples of any countries/regions that have done particularly well in addressing the types of challenges Scotland is facing.

Introduction

The Cabinet Secretary for Finance and the Economy provided a progress update on the RSR to the attendees. She stressed that the absence of multi-year spending envelopes had stifled progress for Scottish Government and its delivery partners and she is committed to addressing this as far as possible, while opening up the space for supporting a reform agenda across the whole parliamentary term.

Roundtable discussion

What are your views on the priorities we've set to guide the Resource Spending Review process? Do you think these are the correct priorities to help us target and re-direct our spend in this tight fiscal context, or are there others that would be helpful?

Attendees offered the following contributions and views:

- General agreement that the number and focus of the priorities set out in the Resource Spending Review Framework are appropriate. The addition of a fourth priority on resilient public services was also welcomed.
- Links with the National Performance Framework need to be clearer to aid understanding of how the RSR priorities relate to previously agreed areas for progress and the ongoing evaluation.
- Attendees noted the importance of translating the priorities into actual funding, identifying the potential trade-offs that may have to happen in funding priorities, and the need to ensure robust appraisal and evaluation of policies and funding streams to ensure the desired outcomes are achieved.
- There are a number of challenges to achieving the priorities with the likely funding available, including public sector wage bill inflation, energy costs, social security commitments and tax base challenges. Trade-offs are likely to be needed.

What does a successful RSR look like to you?

Attendees offered the following contributions and views:

Multi-year funding

- Agreed that SG requires more certainty for its own funding in order to enable proper planning – the current arrangements for (not) supporting carryover, as well as limiting borrowing, combined with late consequentials create challenges for SG.
- Welcomed multi-year spending plans to provide some certainty for organisations to support their own organisational planning, in particular, the third sector.
- Interested to know whether SG is exploring the possibility of introducing rolling budget/spending review estimates to help with spending and planning, rather than the current rhythm of annual budgets and occasional spending reviews. This could help manage the inevitable increasing uncertainty in the outer years and allow for adjustments in line with more detail in the near years
- Important to align the RSR and the Medium Term Financial Strategy (MTFS), which will be published together in May 2022.

Outcomes based approach

- Taking an outcomes based approach would allow for better planning and results – setting out the logic or theory-of-change of how spend is expected to deliver key outcomes is key, and the National Performance Framework potentially provides a framework for this for SG.
- Attendees queried whether SG has sufficiently robust appraisal and evaluation of policy to ensure that the Scottish Government programmes provide the best value, and a spending review should commit to this for future improvement.

Volatility and resilience

- It is important to consider where stresses are likely to be felt over coming 10 years and allocate funding accordingly. The Framework sets out some of the drivers on spending so it's good to factor in dynamics like demography to explain spending planning.

- Building in resilience is important, particularly given UK-level changes can have a fiscal impact on Scottish Government funding. This could involve spending plans that contain an annual 'reserve', would allow for resilience to address the unexpected during financial years.
- It was argued that a spending review should acknowledge that perhaps everything cannot be funded, and be clear about the trade-offs that may be required to make the budget balance – the Framework made clear that there is likely to be a funding deficit so the RSR should be clear about how that is to be managed.

International examples

- In UK Government, spending allocations are accompanied by statement on the intended outcomes to be achieved with the funding. Attendees highlighted this works well and would encourage Scottish Government to consider doing the same.
- Rare internationally to see multi-year resource planning. Only a handful of countries attempt this and this is mainly a reflection of the challenges in doing such exercises.
- There is little evidence on how well countries abide by their multi-year spending reviews after they have been set.

Closing the session

The discussion was extended beyond the planned time when Ms Forbes had to depart. The Deputy Director of Public Spending chaired the meeting until close, thanking all attendees for their participation and agreeing a process for clearing a short note of the discussion, to be included in the analysis of all responses to the RSR Framework consultation.

Annex D: Note of the Third Sector Roundtable

Resource Spending Review:

Note of roundtable discussion 16:15 – 17:00

21 April 2022

Present:

Kate Forbes, Cabinet Secretary for Finance and the Economy

Pat Armstrong OBE– Chief Executive of ACOSVO

Ian Bruce – GCVS

Bridie Ashrowan – EVOG

Mhairi Wylie – Highland TSI

Ian Marr – Chief Executive of the Growth Partnership

Paul Bradley – Policy & Public Affairs Manager, SCVO

Chris Martin – Chief Executive - Social Enterprise Scotland (SES)

Angus Hardie – Director, Scottish Community Alliance

Maggie McManus – Scottish Attachment in Action

Graham Findlay – NE Sensory Services

Michelle Carruthers – Food Train

Moray Finch – Mull and Iona Community Trust

Supporting Scottish Government Officials from Third Sector and Public Spending divisions.

Purpose of Discussion

This is part of the external engagement programme for the Resource Spending Review (RSR) which supplements the online consultation (opened 9 December 2021 with publication of the RSR Framework, closed 27 March 2022).

The Cabinet Secretary for Finance and the Economy welcomed stakeholders from the Third Sector to discuss the RSR and gain their insight into the following points:

- How to get best value and maximum impact out of public spending?
- Examples of good practice in working arrangements between Scottish Government and the Third Sector.
- The appropriateness of the priorities of the RSR.
- What attendees expect to see in a successful spending review.

Introductory remarks

The Cabinet Secretary welcomed attendees and provided a brief overview of the RSR before opening the discussion.

Roundtable discussion

The discussion was relatively free-flowing, although it was centred on the questions listed above. We have grouped the key points around themes.

Attendees offered the following contributions and views:

The interface between Third Sector and Scottish Government

- It is vital to emphasise that the Third Sector is more than just a delivery partner for Scottish Government – it also acts as a resilience partner, building resilience in communities across Scotland; a thought partner, through developing innovative operating models and policy approaches; and, as a leadership partner, through the experience and knowledge base of the Third Sector’s employees and boards and willingness to share best practice.
- There is an opportunity for the Third Sector and Scottish Government to work more closely together to develop leaders and provide opportunities for senior staff to gain experience across both sectors. This would also help build resilience and improve succession planning.

Culture

- It was agreed that the quality of service delivery should be at the heart of Third Sector and Scottish Government should consider what it can do to create the conditions to enable this.
- The Third Sector environment can be competitive due to the approach to funding and this has the potential to undermine collaboration and the delivery of outcomes. Attendees observed that collaboration improved while the sector responded to the Covid pandemic and would encourage learning from that experience.

Commissioning and procurement

- Attendees noted that they have experienced varying levels of administrative burden in the procurement process, including differences between various Scottish Government delivery partners in terms of requests for information. Attendees suggested that a review of commissioning and procurement practices and the establishment of a framework for delivery partners could improve efficiency and effectiveness in the Third Sector.

Improving spending

- The Scottish Government should consider approaches to budgeting that focus on a clear line between outcome delivery and spend. This model should also enable effective evaluation of the success of spending.
- A shift in focus to preventative spending would be welcomed by the Third Sector. It was noted that this is the one of the more effective ways to create real shifts in outcomes, although it does require one to take a longer term view.
- A multi-year approach to spending plans was welcomed by attendees, who noted that it will help improve planning. Attendees also discussed uplifts in funding and discussed how this would help them meet rising costs and any committed costs e.g. increases in staff pay. Attendees also suggested that, if possible, the publication of multi-year spending plans should become regular practice in Government.

- The RSR should revisit the recommendations of the Christie Commission and consider which of the larger scale measures might be taken forward to improve the effectiveness of public spending.
- The RSR should demonstrate how the Scottish Government has responded to the views of stakeholders and citizens, especially in light of the significant level of consultation and engagement over recent years.
- The RSR and wider public finance work might consider if it is possible to introduce further flexibility around grant funding; especially in cases where it is provided close to a financial year-end. Additional flexibility would enable the Third Sector to deploy such funding to greater effect.

Closing the session

The Cabinet Secretary for Finance and the Economy chaired the meeting until close, thanking all attendees for their participation and outlined the process for clearing a short note of the discussion, to be included in the analysis of all responses to the RSR Framework consultation.

Annex E: Note of the Climate Change - Youth Roundtable

Resource Spending Review:

Note of roundtable discussion 15:00 - 16:20

26 April 2022

Present:

Michael Matheson, Cabinet Secretary for Net Zero, Energy and Transport

Anna Bell – Challenge Programme Co-ordinator, Fuel Change

Matt Crilly – President, NUS

Barry Fisher – Chief Executive, Keep Scotland Beautiful

Tim Frew – Chief Executive, Youthlink Scotland

Matt McDonald – Policy Co-Chair, 2050 Climate Group

Mike Strang – Chief Executive, Youth Scotland

Mhairi Todoff – Operations Co-ordinator, 2050 Climate Group

Kirsten Urquhart – Chief Executive, Young Scot.

Supporting Scottish Government Officials from Climate Change and Public Spending divisions.

Purpose of Discussion

This is part of the external engagement programme for the RSR which supplements the online consultation (opened 9 December 2021 with publication of the Resource Spending Review Framework, closed 27 March 2022).

Introductory remarks

The Cabinet Secretary welcomed attendees and provided a brief overview of the RSR. Scottish Government officials then presented briefly on the RSR and Scottish Government Climate Policy and Climate Commitments. Mr Matheson then opened the discussion, asking stakeholders for their insight into the following points:

- Improving spending through the RSR;
- Specific areas of climate change the Scottish Government should prioritise for resource spend over the next five years.

Roundtable Discussion

The discussion centred on the questions listed above. We have grouped the key points around themes.

Attendees offered the following contributions and views:

Improved spending

- The approach in the RSR to multi-year funding was welcomed. In particular, that this approach will help improve the sustainability of the Third Sector through increased ability to plan and resource effectively.
- Thinking about longer-term spending plans also needs to involve recognising the need to retain flexibility as the focus and needs change over the coming years.
- Spending plans must recognise the need to support the infrastructure that enables young people's engagement, in the longer-term, for example, youth workers.
- It would be helpful for the Scottish Government to think about the approach to benefits arising from Scottish Government funding. For example, how are benefits being leveraged from funding and could the benefits brought about through renewables procurement, be structured to support both national and local organisations.
- Also important to recognise the relationship between the RSR and the 2021 Capital Spending Review – social changes need to link to infrastructure changes to drive progress against climate change targets.

Sustaining young people's engagement on climate change

- The importance of sustaining young people's engagement on climate change was emphasised. There has been a wide range of activity to engage and train young people, but the key question is how do we take this forward and build on what young people have told us, and demonstrate that they have been listened to.
- There has to be continued, meaningful engagement and this needs taken into account in terms of funding and the policy process.
- The issue of sustaining young people's engagement when their expectations around the timescales for action may be quicker than can be delivered also needs to be considered.
- Recognition that the Scottish Government is taking action on areas of importance to young people, such as public transport, but importance of further developing and embedding these policies.

Recognising that not all young people are engaged with climate change

- Not all young people are engaged with climate change, with some feeling disenfranchised. Therefore, it is important to think about how to involve and engage all young people with climate change. In particular, there is a need to examine how climate change is approached in schools and the need for it to be embedded across all areas of the curriculum – not only in areas such as geography and science.
- The 'how' of engaging all young people also needs to consider how to shift behaviours and values around positive climate change actions that don't invalidate young people's feelings and aspirations.

Partnership working

- Partnership working with the private sector is extremely important going forward, and consideration has to be given to how to leverage in business involvement and

funding. The Third Sector has an important role to play in this as it can act as a bridge between the Scottish Government and the private sector.

- Discussions about young people across the Scottish Government and the Third Sector need to be cross-cutting, and move away from continued silo discussions with different parts of the Scottish Government. This will help ensure available funding is focused and there is not a scattergun approach.

Closing the session

The discussion was extended beyond the planned time when Mr Matheson had to depart. An SG official chaired the meeting until close, thanked all attendees for their participation and outlined the process for clearing a short note of the discussion, to be included in the analysis of all responses to the RSR Framework consultation.

Annex F: Note of the Climate Change – Civil Society Roundtable

Resource Spending Review:

Note of roundtable discussion 13:30 – 14:30

28 April 2022

Present:

Michael Matheson, Cabinet Secretary for Net Zero, Energy and Transport

Philip Revell – Scottish Communities Climate Action Network (SCCAN)

Juliet Swann – Involve

Lloyd Austin – Stop Climate Chaos

Douglas Peedle – Scottish Environment Link

Lang Banks – WWF

Supporting Scottish Government Officials from Climate Change and Public Spending divisions.

Purpose of Discussion

This is part of the external engagement programme for the RSR which supplements the online consultation (opened 9 December 2021 with publication of the Resource Spending Review Framework, closed 27 March 2022).

Introductory remarks

The Cabinet Secretary welcomed attendees and provided a brief overview of the RSR. Scottish Government officials then presented on the RSR and Scottish Government Climate Policy and Climate Commitments. Mr Matheson then opened the discussion, asking stakeholders for their insight into the following points:

- Improving spending through the RSR;
- Specific areas of climate change the Scottish Government should prioritise or deprioritise for resource spend over the next five years.

Roundtable discussion

The attendees offered the following contributions:

Priorities

- The group supported Climate Change as one of the RSR priorities, highlighting that including it as a priority showed the importance and urgency of the issue.
- The four RSR priorities are not mutually exclusive, tackling climate change in the right way can have positive impacts on the other priorities. It is important to link-up the various agendas in creating policy solutions to ensure delivery of the greatest benefits.

- As an example, one opportunity to reduce poverty through climate change is through investing into energy efficiency and insulation, which will also have an impact on citizens' heating bills.
- In terms of prioritising the SG's limited budgets, attendees suggested reducing high emission activities and increasing spending on activities to reduce emissions. Attendees also underlined the importance of going beyond commitments and the need for efficient and effective delivery of change.
- Important to recognise the importance of nature and nature based solutions – not only in the spending but also in the narrative.
- Attendees also underlined the importance of projects to develop wetlands, saltmarsh and sea grass as opportunities to support the climate change agenda.
- Attendees noted the example of the International Climate Justice Fund and COP26 loss and damage commitments as small investments with significant impact.

Multi-year budgeting

- Attendees welcomed the multi-year spending plans and noted that greater clarity on the future direction of public finances enables strategic planning across Scotland.
- Attendees noted the importance of 'invest to save' initiatives and the opportunity that RSR presents to take these forward.

Just Transition

- The recommendations from the Just Transition Commission provide a set of actions that will support the climate change agenda, and include reference to the additional benefits that can be realised in tackling climate change (e.g. health, poverty).
- Agricultural reform is key to the just transition and requires significant government support to enable farm and land workers to transition to net zero.
- There is an opportunity to look at this in the development of the new subsidy scheme.
- One possible option is to provide the Farm Advisory Service with the resources and training to support stakeholders to make this shift.
- Resource is required to develop a regulatory system that helps the private sector to invest in climate change initiatives, unlocking additional finance to support the goal of meeting SG's statutory targets.
- Attendees noted the importance of the move towards a wellbeing economy and the implications that moving away from an economic growth based perspective might have for climate change objectives.
- Attendees also noted that there are opportunities in the circular economy space that should be capitalised on (e.g. producer responsibility schemes).

Education

- An understanding of climate change needs to be provided across all sectors in order to help push change forward.

- Investment in climate literacy CPD for sector at all levels required to allow the change to occur. Additional resource would be required to allow staff coverage whilst completing CPD.
- Government should investigate the most effective mechanisms to enable businesses to learn from one another.

Communities

- Local communities have the potential to support radical economic change, which can turn the dial on climate change, if provided with the right support and funding.
- To enable local communities to achieve this, long-term commitment of resources is required. Short-term grant funding will not support the change required to shift the dial on climate change targets.

Nature Crisis

- The biodiversity crisis should be considered of equal importance to the climate crisis – there is a risk of seeing the biodiversity crisis as a subset of the climate crisis.
- To support the response to the biodiversity crisis, funding is required for the Scottish biodiversity strategy and to support the nature positive aspects of the National Strategy for Economic Transformation.

Other opportunities

- Attendees noted an opportunity for the Scottish Government and its delivery partners to streamline funding. Attendees noted that a large number of small funding pots can increase the administrative burden on organisations and detract from delivery.

Closing the session

The session ran past the scheduled end time, The Cabinet Secretary for Net Zero, Energy and Transport had to leave at scheduled end time due to other commitments. Mr Matheson thanked all attendees for their participation and asked that one of the supporting officials continued the session in his absence. A supporting SG official chaired the meeting until close, thanking all attendees for their participation and agreeing a process for clearing a short note of the discussion, to be included in the analysis of all responses to the RSR Framework consultation.

Annex G: Note of Meeting with the Equality Budget Advisory Group

Please note that this is an excerpt from the minute of an event which covered a wider variety of topics. Given the nature of the meeting and note-taking, this note takes a different format from those set out above. For the purpose of this document and the consultation analysis, the points relevant to the RSR process have been included below.

Meeting between the Minister for Equalities and Older People and the Equality Budget Advisory Group (EBAG) to discuss EBAG recommendations and the Resource Spending

12:30 – 13:30, 4 May 2022

Attendees

Christina McKelvie MSP, Minister for Older People & Equalities
Professor Angela O'Hagan – Glasgow Caledonian University and EBAG Chair
Kenny Stewart – Equality and Human Rights Commission
Mirren Kelly – COSLA
Chris Birt – Joseph Rowntree Foundation
Sara Cowan – Scottish Women's Budget Group
Alison Hosie – Research Officer, Scottish Human Rights Commission

Summary of key points

- The Minister welcomed EBAG and members introduced themselves. She indicated she was keen to receive challenge from EBAG to help improve our approach to embedding equality and human rights in budget processes.
- The Minister provided an update on the Scottish Government's response to the EBAG recommendations, informing the group that a draft would be provided later in May for consideration and feedback at EBAG's next meeting on 23 May 2022. Due to the redeployment of resources to support the Ukraine resettlement work, the intention was now to publish a full response in the summer, following feedback from EBAG.
- There were reflections from EBAG surrounding process of the Resource Spending Review (RSR), summarised as follows:
 - There was a risk that initiatives like the RSR continued to see equality and human rights 'retrofitted' to the process rather than integral to considerations at the outside and sufficiently designed into the process.
 - There was recognition of the scale of the challenge and emphasis of the importance of the approach being strategic and whole system.
 - Disappointment was expressed around the perceived lack of involvement of EBAG during the process of the RSR, noting that aside from input in February there had been little to no engagement. EBAG therefore felt somewhat marginalised throughout the process and that their skills had not been fully utilised.

- EBAG wanted to understand how they would be involved in the decision making after the evidence gathering stage of the review as well as how the evidence is being used to affect the decision making.
 - It is important that decisions are not made in silos as this could have detrimental impacts to other areas of government and equalities. The National Strategy for Economic Transformation was cited as an example where equality and human rights was seen as not sufficiently present in considerations.
 - There was a suggestion that publishing EQIAs that were used to support the decision making process in a consistent and easy to access manner would improve transparency on decisions.
 - The experience of EBAG in this context led to further reflections on the purpose and intent of EBAG, which is timely given form and function is currently under consideration.
 - There was a specific question about the Scottish Government's Equality Outcomes, noting that these operate to a similar timescale to the RSR, and whether they have therefore influenced the direction of the spending review.
 - Views were expressed that the Scottish Government's consultation process could feel quite extractive and that capacity building is needed around this as noted in the EBAG recommendations. It was also noted that despite the commitment to involve EBAG being present in the Resource Spending Review Framework, this had not happened as expected.
- The Minister responded that she:
 - Appreciated the feedback from EBAG and was disappointed that they felt they were not part of the RSR process and that the process itself did not appear to be sufficiently visible.
 - Emphasised the importance of a focus on outcomes as much as process.
 - Would welcome views from EBAG on how they think they can be involved more effectively in future.
 - Offered reassurance that equality teams and finance teams within the SG have been collaborating closely throughout this Review.
 - Invited EBAG to reflect further and offer advice on how the process can be made more transparent for them and how they can best be utilised to shape the process effectively.
 - The Minister thanked the group for their expertise and constructive challenge, which reflected the purpose of their establishment. She indicated that she would be keen to meet with EBAG members again soon to reflect further and discuss progress on the issues raised. She also suggested that a meeting between EBAG members and the new interim Director General for Economy, Louise MacDonald, may be helpful and would be happy for officials to follow up with the Director General's office if so. Officials noted that the Director General was due to attend that afternoon's meeting between Ms Forbes and equality stakeholders on the National Strategy for Economic Transformation.



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