CCPS Response: Pre-budget scrutiny 2027-28, Preparing for future challenges in the health, care and sport sectors

Information about your organisation

The Coalition of Care and Support Providers in Scotland (CCPS) represents not-for-profit providers of care and support across Scotland. As a membership organisation we work strategically and collaboratively to Inspire, Influence, Involve and Inform. Our member providers work with people of all ages across all 32 of Scotland's local authority areas. They report a combined annual income of £1.2 billion to invest in care and support in Scottish communities, predominantly made up of public funds and employ a significant proportion of the social care workforce.

1. What steps should the Scottish Government take now to prepare for future challenges in the health, care and sport sectors?

The Scottish Government should take a long-term, evidence and intelligence informed approach to preparing for future challenges in health and social care. This requires both a clearer understanding of future demand and a commitment to reform how services are funded, commissioned and delivered.

A key challenge is that Scotland currently lacks a sufficiently robust evidence base on future social care need. There is frequent discussion of demographic change, including an ageing population, a shrinking working-age population and increasing complexity of need, and the fact nearly a quarter (24%) of Scotland's population is living with a limiting, long-term health condition or disability[1]. However, there remains limited evidence on the projected number of people who will require support in the future, the associated expenditure needed to meet that demand, and the workforce required to deliver sustainable services. The Scottish Government should therefore develop credible long-term projections of future care and support needs, workforce requirements and funding pressures to enable effective planning and investment decisions.

At the same time, Scotland must accelerate the shift towards prevention and the rebalancing of care away from acute and institutional settings and towards community-based support. While prevention is widely recognised as a policy priority, greater clarity is needed on what works in practice and where investment can have the greatest impact. This should include building the evidence and intelligence base on effective preventative

[1] Scotland's Census 2022 - Health, disability and unpaid care | Scotland's Census

interventions, learning from providers delivering successful preventative services, and committing to invest in approaches that improve outcomes, reduce inequalities and lessen future demand on hospitals and other crisis services.

Not-for-profit providers have a critical role to play in this transition. As major providers of public services across Scotland, they must be recognised as strategic and equal partners in the design, delivery and reform of public services and a shift towards prevention. The success of public service reform will depend on meaningful collaboration with those organisations that already support people and communities every day and have direct experience of what works.

Preparing for future challenges also requires a fundamental shift in how social care is viewed and funded. Social care should not be regarded simply as a cost pressure within public spending. It is an investment that enables people to live independent and fulfilling lives while generating benefits across the wider public sector and Scottish economy. The sector is a major employer, providing work for a predominantly female workforce, with the latest SSSC workforce data highlighting that 81% of Scotland's ~215,000 registered care and support workers are female[2]. Moreover, unpaid carers make a significant contribution to society and the economy. Carers UK's State of Caring 2025 report estimates that the 5.8 million people providing unpaid care across the UK contribute support worth £184 billion annually. At the same time, the report highlights the challenges many carers face in balancing caring responsibilities with paid employment, with over a third of working carers reporting that they had reduced their working hours because of caring responsibilities[3]. Recognising social care as economic infrastructure, rather than a public service cost, is therefore essential to supporting individuals, families, communities and Scotland's wider economy.

Funding that reflects the full cost of delivering social care can prevent escalation of need, support unpaid carers, and enable people to live fulfilling lives. At the same time, it will also reduce avoidable hospital admissions and delayed discharge, and alleviate pressure on health services, local government and other public systems. Failure to invest adequately in social care shifts costs elsewhere and increases demand for more intensive and expensive interventions. The key, however, is to view social care through a whole picture lens, understanding the crucial role it plays for people and communities in Scotland, and not just to alleviate pressures for our health service.

The Scottish Government should therefore pursue reform of both funding and commissioning arrangements. The current landscape is often fragmented, complex and insufficiently focused on partnership. At CCPS, we published two reports, The View from on the Ground and A Fragmented Picture of Integration, that directly highlights the fragmented and complex landscape that some of our third sector providers must contend with to deliver their services. Providers frequently report that funding does not reflect the true cost of delivering support, commissioning processes are difficult to navigate, and they are not consistently involved in service design and planning.

[2] Scottish Social Services Council – Report on 2025 Workforce Data
[3] Carers UK – State of Caring 2025

Future funding arrangements should enable longer-term planning, reduce unnecessary bureaucracy, provide sustainable funding settlements and treat providers as equal partners in achieving shared outcomes.

Addressing workforce challenges must also be a central element of future planning. The social care workforce is highly skilled, professionally regulated and essential to the delivery of support across Scotland. However, as our Workforce Priorities Report shows, recruitment and retention challenges continue to affect the sector. These challenges are driven by comparatively low pay (by April 2026, the annual difference between not-for-profit social care workers and equivalent NHS Band 3 roles had reached £3,225 annually[4][5]) alongside workforce shortages and limited progression opportunities.

The Scottish Government should strengthen investment in the social care workforce, recognise the skilled nature of care and support work, and address disparities in pay and conditions that undermine workforce sustainability. CCPS also supports the work of SCVO in promoting Fair Work across Scotland. Embedding Fair Work principles within commissioning, procurement and funding arrangements would help improve recruitment, retention and workforce wellbeing, while recognising the value of the social care workforce. Without sufficient action, workforce shortages will become a major constraint on Scotland's ability to meet growing demand for care and support. This has direct implications for the availability and quality of support as well as Scotland's ability to deliver wider public service reform.

Finally, future reform will require more joined-up and integrated ways of working. Too often, funding, commissioning and accountability arrangements remain organised around organisational boundaries rather than people's needs. Scotland should strengthen approaches that support collaboration across health, social care, housing, criminal justice and other sectors, recognising that many of the challenges people face do not fit neatly within individual service silos. Greater emphasis should be placed on place-based, whole-family and community-led approaches that enable people to access the support they need in a coordinated way.

In summary, preparing for future challenges in health and social care requires Scotland to improve its understanding of future demand and workforce needs; invest in prevention and community-based support; recognise social care as a core public investment; reform funding and commissioning arrangements; support and value the workforce and break down organisational silos. This work must be underpinned by not-for-profit social care providers being treated as strategic and equal partners in the design, delivery and reform of public services. These actions are essential if Scotland is to build a sustainable system capable of meeting future population needs while improving outcomes for individuals, families and communities.

[4] Scottish Government (2026) Adult social care worker's minimum pay
[5] Scottish Government (2026) NHS pay rates

2. *How can resources be allocated to help meet current and future challenges in service delivery and improve outcomes in the health, care and sport sectors?*

Future resources should be allocated in ways that support long-term sustainability, prevention and improved outcomes rather than simply responding to immediate pressures. In the social care sector, too much resource is currently absorbed by managing short-term financial uncertainty, fragmented funded and commissioning arrangements and rising cost pressures. This limits providers ability to plan effectively, invest in innovation, recruit and retain staff and deliver the best possible outcomes for people and communities.

A key priority should be the introduction of multi-year funding settlements. Short-term and often late funding decisions create significant inefficiencies and administrative burdens for organisations delivering public services through public sector commissioning. One CCPS member described in our The Views from the Ground report the complexity of funding systems, and the impact this can have:

"I call it a game of Jenga sometimes, when you've got a service and it's funded through all different funding pots. But the supported people should never experience it like that. That's our job as senior managers to make it all fit together, isn't it? ...It's really exhausting to do that year in year out, but that is the third sector world." - CCPS member

Greater certainty over future funding would enable organisations to make longer-term decisions, invest in sustainable models of support and move away from reactive approaches driven by financial uncertainty.

Resources should also be directed towards strengthening preventative and community-based services. Despite widespread recognition of the value of prevention, these services are often among the first to face reductions when budgets come under pressure. Yet, these services play a critical role in preventing crises, reducing demand on acute health and care services, and helping people remain independent and connected in their communities. Funding decisions should therefore place greater emphasis on long-term outcomes and system-wide benefits rather than short-term budget savings. By providing sustainable funding and prioritising preventative support, resource allocation can help build a more resilient system that is better equipped to meet current and future challenges while improving outcomes for people and communities.

The Scottish Government should also allocate resources towards improving commissioning and procurement arrangements. At present, providers operating across multiple local authority areas are often required to navigate different commissioning frameworks, assessment processes, reporting requirements and contract arrangements. This creates duplication, administrative burden and inefficiency for both providers and commissioners. A CCPS member in our The Views from the Ground report illustrates the frustration with this current process:

"We're all working under the same policies, legislation, health and social care standards. Surely the right answer [to a tender question] for one local authority should be the right answer for the other, but it's not."

Investment in a more consistent and standardised approach to commissioning would reduce unnecessary costs, free up resources for frontline support and improve the overall effectiveness of the system.

Resources should also be directed towards the long-term sustainability of provider organisations. While workforce funding and support for the Real Living Wage are necessary, it does not address the wider financial pressures affecting the delivery and long-term sustainability of care and support providers. Providers are facing significant increases in other costs, including energy, premises, digital infrastructure, transport and regulatory requirements. Funding models should recognise the full cost of delivering high-quality care and support, ensuring organisations have the capacity and resilience needed to deliver services effectively.

Alongside financial investment, resources should be allocated to strengthen the evidence and intelligence base underpinning future planning. Scotland requires a better understanding of future demand for care and support, workforce requirements, funding pressures and emerging risks. The Scottish Government should invest in ongoing analysis and engagement with providers to identify how demographic changes, economic pressures and policy decisions are affecting service delivery. This would enable earlier intervention, better planning and more informed decision-making.

Finally, resources should be allocated to ensure that not-for-profit providers are fully involved in shaping future policy and service design. The expertise held by providers delivering support on the ground represents a valuable resource. Involving providers as equal and strategic partners would improve policy development, strengthen implementation and help ensure that future investment is directed towards approaches that are proven to improve outcomes.

Overall, resources should be allocated not only to addressing immediate pressures but also to creating the conditions for long-term sustainability. This requires investment in prevention, multi-year funding, commissioning reform, provider sustainability, workforce support, evidence and planning, and meaningful partnership with the organisations delivering care and support across Scotland. Such an approach would help improve outcomes for individuals and communities while ensuring services are better prepared for future challenges.

The Scottish Government's Resource Spending Review 2026 identifies planned increases of 4.8% in real terms for health and social care between 2026-27 and 2028-29.

3. Can we learn lessons from other places?

-/-

4. How would you see this planned budget increase meeting the various challenges facing health and social care over the next two years, including:

- *addressing the treatment backlog*
- *cost and demand pressures in areas such as NHS pay, drug costs and demographic pressures*

The planned increase in health and social care spending is welcome; however, we are unable to comment on whether it will be sufficient to meet the challenges for the sector, without greater clarity on how funding will be allocated across health and social care services and how investment will be used to address underlying pressures.

We would also note that the framing of this question focuses primarily on challenges facing the NHS, specifically treatment backlogs and pressures arising from NHS pay, medicines costs and demographic change. While these are important issues, they do not fully reflect the significant challenges facing Scotland's social care and support sector.

Social care is a vital part of Scotland's health and care system. It plays a significant role in prevention and enables people to live independently within their communities. As a result, the effectiveness of investment in health services cannot be considered separately from investment in social care.

In recent years, much of the policy discussion has centred on the need to shift towards prevention, improve population health and deliver more care in community settings. However, these ambitions will be difficult to achieve if investment continues to focus primarily on responding to pressures within the NHS rather than addressing the issues across the wider health and care system.

Future funding decisions should therefore take account of the challenges facing social care providers, including rising workforce costs, increasing complexity of need, recruitment and retention pressures, and growing non-workforce costs. Funding arrangements that focus on specific cost pressures, rather than the overall sustainability of providers, risks undermining the sector's capacity to deliver the preventative and community-based support that public service reform seeks to promote.

More broadly, social care must be recognised as an investment rather than simply a cost. Sustainable investment in social care can reduce pressure across the wider system,

including hospitals, primary care services and local government, while improving outcomes for individuals, families and communities. The success of planned spending increases should therefore be assessed not only against NHS performance measures, but also against their ability to strengthen preventative support, improve provider sustainability and build capacity within communities.

Ultimately, additional investment will be most effective where it recognises both the interdependence of health and social care, however also the distinct challenges facing both sectors, and seeks to strengthen the system as a whole.

5. *5. How can or should any additional health and social care funding be directed to support alternative models of service delivery?*

-/-

6. *To what extent will the capital spending commitments support healthcare infrastructure needs over the next four years?*

-/-

7. *Where should the Scottish Government prioritise capital investment in its infrastructure and estate to meet current and future demands and support its public service reform aspirations?*

Whilst we won't comment on specific areas that capital investment should be concentrated, we feel that the Scottish Government should recognise the essential role that not-for-profit providers play in delivering public services and ensure that they are included as key partners in delivering public service reform. Capital investment decisions often focus on public-sector-owned infrastructure and assets, despite a significant proportion of care and support being delivered by not-for profit providers.

Investment in digital infrastructure should be designed to benefit the whole health and social care system rather than individual organisations in isolation. Delivering the ambitions of the Care Reform (Scotland) Act 2025 will depend on effective information-sharing and interoperability across health and social care providers. To achieve this, not-for-profit and other commissioned providers must be supported to adopt compatible digital systems, improve data-sharing capability and participate fully in the development of integrated digital records. Without investment across the full provider landscape, there is a risk that digital transformation and information-sharing reforms are constrained by uneven infrastructure and capability.

More broadly, capital investment decisions should support community-based and preventative models of care. If public service reform is to succeed, investment must extend beyond hospitals and publicly owned estates. Investment in community facilities, digital infrastructure and modern service delivery models can help strengthen prevention, improve coordination across services and support people to receive care closer to home.

Ultimately, capital investment decisions should reflect the whole health and social care ecosystem, ensuring that all partners involved in delivering public services have the infrastructure and capacity required to support improved outcomes and long-term reform.

8. The Spending Review also sets out detail on how it aims to achieve £1.5 billion of savings though public sector efficiencies, with over £1 billion of the total planned savings to come from the health and care sector. Is the achievement of financial sustainability a realistic prospect in the face of continuing pressures around pay costs, treatment costs and rising demand?

We are not in a position to comment on whether these efficiency savings set out in the spending review are achievable. However, we believe that financial sustainability will be challenging to achieve if it is pursued primarily through efficiency savings while demand for services, workforce costs and levels of need continue to increase.

While maximising value from public spending is important, financial sustainability is unlikely to be achieved through efficiency measures alone. Sustainable savings will depend on wider reform of how health and social care services are funded, planned and delivered, including greater investment in prevention, early intervention and community-based support that reduces demand for more costly crisis responses.

It is also important to recognise the distinct set of challenges facing social care providers. Not-for-profit providers continue to experience rising workforce and non-workforce costs, including premises, energy, insurance, transport and digital infrastructure costs, while funding often fails to keep pace with the full cost of delivery. Evidence from CCPS members demonstrates that many providers are already operating under significant financial pressure, with some organisations drawing on reserves to maintain services and meet contractual obligations. In a survey conducted with our members in late 2025, we found that 56% of respondents were using reserves by the six-month point of the financial year to reach financial balance. This is not a sustainable basis on which to deliver essential public services.

The experience of not-for-profit providers should be utilised more effectively in discussions about efficiency and sustainability. Providers have extensive experience of operating in highly constrained financial environments and can provide valuable insights into service

redesign, preventative approaches and improving outcomes with limited resources. As major delivery partners across Scotland's social care system, they should be treated as equal and strategic partners in shaping reform.

We would also caution against viewing workforce reductions as evidence of successful reform. Reductions in staffing levels do not automatically translate into efficiencies and may, if implemented without strategic workforce planning, undermine service quality, increase pressure on remaining staff and reduce organisational capacity. In sectors where workforce reductions occur primarily through natural turnover or retirement, organisations have limited control over where expertise is lost. This creates a risk that critical skills, experience and institutional knowledge are removed from the system without corresponding changes to demand or service expectations.

Furthermore, the impact of workforce reductions is unlikely to be felt evenly across the health and care system. Where staffing pressures lead to higher thresholds for support or reduced capacity within statutory services, not-for-profit providers may experience increased referrals and greater complexity of need without receiving additional resources. This can transfer pressures elsewhere in the system rather than reducing them and may ultimately undermine the preventative and community-based services that public service reform seeks to strengthen.

If efficiency savings are achieved, they should be reinvested strategically to address systemic pressures across the whole health and care system, including the sustainability of social care provision. Too often, social care is viewed as a cost rather than an investment. Yet effective social care supports people to live independently, improves wellbeing, reduces pressure on health services and helps prevent the need for more intensive interventions.

Ultimately, financial sustainability will depend not only on achieving efficiencies, but on recognising the central role of social care within the wider system and ensuring that funding reflects the full cost of delivering high-quality support. Without sustained investment in provider sustainability, workforce capacity and preventative services, there is a risk that efficiency measures alone simply shift pressures elsewhere in the system rather than resolving them.

The Scottish Government and others frequently make reference to the need for preventative action to improve health and care in Scotland.

9. To what extent do previous budgets and the plans set out in the Spending Review support a shift away from reactive services towards preventative approaches? How can more be achieved?

We previously outlined in our response to the Public Service Reform Committee consultation in August 2026 that progress towards preventative budgeting in health and social care has been limited and uneven. While prevention is increasingly reflected in national policy, strategic planning and commissioning discussions, this has not yet translated into significant resource reallocation.

This is reflected in the Scottish Government's June 2026 preventative budgeting pilot report, which found that only 15% of planned spending within the budget lines examined was classified as preventative, compared to 52% classified as acute or responsive spending[6]. This suggests that, despite widespread recognition of the importance of prevention, public expenditure continues to be weighted towards responding to need once it has escalated rather than intervening earlier to prevent it.

We continue to see preventative and community-based services being particularly vulnerable to budget reductions when resources are redirected towards acute and crisis support. In a survey of CCPS members conducted in November 2025, over 40% of respondents anticipated reducing support during the second half of the year, negatively affecting an estimated 3,858 people, including 552 children.

There is growing evidence that this approach is creating pressure elsewhere in the system. Public Health Scotland reported that 3,173 people were waiting for a care-at-home package in August 2026, demonstrating the extent of unmet need within community-based support[7]. Where people are unable to access timely care and support, needs are more likely to escalate, independence can be lost, and pressure increases on hospitals, primary care and other public services. These pressures are often then used to justify further investment in acute responses, reinforcing a cycle of reactive spending rather than preventative spending.

We are also concerned that financial pressures can lead to reductions in smaller, community-based services that deliver significant preventative benefits. These services are often perceived as easier to reduce than statutory or crisis services, despite their role in preventing deterioration, supporting unpaid carers, reducing social isolation and helping

[6] Scottish Government – Piloting an Approach to Preventative Budgeting in the Scottish Budget

[7] Note this estimate is not adjusted or weighted to account for changing eligibility criteria across local authorities, for this reason we assume this estimate is likely a lower bound proxy estimate of unmet need for care at home.

people remain independent within their communities. While reducing such services may generate short-term savings, it can result in higher long-term costs for both individuals and the wider public sector.

In addition, there is evidence that some areas have responded to financial pressures by tightening eligibility criteria or raising thresholds for support. While this may reduce demand on services in the short term, it risks delaying intervention until people's needs have become more complex and costly to address, undermining the very preventative ambitions set out in national policy.

Overall, previous budgets and the Spending Review demonstrate a continued commitment to prevention in principle, but much less evidence of a significant shift in spending towards preventative services. Greater progress will require funding, commissioning and performance frameworks to be explicitly aligned with preventative objectives. This includes protecting preventative services during periods of financial pressure, investing in community-based support, adopting multi-year funding approaches, measuring long-term outcomes rather than short-term activity, and ensuring that funding decisions take account of the wider benefits prevention delivers across the health and care system.

The Scottish Budget 2026-27 included a significant uplift in funding for sport and related activities, including one-off investment in "Summer of Sport" activities, and an ongoing commitment to providing universal free-swimming lessons to every primary school child in Scotland.

10. *How has the increased investment in sport in 2026-27 impacted on service delivery and participation in sport?*

-/-

11. *Are the sums being invested sufficient and be spent in the right areas to see significant improvements in widening access to sports and exercise?*

-/-

12. *How has the wider funding landscape for local government impacted on access to sporting facilities and activities?*

-/-

As a final question

13. *Are there any other matters relating to the forthcoming budget of the Scottish Government in 2027-28 that fall into the remit of the Health, Care and Sport Committee that you would like to bring to our attention?*

A key issue for the Committee's consideration is the extent to which the 2027-28 Budget adequately reflects the full cost of delivering social care and local government reform ambitions. We would welcome greater detail on the anticipated costs of proposed reforms, the assumptions underpinning cost estimates, and how funding responsibilities will be shared between the Scottish Government, local government and service providers. Without this information, it is difficult to assess whether the resources available are sufficient to deliver both reform and sustainable service provision.

To date, the announcements relating to social care reform, have been accompanied by limited detail on implementation plans, timescales and funding implications. This has created significant uncertainty for providers, many of whom have been required to dedicate significant time and resources to understand the potential impact on their organisations and the people they support.

We would therefore welcome greater transparency on future reform plans and associated funding arrangements, alongside meaningful opportunities for providers to engage with national and local government. Not-for-profit providers are key partners in the delivery of social care, and their experiences and expertise should be drawn upon to help shape a collaborative, sustainable and person-centred future for the social care sector.