

Pre-budget Scrutiny Statement

PHS submission to the Health, Social Care and Sport Committee

Introduction

This document outlines Public Health Scotland's position on how best to tackle health inequalities in Scotland's communities. PHS does not have a role in managing the finances of Integration Joint Boards. However, as Scotland's lead public health organisation we can help to inform difficult discussions and decisions on measures which can help to reduce health inequalities in Scotland's communities.

This paper outlines three key recommendations to improve health outcomes at a population level, identifies the role of prevention in helping to realise sustainable services, and encourages greater accountability across the system to help reduce health inequalities.

PHS budget recommendations

PHS recommends three high-level areas which, if implemented across the public sector, could help to reduce health inequalities:

- **Shared focus on prevention:** to help reduce short-term demand and free up resources for future investment, ensure a shared focus across the public sector on primary prevention and the reduction of health inequalities in key areas (i.e. child poverty).
- **Invest in prevention:** support reform by defining prevention spend and establishing a new preventative investment category of public expenditure, with the aim of improving health, wellbeing, and social capital.
- **Measure progress and accountability:** ensure we know what works and focus on whole system accountability for improved health and wellbeing & prevention. Use the revised National Outcomes and strengthen the role of audit bodies to measure system wide reform and the shift to prevention across national and local networks.

The areas are explored in more detail below.

Shared focus on prevention

- Scotland's health faces two challenges: low and falling life expectancy and widening health inequalities. These feed the demands on health and social care and risk the sustainability of services.
- The predicted future demand on health and social care (the overall burden of disease) is predicted to increase by 21% by 2043. The time is right to redesign the system to cope with current and future demands.
- Integration Joint Boards are currently being forced to make significant savings. The Accounts Commission [found](#) IJBs faced a 187% per cent rise in

the funding gap in 2023/24 compared with the previous year, with no savings plan identified for 16% of the total.

- Prevention is one of the most cost-effective interventions the public sector can make in relation to improving population health and reducing inequalities. It has a median Return on Investment (ROI) of more than 14:1 and can be 3-4 times more cost-effective than investing in treatment.
- This approach could be achieved by creating a shared national and local focus to help reduce short-term demand and free up resources for future investment in key areas (i.e. child poverty).

Invest in prevention

Our public services are interconnected, and all have a role to play in investing in good health as an asset and in preventing ill health. Public Services provide a range of services which shape the building blocks of health – housing, education, public health, social care, transport to name a few. Many of these services can be preventative, both in keeping the population healthy and in averting the need for more complex and costly acute interventions by wider public services. However, in the current climate, there is a tendency towards more reactive, short-term responses, with resources being targeted towards immediate pressures.

The reasons for these reactive approaches to failure demand are complex, but include:

- resources are frequently occupied dealing with immediate problems so there isn't the time or money to spend on initiatives that will deliver longer-term benefits.
- an understandable but unhelpful focus on short-term results, sometimes exacerbated by political demands.
- organisations having an unduly narrow focus on specific outputs or outcomes - meaning that beneficial, preventative investment they could make is not incentivised and often actively disincentivised through current governance and accountability structures.

Developing a better understanding about levels of investment in prevention will add to the evidence base for decision-making and build the case for a greater emphasis on preventative action and by extension policies that priorities preventative spend, including the extent to which we put the need for prevention at the core of our approach to funding public services and greater accountability.

For example, Demos have made the case for a new approach to funding public services including **establishing a preventative category of public spending 'preventative investment expenditure'** with a clear connection to improving future health, wellbeing, and social capital. This would:

- provide a baseline for prevention to track the relative balance of prevention expenditure over time and whether we are achieving the shift in public expenditure that we need; and
- ensure greater accountability by creating a dedicated form of expenditure for prevention.

This context presents a significant challenge to the long-term sustainability of not only our health and social care system but also for our wider public services. A collective focus on prevention, particularly primary prevention, is important to reduce demand on public services and put them on a more sustainable long-term footing. At a time of resource pressure, encouraging investment in primary prevention is challenging but the case remains compelling.

For example:

- around £2.3 billion of health boards' budgets is directed at responding to the impacts of poverty, with hundreds of millions more diverted through primary care and addressing health inequalities driven by financial inequality.
- the cost to the NHS in Scotland of obesity is estimated to be £772 million, with the annual cost in Scotland overall estimated to be £5.3 billion. £4.1 billion of this is the value lost to people through reduced quality of life.

Failing to invest in prevention continues to increase the demands on our public services over the coming decades. Shifting investment to primary prevention is necessary if we are to reverse poor health trends, population health outcomes and deliver sustainable public services.

Measure progress and accountability

There is a need for improved scrutiny and performance measurement on how and whether prevention is embedded in public services and the quality of collaboration between and within the public sector. The refreshed National Performance Framework provides a potential focus to strengthen collaboration, support reform and a system wide focus on prevention and improving outcomes.

Public Health Scotland has continued to make the case that through the National Performance Framework, a focus on shared, national outcomes has the potential to drive significant change.

Areas of benefit include:

- Improve the effectiveness of scrutiny and accountability
- Enable adoption of a futures focus
- Increase policy coherence
- Promote ownership
- Improve accessibility

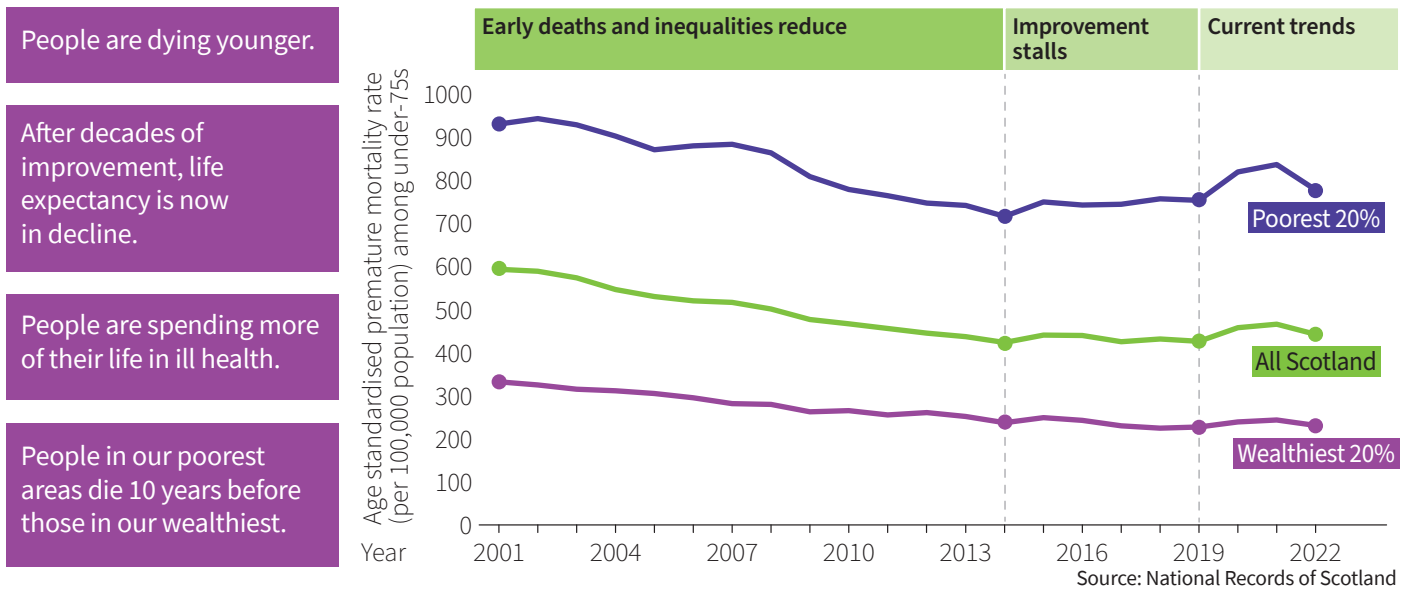
PHS also supports emerging legislation at Scottish Government which could help to formalise cross-directorate working – the Wellbeing and Future Generations

(Scotland) Bill, which opportunities to reshape the way we work for the benefit of communities.

Future

- PHS is partnering with Police Scotland and the University of Edinburgh, co-locating at the new Edinburgh Futures Institute. Our ambition is to use data, evidence, expertise, and collaborative leadership to drive forward preventative approaches in areas such as education and justice. We are convening partners from across Scotland at the EFI to take this forward.
- PHS would be happy to discuss the areas highlighted in this paper in more detail and look forward to attending the committee.

After decades of improvement, Scotland's health is worsening



Services look increasingly unsustainable

The burden of disease in Scotland is forecast to increase 21% by 2043.

Two-thirds of this increase will be due to increases in:



Cancers



Cardiovascular
disease



Neurological
conditions



Investing in prevention offers a return on investment of at least £14 for every £1. This helps to balance public budgets and reform services as demand increases.”

Journal of Epidemiology and Community Health: <https://jech.bmj.com/content/71/8/827.info>

Change is possible by investing in prevention

Success so far

HPV vaccine: 89% reduction in pre-cancer cervical cell changes from 2008 to 2014.

Minimum unit pricing (MUP): Estimated to have reduced alcohol hospital admissions (4.1%) and deaths (13.4%) from 2018 to 2020.

Childsmile: Halved tooth decay among children between 2003 and 2020.

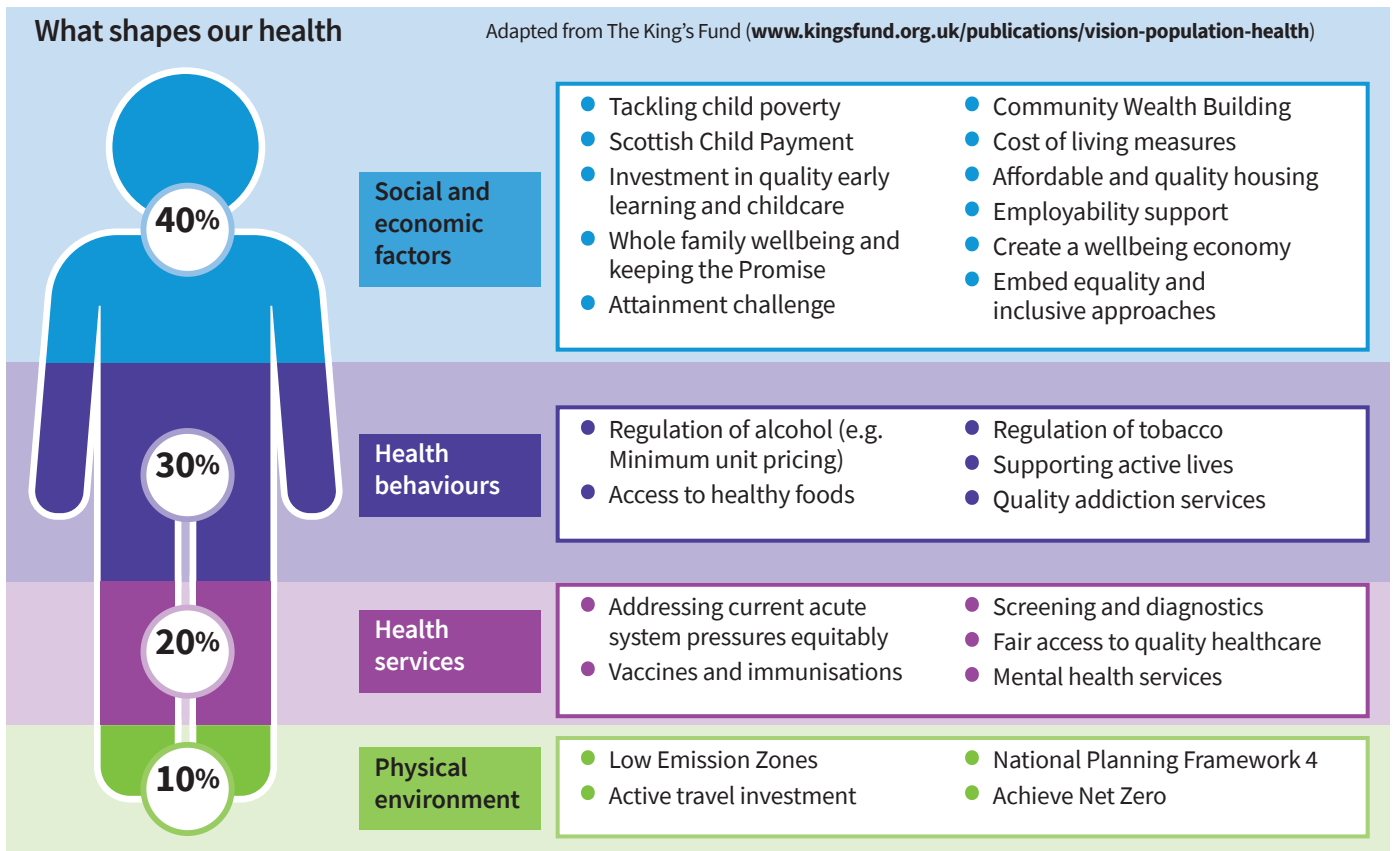
Hepatitis C prevention: On course to eliminate the virus.

COVID-19 vaccines: Directly prevented more than 27,656 deaths in Scotland.

Smoking ban: Reduced admission for child asthma (18%) and heart attacks (17%).

Scotland needs collective action to improve life expectancy and reduce health inequalities

1 Protect investment in the building blocks of health.



2 Long-term investment in prevention: every sector has a role to play.

3 Sustained collaboration: review of NPF; renewed national and local government partnership; measure what matters; stronger accountability.

A budget to tackle Scotland's health inequalities – top three asks

1 Shared focus on prevention

To help reduce short-term demand and free up resources for future investment, ensure a shared focus across the public sector on primary prevention and the reduction of health inequalities in key areas (i.e. child poverty).

2 Invest in prevention

Support reform by defining prevention spend and establishing a new preventative investment category of public expenditure, with the aim of improving health, wellbeing, and social capital.

3 Measure progress and accountability

Ensure we know what works and focus on whole system accountability for improved health and wellbeing & prevention. Use the revised National Outcomes and strengthen the role of audit bodies to measure system wide reform and the shift to prevention across national and local networks.

To discuss further, email phs.strategicdevelopment@phs.scot