



Consultation response

Public Service Reform: Pre-budget scrutiny 2027-28

August 2026

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Children in Scotland response

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About Children in Scotland

Children in Scotland is a membership organisation that amplifies the voices, views and experiences of our members and children, families and professionals across Scotland. We achieve this through direct services, meaningful participation, policy work, inspiring communications and sector-leading events and learning opportunities.

We have identified three key policy areas, where we believe, as an organisation, we can contribute to the biggest improvement in the lives of children, young people and their families. These are Whole Family Support; Additional Support for Learning; and Public Service Reform. Our work across all three of these policy areas is underpinned by our rights-based approach and our commitment to a full realisation of the UN Convention on the Rights of the Child following its incorporation into Scots Law in 2024.

Our response

We fully support the Scottish Government's Public Service Reform agenda and are pleased to respond to this call for views on the Pre-Budget Scrutiny of the Scottish Government's plans for Public Service Reform.

Our response to this call for views will draw on our work on Public Service Reform to date, highlighting learning from across our work in local systems, as well as our ongoing engagement with the children's sector. This will include learning from our recent Children in Scotland Member's Forum on the proposed Third Sector Partnership and the wider Public Service Reform agenda.

Through our Supporting the Third Sector project and our collaborative work with GCVS and Scottish Government on Fairer Futures Partnerships, we have a significant evidence base relating to delivery of public services locally. A consistent theme across this work is the challenge in ensuring public services meet the needs of children, young people and families – too often the delivery of public services does not uphold their rights. Reform of how services are delivered is essential for improving outcomes for children, young people and their families and for realising their rights as outlined in the UNCRC.

We fully recognise that this consultation approaches Public Service Reform from the perspective of pre-budget scrutiny and that this by nature means it focuses on the cost saving elements of the Public Service Reform agenda. Children in Scotland is less able to comment on the specifics of public finances and where money has or will be saved. However, we wish to reiterate at the outset that cost saving is only one

element of the reform agenda. A key focus for Public Service Reform must remain on improving outcomes for children, young people and families. We also believe there needs to be a commitment to ensuring the reform agenda is aligned with Scotland's ongoing journey to deliver on the intentions of the UNCRC (Incorporation) (Scotland) Act.

In our manifesto for the 2026 Scottish Parliament election, we identified the following four areas as central to the systemic change that is needed in public service delivery and that would ensure the reform agenda delivers better outcomes for people:

- Ethical commissioning within local and national government which encourages collaboration.
- Legislating to support more streamlined approaches to local authority governance.
- Collaborative leadership at local and national level.
- Fully embedding third sector partners into local authority planning.¹

Alongside this we hope to work closely with Scottish Government and other partners to embed SCVO's Fair Funding principles.

1. The Scottish Government aims to deliver on average £0.5 billion in savings through efficiencies per year for the next three years (2026-27 to 2028-29):

a) To what extent are these savings achievable, and how will they shape public service delivery?

Children in Scotland recognises the Scottish Government's assessment of need for a reduction in public expenditure. However, as we have detailed in our introduction to this call for views, it is important to recognise that reducing public spending is one element of the Public Service Reform agenda. Ultimately, reform to public service delivery is required regardless of this fiscal imperative.

We can see a range of challenges in the delivery of public services in Scotland which mean that money spent is not having the expected impact on children, young people and their families. These issues are complex and involve both national and local decision-making. Key challenges that we have identified include:

- **A complex national policy agenda** – this creates complexity for policy makers nationally, those involved in local delivery and for children, young people and families. Greater coherence in public policy would allow for more efficient delivery and improved focus on areas of priority.
- **Siloed working at local and national level** – within local and national government there continues to be a lack of internal connection around policy delivery, this leads to duplication but also contributes to a lack of alignment between key work and often limits impact of policy on its intended beneficiaries.
- **Systems and cultures are often bureaucratic and risk averse** – overly complex local planning and decision-making processes mean that often delivery of

¹ [Children in Scotland, Being brave in the face of difficult choices \(2026\), 2026 Scottish Parliament Election Manifesto](#)

policy is slow. These processes can also contribute to risk averse decision making within systems.

- **A lack of collaboration** – there are significant opportunities to improve collaboration between public and third sector partners to ensure streamlined delivery of public services. This extends to within the third sector, where a range of factors, including a competitive funding environment can contribute to a lack of collaboration between third sector partners, even when this is in the best interests of children, young people and families.
- **A lack of longer term, flexible funding** – short term funding cycles mean there can be a lack of continuity in delivery of effective interventions. It also means that there is an opportunity cost for third sector partners. The fragility that short-term funding creates, and the disproportionate amounts of time needed to bring in new work and funding takes away from time and energy that could be spent supporting children, young people and families
- **A lack of movement towards prevention in public policy making** – while there is consistent agreement about the need to shift towards prevention in policy making, too often public policy is focussed on responding to issues. This is widely recognised as being less effective and more expensive ²
- **Collaborative leadership capacity** – there can be challenges in embedding a truly collective leadership approach across public service delivery, in both the public and third sectors. Too often the system still incentivises the protection of organisational interests over collaboration in the interests of better outcomes for people.

Ultimately, responding to the issues highlighted here may save money **and** improve public service delivery by ensuring more of the money we spend on public services gets out to the children, young people and families it is meant to benefit. However, it is important to recognise that responding to these challenges requires a long-term focus that can consider public service reform in the holistic way that we believe it is intended. By focussing purely on cost cutting there is a risk that cost saving measures simply exacerbate existing challenges, create more points of crisis and ultimately pull more resource away from prevention.

b) What progress is being made towards achieving these efficiencies?

There is already a significant amount of work underway to support improvements in public service delivery in Scotland. As referenced in our introduction, Children in Scotland is currently supporting the Scottish Government's work on Fairer Futures Partnerships. The Fairer Futures Partnership approach aims to support locally led interventions to tackle child poverty, with a focus on systems change.

In collaboration with GCVS we are delivering a programme of activity aimed at supporting the involvement of the third sector in the Fairer Futures Partnership approach at local level.

Across this work we can see where the Fairer Futures Partnership approach is supporting systemic change locally, this has included more streamlined approaches

² <https://fraserofallander.org/scotlands-budget-report-preview-3-paving-the-way-for-preventative-budgeting/>

to planning and reporting, improved partnership working and improved strategic alignment within local systems. The nature of our work in these areas does not give us an insight of the financial impact of these improved ways of working, however we can clearly see the longer-term benefits they will have by the approach will have by driving system wide change which helps streamline local planning and delivery.

c) What are the barriers to achieving greater efficiency and how can these be addressed?

Please see our answer to part a).

2. How should the Scottish Government best present the extent of any realised efficiencies in the annual budget publication, including providing clarity on whether these are expected to be recurring savings?

We believe that clear, transparent and proactive communication is required across the entirety of the Public Service Reform agenda to ensure buy in, confidence and trust in the programme. This extends to ensuring transparency around the extent of any realised efficiencies and whether these are recurrent savings.

At present there is a significant level of reticence across the children's sector about the public service reform agenda. Our June Member's Forum meeting focussed on the Scottish Government's proposed Third Sector Partnership and the wider Public Service Reform agenda. It was clear through this meeting that there is a degree of reticence about public service reform, with attendees highlighting that they are concerned this is purely a cost cutting exercise. Children in Scotland will continue to work closely with our members and wider network to support buy in to the agenda and to demonstrate the need for transformational change in public service delivery.

This will require support from Scottish Government in how it realises the agenda, with transparent communication about delivery of public service reform central to this. This will also require a full commitment to the agenda across public policy making, with a commitment to long term decision making and a much-needed focus on prevention.

3. The Fiscal Sustainability Delivery Plan aims to achieve an average reduction of the public sector workforce of 0.5% per year over five years.

1. To what extent is this target achievable and how will it shape public service delivery?

As we have highlighted throughout this response, it is important that the public service reform agenda retains a focus on alignment with the UNCRC and on improving outcomes for children, young people and their families. We are concerned that a focus on targets for reduction in the public sector workforce may be incompatible with longer term focus on how we can change systems to improve outcomes.

We would strongly encourage all thinking about how to reform public services to start from a place of systems wide change and improving outcomes, with reductions in workforce as an output of this due to improved efficiency and reduced duplication. We are concerned that if reductions in the public sector workforce are

a starting point for decision making then there is a significant risk that cuts fall in areas which have a negative impact on public service delivery.

It is also important to recognise that as the public service reform agenda is delivered, it may be that there is need for increased capacity in some elements of the public service delivery landscape where there is an increased focus and level of priority. Areas where we believe there may need to be an increased level of capacity include within delivery of Whole Family Support and Additional Support for Learning.

We know that work on family support is a priority for Scottish Government and a key pillar within the delivery of public service reform. To meet the needs of children, young people and families, it may be that there is a need to increase the capacity to deliver whole family support. Likewise, we know there are system wide challenges within additional support for learning which negatively affect the outcomes of children, young people and their families, it may be that additional resource is needed in this area to meet the level of need within the additional support for learning system. We would also envisage that effective, well targeted spend in these areas to have a preventative element which should reduce pressure on public services longer term. As we progress our policy activity in both areas, we will provide further detail on where capacity is needed in both the whole family support and additional support for learning systems.

2. What progress is being made towards achieving this target?

N/A

4. What actions can the Scottish Government take to ensure these workforce reductions are delivered in a managed way which best supports effective government and public service delivery

Please see our answer to Question 3.

5. The PSR strategy states that it will protect frontline services. To what extent is there sufficient clarity about how frontline roles are defined and how efficiencies in back-office functions can be delivered in a way that minimises impact on the delivery of public services?

Through our work in local systems, we often hear from partners about how 'the system gets in the way' and makes delivering for children, young people and families challenging. As we have highlighted throughout this response, we believe that there are opportunities to streamline the processes, structures and ways of working that underpin how public services are planned and delivered which could drive improvement. We believe it is possible to make these changes while having limited impact on frontline roles.

We regularly hear how local authority decision making processes can be slow and often there can be duplication both in delivery of services and within governance structures. This is compounded by risk averse cultures which have created a sense of safety in accountability, but which have the unintended consequence of making delivery slower. Ultimately, these challenges mean a significant level of resource is spent on the planning of policy, which takes away from the resource to be

delivered. At times, this can contribute to a significant disconnect between policy intention and how it is experienced by children, young people and families.

Recent conversations around the delivery of Whole Family Wellbeing Funding in Highland have demonstrated this challenge, with evidence suggesting that a significant portion of funding in the area has not reached children, young people and families. It is vitally important here to recognise that not all money invested into the whole family support system will directly benefit children and families. Systems change activity, such as that encouraged by the Whole Family Wellbeing Fund requires investment and time. However, this example highlights that there is a risk of resource being used to deliver neither transformational change nor service delivery.

³

We do however know that there are emerging positive examples of systems change across Scotland that have been stimulated by targeted work from national and local government, some of which has been driven by the Fairer Futures Partnership approach. A key positive appears to be moves towards integrated planning and reporting arrangements for children's services, child poverty and other associated areas of local work like children's rights in Clackmannanshire and North Ayrshire. Through our work supporting third sector engagement in the new Fairer Futures Partnerships, we have seen how these efforts to align planning and delivery across the system have helped increase alignment across decision making, streamline internal processes and stimulate opportunities for partnership working. ⁴⁵

We believe that in the long term that systemic changes such as those outlined will both reduces costs, and improves outcomes for children, young people and families by ensuring systems which are more responsive to their needs.

6. Beyond the financial benefits that the Public Sector Reform (PSR) Strategy aims to achieve, what are the key outcomes that reform should be aiming for?

Throughout our response to this call for views we have focussed on the wider benefits that could be derived from the public service reform agenda. We believe that the agenda has the power to drive transformational change in how we deliver public services and to ensure the truly meet the needs of children, young people and families.

We believe that some key outcomes the reform agenda should be:

- Driving a shift towards prevention in public policy making
- Embedding more collaborative ways of working in public service delivery – both between third sector and public sector, and within the third sector
- Greater coherence in national policy making, with clearly defined priorities which are the focus for all public policy making
- Streamlined local authority governance, planning and delivery
- Improved commissioning and reporting arrangements which embed collaboration and which are focussed on outcomes

³ [Over £1.4m from charity fund spent on salaries and expenses | The Herald](#)

⁴ [North Ayrshire Council, Joint planning approach for children and families, Cabinet Papers, January 2026](#)

⁵ [Family Wellbeing Partnership in Clackmannanshire Evaluation \(2025\)](#)

- Improved use of third sector data and information, and better data sharing arrangements to truly understand progress in how services are impacting children and families
- Improved capacity for collaborative leadership across public service leadership (both within the public and third sector)

We firmly believe that by achieving progress in the areas outlined above we will see improved outcomes for children, young people and families. It is however important to recognise that many of these outcomes are structural, cultural and system wide – as such they are hard to measure and will take time to have positive impacts. It is important that all partners across Scottish public policy making work collaboratively to create the conditions for a focus on these longer-term goals.

7. The PSR Strategy includes 18 different workstreams which aim to remove barriers to reform. One workstream focuses on “simplification”, recognising that “complexity of processes, structures and reporting requirements is a key barrier to effective and efficient service delivery”. “Prevention” is one of three pillars providing structure to the Strategy.

- 1. What should the Scottish Government’s priorities be under its simplification workstream and what level of savings can be achieved through this approach?**

Children in Scotland believe that there are significant opportunities for simplification across the national policy landscape and within local authority governance and delivery. We see the Public Service Reform strategy as being a key driver in achieving change in these areas.

From a national policy making perspective, it is vital that there is improved implementation of the existing policy framework, as well as an increased focus on prioritisation of interventions that will have the biggest impact for children, young people and families. Implementation of policy is challenging by nature; an overly complex landscape only adds to the scale of the challenge. It contributes to the diversion of resources away from implementation and often has significant impacts within local authorities where policy is delivered. Within this context, it is incumbent on Scottish Government to be brave and fully commit to a significant streamlining within policy making and to make use of this parliamentary term to focus on implementation. Alongside this, there is also a key role for MSPs from across the Scottish Parliament to support this agenda and to use parliament to scrutinise how this simplification takes place, rather than to further complicate the landscape.

It is important to highlight here that third sector partners have a key role to play here as well. Through our work as a membership organisation, we are firmly committed to working with the sector to ensure that as a collective we contribute to this simplification of the policy landscape.

As we have detailed throughout this response, there also could be a significant simplification of local planning arrangements to create more streamlined delivery and reporting. As we have highlighted throughout this response, local partners consistently recognise challenges where the system gets in the way of their work. Bureaucratic systems mean decision making can be slow, while risk averse cultures

can make changing ways of working complex. Both are compounded by the complex legislative arrangements around local planning and delivery.

Tackling these issues may require tidying up of various elements of legislation that affect local planning arrangements such as The Community Empowerment (Scotland) Act 2015 ⁶ and the Children and Young People (Scotland) Act 2014 ⁷ to help create a clearer structure within local authorities that creates greater delivery capacity. It is however important to reiterate here that simplification is possible without changes to legislation – as we have detailed earlier in this response, work in North Ayrshire and Clackmannanshire has already progressed streamlining of key elements of overlapping work relating to children's services.

The simplification workstream of the strategy should therefore consider how it can continue to deliver change to how public services are planned and delivered along two tracks. There should be a focus on what is possible within this current legislative framework around local authority planning while also considering what a renewed legislative framework might look like which both allows for oversight and accountability, while also stimulating delivery capacity. Children in Scotland will produce a policy paper across 2026 which will provide further clarity on key opportunities to simplify these arrangements, we will be happy to share this with the Committee on its publication.

2. What progress has been made to date with preventative budgeting?

Children in Scotland is firmly supportive of preventative budgeting, as we have outlined earlier in this response, we believe that shifting public spending towards upstream interventions should be a key outcome for the Public Service Reform agenda in Scotland. There has been agreement across Scottish public policy making about the need to meaningfully shift public service delivery towards prevention since the Christie Commission report on the future delivery of public services in 2011⁸. The public service reform agenda presents a key opportunity to deliver this and to unlock the positive impact that a shift towards prevention would bring.

We are aware that Scottish Government is promoting its new preventative budgeting tool.⁹ We believe that the 26-27 Scottish Parliament budget is a key opportunity to fully embed this and to begin a meaningful shift towards prevention in public spending.

It is however important to recognise here that prevention can be hard to measure – it can be hard to quantify the cost savings of not having to provide a service or a crisis not having emerged. We believe that the ongoing challenge in demonstrating the impact of prevention is a key barrier in realising the shift towards prevention in public policy making.

⁶ <https://www.legislation.gov.uk/asp/2015/6/contents>

⁷ <https://www.legislation.gov.uk/asp/2014/8/contents>

⁸ <https://www.gov.scot/publications/commission-future-delivery-public-services/>

⁹ <https://www.gov.scot/publications/preventative-budgeting-tool-guidance/>

Making progress on this will require public service leaders to embody a longer-term approach to decision making. This requires a bravery and capacity for risk in public service delivery that recognises that a shift towards prevention will not have an immediate 'return on investment' – often the positive impact on children, young people and families and the financial savings will be seen beyond parliamentary terms.¹⁰

The Follow the Money Resource produced following the Independent Care Review provides insight into both the challenge in this area, but also the imperative for the shift towards prevention.¹¹ The tool clearly demonstrates the costs of system's failure in relation to children and young people's care. It also clearly articulates the benefit to people and to public finances of making this shift.

Within national government, key action that could support this shift towards prevention would include fully committing to a longer-term view of delivery of public services. As we have highlighted throughout this response, a complex national policy agenda has contributed to a lack of focus and in cases a tension between different policy agendas. The public service reform agenda brings a significant opportunity to refocus on longer term, preventative policy making at national level.

Within this, there is a requirement for Scottish Government to provide greater clarity about what constitutes prevention and supports the preventative agenda – too often there can be ambiguity about this within public policy making¹². For the agenda to succeed we must be honest about what truly constitutes preventative spending, and be brave in shifting towards this. There must also be an alignment across national and local government on the definition and understanding of prevention to ensure coherence from national to local delivery.

3. How should the forthcoming Budget support greater progress towards preventative budgeting across the devolved public sector? Please set out any barriers and how these can be addressed.

We believe that the Scottish Budget can support progress towards preventative budgeting through a number of key steps:

- Demonstration of a commitment to long term, preventative spending within the Scottish Budget as a way to provide leadership around preventative budgeting.
- Less ring-fenced funding for national policy interventions that are delivered locally to allow local authorities to direct funding towards local priorities that will support the prevention agenda
- Continued funding for systems changes activity that helps stimulate a shift towards prevention in the devolved public sector – this should include aiming to embed learning from what is working through existing systems change activity such as the Fairer Futures Partnership approach
- Delivery of the SCVO fair funding principles (see Pxx) to support greater stability for third sector organisations. We know third sector organisations are

¹⁰ [Cairney P, Boswell J, St Denny, Can policy be more preventative, University of Liverpool](#)

¹¹ <https://www.carereview.scot/wp-content/uploads/2020/02/Follow-the-money.pdf>

¹² [Cairney P, Boswell J, St Denny, Can policy be more preventative, University of Liverpool](#)

key in delivering preventative services and ensuring longer term funding in this space will support the shift towards prevention

4. What changes to the Scottish Government's approach to budget-setting are needed to effectively deliver public service reform?

Please see our answer to the previous section of this question.

8. The Scottish Government included an upfront Invest to Save Fund of around £30 million in the 2025-26 and 2026-27 Scottish Budgets for reform projects that will deliver ongoing savings and support the delivery of the PSR strategy.

1. To what extent is the Invest to Save Fund delivering projects that achieve ongoing savings?

N/A

2. How are successful outcomes from this Fund being shared more widely across the public sector?

N/A

For more information, please contact Chris Ross, Participation and Policy Manager, cross@childreninscotland.org.uk