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Susanne Millar

**Item 6(a)**

**11th September 2025**

Our Reference: 202500469363

Your Reference: Funding for community health and social care services

23 June 2025

Dear Susanne,

Firstly, I would like to thank you for your letter dated 2 June 2025 in relation to concerns over funding for health and social care. We sympathise with the pressure the sector is facing and that is one of the reasons why the 2025-26 Budget prioritised both the Local Government Settlement and the Health & Social Care Portfolio, with both receiving record funding allocations despite continued fiscal challenges.

The 2025-26 budget includes over £15 billion allocated to the Local Government Settlement and almost £2.2 billion for social care and integration, exceeding our commitment to increase funding by 25% by almost £350 million. At £21.7 billion, the overall budget for health and social care also reached record levels.

It is important to note that while the Scottish Government has overall responsibility for health and social care policy in Scotland, it is for local authorities and health boards to work with IJBs to ensure that social care services are in place to provide people with the appropriate support. In February 2025, the Cabinet Secretary for Health & Social Care and representatives from COSLA, invited SOLACE, Chief Officers, Scottish Care and the Coalition of Care, and Support Providers, to a roundtable to discuss the financial viability of the social care sector. Following this, a response group was commissioned to further explore the risks and potential mitigations for the sector, with these discussions on-going.

The previous Minister for Social Care, Mental Wellbeing and Sport also met with IJB Chairs, Chief Officers and Chief Financial Officers from all IJBs in Scotland on 5 June, to discuss the financial challenges in the local health and social care systems. This follows on from a meeting on 5 March where myself, Ms Todd, and Cllr Kelly of COSLA, met with the same groups to hear a presentation on the IJB budget position for 2025-26. These meetings take place several times each year and allow for

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direct engagement between ministers, COSLA and IJB officials on matters relating to health and social care services. The Scottish Government will continue to work closely with the health and social care sector to understand key pressures and identify opportunities to ensure we achieve the best value of money and improve outcomes for our population.

Yours sincerely,

**NEIL GRAY**

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