Dear Member,

Please find below a briefing from Change Mental Health ahead of the Scottish Budget 2025 to 2026, containing key asks on mental health policy to help address challenges faced across Scotland.

For further information on any aspect of this briefing paper, please contact:
jim.hume@changemh.org

Who We Are

For over 50 years, Change Mental Health has provided transformational support for people – ensuring that everyone has access to the support they need, when they need it and in a way which works best for them. We seek to change society by changing attitudes, fighting stigma and influencing policy to ensure a better quality of life for those affected by mental illness. Our team of over 180 members of staff support over 10,000 people per year in Scotland.

Key Asks:

1) In 2021, the Scottish Government gave a commitment to dedicate 10% of health spending towards mental health services by the end of this Parliament, currently this target sits at around 8.7%.

   Given rising demand for services and support, we ask parties to support the 10% target in the new Budget.

2) In their February 2024 report into adult mental health, the Parliament's Public Audit Committee noted the importance of the third sector and raised concerns over funding which is 'fragile and uncertain'.

   We call for the Scottish Government to implement multi-year spending plans for the third sector and halt all in-year spending cuts for mental health.

3) Rising demand for mental health services in Scotland must be met with appropriate funding, which has steadily been eroded by high inflation.

   Mental health budgets to be inflation-proofed to protect services.

4) Audit Scotland highlights the benefits to service users and the public purse from investment in preventative measures and early intervention – principles supported in the Scottish Government/COSLA Mental Health and Wellbeing Strategy. Meanwhile health and social care budget holders across Scotland contemplate huge cuts to the same preventive services to meet in-year budget targets.

We ask for a holistic approach across public and third sector planning, to ensure budget decisions align with intended outcomes by mental health proofing all public policy decisions.

5) We estimate recent UK Government changes to employer national insurance contributions will cost Change Mental Health alone an additional £141,000 for our 189 staff members every year across Scotland. Early intervention and prevention is important for people to have a better life outcomes and also saves public money. Every £1 spent on early intervention leads to saving £15 for services (LSE).[1]

We ask Scottish parties to consider compensation for third-sector mental health charities impacted by recent National Insurance changes so that they can continue to deliver their vital services that are more in demand than ever.

Key Facts:

- Annual 2024/2025 Scottish Budget allocation to mental health services was **£290.2 million**[2].
- September cuts of **£18.8m** to the mental health budget left **£271.4m**.[3]
- This comes after 3 years of budget freeze - meaning inflation has eaten into real monetary value and service delivery capacity across the sector in Scotland.[4]
- Average adult mental wellbeing in Scotland remains below pre-pandemic levels.[5]
- Demand for Change Mental Health services and support has steadily increased - over 20% across Dumfries and Galloway alone.
- The Scottish Government has a manifesto commitment to dedicate 10% of the total NHS budget to mental health. Last budget year, this was around 8.7%. The 10% threshold was closest to being met back in 2008/09 at 9.7%.
- UK Government changes to employer National Insurance contributions will cost Change Mental Health an additional £141,000 per year.

The Case for Increasing Investment

1) Prevention and early intervention saves lives, time and money

a) The Scottish Government and COSLA's Mental Health and Wellbeing Strategy recognises the need for a stronger focus on prevention and early intervention, citing a

2022 study estimating the economic cost of poor mental health to the Scottish economy at £8.8 billion per year.[6]

b) In their September 2023 review of adult mental health, Audit Scotland reiterates the case for effective public investment in preventative healthcare measures yet outlines concerns over limited data and inconsistency in spending categorisation - making it difficult to track total public spending on adult mental health services.[7]

c) Financial analysis from Deloitte in 2022 demonstrated a 'return of investment' of £5 for every £1 spent by employers on effective measures to improve mental health in the workplace.[8]

2. Demand for mental health services is rising

a) A recent Public Audit Committee report into adult mental health[9] found:

i) The number of people detained using the Mental Health Act because of an urgent need for treatment for a mental health disorder increased from 104 to 120 per 100,000 people between 2017/18 and 2021/22. It peaked in 2020/21 during the pandemic.

ii) Scottish Action for Mental Health (SAMH) reported a 50% increase in demand for its information service during the pandemic.

iii) The number of calls to NHS 24's 111 Mental Health Hub increased by 436% between 2019/20 and 2022/23, from an average of 2,136 calls per month, to an average of 11,457 calls per month. (The increase can partly be explained by its expansion from operating eight hours per day to 24 hours per day from July 2020).

b) On waiting times for Child and Adolescent Mental Health Services (CAMHS) for the quarter ending June 2024, Public Health Scotland reports 84.1% of children and young people started treatment within 18 weeks of referral, short of the Scottish Government standard of 90%.[10] The standard has never been met since its introduction in 2014.[11]

c) On waiting times for psychological therapies for the quarter ending June 2024, Public Health Scotland reports 80.2% of people of all ages started their treatment within 18 weeks of referral. The Scottish Government standard states that 90% of people should start their treatment within 18 weeks of referral to psychological therapies.[12]

3. Budget is falling

a) £290.2 million was dedicated to mental health services by the Scottish Government for budget years 2022/2023, 2023/2024 and 2024/2025[2] - despite recent high inflation rates.

b) November 2023 saw close to £30 million in cuts to mental health services from the 2023/2024 Scottish Government budget.[13]

c) £18.8 million in cuts from the 2024/2025 budget were announced on 3 September 2024, including '*mainstreaming elements of the Distress Brief Interventions programme, student mental health measures and additional Mental Health Officer funding, and reprofiling the commencement of the Changing Places Toilet fund*.'[3]

Sources

1) https://www.nationalhealthexecutive.com/News/early-intervention-could-save-nhs-millions-in-mental-health-costs
2) (Table A1.02) https://www.gov.scot/publications/scottish-budget-2024-25/pages/5/
3) https://www.gov.scot/publications/scottish-government-pre-budget-fiscal-update-letter-to-finance-committee/
4) https://changemh.org/latest_news/scottish-budget-24-25/
5) 2023 Scottish Health Survey - https://natcen.ac.uk/scottish-health-survey
6) https://www.gov.scot/publications/mental-health-wellbeing-strategy/pages/2/
7) https://audit.scot/uploads/docs/report/2023/nr_230913_adult_mental_health.pdf
8) https://www.deloitte.com/content/dam/assets-zone2/uk/en/docs/industries/energy-resourcesindustrials/2023/deloitte-uk-mental-health-report-2022.pdf
9) https://digitalpublications.parliament.scot/Committees/Report/PA/2024/2/28/c0ad50ea-5444-452a-b67a-a285ea574ff6-1#Chapter-1
10) https://publichealthscotland.scot/publications/child-and-adolescent-mental-health-services-camhs-waiting-times/child-and-adolescent-mental-health-services-camhs-waiting-times-quarter-ending-june-2024/
11) https://www.heraldscotland.com/news/23984137.scottish-government-confirm-30m-cut-mental-health-funding/
12) https://publichealthscotland.scot/publications/psychological-therapies-waiting-times/psychological-therapies-waiting-times-quarter-ending-june-2024/
13) https://www.parliament.scot/-/media/files/committees/finance-and-public-administration-committee/correspondence/2023/budget_dfmtoconvener_21nov23.pdf

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