

Social Justice and Social Security Pre-Budget Scrutiny 2024-25

Additional information provided by the Scottish Council for Voluntary Organisations (SCVO) following evidence session on 28 September 2023

Received 28 September 2023

I promised to follow up with the Committee regarding the following matters:

1. Member's supplementary question on allocated and unallocated funding

On the issues of delayed confirmation of funding and payment of funding, the funds in question have already been allocated to different Scottish Government departments. However, many voluntary organisations have not received formal written confirmation or payment of these funds.

Most of the organisations we have heard from have received an indicative funding letter which usually includes a line similar to '*we expect your funding to be around X amount.*' This is not the formal confirmation of funding that organisations need to satisfy boards and auditors, to plan and deliver vital services.

We felt it was important to raise this issue as many organisations are currently in a place where they haven't got clarity with what they can spend in this financial year. By raising it today, we hope the Committee will call for timely formal confirmation and payments for the next budget year, to ensure crucial funds can be spent.

2. Examples of poor practice relating to delays and other processes

Due to the nature of these relationships between voluntary organisations and the Scottish Government, many voluntary organisations do not give SCVO permission to share their names. I have attached a list of recent examples, but there are many more that we are unable to share as these organisations would be easily identifiable.

3. Tax reform and the sector's role in this space

As mentioned, SCVO does not take a view on taxation. However, I said I would share the latest report from a collection of charities, The Case for Fair Tax Reform. https://oxfamapps.org/scotland/wp-content/uploads/2023/09/The-case-for-fair-tax-reform-in-Scotland-Joint-briefing-FINAL_September-2023-1-2.pdf

4. SCVO's Fair Funding framework

During the Committee session, I had raised that several organisations had raised issues across pre-budget scrutiny sessions with different committees that echo many of the calls that SCVO is making through our 'Fair Funding' campaign. I am sharing the link to our paper, Fair Funding for the voluntary sector <https://scvo.scot/p/56732/2023/01/16/%E2%80%8Bfair-funding-for-the-voluntary-sector#:~:text=Fair%20funding%20%E2%80%93%20a%20long-term,demand%2C%20and%20delivery%20quality%20outcomes.>

Month	Funding or Govt Dept	Issue
April-23	CYPFEIF-ALEC	Due to extensions, organisation has received funding for over 9 years now - but only with one uplift in that time (of 5%) despite inflation increasing approximately 25% over the same period.
April-23	No One Left Behind	Funding previously allocated at a national level devolved to local authorities under No One Left Behind, with assurance that local authorities would procure from voluntary organisations at a local level.
May-23	CYPFAL	Applied for a significantly larger sum than received previously through necessity in terms of keeping the organisation going but received the previous sum plus uplift, delays also in decision-making & receiving funds.
May-23	Transport Scotland	Given assurances before Easter that an offer was forthcoming but, by May, still hadn't received an official offer. Carried forward funds from April but these were quickly exhausted.
May-23	Building Safer Communities	Core funding comes from Building Safer Communities - however, they are now working with new civil servants who don't know them (and insist they are a project), and who seem to have more knowledge about procurement than positive partnerships.
May-23	CYPFAL	Organisation & wider sector has been treated unacceptably given how hard everyone worked with Covid & the COL crisis. Need to minimise the chances of a year like this happening again.
May-23	Transport Scotland	Worst year ever in terms of applying for funding - usually have a letter of confirmation issued before the end of the financial year but this hasn't happened & organisation has been told it's no longer going to happen. Have received confirmation for 2 out of 3 programmes but nothing on the last one, as of 6-7 weeks into the financial year.
June-23	Building Safer Communities	25 year relationship has changed over night. New civil servants utilising a new approach that focusses on outputs rather than outcomes. More hoops to jump through & asking for so much more, with an unworkable business plan template. Worst year ever for funding.
July-23	Mental Health	Huge delays in decision making (so much so that they had assumed they were getting nothing); inconsistent relationships and comms; horrific business plan template

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July-23	Investing in Communities Fund	Successful applicant but didn't receive offer letter until 22 nd May, although project started on 1 st April. SG had known for years that they'd have new projects starting on 1 st April – with a more timely process the offer letters could have been sent out in advance of 1 st April allowing people to recruit effectively. An example of 3 year funding that isn't actually 3 years long.
July-23	Whole Family Wellbeing Fund	Had a WFWF call with the local authority, meant to be one of those calls where a researcher checks in with projects to find out how it's going. The discussion was basically on how much of a bin fire WFWF is, and not just in this particular local authority area.
July-23	No One Left Behind	SG sent out No One Left Behind letters of grant to local authorities in June, 10 weeks after the financial year the funding is for. The letters also include some worrying requirements on what is considered eligible & ineligible spend – concerns have been raised, including by TSI Chief Officers & some local authorities. The most pressing concern is the phrasing on exclusion of spending funding on “Any employment costs arising from the Grantee's legal obligations to its employers” – the language is very unhelpful.