Scottish Parliament Equalities and Human Rights Committee

Draft Budget Scrutiny 2020/21

Committee Engagement with Stirling, Falkirk and Clackmannanshire’s Third Sector Interfaces (Forth Valley TSIs)

Friday 20 September 2019, 9am – 11.30am at the Forth Valley Sensory Centre

Introduction

Forth Valley TSI’s hosted an event for the Scottish Parliament Equality and Human Rights Committee as part of the Committee’s Draft Budget scrutiny work focusing on the third sector and delivery of national equalities and human rights priorities.

The event aimed to provide the sector with an opportunity to speak directly to the Committee about specific issues and challenges faced by the third sector to help inform the evidence sessions and the inquiry as it proceeds.

The session was built around the Equality Committee’s call for evidence in relation to its scrutiny of the Scottish Government’s Draft Budget.

The event was attended by 20 charities of all shapes and sizes from the Forth Valley.

CVS Falkirk, welcomed the participants to the event.

An introduction to the session was provided by, CTSi, and Ruth Maguire MSP, Convener to the Committee. It was noted that a similar event was held in Glasgow earlier that week that was valuable because people spoke honestly and freely, with real knowledge and understanding of the current issues. It was explained that today’s session was for participants to share their expert views on Third Sector funding as part of the committee’s consideration of the Scottish Budget 2020-21. These views would inform the committees questions and recommendations.

Key issues for discussion:

- What type of public sector funding (European, national, or local) is provided to your organisation to support vulnerable groups and those with protected characteristics to access public services?
- Is the level of public sector funding provided enough to deliver national priorities and better outcomes for people and communities?
- Are there public funding challenges for the third sector, if so, what would be the implications for delivering equalities and human rights outcomes?

The following themes arose out of the table top discussions and in the fishbowl exercise that followed:

Funding challenges
Most funding for organisations comes from local authorities, some from NHS boards and a few organisations received money from the Scottish Government’s equalities budget. The types of funding noted were:

- Local authority
- Grant funding through Service Level Agreements (SLAs) and commissioning through public procurement
- European funding
- Project funding from trusts, foundations and funders
- Big Lottery

The level of funding had been stagnant for many years i.e. third sector interfaces

Organisations agreed there was lots of administration involved in keeping their organisations going. One organisation explained it received one fifth core funding from local authority, but most of its funding came from project work. It had 16 projects ongoing, all required funding applications, monitoring and evaluation. All asked for different data to be collected. It was described as a “bit of a hamster wheel” taking them away from their core business. Another organisation had 26 projects running at one time, if they were of a one-year duration, then funding had to be reapplied for at the 6-month point.

Organisations were still based on task and time and so not really focussed on outcomes. In relation to outcomes focussed-funding, it was noted this could be confusing, for example are they national, Health and Social Care (HSC) standards or Shanaari. Many explained however they could show the outcome their organisation was having on the people they worked with by using case studies, but this was not always what was being asked for by the funders.

On the whole funding did not include a proportion for the organisational running costs. It was identified that roughly 20% of costs went to paying wages, staff training or undertaking recruitment. UK policy changes had also had an impact on costs, for example, provision of workplace pensions had increased costs to some third sector organisations. There had been no change to funding to reflect this cost. Also, the public sector had received a 3% pay increase, but third sector organisations noted it was difficult for them to do the same for their staff.

There was concern about funders’ decision-making as to whether to continue funding projects or services. There was funding for a post for an Independent Domestic Abuse person, however this was only for a set period making it difficult to plan ahead because of funding issues. One organisation saw its funding cut in half over night. Another had to undertake their own equality impact assessment to prove that their service was delivering outcomes and to show what the impact of cutting the service would be on people with protected characteristics.

Short-term funding made it impossible to plan. Organisations noted that funding decisions seemed to be coming much later, i.e. in February or March, just before the end of the financial year, when they should have been notified by November in the previous year. This caused staff resources to be redirected at short notice to look for alternative funding streams. If replacement funding couldn’t be found, then it meant
staff members had to be made redundant. Smaller groups were much more likely to “go under”. It was noted that many of those employed by the third sector were women with caring responsibilities. While one organisation advised late funding notification impacted on its ability to provide grant funding to its 1,000 members. Another organisation explained that they waited five weeks for funding they had successfully applied. On the time taken to make award decisions, it was explained that those vulnerable people and groups would continue to suffer longer and this was not acceptable. It was suggested that the optimum length of funding contracts would be five years. Funding over a five-year period would allow organisations to employ experienced staff, and would free up time for managers to focus on the operational service aspects of the organisation.

It was noted that SLA’s can be quite restrictive in terms of the work organisations could do.

There was a push for third sector organisations to become sustainable – to move towards the social enterprise model, however it was pointed out that not all organisations could do that. Organisations felt generally that funders did not recognise or value third sector input.

**Partnership and integration**

Every local authority had different ways of doing things. Some were good at working with the third sector, some not so good. Culture and power dynamics within councils could determine whether partnerships were successful. It was felt councils relied on the third sector, however middle management didn’t understand the third sector. Some people asked whether COSLA had a role in encouraging more partnership working or developing more effective partnership working?

In relation to substance misuse, the vast majority of funding came through NHS and not local authorities, however although these bodies rely on third sector to provide services, the NHS didn’t seem to understand the third sector.

Co-location of public organisations could work well, the Sensory Centre in Camelon being a case in point with NHS Forth Valley, Falkirk, Stirling and Clackmannanshire Integrated Joint Board working together. It was explained that if there was more time to apply for funding there would be more opportunities for third sector organisations to come together and jointly, as a consortium or partnership, apply for funding e.g. Inspiring Communities funding had a six-week application period, which is just not long enough.

It was noted that the move towards partnership working hadn’t happened yet in terms of IJBs, although it was acknowledged that the intention behind the policy was good. Additionally, there were concerns that funding was being channelled through the wrong areas and being directed to deficits rather than going to preventative spending.

There were concerns about specific funding for protected characteristics being administered through local authorities instead of nationally funded.
Some organisations noted that awareness raising of new/existing policies increased demand for third sector services. There were calls for leadership from the Scottish Government and agencies.

**Competition for funding**

There was an acknowledgment that third sector organisations should be looking towards collaboration, for example, co-location of third sector organisations could be beneficial. This could cut overhead costs, make working together to address shared issues easier, enable information sharing and help to build trust.

While there was a real desire and enthusiasm for partnership working, it was considered competition prevented it from happening. Participants questioned how partnership could take place between third sector organisations when they were competing for the same pot of money. One organisation commented “it’s like a war”. Fighting over funding had led to distrust in the sector.

To illustrate how funding could be coordinated better, Cornton Vale women’s prison deal with women who have substance misuse experience. Many suffered from adverse childhood experiences and so to tackle this, separate strands were put in place, i.e. support for mental health, substance recovery and emotional support. It was argued that a pipeline of support should be devised so all could contribute making a streamlined and effective support mechanism.

In relation to local authority funding, organisations said councils were creating an environment where third sector organisations fought each other for funding. They believed this suited councils as it meant organisations competed on price. There was a general feeling that quality of service used to take priority, “quality 60%, costs 40%, now it’s the other way around”. It was highlighted by some organisations that councils had stopped delivering services in-house to save money, then expected the third sector to provide the same services for less money.

**Not a level playing field**

The commissioning process was seen to favour larger organisations with the resources to go through arduous application processes and supply evidence and references. Smaller organisations could be best placed to support vulnerable people and groups, but fail to win contracts because larger, sometimes national organisations, can put in better applications.

TSIs were there to help smaller organisations with this process, but not all TSIs were as good as the three in the Forth Valley area. Some described partnership integration funding and Scottish Government funding as the most difficult to navigate.

Commissioners should be alerting smaller organisations well in advance to opportunities as smaller organisations needed more time to prepare their applications. It was suggested that highlighting applications would open in 3 months’
time, would give organisations time to develop robust application, demonstrate need, seek support from local TSI and consider partnership.

Organisations commented that the system at the moment suited local authorities as they don’t need to spend time on planning.

There were calls for the whole commissioning process to be reviewed.

The eligibility process for funding was also seen as a barrier. Very few trusts and foundations would provide continuation funding. Funding from these sources could be difficult as they tended to focus on what was fashionable at the time, so you could not rely. Worthwhile, successful projects were folding because they were no longer “fashionable”, meaning they constantly had to reinterpret their services to align with the altered criteria, making mission creep more likely. Also of concern was using gross annual income cap as an eligibility criterion, as this took no account of running costs and so organisations that had less free funds than others were ineligible to apply. Decisions also seemed to be made on finance instead of demonstrated impact.

**Data issue and SG researchers/policy**

An organisation commented funders were changing the goalposts on monitoring data – asking for one set of data, providing that information and then waiting a further 7 months only to be asked for different data.

Several organisations questioned whether any of the monitoring being undertaken by the third sector was being checked or made use of to inform policy and/or services. It was suggested there were lots of other ways to evaluate the third sector’s work e.g. Annual Reports, videos, service user’s views.

It was considered that decisions made by the Scottish Government and local authorities were based on inadequate data even though data was available, for example, core score health data, but that this was not being collected/aggregated. It was considered this should be a role for Scottish Public Health Observatory.

Feeling that Scottish Government researchers/policy leads are always keen to look abroad; however, they don’t utilise the information and data available in Scotland. Working with communities, third sector organisations produce rich data, but were scared to share it with other organisations because of the competitive element to funding.

There were calls for the Scottish Government to look at how it was consulting the third sector. It was important to consult the third sector, but it was considered that capacity building work should be undertaking to inform the consultation process and to enrich the participants experience. The Scottish Government could look at funding organisations for consultation work as it was believed you have to invest in helping people to participate. Also, the Scottish Government was asked to take a broader view of data, rather than regarding data from third sector organisations as anecdotal.
Preventative spend

It was noted that the education budgets seemed to be the best source for preventative spending. Clackmannanshire Council was highlighted as good practice in this area. Whilst other local authority and Health Boards were not so good.

Sometimes a preventative approach could uncover unmet and urgent need, a point raised by one organisation working in addictions support and counselling. Preventative spend in this area could, for example, be focussed on early childhood experience, poverty, mental health issues, etc. These were clearly complex areas requiring substantial investment; however, resources did not appear to be available. With already limited resources and kept busy by being responsive it was recognised there was not time to develop and deliver more preventative services they desired.

The positive impact on individuals becoming volunteers was highlighted. The Volunteering Outcomes Framework is aimed at encouraging more people to volunteer. It was noted however that due to DWP criteria, volunteers were constantly under threat of having their benefits cut. One organisation around the table had lost more than a third of their volunteers.

Feedback summary of discussions

Group 1: Ideal scenario
- 5-year funding
- Equality and human rights – mainstream
- Timely award decisions
- Recognition for core costs (e.g. staff annual increments)
- Strategic leadership at national level
- TSI funding distribution
- Discussion with grassroots organisations, third sector interfaces, SCVO etc
- Reduced competition.

Group 2
- How do you fund a healthy life?
- Rich data should be shared at policy level – influencing policy development
- Public sector funding can leverage in additional funding
- What we need is data/research: qualitative data that evidences need which in turn influences policy
- Commissioning system fair and accessible
- Time to involve providers
- Small organisations don't have contracts or commissioning manager so can’t compete
- Proper lead in time for applications: more opportunity for partnerships
- More comprehensive approach to funding
  - TSI support: work with organisations before approaching funders
  - Funders fayre, ebulletins, website
  - Encourage funders to come out and visit area
Applying for funding, 
Sustainability planning etc 
References for applications

Fishbowl discussion

- What type of administrative systems are in place to monitor the impact on equalities and human rights outcomes from public sector funding to the third sector?
- What changes could be made to improve accountability for national priorities being delivered by the public sector in partnership with the third sector?
- What are the key public policy areas where individuals and protected groups are struggling to access their rights?
- Which groups of people are most likely to be affected and why?

Accessing Rights

We were advised young gypsy travellers didn’t understand what rights they have. They were a very marginalised group of people and that here was a huge lack of trust that needed to be dealt with. The organisation was looking to start a peer support group, however it was a matter of education first, and then supporting the building of trust between the community and the travellers. Travellers were becoming more marginalised because their way of life was dying out. The organisation was trying to provide basic education that would enable them to make their own decisions. This was working, and they were beginning to understand their rights and voice their opinions and concerns.

People who were intellectually disabled were the most prone to not understanding their rights.

Those that knew their rights faced structural or system barriers, but certain groups needed support to access them and this was felt to be inequitable.

A particular example given was respite for carers. Carers were entitled to respite. The system made it difficult to obtain respite because the options available were expensive. When less expensive alternatives had been suggested these were deemed not acceptable under the system. Self-Directed Support was difficult to navigate, some individuals didn’t know their personal budget under the system, so it made choosing care support difficult. People with mental health issues struggled to make decisions. The system was inconsistent across authorities; each took a different approach to their charging policy. It was believed that some authorities introduced a charge because it reduced demand for services, as authorities couldn’t afford to provide them.

Participatory Budgeting

Participatory budgeting (PB) was part of the Community Planning Process. The experience was described by an organisation as subjective and felt like being on a
reality TV show and was a horrible experience. Yet, it was noted that this would be the process of going forward and that the Scottish Government saw PB as good for budget decision-making. To avoid unexpected consequences, it was noted that individuals needed to be well prepared and understand the process. Experience of PB events was that the correct method wasn’t implemented and that more effort had to be put into preparing people for the bid process. Everyone wanted lived experience, but they needed to invest in supporting people to share their experience, particularly if they wanted real person experience as opposed to the professional service user. It should be a supportive environment not competitive. We need to invest in people more to enable them to come to the table. What we want is people to represent more than just themselves.

Closing Remarks

Ruth Maguire noted that there had been some really valuable information gathered to put to the Scottish Government. The report would be available early to mid-November, and that the Scottish budget would normally be published mid-December [depending on timing of the UK Government’s budget announcement]. She said we were all welcome to watch the evidence sessions at the Committee, as she would like us to see how the Committee challenged on equality and human rights budgeting by reflecting discussions today. Thank you.