

**WEST LoTHIAN COUNCIL**

**VOLUNTARY SECTOR**

May 2010

## SECTION 1 – HIGH LEVEL BUDGET ANALYSIS

### 1.1 Voluntary Sector - 2010/11 Revenue Budget

#### Service Area

Culture & Communities – Voluntary Organisations

Social Policy – Voluntary Organisations

#### Total

2010/11 Revenue Budget £'000		
Gross Expenditure	Income / Recharges	Net Activity Budget
1,544	0	1,544
2,530	0	2,530
<b>4,074</b>	<b>0</b>	<b>4,074</b>

Note that this budget does not include those voluntary organisations funded through formal service contracts; these are included within the budgets in Social Policy area of interest.

## 1.2 Voluntary Organisations – Contingency Savings

Service Area	2010/11 Approved Budget £'000	Proposed Saving £'000			Total Savings	2013/14 Residual Budget £'000
		2011 / 12	2012 / 13	2013 / 14		
Culture & Communities – Voluntary Organisations	1,544	132	119	0	251	1,293
Social Policy – Voluntary Organisations	2,530	318	0	0	318	2,212
<b>Total</b>	<b>4,074</b>	<b>450</b>	<b>119</b>	<b>0</b>	<b>569</b>	<b>3,505</b>

## **SECTION 2 – CURRENT AND FUTURE SERVICE PROVISION**

### **2.1 Culture & Communities – Voluntary Organisations (2010/11 Revenue Budget £1,544,000)**

Community Planning and Regeneration look after the investment in the voluntary sector, mainly funding agreements and grants. This includes organisations who provide services to adults with disabilities, offenders and victims, playgroups, vulnerable children and families, young people requiring additional support, those struggling with finances and debt, promoting equalities, older people, community based organisations, arts and culture, twinning and general support with building capacity and promoting volunteering. It also includes a number of small grants funds for sport, leisure, recreation gala days plus the local members' disbursement funds and community council funding.

The proposed budget reductions over the two years 2011-13 are 12% for CHCP / Social Policy and 17% for Community Planning and Regeneration in line with changes in their overall service budgets.

Council officers have carefully considered voluntary sector funding to ensure as consistent approach as possible is taken in determining the level of reductions for each organisation. It has been agreed that a standard reduction across the board is not the best option and the criteria below will be used to help make decisions:

- Single Outcome Agreement and Life Stages model
- Fit with service priorities
- Current performance and quality levels
- Duplication and/or overlap with other providers
- Opportunity for efficiencies through partnerships, merger, and joint service provision
- Potential impact on organisation of reduction in council investment

This approach builds on work already done in moving from a grants culture to one based on buying in services that deliver specific outcomes and should result in a more effective use of funding. It is expected that the council's well established relationship with organisations and our approach will support organisations make the necessary efficiencies without major impact on their survival or the services and support that they provide.

## **2.2 Social Policy – Voluntary Organisations (2010/11 Revenue Budget £2,530,000)**

### Current Service

Social Policy funds a large number of voluntary organisations of different shapes and sizes. This does not include those organisations funded through formal service contracts. These are mainly large, in some cases national, organisations and proposals that could impact on these organisations efficiencies are reported within the Social Policy area of interest.

The savings proposed will be based on performance, quality, value added and contribution to strategy. This takes into account the diversity within the sector and organisations ability to absorb some reduction in funding without threatening their survival.

### Future & Proposed Changes to Service Provision

It is expected that the council's well established relationship with organisations and our approach will support organisations make the necessary efficiencies without major impact on their survival or the services and support that they provide.

## SECTION 3 – SUMMARY OF PROPOSED BUDGET REDUCTIONS AT ACTIVITY LEVEL

### 3.1 Culture and Communities – Voluntary Organisations

Activity	Objective	Corporate Planning Priority	Staff Resource (FTE)	Revenue Budget 2010/11 £	Proposed Reductions 2011/12 to 2013/14 £	Revised Activity Budget £
Voluntary Organisations	To support, advise and monitor the voluntary sector in West Lothian	Improving The Health And Wellbeing Of Communities	1.0	1,544,000	251,000	1,293,000
<b>Total :-</b>			<b>1.0</b>	<b>1,544,000</b>	<b>251,000</b>	<b>1,293,000</b>

### 3.2 Social Policy – Voluntary Organisations

Activity	Objective	Corporate Planning Priority	Staff Resource (FTE)	Revenue Budget 2010/11 £	Proposed Reductions 2011/12 to 2013/14 £	Revised Activity Budget £
Voluntary Organisations	To support, advise and monitor the voluntary sector in West Lothian	Improving The Health And Wellbeing Of Communities		2,530,000	318,000	2,212,000
<b>Total :-</b>				<b>2,530,000</b>	<b>318,000,</b>	<b>2,212,000</b>

## SECTION 4 – VOLUNTARY ORGANISATIONS DETAILED BUDGET REDUCTION PROPOSALS

Service	Service Proposal No.	Description	Impact		Proposed Saving £'000				Reduction Category
			Potential Service Impact	Action Required to Deliver Reduction	2011 / 12	2012 / 13	2013 / 14	Total Forecast Savings	Efficiency, Service Change, Income Charging
Cultural Services	VO1	Reduce financial support to Voluntary Orgs	Greater focus on Outcomes aligned to Life Stages and council priorities	Prioritise support to organisations	132	119	0	251	Service Change
Social Policy	VO2	Apply percentage reduction to Voluntary/Independent sector provision of Accommodation and Support services: Funding less than £50k: 0% Funding £50k - £250k: 2% Funding £250k – 500k: 2.5% Funding more than £500k: 3%	If services closed then alternatives would be required for the current service users. Proposal seeks to ensure that critical services are able to continue to offer adequate provision.	Policy decision to reduce funding by % proposed. Consultation with service users.	185	0	0	185	Efficiency
Social Policy	VO3	Apply identified percentage reduction to Voluntary /Independent sector provision of care and support: Funding less than £50k: 0% Funding £50k - £250k: 2% Funding more than £250k: 2.5%	If services closed then alternatives would be required for the current service users. Proposal seeks to ensure that critical services are able to continue to offer adequate provision.	Policy decision to reduce funding by % proposed. Consultation with service users.	37	0	0	37	Efficiency

## SECTION 4 – VOLUNTARY ORGANISATIONS DETAILED BUDGET REDUCTION PROPOSALS

Service	Service Proposal No.	Description	Impact		Proposed Saving £'000				Reduction Category
			Potential Service Impact	Action Required to Deliver Reduction	2011 / 12	2012 / 13	2013 / 14	Total Forecast Savings	Efficiency, Service Change, Income Charging
Social Policy	VO4	Apply percentage reduction to Voluntary/Independent sector provision of Advice, Counselling and Advocacy Services: Funding less than £50k – 0% Funding more than £50k – 5%	If services closed then alternatives would be required for the current service users. Proposal seeks to ensure that critical services are able to continue to offer adequate provision.	Policy decision to reduce funding by % proposed. Consultation with service users.	43	0	0	43	Efficiency
Social Policy	VO5	Consider removal of funding to non-priority services which have not reached a Best Value threshold.	Impact on clients/communities should be marginal if the decision is firmly rooted in strategic fit or Best Value assessment.	Policy decision to close services. Consultation with service users.	53	0	0	53	Efficiency
<b>Total Service Reductions Proposals - Voluntary Organisations</b>					<b>450</b>	<b>119</b>	<b>0</b>	<b>569</b>	

Efficiency	0	0	0	0
Service Change	132	119	0	251
Income / Charging	318	0	0	318
<b>Total</b>	<b>450</b>	<b>119</b>	<b>0</b>	<b>569</b>