



## Appendix 2

### CVSF<sup>1</sup> Position Statement on the BHCC Budget 2013/14

#### Aims of CVSF in BHCC draft budget scrutiny

CVSF seeks to exert as much influence as possible during the budget scrutiny process to ensure that priority services, delivered by the community and voluntary are protected. We will:

- Maintain clear & transparent communication with all political parties on Brighton & Hove City Council and retain political neutrality
- Aim to protect the sector from disproportionate cuts
- Aim to protect the grants programmes from disproportionate cuts
- Collect and present supporting evidence
- Work to enhance the understanding of cumulative impacts and cross cutting themes.

#### Overview of members' views

CVSF members again welcomed the open approach to budget setting and scrutiny. It was recognised that there are fewer substantive service changes proposed in this budget as a result of the work undertaken by BHCC in 2012/3 to prepare a 2 year budget framework. This approach is to be commended and followed in future, as much as possible. Members commented however that the way in which information was presented could be improved with additional information about the whole service picture.

Our recommendations this year focus on suggested improvements to sector and public engagement in budget setting and service reshaping, along with our thinking on developing a shared understanding of the full costs and benefits of services.

We are grateful for the ongoing commitment to maintain the grants programmes in this year's budget proposals and that frontline services, especially for the most vulnerable, are largely protected. Our membership believes that small volunteer run services need greater support than ever from the City Council.

#### Key recommendations of Brighton & Hove's community and voluntary sector:

1. Budget reductions should be made in relation to priorities, impact and value for money, taking an evidence-based approach using **cost-benefit analyses** to inform decision-making. In-house services should not be protected at the expense of those provided externally

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<sup>1</sup> CVSF (Community & Voluntary Sector Forum) is the umbrella body for the city's community and voluntary sector. We have over 350 groups within our membership. [www.cvsectorforum.org.uk](http://www.cvsectorforum.org.uk)  
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- a. We are particularly concerned that the cost savings of **preventative** (often non-statutory) services, eg youth services, are not understood. Cuts to these services risks increasing the costs of high-end (statutory) services over the medium and long term. Any service review ought to encompass preventative investment in order to reshape for the future.
  - b. The costs, impact and outcomes from all council spending (both internal and external) should be measured and clearly understood. The new duty to evaluate **Social Value** in procurement could provide impetus to develop a framework to evaluate spending against the economic, social and environmental impact and start to provide an evidence base for preventative spend and understanding of the wider benefit of investment in our sector.
  - c. Specifically information on the significant **additional resources** held within community and voluntary organisations needs to be brought in and made relevant to budgets, to show how services can be delivered differently , eg to demonstrate how volunteer hours contributed affects service costs.
2. Funding provided to the community and voluntary sector should be monitored to ensure it is **not disproportionately cut**<sup>2</sup>;
- a. We are particularly concerned about the proposed “**service reviews**” in Social Care, Youth Services and Supporting People. The sector provides many services in these areas under contract. The remit of and framework for these reviews is currently unclear and there are no mechanisms for sector engagement in them. Public Health would seem an obvious choice for Service review as it integrates within BHCC.
  - b. We urge decision-makers to consider the **wider impacts of cuts** to the services provided by the community and voluntary sector.
    - i. Reduced funding going into the sector will reduce organisations’ capacity to support **vulnerable people**, when many are already struggling to accommodate an increase demand for their services, eg in the context of **welfare reforms**. The majority of CVS organisations are already very lean and even small cuts tip the viability balance.
    - ii. If funding cuts result in organisations closing then the **marketplace** risks be irreversibly affected
    - iii. Fewer vital resources will be **levered** into the city by the sector
    - iv. Citywide priorities such as improving the **health and wellbeing** of local communities are underpinned by sector activity
    - v. There will be **increased demand on public services**.

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<sup>2</sup> Investment in the sector at the time of the 2012/3 budget scrutiny was in excess of £20 million and we have requested and await an updated figure to track any change in the past year.

- c. Amalgamating 32 **Supporting People** contracts into a single contract (to achieve contract efficiencies) threatens the very nature of the local community and voluntary sector and is the largest single example of added social value in the City. We hope that this suggestion in the budget setting process was made to be illustrative of a point, rather than as a direction of travel. This contract represents £11 million investment in the local sector economy and provides synergy to a large amount of , but uncontracted, provision by the organisations. Each contract brings added value. It is useful for the city to have a **patchwork of provision** and it offers the most **resilient and sustainable model**. Disrupting the supply chain by combining contracts to save money not only risks this social value but also the years of experience and relationships contained in the varied organisations.
  - d. The **community and voluntary sector's workforce** should not bear the brunt of cuts via 'service reviews'. Work should be done to understand the impact on job losses in the community and voluntary sector throughout the budget reduction process. This information, together with information on volunteer hours should be gathered locally as part of understanding the impact of decision making on our sector and its ability to deliver services and support to our communities.
3. With another 6 years of deficit reduction budgets, the council will need to work more closely than ever with partner organisations in order to protect services outcomes and deliver the transformative change required. We urge the Council to develop a new **transparent and collaborative** approach to service review and redesign:
- a. Annual engagement Dec-Jan around the budget is insufficient. **Dialogue** should be ongoing and needs to continue from Feb 2013 in relation to 2014/5 budgets
  - b. Taking decisions on who provides services on a case by case basis requires **deep engagement** to avoid conflict and unnecessary unforeseen negative consequences
  - c. Taking decisions on who provides services on a case by case service risks not capturing the **full picture**, of need, existing provision, costs and the services which can best meet the outcomes required
  - d. Previous **silos approaches** to finding savings cannot be replicated in 2014/15. The mechanism applied in 2012/3 whereby proposals were put forward for 5%, 10% or 15% savings from service areas is not a rational approach: it risks failing to find service solutions and overlooking opportunities to invest in preventative services; there is nothing left to slice from budgets in this way; it reinforces a silo mentality rather than the collaborative approach required; and it exacerbates the contentious split around internal / external providers
  - e. City partners, including CVSF, should be involved in a 6 year shared budget **visioning exercise** to plan for the long-term. Leadership for this should be provided by BHCC and the Local Strategic Partnership Framework. Partners should commit to pooling budgets, removing duplication, streamlining

investment, plugging gaps and increasing their understanding of cross cutting themes thereby maximising the impact of their investments.

- f. **Leadership** within BHCC needs to focus on agreed **city priorities**, rather than political or internal priorities to achieve the necessary changes.
- g. Ongoing impact analysis of cuts, especially the cumulative impact of cuts, needs to run as a thread throughout the **monitoring and reporting** against shared strategies and plans, eg the City Performance Plan. There also needs to be greater evidence of the link between customer feedback and budgeting
- h. CVSF is keen to co-host a partnership conference specifically designed to focus on **reshaping a service** (one that is expensive to the city and where outcomes are essential and need to improve). The pilot event could bring together Politicians, commissioners, providers from all sectors, budget holders, users, community, to think creatively and explore solutions in a new collaborative space (without lobbying for particular services/providers). Ideas such a developing employee mutual could be trialled.

#### 4. **The Equalities Impact Assessment** is of inconsistent quality and detail.

- a. While the process has improved on last year, we believe sections of this document particularly those relating to Social Care and big service changes, need substantially more detail particularly around mitigating actions proposed.
- b. Of particular concerns are reductions to '**Looked After Children**', '**Home to School**' **transport** and the planning for service reductions in **Adult Social Care**. Some impacts may not have been identified or therefore understood.
- c. We applaud the ongoing local **commitment to EIAs**, in spite of the Government reviewing and potentially changing this requirement. We believe EIAs to be an essential tool to aid prioritisation and that they are especially important in the current climate to protect the most vulnerable.
- d. **Fees and Charges** proposals lack EIAs
- e. A secondary **equalities focused position statement** will be submitted by CVSF on 25<sup>th</sup> January capturing intelligence from a series of 10 equalities focused workshops CVSF has ran Nov-Jan. This will include specific comments on the EIAs in the budget proposals plus information about people's lives and how service change might affect or is already affecting them (not specifically related to the budget).

#### 5. **Public engagement in budget setting** needs to improve

- a. CVSF proposes it can **facilitate public engagement** in the budget setting process in partnership with Lead BHCC Officers. For the £15K budget available CVSF would work with member neighbourhood and community of interest organisations to carry out a series of dynamic, themed and well attended events across the city to engage local communities in understanding the budget and

helping to prioritise spend. This would be supported by appropriate online activities. We could design a suitable mechanism/approach in dialogue with BHCC, with input from stakeholders who were involved in the 2011/2 and 2012/3 budget setting processes and pilot the approach before rolling it out. We would argue that CVSF members are a good route to engaging more people in the budget process, people who are often not heard through traditional means and the new digital approaches.

6. **The following service specific comments** were collated during our engagement activities:
- a. **Personalisation** is not yet working to transform social care services. Service choice does not appear to be increasing and there are questions about consistency and quality of services
  - b. **Eligibility thresholds** have not been explicitly changed however how they are interpreted has been, which is resulting in reduced access to services (eg in some learning disability and autism services (detail provided on request). In relation to autism we are also concerned that the promised Autism strategy is not yet implemented.
  - c. With a **16% increase in homelessness** what are the strategies and plan behind the budget around prevention and planning for future housing need? And given that the voluntary sector is a large provider of homelessness and related services organisations should be more involved in creating a joint strategy and action plan
  - d. Risk of **digital exclusion** is a thread throughout the budget proposals (egs access to Family Information Service and the implications of Welfare reform) and needs close monitoring/preventative action especially taken with the cuts to adult community learning.
  - e. Given the impacts of welfare reforms and the economic situation it is timely to ensure that the **Child Poverty Strategy and Action Plan** is fit for purpose and that the actions are being implemented.
  - f. The **Public Health budget** coming into BHCC (£18 million TBC) should be used strategically to fund preventative services which can achieve broad health outcomes. Budgets around this should be better aligned from 14/15 and duplication of staff time and effort reviewed.
  - g. £20K should not be cut from the **City Community Fund**, which provides flexibility to support community and voluntary groups on the cusp of being eligible to apply for other BHCC funding. This small sum in grants buys significant impact and grant resources are essential for staff to be effective.
  - h. Some parts of the council are only being asked to make 2% **carbon savings** rather than the overall target set out via the Sustainable Community Strategy of 4%. How does this impact on the overall target of 4% reduction by the Council and its commitment to achieving this target?

- i. What is the BHCC budget which is being set aside for sector delivery on the **Stronger Families, Stronger Communities programme?**