



The voice of the voluntary and community sector

Northumberland VCS Consortium's Response to the County Council's Proposed Spending Reductions

1. The VCS Consortium has already responded in detail to the invitation from the Head of Policy and Partnerships for comments over the review of its relationship with the VCS and the planned cuts in grant funding of £300,000 to the sector. These comments are therefore mainly limited to the other proposed cuts which might impact on the work and effectiveness of the sector.
2. However, before moving on, it is important to recognise the intensity of opposition to the proposal to cut the VCS to this extent and the degree to which it might backfire. To place the £300k or 19% reduction in a section which is headed "Minimise service reductions" is misleading and demonstrates a lack of understanding and respect for the services the sector offers. Support organisations, which are intended to be hit hardest by this cut, are often the only link the Council has with hundreds of delivery organisations. At a recent public meeting, these cuts were justified on the basis of "duplication" and "inefficient use of resources". No evidence of this was presented to the Review and we challenge the Executive to produce it.
3. We recognise that the report of the chief executive to the Council's executive of 30 November only identified £15.8 million of savings and that a further minimum of £3 million would be sought. The list then in Appendix A is not the complete picture and leads to uncertainty as to what might come next but which will not be offered for consultation.
4. We accept that the Council is listening to opinions from different sectors, and the public, and appreciates that it is willing to change its intentions. Late changes to the 2009-10 budget were evidence of this. However, deciding to withdraw the planned non-payment of staff increments and other savings (amounting in total to over £1.6 million) before the end of the consultation period does concern us. Consulting widely, taking the views as a whole, and then acting on them was the expected approach. The Council now seem to have a minimum £4.6 million more cuts to make and that makes us nervous.
5. Appendix A is light on detail. As a result it is often difficult for the sector to identify when cuts might have an unintended and deleterious impact on the sector and its beneficiaries. The £2.4 million "savings" on the

last page headed “Operations and Transformation” is case in point. While few would criticise optimising routes for collecting waste leading to £200k savings, the £250k cut arising from the “North Area review of Home to school transport” is more contentious and could clearly impact badly on certain communities. Similarly the opportunity cost of funding a post from S106 monies is unknown,

6. We regret the proposed deletion of the senior climate change post. At a time when the Council could be leading the region in its response to climate change and low carbon energy provision this gives the wrong message to partners keen to pursue this agenda.
7. The 10% cut in the Youth Service budget together with the £50k cut in 0-19 Learning and Development is highly likely to transfer costs to the sector.
8. Although the sector has been critical of the Council’s programme of procurement support for PQQs, if part of the Council’s strategy is to do things differently by purchasing more services from the VCS, then a similar level of investment in a restructured support programme, developed with the sector and other partners, would reap dividends.
9. The sector has had discussions with the officers responsible for recommending the policy over waste collection fees to schedule 2 premises. As a result it is hoped that the £15k can be saved while at the same time protecting the interests of smaller organisations which provide significant community benefits. This is an excellent example of how engaging the sector in helping to frame policy can not only save the Council money but make for better policy. Furthermore, it joined up policy by linking it to the method adopted for determining which community buildings should receive the maximum level of discretionary rate relief.
10. Because the Council is controlled by a minority administration, it is important for other political parties, which will undoubtedly have an important part in determining the final budget, to consult on their ideas over reduced spending. The system does not appear to accommodate that as this consultation closes prior to the publication of the Conservative Party’s budget proposals.
11. The Funding Advisory Service aimed to support all sectors in their important efforts to maximise external funding. The VCS in Northumberland have a long and successful history of leveraging in support from central government departments as well as trusts & foundations and private donations. We would be pleased to share our ideas as to how a cost effective, county-centric service could be delivered to benefit all sectors.