



VOLUNTARY ORGANISATION POLICY DEVELOPMENT AND SCRUTINY PANEL

TOUGH CHOICES UPDATE

REPORT BY HEAD OF AREA SERVICES

A. PURPOSE OF REPORT

To update the PDSP regarding the level of demand from voluntary organisations for the menu of additional support offered by council, Scottish Business in the Community and the Voluntary Sector Gateway West Lothian to the sector. The menu of support was included in the contingency planning letter sent to organisations in August 2010 as part of the *Tough Choices* consultation.

B. RECOMMENDATION

That the Panel note the update.

C. SUMMARY OF IMPLICATIONS

- | | |
|---|--|
| I Council Values | Being honest, open and accountable
Focusing on our customers' needs
Making best use of resources
Working in partnership |
| II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment) | The duty of Best Value is set out in the Local Government in Scotland Act 2003.
West Lothian Compact |
| III Resources - (Financial, Staffing and Property) | Met from agreed revenue budgets. |
| IV Consultations | Council officers, Scottish Business in the Community, Voluntary Sector Gateway West Lothian, Voluntary Sector Organisations. |

D. TERMS OF REPORT

Introduction

Arising out of council's *Tough Choices* public consultation, it was identified that a letter (Appendix 1) be sent from council to voluntary organisations identified in the 2010-11 Voluntary Organisations Budget Report. The letter had two purposes. The first suggested that it would be prudent for organisations to put in place contingency plans for a reduction in funding of between 10% and 20% for the period 2011-2013. The second outlined how council proposed to further support the capacity building of the organisations that it funds in consultation with Voluntary Sector Gateway West Lothian.

Menu of Support & Take-Up

The proposed menu of support that council Scottish Business in the Community and the Voluntary Sector Gateway West Lothian intended to offer is shown below:

Topic	Facilitator(s)	Take-Up by Number of Organisations
1. Commissioning Purchasing & Providing Outcome-based Services	Community Regeneration	1
2. Efficiencies & Smarter Working	Voluntary Sector Gateway West Lothian	12
3. Funding Resources & Grant Makers	Community Regeneration	1
4. Organisational Change	Scottish Business in the Community (topics 4&6) & Procurement Services (topic 5)	0
5. Procurement		0
6. Strategic Planning		0
7. Practical Help, Advice & Support for Social Enterprises	West Lothian Business Gateway	0

The table also shows the level of take-up by organisations in response to the letter. It is very disappointing. Where only one expression of interest has been received, this has been followed-up with the organisation and appropriate support agreed. The Voluntary Sector Gateway West Lothian will review its numbers again in early October, prior to the planned delivery date of 27 October. Council will raise the offer of support at the next scheduled meeting of the Voluntary Sector Forum.

E. CONCLUSION

That the PDSP notes the update.

F. BACKGROUND REFERENCES

Tough Choices public consultation.

Appendices/Attachments: Appendix 1 Contingency Planning Letter

Contact Person: David Murray, Senior Policy Officer, Community Regeneration
Tel. 01506 281096 e-mail: david.murray@westlothian.gov.uk

Alistair Shaw, Head Of Area Services

Date: 30 September 2010.

Appendix 1 Contingency Planning Letter



**West Lothian
Council**

27 August 2010

Dear [xxxx]

West Lothian Council: Funding of Voluntary Organisations

For much of the last year, West Lothian Council has been in dialogue with the voluntary sector in West Lothian regarding contingencies for a likely £45m (12%) reduction in its budget commencing in April 2011.

That dialogue has included meetings with and presentations to the sector, in partnership with the Voluntary Sector Gateway West Lothian as the sector's local interface body. These events have sought to raise early awareness amongst council-funded organisations about the likelihood of reductions in council's investment and the need for organisations to put in place robust contingency plans and to consider more effective and efficient ways of working.

In addition, council has also engaged in a public consultation on its contingency plans for the £45m budget reductions that, at this time, it anticipates having to manage. The consultation, which is known as *Tough Choices*, has resulted in representations to council from interested parties. If your organisation is unaware of this consultation it is available at: <http://webwest1.app.westlothian.gov.uk/toughchoices/default.html>. At present, council's Policy Development and Scrutiny Panels (PDSPs) are holding public meetings to review the proposals contained in *Tough Choices*. The papers for these PDSPs can be found at <http://coins.westlothian.gov.uk/coins/>.

While it is not for council to micro-manage its relationship with the sector and the individual organisations that it funds, council suggests that it would be prudent for the organisations funded through its Voluntary Organisations Budget Report to put in place contingency plans for a reduction in funding of between 10% and 20% for the period 2011-2013.

However, this does not imply that decisions in respect of voluntary sector funding have already been made, nor should it be assumed that 20% is an absolute ceiling for possible reductions in funding. These figures are suggested only as a reasonable estimate to inform contingency planning. Due to the timescale for the setting of council's budget, the likelihood is that funding levels will not be confirmed until at least later this year.

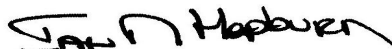
The 2011-2012 Voluntary Organisations Budget Report is available at: <http://coins.westlothian.gov.uk/coins/submissiondocuments.asp?submissionid=5296>. For voluntary organisations that council contracts with, any proposed changes to contracts would be dealt with through the normal contracting process.

Council has also considered what it can do to further support the capacity building of the organisations that it funds in consultation with Voluntary Sector Gateway West Lothian. Below is a proposed menu of support that council intends to offer over the coming months that will compliment or add to the existing core services of Voluntary Sector Gateway. If you think your organisation could benefit from such support, please e-mail an expression of interest to the appropriate contact for each topic that you are interested in.

Topic	Facilitator(s)	Contact
1. Commissioning Purchasing & Providing Outcome-based Services	Community Regeneration	David.Murray@westlothian.gov.uk
2. Efficiencies & Smarter Working	Voluntary Sector Gateway West Lothian	jim.gallacher@vsgwl.org
3. Funding Resources & Grant Makers	Community Regeneration	Douglas.Grierson@westlothian.gov.uk
4. Organisational Change 5. Procurement 6. Strategic Planning	Scottish Business in the Community (topics 4&6) & Procurement Services (topic 5)	Christine.Murphy@westlothian.gov.uk
7. Practical Help, Advice & Support for Social Enterprises	West Lothian Business Gateway	bgateway@westlothian.gov.uk

Should you have any questions regarding the above, please contact [xxx] your council Link Officer in the first instance or Voluntary Sector Gateway West Lothian (01506 650111).

Yours sincerely



Ian Hepburn
Community Regeneration Manager