

Third Sector Consultation on Aberdeen City Council 2024/25 Budget

About us

ACVO (Aberdeen Council of Voluntary Organisations) is the Third Sector Interface for Aberdeen. We have over 20 years of experience working in the city as the central hub of knowledge relating to the local third sector which comprises community groups, voluntary organisations, faith and equalities groups, charities, social enterprises, cooperatives, community interest companies, mutuals, housing associations and self-help groups.

The work we do is reflected in our organisational values which are central to our decision-making processes and are incorporated into everything we do:

We put the Third Sector first.

We empower communities.

We act on lived experience.

We demand equality.

We stand up for those who need help most.

Through our various strands of work, we actively support and promote the work of Aberdeen's Third Sector. Our core funding comes from the Scottish Government, with additional income for specific pieces of work from Aberdeen City Health and Social Care Partnership, Aberdeen City Council Community Planning, and the Corra Foundation. We also generate income from our own enterprises providing services to the Third Sector.

About this report

On Friday 3 November, ACVO gathered organisations from Aberdeen's third sector to discuss the potential impacts of the proposals outlined in Aberdeen City Council's Phase Two 2024/2025 Budget Consultation.

The aim of the meeting was to enable informed discussion about the potential impact of proposals on the third sector, and those who use their services, should they be implemented.

31 representatives of 26 organisations from across the city had their say and asked ACVO to present a summary of their views for consideration by elected members, council officials, and the public. Promoting the voice of the third sector is one of ACVO's Scottish Government funded objectives.

The summary is split into two categories: Impact and Mitigation. Not all of the proposals in the Council's consultation are addressed in this response, only those which have been highlighted by contributors as significant to the third sector (and those who use their services) have been included, although all proposals were made available for comment.

November 2023

Impact

Income generation	
Increase in council tax	Blanket increases in Council tax disproportionately affect those on low incomes. A fairer, more progressive model of local taxation which has been suggested by various governments but no firm proposal has brought forward. It is clear that the First Minister’s announcement that Council Tax would be frozen has caused a great deal of concern about the level of funding which will be provided by the Scottish Government to close the gap in local authority finances and which would have an impact on third sector funding as a result. Until further information is available it is difficult to respond to this proposal.
Increase fees and charges	There is widespread concern that a blanket increase in fees and charges would disproportionately affect people on lower incomes. The proposal to increase fees for after school childcare is particularly concerning given the increasing number of people who experience in-work poverty. During this cost-of-living crisis, any extra burden on household finances drives more demand for third sector support services, which are already overwhelmed with requests for help. Increases in fees could be means tested to exclude those on the lowest incomes from any extra costs.

Adult social care	
Reduction in transport services	Removal of, or reduction in, transport services would remove equality of opportunity from vulnerable people. This could result in lower attendance at school and for some young people will entirely remove their right to access education. This proposal would directly target people with protected characteristics of disability and age. Again it would also disproportionately affect people on low incomes who would have to find money to pay for alternative transport. Removing the ability to attend day centres would increase social isolation and lead to more demand for statutory and third sector support costing more in the long-run.

Arts, culture and sport

Removal or reduction of cultural grants and development

This will compound the negative impact of reduced or stand-still funding from national bodies such as Creative Scotland. In addition the cost of living crisis is having a noticeable effect on the ability of cultural organisations to generate their own income from ticket sales and donations as household income comes under more pressure.

Reduced opening times at galleries and museums and closure of Tolbooth Museum

Reducing the availability of universally accessible cultural activities removes a level of equality in the city. These places provide inspiration and joy to people of all backgrounds and incomes. In winter these spaces also provide a place of comfort and warmth and help reduce social isolation. Many city third sector groups use these venues for days out and for cultural education opportunities.

Removal or reduction of funding to sports organisations

Local sports groups are a key element of early prevention and early intervention in terms of physical and mental health, and in tackling social issues. Removing funding from these organisations would push problems further downstream for the Third Sector to alleviate. In addition, reduced availability for families and those on low incomes, and removal of programmes aimed at young people, older people and disabled groups will increase social isolation and lead to increased health inequality. There is a wider social value to the community through the use of sport to change attitudes and behaviours which would be lost.

Children's Social Work

Review and explore accommodation options to support care experienced to move on from care

Given the reduction in services across the council due to lack of funding, there is no confidence in the third sector that effective support for young people from properly trained staff could be provided from elsewhere in the Council as suggested. This will put already vulnerable young people at huge risk. The third sector would again be expected to step in and fill the gap left by local government.

Review eligibility threshold for Children's Social Work intervention and removal or reduction of some Children Social Work services

Removing early intervention and preventative measures from vulnerable children will cost statutory services more in the long run as more complex support is required later in life. The Fit Like service works well, reduces harm and increases life chances.

Review delivery models for local Children's Homes

Suggesting that these services can be run by the third sector with a funding reduction of this level is fanciful and disrespectful to the sector who pride themselves in offering safe, inclusive and supportive environments for vulnerable young people. This service cannot be run "on the cheap". The third sector cannot be expected to do more, for less.

Review delivery options to deliver multi-agency GIRFEC learning and development options

Again this shows a lack of respect for third sector providers who will be asked to do more for less. This is not sustainable.

Communities and early intervention

<p>Reduction in support to administer Crisis Grants and Community Care Grants</p>	<p>A crisis grant which is not available at a time of crisis due to lack of resources will fail to deliver for people who need help most, when they need it. Public sector finance is difficult enough to access without additional barriers being put in place. Discussions could be had with the third sector about distributing these grants in an efficient and cost-efficient manner.</p>
<p>Implementation of an online only model for accessing services</p>	<p>This would worsen the digital divide, excluding those without internet access. Vulnerable communities, particularly the elderly and low-income individuals, would face barriers to accessing essential and statutorily entitled services. This approach undermines inclusivity, increases inequality, and isolates segments of the population. A balanced approach incorporating both online and traditional methods is vital to ensure equitable access to public services and maintain community cohesion.</p>
<p>Removal or reduction of community grants and subsidy arrangements</p>	<p>There is concern that the effect of this proposal for the Fairer Aberdeen Fund has not been articulated clearly and that those responding to the consultation may be unclear about the intention. Respondents were unequivocally clear that removing or reducing this funding will lead to direct job losses in the third sector and the shutting down of vital services (such as food banks/pantries and financial advice) which support the most vulnerable people in our city. There would be an immediate and irreparable negative impact on communities and on the reputation of the sector who would be withdrawing from work in regeneration areas and SIMD zones. In addition, this funding allows organisations to access significant matched funding to run projects – all of this would be lost to the city. The Fairer Aberdeen Fund allows communities to build their own solutions to the problems they face. There is profound disbelief that this proposal has been raised again by officers without prior discussion with the Fairer Aberdeen Board or those organisations who receive funding. Progressing this proposal would be disastrous.</p>

Economic Development

New operating model for the Beach Ballroom

This venue is frequently used for third sector events and is a regular host of fundraising activities. There is concern that commercialisation of this venue will lead to the loss of many of these important events due to increased costs.

Introduction of a workplace levy after 2027/28

The third sector is suffering from a costs crisis at the same time as servicing an unprecedented level of demand. Any additional financial burden on the third sector, diverting crucial funds from essential services. Non-profit organisations work with limited resources. The levy risks compromising their ability to address pressing need and diminishing the positive impact they have. Extra statutory costs undermine the third sector's capacity to contribute meaningfully to communities.

Education	
Redesign of the Community Learning service to deliver a statutory minimum	Community Learning is used by Third Sector organisations as an extension of the services that they are able to offer themselves. This proposal would detrimentally affect community cohesion and personal development. Such cuts would limit access to educational resources, skill-building opportunities and social interaction, hindering individuals from reaching their full potential. Communities will suffer as the vital lifeline of shared knowledge diminishes and widens educational disparities. The long-term consequences include weakened social fabric, decreased employability, and a diminished sense of collective empowerment among residents.
Removal of the school holiday programmes	These initiatives offer a safe and engaging environment for children promoting social skills, creativity, and physical activity. Families benefit from affordable childcare options, enabling parents to work during prolonged holiday periods. The community benefits by enhancing the overall well-being of residents and reinforcing the importance of recreation in building resilient, happy, healthy and connected young citizens. Removal of these programmes would place additional pressure on third sector providers of out of school care which is already experiencing heavy demand.
Shorter school hours	This would limit educational opportunities and hinder parents' ability to work – therefore reducing household income. As higher income households are more likely to be able to afford to buy childcare, this will disproportionately affect low income and single parent families. Pupils will receive less learning time, potentially affecting academic performance. Families may struggle with childcare logistics and disrupted routines. This proposal also diminishes the school's role as a hub, reducing overall engagement with the community. As above, this would also place additional pressure on third sector providers of out of school care which is already experiencing heavy demand.
Reduction of free Early Learning Child Care provision	This would disproportionately affect those suffering in-work poverty which can be hidden by income level. It would also remove people from the workforce, either fully or partly - this would disproportionately affect women. The cost of childcare has accounted for a growing proportion of the cost of a child over the past decade, as childcare fees have grown much faster than general inflation. For full-time working parents, the gross cost of childcare can now be greater than all other costs of raising a child combined.
Removal of all free school transport	This would adversely affect communities by placing a financial burden on families and limiting access to education for vulnerable pupils. Reduced transportation options will put strain and cost on

	parents, impacting work patterns and family routines. Pupils will face increased barriers to attending school, potentially contributing to academic inequality and hindering families on low incomes who will struggle with the financial and logistical challenges.
Stop supplementary free catering provision in Primary Schools, outside of Universal and statutory free school meals	Removal of this service reduces equity, affecting children's health and well-being. It also reintroduces stigma for those children who are provided with vouchers. The availability of nutritious food in school is crucial for pupils' physical health, cognitive development, and academic performance. It instils healthy eating habits, ensuring a foundation for lifelong well-being and learning success. Removal of fruit and milk would be a regressive step as would the closure of breakfast clubs, which many children from low income families and chaotic lives rely on.
Cease school crossing patrol provision	Removing school crossing patrollers puts children's lives at risk and increases the likelihood of accidents near schools. More parents will be deterred from allowing their children to walk or cycle to school which has an impact on health and resilience.
Reduce level of cleaning in school buildings	Insufficient cleaning compromises hygiene, increasing the likelihood of virus transmission. This jeopardises student and staff well-being, particularly vulnerable people. This may lead to higher pupil and staff absences due to illness. To ignore lessons learned from the Covid-19 pandemic (of which transmission is still ongoing) would not be sensible.

Parks and open spaces	
Reduce number of play areas in the city	This would deprive children of crucial physical and social development opportunities. Playgrounds foster creativity, teamwork, fitness and resilience. The absence of these spaces would hamper community bonding and would contribute to sedentary lifestyles, potentially leading to long-term health issues. Urban spaces would become less inclusive, affecting the overall well-being of residents. In addition, children who live in flatted accommodation without gardens will be disproportionately affected.
Close down the David Welsh Winter Gardens at Duthie Park and Pets Corner at Hazlehead Park	These venues provided affordable family outings and educational experiences. Their closure would distance people from their local environment, disrupt community interest in the outdoors, and remove the spirit of these vibrant public spaces - thereby diminishing the quality of life for local residents.

Property and building maintenance

Reduce public toilet service

This measure would disproportionately affect, young elderly and disabled citizens by removing choice, immediacy of availability, and ultimately compromising the health and dignity of individuals.

Protective services

Reduce environmental health and trading standards service provision

This would put vulnerable people at risk and remove their power to seek redress if taken advantage of. Reducing public sector provision will only drive demand to third sector advice services which are already under pressure.

Roads and public transport

Reduction in street lighting

Diminished lighting diminishes the overall well-being and safety of those already facing challenges in public spaces. In winter this would have particularly pronounced effect in Aberdeen where days are short and commutes to and from work and education take place in the hours of darkness. The proposal would disproportionately impacts vulnerable individuals, heightening safety concerns. It would compromise visibility, increasing the risk of accidents, anti-social behaviour and criminal activity. Vulnerable populations, such as the elderly, the young and those with mobility issues, face heightened insecurity, limiting their freedom of movement and contributing to a sense of isolation.

Reduction in roads and winter provision

Overall, these cutbacks would compromise public safety, hinder mobility, and strain community resilience. Increased risks will see a rise in accidents mainly affecting vulnerable residents. The burden on the third sector would increase to cope with increased support for isolated people who wont go out in treacherous conditions.

Reduce capital spend on the Roads and Vehicles Rolling Programme

As above, this has potential to increase accidents and decrease mobility of vulnerable people – therefore putting extra burden on the third sector.,

Impact summary

The absence of a comprehensive assessment on the repercussions of the proposed budget cuts has worried a number of organisations. Most notably, proposals which would result in the loss of essential services would create a void that has profound implications for service users and the broader community. As third-sector services face reduction, there will be a subsequent surge in pressure on other services, including statutory ones, as “providers of last resort”.

The impact is not limited to the loss of services; it extends to the increased social isolation experienced by service users who relied on these diminished resources. The short-term nature of funded services, requiring annual justification and constant advocacy to avert cuts, consumes both time and financial resources that could be better directed toward actual service provision.

The toll on mental health among staff members can be extreme, as the ongoing fight for job security intensifies. Staff not only grapple with the pressure to meet targets but also feel compelled to surpass them, adding an additional layer of stress. This cumulative strain on the workforce exacerbates the overall challenges faced by organisations who struggle to recruit due to below-average salaries.

A direct consequence of budget cuts is the loss of jobs within these organisations. As positions are eliminated, the livelihoods of individuals and their families are jeopardised, contributing to a ripple effect that travels through the community.

In this situation, the community itself is placed at a greater risk of harm and even death. The interconnectedness of services and the vital role they play in safeguarding the well-being of individuals becomes compromised, leaving vulnerable people more exposed to adverse outcomes.

The urgency to address these impacts is paramount and requires a comprehensive evaluation of the consequences of budget cuts on both organisational functionality and the welfare of the communities they serve.

Mitigation

Mitigating the impact of funding cuts on services catering to the most vulnerable requires a multifaceted approach, prioritising flexibility and collaboration. Flexible funding mechanisms are crucial to adapt to changing needs and circumstances. Working together, is essential to provide sustainable solutions for communities of place and people.

To address the challenge of service cuts, a shift towards diversionary and preventative services is advocated, emphasising sustainability over short-term fixes. Longer-term financial planning by the council must acknowledge the integral role of the third sector and the necessity for secure, fully funded support.

Efforts should be directed at tapping into skill sets within the community, exploring resource-sharing opportunities, and engaging private businesses for sponsorship. The impact of a standstill budget on services necessitates a strategic approach, including the establishment of business development teams within organisations like ACVO and exploring avenues for shared services and resources.

Recognising the economic constraints faced by volunteers due to the rising cost of living along with initiatives for increased training and recruitment are imperative. A comprehensive review of third-sector funding models is required, advocating for sustained funding periods and the creation of third-sector champions.

Collaborative efforts, facilitated by organisations like ACVO, are essential in promoting potential funding and partnerships. Economic assessments of council funding versus external funding should be conducted, and multi-year funding programmes should be established. Community empowerment powers should be integrated into budget planning, enabling community organisations to play a more integral role.

Engaging national organisations, charities, and fostering collaborative working relationships can provide additional support. Creative approaches, such as exploring corporate purchasing powers for energy costs and sustainable energy investments, can contribute to local income generation.

A framework for measuring social impact and values could be developed, emphasising the role of the state, community, and institutions as enablers rather than sole providers. Flexibility in making payments to the council, along with more flexible grants, can aid in financial management and cash flow.

Prioritising vulnerable communities, ensuring realistic funding for third-sector replacements of council services, and encouraging early intervention to decrease service demand are essential components. Communication strategies can be enhanced to prevent duplication of work, and support for funding via alternative sources, including income generation and social enterprise advice, can be provided – if funded sustainably.

Collaborative efforts, resource-sharing, and proactive measures, such as ACVO's role in bringing the third sector together, are pivotal in navigating these challenges. A collective effort is needed to amplify the impact and advocate for the support our communities require.

Conclusion

In light of the significant challenges posed by budget cuts and their far-reaching consequences on both services and communities, the third sector is calling upon Aberdeen City Council to take immediate and decisive action. It is imperative that measures be implemented to safeguard the most vulnerable individuals in our city from the adverse effects of service removal or reduction.

The preservation of the Fairer Aberdeen Fund is critical to maintaining a lifeline for essential services and must be a priority in budget considerations. Additionally, a firm commitment to supporting the invaluable contributions of volunteers can be demonstrated by endorsing and signing the Volunteer Charter, ensuring that their efforts remain acknowledged and sustained.

Collaboration with ACVO is essential to developing sustainable solutions for the third sector in the city and we are pleased that this is a commitment of the council's policy directive "Working in Partnership for Aberdeen." We would like to work towards a commitment to Fair Funding

principles and exploring opportunities for resource sharing among organisations. The establishment of a collaborative framework will contribute to the overall resilience and effectiveness of the third sector.

Moreover, meaningful engagement with the third sector is crucial. The council should foster transparent communication channels between members of the sector and council officials. This engagement must extend beyond mere consultation, involving active participation and dialogue to address concerns and co-create solutions. By doing so, the council can better understand the nuanced challenges faced by organisations and work collaboratively towards a more resilient and supportive environment for the third sector in Aberdeen and the communities of people and place they represent.

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