

Brighton & Hove City Council's 2024/25 Budget: Response from the Voluntary and Community Sector (VCS)

Community Works (7th February 2023)

1. Introduction: The Voluntary & Community Sector's Position

This paper presents the Voluntary and Community Sector (VCS) response to Brighton & Hove City Council's proposed budget for 2024/25. We understand that the Council is operating in a very challenging financial climate and must make difficult decisions in setting next year's budget. VCS organisations are deeply concerned by the proposals, reporting that they will:

- Have a disproportionate and devastating effect on the most disadvantaged people, particularly disabled people, children with special educational needs and disabilities, young people, people experiencing poverty, and those with multiple compound needs including homelessness and mental health issues
- Destabilise the VCS (already stretched beyond reasonable limits through increased demand and complexity, lack of investment, rising costs, wage inflation, cumulative impact from NHS savings) and take services and organisations to breaking point
- Increase demand on the city's urgent care and crisis services, as preventative interventions – largely delivered by the VCS because of austerity and reductions in public sector services – are disproportionately impacted by this budget. Ultimately, this will increase demand at the Council's own front door, putting extra pressure on council services and budget than is currently appreciated

In previous years, the VCS has worked collaboratively with the Council prior to this stage in the budget timetable. As such, this position paper is more detailed than usual as it the only opportunity to present information to the Council from across the sector. The VCS remains strongly committed to working collaboratively with the Council to find mutually beneficial solutions. However, we require longer lead-in times to find alternative ways to achieve savings, maximise the impact of existing resources, work in partnership on redesigning services around evidence of community needs, manage reduced funding to services, and review impact assessments to ensure the Council's stated priorities of fairness and inclusion, health and wellbeing and commitment to addressing the cost of living crisis are supported.

General points:

- The budget proposes reductions to, or complete withdrawal of, VCS funding across multiple areas which threatens the city's core prevention and support services
- Significant reductions to budgets within Adult Social Care, VAWG, Hate Crime Reporting and Youth services puts people and communities at risk
- A 10% cut to existing Third Sector Commission agreements is disproportionate in terms of the overall budget savings, and will necessitate significant scaling back or closure of key services. Organisations state they will have to consider handing back contracts that are not financially viable to deliver as a result

- Cessation/ reduction of the Communities Fund threatens the small, grassroots groups that marginalised communities rely upon for peer support, easing isolation, staying safe and well. These groups play a huge role in creating an equitable and inclusive city
- The diversity of support on offer from the community and voluntary sector enables engagement of a very diverse population of residents, some of whom cannot or do not wish to engage with statutory services
- The VCS has already endured substantial real-terms cuts in income due to inflationary pressures, with no annual contract uplifts. This is estimated at 5-12% year on year over the past decade. Organisations have worked hard to generate millions of pounds in external funding and make efficient use of resources to address this
- Cumulative impact will be felt by the loss of other statutory funding, including substantive planned NHS cuts across Sussex. It's not clear whether impact analyses have considered the cumulative impact of the multiple reductions being made to the same VCS organisations or areas of work. As the full extent of NHS efficiencies are not yet known it is impossible to fully estimate the cumulative impact of Council proposals. As such it is not clear how statutory leaders have produced existing proposals with a comprehensive assessment of city-wide impacts
- The Council's Equalities Impact Assessments highlight areas of impact, but need further investigation, including proper consultation with the VCS, to suitably measure impact of the proposals. Organisations state that impact has been underestimated or remains unknown in several areas. Data from the NHS is needed to consider cumulative impact which will then require further reflection prior to decision making
- Hardest hit by this budget will be the people and communities already deemed the most 'disadvantaged' or 'at risk', who are already highlighted as groups in need of extra support through council workstreams. The council currently signposts people to VCS services for help. With this help severely reduced, people will inevitably reach crisis
- Budget cuts will severely impact VCS ability to work in partnership with the council, bringing community insight into policy and service design, development and delivery.

2. Comments on Specific Service Areas

Families, Children and Learning

- **Family Hubs:** VCS organisations have worked with the Family Hubs team over the past year to co-design a programme of delivery via the city's four Hubs. To date, 30+ organisations have put forward offers of service-provision *at no additional cost to the Council*. As budget papers state, removing funding to these organisations across the proposed savings areas will impact on their ability to deliver services within the Hubs, diminishing the Council's Hubs model as well as reducing support to disadvantaged families (p.52)
- **Youth opportunities:** Youth Led Grants Programme (£80k) enables VCS organisations to deliver youth-led activities and projects throughout the city. The total withdrawal of this funding significantly impacts youth opportunities in our city as well as impacting around 20 VCS organisations. Withdrawing such opportunities is likely to have a negative impact e.g. worsening youth mental health (already evidenced as a concern in the Council's Joint Strategic Needs Assessment on Mental Health) and a potential increase in crime and anti-social behaviour (p.49)
- **Families experiencing deprivation and disadvantage:** Brighton Unemployed Centre Families Project (£11k). The proposed saving jeopardises the future of the playroom which offers early years childcare for disadvantaged families. The Centre is also facing reductions to its funding

across other budget areas, which will have a significant impact on the number of families the Centre can support at a time when demand for services, the vulnerability of families and the cost of running the Centre are all increasing. The EIA states the assessment was based on previous discussions with providers, rather than on specific consultation on proposals, and underestimates the impact. If savings are applied, the Centre will have to draw on reserves to cover staffing costs in the short-term, but redundancies and service closures are likely to be needed. We know that the council understands the risks involved in using reserves to fund services, risking the health and sustainability of an organisation (p.52)

- **Employment Projects (£150K)** It is proposed that this amount will be reinvested into council provision, but the Council is unlikely to have the same reach, engagement and trust with targeted groups, such as migrant communities and people with mental health issues, that current VCS providers do. In Hangleton & Knoll, the saving will end the weekly job club and casework support for target groups, and collapse the clear pathway to work, training and volunteering that is in place and which is proven to lead to above target job outcomes. This cut will leave very little resource available for employment work taking place across the city and risks negatively impacting the Council's cost of living work (p.52)

Health & Adult Social Care

- **Disabled People** will be disproportionately impacted by the proposed cessation of funding for Shopmobility and the Disability Advice Centre, both delivered by Possability People. Shopmobility, which enables hire of wheelchairs and mobility scooters, will have to close if the proposed saving is made as there is no alternative funding. This will lead to enforced isolation for those who rely on it to be able to leave their homes and do their weekly shop, attend medical appointments independently etc. The Disability Advice Centre provides a wide range of advice and support on disability benefits, food banks and employing personal assistants. The proposed saving of one third of funding means the telephone advice desk will have to close and waiting lists for appointments will grow even longer. Disabled people will also be left without vital Personal Assistant support for longer periods. Possability People is also impacted by the proposed 10% TSC saving, reductions to partnership sub-contracts and withdrawal of the Third Party Hate Crime Reporting centre. Overall, there will be a reduction in their ability to outreach, engage with and support disabled people. The savings mean certain closure of the Disabled Car Users Advisory Group, and the Get Involved Group which ensures disabled people's voices are heard and represented, including in council service design and decision-making (p.69)
- **Mental health services:** Early notice of the withdrawal of £140k contract to UOK. UOK is a network of 17 local organisations working collaboratively to deliver mental health support in the city, including targeted provision to minoritised and under-served communities. Organisations affected are Southdown Housing (lead provider), Allsorts Youth Project, Assert, Brighton Women's Centre, Cruse Bereavement Care, Fabrica, Friends, Families & Travellers, Grassroots, The Hangleton & Knoll Project, Mind, Mind Out, Money Advice Plus, Trust for Developing Communities (TDC), Rethink, Switchboard, The Clare Project and YMCA Downslink Group. Organisations say they are already seeing increasing numbers and complexity. This budget saving will significantly reduce mental health prevention and recovery work in the city – as there is little to no other preventative work being delivered – and is likely to lead to an increase mental health crises, put people with mental health issues at increased risk and increase demand on statutory services. Organisations anticipate an increase in suicide rates in the city from this and other cuts (p.69)

Housing, Neighbourhoods & Communities

- **Housing:** The Youth Advice Centre (YAC), run by YMCA Downslink Group, delivers the specialist housing youth advice and tenancy support contract on behalf of the Council, supporting up to

1,000 children and young people each year and playing a key role in early intervention and prevention. YAC currently provides the city's 'front door' for any young person at risk of or experiencing homelessness. YAC is deeply troubled by the decision not to recommission the organisation for the housing support contract. They anticipate this will lead to an increase in young people being forced to sleep rough and to present at the council's customer care centre alongside adults, which presents significant safeguarding concerns. The decision will put extra pressure on other VCS organisations who provide advice and support to young people

- **Third Party Hate Crime Reporting (£60K)** The proposal to cease funding to VCS organisations who deliver third party hate crime reporting compromises the wellbeing and safety of minoritised communities. There is currently specialist provision for Disabled people, LGBTQ+ people and people from Black and Racialised Minorities who do not feel safe to report hate incidents and hate crimes directly to the police or statutory services (delivered via Possability People, Rainbow Hub and the Racial Harassment Forum). (p.95)

Reduction to Third Sector Commission

The 10% cut (£205k) applied to the Third Sector Investment Programme and cessation/reduction of the Communities Fund (p.94) appears disproportionate in light of other savings areas and will significantly affect the ability of VCS organisations to deliver the city's core support services.

Organisations state that services will have to be reduced or, in some cases, closed, impacting people and communities who are already the most marginalised and disadvantaged. Examples include:

- **Children and young people with Special Educational Needs and Disabilities:** Amaze reports that its advice and support services for children and young people with special educational needs and disabilities (SEND) commissioned by the council and NHS are all at risk if the 10% saving to the Third Sector Commission is implemented. Amaze expects to have to reduce its staffing by up to 3 FTE (12 people), representing 14% of its workforce. Amaze's Board is considering whether the organisation can continue to fundraise to subsidise contracted services, or whether they will have to hand back contracts that are no longer viable to deliver. Amaze is also facing a direct cut of £1k from the Children, Families and Learning budget for SEND groups (p52)
- **LGBTQ+ communities:** Brighton and Hove LGBTQ+ Switchboard reports that the 10% cut in the Third Sector Commission will have a profound impact on the Health and Inclusion Project, leading to a reduction of staffing and activities. Switchboard has used TSC funding to explore the provision of safe housing for LGBTQ+ people in the city, a stated priority for LGBTQ+ communities in the BHCC and NHS funded research on the impact of Covid on LGBTQ+ communities in the city. The cut will mean the loss of a successful codesign model which has involved the most vulnerable LGBTQ+ communities and housing organisations. Using TSC, Switchboard was able to leverage external funds to run an LGBTQ+ night shelter in the city and to work on an audit of rough sleeping and homeless services (Note additional loss to LGBTQ+ services because of loss of dispersed refuge provision and additional support provided for LGBT people fleeing domestic abuse and violence, delivered by RISE – see below)
- **Trans, Non Binary and Intersex communities** The Clare Project is deeply troubled by the cumulative impact of the proposed savings on TNBI communities, who will be affected by reduction in inclusive LGBTQ+ services as well as direct cuts. The Clare Project has been notified of reduction to its NHS funding and fears further savings will be applied. TNBI people will also be affected by reductions to the trusted organisations that The Clare Project refers into, which enables TCP to share the weight of higher risks and support needs of those using services, particular around mental health support
- **Survivors of sexual violence:** Survivors' Network relies on the TSC funding to provide vital support services and further cuts to their income will mean a reduction in the amount of survivors of sexual violence the organisation is able to support

- Domestic abuse:** RISE fears having to reduce provision relating to its Babies, Children and Family work. A 10% (£5k) reduction in income will have a major impact on RISE's work with health visitors, educational psychologists in schools and directly with parents and children. This cut will impact negatively on the support offered to children in need and likely lead to escalation to statutory services. Funding to the LGBT Dispersed Refuge and wellbeing support that RISE offers for adults and children is proposed as a mid year full service cut rather than continuing as planned until end 2024/25. This represents almost £100k a year income loss for the organisation and just under two full-time posts (including on-costs). RISE anticipates this will have a huge impact on LGBT safe housing as this is the only bespoke offer in the area. It will also end the specialist therapeutic support to adults and children in Brighton Refuge. This represents a 100% cut of Part 4 statutory duty funding for these services, which was implemented in 2021 with specific allocations for local authority to deliver these 'new burdens', and local authorities were asked to sign an MOU stating that the funds were to be used for this purpose. RISE's Wellbeing In-reach services for women and children at Brighton refuge, provide essential support. Survivors say that the activity groups such as art, gardening, and music have helped them to process trauma gently at their own pace. Without these services these women and children will be able to achieve less recovery during their time at refuge, affecting their future lives
- Carers:** Mid-year savings in 22/23 have already withdrawn funds for the Young Carers School Worker role, provided by the Carer's Centre. There is now no funding from the Children, Families and Learning budget being spent directly on young carers. Remaining council support for unpaid carers comes from the Better Care Fund and Third Sector Commission. The Carers Centre states that additional reductions to its budget applied via TSC saving will severely impact on overall support it is able to provide to carers and their families
- Infrastructure support to the VCS:** Community Works leads a partnership of organisations providing essential support for the voluntary and community sector across the city (some with particular focus on Faith, micro and small LGBTQIA organisations and small organisations working in our most deprived areas). They supported VCS organisations to bring in at least £1m extra funding last year (a conservative estimate) and secured in-kind business support for the VCS worth at least £150k. They supported collaborative working with statutory partners in over 71 areas of strategic, policy and operational development across the city, hosted networking and collaborative working, support on funding, advice, leadership and training programmes, consultancy to access skills and knowledge and volunteering. The TSC proposal of a 10% cut to funding will directly impact on delivery of support to the VCS, partnership working with the council, NHS and businesses across the city
- Small community groups:** Cessation or reduction of the Communities Fund removes support for smaller, grassroots groups that are often volunteer-run or have minimal staffing and provide vital peer support and other services for diverse communities. Increased competition for external funding sources means smaller community groups are placed at a disadvantage. The loss of dedicated smaller-group funding will inhibit capacity building, as well as ability to cover overhead costs and deliver activities. Examples include:

 - Kennedy Street Recovery** states *"The closure of the Communities Fund would be a blow to our recovery from addiction charity. The fund has helped us to support the running costs, rent etc on our hub which is open 7 days a week. While we have diversified our income in the last year or so, the Communities Fund grant is still a crucial part of our fundraising plan; it provides stability knowing we have some funding to put towards keeping the doors open, and we feel we have built a good relationship with the council through it. The funding freed up time for us to engage in partnership work such as the new drug and alcohol strategy."*
 - The Early Childhood Project** works with families in desperate circumstances including those experiencing terminal illness, bereavement and discrimination. The organisation has relied on a modest grant (less than £5k) from the Communities Fund for several

years. They say: *“We rely on it because it supports some of our very hard-to-fund core costs that are essential to keep us going, for example accountant fees, insurance, printer cartridges etc. It enables us to bring in £30k other funding that supports four workers, all our volunteers and enables us to keep operating. I despair that the many small groups and grassroots charities working so very hard to help local families cope in truly desperate circumstances are going to go to the wall and the pressure will be even greater on those that manage to keep going.”*

- **Belltree Music Therapy CIC** supports people facing challenges due to illness, disability, social isolation, trauma or mental health through the medium of music. *“We received our first Communities Fund grant in 2019 and have received between 3K and 8K each year since then. The funding has enabled us to transition from a largely unknown organisation to becoming an established part of the community. We’ve been able to bring more funding into the area by having more time to apply for grants, thereby increasing our impact further and creating employment for local people. Not having access to this Fund could seriously undermine Belltree’s sustainability.”*
- **People living with HIV: Lunch Positive** started as a small, grassroots volunteer-led group and now provides hot meals, peer support and health improvement support to up to 250 people living with HIV, many with complex needs. The organisation has grown through local partnership working, including involvement in strategic health and HIV prevention work, and fundraising from a variety of sources. A 10% reduction to TSC funding would mean potentially cutting a day a week of service. The impact will be exacerbated by an anticipated loss of trading income as VCS organisations who currently source catering from Lunch Positive for community events will have less buying power. This presents a real threat to the organisation.
- **Community centres and community buildings:** will be impacted via direct reduction in their own funding in some cases and by cuts to other organisations who use their space. Examples:
 - **Community Base** provides affordable office space for 40 other community organisations in Queens Road. They warn that proposed TSC savings will lead to organisations struggling to maintain tenancies within the building. Community Base has already had to pass on rising fuel and maintenance costs to tenants, which has made it more difficult to keep the building at capacity. Lower occupancy has in turn led to more fee increases. If VCS organisations have to move out of Community Base, the benefits of being centrally-located, being able to easily share information and collaborate with other VCS organisations is also lost. The Community Buildings Network, run by Community Base, provides practical information and support to community centres and other buildings within the city which enables community buildings to remain financially viable. The Network is supported by the Communities Fund, so anticipates significant scaling back
 - **St Richards Community Centre**, Hangleton says: *“If we were to lose the Communities Fund grant and also lose the income from many of our hirers because they could no longer afford to pay, we would seriously have to think about cutting staff hours which would mean reducing opening. We need all of these groups so we can reach out and include everyone.. carers, newly bereaved, single mums, single dads, people new to the area, people who don’t get to see anyone during their weeks at home. . . they come to us to make friends, to eat together and exercise together.. . we will lose a lot. We have already cut things down to the wire... to cut us all off in an instant is really not good.”*
- **Food poverty:** Brighton & Hove Food Partnership supports over 200 local community food projects. Several smaller projects have already had to stop or pause operations in the last 6 months and BHFP estimates up to a third of all projects could be directly affected by the funding cuts. The Communities Fund has been particularly key for food providers and for outdoor groups for marginalised communities. BHFP says: *“Food activities benefit thousands of residents in every neighbourhood of the city each year, but most projects now have more demand than they can meet. For example, the B&H Emergency Food Network supports over 6,000 people in need of*

food every week and more than 3,000 people use these services on an ongoing basis - up 25% from 2022. Emergency food providers already spend £15,800 in total, per week, to top-up dwindling stock levels – up 59% from 2022. In our research in summer 2023, nearly half the city's emergency food providers reported insufficient funds to see them into 2024. Meanwhile, there are cuts coming in at a national level – in particular the end of the Household Support Fund worth over £4 million pounds in B&H in the most recent round, which was used to pay for food parcels, shopping vouchers & meals for the city's most vulnerable.”

- **Outdoor, therapeutic activities for marginalised groups:** The city's Green Wellbeing Alliance is currently funded through the TSC. It is a network of ecotherapy and wellbeing groups for some of the most vulnerable people in our communities, including those at risk of severe mental ill health who are on long waiting lists for treatment and those coming out of secondary care. The various groups anticipate having to reduce services due to budget changes
- **Social prescribing:** Social prescribers are reporting that local service provision is already stretched to capacity. One said: *“If it wasn't for the dedicated staff in the VCS going above and beyond to keep services going and help people, the system would have collapsed. We already have a cohort of people who are struggling with mental health or other challenges who find it difficult to access support. With pressures from the council and the NHS on the VCS, I wonder what their contingency they have in place when some organisations will drastically dial back their support or stop completely and what effect it will have on the people that need them most.”*
- **Healthwatch:** The Homecare Check service is delivered by Healthwatch Brighton and Hove and is run in partnership with the council. Healthwatch volunteers visit and interview residents who have home care services provided by independent companies, but paid for, either fully or partly, by the council. Healthwatch report their findings to the council as part of their routine contract management check-ins with providers to discuss any areas of concern and last year, they were used to support the appointment of new providers. Over 600 people were reached between November 2022 – October 2023. The project also supports vulnerable, primarily older, service users in other ways i.e. Healthwatch has raised safeguarding concerns, service review requests, supported requests to GPs, befriending services, disability support charities, and identified that 22% of clients had concerns about feeling lonely or isolated, worried about food supplies, finances, debts or benefits, mental health and housing issues. The project receives a small amount of funding, £13,000, but without this, the project would be unable to continue in its current form. Without the service, the council would not have a similar route to obtaining service user's experiences and patient-initiated improvements to home care services would be lost
- **Advice and money advice services:** The TSC currently funds a partnership of nine VCS organisations providing financial and digital inclusion support that benefits over 7,700 residents across the city. The partnership has generated over £1.3 million of additional, external funds. Additional social impacts include: Levering in the legal aid to represent the young unaccompanied asylum seekers identified by the council; Preventing at least 59 households from becoming homeless that day through evictions by interventions of the housing court duty service; Providing over 600 places on digital skills training which supports clients into work and to enable them to make best use of their income via online only deals; 91 migrants given basic bank accounts who didn't have the ID required by high street banks to enable them to access benefits/ or wages; YAC set up a social supermarket which is now self-funding for young people on benefits or very low paid incomes to enable them to “shop” at a much lower cost. The partnership say: *“We will struggle to manage a 10% reduction in income in-year. Where budget cuts are proposed we would normally expect to be alerted in late autumn... We will be working together to try to create an emergency plan that reduces the impacts as much as possible however, it will inevitably mean longer waiting times for advice, lower welfare benefit and debt management gains; higher eviction rates and increased housing demand... It will detrimentally impact Young people; Black and racially minoritised communities (20% of overall clients but 40% of clients seeking help with cost of living issues)”*

- **Inclusive Communities Partnership:** The ICP comprises twelve VCS organisations who deliver community engagement and community development work via TSC. They are focused on building the resilience of communities affected by poverty and exclusion and delivering rapid emergency response where needed including food and financial support. Collaborative delivery has been crucial, first in mitigating the impact of Covid on the poorest and most excluded and now through the cost-of-living crisis. They say: *“Already inflation and dramatically increasing need has seriously reduced the resourcing for this work. If the contract had followed inflation, the £520k would be £630k in 2024-25. As our costs have increased – our salaries, our rents, our bills – our delivery has squeezed. Any further cut on top could have a devastating effect on our capacity to support communities through this crisis. Our experience is that it will be counterproductive to remove valuable support to the most vulnerable. The partnership believes that it is essential the council focuses support on the most in need to avoid increased inequality and increased demand on services in the future.”*

3. Working together

We request that this VCS response is considered seriously by the Council when setting the 24/25 budget. Offers of early discussion about the council’s budget are made each year by the VCS, so that we have a chance to work collaboratively to minimise and mitigate impact on communities. We are disappointed that this year we were not consulted at an earlier stage, especially as the proposed budget has much wider and far-reaching detrimental impact on our communities and sector than previous years. We hope that the council conversation can take place at a much earlier stage for next years’ budget, to enable a longer-term collaborative approach to identifying and securing solutions with communities.