

Charities could get temporary lifeline – but future funding in doubt

Edinburgh charities teetering on a financial cliff edge could be offered a temporary lifeline as they face having their funding cut with just 90 days notice.

Health and social care chiefs proposed ending a third sector grants programme early in a bid to plug budget gaps, in plans which have been met with opposition since being published last week.

Edinburgh Council leader Cammy Day said his Labour group “does not like” the proposals and would explore options to ensure funding could continue until at least the end of the financial year in March as planned.

However it remains unclear if the 64 projects which combat loneliness, social isolation, poverty and other health issues across the capital will continue to be funded beyond then, as many fear they could be forced to close their doors on some of the city’s most vulnerable people.

It comes as the council-NHS Lothian partnership which oversees the city’s health and social care services, known as the Edinburgh Integration Joint Board (EIJB), faces a £50m deficit.

£4.5m a year would be saved by cutting the grants programme.

But the decision to slash support for organisations specialising in early intervention and preventative care would cost local authorities more in the long run as requests for care home places and care packages would increase as a result, charities have warned.

Councillor Day said: "They're in a really difficult position where if they don't make some of these difficult decisions they may well be breaching statutory duties, so they've got to do something.

"Of course, these are really unpopular proposals and the Labour group does not like them."

He said Labour councillors would not accept the report, which is going before the EIJB on Friday, November 1, and instead refer it to the council and NHS Lothian "to see if there's anything they can do to help with the in-year cut of £750,000 and urgently get the voluntary sector's representatives around the table to work with the IJB and its partners to come up with an alternative solution and proposal for the year going forward".

SNP councillors will propose using reserves to stop the in-year cut in response to the "urgent risk of closure facing many valuable third-sector organisations".

They will also seek discussions to "consider alternative proposals for the long-term future of the grants programme, and how to sustain funding for locally based organisations delivering services in their communities".

Cllr Day said: "We tend to dip into reserves for emergencies and one-offs.

"So I suppose what we're asking is can the council, can the NHS put anything on the table or could the IJB look at something alternative as well.

“We would consider all options but we need something that will support them longer-term.

“There’s no point fixing the initial £750k and not having a proposal for the £4.5m going forward.

“If the IJB are saying some of these projects are not delivering what they need to deliver for them then there needs to be a discussion about whether it’s appropriate to be funded by the IJB or should they be funded elsewhere, be that the council, be that the government or NHS.”

He added: “We can’t keep bailing out things that cost the city because the government’s not funding them. But none of us want to see these great projects across the city go overnight, so we need to have a sensible discussion about how we work with over the coming months to make sure there’s a long-term solution for them.”

East Synergy Group, a partnership of third sector organisations operating in the greater Craigmillar area, estimated the cuts could “cause around 100 job losses and take away services to around 40,000 Edinburgh residents”.

Edinburgh Community Health Forum called for an immediate halt to funding cuts announced by IJB.

Stephanie-Anne Harris, strategic development manager, said: “This drastic cut threatens the very fabric of our community support systems and undermines our collective commitment to health and wellbeing in Edinburgh.

“This disinvestment will lead to the closure of numerous charities and an increased reliance on statutory services, including the NHS and Council.”

EIJB chief officer Pat Togher, who will soon leave the role to lead Glasgow’s IJB, said the proposed changes to grants “represent less than 3% of our overall spend from the

EIJB to the third sector with the remaining savings consumed by the Health and Social Care Partnership”.

He said: “Projects were awarded funding for three years in 2019 which was subsequently extended in 2022 due to continued disruption from Covid and are due to end in March 2025.

“The EIJB were required to close a £60m financial gap this year and are currently preparing for similar savings 25/26.

“We must make the necessary decisions to protect our core legal duties and protect our most vulnerable – such as providing care homes, applying adult protection/ mental health legislation and preventing further drug related deaths in the city. It is in this context that we must decide on how we now prioritise spend when faced with the gravity of the savings imposed and ensure longer term sustainability.

“We have a duty to spend public money carefully and we will therefore bring forward proposals to achieve the best for the citizens of Edinburgh through working with our third sector partners to ensure clear, measurable outcomes which improves health and social care in Edinburgh.”

By Donald Turvill Local Democracy Reporter