

Charities on front line of fight against poverty and isolation 'at risk of closure' due to funding cut

Charities supporting Edinburgh's most vulnerable people will lose millions of pounds of funding, it's emerged.

The Edinburgh Integration Joint Board (EIJB), which oversees the city's health and social care services, is set to slash £4.5m of grants currently shared between 64 organisations.

The funding supports organisations carrying out preventative and early intervention work with vulnerable residents – including dementia sufferers, disabled young people, rape victims, those on low incomes, and new parents.

The grant funding was expected to continue until at least March next year, with the possibility of a further extension.

However health and social care chiefs are proposing to bring this forward to the end of January in a bid to reduce a "significant financial deficit" – giving charities just 90 days to find alternative funding and threatening the future viability of many projects.

Charities set to have their grant cut have told the Local Democracy Reporting Service (LDRS) the decision would cost city authorities more in the long-term and risked axing the only support accessed by some of the city's most in-need.

One compared it to “a sinking ship deciding it needs to be lighter and cutting off its life rafts,” adding they felt “devalued” by the proposals.

Outgoing EIJB chief officer Pat Togher said in a report the organisation, a partnership between Edinburgh Council and NHS Lothian, was at risk of being “unable to meet its fundamental responsibilities”.

In March a budget gap of £60m was reported and despite achieving “substantial savings” since then, significant shortfalls remain. And with a further £50m in cuts needed to balance the books in 2025-26, Mr Togher said the gaps “will not be closed through efficiency savings or improved grip and control alone” and cash currently invested in the grants programme “would be better spent on other priorities”.

He wrote: “The size of the deficit is such that without decisive action, the EIJB will be unable to meet its statutory obligations and unable to protect our most vulnerable. In the absence of a substantial (and recurring) increase in income, the EIJB needs to reduce the scale of the services it provides.”

He said there were “likely to be adverse consequences for some individuals,” however added this disadvantage was “outweighed by the benefits that would be felt by the most vulnerable members of society for whom there is a legal duty to provide services”.

An impact assessment found the services provided by the 64 charities are accessed by around 55,500 people across Edinburgh. It said the cut could mean organisations “will close or that specific services will be discontinued due to the funding loss” alongside increased referrals for health and social care assessments and higher levels of loneliness and social isolation.

With many charities reliant on core grants to attract extra

funding from other sources, they have warned the decision to proceed with the cut would be “devastating”.

Marjorie Mitchell, who runs a Monday day care service in Portobello for people with dementia and wholly relies on an annual £4,000 grant from the EIJB, said: “The problem is that everything else is going up; the transport [costs] have gone up 50%, the rent’s gone up.

“We’ve got 10 to 12 members who all suffer from Dementia, a lot of them are socially isolated, some of them don’t go anywhere else but here and it’s very important to them and their families, who get some respite on a Monday.

“I think they will be very upset.”

She added: “We could do fundraising but to make up £4,000 on top of the other things that have gone up, we’d have to do a colossal amount of fundraising and I don’t think we could do it.”

Portobello Monday Centre organises group activities, such as singing, and offers users a hot lunch and the chance to interact with others. “Some of them don’t go anywhere else,” Marjorie explained, “it does make a big difference to them.”

Rachel Green, director of the Ripple Project which works to tackle poverty and inequality in Restalrig, Lochend and Craightinny, told the LDRS: “The last we heard we were going to get an extension for the year which would give us 15 months to try and plug this.”

She said while the charity’s annual funding from the EIJB was £87,000, the cut would lead to a disinvestment in the area “of half a million pounds” as the grant “enables me and other people to lever in other funds”.

She added: “They are trying to have a balanced budget, they haven’t had a balanced budget for two years and they’ve rolled

with it.

“It’s like a sinking ship deciding it needs to be lighter and cutting off its life rafts.

“It doesn’t make sense at all. It will just mean additional cost further down the line to another part of the organisation.

“For this area to lose a resource like this is incredibly devastating. We are the only place they go to. Not only do they come to the lunch club but they tell us that their electricity meter isn’t working right or they need a blue badge, or their prescriptions are not fulfilled. We do all of that under the radar as well. We know people, we know if they’re not there. If there are people who would die, nobody would know that they had died.”

Rachel said the proposal was causing her to have “an existential crisis about what kind of society we are,” adding the message it sent was that “older people are expendable”.

She called on EIJB to “work out a way to give us enough time to work together with them to deliver for our most vulnerable people”.

The cut is also set to hit the Community Renewal Trust’s Health Case Management service, based in Craigmillar, which helps locals access the right healthcare.

CEO John Halliday said this was a “vital service” based in the poorest neighbourhood in the whole of Edinburgh supporting people facing mental health and chronic pain related crises.

He said: “In our case, our wide-ranging charity will survive intact, although the same cannot be guaranteed of all those local residents we would have been supporting. Much more than our own organisation and our own local community, we are

primarily worried about the huge scale of these abrupt sweeping cuts on those residents with lowest life expectancy in every ward of the city.”

While the 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”.

In a statement the Group’s chair Scott Neill said: “While we recognise the significant funding challenges faced by the EIJB, disinvesting from the third sector for short term cost savings seems misguided. Such actions are likely to increase pressure on both NHS and council services, contradicting the Scottish Government, Public Health Scotland, and the Audit Commission’s strong advocacy for enhanced prevention and early intervention strategies which are known to take time and require investment.

“Evidence consistently shows that investment in prevention is one of the most cost-effective methods to improve health outcomes and reduce inequalities, ultimately fostering greater sustainability with economic, social, and environmental benefits.”

SNP councillors said they will oppose the in-year cut and seek a solution to continue the funding in future years. The group’s EIJB spokesperson Cllr Vicky Nicolson said to address the “urgent risk of closure facing many valuable third-sector organisations” she would request that the Board defers the report, which is due to be considered this Friday, November 1, to allow consultation with a council committee to gather input.

“At that stage,” she said, “we will recommend that the council consider using reserves to cover the in-year funding, ensuring these essential organisations can continue their work”.

Council leader Cammy Day said the Labour administration would try to “stop the in year cuts wherever we can”.

In a post on X on Monday night, he blamed a “decade of SNP cuts” and said he would “propose a way forward” to engage with the third sector.

Mr Togher recently announced his resignation as EIJB chief officer and will soon leave the organisation to take up the equivalent role in Glasgow.

Commenting, he 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