

# **Plans to cut funding to charity ‘threaten 150 key worker jobs’**

**Plans to cut funding for Edinburgh charities which support vulnerable people “threaten the jobs of around 150 key workers” and stand “in stark contradiction” to council and government policies on no compulsory redundancies, Scotland’s largest trade union body has said.**

The Edinburgh Integration Joint Board (EIJB), a council-NHS partnership which oversees health and social care services across the city, is forecast to overspend by £26m this year and faces a £50m deficit in 2025-26.

Bosses said shortfalls “will not be closed through efficiency savings” as they unveiled controversial proposals to end a third sector grants programme early to save £750k this year and £4.5m from next year.



Positive Futures service run by Libertus. Image: Libertus  
If approved it would give 64 charities, which run community centres and vital preventative services for dementia sufferers, disabled people, rape victims, those facing poverty and other vulnerable groups, just 90 days to find alternative sources of funding – which many have said would be impossible.

And Roz Foyer, general secretary of Scottish Trades Union Congress (STUC) said communities across Edinburgh now faced “the real threat of local support services disappearing almost overnight”.

She called it “unacceptable” there had been no consultation with communities, service users, or trade unions.

“This is especially galling when these cuts threaten the jobs of around 150 key workers, which stands in stark contradiction to both Local Authority and Scottish Government policies on no

compulsory redundancies.

“Organisations and volunteers work tirelessly to provide day centres, family support services and crucial mental health support, helping to reduce isolation and keep people afloat. There will be a devastating impact if Edinburgh’s Integrated Joint Board votes tomorrow to cut £4.5 million from these essential grants.

“We need the council to step in now and protect jobs and communities, not stand back and let some of our most vulnerable people suffer.”

One of the projects on the chopping block is Positive Futures, which supports people aged 50 and over across the capital to develop and run activity groups in community based settings, with the aim of reducing social isolation.

Andrew Farr, General Manager at Libertus, which runs the service, said if they go ahead, the cuts “will affect at least 300 people aged over 50”.

He said stopping funding to early intervention schemes would only result in the EIJB spending more on its core services in the long run – a concern echoed by many others urging the board to scrap the proposals.

“The loss of peer support, interaction and professionally led early intervention will inevitably lead to an increase in our vulnerable population of older people becoming more reliant on statutory services now and in the future,” Mr Farr said.

“The potential closure of our Positive Futures over 50’s service and our volunteer service additionally losing 42 volunteers not only increases risks to our Day Services for older people, which will no longer receive the additional social and practical input from our volunteers, but also reduces our financial stability.

"This is due to our premises increasing their reliability on the already reducing contract with the EHSCP, following a 10% in year contract reduction, followed by additional year on year 10% reductions in funding from 2025 onwards.

"A significant number of people would be without our support, leading to social isolation for a significantly higher number of people with social and psychological needs. Service provision would need to be absorbed by adding further pressure within statutory services, including hospital admissions and readmissions, due to the increase in demand resulting from the loss of this preventative service."

Councillors, who sit on the EIJB alongside representatives from the NHS, the third sector and service users, will table a cross-party amendment calling for the funding to be continued until at least March as originally planned, at the meeting on Friday, November 1.

Charities and volunteers "make an invaluable contribution to our communities and pivotal in keeping our citizens safe," the the amendment states, adding plans for a potential future model for funding for the third sector is due to go before the board in December.

They will propose referring the report to both Edinburgh Council and NHS Lothian committees "for their consideration on how we can address the in-year financial deficit while protecting services".

The SNP said they will support dipping into council reserves to plug the in-year gap, however council leader Cammy Day said this was for "emergencies and one-offs".

Speaking to the LDRS, Cllr Day added: "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.”

Meanwhile Edinburgh South West MP, Scott Arthur, urged the board to “pause and reconsider”.

In a letter to EIJB chief officer Pat Togher, he warned the cost-cutting measures “risks devastating consequences including reduced service provision, job losses and a detrimental impact on the health and well-being of communities”.

He highlighted an additional £3.4 billion extra for Scotland announced in the UK Government’s budget this week and said: “The Scottish Government now has the opportunity to use this additional funding for public services where it is most needed, including the front line health and social services provided by the EIJB and its third sector partners.”

In his report Mr Togher, who is preparing to leave the organisation to lead Glasgow’s health and social care service, said the EIJB 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 admitted 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.

Commenting, Mr Togher 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