

From: Anna Fowlie

Sent: 25 November 2019 11:52

To: CabSecCLG@gov.scot

Cc: Will.Tyler-Greig@gov.scot; Calum.Irving@gov.scot

Subject: Impact of the delay to the Scottish Budget on the voluntary sector

Dear Ms Campbell

I am writing to you in relation to the recent announcement by the Scottish Government that the budget process will be delayed due to delays at a UK level. While I understand that the Scottish budget should be available in early 2020, I am concerned that any delay in the process could impact on funding decisions for the voluntary sector, and would be grateful for the Scottish Government's support in ensuring that this is not the case.

As you know, many of the essential services provided by the voluntary sector are funded by Scottish Government, local authorities and other public bodies. Contracts and grant awards are still largely made on an annual basis, and voluntary organisations are looking now for reassurance from funders that these will continue in 2020/21. Where this reassurance is not available, voluntary organisations will in some cases have to consider issuing redundancy notices to staff, impacting both on staff wellbeing and continuity of services to beneficiaries. I understand of course that not all contracts will continue, but the delay in any decision-making creates even more uncertainty in an already precarious environment which is not good for anyone involved.

Experiences last year show that a short uncertainty over the Scottish budget process caused by Brexit had a disproportionate knock-on effect on the funding of voluntary organisations, with many organisations not receiving confirmation of funding until well into the financial year. I am therefore concerned that a delay of two to three months in this year's process could have a significant impact on the sector.

I would be very grateful for your support in ensuring that your Cabinet colleagues are starting early discussions within their departments about next year's funding for voluntary organisations, and are mindful of the impact of any delay. Support from the Scottish Government's finance department in supporting colleagues with this thinking last year was most welcome, and could be even more useful this time around if information and advice is available now, to enable forward planning.

I would be very grateful for your support in this matter, and as ever would be very happy to discuss further or to provide more information if that would be helpful to your discussions with colleagues.

I look forward to hearing from you.

Anna