

Jamie Hepburn MSP, Minister for Business, Fair Work and Skills  
The Scottish Parliament  
Edinburgh  
EH99 1SP

Friday, 17 January 2020

Dear Minister

I recently wrote to Aileen Campbell, Cabinet Secretary for Communities and Local Government, to highlight the knock-on effects of delays in the Scottish budget for voluntary organisations across Scotland and she has responded today. She has very helpfully secured funding for the first quarter of 2020/21 for a number of voluntary organisations funded directly through the Scottish Government departments for which she has responsibility. These organisations represent only a small proportion of the voluntary sector likely to be affected by the delay, and Ms Campbell has confirmed that she has asked her Cabinet colleagues to consider making the same commitment. I am writing to you specifically regarding employability and skills funding. My motivation is two-fold; firstly as a recipient of a significant amount of money to delivery Community Jobs Scotland and secondly on behalf of other voluntary sector organisations funded to deliver employability and skills programmes.

As you know, the work delivered by the sector is already precarious because of the annual nature of budgets. Where confirmation of funding is not in place, redundancy notices have to be issued which impacts on staff and also on the beneficiaries of their services.

Experiences last year show that even the short uncertainty over the Scottish budget process caused by the possibility of a no deal Brexit on 31 March 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 the delays in this year's process will have a significant impact on the sector. SCVO and the Third Sector Interfaces very much appreciate Ms Campbell's support in confirming Quarter 1 funding to provide at least some certainty as the budget process takes place and I am writing to ask you to do the same for the funded organisations within your own portfolio.

On 23 January, the Scottish Government will launch 'Principles for Positive Partnership: Guidance on relationships between Scottish Government and third sector grant-holders'. This guidance has been developed in partnership with SCVO. The principles in the document include open communication, especially when things change, and working jointly to find constructive solutions if things go wrong. It would be great to see these principles brought to life in this current situation, particularly given the timing of the launch event, and the risk that this coincides with a time of uncertainty and concern for voluntary organisations.

I appreciate that the uncertainty impacts on Scottish Government too, and that Ministers remain committed to the voluntary sector as a key partner in achieving the National Outcomes. So I look forward to hearing your commitment to ensuring that the negative impact of the budget delay on voluntary organisations is minimised.

With all best wishes for the new year.

Yours sincerely

Anna Fowlie

Anna Fowlie  
Chief Executive