

Health and Social Care Alliance Scotland (the ALLIANCE)

Briefing paper – Scottish Parliament debate:
Valuing the Third Sector
27 November 2020



The Health and Social Care Alliance Scotland (the ALLIANCE) welcomes the opportunity to share this briefing related to Motion S5M-23408, 'Valuing the Third Sector', proposed by Ruth Maguire MSP on behalf of the Equalities and Human Rights Committee.

The impact of COVID-19 on third sector health and social care organisations in Scotland is stark, far-reaching, and in some cases poses a threat to their survival. The sector's vital work is needed now more than ever; funding and sustainable, ongoing support should reflect that.

- Loss of income and increased demand for services during COVID-19 is having an impact on organisations' ability to plan and deliver future services. The consequences for those that rely on their vital support – including disabled people, people living with long term conditions and unpaid carers – is hard to overstate.
- Funding for third sector health and social care organisations should be protected and increased, with longer term contracts and a flexible approach taken by funders and commissioners, to ensure that essential services continue to reach people, adapt to their requirements, and keep staff in secure employment.

Financial impact of COVID-19

More than half of Scottish third sector organisations have lost fundraising income due to the pandemic, with the cancellation of face to face fundraising events, the closure of charity shops and other venues, and reduced public donations.¹

The extent of this lost revenue is significant. For example, Crohn's & Colitis UK's income halved,² Cancer Support Scotland reported a loss of 40% income between March and July 2020,³ and Chest, Heart and Stroke Scotland lost £500,000 a month in fundraising income.⁴

Multiple datasets reveal the ongoing financial pressure faced by the third sector.⁵ SCVO⁶ research found that around half of charities think they will run out of funds in

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six months, and a third of organisations have less than three months' worth of reserves.⁷⁸

Down's Syndrome Scotland had to furlough half of their staff team while demand for support increased three-fold. In the four months to the end of July 2020, they had 1,126 family contacts (compared with 1,065 during the whole of 2019). Chief Executive, Eddie McConnell, said: "*How sustainable is the current level of working going forward? Charities should be put at the centre of the renewal process, and that doesn't just mean finance being made available, it means recognising the worth and value of the sector too.*"⁹

Increased demand for services

During COVID-19, local and national third sector health and care organisations have played a crucial role in bringing people necessities, emergency, health and wellbeing support, as well as informing policy to ensure people's rights are upheld.

In many cases, organisations are experiencing significantly increased demand for their services. For example Crohn's and Colitis UK reported a 400% increase in demand for their helpline services and a 600% rise in demand for their website,¹⁰ Chest Heart and Stroke Scotland reported an 80% increase in demand for its Community Support services,¹¹ and there are now an estimated 1.1 million unpaid carers in Scotland due to the pandemic.¹² The increased demand is likely to continue, particularly for organisations working with people who have seen their situation and/or health conditions worsen.

Recovery and renewal

Now more than ever, the work of third sector health and care organisations is vital, and support for the sector should reflect that. Third sector funding should be protected and increased to ensure that no one is left struggling because vital support they relied on had to be reduced or withdrawn. Funding should be provided for longer time periods – rather than on short term, annual or even 2-3 year basis – and funders and commissioners should support a flexible approach. This will allow the third sector to plan for the longer term, ensure that essential services continue to reach people and adapt to their requirements, keep staff in secure employment with good pay, terms and conditions, and prevent the loss of valuable knowledge and expertise.

A flexible financial approach was integral to Glasgow's Govan Youth Information Project (GYIP) being able to respond to the needs of local children during the pandemic.¹³ Glasgow City Council, having provided funding for an Easter project, allowed GYIP to utilise that funding for its COVID-19 response, mainly distributing

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meals in the community. This example highlights the need for an open-minded approach from funders to enable the third sector to respond to the most pressing needs of those accessing services.

About the ALLIANCE

The Health and Social Care Alliance Scotland (the ALLIANCE) is the national third sector intermediary for a range of health and social care organisations. We have a growing membership of nearly 3,000 national and local third sector organisations, associates in the statutory and private sectors, disabled people, people living with long term conditions and unpaid carers. Many NHS Boards, Health and Social Care Partnerships, Medical Practices, Third Sector Interfaces, Libraries and Access Panels are also members.

Our vision is for a Scotland where people of all ages who are disabled or living with long term conditions, and unpaid carers, have a strong voice and enjoy their right to live well, as equal and active citizens, free from discrimination, with support and services that put them at the centre.

The ALLIANCE has three core aims; we seek to:

- Ensure people are at the centre, that their voices, expertise and rights drive policy and sit at the heart of design, delivery and improvement of support and services.
- Support transformational change, towards approaches that work with individual and community assets, helping people to stay well, supporting human rights, self management, co-production and independent living.
- Champion and support the third sector as a vital strategic and delivery partner and foster better cross-sector understanding and partnership.

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- ¹ <https://www.alliance-scotland.org.uk/blog/news/leading-health-and-care-charities-urge-first-minister-to-help-safeguard-future-of-the-sector/>; <https://www.oscr.org.uk/media/3925/oscr-covid-19-research-summary-report-020620-002.pdf>
- ² https://www.alliance-scotland.org.uk/blog/case_studies/crohns-colitis-uk-adapts-to-respond-to-covid-19/
- ³ https://www.holyrood.com/inside-politics/view,charities-in-scotland-facing-an-uncertain-future_15474.htm
- ⁴ <http://thirdforcenews.org.uk/tfn-news/health-charity-in-nhs-warning>
- ⁵ <https://www.oscr.org.uk/media/3925/oscr-covid-19-research-summary-report-020620-002.pdf>
- ⁶ <https://scvo.org.uk/policy/evidence-library/2020-coronavirus-and-its-impact-on-the-scottish-voluntary-sector-what-do-we-know-so-far-may-2020>
- ⁷
- ⁸ https://tfn.scot/news/bleak-forecast-as-charities-look-to-use-cash-reserves?utm_campaign=Oktopost-2020-11+General+Campaign&utm_content=Oktopost-twitter-&utm_medium=social&utm_source=twitter
- ⁹ https://www.alliance-scotland.org.uk/blog/case_studies/downs-syndrome-scotland-a-reflection-on-lockdown-and-looking-to-the-future/
- ¹⁰ https://www.alliance-scotland.org.uk/blog/case_studies/crohns-colitis-uk-adapts-to-respond-to-covid-19/
- ¹¹ <https://www.scotsman.com/health/leading-scottish-charity-losing-ps500k-every-month-lockdown-2850797>
- ¹² <https://www.carersuk.org/scotland/news/covid-19-pandemic-392-000-become-unpaid-carers-in-scotland-in-a-matter-of-weeks>
- ¹³ https://www.alliance-scotland.org.uk/blog/case_studies/glasgow-youth-organisation-provides-essential-service-during-covid-19/#expanded