

29 December 2016

Nick Forbes
Leader of Council
Newcastle City Council

Dear Nick

Newcastle City Council's Budget proposals for 2017/18 Consultation Response from Newcastle Council for Voluntary Service

Newcastle Council for Voluntary Service is the local support and development (infrastructure) organisation for the voluntary and community sector in Newcastle.

Our overall aim is to improve the quality of people's lives in Newcastle by promoting voluntary and community action. We do this by:

- Supporting and developing local organisations to thrive
- Networking and involving local organisations to engage
- Representing and influencing on behalf of the voluntary and community sector

Central Government funding

Over the last few years we have consistently expressed the view that the way Local Government is now funded is unfair and gives least to the areas of greatest need. This unfair allocation and the additional problems of future funding in relation to the loss of the Revenue Support Grant in 2020 are well-illustrated in the 'Investing for a fairer future' documentation. The impact of cost pressures, the low Council Tax base in Newcastle, and the challenge of the importance of the Business Rate makes the task very difficult. The previous cuts of £221m, the cumulative impact of the underfunding of social care, and the increased responsibilities on Local Authorities make the task almost impossible.

Voluntary and community organisations are increasingly seeing the impact of Central Government policy on the people we support (our beneficiaries). The impact of Welfare Reform, cuts in benefits, dramatic shifts in housing policy, the decrease in public services and loss of overall support has made life extremely (and unnecessarily) difficult for many of our residents and community. In the reports we produce we have highlighted the growing impact of austerity and poverty within local communities, whilst at the same time noting the increasing inequalities. We are able to give you stories and support your campaigns and lobbying to try to improve the situation. A number of reports locally and nationally, are showing the widening of the gap between the richer and poorer communities in our city, region and country; despite it being previously decreased. Part of 'I, Daniel Blake' was filmed outside our office.

We share the Council's irritation with Central Government statements which give the impression that Local Government has been more than adequately funded. Since 2010, much of the funding has shifted from being needs-based to being population based which has a major impact on many (northern) cities. The recent 'permission' to raise the Council Tax precept for social care gives the impression this would solve the underfunding of this vital service, when in the reality this would cover only a small percentage of the actual costs.

We recognise that 47% of the revenue budget is spent on supporting children's and adult's social care and so would support the Council Tax being increased by up to 2% and also the 3% social care precept.

Process

Newcastle CVS has promoted the budget consultation exercise through its website, e-inform, holding two meetings for the sector in September and December (attended by over 40 people), circulating notes from these meetings and encouraging our members to engage and respond. We have highlighted and promoted the Budget tool. At the two meetings that CVS hosted, there were presentations from the Director of Resources and the Director of Commissioning attended the second meeting, and also answered questions. The note from this second meeting is attached to this letter.

We appreciate the timetable is extremely tight given the need to set a budget at the March Council meeting and we noted that there was a lower attendance at our open meeting (23 as opposed to nearly 40 representatives last year) and we wondered if people felt it made no difference/ they were ground down/ the timing as last year the consultation was open until 31 January/ this is mainly year two of three year actual proposals and there are very few new and additional proposals.

The overall presentation of the budget, the diagrams, tables, graphs, and the Budget tool presented the information very clearly and highlighted the dilemmas in which the Council finds itself and the hard choices to be made. Although the main policy documents very clearly outlined the Council's overall budget problems and how the City Council found themselves in this space, there was insufficient information on the detail of some of the proposals. This applied, in particular to the social care proposals. An example of this is questions were raised about Byker Lodge, which was originally proposed to be closed in the 16/17 budget proposals. We were aware that a position had been reached with the CCG and intermediate care, and discussions were still on-going. However participants felt that this sort of detail was not shared openly and did not understand why this was not the case.

A key criticism of the process was there was insufficient information on the implementation of the cuts from Year One – how had these worked, had the proposed savings been delivered? What were the unintended consequences (if any) of these actions? Representatives noted that rather than just going into Year Two, there needed to be information and feedback from the Year One implementation. It was quite difficult to understand what the exact cuts in social services (adult care in particular) were in detail, and therefore very difficult to comment on them. Maybe next year, and in the response document, this information could be incorporated?

We were assured those voluntary organisations that would suffer specific reductions in funding were aware in advance of papers coming out, so that they could prepare their staff, and most were in year two of a three year process. For some organisations these reductions could be a highly significant part of their income and make them non-viable. The situation is different for each organisation and we are sure they will be making individual representations to the Council. We would highlight the gearing impact of funding voluntary organisations as sometimes Council funding provides the core grant that makes it easier to attract additional funding from external

sources. Also voluntary organisations can engage and maximise the use of volunteers making a service even more cost-effective, and adding to the Social Value. So a cut of one pound to a voluntary organisation can result in a much greater loss of several pounds worth of activity.

Throughout the consultation we heard that the huge financial challenges faced by the Council meant a retraction to providing purely statutory services. However the conflict is that many of the services delivered by voluntary organisations provide high levels of prevention and deter and delay the use of more expensive and intensive statutory services. In the same way that the Council is investing capital money in renovating the Civic Centre so that it can be let out in future years and generate an income, this invest to save policy could be applied to a number of the proposed cuts.

A number of voluntary sector colleagues noted the Newcastle Fund investment (although the actual information on the outcome was not available until 19 December) and wondered about the relationship between this, the budget, Ward Committee funding and general contracts and grants. There is a review of the Newcastle Fund, and this needs to be looked at alongside these other resources as some organisations believed that the Newcastle Fund was being used to fund some initiatives that have been cut from the mainstream budget. Whilst it is clearly the right of the Council to decide how its funding is used, organisations would appreciate more clarity, openness and accountability on the process. The current review of the Newcastle Fund should include these points. The Council should be commended for still having a grants programme.

A further point raised by many organisations is that the impact assessment process related to separate proposals rather than groups and communities of interest. In particular concerns were voiced about (lack of services and support for) young people, people with learning disabilities and people who were isolated, and carers.

The voluntary sector is also facing the cost pressures noted by the Council – the increase in the National Living Wage in April onwards as well as the creeping impact of pension auto enrolment. Whilst recognising Council employees are already on and have access to a pension, this is not the case for all voluntary organisations. Clearly these additional cost pressures will be significant for many of our members – particularly those organisations that provide domiciliary care, residential care, and support to people. These services help people to live independently and maintain a good quality of life and the impact of welfare reforms on people with disabilities, the loss of the Independent Living Fund, and the reduction in services (NHS and local authority) could go over the tipping point and mean people end up in more expensive forms of care and support.

The proposals are written in a way to illustrate Council posts only – numbers and Full Time Equivalents, but they do not illustrate the job losses in the voluntary (and private) sector. Clearly a significant amount of the £2,710,000 cuts in continuing care and support for adults with complex or multiple needs – Proposal 5) is used to pay for support staff. The papers not only show no posts lost, they don't identify the costs of redeploying social care staff to undertake the 'dynamic reviews'.

Many of these cuts will result in the loss of posts in the voluntary and private sector, and this should be, at least acknowledged. As the City Council is discussing constructing a budget for the whole city in the future, all job creation and losses should be openly acknowledged; regardless in which part of the system they occur. Clearly Council job losses will incur potential redundancy costs for Newcastle City Council.

A number of voluntary sector representatives felt that they had lost touch with council officers and commissioners over the last few years, and there were insufficient forums where issues around service and impacts could be discussed. There was a loss of systematic on-going conversation and engagement with the Council. We understand the loss of capacity (as it has also affected the voluntary sector) but this needs to be actively addressed. Over the last few

years we have noted several examples of lost opportunities because of the Council's failure to engage and its lack of capacity. Clearly Brexit and Government behaviour mean that opportunities will come from differently places in the future. In the last year we have worked with Directors of Public Health in Newcastle and Gateshead in order to bring in additional and new money through the Well North initiative (Arts Council and Public Health England); more focus should be on looking at non-traditional resources rather than business rates and building new homes.

These are very difficult times for everyone, but we believe in the value of partnerships and on-going discussions. Voluntary sector investment is less likely to come through local government; there are more opportunities through Big Lottery funding, national trust and foundation funders, and other sources. Conversations should start earlier with thematic groups, not necessarily looking at specific cuts, but instead exploring what can be delivered together, and maybe differently, for Newcastle's communities. Instead of cutting funding for voluntary and community organisations we believe the Council should be working with us all to transform services.

Specific budget proposals

The following comments on the specific proposals, from a voluntary sector perspective, based on the discussions at meetings, and comments from representatives, providers and carers. It was difficult to comment on some of the proposals as they were in year two of a three year process, and there was minimal/no information from year one on their progress, problems, and outcomes. The language and phrasing made it difficult to understand what was happening.

1) IIA 1 Life Chances : Commissioning for Crisis Response and Homelessness Prevention

The issue of crisis response and homelessness is becoming more visible in Newcastle. Although we are constantly assured 'there is a bed for everyone who needs one', we have evidence from voluntary organisations that this is not necessarily the case. Whilst we recognise the major cause of this problem is the impact of Welfare Reforms, wage levels and access to decent jobs, we believe the Council should be more open about the impact of these proposals. The Homelessness Reduction Bill will put more duties on the Council to (rightly) provide accommodation to all single people who are homeless. Evidence illustrates that homeless people gravitate towards cities and places where there are already services. We can assume that Newcastle City Council will not be given sufficient resources by central Government to cope with this problem. We welcome that Shelter has opened a Newcastle office with an open facility in the last year (this is resourced through charitable funds and not City Council money).

All of the services within the current £3,894,680 net budget, are delivered by voluntary and private sector partners. The level of cuts (£1,015,000) proposed could have an impact on some of the providers' overall stability and sustainability. This is reduction of 24% of funding. It is a reduction of 130-135 beds; this figure does not appear in the budget proposals and we believe it should be part of the IIA.

We welcome the Active Inclusion offer and we promote the activities widely. The future of the Welfare Rights Service should be discussed openly as it has provided a strong policy framework and evidence base as well as support. Could this not be shared with other local councils?

The Council response seems to be based on constant recommissioning which involves providers in lots of bureaucracy and resources spent in responding to contracts on services that they currently provide. Many of these services are also bound up with accommodation, so if a provider loses a contract, they often have to close a space; that might have other impacts. This

is not reflected in the assessment. We agree the focus should be on people rather than 'beds', but providers need accommodation to support people; not everything can be ultra-flexible.

A number of these contracts are delivered through prime providers that sub-contract to small and medium-sized organisations, many of whom are CVS members. Some will not be able to manage a cut of 24%.

It would be helpful to discuss the two key projects on Life Chances with the voluntary sector. Although we have seen information about the causes of the issues, we have not been party to looking at solutions.

There could be more involvement with the Fulfilling Lives work as this project has now built up evidence and resources.

2) IIA 2 The Care and Protection of Children and Young People age 0-24 – Assessment and Intervention

Again it is difficult to see what is being proposed here; it appears to be the on-going remodelling of the social work service for children and young people and the removal of 11 FTE posts (4% of the workforce) saving £624,000.

It is difficult to comment on this proposal as we have no idea of the impact of the year one proposals.

Clearly support for children in need, at risk, and Looked After Children, is of the utmost priority; however we note the external audit of the (overall) Troubled Families Programme was non-conclusive and many authorities are looking at different approaches. The recommissioning of the Family Support programme in Newcastle took two years, a huge amount of resources, caused a lot of distress and resulted in minimal change. We would ask that this be considered before any future reviews are taken. Many voluntary organisations supply the high level of professional support needed by families in crisis at lower costs and in a more community-based and flexible approach than through statutory services.

3) IIA 3 The Care and Protection of Children and Young People Age 0-24 : A Safe Place to Live

The net saving proposed is for £1,090,000 with no job losses so the assumption is that all the savings / cuts will be made through paying lower charges to external providers. Again, minimal information is offered so it is hard to give a response.

We recognise the importance of providing an appropriate and comprehensive service for Looked After Children, and that in some cases these children and young people are best cared for within Newcastle; and in other circumstances, they should not be placed in Newcastle. However their area of placement should be based on their appropriate needs rather than costs. Again we see this as an area for fruitful discussions with neighbouring authorities and the use of selective commissioning.

There is still no explanation as why the number of Looked After Children in Newcastle is so high as compared to other similar authorities. It isn't clear yet what the impact of continuous Welfare Reforms and poverty will have on safeguarding and Looked After Children. Although 150 young people are identified as leaving care in the next three years, the increasing numbers of children and the increasing pressure and poverty in families could mean that more than 150 enter the Looked After category.

We welcome the development of a Regional Adoption Agency – we have proposed this for many years.

4) IIA 4 Care and Support for Adults – Early Intervention and Prevention

This is another proposal which is year two of a three year piece of work, but there is minimal information about the outcome of year one and what has happened as a result of key changes. We are aware that lunch clubs were recommissioned with a different provider, but we do not know about the numbers and outcomes for the new service. The savings identified are to £670,000 with the loss of two Council WTE jobs; so the majority of the cuts are to external providers and individual budgets.

We understand the reasons behind the shift to digital, but remain concerned about demand management and that people might be ‘falling through the net’. Have there been any noticeable changes in Safeguarding alerts? Our information from carers and voluntary organisations is as the resources are decreased, fewer people have access to services. We noted the Executive Director’s comments that until five years ago about 10,000 people had access to care, this is now 4,000 people; and at a time when the needs are growing. So what is happening to these 6,000 (plus) people – either their (unpaid) carer or a community / voluntary organisation provides support or care doesn’t happen. This is not meant to be critical of the Council, but of the system that allows this to happen.

A number of positive comments were made about the Reablement Service and that it enabled people to live with dignity and respect in their local community.

We remain frustrated by the integration with the NHS. People are not concerned which organisation (NHS or social care) supports them and there still seem to be huge amounts of money tied up in acute hospitals. In the long term it would be the overall system money, if the NHS invested in community-based social care and they should find the mechanism to do this.

We note the proposal to extend the dynamic review process to this group of people. Once again we would ask for the outcomes of the dynamic review process, which appears to be a large team of assessors, people being regularly assessed, and providers finding it difficult to cope with fluctuating workforce.

Carer organisations would like further discussions on the replacement of Carer’s Support Allocations

The proposal for charges for the Money Management Service is noted; it isn’t clear what would happen to those people who are unwilling to pay.

We note a reduction in service of £66,000 for Chain Reaction, which is delivered by the voluntary sector. Both lunch clubs and Chain Reaction supports older people who are isolated and the cuts in these services could result in longer term health and social care needs and demands, and impacts on their carers.

5) IIA 5 Continuing Care and Support for Adults – Complex or Multiple Needs

This proposal is identified to save £2,710,000 with no loss of (council) jobs. Given the size and scope of this area of work, it is not surprising it generated a number of conversations. A number of voluntary sector representatives indicated frustration at not being properly involved. They seemed only to have their views asked as providers rather than advocates of people with learning disabilities, people with the dementia, their carers and others. If different living models

are being proposed, then there needs to be a full and open discussion about this, and proper consultation with independent advocacy.

It was recognised that Newcastle City Council had been a keen supporter behind Independent Supported Living options, but some of the payment systems that had supported this approach had changed (e.g. the loss of the Independent Living Fund, Use of Housing Benefit etc). But the move seemed to be led by costs rather than choices and there had not been open and collective discussions in Newcastle.

Providers at the meetings recognised the importance of a range of living options based on choice and need, but were concerned about an underlying shift to residential care, on the basis of costs. Clearly residential care was an appropriate and preferred option for some people at some stages of their lives, however clearly not in all cases. References were also made to the problems experienced by residential care providers (many of whom were in the private sector), as identified by the UKHCA.

Clearly people should live in modern and appropriate accommodation, but it wasn't clear from the proposals what choices would be given to people of moving to the 'new purpose built residential care service'. If it is complementary/ supplementary- this was supported; if it was a no-option alternative, that was another matter.

Support was given to the two new extra care facilities for people with dementia, but it wasn't clear how / where Byker Lodge fitted into these proposals.

If these two new services (for people with a learning disability/ autism and dementia facilities) are aiming to save £1million, where does that actually come from?

Again there is no information on how the 'dynamic reviews' are working in practice and how this regular reassessment will save £1,570,000. Providers say this is hard to manage from workforce perspectives, and people are "*always reassessed to need less support not more, but our experience is that as many people are getting older they need more support*".

6) IIA 6 Commercial Property Portfolio

We would support this approach and have noted the improved offer at the Grainger Market. Possibly footfall could increase if some cultural activities were introduced as part of the Great North Exhibition

7) IIA 7 Communities Team

The Communities Team have been through several major changes and Newcastle CVS has engaged with the new team in order to reduce duplication. The reductions in central funding means the team has to raise funding from elsewhere. This now means it competes against voluntary organisations e.g. the provision of the Independent Tenants Voice service and is providing other services e.g. communications support on traffic management.

Our involvement with Communities Team members has identified how stretched they have become – many are covering several wards and themes, whilst four years ago, they might have covered one ward. We are not convinced the single Ward meeting approach is viable. As community facility budgets have gone, and the Newcastle Fund has been transferred to the Commissioning Unit, the nature of the work has changed dramatically. The asset transfer of community buildings has been slower than predicted, and we believe a different approach should now be pursued. Nearly all the organisations that wished to, and were able to, directly manage their asset have done so; and clearly, this process is now reaching its natural end. All

other community buildings, assets- council and otherwise, should be viewed as a single 'one estate' approach, and active conversations started on rationalisation.

We note the 11% cut in ward budgets and wonder if the process for agreeing relatively small amounts could be managed differently, whilst still giving ward members an active role.

8) IIA 8 Leisure Centres – Kenton Park and Newburn

A number of people with disabilities use Newburn Activity Centre, as specialist equipment is held here. Could the Council offer HR support to both sets of trustees? Can support be given to them to help them apply for funding from other sources? Does the NHS pay towards any of the facilities or activities here? Without knowing the details of the Business Plans, who helped produce them, and their viability, it is very difficult to comment on the proposal to remove all the funding (£216,890) without the assurance that there are robust Business Plans in place and good governance to implement them.

The document notes that both NAC and KPCA will have produced plans by October 2016, if these are not in place or are not sufficiently robust, what will happen? Are there alternative proposals in place? Closure of these facilities could have a major impact on health and wellbeing.

9) IIA 9 Baltic 39

We would support the exploration of different ownership and management models. This could be seen as part of a different approach in using city centre buildings as a hub for supporting creative and community organisations e.g. Broadacre House, Bamburgh House / Breeze, Norwich Union House, some of the shop fronts in East Pilgrim Street and New Bridge Street.

10) IIA 10 Tyne and Wear Archives and Museums

We recognise the value and contribution of TWAM. We support venues being designated as Safe places, contribute to the City of Sanctuary, Wellbeing Programme, Platinum Programme, Rich Recovery Programme, and contributions to community satellite programmes. We note the proposed changes in governance and the creation of a Trading Company. We welcome TWAM as a CVS associate member and look forwards to working closer with it in the future.

11) IIA 11 Local Services and Waste Management

This proposal aims to save £1,658,000 and cut 28 WTE council posts. The changes in the domestic waste collection and street-cleaning have been visible and obvious cuts in services. Whilst the domestic waste collection changes might have been rational, there have been internal workforce issues. Of greater concern to many people the reduction in street-cleaning means a dirtier city, leaves and rubbish not being removed from residential areas, and the potential of this mulch causing trip hazards, accidents and drain-blockage. Of even greater irritation, is that much of this is unnecessary as it is self-made and is a result of a 'throwaway society'. Clearly any increase in reduction of waste at source should be welcomed, and also any increased recycling e.g. plastic containers currently not recycled. There has been good enforcement and communication, but clearly some traders are bypassing paid for services, and dumping their trade waste. It isn't clear if the high numbers of rented accommodation in parts of the city also contribute to the problem. The increase in the number of food and drink retailers, particularly the sale of coffee also contributes to the problem – could there be greater commuted sums for cleaning and waste disposal for drink and food outlets? Is there any learning from other core cities?

12) IIA 12 School Crossing Patrols

Options for light-controlled crossings should be considered wherever appropriate.

13) IIA 13 Public Safety and Regulation

No comment

14) IIA 14 Economic Development – Newcastle Gateshead Initiative and Newcastle Futures

NGI has had a significant role in attracting the Great North Exhibition to Newcastle Gateshead, and a number of activities into the area, often with jobs attached. Any loss of funding needs to be balanced against jobs created.

The Council support to Newcastle Futures would be reduced by £100,000 to £160,000. The work done by Newcastle Futures is important in addressing the NEETS issue identified by Newcastle 2020. Should Newcastle Futures be an independent organisation and be able to attract funding from elsewhere? Newcastle Future engages in voluntary sector activities and is important in getting residents into work. Does this further cut of £100,000 have an impact on its overall sustainability and viability.

15) IIA 15 Council Tax and Social Care Precept

This is the proposal to increase the Council Tax by 1.949% in base and introduce the 2% social care precept to make a 3.949% increase in total. We assume this now a 3% increase in the social care precept, given the mid-December announcement by the Government on Social Care.

We do not object to this proposal but believe there should have been an increase in Council Tax, every year since 2011 (as set out in our previous responses), except for the years when the Council would have been penalised for this. We recognise the low Council Tax base. We believe the social care precept is inadequate when compared to actual social care needs; and basically it means those poorer communities, which are likely to have higher social care needs, must pay more. We remain concerned about those residents previously covered by transition but now paying Council Tax, particularly those who are already in arrears.

However we object to the way that charity Business Rates are taken out directly from grants and contracts in a way that causes difficulties for our auditors and does not let us manage our payments. We appreciate that the Council does not want to invest in organisations that don't pay their Business Rates promptly, but the current mechanism should be reviewed.

16) IIA16 Health Improvements for Ethnic Minorities and Migrant Communities

This approach seems sensible as long there is support from the NHS. Thought needs to be given as to the short/ medium term impact on individuals and families. We would welcome the new services being delivered by community-based, local voluntary sector providers. We note NCVS is mentioned as a possible consultee, but no approach has been made to us.

Concluding comments

The scale of these reductions of £30 million next year, on top of the £221 million in the last six years, with a likely £40 million in 2018 - 2020 has never been experienced before by those of us who live and / or work in Newcastle. We are deeply concerned about the cumulative impact of all of these proposals on the citizens of Newcastle, in particular the most vulnerable residents

and communities (whether of identity, interest or geography). We have tried to provide a summary of the comments that have been made by our members and put them in an overall context, in relation to how the budget proposals have been presented. However we recognise that many of these issues are related and will have impacts on each other. The size and scale of public spending cuts, together with Welfare Reforms are having a massive negative impact on many communities, local businesses, the economy and could lead to a downward spiral. Whilst at the same time we recognise the ambition in Newcastle as a city in which to invest.

However we believe the inevitable focus on the cuts of this magnitude has meant that opportunities have been lost to transform some services and work in partnership. Opportunities still exist and many voluntary organisations would welcome discussions with council officers in order to minimise impacts on our city's residents. We have already seen many imaginative approaches to retain services for people, and believe these should be further enhanced. We also believe others, such as the Newcastle Hospitals NHS Trust, could use some of their resources to help support our most vulnerable citizens through these difficult times.

Although the budget cuts proposed are not to statutory services, a number of the services offer some form of prevention, often helping people to maintain independence and stay in their own home in the community. A number contribute towards improving health and wellbeing and challenging loneliness and isolation. There are genuine concerns that the loss of some of these services could not just impact on the people who use them and their carers, but might also result in greater demands on statutory health and social care services and actually cause an increase in costs, not a reduction.

The voluntary sector has experienced a period of massive change - the loss of significant government grants, the push to larger contracts, the drop in donations, the contraction of grant-making trusts, the promotion of social investment, and the changes in the NHS have made the sector itself more vulnerable. This is at a time when we are being asked to take on more (unpaid) work and more clients, users and carers are being sign-posted to us. We believe the voluntary and community sector has a number of resources which we are willing to share, but we want to be treated as a serious partner to help get us all through the next three years ahead.

Yours sincerely

Sally

Sally Young
Chief Executive

CC All NCC Cabinet members
All NCC Executive Directors
Rachel Baillie
Helen Dickinson

Newcastle City Council Budget Consultation meeting with VCS 14-12-16

Newcastle CVS hosted at the Discovery Museum on 14 December a consultation session for VCS organisations about the Council's budget 2017-18 proposals. The meeting was attended by thirty people representing a broad variety of VCS organisations. A presentation on the proposals was given by Tony Kirkham, Director of Resources and Rachel Baillie, Assistant Director of Commissioning and inclusion.

The Discovery Museum consultation followed on from a pre-budget briefing session in September with the Director of Resources with an invited selection of voluntary sector Chief Officers / managers.

The presentation given at the Discovery Museum consultation is included with this submission. Following the presentation the meeting opened for questions and comments.

A number of themes emerged during the Q&A session, which are set out below.

Working systematically: it was clear that the council is seeking to work in a more systematic way, reducing any duplication and providing clear pathways to services, working efficiently with other partners, such as Newcastle Gateshead CCG.

While a more systematic approach was welcomed there was concern expressed about implicit assumptions in the council's model that voluntary sector organisations would be able to pick up any slack in the system, finding resources from other sources, presumably grant making trusts, Big Lottery or social investment.

Although there are current examples of voluntary sector led initiatives e.g. Fulfilling Lives, Ways to Wellness and Well Newcastle Gateshead bringing resources into the neighbouring local authorities, none have been explicitly referenced in the council budget papers or presentation.

This is disappointing because it undermines the council's message of working cooperatively and more explicitly the keenness expressed in the Commissioning and Procurement Plan 2016/17 - 2019/20 to seek opportunities for '*true co-production where it is viable and appropriate*' despite the challenges it presents.

A significant number of organisations in Newcastle's voluntary sector seek opportunities for co-production and partnership working. The Blue Stone Consortium is one result of the commitment within the voluntary sector to work in different ways to deliver a transformational approach to services. For the council to achieve its ambitions stated in both the Budget papers and the Commissioning and Procurement Plan we believe the structures for a more dynamic and transparent relationship needs to be established. Building on the recommendations of the VCS2020 reports would give a basis for that work.

A point was made about the experience of carers and those they care for. Newcastle Carers had organised a session with carers they support about the Budget proposals. Concerns were raised about the system to support carers declining and the lack of reference in the Budget papers about impact of the carers support allocation.

Another concern about the council approach to systematic working is the current proliferation of overlapping delivery footprints that involve the council and its services, both directly and indirectly. Various these include the city council footprint, the emerging North of Tyne Devolution area, health and social care services delivering across Newcastle and Gateshead. It

is unclear how these different delivery footprints will work together and which will take precedence over others. While the meeting was informed that any future devolution arrangements are 'ours' for designing and that health and social care integration is a live topic which will should answer some of these questions the council needs to provide much clearer messages and engage in broader dialogue with the sector as planning and delivery systems become more complex.

The limits of current services were highlighted. Personal experience of the reablement services was used as an example of a well resourced, person-centred service, where staff are positive and ensure users needs are quickly met. While recognising the particular nature of this service, the question posed is why cannot the attitude and positivity of the reablement services be carried through to other health and social care services?

In comparing these budget proposals with the 2015/16 budget it was unclear which of the proposals made for 2015/16 had been effective. What money has been saved; what has been the impact; how do services work together? For example the proposed closure of Byker Lodge was part of last year's proposals but continues to operate; what happens in 2017/18? The point was made that any changes to services should involve users, carers and relevant voluntary organisations. It is unclear the extent to which these stakeholders have been involved in any proposed service changes.

There are concerns about the council retracting from its commitment to independent living for people with learning disabilities being maintained and reverting back to residential care homes. Many voluntary organisations working in social care would see this as a retrograde step going against any commitment to independent living and once again it is emphasised that open and timely dialogue needs to take place, with all stakeholders ahead of any change.

While accepting the resource challenges the council is facing with new provisions contained in the Homelessness Reduction Bill there is a lack of detail in the pre-consolation document that makes it had to judge what is happening on the ground.

Increasing levels of adoption by employers of the Living Wage before the introduction of the National Living Wage was a welcome sign of both valuing employees and the work they do and addressing the scourge of poverty wages. However the National Living Wage has increased cost pressures for voluntary sector organisations as much as it has the council and other public sector employers. Further, there is the National Living Wage but also the Accredited Living Wage set by the Living Wage Foundation, which is set at a higher level than the National Living Wage.

It is unclear from the budget papers and public comments made by senior council staff what the council's position is on these two Living Wage levels and whether voluntary organisation that choose to pay staff the accredited Living Wage will be penalised on price within a tendering exercise. We acknowledge the lead the council has taken on the Living Wage but it is clear to voluntary sector organisations, in particular those competing for contracts for public service delivery, that clarification from the council on this point it required.