

To: **Council Members and Senior Officers (December 2008)**  
Re: **Savings Programme**

This letter is written on behalf of the Third Sector Partnership (of voluntary organisations) in order to bring to the attention of Members a number of serious concerns, from the voluntary sector, with regard to the savings programme under consideration. These concerns can be summarised as follows:

**Proportionality:** The savings being proposed from voluntary sector grants are significantly disproportionate to the percentage of Council funding that they make up. For example; the grants programme makes up some 1.3% of the Councils budget but it is proposed that the savings from this programme will be 3.3% of the total required savings in year one. Other comparisons paint a similar picture and it would appear that the voluntary sector is being asked to bear a hugely disproportionate burden of the savings identified. Shadow Cabinet Minister Francis Maude, speaking last month said: “cutting grants to voluntary organisations allows public sector authorities to avoid tackling their own problems” – the Third Sector Partnership are concerned that these proposals are an example of this.

**Value for Money:** Voluntary organisations can offer excellent value for money and bring additional resources into the City; for example the £3.6M programme from which these cuts are proposed, generated total income in excess of £14M in 2006/07. Cuts to this budget risk having a significant knock on effect, reducing by as much as fourfold the resources available for the voluntary sector to deliver Council priorities and support vulnerable and disadvantaged people in the City. A lack of any apparent impact assessment with regard to proposed cuts to voluntary sector grants is a further cause for concern

**Lack of consultation:** The voluntary sector values the focus on partnership working for which Wolverhampton is renowned and rightly proud. Our Compact won a commendation for partnership working last year and was runner up in the Compact of the year award this year. The process for developing the savings programme appears to be completely at odds with the Compact principles on consultation, to which the Council is a key signatory. We are aware of no consultation having taken place with any third sector representatives.

**Equalities Impact Assessment:** The voluntary sector plays a key role in tackling inequality and developing community cohesion. We are not aware of any equalities impact assessment having taken place and are mindful that doing so may further influence the levels of proposed cuts faced by the sector. We are aware from other areas of the country that carrying out retrospective equalities impact assessments can be a costly exercise.

The Third Sector Partnership fully accepts the needs for savings to be made and for the burden to be shared, but feel strongly that the issues outlined here should be given full consideration. We would be pleased to meet with members to discuss these issues in more detail and would be keen to play a full part in further discussions and consultations regarding the difficult issues that we now face as a City.

Ian Darch on behalf of the Third Sector Partnership.

02/12/08