



SOUTH BELFAST
PARTNERSHIP BOARD

Budget Consultation
S1, New Building
Rathgael House
Balloo Road
BANGOR
BT19 7NA

To whom it may concern,

Response to Draft Budget Consultation December 2014

I am writing on behalf of the South Belfast Partnership Board – a Board which brings together all sectors – community, statutory, political and private – to tackle in partnership, the economic, social and environmental problems which affect people in the most disadvantaged areas of South Belfast.

South Belfast Partnership Board acknowledges the need to work collaboratively and the need for budgetary planning within such a tight fiscal climate. We are however very concerned at the reduction in budgets and the process applied to these cuts. We would suggest that the draft budget is used as an opportunity to create a transformational budget – one where Departments could benefit communities and their services through a more strategic and joined up approach leading to solid outcomes rather than the promotion of planning in silos. SBPB would like to see a proper thought-through process to the business of budgetary planning. Government would also benefit from working constructively with the many stakeholders to ensure that any reductions are considered within the context of Community and Area based planning so as not to adversely impact on services and communities.

General Comments

Timescale of Plan

SBPB consider the draft plan timescale of 1 year unhelpful, unrealistic and one which reinforces to short term thinking. It does not allow for a proper budgetary planning cycle and will leave public, private and community/ voluntary sectors in the same situation one year from now when approaching the Comprehensive Spending Review.

Equality Impact

Given that the draft budget plan represents strategic direction at a high level, SBPB considers that it will not be possible to truly appreciate nor measure the full equality impact of these proposed cuts at citizen level.

Workforce restructuring

It is strongly felt that this is not a viable proposition within the 1 year timescale and cannot realise any savings. There is a disparity and inequality within this proposal as public sector

services and workers will have use of the 1 year to wind down services and negotiate voluntary packages. This will allow some planning/ reorganisation of services at community level.

The loss of service at community/ voluntary will however be felt more keenly. It will be both immediate in terms of loss of service and in the lack of remuneration packages to the many jobs which are the backbones of communities.

Asset Sale

SBPB considers the budget proposal for disposal/ privatisation of community assets would be best addressed to the whole community delivered via a referendum for comment.

We consider that cognisance should be paid to the Community/ Area/ planning process which will rely on the use of buildings to deliver services in a measured fashion. Again it illustrates the need for a joined up and considered approach at Government level.

A further risk is identified under the Social Housing Reform programme whereby there is a suggestion to dispose of NIHE housing stock. This would adversely impact on areas of greater need and disadvantage. SBPB however consider that within this heading there is potential for opportunities to be created which will offer collaborative and innovative ways to deliver projects which generate income for closely related services.

SBPB would suggest that there is greater clarity, scrutiny and evidence applied to the departments whose budgets have been protected. It is the view that perhaps if more time was applied, better reorganisation of the budget lines could be achieved.

SBPB welcomes the concept of the Change Fund and Investment Fund. Whilst the concept is fine, it is felt that this financial year is neither the time nor place for ring fencing of £42m and that such financial investment would be better served within the Comprehensive Spending Review.

Welfare Reform

£70m for mitigation or Welfare Reform has been identified. The citizen is not fully aware of the details of this package (outside of letter to Church leaders 20.10.14). SBPB would question if the details as outlined in that letter provide the most tangible benefits to affected parties? A greater transparency around the impact on clients would be welcome.

- The loss of collaboration and innovation fund.
- The Community Family Support Programme. The loss of these two particular programmes are significant as they were tackling systemic and inter generational issues. SBPB would strongly recommend that these programmes are reinstated.

SBPB would further wish to comment and highlight the cumulative impact of various departmental cuts to organisations and communities who rely on them. For example:

- Department of Education cuts to Sure Start and school budgets
- Department of Social Development cuts to Neighbourhood Renewal
- Department of Employment and Learning cuts to higher education and ESF funds
- Department of Environment cuts to councils and community development

Department of Social Development:

The Department is summarised as “together tackling disadvantage, building communities”. Within South Belfast there are 2 Neighbourhood Renewal Areas, South West Neighbourhood and Inner South Neighbourhood. Alongside the 2 ‘disadvantaged areas’ there are a further number of ‘at risk’ areas which require support and engagement to enable those residents to contribute to the social, economic and physical development of their area. SBPB would also highlight inclusion of Belvoir and Milltown as an outworking Local Government Reform. These communities require careful support and transitioning work which in turn requires resourcing.

SBPB through its funding provides 3 full time posts with a further 3 additional posts created through leverage. This has enabled the residents and communities of South Belfast (total of 68,807) to have a strategic body connecting, negotiating and leveraging funds to promote social, economic, cultural, physical and education regeneration.

Through this investment, SBPB operates and delivers a Community Support Group service which represents and speaks on behalf of 132 community groups. This is currently feeding into and shaping the Community Planning Process. The South Belfast Economic Forum represents a partnership between the private/ public/ community/ voluntary sectors. It is managed by SBPB and chaired by Phoenix Gas’ Peter Dixon and has brought depth, focus and purpose to the business of coordinating training and skills into jobs within the growth industries. The recent promotion of Digital South which is driven by the SBPB has allowed 32 private sector companies to engage with education and young people to develop and service the pipeline activities for the industry. It has further developed and improved the career guidance information to 9 post primary, 22 primary schools in South Belfast.

The Health Forum, again managed and delivered by SBPB facilitates the activities of 20 groups to coordinate services within health and well being and reduce risk of duplication. It also provides a forum to scrutinise, prioritise and support thematic areas of work. The Partnership manages the development fund contract which ensures a strategic model for service delivery for and to the wider communities of South Belfast in a cost effective manner.

Neighbourhood Renewal Programme

The DSD Draft Budget Consultation document sets out the Department’s initial assessment of the impact of the NI Executive’s Draft Budget on the DSD’s spending for the year 2015 – 2016 along with details of DSD’s saving proposals. In relation to proposed Urban Regeneration expenditure the Consultation documents states, ‘Cuts in Urban Regeneration will impact a range of funded programmes and posts. As one of the largest areas of funding is Neighbourhood Renewal, it is here where there is most likely to be the most significant impact. It is anticipated that this funding will reduce by £2.5m.’ Annex A of the consultation document indicates an anticipated decrease in Urban Regeneration/ Community Development expenditure, which covers much more than just Neighbourhood Renewal, from a baseline figure of £55m in 2014 – 2015 in 2015 – 2016. From the figures provided in the Draft Budget Consultation document, it is not possible to determine, in percentage terms, the proposed reduction in Northern Ireland Neighbourhood Renewal funding between 2014 – 2015 and 2015 – 2016.

In relation to Neighbourhood Renewal, SBPB would highlight the following for consideration:

- NR funded organisations have already suffered funding cuts over the last number of years resulting in a lack of wage increments, funding increases, rising energy costs,

reduction of hours. The community sector does not enjoy the same terms and conditions as the statutory sector. As indicated earlier, the budget cuts will be more immediate to workers and services within this sector and to the locality.

Inner South Belfast Neighbourhood Renewal Partnership

- That NR funding provides essential front line services in the most deprived areas of Inner South Belfast, as well as providing the strategic leadership necessary to bring about the economic regeneration of the area. For instance, the fourteen DSD funded posts in Inner South have enabled the creation of a further forty-six jobs through both self-generated finance and securing the support of other funding bodies. For the approximately £486,313 of DSD funding for fourteen posts in the Inner South NE area approximately £1,220,917 has been secured from other funders and self-generated through various social enterprises. For example, of the £100,867 provided to LORAG to fund three full-time positions a further massive social and economic return from other funders and £172,010 has been self-generated. The massive social and economic return for the relatively small levels of DSD investment needs to be taken into consideration, as well as wider impact any cuts will have on the large number of families and individuals availing of the services provided.
- The current levels of NR renewal funding are essential in order to meet key strategic objectives in the Inner South NR area. This funding will provide space necessary for the completion of a number of projects which will have a major social and economic impact on the city. For instance, the £73,053 of DSD funding for three posts in the MDA has allowed that organisation to secure a further £147,961 for the regeneration of the area. The impending start of the MDA's flagship Tunnels Project, which has secured funding at both Council and Assembly level (£1.4 million), will witness the creation of a major economic driver in the area.
- According to the Mid-term Review Report for Neighbourhood Renewal (2011), expenditure from the Neighbourhood Renewal Investment Fund in the 36 areas between 2003/04 and 2008/09 totalled to £91m – or just over £15m per year. This amount is small in the context of the overall Government Budget, but yet its impact is huge and significantly greater than the 'sum of its parts'. The social return on this investment is enormous.

South West Belfast Funding Cuts

South West Belfast Neighbourhood renewal budget reduction for the period 2015 – 2016 would follow on the tail of DSD's non-funding of salary increment increases and running cost inflation increase for the current financial year.

A loss of Neighbourhood Renewal funding would damage the capacity of SWBNP and local Delivery Partners to implement the wide range of activities intended to secure the Outputs and Outcomes of the Action plan 2015 – 2017. Cuts to other DSD funded programmes would also negatively impact on local communities. In practical terms, a loss of funding will mean reduced support for some of the most vulnerable people in South West Belfast.

Local community groups provide an invaluable vehicle for enabling neighbourhood residents to lead and participate in efforts to improve their communities. Reductions in funding that is available to improve resident capacity in this respect and to support community groups will undermine the foundation on which much of Neighbourhood Renewal progress is based.

In relation to the Draft Budget proposals for DSD funding of Women's Centre Childcare Fund and voluntary advice services, SWBNP welcomes the decision to continue support during the period 2015 – 2016. It is, however, deeply concerned that adequate funding will not be made available in subsequent years to prevent the shortage of childcare places in South West Belfast increasing and the needs of the poorest members of communities not being met as a result of a reduction of local advice services. It should be noted here that throughout South Belfast the local advice services have generated and contributed in the region of £1,311,920 back into the local area.

Indirect Service Delivery Impact of DSD Cuts

A number of services are funded from other sources and are reliant on Neighbourhood Renewal or other DSD supported initiatives remaining in place for their continued operation. Such services include a senior citizen's club and drop-in centre that is non-DSD funded but that is threatened with closure in the event of substantial reductions in Neighbourhood Renewal funding.

The impact of significant DSD funding reductions can, potentially, be even more extensive. The loss DSD funding for management, co-ordination and administration posts will potentially threaten organisation sustainability. This can put at risk a range of projects and programmes funded from non-DSD sources.

Other Departmental Cuts

DSD budget change proposals will be accompanied by potential budget cuts from other Government departments. It is incumbent on DSD, with its focus on social welfare, to make strident efforts to mitigate the impact of other department budget reductions on vulnerable residents.

Job Losses

The first priority of SWBNP is to ensure the continued delivery of locally based services to meet local community needs. However, potential job losses arising out of possible Neighbourhood Renewal budget reductions must also be a concern.

Across the five South West Belfast Neighbourhood Renewal Delivery Partners and the Contract Administrator, Neighbourhood Renewal funding sustains eighteen full-time (16 and above hours per week) and one part-time post. Of these nineteen posts, all but three full posts and a quarter of another post are not frontline delivery. Furthermore, ten (53 percent) of the current post-holders live in the South West Belfast Neighbourhood Renewal Area which had, in 2011, a population of 6,369 residents.

Additional Financial Burdens

The implementation of the Neighbourhood Renewal funding reductions generates the potential for staff redundancies. Redundancy payments represent an additional burden that will fall on service delivery groups as employers. Those groups that have the resources to meet these costs will be drained of money that should be used to support local communities. In situations where groups cannot meet this financial obligation, responsibility may become a cost for Government.

The proposed Neighbourhood Renewal funding cuts may impact on the financial resources available to cover a range of organisation and project running costs. To this will be added the burden of rising prices which will reduce the purchasing power of service delivery groups.

Neighbourhood Renewal Budget Decision Making

Responses from groups and organisations to the DSD Draft Budget consultation are to be submitted by 29th December 2014. DSD must take accounts of submissions and prepare and secure agreement on a final budget within a narrow window of time before 31st March 2015. As employers, this scenario poses difficulties for South West Belfast Delivery Partners. The potential for staff redundancies, should cuts be imposed, generates employer responsibilities to provide employee notice in the New Year. The uncertainty created undermines staff morale and can result in the premature loss of experienced and valuable workers.

Section 48 and 49 of the Draft Budget Consultation document indicates clearly that DSD will be responsible for determining the allocation of the Neighbourhood Renewal budget. While Neighbourhood Partnerships and Delivery Partners have an opportunity to respond to the Draft Budget Consultation document, it would have been more consistent with the principle of partnership working if those groups working on the frontline line had been permitted a greater role in the local Neighbourhood Renewal Budget decision-making process.

Targeting Community Based Organisations

The proposal, set out in Section 49 of the Draft Budget Consultation document, that community based organisations should specifically be targeted for reductions in support is particularly disturbing. We believe that SWBNP has been and remains highly effective, efficient and economical in performing its role. In terms of effectiveness, SWBNP ensures the delivery of neighbourhood programmes and projects that are firmly based on an analysis and prioritisation of local neighbourhood needs. This can be seen from the SWBNP document, *South West Belfast Neighbourhood Renewal. Review of Community Needs and Neighbourhood Renewal Action Plan April 2015 to March 2017*. The efficiency of SWBNP in facilitating the implementation of the Neighbourhood Renewal Programme in South West Belfast is indicated by the very positive progress made in terms of the delivery of Action Plan Outputs and Outcomes across the six Strategic Themes. The latest progress in this respect is set out in the SWBNP Annual Report 2013 to 2014 which is available on the DSD website.

SWBNP and Economy

The collaborative nature of the SWBNP Neighbourhood Renewal funding bid and programme should be highlighted as it has enabled significant cost reductions to be made. Such savings are product of:

- Delivery of the specific services across a number of South West Belfast neighbourhoods instead of service duplication within a number of neighbourhoods.
- Delivery of management and administration services by a Contract Administrator on behalf of five local delivery partners. In respect to the SWBNP budget, one full-time Finance Manager and one part time Finance Assistant carry out Neighbourhood Renewal related financial management and administration for the five delivery partners. In addition, part of the role of the Greater Village Regeneration Trust Director is SWBNP Neighbourhood Renewal contract management on behalf of the five groups.

- Reduced overhead costs linked to the delivery of management and administration services by a Contract Administrator on behalf of five delivery partners.
- DSD having to only deal with one Contract Administrator acting on behalf of five Neighbourhood Renewal funded organisations.

It has been identified that, in relation to South West Belfast, the average frontline service/support costs split changed from 66 percent/ 34 percent in the period up to March 2012 to an anticipated split, post March 2012, of 77.5 percent/ 22.5 percent. Such as redistribution enabled an increased focus on frontline delivery and the pursuit and achievement of additional Neighbourhood Renewal Outcomes. The collaborative approach employed by SWBNP also offers the potential for additional future cost savings e.g. through joint procurement.

The concerns with the impending budget are summarised as follows:

- The cumulative impact of various department cuts to organisations that depend on a range of funding sources.
- Within some of the most deprived areas in the city, any further reduction in the NR budget will have an adverse effect on these communities and will lead to greater levels of social dislocation, which will take a greater level of investment to resolve at a later date.
- Significant uncertainty surrounds the budget and what will be agreed on. Most NR organisations are funded until March 2015 only, and certainty is needed to safeguard jobs and ensure that essential services will continue to be delivered.
- If budget cuts are imposed, then there is grave concern that community organisations will have little say in how they are to be made. Community organisations are much better placed to attempt to find cost savings than have budget cut stipulations thrust upon them.
- With the delay in transfer of Urban Regeneration power to BCC, organisations are left in limbo with regards to match funding for ESF funds.

Measures to be considered

- Clarification is needed with respect to cuts proposed for urban regeneration. On p. 14 of the Budget Proposal Document it is stated that cuts to neighbourhood renewal are likely to have the most significant impact. It is unclear whether the suppression and reduction of posts within the Department includes posts funded in community organisations. A £2.5m million reduction in urban regeneration/community development funding represents an approx. 4.5% reduction from 2014-2015 funding and whilst any funding will have a great impact, it is unclear whether it is this reduction alone which leads the document to refer to 'most significant impact'.
- At the very least, NR funding should be maintained at existing levels. An increase is very much required and justified, but we are cognisant of budget pressures and feel an acceptable, although regrettable compromise, would be to maintain existing funding as is.
- We understand that the draft Government Budget is predicated on a carry forward of the five key Programme for Government (PfG) priorities. Amongst the priorities most relevant to NR is that of Priority 2: 'Creating Opportunities, Tackling Disadvantage and Improving Health and Well-Being'. The Draft DSD Budget document indicates that Urban Regeneration/Community Development expenditure is potentially facing cuts of

£2.5 million. This should be reversed and ring fenced. Core NR funding is the life line that many forums, networks, services, and partnerships depend on in order to make a difference and improve the lives of people who are amongst the most vulnerable in society.

- There needs to be a commitment from DSD, through BRO and/or Councils to match fund ESF projects, otherwise vital services which make a huge difference to vulnerable people will be forced to close.
- Funding for BSC should be redirected back to the core budget for urban regeneration/community development.
- £10m in capital funding proposed to be allocated towards housing co-ownership should be reviewed.

Department of Employment & Learning:

The vision for the DEL is 'a dynamic, innovative and sustainable economy where everyone achieves his or her own potential'. Its aim is "to promote learning and skills, to prepare young people for work and to support the economy".

In considering its response to proposed budgetary cuts, SBPB must state that it would appear that in reducing the funding towards Further and Higher Education, the Government is disinvesting in one of its finest assets which is its young people. This will have severe consequences on the future economy and of the region and contradicts the increase in budget to DETI.

Higher Education: Student Places

As part of the Winter Graduation over 2000 students graduated at QUB. This is only a fraction of the 8000 highly qualified graduates produced each year, 80% of whom stay in Northern Ireland. It is recognised that Northern Ireland has the second fastest growing regional knowledge economy in the UK. Higher Education is central to this and is Northern Ireland's number 1 selling point in attracting foreign investment and jobs.

QUB makes a vital contribution to the educational, cultural and economic success of South Belfast and indeed the city. Locally students contribute an annual net spend of £380m. In addition to the economic impact over 16,000 students volunteer in a wide range of activities with 100 student volunteers supporting after school activities.

76 contractors from South Belfast have won contracts with the University this calendar year and over the past 25 years Knowledge Exchange Partnerships have been formed with 33 companies.

The impact of the cuts will have potentially devastating consequences for South Belfast; Queen's University will be forced to reduce student intake by approximately 500 places, starting in September 2015. The knock on effect in terms of producing high quality graduates that attract foreign direct investment will be devastating.

ESF Funding

- With the delay in transfer of urban regeneration powers to Belfast City Council, organisations are being left in limbo with regards to match funding for ESF funds.

Department of Education NI:

The Department of Education's vision is for "an education system that is recognised internationally for the quality of its teaching and learning and for the achievement of its young people, and of an education service that has at its centre a focus on the needs of children and young people".

The impact of the draft DE budget will have serious and longstanding consequences which will result in:

- Fewer teachers and support staff.
- Larger class sizes in schools.
- A reduction in schools in special needs support and for other children with learning difficulties.
- A reduction in support to newcomer children. South Belfast is proud of its multicultural and diverse population. Many of our schools have strategies to support and respond quickly to the needs of newcomer children and their families.
- It will damage the education prospects of children and impact adversely on social/ community regeneration.
- It disinvests in young people from birth upwards.
- It will reduce and devastate funding to an already stretched early years South Belfast Sure Start by a potential £82,000. The relationship between early years investment and educational outcomes, especially in disadvantaged backgrounds must be acknowledged.
- It will reduce the ability to deliver successful CEIP programmes which have been targeted at need and provide support to young people in disadvantaged areas to increase their academic qualifications from grade D – C, transition from primary to secondary, support work with families to empower parents and after school activities.
- Youth service budget – SBPB would highlight the imbalance between the community and statutory provision and the potential for an adverse impact on young people.
- We would like to highlight the risk around the CRED budget in the context of legacy issues, the new emerging Belfast and its communities of interest.

Department of Culture, Arts & Leisure

DCAL is dedicated to fully harnessing the transformative power of culture, arts and leisure to deliver wider social and economic change.

In delivering its mission, DCAL has contributed to tackling the health inequalities of those most disadvantaged through the support and delivery of an Active Coaching Programme. This is a very powerful delivery mechanism at community/ school level for promoting healthy choices and physical activity. The loss of funding from within the DE budget and impact on the curriculum is further compounded through the loss of funding to this DCAL programme which allows young people to engage in health promoting and sporting programmes irrespective of their academic ability.

Digital South is a focus on brokering the needs for the creative industries and digital sector to young people both in and out of school. It aims to develop and service the pipeline skills, training and opportunities for our young. The diminution of 50% of funding to one of our creative partners and promoters to our local creative learning centre – Nerve Centre will have a devastating effect on this activity. It should be noted that training for the creative industries –

animation, graphics, moving images and art are delivered to teachers within this centre outside of school hours. This action will further compound the difficulties experienced for young people in school and reduce their creative and economic opportunities in what has to be one of the region's most recent and singular success stories.

South Belfast Partnership would also suggest that a country which invests in its arts and culture invests in the heart and soul of its citizens. There is clear evidence and linkage between the mental, physical and emotional health and well being of communities and citizens who are connected and linked into social and cultural activities. With the reduction to the arts sector budget this will limit opportunities for community members – in particular older and vulnerable members to socialise and integrate. It contradicts the social prescribing agenda and the Transforming Your Care which relies on the capacity, support and infrastructure at community level.

Department of Enterprise, Trade & Investment: Budget Increase

Whilst SBPB welcomes protection and increase, the removal of events and tourism innovation is of particular significance to South Belfast in our pursuit of economic regeneration.

SBPB would draw attention to the anomaly of increase budget to promote economic growth whilst at same time removing investment at DE/ DEL level.

To conclude, we acknowledge the current economic situation and the need to work collaboratively and for budgetary planning. We would however once again call upon Ministers and their Departments to use this opportunity to create a transformational budget, adopt a more strategic and joined up approach leading to solid outcomes and work constructively with the many stakeholders to ensure that reductions are minimised and considered within the context of Community and Area based planning so as not to adversely impact on communities and their services.

SBPB will continue to highlight and campaign to reduce the impact of these cuts on the communities of South Belfast.

Yours faithfully,



Briege Arthurs
Chief Executive Officer
South Belfast Partnership Board