

Supporting The Scottish Government Agenda



In advance of the budget on 4th December, the TSI Scotland Network are calling on Government to instigate public service reform with the Third Sector at its heart.

Over thirteen years ago the Christie Commission delivered a report that set out systems change for Scotland's public services

"Unless Scotland embraces a radical, new, collaborative culture throughout our public services, both budgets and provision will buckle under the strain." ... "The goal must be nothing less than a thorough transformation of our public services. The prize is a sustainable, person-centred system, achieving outcomes for every citizen and every community."

(Christie Commission, 2011)

The TSI Scotland Network is a body of expert charities that support, develop and advocate for the third sector and social enterprise and that also make it easier for people to volunteer with a focus on inclusion. There are 32 Third Sector Interfaces - or TSIs - across Scotland; one in each local authority area.

ASK 1: Invest in collaborative third sector delivery models to support public sector reform

The Commission described the status quo as 'top down', not focused enough on prevention and ultimately unresponsive to the needs of communities. Over a decade since the Christie Commission these aspirations are no nearer being achieved. This upcoming Scottish budget, alongside Barnett Consequentials from the recent Westminster Budget, is

an incredible opportunity to invest in public service reform designed for and by people in communities to create the long-term sustainability that is desperately needed. The third sector is a crucial change delivery partner working locally with people, places and public services.

ASK 2: Fairer funding to enable the systems change the Scottish Government seek

There must be faster progression to fair funding approaches across Government departments. More adequate, long-term funding will help ensure the third sector can offer fair work and security to its employees, deliver long-term and sustainable impact and proactively be involved in the local change that is needed. This is now supported by the Community Planning Improvement Board^[1]

Scotland's communities face the increasing risks of an unstable and unsustainable third sector and of further

significant reductions in people's volunteering^[2]. Many organisations are facing a funding cliff edge each year due to short-term and hard-to-secure grants and contracts, including many Government funds set to end in early 2026. A two-year funding bridge is critical to address this. In addition, the increase to National Insurance Contributions (estimated to cost the sector £75m^[3]) and the proposed introduction of PVG fees for volunteers (estimated cost of £1m^[4]) are two more costs which would have a devastating impact on their ability to meet ever increasing demand.

ASK 3: Direct funding to communities that is shaped by local people and groups

A nationwide commitment to more investment directly in our communities, delivered by community organisations and directly benefitting those who live locally, is key to early, preventative and care closer to home models of local support. This would also help public services in their reform to early interventions where they are needed. To date, holding this community investment in local public services has had minimal impact on the reform that is needed.

The value of resilient communities was so clear during the COVID pandemic response and will be essential to

addressing the challenges faced today and in years to come. Communities should be encouraged and enabled to build on what's strong locally, with the support of community organisations to help address local priorities and needs. The third sector holds a wealth of knowledge, experience and trusted relationships and that learning can better inform the redesign and reform of public services, which in turn should reduce demand on crisis interventions, reduce unmet need and deliver renewed, high quality, locally available public services designed with communities.

ASK 4: Support the TSI Scotland Network to lead on change

TSIs facilitate the involvement of local third sector organisations and local people in delivering key Scottish Government priorities, including eliminating child poverty, building a fairer economy through Community Wealth Building and the Social Enterprise Action Plan, tackling social isolation and loneliness, creating the foundations for Whole Family Support and nurturing local connections for a just transition to Net Zero, to name a few. The Network is proud to be a partner with Scottish Government with a commitment to increasing our reach for more collaborative cross-sector working, building on representation in local decision-making structures and ensuring communities are

actively involved in the design of future local services.

The role of TSIs has expanded dramatically since their creation, but with only one uplift in funding in thirteen years. If the central grant award for TSIs had been increased to fully reflect the impact of inflation from 2011, current funding would have been worth 40% more by September 2023. Investing in the TSI Scotland Network infrastructure with a moderate uplift of 4% will enable TSIs to sustain their leadership and facilitation of effective collaborative approaches for local communities and stakeholders across our diverse remit.

Ask 1: Investing in collaborative third sector delivery models will enable systems change needed

Case study

In **Dumfries & Galloway**, strategic relationships between the TSI and public bodies are strong. There is significantly more change required when it comes to decisions about community need, where more than 2000 third sector organisations and groups are working hard for their local area, with some joining up for wider reach across the region. Third Sector **Dumfries & Galloway** are keen to build a stronger collaborative model, shaped for collective action, that will encourage more investment in community priorities and a reduction in restrictive and time limited service contracts. Current focus is on partnership with Health & Social Care to prompt new thinking on models of commissioning.

Ask 2: Fairer funding is essential to enable systems change Scottish Government seek

Case study

In addition to working with national partners, TSIs are working locally to secure Fair Funding principles and to collaborate effectively for the benefit of local communities.

In **Glasgow**, the TSI partners have worked with a wide range of stakeholders including the HSCP to review Fair Funding principles following the recommendations on funding in the city's 'Connect & Flourish: a Socially Connected Glasgow Strategy'.

Consequently, a forum of funding partners from across the public and charitable trust sectors are working together not only to share best practice but also to consider redirecting funding to areas of unmet need.

Ask 3: Commitment to shift funding to communities & shaped by those receiving services

Case study

Argyll and Bute TSI has, since 2022, been working with the local Public Health team and Macmillan Cancer Support on a three year prevention and early intervention programme designed to harness meaningful conversations that result in enhanced service models that communities have helped coproduce. This has resulted in the beginnings of a more devolved approach to local services with a Wellbeing Development Manager post hosted by the TSI to capacity build community organisations in delivering physical activity and health related services. Forthcoming workstreams include a 'One Front Door' model to provide communities with a wraparound approach to healthy living.

See <https://www.argylltsi.org/living-well-partnership/> for more details.

Ask 4: Support the TSI Scotland Network to help enable change

Case study A

Clackmannanshire TSI has been supporting systems change using the multi-year Whole Family Wellbeing Fund with a focus on The Promise outcomes – decreasing the number of children in care, supporting families on the edge of care and young people coming out of care. Using participation and decisions led by a Family Voices group, a new Family Support Collaborative has been developed with up to 30 third sector groups working in partnership with the Council teams to upstream help and provide support to families through a new drop-in Hub model based in community settings, aiming to remove barriers and crisis referrals.

To complement this childcare and other financial support is also being provided to families delivered by third sector and private organisations.

Case study B

Services and activities for children and young people in both public and third sector settings are amongst those who have suffered the biggest declines in volunteering (SHS 2019-22; Volunteer Scotland 2024). TSI Volunteer Centre services have a unique role to play in helping to mitigate the impact of economic factors on the priceless volunteering required in a multitude of services and to deliver the Government's vision of Volunteering for All.

- 1 Guidance for Fair Funding to the Voluntary Sector, CPIB 2024
- 2 Scottish Household Survey, 2022/Volunteer Scotland, 2024: www.volunteerscotland.net/research-evaluation/national-volunteering-profile
- 3 SCVO respond to UK Government Autumn Budget 2024
- 4 Pre-Budget Scrutiny 2025-26: Third sector funding principles Item 130