

Scottish Parliament Social Justice and Social Security Committee

Pre-Budget Scrutiny 2024-25

Written submission by Scottish Empty Homes Partnership, August 2024

1. Please select ALL sources of funding your organisation currently receives

Scottish Government

2. Longer-Term Funding Impact: How would a shift to longer-term funding of three years or more support your organisation?

Improve staff recruitment and retention: contracts can only be offered as a fixed term which makes role recruitment difficult, especially recruitment of existing or new posts partway through the year.

Provide security to staff: current year to year funding creates uncertainty and would support with staff retention.

Reduce admin: current year to year funding cycle requires us to re-engage with the funding process. Having multi-year funding would remove this and allow us to focus on project and delivery. We have historically had multi-year funding (two cycles of 3 year funding periods from 2015/16 to 2020/21) and the current reporting model we use in relation to activity and funding spend to date would allow us to track progress. Therefore no additional systems would need to be put in place to move into multi-year funding model.

3. Longer-Term Funding Impact: What specific challenges do you foresee in transitioning to such a funding model?

None - we currently receive quarterly payment in arrears and regular contact with SG contact to keep track of project spend and delivery. This system can continue to be used for a longer-term funding model. We have the means to move to a yearly payment model as we forecast spend on yearly and quarterly cycle.

4. Longer-Term Funding Impact: If relevant, please provide any specific examples of how your organisation has been affected by a lack of longer-term funding certainty.

Our project has been funded since 2010, despite the track record, the uncertainty of funding has impacted staff retention. In the last year we have had at least 3 team members leave. We have completely new staff in our advice service, this is a very niche role and therefore time is needed to build up the specialism. There were difficulties recruiting which meant that other team members had to take on additional work, reducing overall team capacity and impacting the advice service as we had to offer a reduced service. Part of our grant agreement includes metrics on advice service queries and therefore this was also negatively impacted.

5. Flexibility and Core Funding Needs: In what ways would flexible, unrestricted core funding enhance your organisation's operational effectiveness and governance?

Our current funding is broken down into staffing, premises & overheads and core activity based on an agreed delivery fund, changing this into one unrestricted funding would give us greater flexibility to us things like salary slippage towards our core activity. Due to the year to year funding, recruitment can be challenges when staff leave partway through the year as our funding is not confirmed for the following year. It would also make the admin and governance more straightforward.

6. Flexibility and Core Funding Needs: What specific challenges do you foresee in transitioning to such a funding model?

None – spend is monitored monthly and I do quarterly reporting. Our grant is paid in quarterly arrears.

7. Flexibility and Core Funding Needs: If relevant, please provide any specific examples of how your operational effectiveness and governance have been affected by a lack of flexibility in your core funding.

Challenges in role recruitment have lead to roles remaining vacant and causing salary slippage. Underspend use has had to be agreed and included in reporting. Having flexible core funding would mean this would be much more streamlined and allow us to focus on project activities and outcomes.

8. Sustainable Funding and Inflation Adjustments: How critical are inflation-based uplifts and full cost covering, including core operating costs, to the sustainability of your organisation?

Our project is completed funded by Scottish Government. As our budget has remained flat since 2018 our organisation has been absorbing some of the staff costs. Given the current financial circumstances, our organisation has had some changes, including freezes in recruitment.

9. Sustainable Funding and Inflation Adjustments: What impacts have you observed or anticipate without these adjustments in your funding?

Our organisation has had to absorb some staff related costs.

10. Sustainable Funding and Inflation Adjustments: If relevant, please provide any specific examples of how your organisation's sustainability has been affected by a lack of inflation uplifts and/or full cost covering.

11. Real Living Wage Commitments: What challenges does your organisation face in ensuring all staff are paid at least the Real Living Wage?

Our organisation is accredited as Living Wage employer.

12. Real Living Wage Commitments: How would improved funding arrangements support your organisation to meet this commitment?

The budget remaining flat has meant the organisation has absorbed some staff-related costs, improved funding to factor inflation and wage increases would support our ability to remain a living wage accredited employer.

13. Efficiency in Funding Processes: What improvements in the application, reporting, and payment processes could make the funding system more efficient for your organisation?

Currently payment is made quarterly in arrears, having the full year funding would reduce the admin for payment claims and processing. I am new in post so I have not been involved in the application process but feedback from my predecessor includes lack of confirmation of funding until late into the financial year which has created stress and anxiety for the team. It has also created challenges for the organisation, including the HR team.