



Government election promises and impact on the local voluntary sector

Key election promises

In May the Conservative Government won the election. Here we examine what that could mean for the voluntary and community sector.

Overall

£8bn extra for the NHS, protected government departments, no VAT or income tax increases, current deficit turned to surplus before the end of the parliament, £12bn off the welfare bill.

Public services

- Conservatives are keen on SMEs delivering more contracts e.g. target of 1/3 of public sector contracts going to them and innovation in public services.
- There's also a commitment to 'harness the talent and energy of charities' in the work programme.
- An imminent review of public service markets and the charity sector by the National Audit Office (which NCVO asked for in its Manifesto).

Big changes in central government

- Deficit reduction will be achieved by wholesale closure of some government departments, and therefore fewer ministers. That's a whole new set of relationships the sector is going to have to build, assuming there's someone there to build them with.

Hot debates looming in government

- There will be massive debates opening up about both the political system in Britain, the union, the voting system, and our place in Europe. Charities are well positioned to bring voices of most marginalised citizens into these debates.
- We have more allies in parliament
- A number of voluntary sector people have been elected in parliament, including: Wes Streeting, Peter Kyle, Nusrat Ghani, Rob Wilson and Lisa Nandy.
- The lobbying act still needs fixing
- NCVO will be making the case going forward using evidence on how the act needs to change to benefit campaigners. They propose to champion the right of charities to campaign and influence given hostility from some on the right.

The volunteering agenda

- The conservative government committed to three days paid leave a year from big companies and public bodies in their manifesto which is great news for the sector.

The Queen's Speech: 5 bills affecting charities

1. European Union Referendum Bill

Why it's important to charities? There are a number of ways in which charities and voluntary organisations benefit as a result of Britain's membership of the EU, ranging from the value of programmes such as European structural and investment funds, to the impact of regulation. In order to better inform the debate NCVO will be producing its own costs and benefits review for the sector.

2. Cities and Local Government Devolution Bill

Why it's important to charities? Such devolution offers the promise of far more integrated and flexible public services, with potential benefits for service users whose needs don't always fit neatly within government funding silos. On the other hand, for charities that deliver services nationally or regionally, such an ad hoc programme of devolution could further complicate the navigation of an already varied local commissioning environment.

3. Charities (Protection and Social Investment) Bill

Why it's important to charities? Additional powers for the Charity Commission to take regulatory action will raise concern within charities, particularly on 'clamping down on charities' and increasing media coverage about extremism within charities. However, it is widely acknowledged that deliberate wrongdoing in charities is extremely rare, so these powers are unlikely to be used by the Commission more than a handful of times a year.

4. Full Employment and Welfare Benefits Bill

Why it's important to charities? The first round of welfare reforms has already resulted in increased demand for voluntary organisations' services, further changes to the benefits system are therefore likely to create additional pressures

5. Housing Bill

Why it's important to charities: This proposal has attracted strong criticism from charities that provide housing services. There are two main reasons, one of principle and one of practice:

- The extension would generate a worrying precedent of government interference in the running of independent charities by enabling the compulsory sale of charity assets at a discount.
- There are serious implications for the financial model of housing associations, which is based on having houses as assets to borrow against. If tenants have the right to dispose of these assets, housing associations may become a very risky prospect for mainstream lenders and social investors and not be able to provide social housing for the future.