

Government Spending Review – Briefing from NCVO (Abridged)

Background

This initial briefing sets out the Government's framework for the 2010 Spending Review and opportunities to contribute to the consultation. The Government has identified tackling the UK's large deficit as the key priority for this Parliament and has outlined its approach to the 2010 Spending Review. This review will run from now until the Autumn, and will set spending limits for all government departments for the period 2011/12 to 2014/15. There will be opportunities to input into the consultation, primarily from August.

This review intends to go beyond cutting spending and setting budgets, and to thoroughly examine the Government's role in providing public services. The Government's stated objective is to protect frontline services, whilst driving up public sector productivity and delivering better value for money.

There are three central elements to the Government's plan to tackle the deficit:

1. "Thinking innovatively about the role of government in society"
2. "Taking the difficult decisions collectively"
3. "Consulting widely using all available talents to ensure that we deliver a stronger society as well as a smaller state".

Timeline

July 2010 – Initial Ministerial discussions to decide priorities

August 2010 – External engagement programme

Autumn 2010 – Ministerial discussions on departmental settlements

Autumn 2010 – Cabinet signs off on PEX (Public Expenditure Committee) and Ministerial decisions

Autumn 2010 – Spending Review released

November/December 2010 – Likely date for the Pre-Budget Report

Consultation

The key opportunity to input for the VCS will be from August onwards. The Government has made a well publicised commitment to consult widely on its proposals.

The approach to the Spending Review

This review calls on government departments, local government and delivery partners to "consider fundamental changes to the way they provide vital services". This includes the use of more targeted interventions, using a greater range of service providers, challenging state monopolies, exploiting synergies between delivery models and thinking about how to shift power, funding and

accountability to individuals and the frontline.

Criteria to ensure value for money

The Government has laid out the following criteria to assess value for money:

- Is the activity essential to meet government priorities?
- Does the Government need to fund this activity?
- Does the activity provide substantial economic value?
- Can the activity be targeted to those most in need?
- How can the activity be provided at lower cost?
- How can the activity be provided more effectively?
- **Can the activity be provided by a non-state provider or by citizens, wholly or in partnership?**
- **Can non-state providers be paid to carry out the activity according to the results they achieve?**
- **Can local bodies as opposed to central government provide the activity?**

The last three questions (highlighted in bold) clearly present important opportunities for the VCS to input into the consultation

What does it mean to Surrey CA and their members?

There may be opportunities for Surrey CA and/or its members to pick up new services which SCC or others think we can deliver 'cheaper'; our dilemma is to also ensure they offer value for money.