Cutting the ribbon? The effects of austerity measures on the health of UK based HIV organisations

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What is austerity?

• Manifesto of Coalition and Conservative Party since 2010.
• Underpinning this there are three ideological and policy commitments:
  • 1) Cutting back the role of the state (neo-liberalism);
  • 2) Promotion of localism;
  • 3) ‘Big Society’ agenda promotes this localism further.
• Throughout this are notions of self-help and volunteerism (Donovan, 2012, Mendoza, 2015).
• By 2017 the UK will have the lowest share of public health spending amongst worlds biggest economies – on par with the USA (International Monetary Fund, 2016).
• 48% of people believe that budget cuts have gone too far and threaten social unrest (Ipsos Mori, 2013).
Concerns of the Third Sector...

• Across the Third Sector as a whole...
• Charities feel they are there to now ‘fill the gap’ left behind from a shrinking state.
• In 2008/09 the GDP of the voluntary sector fell by 6.3%, amounting to £1.4 billion in 2011 prices (NCVO, 2013).
• This has led to a “survival agenda” (Crowley, 2012: 2) of downsizing, closing projects and letting staff go.
• The Third Sector has become a transmission line of austerity at a local level.
What about HIV services?

• Each new HIV diagnosis costs between £280,000 and £360,000 in lifetime treatment costs (NAT, 2015). Long term repercussions for the NHS as services are cut for prevention...

• Health and Social Care Act (2012) shifted HIV prevention services from NHS Primary Care services to local authorities.

• In 2001/2 £55 million given for HIV. In 2014, just over £10 million (Godfrey, 2015).

• There is a historical and cultural legacy of third sector growing alongside epidemic when government funding was lacking. However, many of these organisations have professionalised and are now reliant on government funding streams.

• Evidence of increasing demand for HIV services and transmission rates largely increasing (Mitchell, et al, 2013).

• One in six people living with HIV suffer extreme poverty. Changing welfare policies affect them as does funding for new projects to address this support (NAT, THT, 2010).

• Appears to be a ‘postcode lottery’ in HIV support services, with some local authorities removing their HIV provision entirely (Oxfordshire, Bromley, Norfolk, Portsmouth, Slough, Bracknell Forest, Bexley...).
Sample...

- Data collected **November to December, 2015.**
- Case studies of organisations in **February, 2016.**
- 24 organisations answered the survey.
- 4 case studies followed up.
- Map to right shows **regional organisations** who responded.
- Also **two UK wide organisations**;
- One **England wide organisation**;
- One **Scotland wide organisation**;
- Three **London only organisations**.
50% of organisations have had to use their reserves to survive in the last financial year.

62.5% only have enough current reserves to last up to three months.

69% of organisations will have to use their reserves to survive in the upcoming financial year.
Result: Overall loss of income..

- 31% of organisations **have no reserves at all.**
- Often smaller community organisations who said this. Usually geographically important and offer face to face services.
- **Only 1 organisation** had enough reserves to last ‘over a year.’
- **Key issues amongst tendering** to local authorities as smaller organisations may not have capacity or skills to complete tender documents.
- Problem with an **organisations future ‘health’ to funders** if reserves are routinely used or close to being drained.
- **Difficulties** with funding fundraiser roles.
Result: Decreasing staff teams...

- Only two organisations reported an increase in part-time staff (1) and increase in full-time staff (1) in 2014/15.
- 42% made staff cuts and redundancies in previous financial year.
- 58% were largely stable but concerned about future staffing in 2015/16. Asked:
  - ‘From April, 2016 what do you anticipate?’
  - 8% will increase staff.
  - 58% will increase volunteers.
  - 17% will reduce staff.
  - 8% will merge organisations.
Result: Closing projects...

- 33% will close projects/services.
- 25% will provide more projects/services.
- Use of volunteers instead of paid staff? (58% increase)
- Volunteering brings £50 billion yearly to the economy (Elliot, 2014).
- Concern about quality of provision if services run by volunteers only.
- Access to training and volunteer management.
- High turnover of volunteers.
- Decreasing staff levels who have contacts and knowledge of other services locally and nationally.
Demand for services...

- No single organisation stated a decrease in demand for their services.
- More austerity to come and more welfare changes.
- “The voluntary sector is now playing a much more direct role in poverty relief” (Lansley and Mack, 2015: 221).
- Adaption happening and services starting to address welfare changes. How will these be run?
- Overall, demand is rising and is expected to rise further.
• **Concerns over financial security** (tendering, larger organisations ‘swallowing up’ smaller ones, staff workers doing unpaid work, tendering being lost out to smaller organisations, collapse of smaller geographical services).

• **Restructuring and evolving** (a recognition to evolve, changing services affecting vulnerable groups and being removed entirely, morale of staff).

• **Partnership working** (lack of partnership working in the sector, corporate dominance, ‘silo’ working, generic services and online services replacing face to face work. Leadership from larger organisations needed without dominance).

• **Survival agenda** (little evidence of longer term planning as organisations struggle to manage on a day to day level, short-termism).
1. HIV funding must be a protected area from any cuts under austerity.

2. Local authorities must develop more user-friendly funding systems for smaller organisations with less infrastructure and skill bases.

3. Local authorities who scale back HIV funding are not being accountable to their communities. The Third Sector should not be a replacement for local authority work.

4. Need for medium and smaller organisations to survive with mentorship and leadership from larger organisations, rather than working individually.

5. Central Government to provide volunteer training costs to organisations in the Third Sector under the Big Society agenda.