

# VCSE Review

Investing in partnerships for  
health and wellbeing

**Have your say!**

“*The VCSE sector is a vital partner in the health and care system, helping people live healthier lives and raising standards in health and care. In the context of the challenges faced by the system, it is important that we explore how the sector is funded to find the best ways to support and recognise commitment and innovation. I urge you to contribute to help us to ensure that co-ordinated efforts achieve greater impact.*”

Alistair Burt MP, Minister of State Community and Social Care

# Call for Action!

# VCSE Review background

- 1. The consultation is a review of funding and partnerships between health and care agencies and the VCSE sector across England.**
- 2. It is being conducted by:**
  - ▶ The Department of Health**
  - ▶ Public Health England**
  - ▶ NHS England**

**3. It will impact on the information, advice and guidance that is given to our local health bodies about how they should work with the local sector.**

# Engagement with the VCSE sector and commissioners

- ▶ Early 2015 - a series of focus groups and roundtables with the VCSE sector
- ▶ March 2015 - an interim report republished
- ▶ August - November 2015 - second phase of engagement stakeholders
  - ▶ Share your views in today's workshop
  - ▶ Complete either or both of the online surveys on the discussion papers:
    - ▶ Voluntary Sector Investment Programme
    - ▶ Challenges and solutions to better investment in and partnership with the VCSE sector
  - ▶ Share your views by post if you cannot respond online
  - ▶ Online webinars and live chats
  - ▶ Comment on or contribute a blog on the VCSE Review website
- ▶ Early 2016 - final recommendations published

# Topics covered in the review

1. Recognising the value of the sector and making the most of local assets
2. How the sector is funded
3. Commissioning
4. Infrastructure/networks
5. Demonstrating impact
6. Investing in organisations that promote equality and address health inequalities
7. National investment in the VCSE sector
8. Developing services and policies together
9. Local partnerships
10. Improving national relationships with the sector
11. Partnerships to promote equality and address health inequalities

# Structure for the discussion

- ▶ Summary of what the VCSE Review has heard so far
  - Tell us if your views and experiences reflect those that we heard in phase one.
  - Tell us about anything we may have missed or misunderstood
  - Any other related challenges or issues?
- ▶ Give us examples of good practice that we can share
- ▶ If you've time think about one or more of the questions in the consultation document

# Developing services and policies together



# Developing services and policies together

## What we heard in phase one:

- ▶ VCSE organisations that are rooted in their community have networks of relationships and understand the needs and capabilities of the community that they serve.
- ▶ The VCSE sector has the potential to provide expert, niche advice that is firmly grounded in the needs of patients, service users and carers.
- ▶ It is often better at looking at the assets they bring and can support them to achieve holistic goals for a good life.
- ▶ Many small organisations are struggling to find the capacity to make links with and gain acceptance among local GPs and commissioners. As a result, the numbers of referrals to their services are reducing.
- ▶ This risks reducing patient choice and weakens the ability of commissioners to provide people with access to the most appropriate services.
- ▶ For health and care to be community-based and collaborative, statutory systems need to learn to work with community groups and the charities and social enterprises born out of them.

# Developing services and policies together

## What we heard in phase one continued:

- ▶ The system needs to have co-design and collaboration as its core values and recognise all of the resources available to it, including community resources, social action, peer leadership and volunteering.
- ▶ Commissioners need to understand the principles of social prescribing and make better use of it.

# Developing services and policies together

- ▶ Do you think the VCS is better placed than the statutory sector to achieve improved health and care outcomes in some areas?
- ▶ If so, which outcomes and why is this the case?

# How the sector is funded

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## What we heard in phase one:

- ▶ There is evidence that many charities are facing increased demand for services as well as a decline in resources.
- ▶ Funding is on a reduced cost basis, with lower expectations and shorter-term goals.
- ▶ A shift away from grants towards contracts, but grants are still a valuable payment mechanism.
- ▶ Many of the activities the VCSE sector specialises in - such as engaging overlooked groups and prevention - are often not funded through contracts.
- ▶ Better use needs to be made of alternative funding models that deliver social good such as loans and Social Impact Bonds.
- ▶ The diversity of the market also needs to be better recognised. Personal budgets, including those taken as direct payments, have the potential to be an effective form of funding for certain types of VCSE organisation and activity.

# How the sector is funded

## Questions:

- ▶ How might grant processes be strengthened to enable greater sustainability within the VCSE sector?
- ▶ Do you think the VCSE sector need additional support to enable it to respond to alternative funding models e.g. social impact bonds?
- ▶ If yes, what type of support do you think would be beneficial?
- ▶ What support would be beneficial for commissioners in recognising and working with the diversity of the market?
- ▶ If you know of any relevant evidence or examples of good practice in how the VCSE sector is funded or have any suggestions for other ways of supporting the sector please provide details.

# Commissioning

# Commissioning

## What we heard in phase one:

- ▶ A drive to reduce both transaction costs and unit costs of services has led to increased investment in large-scale provision, through fewer, larger contracts.
- ▶ Many small local community-based organisations can find it difficult to secure contracts meaning that power is being shifted away from communities. This is a particular issue for equalities organisations, or those working with specific communities of interest.
- ▶ A shift in thinking is needed to move commissioning from an understanding of value based on lowest cost, to one centred on quality and social value.
- ▶ Many smaller VCSE organisations do not feel equipped to engage effectively and compete with larger providers in tender or procurement processes.
- ▶ Processes and paperwork, for both grants and contracts, need to better match the amount of money being applied for.



# Commissioning continued

## What we heard in phase one:

- ▶ Payment by Results and other contracting approaches can lead to cash flow risks being unequally shared by commissioners and providers. This can deter smaller organisations from applying and does not take account of innovation.
- ▶ The NHS Standard Contract can be a barrier to commissioning. NHS England is already working to address this through a shortened contract for small providers.
- ▶ The Social Value Act (2012) is an important lever for improving investment and partnerships with the VCSE sector.
- ▶ A review of the Social Value Act found that:
  - ▶ commissioning for social value is having a positive impact on local communities but,
  - ▶ the majority of local healthcare commissioners are still not familiar with it.

# Commissioning

## Questions:

- ▶ Are you aware of any local areas where a level playing field has been achieved for smaller VCSE organisations and, if so, please provide details of where this currently happens?
- ▶ What more do you think could be done through commissioning to ensure that risks are effectively shared between commissioners and providers?
- ▶ If you have any other suggestions to help improve commissioning of the VCSE sector please provide details.

# Demonstrating impact

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## What we heard in phase one:

- ▶ Defining, measuring and capturing long term outcomes and social value are crucial to making the most of the VCSE sector's contribution.
- ▶ Commissioners do not consistently use a holistic and long-term notion of value when designing contracts, nor do they consistently co-design services with citizens.
- ▶ It is difficult to demonstrate impact in short term projects, so the way that organisations are funded is affecting how the system measures and achieves long-term outcomes.
- ▶ Some VCSE organisations feel there is not a level playing between the VCSE and other sectors when it comes to the challenge of showing their impact.
- ▶ VCSE organisations, especially the smallest, need support to show their social impact in ways that are consistently understood and valued by commissioners.
- ▶ Equally, commissioners need support to capture, measure and value the outcomes and impact of VCSE organisations.

# Demonstrating impact continued

## What we heard in phase one:

- ▶ VCSE organisations often struggle to access and use the data they need.
- ▶ Many organisations are not aware of the Health and Social Care Information Centre (HSCIC), which is the national provider of data for health and social care. More needs to be done to promote this as a source of data and make it easy to access.
- ▶ The concept of added value and social value should be fundamental to all contracts and grants.

# Demonstrating impact

## Questions:

- ▶ What kinds of outcomes and impact does the VCSE sector need support to measure and demonstrate?

# Gathering views and evidence

- ▶ Complete the resource pack feedback form and submit to programme manager, [Angie.Macknight@ncvo.org.uk](mailto:Angie.Macknight@ncvo.org.uk)
- ▶ [vcsereview.org.uk](http://vcsereview.org.uk) - visit the website to comment on blogs or contribute your own
- ▶ Contribute your own response via the two online surveys:
  - ▶ VCSE Review: Discussion Paper on the Voluntary Sector Investment Programme: <https://www.engage.england.nhs.uk/consultation/vcse-review-vsip>
  - ▶ VCSE Review: Discussion paper on the challenges and solutions to better investment in and partnership with the VCSE sector: <https://www.engage.england.nhs.uk/consultation/vcse-review>
- ▶ If you cannot complete the surveys online, please send your views on investment in and partnership with the VCSE sector to the programme manager,  
Angie Macknight, National Council for Voluntary Organisations,  
Society Building, 8 All Saints Street, London N1 9RL
- ▶ Consultations close on 6 November 2015