

## The strategic and fiscal context of the review

This chapter sets out how the VCSE sector currently contributes to health, wellbeing and care within England and the strategic and fiscal context for the VCSE sector within the next five years.

### Common Strategic Themes

We have drawn out three common themes from the legislation and strategies setting out the policy intentions of the Department of Health, NHS England and Public Health England:

1. The Care Act, 2014. [Fact sheets summarising the Care Act](#)
2. [The Five Year Forward View, 2014](#)
3. [From evidence into action: opportunities to protect and improve the nation's health, 2014](#)
4. [The Children and Families Act, 2014](#)
5. [The Social Value Act, 2012. Summary briefing](#)
6. [The Localism Act, 2011. Summary briefing](#)

The following three themes are aspirations for the health and care system in which the VCSE sector can clearly have a huge impact:

### 1. Communities are engaged and empowered to identify priorities and design and deliver local solutions

The health and care system wants to engage with communities and citizens in new ways:

- Involving people directly in decisions about the future of health and care services
- Finding new ways to support carers
- Encouraging community volunteering through new volunteer programmes and better support for volunteering
- Encouraging community enterprise through targeted support programmes
- Developing stronger partnerships with the VCSE sector to effectively reach communities including people who are excluded or on the margins of their community

See Five Year Forward View Chapter 2 pages 13-14

### 2. People are in control of their own care – empowering people

The health and care system wants to ensure that care is more person-centred and that people, not organisations, are in control:

- Enabling people to be in control of their own care, through the provision of personal budgets where appropriate
- The NHS and local authorities working as better partners with each other and with voluntary organisations and local communities to more effectively integrate care, and share health and social care budgets (and with education for children and young people) (Integrated Personal Commissioning)
- Providing comprehensive and accessible information and advice to enable people to understand how the system works, what services are available locally and how to access/purchase them, as well as providing better clinical information about different conditions
- Enabling choice of high-quality, responsive and personalised services

- Investing in evidence based approaches for people with specific conditions and self-management educational courses, as well as encouraging peer to peer support and self-advocacy
- Supporting services to recognise the centrality of people’s own life goals, that promoting wellbeing and independence are the key outcomes of care, and that patients, their families and carers are ‘experts by experience’

See Five Year Forward View Chapter 2 pages 12-13  
 Care Act Fact Sheet 4  
 Children & Families Act Section 36-50

### 3. Helping people to stay well

The health and care system wants to improve wellbeing and prevent conditions from developing:

- Providing, commissioning or supporting the development of services that help people with developing needs for care and support, or delay people deteriorating such that they would need on-going care and support
- Working with communities to help people stay well and independent
- Addressing wider issues which impact on health and well-being, such as housing and jobs
- Promoting healthy lifestyles by reducing obesity, smoking and alcohol consumption

See Five Year Forward View Chapter 2 pages 9-11  
 Care Act Fact Sheet 1  
 From Evidence into Action: Our Seven Priorities

The strength of the VCSE sector lies in its diversity. The sector includes:

- National and regional charities such as Diabetes UK and Macmillan Cancer Support
- Local charities focused on a geographical area, including local branches of federated charities such as Age UK and Mind or locally-based charities such as Hackney youth counselling service, Off Centre
- Local community organisations, such as carers’ networks or lesbian, gay, bi and transgender (LGBT) support groups
- Community micro-enterprises delivering support and services to local people, such as community meals-services, day activities, therapies or home-based support
- Local and national support and development organisations for example, local community and voluntary service organisations or national bodies like Social Enterprise UK
- Social enterprises – businesses with social missions who reinvest their profits and surpluses in the social cause for example, Central Surrey Health, Patient Opinion and Turning Point

The sector makes a vast contribution to the health economy. VCSEs in health-related services have a combined turnover of £8.3 billion yet only 41% of this comes from the statutory sector. The remainder is earned or voluntary income, meaning these organisations contribute £4.8 billion to the UK’s health economy.<sup>1</sup>

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<sup>1</sup> 2013 guide to the VCSE sector produced by Social Enterprise UK in association with the Institute for Voluntary Action Research

## **The roles of the VCSE sector**

We think that the VCSE sector is already helping to achieve the three ambitions set out above in the following ways:<sup>2</sup>

### **Role with people**

1. Representing people's voice and promoting their involvement in designing and managing their own support, especially those people who experience the greatest health and social inequity
2. Helping people to understand what they need and navigate the health and care system so that they can get support that addresses their need and helps them achieve the best outcomes possible for them
3. Providing preventative and early intervention support which enables people to stay away from 'services' and remain connected to their local community
4. Delivering services which meet people's needs, including for people who self-fund their support and people who are entitled to public funding
5. Addressing social issues which impact on health such as good housing provision and access to work and skills

### **Role within the health and social care systems**

6. Delivering services on behalf of the system, often to those who may not access mainstream services, and often through innovative kinds of support and services
7. Influencing the design of services and co-commissioning
8. Making scarce state resources go further through for example mobilisation of volunteers and unlocking community resources

### **Role within communities**

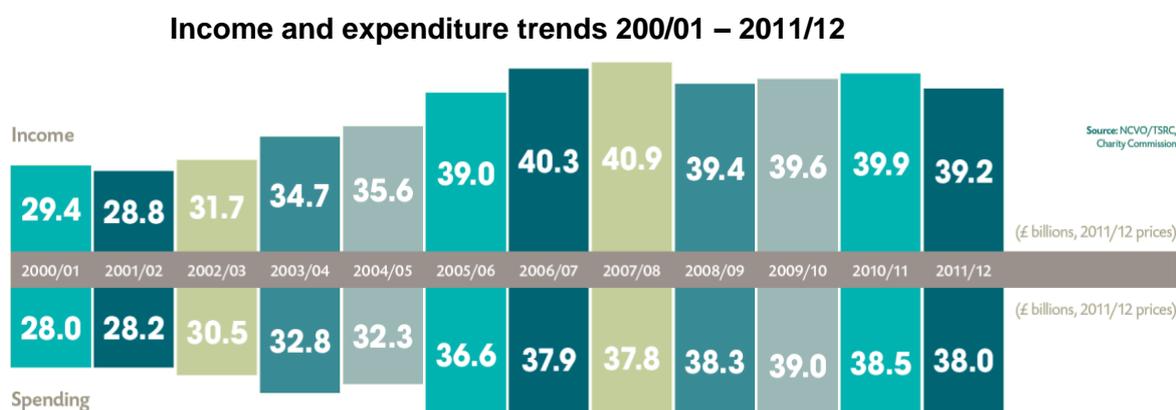
9. Supporting community cohesion by for example enabling people to receive support delivered locally and by local people
10. Contributing to wider community well-being by providing work, volunteering opportunities and access to qualifications

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<sup>2</sup> Adapted and expanded from the definition used in, *Supporting good health: The role of the charity sector*. David Bull, Sally Bagwell, Jessica Nicholls and Fiona Sheil, October 2014

## The financial context for the VCSE sector

After a period of continuous growth between 2000/01 and 2007/08 voluntary sector income has declined since the recession began.<sup>3</sup> Real terms income in 2011/12 was over £1.6 billion lower than that seen in the peak year of 2007/08, whilst the real terms increase in spending over the same period was just £200 million (0.5%).



Emerging evidence from the National Council for Voluntary Organisation’s (NCVO) local campaigning project<sup>4</sup> indicates that funding cuts are adversely affecting VCSE organisations’ capacity to act as a voice for service users and communities in shaping public services. Small VCSEs faced with funding reductions are cutting policy and advocacy roles in order to preserve frontline service delivery. Some funders also appear to be prioritising frontline service delivery organisations at the expense of local infrastructure organisations; this has implications for the ability of the sector to advocate effectively on behalf of vulnerable service users.

Further detail on VCSE sector trends can be found [here](#).

<sup>3</sup> Expenditure began to fall shortly after this because for a while voluntary organisations were able to use their reserves to maintain services. This was not sustained because the average charity’s reserves only amount to the equivalent of 6-8 months running costs.

<sup>4</sup> Funded by the Lloyds Bank Foundation, NCVO is running a two-year project aimed at helping frontline organisations, particularly those representing disadvantaged communities, to engage with public bodies in a new local political landscape.