

Discussion paper on the Voluntary Sector Investment Programme

Overview

As important partners in addressing health inequalities and improving health and well-being outcomes, the Department of Health, Public Health England, and NHS England are committed to working in partnership and investing in the voluntary, community and social enterprise (VCSE) sector to achieve the greatest impact for all communities in England.

In November 2014, the Department of Health, Public Health England, and NHS England (the '**system partners**') initiated a review of their investment in the Voluntary Community and Social Enterprise sector. The [VCSE Review Advisory Group](#) has representatives from the VCSE and public sector. Their purpose is to gather views and evidence to make recommendations about two key elements:

1. Investment and partnerships between health and care agencies and the VCSE sector across England.
2. Central government grant funding of the VCSE sector (**the Voluntary Sector Investment Programme**) contributing to health and care. This is a joint funding programme across the system partners, administered by the Department of Health.

In March 2015, the VCSE Review Advisory Group produced an [interim report](#) based on engagement with the VCSE sector during stage one of the review. The report identified an on-going need for the system partners to have a strategic approach to partnerships and investment with the VCSE sector.

Following the interim report, the Advisory Group has now launched the second stage of the review, to test what we heard in stage one and start proposing some of the recommendations that will form part of the final report (due to be published in early 2016).

This discussion paper focuses exclusively on the Voluntary Sector Investment Programme (see below) and takes a detailed look at what the shape of this programme could be in the future. We would also really like to hear your thoughts on the wider investment and partnerships across the whole of health and care and you can find further detail about this by clicking here: [consultation paper](#).

Background to the Voluntary Sector Investment Programme

Launched in April 2009, Voluntary Sector Investment Programme seeks to enable the voluntary sector to work in equal partnership with system partners and other public sector organisations to help shape and deliver policies and programmes to improve health and wellbeing outcomes. In stage one of the review we heard about the valuable role that this programme has had. It enables investment in areas that would not be funded through other sources, has funded important and impactful work, and is a tangible way that the system partners demonstrate they value the sector. Approximately £22 million is available for the whole programme. There are three main funds operating within the programme:

- The **Innovation, Excellence and Strategic Development Fund (IESD)**
- The **Health and Social Care Volunteering Fund (HSCVF)**
- The **Health and Care Voluntary Sector Strategic Partnership Programme**

In the [interim report](#), several areas for potential improvement in the programme were highlighted, which we intend to explore in more detail through this discussion paper.

Who should read and complete this discussion paper

We hope to engage with a range of people from different organisations through this discussion paper, including:

- VCSE organisations
- Local community or interest groups
- NHS England, Public Health England and Department of Health policy leads

We would also welcome input from anyone who would like to contribute to and influence the discussion, including patients, carers, service users and the public. This can be through this paper and / or online [webinars](#).

Purpose of this discussion paper

The findings from this consultation will feed into strategic decision making about future funding and the design of the Voluntary Sector Investment Programme.

You can follow progress on the VCSE Review at any time via the [VCSE Review website](#). During the second stage of the review we will publish blogs from a wide range of contributors and any updates on the review's progress. The final report and all recommendations will also be available on the review website.

Key Dates for the VCSE Review

Closing date for contributions	6 th November 2015
Analysis of responses	November – December 2015
Publication of findings as part of the final report with recommendations from the VCSE Advisory Group	Early 2016

1: About You and Your Organisation

To ensure we have reached a wide range of types of organisation, it would be really helpful to know a little about you, your organisation, and the reasons for your interest in central government partnerships and funding of the VCSE sector.

Questions

1. Your Name:

2. Name of your organisation / group (if applicable):

3. Type of organisation/ group (if applicable):

Drop down list of options to include:

Individual

Charity (frontline)

Charity (infrastructure)

Grassroots community group or microenterprise

Social enterprise

Other VCSE organisation

CCG

Local Authority

National Arm's Length Body (e.g. NHS England, CQC etc),

Central Government Department

Other (please specify)

If you selected a non-VCSE organisation, please move to Page 2

4. Which of these descriptions best describes the size of your group / organisation?

Drop down list of options to include:

Micro (income less than £10K),

Small (£10K - £100K),

Medium (£100K – £1 million),

Large (£1 – 10 million) or

Major (over £10 million)

5. Which of these descriptions best describes the geographical reach of your group / organisation?

Drop down list to include:

National

National with regional / local branches

Regional

Local

6. Has your organisation applied for and / or received funding through the Voluntary Sector Investment Programme since 2009?

Innovation, Excellence and Strategic Development (IESD) fund

Health and Social Care Volunteering fund (HSCVF)

Strategic Partnership Programme fund

None of the above

2: Voluntary Sector Investment Programme

In stage one of the review, we clearly heard an ongoing role for the Voluntary Sector Investment Programme but suggested that further consideration was needed around revising the programme to ensure a stronger strategic focus with outcomes which are identifiable in advance and centred around two programmes:

1. A single grants programme which funds projects with a smaller set of policy priorities that are co-designed with the VCSE sector and
2. A separate programme which supports strategic partnerships to better support health and well-being outcomes and link more closely with the wider VCSE sector.

Questions

7. To what extent do you agree that the Voluntary Sector Investment Programme should continue?

- Strongly disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly Agree

Please tell us why you think this:

8. Do you agree with the suggestion to revise the programme to include two programmes?

1. A single grants programme which funds projects and
2. A programme that supports strategic partnerships to support health and wellbeing outcomes.

- Yes
- No

If no, please let us know what you would suggest:

9. How do you think the Voluntary Sector Investment Programme could ensure that evidence of VCSE impact and outcomes supports future decisions on levels of central government funding?

3: Grant Funding for Projects: Programme Design

For project based work, there are currently two funding options open to VCSE organisations:

1. The Innovation Excellence and Strategic Development (IESD) Fund
2. The Health and Social Care Volunteering Fund (HSCVF)

Established in 2009 following the last VCSE review, these funds have enabled 590 projects from 475 organisations to support communities and improve health and well-being outcomes. At present, these funds are administered separately, with their own application and eligibility criteria. We are proposing a single grants fund so first we will describe the current schemes.

The Innovation, Excellence and Strategic Development Fund (IESD)

This fund supports proposals in the health and care field with a clear focus on new ideas, excellence and the strategic development of VCSE partnerships and organisations.

The Fund is:

- open for applications on an annual basis (one stage application)
- available for 1-3 years with no cap on the amount of funds requested
- discretionary and terms and conditions apply
- now closed for the 2015-16 round – see [application pack](#) for background information

5

IESD Funding strands

It has three funding strands:

1. **Innovation** – new and creative approaches to improving health and well-being through the development of health and care services (with 6 criteria to be met)
2. **Excellence** – replicating effective practice and proven models of health and care services and disseminating learning (with 2 criteria to be met)
3. **Strategic Development** – developing improved capacity and capability in health and care and promoting greater partnership and collaboration between voluntary and public sector and other health and care organisations (1 out of 6 criteria to be met)

Location / geographical focus

Innovation – any location if it has the potential to have a national impact

Excellence and Strategic development – projects should take place in two or more English Regions. (North East, North West, Yorkshire and the Humber, West Midlands, East Midlands, East of England, London, South East and South West).

Cross-cutting themes

These are currently the same for both funds. Projects should contribute to at least one.

- Improving health and care outcomes
- Commissioning
- Life course, prevention and loneliness
- Integration
- Public, patient and citizen voice; and family advocacy
- Technology and information

The Health and Social Care Volunteering Fund (HSCVF)

The HSCVF is a capacity and grant funding programme. It includes an expectation of capacity building in order to strengthen volunteering in local communities.

The Fund:

- Is open for applications on an annual basis (one stage application)
- Is available for 1-3 years
- Has a national and local scheme
- Funds up to £600,000 over 3 years, for between £50,000 - £200,000 per year (national scheme)
- Funds up to £50,000 over 3 years, up to £20,000 per year with annual approval (local scheme)
- Has capacity building as a core aim of funding
- Is discretionary and terms and conditions apply
- Is now closed for the 2015-16 round – see [application pack](#) for background information

Funding strands

It has three funding strands:

- **Collaborate:** deliver a strategic project that plays an effective integrated role in addressing health, public health and social care needs in conjunction with commissioners;
- **Innovate:** test out new areas of work delivered by their volunteers;
- **Develop:** support organisations by investing resources in volunteer support and management systems.

Location/ geographical focus

National scheme proposals –

- focus in one of the four commissioning regions: (NHS North of England; NHS Midlands and East; NHS South of England and NHS London).
- operate across 3 - 6 diverse delivery locations / local authorities in one region

Local scheme proposals –

- focus on local activity delivered by locally constituted organisations. Funded organisations will be expected to work closely with local health, public health and / or social care providers and deliver services in their local communities through the involvement of volunteers.

The first stage of the Review found support for the value of the current schemes. However, the programme was designed prior to the 2012 health reforms and therefore the following section explores what the key features of a new programme might be within the current health and care landscape.

Analysis of the current IESD and Health and Social Care Volunteering funds

Strengths (IESD)	Weaknesses (IESD)
<ul style="list-style-type: none"> • Since its launch, 402 projects from 293 organisations have received funding through the IESD Fund. • Flexible funding with projects ranging from £5,000 to £1.43m, with a median of £169,592. • Funding for projects with national reach and influence. • The scheme responded to issues with oversubscription arising in the first two years by changing from a two stage to a one stage application process when over 900 submissions were received in stage one. (However, applications remain around 300 – 400.) • Broad scope of the themes enables funding for projects from across health, public health and social care. • Individual projects have contributed to health and well-being outcomes. (However, no independent evaluation has taken place to provide evidence of the overall impact of the scheme.) 	<ul style="list-style-type: none"> • Complexity of the scheme and its prescribed set of criteria may limit eligibility across the sector and potentially favour larger organisations with bid writing teams. • Limited focus on excellence and scaling up successful models (roughly 20% of all projects). • Limited scope for innovation projects to be scaled up via the Excellence strand when complete. • Strategic development is very broad, funding work with partnerships and commissioners to business and social enterprise development in individual organisations. • Decline in the number of projects funded (30 in the latest round). • The broad scope of themes each year and wide eligibility criteria leads to high application rate and therefore low success rate. • At the start of the scheme, health inequalities was a specific theme. Investment was 10 – 36% of the overall spend. Since then, it has been an over-arching goal. However, tracking levels of investment and outcomes is more difficult. • Limited sharing of good practice between projects or with the wider VCSE sector. • Limited accessibility to projects' evaluation and reports. • Limited measurement of the impact of the fund.
Strengths (Health and Social Care Volunteering Fund)	Weaknesses (Health and Social Care Volunteering Fund)
<ul style="list-style-type: none"> • Since its launch, 188 projects from 182 organisations have received funding. • Opportunities for more organisations - of the 182 organisations, only 6 have had more 	<ul style="list-style-type: none"> • Lack of clarity on the rationale for what is being funded at national level as distinct from volunteering funded by local bodies (reduced as it is by cuts in funding for volunteer centres). • Funding inconsistency across

<p>than one project funded.</p> <ul style="list-style-type: none"> • The programme has achieved its key aim of connecting strategic goals to what projects do in communities. • Many of the smaller HSCVF projects add something very distinctive to local health and social care systems. Projects help vulnerable people to access services; others plug a service gap or provide social support. • The HSCVF has proved an effective approach to strengthening volunteering in local communities, whatever the size of the projects. • Investment helps VCSE organisations to be better at involving volunteers who then play a part in meeting health and social care needs. 	<p>national and local schemes. Although the national and local volunteering schemes are separate, what is funded varies greatly. In 2013 – 0 national projects vs. 24 local and 2014 – 11 national vs. 0 local.</p> <ul style="list-style-type: none"> • Limited focus under collaborate strand to commissioners. • Limited sharing of good practice between projects or with the wider sector. • The broad scope of themes each year and wide eligibility criteria leads to high application rate and therefore low success rate. • Limited accessibility to projects' evaluation and reports. • Limited measurement of the impact of the fund.
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Options for a future programme

We have listed below a number of questions of additional features that a new programme could include but that we do not yet feel we have enough evidence to make firm recommendations. We would therefore welcome your thoughts on each of the questions below. Some of these are deliberately controversial and the answers to questions are not necessarily mutually exclusive.

Questions

10. To what extent do you support the following statements:

- One of the programme's key aims should be to promote equality and reduce health inequalities
 - One of the programme's key aims should be to contribute to health and well-being outcomes for all communities in England
 - There should be a weighting within assessments towards projects that promote equality and reduce health inequality
- Options to include: strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

If there are any other aims you think the fund should have, please add them here:

11. What do you think are the most important aspects to fund?

(Please rank these in order of importance with 1 being the most important and 5 being the least)

- Projects that support volunteering or social action
- Projects that support innovation
- Projects that help scale up projects that have been shown to have impact

- d. Projects that help support an organisation to grow and flourish
 - e. Projects that demonstrate impact on health inequalities / social determinants of health
- Please explain why you have chosen this option as being most important.

12. Would you prefer the application process to be:

- a. A one-stage application form with the same level of detail required irrespective of the amount applied for
- b. A one-stage application form with a shorter version available for those applying for small grants
- c. A two-stage application with an 'expression of interest' stage followed by a longer application form for successful applicants
- d. If you have another suggestion for the application process, please note this here or provide any comments

13. Do you think the Voluntary Sector Investment Programme should fund projects that are:

- a) Locally specific (yes / no)
- b) Regional (yes / no)
- c) National (yes / no)

Please give reasons for your response

14. Should there be a limit on the size of organisation (in terms of their annual income) able to apply to the fund?

Yes / no

If yes, what upper limit would you suggest?

15. How can we encourage and support smaller organisations to apply?

16. Do you think we should consider providing loan funding (for organisations with the capacity to repay them alongside our grant funding programme)?

Yes / no

17. If you have previously applied (or tried to apply) to either the IESD or HSCVF, were there any barriers to applying for your organisation?

Yes / no

If yes, please note these here and suggest any possible solutions to help overcome these:

4: Grant Funding for Projects: The scope of our funding

The themes used within both the IESD and Health and Social Care Volunteering Fund have been selected to ensure that they match the priorities of the Department of Health, NHS England and Public Health England. However, both schemes are heavily oversubscribed; only 8 - 17% applicants receive funding, creating a significant waste of VCSE resources. The interim report cited the broad themes as a contributing factor to this oversubscription. In the past, themes have altered in each funding round, making evaluation of impact difficult. Therefore, we are considering removing or reducing the list of themes through a process of co-design with the VCSE sector.

For reference, the current IESD and Health and Social Care Volunteering Fund (HSCVF) themes include:

- Improving health and care outcomes
- Commissioning
- Life course, prevention and loneliness
- Integration
- Public, patient and citizen voice; and family advocacy
- Technology and information

Questions

18. Do you think the current themes (listed above) are the right ones to implement in a future funding programme?

Yes / no

If no, how would you suggest we change them in a way that supports effective evaluation and reduces the burden on organisations wishing to apply?

19. How could we most effectively co-produce the themes and priority areas for funding with the VCSE sector - what approaches or mechanisms would you suggest to do this effectively?

5: Grant Funding for Projects: Capacity building support

The Health and Social Care Volunteering Fund was designed to incorporate a combined package of both grant funding and additional individualised support to build organisational capacity and long-term sustainability. In 2012-13, an independent evaluation of the HSCVF was carried out by [Leeds Metropolitan University](#) which demonstrated a strong case for providing capacity building support to all projects, regardless of their size, due to the reported benefits of taking part in the capacity building activity. It concluded that capacity building within this programme works in three main ways: it enables projects to turn ideas into action; it strengthens volunteer management and it encourages learning within and between VCSE organisations.

One option for a future programme is to extend the capacity building support to all projects funded through the Voluntary Sector Investment Programme. This has the potential to increase the impact of projects and sustainability of organisations. However, it would also cost more to implement if the support were offered in the same way and might mean that fewer projects could be funded overall. Therefore your views are sought on how we might go about this.

Another option could be to implement a programme of peer support whereby organisations in year three of their funding are matched with similar organisations in year one of their funding, providing bespoke support.

Questions

20. Do you think capacity building support should be:
(please tick your preferred option)

- a. an optional extra to the grant received?
- b. an integral part of the grant package for all organisations?
- c. an integral part of the grant package for small organisations?
- d. not offered as part of the programme?

21. To what extent do you agree with the idea that grant funding would include a requirement to offer 'peer support' between projects in the overall programme?
(Options: Strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)

22. Are there any other ways in which capacity building support could be provided?

6: Grant Funding for Projects:

Evaluation and dissemination of learning

In stage one of the review we acknowledged that there is a lack of consistency in the way that funded projects are evaluated and suggest that improvements could be made to the way the learning about good practice is disseminated more widely. These are important aspects to the success of a grants programme to achieve its outcomes and impact.

Questions

23. How could we achieve greater consistency in evaluation and measurement of outcomes?

24. How can good practice and learning from successful projects be shared more effectively?

25. If you have any other comments or suggestions about the proposed programme of grant funding that are not covered in any of our questions, please note these here:

7: Funding for Strategic Partnerships

The Current Strategic Partnership Programme

The current strategic relationship and funding programme seeks to maintain close engagement between central government and the health and care VCSE sector and to provide central government funding for VCSE projects to align to system partner priorities. This programme was designed to complement the project based funding of the IESD and HSCVF programmes.

Established in 2009 following the last VCSE review, the Strategic Partner Programme has developed both in scope and number of partners involved in this time. Initially comprising 11 partners, the programme has since expanded to 22 partners. These comprise both [individual organisations](#) and 7 [consortia](#) (circa 75 organisations are represented on the partnership in total through consortia).

Partners applied to be part of the programme and were required to evidence their reach and influence within the VCSE sector as part of the application process and each organisation / consortium now receives on average £180K per year (i.e. an overall budget of approx. £4 million annually). Strategic partners work closely with the system partners to influence the health and care system to improve health, well-being and care for all communities, particularly the most excluded.

The **key features of the current programme** include:

- Creating a national platform for engagement between the voluntary sector and the system partners;
- Helping to inform policy making and national system design by drawing on insight and expertise from the VCSE sector to ensure health and care becomes more person centred and community focused;
- Providing a conduit for reach into the local VCSE sector and communities – the combined reach of the partners is some 500,000 local groups and organisations;
- Embedding equality and health inequalities into the policy making process by ensuring that the partners cover a wide diversity of interest groups and protected characteristics.

The programme operates in 3 broad modes:

1. Individually commissioned project work by each of the partner organisations against an agreed annual work plan which aligns with system partner priorities;
2. Monthly working days in which the partnership comes together to collaborate under common themes and to engage with policy and implementation leads from the 3 system partners and other arm's length bodies (such as the CQC);
3. A variety of ad hoc advisory and engagement work to support mutually agreed priorities.

The programme was designed as a mechanism for the Department of Health before the 2012 health reforms. This discussion paper, therefore, explores what the key features of a new programme might be within the current health and care landscape.

Analysis of the current strategic partnership programme

Strengths	Weaknesses
<ul style="list-style-type: none"> • Provides a powerful platform for engagement, ensuring a focus in particular on the needs of excluded and marginalised communities. • Provides good value for money - a relatively modest overall investment enabling engagement across the voluntary sector for policy leads. • Reach to 500,000 individuals and organisations. • Enables co-design of policy and programmes from a very early stage. • Encourages partnerships within the sector between organisations that would not otherwise have worked together. • Does provide a route for engagement for other arm's length bodies e.g. CQC (although this is fairly limited). • Helps improve the quality of policy making in the Department of Health, NHS England and Public Health England. • Demonstrates a broader, positive culture of engagement with the voluntary sector from which other government departments and agencies could learn. 	<ul style="list-style-type: none"> • In practice, effective coordination and partnership working across the number of partners can be difficult to achieve and duplication of effort can occur. • With three system partners involved, decision making can be complex and management of the programme is time intensive. • There is a risk that system partners channel all their sector engagement through the programme. • There are no social enterprises involved. • The equity in the partnership between system partners means decision making is difficult. • The Partnership has limited visibility amongst key decision makers and the wider VCSE sector and could inform many more areas of policy. • There is a trade-off between a focus on planned project work and the flexibility to respond to new policy initiatives. • There is a risk of preferential treatment for strategic partners.

Aims of a future programme

The current strategic partnership programme has the potential to continue to deliver the benefits listed above and have an even greater impact. However, given the present challenges with the existing programme and current health and care landscape, a new programme is suggested with the following aims:

- I. Supporting the delivery of relevant health and social care policies (e.g. the [Five Year Forward View](#) and the [Care Act 2014](#)) so that they embed equality and reduce health inequalities.
- II. Ensuring a strategic approach to engagement and co-production between the VCSE sector and system partners to realise benefits for communities, and increase capacity and sustainability within the VCSE sector.
- III. Providing a route to bring the voices of citizens and communities into national health and social care policymaking in England and influence how that policy delivers what matters most to them.

Questions

26. Do you agree with the list of aims for this programme?

Yes / no

If no, what would you change and why?

Options for a future programme

We have listed below a number of questions of additional features that a new programme could include. However, we do not yet feel we have enough evidence to make firm recommendations. We would therefore welcome your thoughts on each of the questions below. Some of these are deliberately controversial and the answers to questions are not necessarily mutually exclusive.

Questions

27. To what extent do you agree with the following statements? (Options: strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)
- a. There should be strong links between the VCSE sector and relevant policy and programme leads in each of the system partners
 - b. Funding should be provided on a three-year cycle
 - c. There should be fewer partners overall
 - d. Partners should be selected based on the communities they connect with and their reach into the VCSE sector (e.g. not representing sole health conditions)
 - e. The programme should include consortia partners (a group of organisations working together through a single grant to achieve common aims)?
 - f. The programme should extend to work with other arm's length bodies within health and care
 - g. The programme should make links to other government departments
 - h. Strategic partners should be bound by a framework agreement to support core areas of work with additional work distributed through a mini competitive exercise between partners
 - i. Strategic partners should have clear work plans, including small projects that they deliver on an annual basis?
 - j. The programme should contribute to evidence gathering about relevant issues and current trends in the VCSE sector?
 - k. The programme should support capacity building and sustainability of infrastructure organisations within the VCSE sector?

28. How can we ensure the conflicts of interest between partners are best identified and managed?
29. How could we ensure that partners effectively communicate the benefits and impact of their contribution to the wider VCSE sector?
30. How could a programme ensure that partners are representing views of the sector appropriately and that the sector can hold partners to account?
31. If you have any other comments or suggestions about the proposed strategic partnership programme that are not covered in any of our questions, please note these here

Thank you for taking the time to contribute to this discussion about the Voluntary Sector Investment Programme. You can carry on the discussion at the [VCSE Review website](#), get involved in digital and face-to-face [events](#) and share your views on [blogs](#) about key issues.