

# A BIGGER DIFFERENCE

REALISING THE POTENTIAL OF VOLUNTARY ORGANISATIONS AND VOLUNTEERS

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## Introduction

### Sir Stuart Etherington, Chief Executive

In May 2015 voters will decide who best can address the challenges that our country faces. Some of these challenges, particularly the need to rebalance and grow the economy, were forged in the 2008 financial crisis. Others pre-date the crisis: the rising needs of a rapidly changing population; globalisation; disruptive technology; fears for the environment. For many people, these changes are unsettling. For policymakers, these challenges demand intelligent and ambitious responses.

Amid so much change, the resilience and energy of our communities has held firm. Everywhere we see volunteers and community groups, and charities large and small, taking an active role in addressing problems, bringing people together, and campaigning for what people want. They are already actively building a more civil society and a more social economy.

NCVO believes that voluntary organisations and the volunteer movement are at the heart of the society that people want to live in. We believe that a powerful volunteer movement and a modern voluntary sector focused on impact have even more potential to help solve the country's most pressing problems.

The positive message outlined in this manifesto is voluntary organisations and the volunteer movement stand ready to make an even greater difference. NCVO members have shared their solutions with us to show what voluntary organisations and the volunteer movement have to offer.

Their stories show the real differences made to individual lives – stories echoed by millions of others across the country. Importantly, they demonstrate the substantial benefits and real savings that could be achieved if voluntary organisations are better supported and able to work in partnership with the government. They are the basis for a renewed optimism about the future

NCVO's members have told us that an optimistic vision for the future of our country would include:

- economic growth which benefits all parts of society
- public services which are more responsive to people's needs
- an enabling environment so that people can make a difference for the communities and causes they care about.

And they have told us that they are ready to help deliver these improvements. They want to make a bigger contribution. They have scale and reach, making a real contribution to our national wealth and wellbeing. There are over 160,000 voluntary organisations and 15.2m people volunteering each month: the National Trust alone engages 60,000 volunteers contributing 3.1 million hours of their time. Voluntary organisations save taxpayers considerable sums by intervening early, by joining up fragmented services and by reducing demand for public services. Volunteers combat isolation, a clear factor in driving service demand.

We know that voluntary organisations and the volunteer movement can do more. But the policy challenges of the future cannot be met through voluntary sector initiatives alone. They require a fundamental rethink of the way government works – and as part of that, the way it works with us.

While the Compact agreement is as relevant as ever, it is time to think afresh about the relationship national government seeks to build with voluntary organisations. We remain independent, politically neutral, and a vital voice for communities and the causes they care about. We strive to deliver the very best services, support and advice. We provide opportunities for people to fulfil their interests and meet their needs. And in all of this, we complement the roles of the public and private sectors.

It is time to talk again about how we work together to make our country stronger, fairer and optimistic about its future. It is time to talk about how working in partnership together we will be better able to deal with the opportunities and challenges of the future.

**Sir Stuart Etherington**Chief Executive, NCVO

# How to Strengthen the Economy and Help People Find Work

## What are the issues facing the government of 2015?

The economic recovery is still in its early stages and an incoming government will face tough choices about tax and spending priorities.

Meanwhile, a two-tier jobs market is rapidly emerging. While some jobs continue to offer security and good pay and conditions, an increasing number do not. Many people who would like to find work – or need greater support or flexibility to access work – are struggling: from young people leaving school to disabled people, older workers, parents and carers.

Ensuring that everyone who can work has the opportunity to do so – and that work does always pay – will strengthen the economy, save money on welfare, and improve people's lives.

# How are voluntary organisations helping to address these issues?

Voluntary organisations have particular strengths in providing preventative and specialist services. There is compelling evidence that earlier action can lead to major savings for the state<sup>1</sup> – and yet, current government spending mechanisms limit investment in these services.

### ULVERSTON MIND POST-NATAL SUPPORT GROUPS

Having recently moved to a new area, Amy was suffering from post-natal depression after the birth of her first child. The health visitor referred her to Ulverston Mind's post-natal support groups.

Ulverston Mind visited Amy at home for an assessment. These home visits are crucial in encouraging women to leave their home and attend a regular support group. Amy then attended a support group held in the local children's centre, which is co-located with the baby health clinic, reducing the stigma of attending and allowing mums to bring young children with them.

Through the support of the group and counselling services, Amy was able to return to work after her maternity leave. Ulverston Mind was also able to counsel her husband and help him return to work after stress-related sick leave. Amy told workers at Ulverston Mind that without the group she would not still be here.

Ulverston Mind supports 50 mothers at any one time. The total cost of the programme for 50 women is less than the cost of a single mental health admission. Despite this, the service struggles to secure long-term funding from local health bodies.

Voluntary organisations and volunteering can play a critical role in helping people to find work, even when they face complex barriers and need longer-term or specialist support.

#### SALVATION ARMY – EMPLOYMENT PLUS

A lack of IT skills, as well as dyslexia, were barriers to lan finding a job. Through the sustained support of Basingstoke E+ Local, Ian learnt how to use a computer, write a CV and search for job opportunities. Not only was Ian able to find a job, but he now volunteers at the service and shares the skills he has learnt with others

Ian said, 'I didn't know how to use a PC until I first came here. Now I can do a lot more than I thought I'd ever be able to do. I have a job now, but I come back here to help other people with their job search.'



**1** See: Early Action Task Force reports; NAO Early Action review; Graham Allen Early Intervention review; Cabinet Office unit cost database.

#### **WORKING CHANCE**

Working Chance helps women with criminal convictions find professional high quality jobs, in areas that they wish to work. By building the women's self-confidence and by working with employers to overcome preconceptions, the charity is able to position the women into a secure work environment. Working Chance has placed over 300 women in professional jobs ranging from customer service and admin roles to HR and finance, in organisations such as Virgin Management, Pret A Manger and Mitie. They have a reoffending rate of less than 3%, well below the national average of 45%.

Voluntary organisations want to play their part in ensuring that employment always pays. The Living Wage Commission cites evidence that HM Treasury could save between £3.6bn-£6bn per year if everyone was paid a living wage, but recognises that not all employers can afford to pay the living wage at present. One of the constraints for voluntary organisations is that competitive tendering for public service contracts is driving down wages, particularly in fields such as social care. NCVO members say they often lose out on contracts to the lowest priced bidder. Ensuring that commissioners understand the social and economic benefits of paying a living wage would make a real difference.

How to maximise the voluntary sector's contribution

#### Prioritise preventative spending

To achieve significant savings in the longer term, government needs to adjust its short-term spending horizons. This could be achieved by setting targets for preventative spending; changing accounting rules for government departments and public bodies, to include a Ten-Year Test of the social and economic benefits of spending decisions; and establishing a loan fund for public bodies to access upfront capital for major preventative initiatives.

#### Welfare to work programmes should be better designed to help people with complex needs

Individuals with the greatest barriers to employment often need longer-term, co-ordinated specialist support. Future welfare to work programmes should include localised, grant funding elements – to enable more specialist charities to get involved. Job centres need more local discretion to refer people to appropriate services and not under threat of sanctions. Finally, programmes must maintain a clear distinction between volunteering, which can help individuals build skills and confidence, and compulsory work placements.

## Organisations delivering public service contracts should be able to pay a living wage

Companies and voluntary organisations that wish to pay staff a living wage should not be disadvantaged in the bidding process. Assessment of bids should not penalise employers that seek to pay a living wage. Spending settlements for local government and public bodies should reflect the costs of paying a living wage, recognising that this will reduce expenditure elsewhere on tax credits and benefits.

# How to Transform Public Services

## What are the issues facing the government of 2015?

Our population is rapidly changing and public services need to keep up. A recent Lords report concluded that the country is 'woefully underprepared' to deal with the impact of an ageing population.<sup>2</sup> An incoming government will need to find new solutions if the labour market, our health and social care services are to avoid crisis.

There is also the ever-present challenge to improve quality and secure better value for money in our public services. Commissioners need a better understanding of people's needs, their experiences of using services, and how those services could become more responsive and cost-effective.

# How are voluntary organisations helping to address these issues?

Charities understand the needs and experiences of the communities they serve and could play a greater role in the early stages of designing services.

#### **TURNING POINT - CONNECTED CARE**

Turning Point's innovative model of community-led commissioning involves local people in the design and delivery of services.

Working in conjunction with NHS South Worcestershire CCG and Worcestershire County Council, Turning Point recruited and trained 17 local people to engage their communities in tackling significant health inequalities. They conducted research with their communities and advised on how to improve services.

Subsequently, Worcestershire has seen demonstrable gains in wellbeing for previously isolated people, as well as increase in uptake of local services and people adopting healthier lifestyles. South Worcester's CCG Engagement Manager says: 'Connected Care has been quite eye opening for the organisation. It's given me an understanding of the community which is helping to inform our health inequalities work, including data, research and techniques to refer to.'

Voluntary organisations have long been involved in providing high quality public services that are responsive to people's individual needs and circumstances. However, many are being squeezed out by larger contract sizes, payment by results, and a focus on cheapest price. The Social Value Act was welcomed by our sector and can be a tool for change – but it has yet to be implemented in many areas. It will be critical for government to review the current state of public service markets in 2015 and take action to ensure that quality is being upheld and that these markets are fit for the future.

## NHS ENGLAND AND THE COMPACT – MAKING CONTRACTS WORK FOR CHARITIES

The NHS's National Specialised Commissioning team is responsible for commissioning services for patients with rare conditions. When entering into new NHS commissioning arrangements in April 2013, the team recognised that there was value in having separate contracts for voluntary and community organisations. These contracts would adhere to Compact principles about how public bodies and voluntary organisations can work most effectively together. They spoke to Compact Voice and other stakeholders about how to adopt Compact principles in NHS contracts. Six voluntary organisations now hold contracts with NHS England to deliver highly specialised services for patients with rare conditions.



**2** Select Committee on Demographic Change and Public Services report, March 2013

Involving volunteers in public services can help services become more accessible and community focussed, leading to better outcomes.

### AGE UK – VOLUNTEERING AND INTEGRATED CARE

Age UK's Newquay Pathfinder project brings together Age UK Cornwall and Isles of Scilly staff and highly trained volunteers who work in partnership with the health and social care teams to help older people with multiple long term conditions remain independent and stay out of hospital. Working as the key link, volunteers listen to the older person's needs and desires so that, together, they can work to achieve their goals in a shared care plan which suits their life and will help them maintain their health and wellbeing. By joining up care across the NHS and social services, accessing community networks and signposting to other voluntary and statutory services they become a central point in co-ordinating an individual's care.

The pilot project has led to a 25% reduction in emergency hospital admissions. By focussing on the needs of the individual, the quality of life, confidence and wellbeing of those people taking part have also improved significantly.

How to maximise the voluntary sector's contribution

### Review the state of public service markets

It will be critical for the government of 2015 to take stock of public service markets and consider whether they are fit for the future. Great commissioning practice should be the norm – yet we know that user experience and the views of service providers are not always taken into account. A review should identify current barriers and make recommendations which lead to real action. Among the recommendations, we would expect to see a more stringent requirement placed on public bodies to consult citizens and providers about the design of public services, and to ensure voluntary organisations have fair access to grant and contract opportunities.

## Extend the Commissioning Academy and training offer for procurement professionals

Providing high quality training for commissioning and procurement professionals is critical to improving public service provision. Training should include a focus on engaging with citizens to understand their needs and experiences of services; commissioning for social value; and establishing a level playing field for voluntary organisations to compete. In particular, understanding where grants can be a more efficient funding mechanism than more complicated contracts. It should also ensure that commissioners recognise the complementary roles of volunteers and can champion their involvement in public services.

#### Create a Centre for Social Value

The Centre would promote effective implementation of the Social Value Act, which has enjoyed cross-party support but is in its infancy. The Centre would help councils share best practice and assess value for money more rigorously; and help voluntary organisations measure and provide evidence of the added social value they bring to public service delivery.

# How to Help Communities and Volunteering Flourish

## What are the issues facing the government of 2015?

All of us want to live in communities where we can fulfil our aspirations for ourselves and our families. Yet some communities are struggling and people can feel isolated or excluded. These problems have an economic cost – including higher demands on public services – as well as huge social costs.<sup>3</sup>

The government can play an important role by supporting the ecosystem of local government, voluntary organisations, volunteers, and businesses which enable communities to thrive and be mutually supportive and resilient.

# How are voluntary organisations helping to address these issues?

Volunteering can have a transformative impact on communities and individuals themselves.<sup>4</sup> With 15.2 million people volunteering each month, it is also clear that their efforts make a huge contribution to our society and economy. Government should focus its efforts on reducing red tape and providing support to make it easier for people to volunteer and easier for organisations to host volunteers from all walks of life.

### SALFORD CVS – OVERCOMING HURDLES FOR VOLUNTEERS

Since the economic downturn, Salford CVS identified that some smaller local voluntary and community groups were struggling to meet the cost of their volunteers' out-of-pocket expenses.

Salford CVS took an innovative response and launched a Volunteer Expenses Fund for small local organisations. Initial funding was provided by the local clinical commissioning group. Salford CVS is now in the process of growing the pot of funding with the support of their local MP, who is encouraging local businesses to get involved through donations and sponsorship. Salford CVS are also looking for donations from local people who feel they do not have time to volunteer but would like to support voluntary action in their communities.

#### **ACCESS TO VOLUNTEERING FUND**

According to government figures, <sup>5</sup> disabled adults are less likely to volunteer in comparison to the rest of the general adult population. The Access to Volunteering Fund was a grant programme piloted in three areas, aimed at increasing the involvement of disabled people volunteering.

Access to Volunteering supported an estimated 7,000 disabled volunteers. It successfully engaged organisations that had no experience working with disabled people, as well as organisations that had never previously worked with volunteers. The volunteers that took part reported an increase confidence and self-worth, with 88% experiencing improved wellbeing and 50% experiencing a reduction in social exclusion and isolation.<sup>6</sup>

**<sup>3</sup>** Research evidence suggests loneliness can have health impacts that are equivalent to smoking 15 cigarettes a day. www.campaigntoendloneliness.org/loneliness-research/

### VOLUNTEER CENTRE LEEDS PRISONER AND EX OFFENDER PROJECT

Since 2013, Voluntary Action Leeds, which manages Volunteer Centre Leeds, has been running a unique volunteering service for people who have had contact with the criminal justice system. The service is run by prisoner volunteers from inside three prisons in Yorkshire, as well as by local referral organisations offering drop in sessions for ex-offenders. Voluntary Action Leeds provides in-depth training and support for volunteer managers to break down barriers and discrimination while also raising awareness among organisations that have volunteers. Over 100 volunteers are already taking part and, to date, no one involved has re-offended.

Community-based charities and foundations are encouraging people to give more time and money in support of their local communities. Government can contribute by using its resources to leverage even greater investments from individuals and businesses.

#### COMMUNITIES FIRST – ENDOWMENT MATCH CHALLENGE

Match-funding schemes such as the Endowment Match Challenge, delivered through the Community First programme, incentivise local philanthropy. Delivered through community foundations, it makes setting up endowments easy. In turn, these endowments provide sustainable funding for local charities over the longer term.

Catherine Stewart set up an endowment fund in memory of her husband John, who had died from prostate cancer aged 49. The first grant the fund awarded was to You Can Bike Too. The project provides specially adapted bicycles for people with disabilities in a local country park. As part of the Endowment Match Challenge, the grant was matched to 50% by the government. The total sum enabled the purchase of a new specially adapted trike, allowing more disabled children to enjoy cycling with their families.

Catherine said 'It seemed a good way of making the funds very much a legacy. It's very long-term, even though it may not be huge amounts of resources now. It is a really excellent mechanism.'

#### GIFT AID – MAKING IT GO FURTHER

Gift Aid is the second largest tax relief that charities receive, with HMRC estimating that £1.1bn will be distributed in tax repayments to charities in 2013/14.

The new Gift Aid Small Donations Scheme was positively received in 2013, but at the time of going to print, was significantly underspent and subject to overly complicated eligibility criteria. Making this valuable scheme simpler and more accessible to smaller local organisations would be widely welcomed and within the current budgeted costs for the scheme.



# How to maximise the voluntary sector's contribution

#### Support growth of the volunteer movement

Given the difference that volunteers make and their potential to play a greater role in key policy areas, such as health and social care, we call on all politicians to commit to supporting the growth of the volunteering movement. Ongoing engagement with voluntary organisations and volunteer centres will identify opportunities to grow volunteering, support good practice in managing volunteers, and ensure that government policy does not stand in the way of volunteering.

## Create a new Access to Volunteering fund

Government should build on the legacy of the Paralympic Games and open up volunteering opportunities for more disabled people by contributing towards the additional costs and expenses incurred by voluntary organisations.

## Support local philanthropy by match-funding donations from businesses and individuals

Building on the success of the 'Endowment Match Challenge', the government should continue a match-fund programme to encourage local giving via community focussed foundations.

### Make the Small Donations Scheme more accessible to small charities

Simplifying this scheme by opening it up to all charities which are registered for Gift Aid would reduce red tape and support more charities. Government should also abolish the matching requirement, which unfairly disadvantages smaller charities.

## Improve access of frontline voluntary organisations to social investment

Since established in 2012, Big Society Capital has committed  $\pm 150$ m to capitalise social investment providers. This investment has not yet had a major impact on accessibility of finance to frontline voluntary organisations. It will be critical to ensure that BSC's investment and future government initiatives reach frontline organisations promptly and on appropriate terms.

We do not believe the policy challenges of the future can be met through voluntary sector initiatives alone. They require a fundamental rethink of the way government works – and as part of that, the way it works with us.'



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