

Third Sector Funding Review
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19 March 2007

Response from Volunteering England to the Strategic Review of Department of Health funding of third sector organisations: consultation document December 2007

Volunteering England is the integrated national volunteering development organisation for England. We work across the private, public and third sectors to raise the impact of volunteering as a powerful force for change. In particular, we are working to improve the capacity of the volunteering infrastructure. We are the accountable body for the Modernising Volunteering strand of the National Support Service and accredit and brand the network of local Volunteer Centres. We are a strategic partner of the Cabinet Office (Office of the Third Sector).

Volunteering England agrees with the views of Baroness Neuberger¹ that volunteering can empower and have positive health outcomes for the volunteer as well as the recipient. We welcome the opportunity to comment on this document and are encouraged that the Department has identified the need to develop stronger links between volunteering, the wider third sector, Department of Health priorities and local health and social care providers. We also support the Department's wish to rationalise its funding to the third sector.

We have ordered our comments, following the structure of the proposals but have not necessarily answered all the questions in the consultation, and have made additional points where necessary.

A Strategic Partner Model

With experience as a Strategic Partner of OTS, Volunteering England supports this model and believes the development of the relationship between the Department of Health and the third sector (specifically the volunteering element) via the appointment as a 'strategic partner' and 'critical friend' from within the volunteering sector will enable it to consult widely within the wider third sector but remain grounded within the field of volunteering.

Volunteering England's view is that a national agent working in partnership with the Department of Health in supporting, developing and promoting regional and sub-regional partnerships and forums offers the option to assist the Department of Health in meeting its strategic priority of embedding volunteering at a local grass roots level within SHAs, PCTs, LAs and other healthcare providers.

¹ Volunteering in the Public Services: Health and Social Care.

We believe the current system of core grants is not transparent whereas the proposed system could lead to more mature relationships between the Department and the third sector. For these relationships to succeed it would be important that:

- the Department has a clear rationale for choosing its Strategic Partners which can be understood by the sector
- Strategic Partners have links to the wider voluntary and community sector, usually through membership or some other mechanism that would ensure accountability to the sector
- there is a paradigm shift in the current relationship between the third sector and the Department, with a clear focus on developing a new partnership between volunteering and the Department to promote volunteering at regional and sub-regional levels.
- strategic partnerships at regional and sub-regional level would support key objectives of promoting sustainability and continuity of funding by involving local healthcare partners in the development of projects at an early stage but it is important they are seen to be equal across all regions and the Department has similar links across the country.
- there is a clear understanding between the Department and the Strategic Partner about their mutual roles, particularly where one party (usually the Strategic Partner) needs to criticise the other
- there is clarity for infrastructure organisations who have strategic relationships with more than one government department, so that organisations do not have to 'choose their favourite' department and thus forgo links with other departments which may then distort their work and overall purpose.

Investment to support innovation, excellence and service development

Volunteering England supports the development of this fund and believes there is a need to better share practice between current projects. As part of its current Section 64 Project, Enhancing Volunteering in Health and Social Care, Volunteering England participates in a twice yearly meeting of all the projects funded for the priority 'national strategic development of volunteering' and finds these meetings useful as a means of sharing information and practice. Volunteering England understands that this practice is unusual for DoH funded projects and supports any similar moves by the Department of Health to share and develop practice in other areas.

However, many voluntary organisations have used DoH S64 funding to run projects where they have been unable to get funding elsewhere. Although DoH says that these services should be locally commissioned, the experience of many small organisations is that it has been very difficult to secure funding through local Service Level Agreements, either because the organisation is not geared up for this kind of contracting, or because the local commissioners do not see this particular service as a priority. If this investment to support innovation, excellence and service development is to be successful, there needs to be provision to enable organisations to move towards sustainable funding at the end of the period of project funding.

It may be helpful for the Department to inform local commissioners that they are funding specific projects so that local commissioners can develop an awareness of these projects over a period of time, as part of educating commissioners about the third sector.

It is likely that this will also be relevant to organisations receiving funding from the Strategic Volunteering Development Fund below.

New Strategic Volunteering Development Fund

- 1 VE notes the proposed transition from 'giving' and 'grant making' to 'strategic investment' as a key element in the developing relationship between the DoH and the third sector offer a timely opportunity for VE to develop its role as the pre-eminent supporter and funder of volunteering within the health sector.

- 2 For VE grantmaking, there are a number of key areas within the review that we would wish to comment upon:
 - The need for a strategic focus on volunteering
 - The need to develop strategic partnerships specifically with volunteer-involving organisations and their representatives.
 - The need for a national (England wide) reach within volunteering to assist volunteer-involving organisations to play a larger role in shaping the development of the DoH relationship with the third sector.
 - The proposed development of a Strategic Volunteering Development Fund.

Volunteering England's view is that the Department of Health proposed new Strategic Development Fund offers both opportunities and risks.

For Volunteering England, there are three issues that need addressing – 1) managing the change from current OFV of local projects to SVDF supporting strategic and innovative funding. 2) continuing to deliver a grant programme in the most efficient and cost effective manner that meets the strategic priorities of the DoH and 3) retain the identified elements of local delivery that appear to be highly valued.

1) From local projects to supporting innovation

Inevitably, in any change to the current OFV grants programme, there may be winners and losers. Volunteering England supports a move towards a strategic approach in Department of Health grant making and commissioning for the distribution of central funds.

Whilst recognising and celebrating the long and positive history of OFV, Volunteering England is of the view that using the available funds in a more strategic way to support and develop new and innovative health based volunteering projects with more detailed evaluation and an earlier focus on sustainability and replicability across regions would represent an opportunity for central funds to continue to support and promote volunteering at a local level.

2) Delivery mechanism:

A single distribution body for managing the grant making processes would be both cost efficient and an effective delivery mechanism. It would also address some of the criticisms from organisations and sectors that wish to promote volunteering for health within certain specific groups that currently find it difficult to access this funding programme.

There are opportunities for real cost savings in the actual delivery element of this programme without damaging the unique or historical benefits of utilising local delivery partners.

Any new delivery model should be an exemplar of good quality delivery practices and co-operative working potential for replication of the delivery model across other departments and non-departmental public bodies.

3) Transition arrangements

As an interim measure, a single steering body or 'advisory committee' could be established that initially represents the current 16 National Agents (together with a representative or member appointed by the Department of Health). This would allow for the delivery of grants programmes during 2008 and development time prior to the final launch of the new grants programme in 2009. The National Agents could nominate a single individual to represent each body to attend the meeting but this group should be tasked with identifying a more inclusive and representative method to replace the current historical basis for membership.

Local projects across England should continue to be invited to submit applications in alignment with Department of Health strategic or local priorities, whilst ensuring a more equitable distribution of grants throughout England and across beneficiary groups.

Strategic National Volunteering Agent

Volunteering England believes there are identifiable economic benefits of a strategic national volunteering agent for both creating and developing the strategic partnerships between volunteer-involving organisations and condition-specific groups at regional and sub-regional levels. Benefits include reducing the bureaucracy of administration through utilising a 'one-stop-shop' approach for all health related projects utilising volunteers and undertaking a range of development and support functions with volunteer-involving organisations seeking or in receipt of grants and operating within the health sector.

Volunteering England believes there are clear benefits deriving from allowing a 'single front door' process for applications from volunteer-involving organisations for any future Strategic Volunteer Development Fund. This simplified process can also be utilised to encourage co-operative working throughout the health sector, promote shared learning and facilitate supportive relationships within broad condition groups and geographic areas. Volunteering England believes the political benefits of delivering on the stated Department of Health strategic objective of 'helping give third sector organisations a voice' via a volunteering delivery partner rather than delivery agents with a specific health focus, means that the single delivery body can remain independent from the pressures to lobby for or seek resources for a condition-specific group. It also retains a key focus on the role and development of volunteering within the provision of health services.

Role of Department of Health

For any regional and sub-regional engagement programme between volunteer-involving organisations and healthcare providers and commissioners to succeed, an element of the impetus must come from the Department of Health to encourage its own stakeholder groups to become involved and engage at a local level. Whilst some excellent local partnerships already exist between many PCTs, SHAs and LAs and volunteer-involving organisations in many areas, in other areas coverage is less well developed and Volunteering England are of the opinion that one key to developing local partnerships (and hence projects) in areas where the relationship is weak or non-existent is active support from the Department of Health (perhaps through SHAs) for the development of local strategic leadership.

Administration

Volunteering England believes that there are already in place existing dedicated regional volunteering functions able to grow local cooperation and engagement.

Budgets and full cost recovery

This has major implications for future investment decisions generally with budgets being increasingly stretched and the full cost of administering programmes being charged by all delivery agents. The Department of Health review documents note that 'programme delivery arrangements are fragmented and not cost effective²'. A single national delivery partner offers the opportunity to make substantial cost savings over the current programme delivery costs through utilising economies of scale.

In addition, a single delivery agent would allow the development of support functions previously not available within such small individual administration budgets. New activities could include carrying out

² Page 9 – DEPARTMENT OF HEALTH Strategic Review document

development work with a wider range of stakeholders such as local public sector organisations and local delivery agents; whilst developing a stronger advice and assistance function and improving regulation and monitoring of the delivery and measurement of outcomes of the grant programmes.

Strategic delivery – local benefits

Depending upon the funding available, there are a number of mechanisms to replicate the benefits of regionalisation within a national delivery partner e.g. establishing regional consultation and development groups to feed into national priorities to ensure local delivery takes account of local priorities whilst remaining within the overall strategic framework set by the Department of Health. Whilst this work may be co-ordinated at an England wide level, actual delivery would be based within local and regional volunteering agencies and partners.

As Department of Health priorities change over time, we assume that the groups representing specific health or social care interests' within the strategic partners would also change. Experience of National Agents of the OFV grants programme suggests that once established, the groups representing specific health or social care interests' partners become fixed, so we propose that in any new strategic volunteering development programme partners are time limited to ensure regular refreshing of the advisory group.

Sustainability, Evaluation and promoting Best Practice

Volunteering England agrees with the identified weakness³ in the way Department of Health supports the third sector at present.

'No overall benefits realization framework exists for assessing impacts and outcomes'
'No structures or mechanisms exist to support sustainability of valuable projects'.

Volunteering England is of the view that a national volunteering agent delivery partner for managing the development of a strategic partnership framework as well as a SVDF offers the best potential to ensure the promotion of best practice across England. Offering the opportunity to replicate examples of best practice in utilizing volunteering to support health and social care priorities could most easily be managed through a single dedicated body with both resources and a national reach.

Volunteering England supports the development of systematic methods for outcomes and impact monitoring to promote best practice, ensure best value for money and ensure that new or innovative work is available in a format suitable for replication to a wider audience.

Volunteering England recommends that sustainability (like equality proofing) becomes a cross cutting element of the whole investment decision process with the potential for external review of all process and systems.

Role of groups representing specific health or social care interests'

Volunteering England believes close cooperation and involvement of groups representing specific health or social care interests' as well as a range of new stakeholders from both the third sector, other parties such as SHAs, PCTs and LAs and other health delivery and commissioning partners, is crucial in the development of the strategic goals and priorities identified under the Department of Health strategic priorities.

³ Page 9 - DEPARTMENT OF HEALTH strategic review document

Whilst we expect groups representing specific health or social care interests to continue to lobby for resources for their service users, there are a range of methods for securing and managing cooperation and involvement between all stakeholders at both national and regional levels. These range from direct involvement at a 'national grants / advisory committee' level through embedding third sector groups representing specific health or social care interests at regional level to involving these groups (or their representatives) at decision stages to ensure that any new proposed grants fund (SVDF) is fully supported by health providers within their locality. This has the additional benefit of promoting sustainability of the project after the grant ends.

In conclusion, we hope you have found our comments and suggestions useful. We are keen to help develop the Department's proposals and look forward to taking part in any follow-up discussions.

Sheila Hawkins and Dennis Treleaven
on behalf of Volunteering England
March 2008