North East and North Cumbria VCSE Stocktake

Background:

1. The VCSE sector is a vital cornerstone of a progressive health and care system, and guidance from NHS England is clear that ICSs should ensure their governance and decision-making arrangements support close working with the sector as a strategic partner in shaping, improving and delivering services and developing and delivering plans to tackle the wider determinants of health. VCSE partnerships should therefore be embedded as an essential part of how our health and care system operates at all levels.

2. With the publication of the Darzi report and the development of a new 10 year plan for health, we have an opportunity to demonstrate how the VCSE sector is an equal partner in improving population health and reducing health inequalities, and contributing to the three key strategic shifts that the health system needs to make as set out by the Secretary of State:
    *   Care from hospital to community
    *   Analogue to Digital
    *   Treatment to Prevention.

Meeting the fourth objective of ICBs

3. Given the range of challenges we face, the growing fragility of the Voluntary Community and Social Enterprise (VCSE) sector, and the direction of travel for the ICB's Local Delivery Teams to support more community asset-based approaches to health and wellbeing, now is a good time for the ICB to refresh how we work with and support the VCSE sector in the North East and North Cumbria.

4. NHS England's 2020 guidance 'Integrating Care: Next Steps to Building Strong and Effective Integrated Care Systems across England', outlined four core purposes of ICSs, all of which are enhanced by joint working with the VCSE:
    *   Improving population health and healthcare
    *   Tackling unequal outcomes and access
    *   Enhancing productivity and value for money
    *   Helping the NHS to support broader social and economic development

5. This fourth objective is perhaps the least defined in traditional NHS management and strategy terms yet is particularly important in the North East and North Cumbria given the scale of our health challenges, and the obvious connection between health and socioeconomic outcomes. There is also no national blueprint or linear model to follow to progress social and economic development nor has NHS England set a specific policy on how integrated care systems should deliver these objectives.

6. As an ICB we are already leading several important programmes of work to meet this fourth objective, including through our Healthy Communities and Social Prescribing Programme, the Housing, Health and Care Programme, and the formation of an NHS Anchor Network focused on action on education, employment, the economy, the environment and health inequalities, as well as our emerging work to address health-related barriers to employment through embedding Employment Advisors into health pathways.

7. However, in thinking through what more can we do to address the 'social' element of the fourth objective, then how we support the development of the VCSE sector in NENC – especially given how much this sector do already to improve health and wellbeing and

provide vital insight and intelligence on the needs of the people and communities they engage with – must be a key consideration for us.

The role of the NHS in helping the VCSE sector to flourish

8. We are fortunate in the North East and North Cumbria that our region already has well-established grant making programmes led by our three local Community Foundations. The Northumberland and Tyne & Wear Community Foundation's 2024 report *Vital Signs North East: How philanthropy can make the most difference to our region's people and places* sets out how charitable activity can 'reduce our region's unacceptable poverty and inequality, widen access and inclusion, support people to live healthier and safer lives, strengthen culture, community life and the resilience of our places, and even taking and resourcing action to address climate change.'

9. This report calls on the public and private sectors, alongside individuals, families and wider civil society, to recognise the value of the region's charities and community, organisations and invest in them accordingly. In the Northumberland and Tyne & Wear area alone the sector employs more than 37,000 people alongside 152,000 volunteers and has a financial value of £1.7bn. But the Community Foundation estimates it total social and economic contribution at closer to £6bn. Nevertheless, their sustainability 'requires longer-term, core financing, strong data and infrastructure, and to be resourced for advocacy and campaigning alongside service delivery, building on the opportunities of devolution.'

10. There is an increasing awareness within the NHS of the importance of connecting people into the support that's provided by the voluntary sector through social prescribing and link-worker approaches – especially for high-intensity use of health services – and this has already been recognised in our Integrated Care Strategy 'Better Health and Wellbeing for All'. In 2023, the NHS Confederation published, 'Driving social and economic development Practical learning and tools for integrated care systems'. This showed that, in practical terms, ICBs should ensure that community activity action can flourish by investing in both grassroots VCSE sector activity *and* the infrastructure that helps to make this happen. This should sit alongside the reform of commissioning, procurement and contracting processes, including new grant frameworks, but in the NHS Confed' view, investment in infrastructure for partnership and delivery 'is enabling more rapid progress on social and economic development.'

11. This was echoed in NAVCA's 2023 report 'Snowballs and eels' report on funding for VCSE infrastructure, which argued that while 'pump priming, pilots and time limited project funding is the norm', health system investment into the VCSE sector infrastructure needed for partnership is historically rare. NAVCA argue that longer term structural funding for partnership infrastructure is needed, and that this sort of partnership funding (alongside a culture shift within the NHS to fully recognise the value of the VCSE sector and the assets it brings) can have a snowball effect in building capacity and improving outcomes.

12. The reports of the Independent Inequalities Commission 'Good Lives for All' and the Marmot 'Build Back Fairer' review also make frequent reference to the VCSE sector's knowledge and its tested practical solutions to tackling entrenched inequalities and improving wellbeing.   The recent Insights North East research project into the importance of 'social infrastructure' in so called 'left behind places' also made some key

recommendations to policymakers on the importance of sustained investment in local infrastructure:[1]

- Social infrastructure affords a range of important overlapping, often intangible, benefits,
  which are difficult to quantify using conventional methods
- We have undervalued the contribution of social infrastructure towards addressing problems such as loneliness, which have tangible health impacts that place heavy costs on already burdened medical systems.
- The remaking of social infrastructure requires a long-term financial commitment to revenue support for local programmes that should be led by local communities
- Local councils (and other public bodies) should act as enablers of community action, rather than substitute it – and should create registers of social infrastructure assets in order to develop better strategies.

13. Much of this work is already being taken forward by Local Infrastructure Organisations, and almost all of the local authority places in which we work already have LIOs in place that the ICB needs to work closely with as we look to support the VCSE sector more effectively.
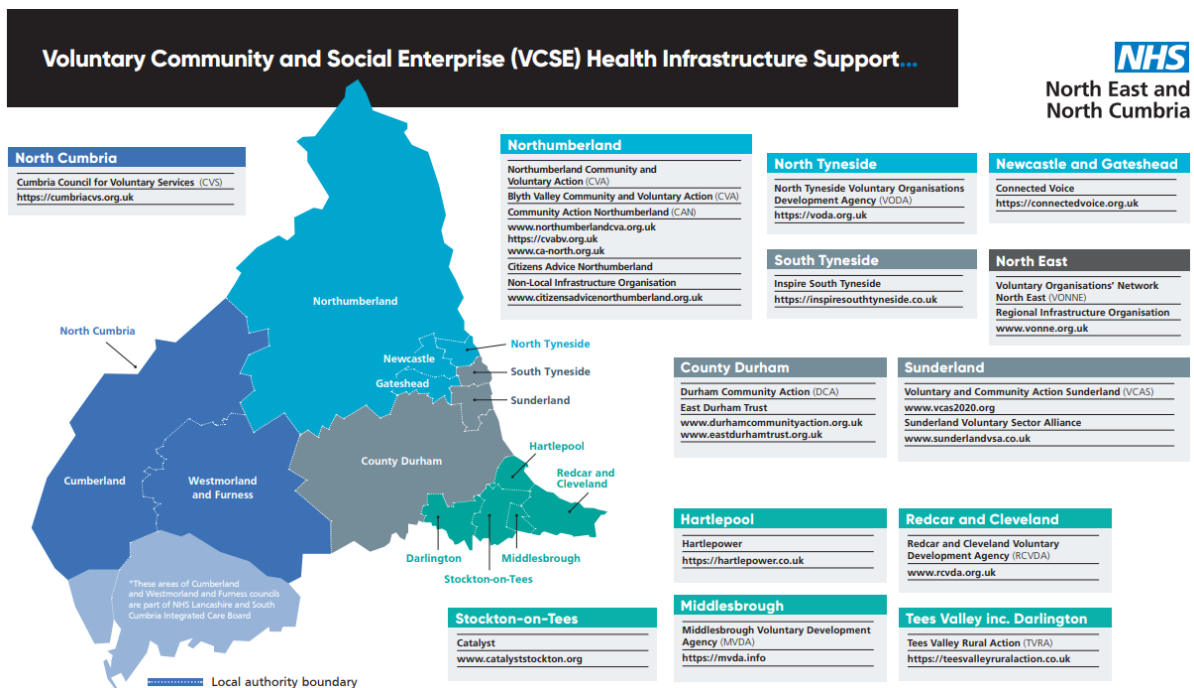
Developing a VCSE Alliance in the North East and North Cumbria

14. Since ICBs were created, NHS England (NHSE) has highlighted the role of the VCSE sector as a key innovation and integration partner. However, research by the King's Fund and others have identified several barriers to partnership working between the VCSE and statutory sector. These included inflexible commissioning arrangements, and a lack of VCSE involvement in service design, and delivery; limited sharing of data,

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[1] https://insightsnortheast.co.uk/wp-content/uploads/2024/06/social-infrastructure-policy-briefing_Final.pdf

intelligence and insight; and inadequate funding making the sector increasingly unsustainable. Common to many of the actions and approaches to addressing barriers are ways of working that facilitate more equal partnership. Good examples of this include involving the VCSE sector early in planning and decision-making, and ensuring that NHS commissioners build an understanding of the sector, and mainstream approaches to co-design and co-production.

15. Therefore, the **NHSE ICS Design Framework[2]** published in July 2021 outlined how the VCSE sector can be a vital cornerstone of progressive health and care systems, and how ICSs should ensure their governance and decision-making arrangements support close working with the sector as a strategic partner in shaping, improving and delivering services, as well as developing and delivering plans to tackle the wider determinants of health.

16. This Design Framework recognised that the VCSE sector needed be embedded as an essential part of how systems operate at all levels, including within governance structures and system workforce, population health management and service redesign work, leadership and organisational development plans. As such, NHSE recommended that ICBs create system level VCSE alliances/leadership which would:
    - Provide the ICS with a single route of contact and engagement with the sector and links to communities.
    - Encourage and enable the sector to work in a coordinated way.
    - Embed the VCSE sector in formal governance and decision-making structures with a formal agreement to outline how the VCSE will work within the ICS
    - Ensure that the VCSE sector is a strategic partner in various workstreams, partnership boards, services, and pathway re-design.
    - Better position the VCSE sector in the ICS and enable it to contribute to the design and delivery of integrated care and have a positive impact on heath priorities, support population groups or reduce health inequalities.

Developing our VCSE Alliance: the ICB's Partnership with Voluntary Organisations Network North East (VONNE)

17. On the advice of NHS England, we were invited to partner with VONNE (Voluntary Organisations Network North East) as the regional support body for the VCSE sector. VONNE represents more than 1,400 member charities, voluntary organisations, community groups, networks and social enterprises from across the region, with VONNE networks spanning 4,200 members and further reach across social media and additional regional thematic and geographic networks. VONNE also acts as the umbrella body for our North East place-based local infrastructure organisations.

18. However, we know that there are more than 11,000 VCSE organisations in NENC ranging from large charities to informal grassroots groups supporting people in their local community. These organisations may be condition-specific (e.g. focused on mental health or cancer) or organised around a geographical or virtual community.

19. To ensure we reach as many of these VCSE organisations as possible, VONNE have worked with us to establish the regional VCSE Partnership Programme, one of 42 VCSE alliances across England created to ensure that the VCSE sector is embedded at all levels of the NHS Integrated Care Systems (ICS). Working in partnership with Cumbria

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[2] https://www.england.nhs.uk/publication/integrated-care-systems-design-framework/

CVS, VONNE leads and delivers the integration and enables the VCSE sector to shape and inform the ICS into a system which works for everyone. As part of their structure, VONNE support the convening of a VCSE Executive group that involves stakeholders from local infrastructure organisations, and senior leaders from across the sector.

20. Membership of the Partnership Programme is open to all VCSE organisations in the North East and North Cumbria and includes leaders from LIOs at place level, and those representing communities of interest across the ICS footprint. The Programme facilitates strategic engagement, connection, and co-ordination with the wider VCSE for the ICB. It works to ensure the VCSE sector has a voice and influence across the ICS via democratically elected VCSE representatives who have committed to represent the wider sector, feeding information and intelligence into and out of the ICB, ICP and other key ICS boards.

21. In 2022/23 the ICB and VONNE secured a further £10,000 of funding from NHSE to strengthen our VCSE Partnership Programme and focus on embedding the VCSE within ICS governance structures, increasing the diversity and inclusivity of the VCSE Alliance and on engagement of smaller VCSE organisations within the system. This additional funding helped develop and strengthen mechanisms for the two-way flow of communication across all levels of the system, and to support smaller VCSE organisations to engage with the Partnership Programme in ways that work for them to be able to feed in and gather information and support VCSE engagement in development of our ICP strategy.

Development of a Memorandum of Understanding (MOU) between the ICB and the VCSE sector in the North East and North Cumbria
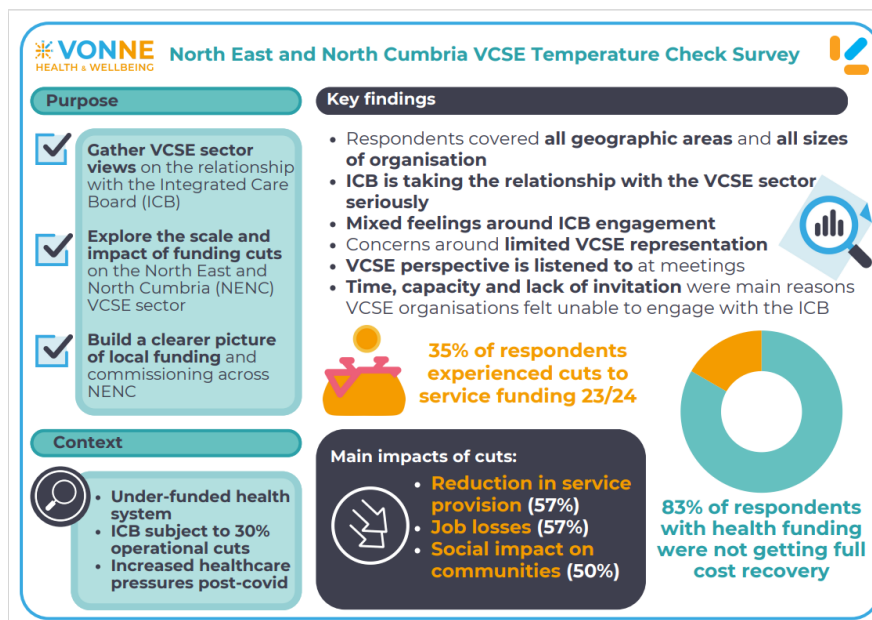
22. Working with VONNE, our vision has been to help nurture a vibrant, sustainable, and resilient Voluntary, Community and Social Enterprise sector across the North East and North Cumbria which is fully integrated into strategic ICS-wide and local place systems. The VCSE sector should be an equal stakeholder and partner, influencing decisions, delivering solutions and innovation for the benefit of the population, and offering critical insight when planning and shaping strategy and services system-wide.

23. However, through our partnership with VONNE, we have been able to identify a range of issues that present obstacles to achieving that vision:
   - Our VCSE Partnership was first established while the ICB was developing, with no set way of working between sectors
   - The VCSE sector has limited capacity to engage in partnership activity (especially smaller organisations)
   - All VCSE organisations are totally independent and there is no official hierarchy within the sector
   - Competition between VCSE organisations for funding can be a barrier to partnership working
   - We therefore designed a system architecture, rather than a sector-wide governance structure, and this is helping to build in-sector relationships

24. Therefore, our MOU with VONNE was developed in 2023-24 to ensure that, via the VCSE Partnership Programme, the VCSE sector is integrated and embedded in system level governance, decision-making and service provision arrangements in the North East and North Cumbria, and that these arrangements help to deliver better health and wellbeing outcomes for our residents via shared values and a clearly defined

relationship. Our MOU recognises that the VCSE sector is a key and equal partner in achieving the NENC ICB ambitions and vision. Inclusion of the VCSE in governance and decision-making arrangements, including the ICB, the ICP, Area ICPs and at place, sets out clearly the commitment to active integration and meaningful co-production with the VCSE sector.

VCSE sector temperature check report

25. In November 2023, our VCSE Partnership Programme Executive Group (which consists of democratically elected VCSE leads from all our places (nominated by LIOs) and communities of interest (via the VCSE Partnership's sub-groups and external networks) asked VONNE to carry out a survey with its members about the relationship between the ICB and the VCSE sector. Although the numbers completing the survey were relatively small, they do cover all the places within the ICS, span all communities of interest, and were confirmed by Executive Group members as reflecting their own thematic or geographic areas. In terms of the relationship between the VCSE and ICB, the majority of issues have arisen from perceived disruptions and uncertainties following ICB 2.0, but we anticipate that this will settle down as our new team structures become established.

26. Although some respondents noted good collaboration opportunities and positive relationship building with NHS colleagues, feedback from respondents highlighted several challenges they are facing. These concerns included limited representation in partnership decision-making, a need for better understanding of the VCSE sector across the NHS and enhanced communication between the ICB and the VCSE sector. Additionally, the overarching themes of time constraints, insufficient funding, and a lack of sustainability pose significant obstacles for VCSE organisations. The potential impact on health inequality due to funding issues further underscores the need to address these challenges together.

VONNE HEALTH & WELLBEING **North East and North Cumbria VCSE Temperature Check Survey**

Purpose
- ☑ **Gather VCSE sector views** on the relationship with the Integrated Care Board (ICB)
- ☑ **Explore the scale and impact of funding cuts** on the North East and North Cumbria (NENC) VCSE sector
- ☑ **Build a clearer picture of local funding** and commissioning across NENC

Context
- Under-funded health system
- ICB subject to 30% operational cuts
- Increased healthcare pressures post-covid

Key findings
- Respondents covered **all geographic areas** and **all sizes of organisation**
- **ICB is taking the relationship with the VCSE sector seriously**
- **Mixed feelings around ICB engagement**
- Concerns around **limited VCSE representation**
- **VCSE perspective is listened to** at meetings
- **Time, capacity and lack of invitation** were main reasons VCSE organisations felt unable to engage with the ICB

35% of respondents experienced cuts to service funding 23/24

Main impacts of cuts:
- **Reduction in service provision (57%)**
- **Job losses (57%)**
- **Social impact on communities (50%)**

83% of respondents with health funding were not getting full cost recovery

27. One key area of feedback has been that 83% of VCSE organisations who receive health funding are not getting full cost recovery for the services they provide following referrals from the statutory sector. This shows that there is a significant financial support from VCSE organisations into service delivery, a contribution that should be considered alongside the ICB's own investment into the VCSE sector, and one which is increasingly unsustainable for VCSE organisations.

Greater Manchester VCSE Accord Agreement

28. Learning from elsewhere, we have seen ICBs such as Greater Manchester develop an 'Accord Agreement' to act as a framework for collaboration involving VCSE leaders and organisations in the delivery of the Greater Manchester Strategy (GMS).   Their shared vision is for a thriving VCSE sector in Greater Manchester that works collaboratively and productively with the GM Integrated Care System and the GM Combined Authority, its constituent local authority members and statutory partners.

29. To implement this, GM recognised that this would require sustainable infrastructure and strong leadership, as well as the subsidiarity principle, meaning that decisions and issues are taken and addressed as close to communities as possible, coming together at a Greater Manchester level where there is a demonstrable benefit of doing so. However, they also recognise that although the presence of VCSE organisations on decision making bodies represents progress, there is some way to go yet before the level of collaboration and co-production that we envisage is achieved.

30. The Greater Manchester Accord sets out 8 commitments, which aim to continue the transition towards greater parity in the relationship between the VCSE and statutory sectors:

- We will work together to achieve a permanent reduction in inequalities within GM, addressing the social, environmental and economic determinants of health and wellbeing.
- We will embed the VCSE sector as a key delivery partner of services for communities in Greater Manchester

- We will build a financially resilient VCSE sector that is resourced to address our biggest challenges, working together to maximise new funding sources, ways of contracting and grant-giving arrangements.
- We will grow the role of the VCSE sector as an integral part of a resilient and inclusive economy where social enterprises, co-operatives, charities and microsocial business thrive.
- We will build on our existing strengths to build the best VCSE ecosystem in England, with the aim of enabling VCSE organisations to become 'anchors' for their place or their community
- We will put into place mechanisms to make co-design of local services the norm, informed by 'lived experience', engaging with LCOs, PCNs and place-based health governance to create the Greater Manchester 'Live Well – Beyond Social Prescribing Plan'
- We will build productive relationships between the VCSE, public and private sectors to address inequity including putting in place Employer Supported Volunteering, secondments, work shadowing and other arrangements to enable the sharing of expertise between sectors
- We will put in place a comprehensive workforce programme to support VCSE employers based on and facilitating a more integrated public facing workforce, developing the skills of VCSE Leaders, and increasing opportunities for peer support and multi-agency connection

31. We can learn from this approach as we review our own MOU with the VCSE partnership Programme, especially how we will help to build the financial resilience of the sector, promote co-design with VCSE partners, and engage the sector in our workforce planning arrangements.

NHSE England Quality Development Tool for ICBs and VCSE Alliances

32. As we review our partnership arrangements with the VCSE we have also been invited by NHSE to utilise their 'Quality Development Tool' (QDT) which has been developed to support the strategic ambition of 'Embedding the VCSE in ICSs'. This QDT is aimed primarily at system level collaborative working, to provide insight, tools, and resources to enable progression towards greater cross-sector collaborative working. However, there will be elements and principles that are transferable across place and neighbourhood as well.

33. The ICB has been invited to complete this tool with our VCSE Alliance (the NENC VCSE Partnership Programme), which focuses on the following six domains:

- **VCSE as key strategic partner and decision maker -** This quality area is concerned with governance and representation of the VCSE sector at strategic system level, including in design and provision of services at place and neighbourhood levels.
- **Investment and sustainability** - This quality area is about enabling effective partnership working with the VCSE sector through sustainable investment practices. It relates to question 8 in the NHS England checklist: "Does the ICS support a sustainable VCSE sector through market development, strategic grants and investment in VCSE infrastructure and alliances, including understanding where communities are not served or advocated for by the VCSE?"
- **Service transformation, design, and delivery** – this quality area is about transforming services through partnership approaches of co-design and co-production alongside commissioning reform.

- **Data, Insight and Intelligence** – this quality area concerns how data and intelligence on community needs and services are captured, shared and utilised.
- **Leadership** – this quality area is concerned with how the VCSE sector is involved in leadership development, training and opportunities to further develop relationships and skills
- **Addressing the wider determinants of health and health inequalities** – this quality area is concerned with how the VCSE sector is involved in tackling joint priorities, targeting resources where they are most needed, and taking action on the wider determinants of health, health inequalities and prevention.

34. How to use this tool is up to system partners to decide, but we can utilise the outcomes of our self-assessment against these domains to our future partnership arrangements with the VCSE sector.

Our place-based approach to working with the VCSE sector

35. So far, our approach as an ICB to working with the VCSE has focused on the creation of our VCSE Partnership Programme at a system-level, while our place-based governance and working arrangements were being finalised. But we know that the vast majority of our engagement with the VCSE sector happens at place level, where local organisations often make the biggest difference to their communities.

36. To help us understand the VCSE landscape across our localities, we have begun to map the provision of local VCSE infrastructure organisations (LIOs), as well as what the ICB funds directly through commissioning VCSE services. This is set out in Appendix 1, alongside information from each locality about the work of the charitable arms of local NHS Foundation Trusts which also often support and invest in the work of the VCSE sector.

37. Our estimate of the current value of all the current contracts and grants we have agreed with the VCSE sector is **£37,216,651** which amounts to around 0.54% of the ICB's total budget. However, this figure can be difficult to calculate, given that the way grants and contracts are coded can vary. We are also aware that the ICB's contribution to local initiatives agreed jointly with local authorities under section 256 agreements often contribute indirectly to funding local VCSE services, and we are working to estimate how much more this indirect funding might amount to. Some of the ICB's predecessor CCGs set an aspiration to increase their spending with the VCSE sector to 1%, and setting targets to increase the ICB's own spending in this area to similar levels could be a useful step for us to take.

Community Grants programme

38. In thinking through how we might better commission VCSE services, we can learn from the project that VONNE is leading on new approaches to Community Grants. VONNE, through the VCSE Partnership Programme, recently secured £75k funding from Assura to progress how we evidence VCSE outcomes and investigate a standardised approach to support evidence-based commissioning, via a partnership approach with the ICB.

39. Assura PLC develop, invest in and manage a portfolio of healthcare buildings across the UK, and their Assura Community Fund has distributed more than £1.8m to health-improving projects across the UK. Assura want to play an important part in the relationship between Integrated Care Systems (ICSs) and the Voluntary, Community and

Social Enterprise (VCSE) sector, and they have established and funded a partnership with NAVCA (the National Association for Voluntary and Community Action) to deliver three aims in support of this:

- Support local VCSE organisations to address local health and wellbeing
- Support local ICS and VCSE partners to strengthen and sustain working relationships
- Build the evidence of impact of effective VCSE and health system partnership working.

40. These aims are being delivered through work in several Integrated Care System (ICS) comprised of three core components:

- A **community grants programme** – offering up to £75,000 to support local VCSE organisations to deliver activities to that support partnership building and health creation.
- **Partnership support and development** – the equivalent of six days specialist support to build, strengthen and sustain the integrated partnership working between the VCSE sector and Integrated Care Board.
- **Capturing and disseminating the learning** - from both the community grants activity and partnership development support, to inform future activity and improved partnerships

41. Therefore, Assura will fund VONNE to collect and collate existing evidence of impact of VCSE interventions on health outcomes, co-produce an outcomes framework with the VCSE sector and the ICB, and explore how commissioning processes could improve.

42. This project will involve gathering data from commissioners and a wide range of VCSE organisations already operating within a health context and highlight examples of where collaborations (within the VCSE and between sectors) have led to improved outcomes. This will help to identify shared outcome measures, and gaps in data collection, so that we can start to move towards more standardised ways of capturing data, while drawing on examples from other systems. VONNE and Assura's partners will then convene co-design sessions with VCSE and ICB leads to explore the possible development of outcomes framework and potential changes in commissioning practices.

Investment in Local Infrastructure Support

43. Guidance recently published by 'Locality' the national membership network supporting local community organisations, makes recommendations to Integrated Care Systems on how they can achieve their priorities by 'unlocking the power of communities'. Their guidance explores how the 'Keep it Local' approach can support the shift to prevention, tackle health inequalities, create social and economic development, and embed the VCSE within health systems. Their guidance was recently adopted by NHS West Yorkshire ICB and is based on six Keep it Local principles:
- Think about the whole system not individual service silo
- Co-ordinate services at a neighbourhood level
- Increase local spend to invest in the local economy
- Focus on prevention now to save costs tomorrow
- Commit to your community and proactively support local organisations
- Commission services simply and collaboratively so they are "local by default"

44. This echoes NAVCA's recent calls on the government to do more to support local infrastructure organisations who can help to create thriving communities by:

- Building strategic relationships and bringing together community knowledge and skills.
- Developing partnerships with key organisations and enabling collaboration.
- Acting as a trusted partner, effectively communicating with and representing communities.
- Building the capacity of VCS organisations.
- Supporting early intervention and providing rapid response in crises.
- Contributing to local economic development through employment and volunteering.

45. As part of this, NAVCA have called on statutory bodies to work with the VCSE sector as an equal strategic partner, and they have also recommended investment in 'local infrastructure as the convenor, partnership enabler and capacity builder to enable communities and the VCS to thrive … as the strategic relationships with local authorities, health systems and other statutory partners forged by LIOs bring significant benefits to communities.

46. As our locality teams establish new ways of working and decide their local investment priorities, it would be useful to consider how we can ensure that all of our places can benefit from having strong local infrastructure organisations in place that help the VCSE sector to grow and become sustainable local delivery partners. In the Greater Manchester Accord, partners in GM are explicit that their commitment to building 'a financially resilient VCSE sector that is resourced to address our biggest challenges' requires working together to 'maximise new funding sources, ways of contracting and grant-giving arrangements' and that they further commit to

> 'grow VCSE infrastructure capacity in each of the 10 districts of Greater Manchester and at a Greater Manchester level. This will enable VCSE organisations to act as funding anchors, playing a strategic role of grant-giving to VCSE organisations channelling public money and raising investment for communities [this will require] putting into place an investment approach based on long-term, core funding to support strategic VCSE capacity and infrastructure in delivering the visions of the GMS and GM Integrated Care System.

47. We could take a similar approach in NENC: working with the sector to review and streamline our contracting and grant-giving arrangements, while also taking stock in each of our places of the capacity of LIOs, and work with our local authority partners on local development and investment plan for the local VCSE sector.

Innovative approaches to working with the VCSE sector

48. In doing so, we can take the learning from emerging good practice, including the **County Durham Together Partnership VCSE Leadership Group** which connects our ICB locality director and delivery team with their local authority commissioning counterparts, the local LIO, and the County Durham Community Foundation (a key local grant-giver) to focus on the health of the sector and local funding and commissioning arrangements.

49. We can also learn from our **work with the charity Helpforce on the 'Back to Health' programme in North Tyneside**. The 'Settle at Home Project' will see volunteers supporting patients over the age of 55 who are being discharged on 'Pathway Zero' back to a home in North Tyneside. The project is being funded through the local Discharge Funding Grant to allow VODA to recruit, train and coordinate local volunteers, who will visit patients post discharge from hospital and support them to settle at home by helping with practical tasks and signposting to local sources of community support. Working with the ICB's Locality Delivery Team, Helpforce helped to establish the service working with partners from VODA, Northumbria Healthcare NHS Foundation Trust, and North

Tyneside Council, and will provide an interim evaluation at 6 months and full evaluation after 12 months.

50. In North Cumbria, the ICB has carried on the CCG's investment in a VCSE referral coordination post in Cumbria CVS, as well as ensuring that there are social prescribing link workers in every PCC primary care colleagues in North Cumbria who, working closely with Barnardo's, have achieved international recognition for their children and young people's social prescribing service. GP practice teams in Carlisle, Penrith and Eden, Keswick and Solway and Longtown and Brampton Primary Care Networks (PCNs) work with Barnardo's in supporting children and young people aged from 5 to 19 with their emotional health and wellbeing.

Innovative sources of funding to support VCSE activity

51. Although the Healthier and Fairer Programme has begun to consider how to support the expansion of social prescribing (and promote connection and collaboration, so that community assets can contribute more to prevention and tackling health inequalities), new sources of funding to expand the provision of VCSE-led health and wellbeing services are limited. Therefore, it makes sense for ICB leads at system and place to strengthen relationships with local philanthropic donors (especially the local Community Foundations) to identify shared priorities and broker investment opportunities.

52. This can be further supplemented via exploring opportunities for 'Social Finance' funding for VCSE-led programmes. Social investment is a form of repayable finance to an organisation programme which is used to achieve a social purpose. It differs from traditional investment in that social investors are not purely motivated by a substantial financial return, and they are often prepared to accept the high-risk / low return reality of testing innovation in the pursuit of creating social value and impact. As resources are scarce so it helps to attract new sources of finance, from individuals, private firms or financial institutions, who want to make positive change happen.

53. Social Investment funds 'in play' in the UK are now estimated at £1.5 billion. Traditional commercial lending to VCSE organisations, by comparison, is estimated to be £620 million per year. Around 3,000 VCSE organisations nationally are benefiting from Social Investment.

54. An evaluation by the not-for-profit organisation Social Finance of their 'Care and Wellbeing Fund' (which has developed and managed investments in the health and social care sector since 2015), concluded that social investment could be deployed to support improved health outcomes and be a tool for sustainable innovation and transformation in the health and social care sector, and as a catalyst for wider change. Their key findings where that:

- Investment in the health and social care space on an outcomes-basis is feasible and can result in deep social and system wide impacts.
- Development financing is critical to ensure there is the time and resources to support and co-develop innovative concepts.
- Investing into the health and social care system is complex and requires a multi-disciplinary team to navigate the complexity of the NHS, unblock barriers, and quickly test the feasibility and innovation of new ideas and concepts.
- Taking an agile approach and iterating while learning can be a powerful approach when experimenting, particularly in the delivery of services. This is much more possible when a service is focused on outcomes rather than contractual inputs and activities.

55. We are now taking forward exploratory conversations with Social Finance through the VCSE Partnership Programme, and this could be an important new strand of funding to help expand VCSE-led programmes of work in NENC.

Recommendations:

56. To refresh our strategic infrastructure for working with the VCSE sector at scale we recommend that the ICB board endorses these proposed actions:

- Work with the VCSE sector to refresh our current VCSE Partnership Programme structures, to ensure that the voice of the sector and its service users is listened to.
- To set out these arrangements in a formal Memorandum of Understanding (MOU) for engaging and embedding the VCSE sector in system-level governance and decision-making.
- Strengthen communication mechanisms with the sector via regular bulletins and a programme of VCSE summits and learning events.
- Support the VCSE sector to develop the skills of their leaders and increase opportunities for peer support and learning via a dedicated VCSE learning network hosted on our Boost platform and VCSE participation in our Workforce Development programme.
- Develop a standard grant-making and commissioning framework and investment criteria for ICB commissioners based on learning from the Assura-funded pilot programme.
- Ensure that when commissioning VCSE organisations that we have a balanced and proportionate approach to impact measurement that is realistic and proportionate to the size of the funding package, the type of work being carried out, and the size of the respective organisations involved.
- Develop a repository of good practice case studies where the VCSE have demonstrated their impact and use this data to advocate for increased grant giving and commissioning from the sector with key health partners.
- Strengthen the relationships between ICB commissioners and local philanthropic donors, including the local Community Foundations, to identify shared priorities and broker investment into VCSE projects that support ICB objectives.

57. Strengthening how we work with the VCSE sector at place level through our ICB Local Delivery Teams:
- Ensure appropriate VCSE involvement, including Local Infrastructure Organisations, in our emerging place based ICB governance and partnership arrangements (and recognise the time commitment and costs that this entails for VCSE organisations).
- Consider the balance of funding between VCSE infrastructure and service delivery and set local targets to increase (a) the value and percentage of local commissioning on VCSE services, ensuring full cost recovery; and (b) the percentage of VCSE contracts that are longer than 12 months in duration, to support the sustainability of the sector.
- Work with system partners, including Primary Care Networks, to review the effectiveness of local social prescribing arrangements, their impact on improving health outcomes and tackling issues including worklessness and reviewing good practice in making referrals and data-sharing.
- Identify and tackle examples of unfunded referrals to VCSE providers from larger organisations who have been commissioned to deliver services by the ICB.