A Clinical Commissioner’s Guide to the Voluntary Sector

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Foreword

With the passing of the Health and Social Care Act in March 2012, the UK’s health and social care landscape entered a period of major transition. From 2013, newly-formed Clinical Commissioning Groups (CCGs) will take over responsibility for commissioning many NHS services, and will face the challenge of securing improvements in health outcomes at a time when demographic shifts and changing lifestyles are putting ever-greater pressure on NHS finances.

In this context, non-traditional health and care service providers, such as voluntary and community organisations, social enterprises and mutuals, will play a key role, both in supporting commissioners to procure services that are responsive to patients’ needs and provide real value for money, and in the delivery of effective and innovative health and social care provision. Many organisations in the not-for-profit sector provide services which extend beyond traditional, clinical health interventions to a broader range of approaches, such as community support, social participation and support for independent living.

A key attribute of these organisations, whether they operate at the local, regional or national level, is their close links to the beneficiary groups that they serve. Consequently, the voluntary and community sector is well-placed to support the development of tailored services which improve health outcomes and create a wider range of choices for commissioners, as well as service users. Commissioners will benefit from engaging with the sector in the process of service design and in supporting a diverse provider market.

This guide, produced jointly by ACEVO and the NHS Alliance, is intended to support closer and more effective working between clinical commissioners and voluntary organisations. It is the first guide of its kind and it is an important document both for CCGs and for the voluntary and community sector. It explores models for successful collaboration between commissioners and sector organisations in the new landscape of clinical commissioning and developing provider markets.

It is not a definitive guide to commissioning but an exploration of possible organisational models that can be adapted according to local circumstance, resources and needs.

We hope that both clinical commissioners and voluntary and community organisations will find this guide useful as they collaborate in the provision of high-quality health and social care services.

We would like to thank Mo Girach, Special Advisor to the NHS Alliance, for all his hard and dedicated work in putting this guide together; as well as the great team at ACEVO, without whom this guide could not have happened.

Dr Michael Dixon
Chairman of the NHS Alliance

Sir Stephen Bubb
Chief Executive, ACEVO
Introduction

Clinical commissioning groups will face huge challenges over the coming months and years, including delivering the NHS Quality, Innovation, Productivity and Prevention programme (QIPP) and meaningful public engagement, as well as setting up collaborative commissioning arrangements.

The NHS Alliance and the Association of Chief Executives of Voluntary Organisations (ACEVO) believe a big part of the answer can be a revolution in the way that NHS Commissioners work with their communities and tap into the vast potential of the 800,000 voluntary sector groups in the country.

This is about going beyond the traditional spectrum of health and social care services, and it encompasses a broader range of support to enable people to:

• Live independently;
• Stay healthy and recover quickly from illness;
• Have as much control over their own lives as possible;
• Live with, and/or look after, their family;
• Participate as active and equal citizens;
• Have the best possible quality of life.+

The government has placed increasing emphasis on commissioning from voluntary sector providers. There is a recognition that Clinical Commissioners Groups that engage with the voluntary sector in an effective way can lead to:

• Better outcomes for people e.g. with Long Term Conditions (LTCs);
• More cost effective use of NHS resources, generating value for money; and
• Widening of the local provider base.

This guide gives a taste of that potential and some practical tips on how and where to get started.

What is the ‘Voluntary Sector’?
The term voluntary sector covers just about all organisations that are ‘not for profit’. This includes:

• **National and regional charities** such as Asthma UK, Macmillan Cancer Support and Heart of Mersey.
• **Local charities** focused on a particular local area, including local branches of federated charities such as Age UK
• **Local community organisations**, for example local networks of carers or a local LBGT support group.
• **Social enterprises** are businesses that make a profit through goods and services, but reinvest their profits into society or the organisation’s mission. An example would be Unlimited Potential; a Salford based social enterprise which delivers innovative services targeted at improving local health and wellbeing.
• **Mutuals** are organisations in which the employee plays a significant role, for example employee-owned Circle Healthcare.

The sector is extremely diverse in size, scope and function, ranging from the aforementioned small community organisations, to large organisations like Cancer Research UK, and the Wellcome Trust. The former is one of the country’s best loved brands and the latter outspends the Government in some areas1.

The functions of the voluntary sector include:

- **Grant making**, such as the Barrow Cadbury Trust and the Nuffield Foundation
- **Umbrella or resource provision** such as ACEVO itself, or sister organisations NCVO and NAVCA
- **Service providers**, who might deliver niche services, such as Community Network who provide telephone befriending services for older people with reduce mobility, or even charity hospitals, like the Horder Centre.
- **Campaign and advocacy organisations**, such as Coeliac UK, which among its functions provides support for people with coeliac disease and campaigns for awareness.

These functions are not mutually exclusive. Among the most numerous types of organisation are service providers and organisations that provide advocacy, advice and information: around a third and a fifth of organisations in England and Wales respectively are involved in one of these activities. Given this, this guide will focus on service providers and organisations that provide advocacy, advice and information.

**The National Audit Office identifies the following as particular benefits of the voluntary sector:**

- Understanding of the needs of service users and communities that the public sector needs to address;
- Closeness to the people that the public sector wants to reach;
- Ability to deliver outcomes that the public sector finds it hard to deliver on its own;
- Innovation in developing solutions; and
- Performance in delivering services.

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The UK voluntary sector is one of the largest and most vibrant and mature in the world: there are over 800,000 of these organisations in the UK, which altogether have an income of around £100 billion a year; and combined hold assets of more than £200 billion. Around half of the sector’s income is earned, and the largest proportion of this now comes from through provision of services to the state. In the field of health and social alone, an estimated 35,000 voluntary sector organisations provide publicy-funded services in England\(^3\).

Over the last decade, the sector has become increasingly professional and able to demonstrate its impact, as the examples below of the Horder Centre and Neurological Commissioning Support (NCS) demonstrate:

### The Horder Centre
The Horder Centre is a charity hospital specialising in orthopaedics. In Dr Foster’s ‘Hospital Guide’ 2011, they were rated amongst the best performing hospitals for knee operations in the country. The Horder Centre, as a good performing provider, have fewer long stay patients, lower emergency re admissions and lower revision rates.

### Neurological Commissioning Support (NCS)
NCS is a non-profit organisation run by charities the MS Society, Motor Neurone Disease Association, Parkinson’s UK and Epilepsy Society.

NCS provides commissioners with practical commissioning support that draws strongly on the experience of service users. The organisation educates clinical staff to ensure they really understand service requirements and how these can be delivered most efficiently. For example, in 2010 Cornwall’s Regional Neurological Alliance, CAN-DO, commissioned NCS to review local neurological services and make recommendations for improvement. The audit revealed that whilst specialist services were available, people could be unaware of how to access them or obtain information about managing the condition they had and that there was no single point of contact for neurology support. Working with stakeholders, they first agreed priorities and then set up project groups to deliver them.

NCS’s work in Cornwall has left a lasting legacy that can be sustained by CAN-DO, the PCT and local social services going forward. Solutions for joining up services include a Neurology Services Directory for service users, two neurology care worker roles and a neurology advice line as a one-stop shop for neurology information. Analysis of patient data at GP practice level is helping to reduce unnecessary emergency hospital admissions. Identifying practices with a high level of admissions has resulted in targeted interventions to reduce admission and length of stay.

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Third Sector Market Mapping, Research Report prepared for Department of Health by IFF Research Ltd. 2007

Chapter Outline

Over the coming pages, this guide sets out a vision for the voluntary sector’s role in tackling some of the major challenges commissioners will face.

Delivering QIPP

CCGs and NHS organisations will need to meet the quality and productivity challenge, and provide ways in which NHS clinicians can involve local people in shaping the commissioning of responsive, local, patient centred care. This will involve working closely with new providers - including the voluntary sector - with particular reference to efficiency, high quality and standard of care and value for money.

Voluntary sector providers have already been working with local people for many years to provide innovative, patient-centric care. Not only can the voluntary sector provide high quality, efficient personalised services but they can offer important perspectives and knowledge on local issues and needs that is vital to the planning for service solutions to meet those needs. This means reducing referrals and emergency hospital admissions, and working across traditional silos, including organisational and professional/ non professional boundaries.

Patient and public engagement

If, nationally, the NHS wishes to promote the use of innovative ways of empowering people to support the self-help agenda (including using social media as a means of communication with less engaged communities) then it needs to consider working in close partnership with the voluntary and community sector, which has a close working relationship with these groups.

A real strength of the voluntary sector is its ability to empower and involve beneficiaries, through various means to include social media. They do this so well because they are often user-led and / or advocacy organisations and have the trust of the community. This is vital for engaging with those disadvantaged or hardest to reach.

Collaborative commissioning

Neither the Health and Social Care Bill, nor Governmental Guidance will fully facilitate all the relationships that will need to develop over the coming months and years. The voluntary sector has much to bring to any partnership with GPs and CCGs, in terms of established networks and connections. In particular, many voluntary sector organisations straddle the boundaries of health and social care, as well as other areas including welfare and housing. This hold enormous potential for increasing join up between health and other services that impact on health outcomes.

Conclusions and Next Steps

Below we look at the actions that any commissioner can take to improve their working relationship with their local voluntary sector.
Delivering QIPP

Overview

GPs and CCGs will need to think seriously about how services are provided in order to tackle QIPP effectively. Clinical commissioning is an opportunity to implement this, but with a commissioning budget of £25 per head, this is going to be challenging for CCGs. There is enormous scope for the Voluntary Sector to be an important partner in delivering QIPP through:

- the offer of important perspectives and knowledge on local needs that are vital to the planning of local service solutions
- the provision of efficient, cost effective and personalised services

Quality and Productivity

Quality and productivity starts with understanding the scope of the challenge locally and designing services around those needs. Local voluntary sector organisations are a vital source of knowledge the design of more effective services:

- Often based within the community, close to service users and/or user led, voluntary sector organisations will have access to local knowledge that is vital to the planning for local service solutions. This closeness also makes them responsive to changing need.
- Mission driven organisations may have particular expertise, for example on particular conditions.
- Taking a person centred approach, voluntary sector organisations work across silos and can offer effective solutions for joining up care and saving money.

“Providers should also be involved in the [JSNA] process as they can input evidence and may have a role in bringing about improvements to outcomes. In the involvement of providers, roles and responsibilities should be made clear, and any conflicts of interests should be managed; but this is not a basis for excluding providers from the process not least as local authorities are also providers”.

– Department of Health Draft Guidance on the JSNA
Age UK Waltham Forest, Case Finding Service

The Age UK Waltham Forest Case Finding Service uses risk identification tools, such as questionnaires and condition registers to find older people who are at risk or in need of health and social care services. The individuals are then practically referred for further support. The service adopts a cross silo approach, linking referral pathways to and from GPs, North East London NHS (Waltham Forest), Social Services and the voluntary and community sector. Age UK Waltham Forest co-ordinates a network of over 50 voluntary organisations.

The questionnaires have a high response rate (47%) and are very cost effective way of identifying those with unmet need. One GP commented, “Participation was incredibly easy, in our middle sized practice this took my administrative staff 30 minutes to generate the information required. The process took a year and was completely unobtrusive to day to day clinical activity at the practice but we were aware of its presence, largely through passing references of gratitude from patients… I have no doubt in my mind that this important programme has added a huge amount of value to my work and has prevented many crises scenarios that would have otherwise caused considerable misery to many older people and their families”.

Quality and productivity is also about productive care that delivers outcomes, and many voluntary sector organisations are already delivering high quality, efficient services better:

- The voluntary sector is driven by cause and service quality, rather than profit for shareholders. The sector is also skilled in making the most of limited resources.
- Voluntary sector organisations are no less capable than the statutory sector. They employ and train capable staff and volunteers, and organisations are increasingly able to demonstrate the impact and value for money of their services.

The Stroke Association

The Stroke Association provides a wide range of services supporting mainstream NHS care, providing information, navigation and support to meet the needs of stroke survivors and their carers as they adjust to the devastating impact of stroke and work towards the best possible recovery. The Stroke Association aims to achieve the best outcomes by fully engaging clients in their own care plans and in setting their own goals. The Stroke Association support 55,000 stroke survivors and their families to do this each year. It is estimated that their tailored services can save the NHS and other parts of the statutory sector thousands of pounds, by keeping stroke survivors independent, avoiding readmissions and need for local authority or supported housing.

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4 Third Sector Market Mapping Research Report prepared for Department of Health by IFF Research Ltd. 2007
Contact the Elderly

Contact the Elderly is the national charity solely dedicated to tackling loneliness and social isolation among older people. They do this by linking those aged +75 who live alone to local volunteers, and by organising regular social events for isolated elderly people to attend, with regular volunteers collecting and returning them to their homes.

Dr Michelle Hamill, Deputy Head of Clinical Psychology for Older Adults, Newham, Mental Health Care of Older People commented, “Contact the Elderly has been a valuable a resource for me as a clinical psychologist working in a community mental health team for older adults. Knowing I can refer some clients on to the group, once we’ve completed a piece of work and their mood and self esteem have improved, can be a real protective factor in their on-going psychological well-being and quality of life. These friendship groups are particularly relevant as social isolation can be such a risk factor for depression. Contact the Elderly has been a real life line for some people I have worked with.”

Parliament has passed legislation that requires commissioners to consider ‘social value’ when they procure public services. This means that when designing services, they must consider how that service might improve the social, economic and environmental well-being of that area. As the examples above show, the voluntary sector has a wider concern for wellbeing, rather than solely the medical problem in hand. These organisations also derive social value by involving service users and volunteers. We think that CCGs should look to the voluntary sector as an obvious partner.

Innovation

Some innovation will come from within the NHS (e.g. from staff with frontline knowledge of how things can be done better). But we believe it will also be important to harness innovative ideas from outside the NHS – from people and organisations who are not steeped in the current way of doing things, and/or who see services from the perspective of service users. Voluntary sector organisations often fit into one or both of these categories and are thus well placed to play a role in the development of new service models.

Unlimited potential

Unlimited Potential is a social enterprise based in Salford, which provides lay based innovations for problems that commissioners have struggled to find a solution. Unlimited Potential’s approach is to talk to NHS Commissioners about local challenges and to pilot solutions. Unlimited Potential puts an emphasis on evaluation, so that it is able to demonstrate the efficacy of its projects.

One of their initiatives is Health Trainers, who work with individuals who are struggling to make a change to their unhealthy lifestyles. Trainers work with individuals to help them reach two or three achievable goals and offer practical advice support. In evaluation, 50% of participants had achieved all of their goals, and 70% had achieved at least one of their goals. In this way, Health Trainers are helping to keep people healthy and reduce the ‘revolving door’.
Community Network
Telephone support and befriending groups can improve the health, well-being and independence of older people, and prevent them from having to go into residential care or require additional statutory services. Community Network has pioneered this approach for 20 years and has successfully worked with people who because of illness, disability, caring responsibilities or old age would otherwise have little or no social interaction.

Community Network is currently working with Reading Borough Council to provide telephone befriending groups for older people living in the borough, involving weekly telephone link-ups. The benefits for those taking part include an improvement in their general well-being; they can stay in their own home while being monitored on a regular basis; and it gives them the opportunity to make new friends, thus alleviating feelings of loneliness and social isolation. But equally important in the current economic climate is how cost-effective telephone befriending groups can be. As a result of the social interaction experience and advice given during the calls the beneficiaries require fewer visits from community care professionals, saving both time and transport costs.

Prevention

With a proven track record of empowering individuals and supporting them to self-manage long term conditions, we think that voluntary sector organisations are well placed to deal with prevention.

Heart of Mersey

In response to higher levels of smoking amongst people living with a mental health condition and the high number of GP consultations and admissions this is linked to, Heart of Mersey developed an innovative sub-regional smoke-free mental health programme – ‘Today I Can’.

The programme aims to support individuals to reduce their tobacco intake or quit through training provision, policy and care pathway development and the production of service user resources. This is a collaborative programme, in which Heart of Mersey is working in partnership with its eight PCTs, stop smoking services, three Mental Health Trusts and service users themselves. The organisation has developed innovative resources for programme participants, including a DVD and viral uploads for social networking websites.

Since the implementation of the programme in June 2011, rates of referral among mental health service users to the eight Cheshire and Merseyside LSSS have already increased, making significant savings contra the time and treatment costs of smoking related diseases.

British Red Cross

British Red Cross volunteers support people to adapt to life back at home after a spell in hospital, thereby preventing the need for readmission. Those supported are often people aged over 65 who have experienced a fall - volunteers transport the person home, settle them in, advise neighbours or relatives of their return, check on pets, help prepare a meal and make a further home visit the next day to ensure they are safe and well. Such schemes can save the typical NHS commissioner £500,000 – £1 million a year.
Patient and Public Involvement

Effective commissioning requires meaningful engagement with patients, carers and their communities – what the Government calls “no decision about me without me”. This will be a legal requirement for commissioners. The voluntary sector can support commissioners to meet these requirements by:

- Encouraging and supporting shared decision making
- Engaging with the public and patients in the design of local services

Shared decision making

As we have explored, voluntary sector organisations have a proven track record of empowering individuals and involving patients in decisions about their own care. As explored in the introduction, advocacy is one of the key functions of the voluntary sector.

Design of local services

As discussed in the previous chapter, real strengths of the voluntary sector are its closeness to the community and its service user focus. This makes it ideally suited to help GPs and CCGs to harness patient and public perspectives on the experience and understanding of care pathways:

- Many organisations will run local user groups, perfect for seeking information about specific services, care pathways or population groups. Using local volunteers, many organisations will also be engaging with, and involving the local community.
- The independence of voluntary sector organisations means that they often have the trust of those who are hardest to reach and / or will have developed creative ways of engaging with hard to reach groups.
- Organisations will also have expertise and experience to offer on analysing and acting on patient views to design services.
**Turning Point’s Connected Care**

*Turning Point’s Connected Care* Bolton gave the local community a central role in designing and delivering integrated support in health, housing, social care services. At the heart of the process was an audit enabling the community to identify their needs and to plan appropriate services around them.

Turning Point Connected Care recruited and trained 30 local people to become Community Researchers, who contacted 15% of the adult population in three neighbourhoods in Bolton to find out about their individual and collective experiences of current services, with a particular focus on those with complex needs. The project was overseen by a steering group comprising of community representatives and senior managers from Bolton Adult Services, Bolton Primary Care Trust, Bolton Community Homes and Bolton at Home and Turning Point.

As a result of the service redesign, three neighbourhood teams will be co-located in local community-centres. These are a newly established social enterprise, local neighbourhood management teams and a neighbourhood health, housing and social care team.

Turning Point has supported the establishment of the community owned social enterprise. It has a workforce of eight, made up of local people from the communities. The core elements of the service include:

- Information, advice and signposting people to appropriate services
- Assertive outreach support for socially excluded people
- A Time Bank scheme to build community cohesion
- Development of frameworks to ensure continuity of support in service delivery
- A dedicated neighbourhood health and social care team focusing on people’s whole needs

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**Homeless Link**

Homeless Link’s Health Needs Project was developed to address the gap in health outcomes for those at risk of or experiencing homelessness. It piloted an audit tool to help commissioners and local agencies understand and evidence the health needs of homeless people in a local area, as well understand which services are effective and what can be improved. It brings commissioners, local authorities, voluntary sector agencies and their clients together to use this information to make more informed decisions about the development of health and related services for their local homeless population.

Over 11 areas to date have used the audit tool with over 1,000 clients. As one partner reported, local data is crucial as decisions become more locally driven: “It has helped to collect evidence and data about issues that before we could only make assumptions about based upon national evidence and data”.

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Collaborative Commissioning

Overview

Collaborative commissioning is nothing new. Councils have long been joining forces to bulk-buy specialist services, including adoption placements, services for people with autism and residential care for people with learning disabilities with the voluntary sector. However, as the strings on the public purse pull ever tighter, collaborative commissioning has to be taken to a new level.

CCGs will be required to develop collaborative arrangements for commissioning with others, including other CCGs, local authorities and the NHS Commissioning Board. We think that the voluntary sector could be an important link between CCGs and other parts of the statutory and non-statutory sectors, increasing join up between services. Preventing fragmentation during the transition is a common priority for CCGs and the voluntary sector — commissioners should take seriously the role that the voluntary sector plays already in working across silos.

To meet the need of service users, voluntary sector organisations are well practised at supporting the coordination of care across organisational and professional boundaries. As a result, voluntary sector organisations will have rich networks of contacts and partnerships across:

- Businesses
- Local authorities
- Other parts of the NHS
- Service users
- Other key stakeholders including other voluntary sector organisations
- Hard to reach communities
The Lambeth Living Well Collaborative and Thames Reach

The Lambeth Living Well Collaborative has been meeting since June 2010 and brings together service users and carers, local General Practitioners, members of community services and other local NHS organisations (hospitals, health centres, and community services mental health teams) and the voluntary sector. The collaborative is managed and facilitated jointly by Lambeth Council and NHS Lambeth.

The group have come together to coproduce and design a new service offer, following the realisation that no one organisation can provide all the elements that contribute to good mental health and wellbeing. Key drivers include variable quality and fragmentation of care. From the outset, the group were keen to stress that no overall increase in funding is required to better coordinate services.

Group visioning for the new system led to several key goals for service reform. One of these was to target ease of access to mental health services by creating a single point of reference for service users and GPs. Previously, with numerous services in the borough, even GPs had confusion about where to refer patients. At the same time, patients were not always getting timely help and work was being duplicated— the collaborative were keen to design a service offer which included the principle of ‘easy in easy out’ where people received timely and appropriate help at the community level. Another key principle for the reforms was that of co-production and social inclusion, though the processes of service user participation in services.

The collaborative spent about 12 months working together and with stakeholders to develop a service offer that encompassed these principles. Thames Reach, as one of the voluntary sector representatives participating in the collaborative has led on the management of the Community Options Team. This team, made up of staff from five voluntary sector providers, has a catalytic function in helping users design and build alternative support networks that stress control and participation in the broader community. In addition they have supported smaller user led organisations to build the capacity to take on key delivery element in the Collaborative service offer.

The focus of the Collaborative’s work continues to be on delivery of this process of change, and a key question is how the Collaborative approach can move from design to delivery, and exploration of how procurement processes can support or obstruct this process.
Conclusions and next steps

Summary

Clinical commissioning groups will face huge challenges over the coming months and years and voluntary sector organisations have an enormous potential to be part of the solution. Key challenges explored in previous chapters were delivering QIPP, patient and public involvement and collaborative commissioning:

QIPP
There is enormous scope for the Voluntary Sector to be an important partner and ally in delivering QIPP, both through:

- through the offer of important perspectives and knowledge on local needs that are vital to the planning for local service solutions
- the provision of efficient and personalised services

Patient and public involvement
The voluntary sector has the potential to be able to support two main strands of patient and public involvement:

- Encouraging and supporting shared decision making
- Engaging and consulting with the public and patients in the design of local services

Collaborative Commissioning
The voluntary sector is also a source of vital connections and relationships across different parts of the healthcare system, as well as other statutory and non-statutory sectors.

These are just a few key areas, and the sector’s key strengths could easily be applied to any other area or challenge. We hope that the case studies in the publication will be a source of ideas and inspiration working with the voluntary sector to utilise its strengths.

Getting started

Overleaf we suggest a few simple steps that commissioners could take to improve their working relationship with their local voluntary sector. To this end we have drawn from several sources of expertise:

- ACEVO has long been working with commissioners and its membership to develop guidance and examples of best practice on effective commissioning relationships with the voluntary sector
- The National Audit Office’s work on successful commissioning with the voluntary sector;
- The Compact, an agreed a way of working to mutual benefit between the voluntary and statutory sectors; and
- The NHS Alliance’s expertise and experience in supporting the CCGs.
Conclusions and next steps

Figure 1: The Commissioning Cycle (from NAO, Civil Society and Commissioning5)

Assessing Needs

Make use of umbrella bodies and local infrastructure organisations as key points of contact. They will be able to help commissioners to understand the diversity and make up of their local voluntary sector. Most areas will have a local Community and Voluntary Service (CVS) – an umbrella organisation providing support to voluntary sector organisations in the area or region. These, as well as national umbrella organisations, are a key starting point for engaging and scoping out your local voluntary sector. Many organisations may also work together in coalitions or consortia to provide a unified voice.

Halton Community Action – Here to Help
In May 2010, a partnership of Halton and St Helens Primary Care Trust (PCT), Halton Voluntary Action and St Helens Council for Voluntary Services (CVS) produced Here to Help, an innovative and comprehensive brochure mapping local health and wellbeing civil society organisations. It was designed to help PCT commissioners understand the sector by making it more transparent and enable commissioners to compare local organisations more easily. The document gives basic background information for all organisations and categorises them against the PCT’s strategic priorities.

Health for Living

Health for Living is a new company based in Sandwell in the West Midlands recently set up by Accord Housing Group, Black Country Housing Group, Murray Hall Community Trust and Sandwell Mind. The four organisations that have formed Health for Living all individually deliver contracts for different types of health and social care services in the West Midlands area. The organisations involved feel that they each offer services and solutions to a variety of clients that are cost effective, high quality and innovative.

In response to the changing healthcare landscape and increases in competition and tendering activity, these four local organisations have recently come together in order to more effectively bid for contracts. Already the company has been successfully awarded a tender to deliver local mental health services in the county.

Engage with local organisations that work with under represented or disadvantaged groups.

Seek to create meaningful relationships with the voluntary sector. This might be making sure that they are represented on patient reference groups, CCG or health and wellbeing boards or some commissioners might even create a specific voluntary sector reference group. These groups and key points of contact are a great starting point for designing effective services. Commissioners should seek to be as open and transparent as possible in these relationships. The Compact also recommends that the statutory sector respect and uphold the independence of the voluntary sector.

Designing Services

Use voluntary sector contacts to understand local needs and challenges and together plan how solutions. This means consulting with the sector from the earliest stage and giving notice of forthcoming consultations.

Try picking one area of challenge and setting up a task and finish group for making service improvements. Remember, no overall increase in funding is required to better coordinate services and it can contribute to the important goals of reducing readmissions and making cashable savings.

Sourcing Providers

Make small changes to your tendering and contract processes to make it possible for voluntary sector organisations to bid for contracts. Work with local reference groups to understand what changes could be made – this might be breaking up larger contracts to encourage smaller organisations to bid or thinking about whether it is appropriate to use procurement or grants.

Consider investing in the provider base to enable providers to scale up to deliver services or supporting them to come together to deliver services.
Delivering to Users

Try to remain flexible in approaches to service delivery. This means holding providers to account on the outcomes they achieve, rather than prescribing the way in which they achieve those outcomes. One of the strengths of voluntary sector providers is their ability to adapt their approach to meet the needs of service users most effectively.

Make sure that payment to the provider is made promptly and in full. Failing to do this could disadvantage the voluntary sector, as many of these are small and medium sized organisations with financial reserves. Options such as paying a proportion of money upfront to cover initial costs would also enable smaller providers to sustainably deliver services.

Monitoring and Evaluation

Consult with providers on the measures to be used to make sure that monitoring requirements are kept proportionate. The Compact recommends that agreeing what outcomes are to be measured should be agreed before contract or funding agreements.

Think about the role that the voluntary sector could play in evaluation. This might mean commissioning an organisation to conduct an independent evaluation, or making the most of their expertise, evidence base and closeness to service users to feed in to evaluation processes. This should include a critical assessment of where it would be appropriate to decommission services and/or reallocate resources to achieve the same, or better, outcomes more effectively.

Full Cost Recovery
Full Cost Recovery (FCR) remains an important tenet to the sustainability of voluntary sector services:

“There is no reason why service procurers should disallow the inclusion of relevant overhead costs in bids. Furthermore, funders or purchasers should not flately reject or refuse to fund fully costed bids. Funding bodies must recognise that it is legitimate for third sector organisations to recover the appropriate level of overhead costs associated with the provision of a particular service”.

— HMT, Improving financial relationships with the third sector: Guidance to funders and purchasers, May 2006.

“Failure to recover full costs can mean that third sector organisations have to divert funding intended for service provision into paying overheads, or subsidise service provision from other sources such as donor income. Ultimately, failure to cover overheads may lead to organisations shrinking or collapsing”.

— NAO, Working with the Third Sector, 2005
We have listed some further resources you may find useful overleaf. If you have any questions please get in touch with us via policy@acevo.org.uk or contact Mo Girach, Special Advisor to the NHS Alliance, on mo.girach@nhsalliance.co.uk

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Resources

ACEVO http://www.acevo.org.uk/
The Association of Chief Executives of Voluntary Organisations, the voice for chief executives in the voluntary sector. ACEVO campaigns on issues affecting their members as well as providing a range of services including training, consultancy services and publications.

NHS Alliance http://www.nhsalliance.org/
The NHS Alliance brings together CCGs, PCT Clusters, clinicians and managers as the leading organisation in primary care. The Alliance is an independent non-political membership organisation proud to be at the forefront of clinically-led commissioning. Its leaders are all dedicated professionals, who represent the Alliance’s diverse membership, working ceaselessly to meet the challenges facing the NHS today.

NHS Clinical Commissioners http://www.nhscc.org
NHSCC is a joint initiative from the NAPC, NHS Alliance and the NHS Confederation. Its membership service provides clinical commissioning groups (CCGs) with a single, strong and independent collective voice.

NAVCA http://www.navca.org.uk/
The National Association for Voluntary and Community Action is the umbrella body for Councils for Voluntary Action, which represent a huge number of local and community voluntary groups. It is a strategic partner of the Office for Civil Society.

NCVO http://www.ncvo-vol.org.uk/
The National Council for Voluntary Organisations is a membership body for voluntary and community sector in England, with more than 7,000 members. It is a strategic partner of the Office of the Voluntary Sector.

Social Enterprise UK http://www.socialenterprise.org.uk/
Social Enterprise UK aims to create an environment where social enterprises can thrive. As a strong voice for social enterprise they work with government departments as well as mainstream businesses.

New Philanthropy Capital http://www.philanthropycapital.org/
NPC is a consultancy and think tank offering a combination of knowledge, skills and approaches to help funders and charities achieve a greater impact. They provide independent research, tools and advice for charities and funders.

Compact Voice http://www.compactvoice.org.uk/about-compact
The website for the Compact, the agreement between the statutory and voluntary sectors.

ImpACT Coalition http://www.acevo.org.uk/impact
The ImpACT Coalition is a movement of over 400 voluntary sector organisations that seek to improve accountability and transparency and increase public understanding of how charities work.

The Small Charities Coalition http://www.smallcharities.org.uk/
The leading voice for small charities, it works to improve opportunities for its members.
The Department of Health
The Department of Health provides a wealth of information on working with the voluntary sector, and have a number of programmes aimed at maximising contribution and improving working relationships with voluntary sector stakeholders. The Department of Health launched the Voluntary Sector Strategic Partner Programme to improve communication between the Department and voluntary sector health and social care organisations. Find a full list at this address: http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_128237

Office for Civil Society
http://www.cabinetoffice.gov.uk/big-society
The Office for Civil Society holds responsibility for charities, social enterprises and voluntary organisations in the Cabinet Office. One of its key aims is to make it easier for sector organisations to work with the state.

Useful publications
The Department of Health, February 2007, Voluntary Sector Market Mapping
Research commissioned to examine the potential contribution voluntary sector organisations can make to the delivery of health and social care. It finds that there is already effective service delivery and work with local authorities in operation, and that there is great potential for this to grow. http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_065411

A report on how central and local government can work more effectively with the sector to deliver high quality services by looking at the barriers that organisations face and understanding the ways in which they can be involved. http://www.hm-treasury.gov.uk/d/CCRVolSec02.pdf

The Social Market Foundation & ACEVO, July 2005, Communities in Control: The New Voluntary Sector Agenda for Public Service Reform, Nick Aldridge
http://www.smf.co.uk/assets/files/publications/Communities_in_Control_Final_pdf.pdf

The Department of Health Voluntary Sector Commissioning Task Force, August 2006, No Excuses, Embrace Partnership Now. Step Towards Change!
A report setting out the conclusions of the Voluntary Sector Commissioning Task Force, set up to promote a sound commercial relationship between commissioners of health and social care services and the voluntary sector as providers, and help remove barriers to entry for all potential providers of health and social care. http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4137144

Commissioned by the Minister for Civil Society and the Minister of State for Business and Enterprise, May 201, Unshackling good neighbours
A report from the Independent Task Force established to consider how to cut red tape for small charities, voluntary organisations and social enterprises.

The Audit Commission, July 2007, Hearts and Minds, Commissioning from the Voluntary Sector
The report examines councils’ commissioning from the voluntary sector to date and sets out the route to more intelligent commissioning, in order to get the best from the sector.
http://www.audit-commission.gov.uk/SiteCollectionDocuments/AuditCommissionReports/NationalStudies/WorkingeffectivelyvoluntarysectorfinalproofREP.pdf
ACEVO has produced a guide to **Full Cost Recovery**, with information on the resources and tools available to best develop and understand this practice. http://www.fullcostrecovery.org.uk/main/

‘*In Better Health*’ is ACEVO’s project in collaboration with the Department of Health to support voluntary sector organisations working in health and social care, and is aimed at tackling the barriers voluntary sector organisations may face in commissioning. http://www.acevo.org.uk/Services+Resources/In+Better+Health

NCVO have produced ‘**Principles of Good Commissioning**’, developed by the Office for Civil Society in conjunction with the National Programme for Voluntary Sector Commissioning. http://www.ncvo-vol.org.uk/commissioningandprocurement#how

NHS Alliance and Turning Point, 2011; ‘*Raising the bar: driving co-production through clinical commissioning*’. This report explores co-production and provides case studies of how community development approaches have successfully delivered significant improvements in health and wellbeing of local populations http://www.nhsalliance.org/fileadmin/files/pdf/CoProductionReport%20FINAL_01.pdf
ACEVO is the professional body for third sector chief executives. We connect, develop, support and represent our members, to increase the sector’s impact and efficiency.

We promote a modern, enterprising third sector, and call upon organisations to be:

• **Professional and passionate** in achieving change and delivering results

• **Well-led**, with a commitment to professional development, training and diversity

• **Well-governed** and accountable, with robust and fit-for-purpose systems to protect independence and enable effective decision-making

• **Enterprising and innovative**, taking an entrepreneurial approach to funding issues and striving for continuous improvement and sustainable development.

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