



- how to work with the voluntary sector (CVS)
- opportunities/challenges in a Covid world

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# INTRODUCTION

WHAT DOES THE VOLUNTARY SECTOR (CVS) OFFER (HOW THEY BEHAVE):  
LOCAL, INNOVATIVE, PREVENTION, EARLIER INTERVENTION, VOLUNTEERS, LIVED-EXPERIENCE, VFM  
WANT TO PARTNER, CAUSE/ROOT, COMPREHENSIVE, VALUE-DRIVEN/BE VALUED



THAT'S GREAT BECAUSE CURRENTLY 25% RISE IN  
(RE)OFFENDING, UNEMPLOYMENT, YOUTH  
VIOLENCE, HOMELESSNESS, MENTAL HEALTH NEED,  
ISOLATION, SCHOOL EXCLUSION, DOMESTIC  
VIOLENCE, SUBSTANCE MISUSE, ...

## BUT...STATE OF VCS THE SECTOR

OVER 25% LOST IN GRANTS /FUNDING TO CHARITIES/NON-PROFITS IN 5 YEARS

OVER 5 CHARITIES /ENTERPRISES A WEEK CLOSING (NCVO STATE OF THE SECTOR)

COVID – DISPROPORTIONATE IMPACT ON VULNERABLE/DISADVANTAGED (NEED UP 25%)

IMPLICATIONS – MORE COMPETITION, LESS INTEGRATION, RACE TO BOTTOM

FUNDS MOVING TO STATUTORY OBLIGED SERVICES – REDUCES FOCUS ON PREVENTION

CRISIS ONLY SERVICE – ECONOMICALLY/SOCIALLY UNVIALE

CVS DOESN'T WANT STICKING PLASTERS - HOW CAN COMMISSIONERS RESPOND?

**NEW WAY FORWARD**

## CVS & COMMISSIONERS WANT SIMILAR THINGS:

FOCUS ON KEY OUTCOMES/PROOF (NOT SPEC/TENDER)  
NEW INVESTMENT – TO TRANSFORM (FROM HERE TO THERE)  
CONSORTIA/INTEGRATION — STOP SERIAL INEFFICIENCY  
SYSTEM VISION – COMPREHENSIVE (JOINED UP)  
MUTUAL RESPONSIBILITY — CONTRACT IT IN – IN IT TOGETHER

**HOW? WHAT MACHINERY**





# WHERE'S THE £ - IMPACT INVESTING

Impact Investing addresses areas that are directly measurable and have quantifiable costs associated with them, the aim is to invest to save, to transform:

- Unemployment
- Social Services
- Justice Services
- Health Services
- Education Services
- Exclusion





# SOCIAL IMPACT PRODUCTS



**Outcome payer**  
Identifies beneficiaries,  
defines payable  
outcomes, pays for  
achieved outcomes

**Beneficiaries**

**Service provider**  
Works with the  
beneficiaries to  
achieve outcomes

**Investor**  
Provides upfront  
funding for the service  
provider

Social Value Act 2012  
Civil Society Strategy 2018

Social Impact Products/Bonds (“SIB”) are financial products that public bodies employ to facilitate the deployment of social investment capital in order to achieve social and economic outcomes. A SIB is a tripartite agreement between the government, a social impact provider (consortia) and an investor. The government guarantees a payment to the investor conditional on the social impact provider achieving social and economic results.

Impact investing uses SIBs to provide capital for its operations.

- **ISSUE:** Some young people (aged 14 to 25 years) are the hardest to help with multiple barriers to achievement. They often come from backgrounds/households of low income, have adverse childhood events (regular exposure to violence), they commit offences more, have negative behaviours (mental health, substance misuse and anti-social tendencies), affiliate with poor (gang) influences and have bad (excluded) educational experience and remain untrained/ unemployed for 5 times longer than the average young person.
- **SOLUTION:** The scheme looks at working intensively with this group (c.3500 young people over 7 years, 500 per year) before and at the point of contact with justice, education, health, social, and unemployment services. The aim is to divert young people from continued public service use and to reduce further contact with services and to engage, train, develop the young people through a range of positive activities and interventions. These interventions build confidence, feelings of safety, provide skills, train and develop employment options that suit the individual and their background. Comparable pilots show outcomes are achievable and the multi-generational impact/saving is far greater than the investment made = social impact.



## Example

Process Driven System to  
Deliver Meaningful Results  
with Strict Risk Management  
and Proof of Delivery



# The Process (example continued)

Half a million  
population - 500  
Young People p.a.



System cost of £15m p.a.  
Investor £2M p.a., 7 years



Reduced Unemployment  
Reduced use of Social Services  
Reduced use of Justice Services  
Reduced Health Service usage  
Increase of Educational Qualifications  
A 10-20% REDUCTION

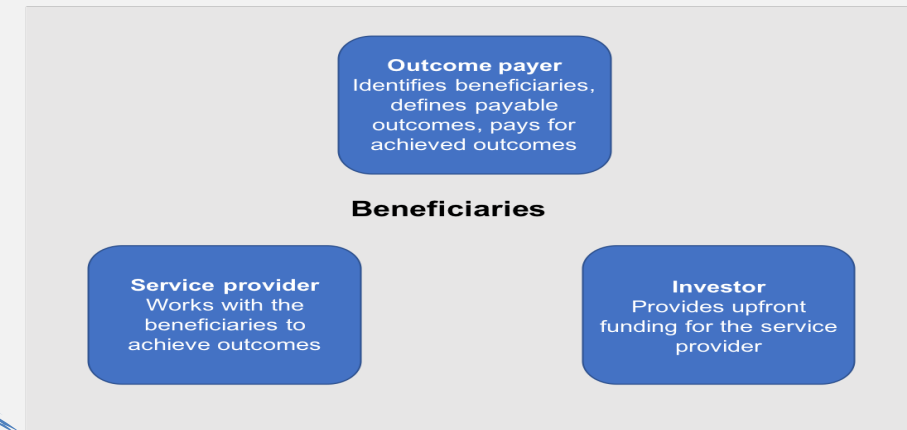
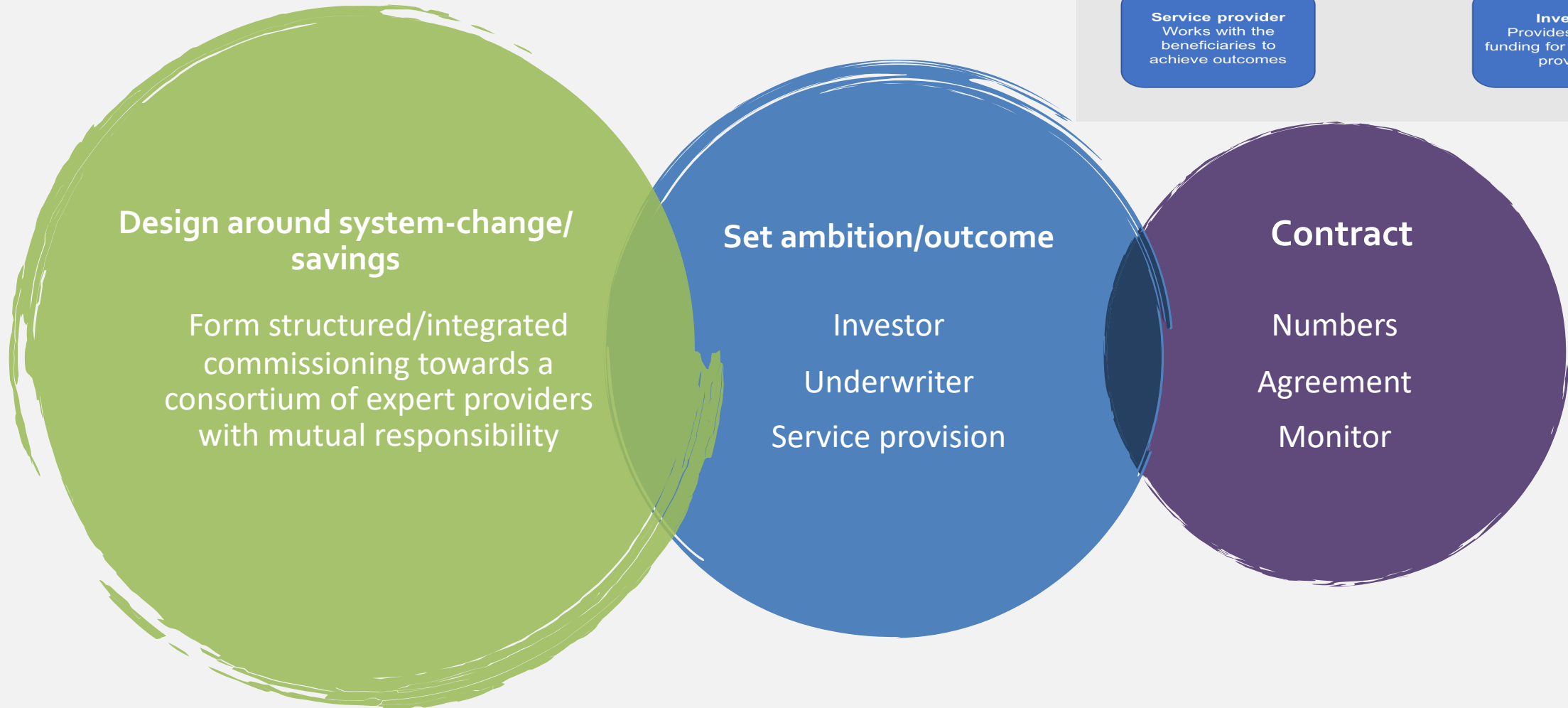


Saves £4M p.a.  
System cost of less than £11m p.a.

Services (diversion from justice, chaotic health  
use, social care; training/employment gain)  
offered through CVS consortia

# Commissioning best practice with the CVS

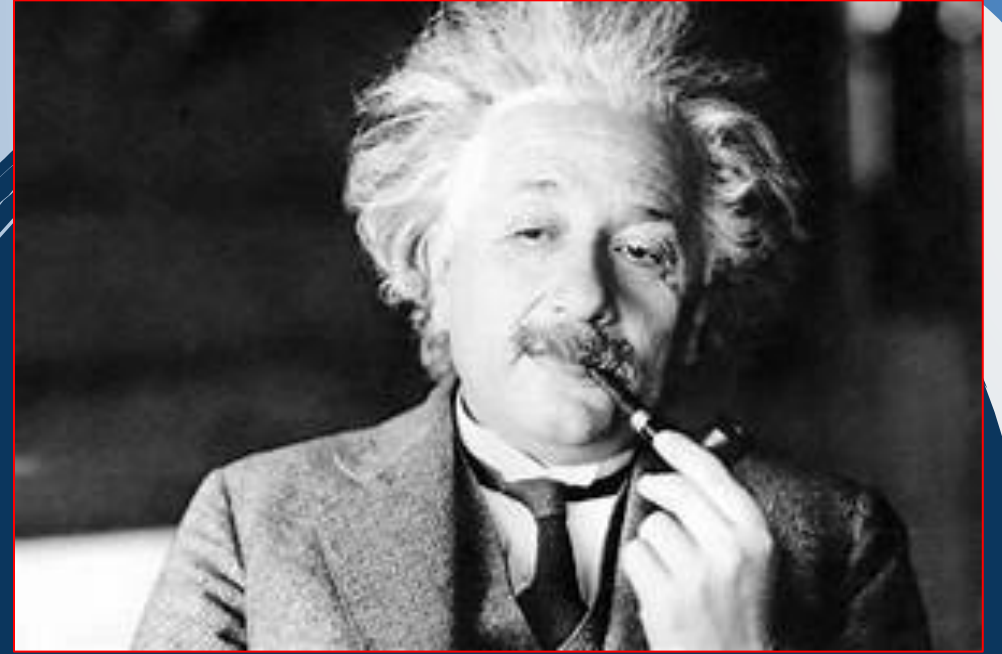
Getting ahead of the wave – 3 steps




# THANK YOU & QUESTIONS

How to work, and build relationships, with CVS providers  
Opportunities/challenges in a Covid world

*Don't do the same thing and expect different results – Einstein*



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# Useful reference

## Websites

- <https://www.gov.uk/government/organisations/office-for-civil-society>
- <https://golab.bsg.ox.ac.uk/>
- <https://www.ncvo.org.uk/>
- <https://www.smartsocial.org.uk>
- <https://www.socialfinance.org.uk/>
- <https://thegiin.org/>
- <https://www.goodfinance.org.uk/understanding-social-investment>
- <https://www.gov.uk/guidance/social-impact-bonds>
- <https://www.3sc.org/>

## Documents

- <https://data.ncvo.org.uk/profile/voluntary-sector-definition/>
- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/732765/Civil Society Strategy - building a future that works for everyone.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732765/Civil_Society_Strategy_-_building_a_future_that_works_for_everyone.pdf)
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