

# **VCSE COMMISSIONING FRAMEWORK: 4 YEARS ON**

APRIL 2024

# EXEC SUMMARY

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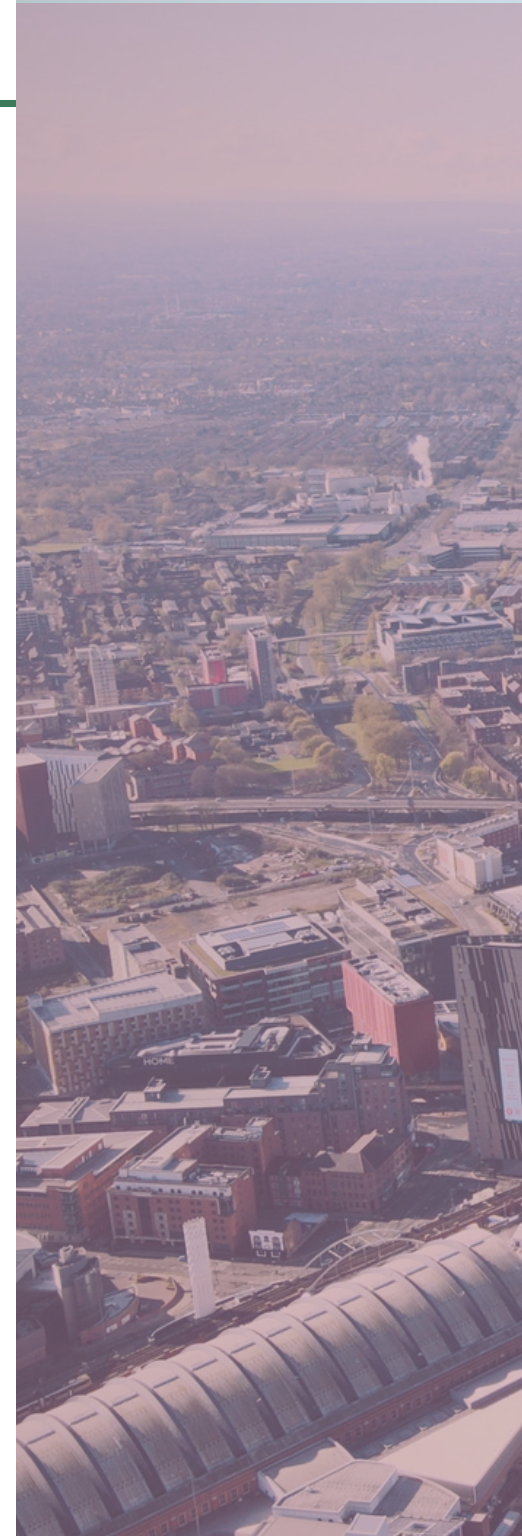
The VCSE Commissioning Framework was launched in Jan 2020, and re-launched post Covid and Brexit in 2021. It contains 8 key recommendations that would improve commissioning of the VCSE sector in Greater Manchester. To find out how we are getting on with implementing the recommendations, we surveyed the VCSE sector and its commissioners over Feb and March 24.

The survey found that progress has been made in some areas, but that we still have further work to do in all areas. In particular, it highlighted that:

- Frustrations around systems for measuring and reporting social value are high
- Gains made during Covid in grant-making are starting to recede as a result of the significant system budget pressures.
- Varied practice across localities and GM is creating confusion
- Changes in ICS commissioning arrangements have led to increased bureaucracy and a one-size-fits-all approach and loss of crucial local VCSE and commissioner relationships.

However, we are also seeing positive practice being retained and emerging, with:

- Commissioners acting as allies, attempting to navigate unhelpful systems in order to achieve the best outcomes
- Pockets of great co-production practice in localities
- Commissioners exploring how they can deliver longer term funding models.



# COMMISSIONING FRAMEWORK TIMELINE

Nov 2017:  
First Accord between  
GMCA & VCSE sector

Jan 2017  
MoU between GM  
Health & Social  
Care Partnership  
and VCSE sector

Jan 2020:  
GM VCSE  
Commissioning  
Framework  
Launched

July 2021:  
Commissioning  
Framework re-  
launched post-  
Covid / Brexit

Oct 2021:  
Joint Accord  
between GMCA,  
GM H&SCP &  
VCSE Leadership  
Group

2022:  
ICS / ICP  
formation - major  
restructure of  
commissioning &  
integrated locality  
& GM decision  
making



# THE VCSE SECTOR

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17494

VOLUNTARY ORGANISATIONS,  
COMMUNITY GROUPS, CHARITIES AND  
SOCIAL ENTERPRISES MAKING A  
DIFFERENCE IN GREATER MANCHESTER

WE ARE MANY AND OUR REACH IS GREAT

WE ARE ANCHOR ORGANISATIONS WITHIN COMMUNITIES

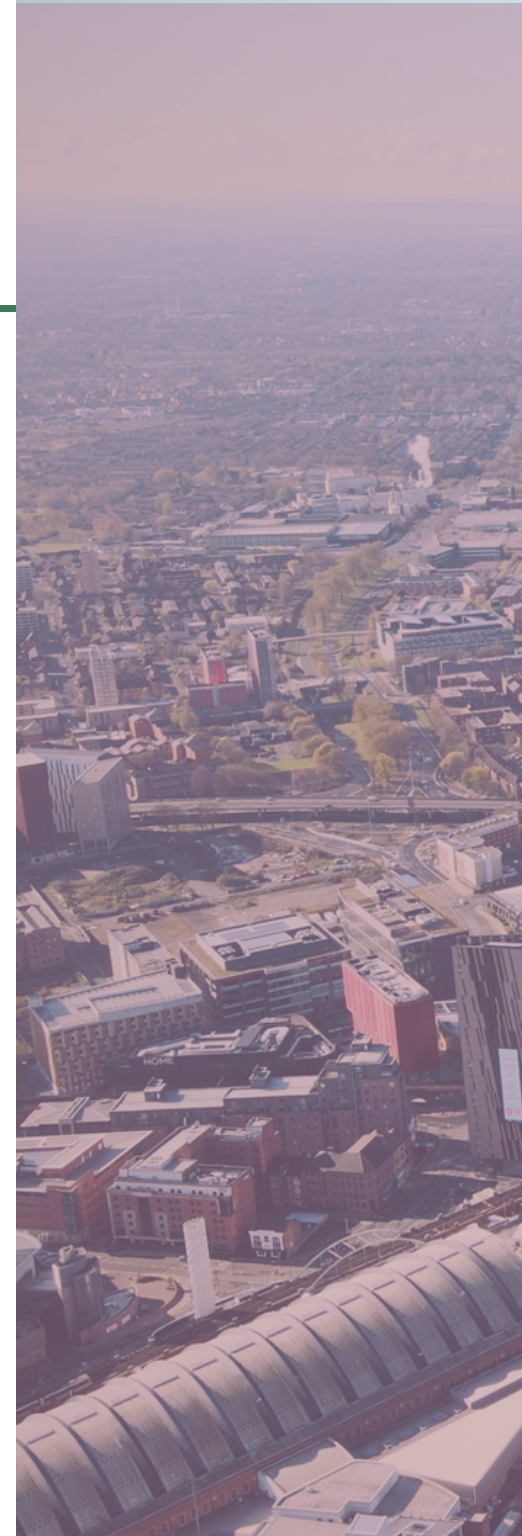
WE WORK WITH THE MOST VULNERABLE

WE CONTRIBUTE TO THE LOCAL ECONOMY

WE ARE INNOVATIVE AND AGILE

WE CREATE LOCAL SOCIAL AND ADDED VALUE

WE ARE LED BY AND ACCOUNTABLE TO OUR LOCAL  
COMMUNITY





# FRAMEWORK RECOMMENDATIONS



EMBED THE IMPORTANCE OF THE VCSE SECTOR



INVEST IN INFRASTRUCTURE TO BUILD VCSE & COMMUNITY CAPACITY



BETTER KNOWLEDGE, UNDERSTANDING & ACCESS



ACCESSIBLE PROCUREMENT & A STRATEGIC APPROACH TO GRANTS



A CORE FOCUS ON CO-DESIGN & CO-PRODUCTION



EMBED SOCIAL VALUE



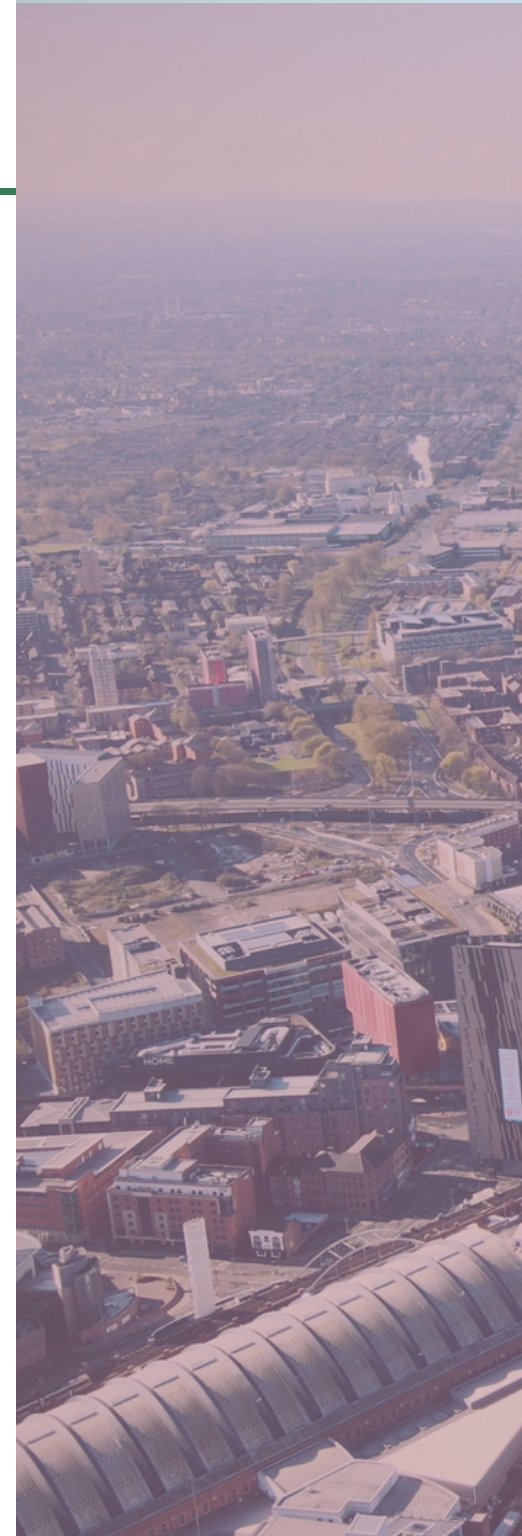
DEVELOP & IMPLEMENT EVALUATION FRAMEWORK

TACKLING INEQUALITIES CENTRAL  
TO ALL DECISIONS

# THE SURVEY

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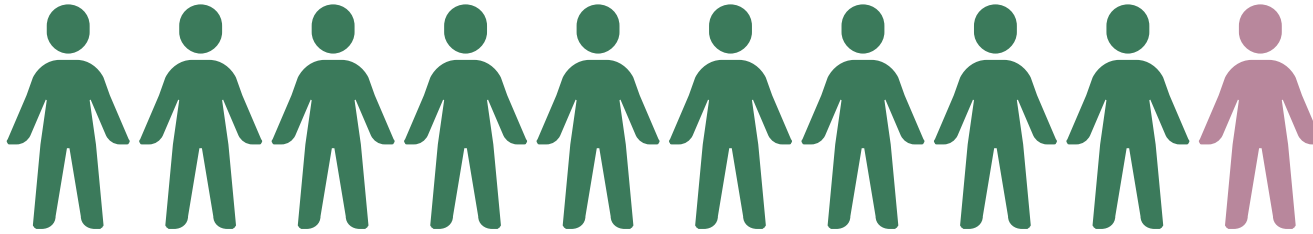
- Gathered in February/March 2024
- Distributed to VCSE Leadership Group, Local VCSE networks and commissioner networks
- Low response rate - 33 responses
- Despite not being statistically significant, responses still:
  - Give an overall view of progress
  - Point to areas where further focus is required
  - Provide insight into particular system experiences



# RESPONSE PROFILE

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Predominately completed by VCSE Sector - less than 10% of responses from commissioners



**1/3** responses from small and micro organisations

Nearly **1/2** from large organisations (turnover over £1m).

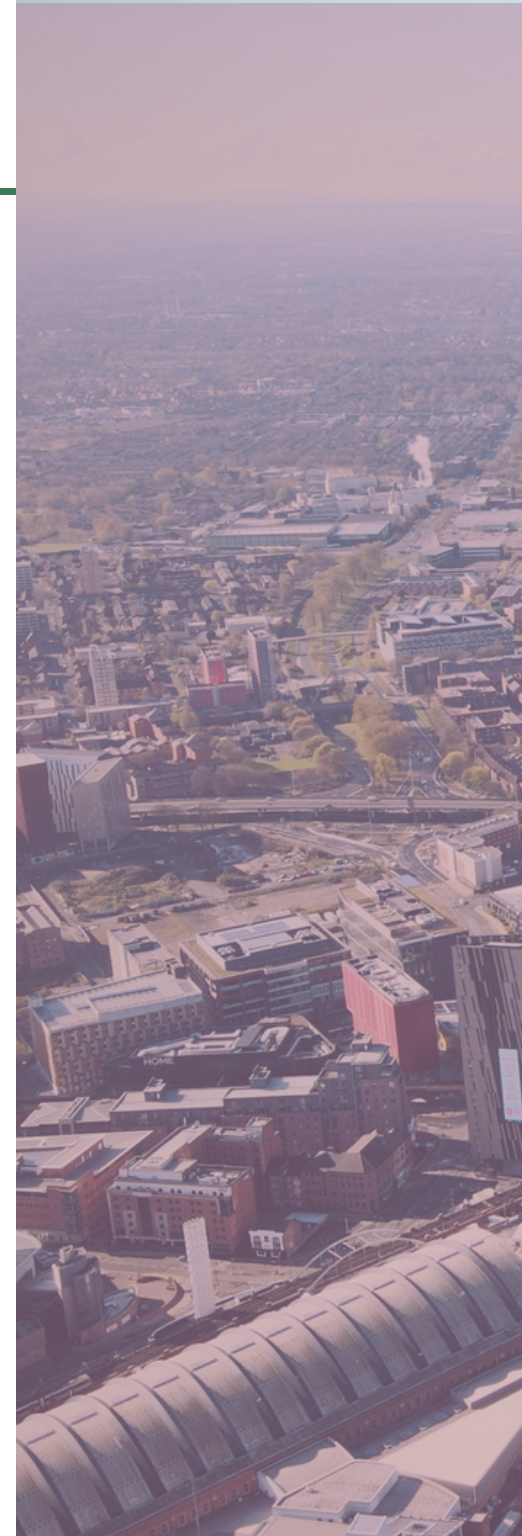




# RESPONSE PROFILE

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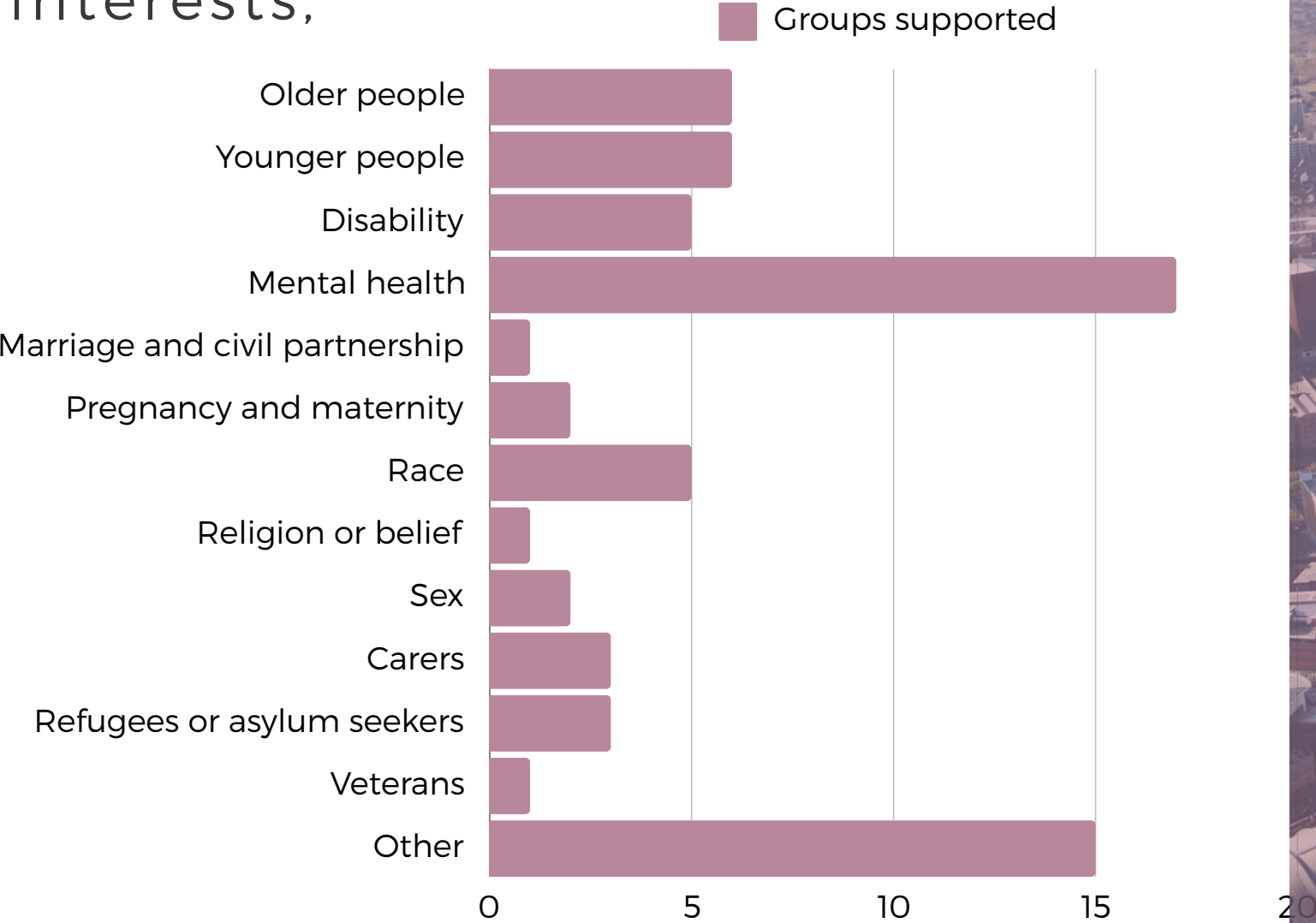
Responses from across GM localities, with exception of Wigan, plus pan-GM organisations.





# RESPONSE PROFILE

Responses from groups supporting a wide range of communities and interests,



# EMBED THE IMPORTANCE OF THE VCSE SECTOR

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Around **50%** felt that:

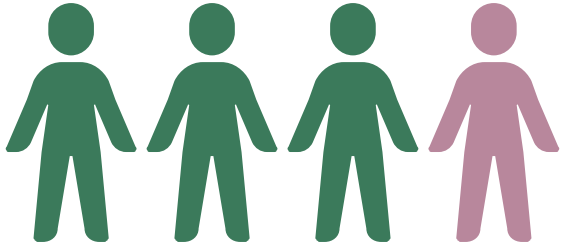
VCSE **partnership and inclusion** is written into all strategic planning and commissioning processes

There had been **more VCSE involvement in commissioning** governance and decision-making over the past 5 years

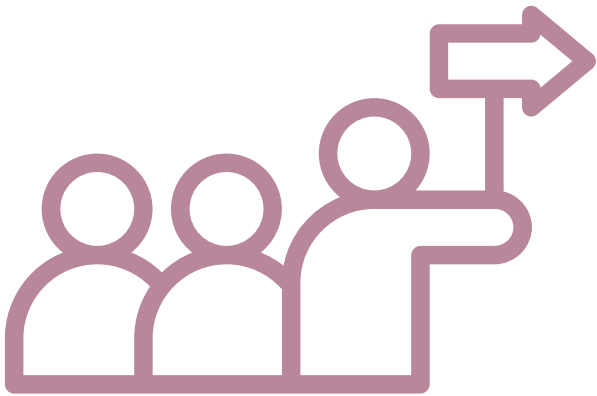


# EMBED THE IMPORTANCE OF THE VCSE SECTOR

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Over **75%** feel that the work of VCSE groups is now **more aligned** to local strategic priorities.



However, only **30%\*** believe that the system routinely considers having **VCSE leadership of workstreams.**

\*commissioners had a positive view of this than their VCSE counterparts.



# EMBED THE IMPORTANCE OF THE VCSE SECTOR

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*The expectation is VCSE can deliver a service 50% cheaper than NHS / Council*

*Health & Care commissioning has seen VCSFE involvement increase but in areas where the sector isn't traditionally involved in public service delivery its potential can be overlooked*

*The shift to a more GM footprint for commissioning makes it harder for locally rooted organisations to participate*

*In the current climate our LA is moving away from VCSE support and commissioning.*

*We lost a core health contract (despite successful delivery for over 10 years) because of ICS reforms and LA wanting to take the contract in house.*



# INVEST STRATEGICALLY IN VCSE INFRASTRUCTURE

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- Just **over half** believe their locality has seen an **increase in VCSE infrastructure investment** since 2019
- Only **1/3** felt that locality commissioning processes were shifting toward a **long-term investment model** for infrastructure funding, and this reduces to a quarter when considering GM-level commissioning.

*“Discourse around commissioning intentions has shifted towards long-term investment within the VCSE sector, however the investment we have seen still tends to be focused on short-term contracts”*

# INVEST STRATEGICALLY IN VCSE INFRASTRUCTURE

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*Investment in VCSE infrastructure (in some localities)...has been more about securing income from sources other than the public sector*

*(I understand that) with an impending change of Government, LAs want to be prudent and don't feel they can make long term commitments. It is hard!*

*There's a need for long-term investment in infrastructure .....as well as thematic innovation which is getting sidelined for place based policy*

*The intention of GM commissioning processes is to move toward longer-term investment, however (national policy) systems and processes frustrate and restrict this*

# BETTER KNOWLEDGE, UNDERSTANDING & ACCESS

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Around **40%\*** have seen some **positive changes in their experiences of commissioning** the VCSE sector.

\*commissioners had a positive view of this than their VCSE counterparts.



Less than a third believe that commissioners are taking part in **learning opportunities** and **building relationships** outside the public sector.



# BETTER KNOWLEDGE, UNDERSTANDING & ACCESS

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*We have good relationships with local commissioners in some areas.....but find it really difficult to keep track of who local commissioners are or get a conversation with them*

*There has been an increased willingness to engage and understand issues faced in the VCSE contracting arrangements.*

*Depends on your size, geography etc. More VCSE organisations are creating opportunities for Commissioners to connect with VCSE leaders and opportunities (not the other way around so much)*



# ACCESSIBLE PROCUREMENT & STRATEGIC APPROACH TO GRANTS

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- Less than **1/3** believe that **more small and medium local VCSE organisations are being commissioned** than 5 years ago
- Only **half** think that local VCSE organisations have been able to access more **tenders and formal procurement** since 2019.

*“...the financial models ...rule out many smaller orgs from bidding. The will is increasingly there but the resources are not necessarily there for models requiring subcontracting, let alone any more complex form of partnership delivery”*

# ACCESSIBLE PROCUREMENT & STRATEGIC APPROACH TO GRANTS

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Nearly **two thirds** have seen an increase in the **use of grants** and other forms of investment.

However, the commentary suggests that the practice of grant funding is reducing again.

***“Grants appear to be disappearing from the landscape.”***



# ACCESSIBLE PROCUREMENT & STRATEGIC APPROACH TO GRANTS

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**Less than half** believe that Commissioners collaborate with VCSE sector to identify more **accessible procurement methods**.

Commentary suggests a **one-size fits all approach to procurement** is still being used, preventing VCSE from accessing opportunities.

*“Commissioning processes often require significant time and capacity investment from VCSE organisations that are more likely to lack that capacity”*

*Procurement regs appear to be the same regardless of size (20k or 5million). Short notice procurement seems to be the norm”*

# ACCESSIBLE PROCUREMENT & STRATEGIC APPROACH TO GRANTS

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*Grants are harder for us to secure now. LA is no longer offering any grants to VCSE sector due to budget pressures*

*Reduced contract size and limited grant opportunities make it difficult to form sub-contracting/partnership arrangements with smaller VCSE organisations.*

*Within the health sector we have seen more of an emphasis on moving VCSE funding away from grants and towards NHS contracts as the trend*

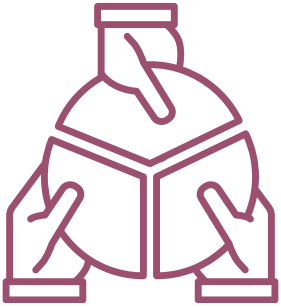
*The majority of our income remains Trust and grant..... We have a major central government grant, and national grant funders, but the amount we access from GM and LA is tiny.*

*From an income this year of over 200K only 15K of this is through local grants*



# A CORE FOCUS ON CO-DESIGN AND CO-PRODUCTION

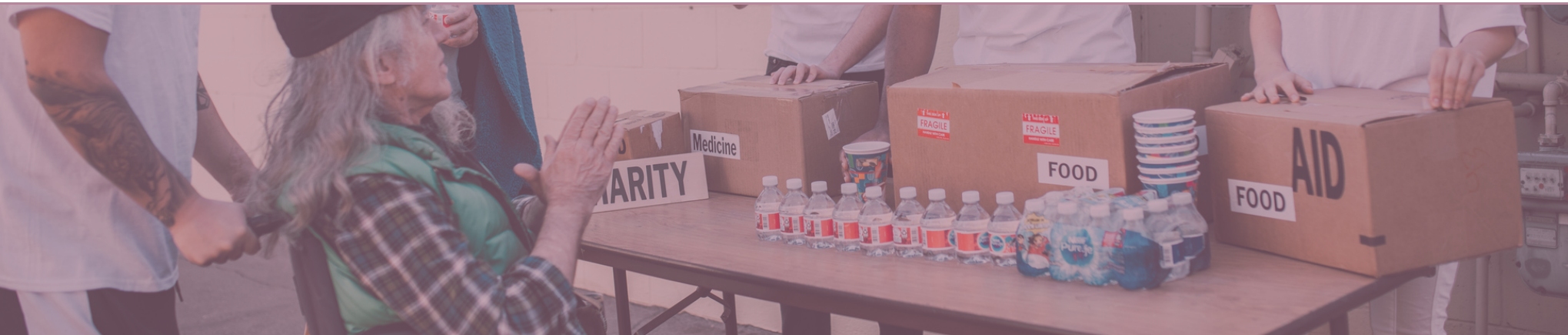
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Just over **half** felt that co-design and co-production processes are part of GM and Locality commissioning arrangements

Commentary suggests that co-production and co-design is:

- More **evident in certain localities** than others, and harder to pinpoint at GM level.
- **More prevalent with smaller, more specialist contracts**, but less so when contracts are larger, and where private sector organisations are likely to compete.



# A CORE FOCUS ON CO-DESIGN AND CO-PRODUCTION

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*I can see co-design happening more in pockets - it is better than it was but I still see a tendency for Commissioners to put out what they want without consulting the sector.*

*Things have come a long way over the last 5 years,.... ... the commissioners are a lot better at working with VCSE organisations to co-design and deliver services. However, I don't think the funding infrastructure is there to support proper co-design /co-production of services*

*I see 'consultation' aka pre market engagement happening where it's clear we are being told what the model is going to be rather than honestly being asked what we think as a sector.*

# EMBED SOCIAL VALUE

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**60%** do not feel that there is a **consistent approach to social value** across GM and the localities

**< 1/3** believe that **commissioners** are able to evidence how they have **considered social value** through all stages of the commissioning cycle

**2/3** feel that **commissioners do not understand how VCSE organisations provide social value**, and that procurement **measures and systems** do not reflect how VCSE organisations provide social value.



# EMBED SOCIAL VALUE

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Commentary shows **frustration** with:

- Systems that don't reflect VCSE delivery of social value
- Varied practice across localities and commissioners.

*"There is a disturbing lack of any consistent understanding around social value. VCSE organisations are expected to participate in arbitrary, product producing (and private sector focussed) measures around social value that do not reflect the societal benefit of VCSE organisations....."*

*National, homogenising delivery organisations are winning contracts from under local community assets, and winning through social value measures... this takes local investment out of area, and damages (smaller) community assets that understand their communities.*



*"VCSE **are** social value in their own right, which is not taken into account"*

*"Some LA's are much better at social value than others"*



# EMBED SOCIAL VALUE

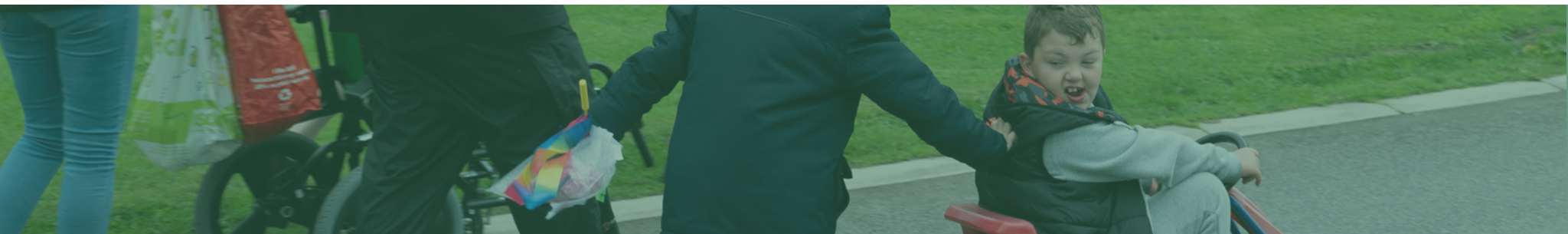
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**~ 70%** believe that **VCSE** sector organisations are **unable to evidence and measure** their impact and social value

*"The ability for VCSE orgs to measure their impact/social value varies org to org,. In my experience commissioners have broadly been supportive of our organisation in terms of defining the impact of our work and working with the service to capture .../ share this data within the locality."*

*"... most VCSE organisations still don't have a clue...how to measure and communicate it in simple... people focused ways. Most still focus on outputs and outcomes rather than impact and value. Several organisations ...are working on ways to improve this ..... although it's a highly under invested area."*

*"We are looking at how we can be better at impact reporting and demonstrating social value. We would love to look at embedding something like a social audit approach, however need resources and capacity to do so."*



# EMBED SOCIAL VALUE

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*Social Value has now become formulated and bureaucratised.*

*Just frustrating as a third sector org which alone is a great example of social value - being then asked to list countless other social value commitments for contracts, and also to have to pay to use a portal losing us precious income from a contract...it feels a bit ingenuous.*

*I believe that there are commissioners .... who understand that VCSE services provide social value as part of the services they are providing but I don't think the procurement processes necessarily reflect this,*

*Good commissioners will find (ways) to depart from the default where a standard process would create risk*

*I don't think there is a consistent message around social value and how this is assessed within the commissioning process.*

*its based on ... individual commissioners understanding of the work of the voluntary sector and how they seek to support that through their work.*

# DEVELOP & IMPLEMENT EVALUATION FRAMEWORK

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- This survey was designed to understand progress toward a series of indicators of success, drafted when the commissioning framework was developed.
- In addition, key pieces of work such as the GMCA Fair Funding Protocol and the work with NHS contracting colleagues have begun to identify key measures that the system would like to collect and track around sector investment trends,



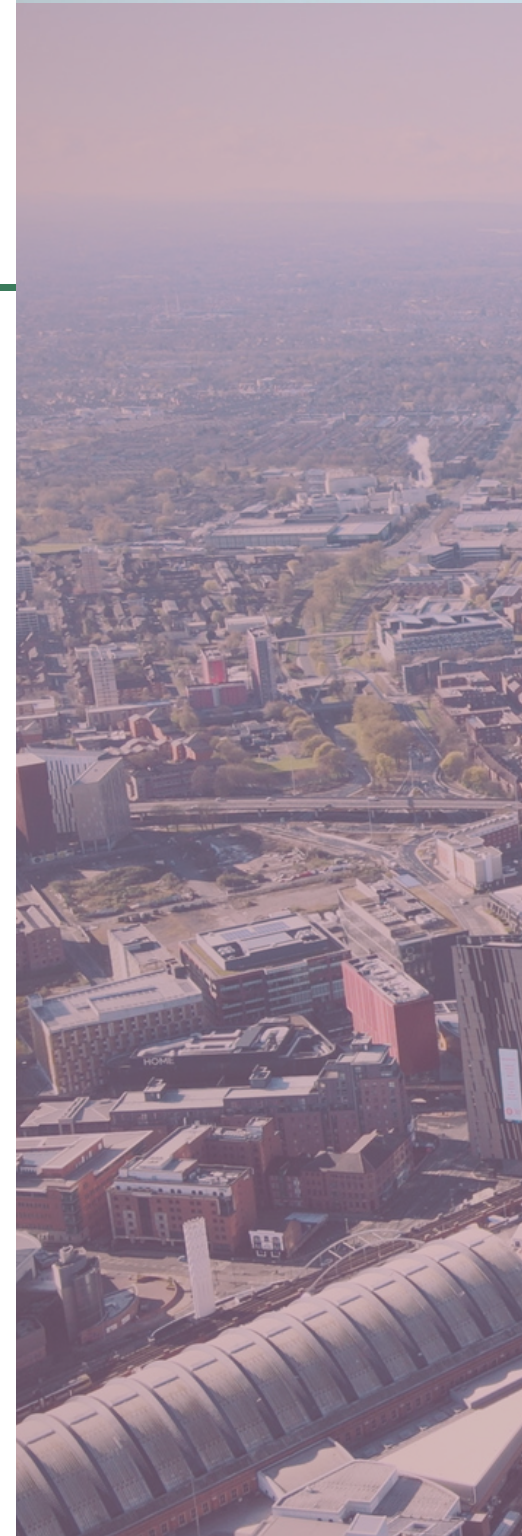
# TACKLING INEQUALITIES CENTRAL TO DECISION MAKING

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**Just over half** feel that **tackling inequalities** is at the centre of all commissioning and contracting decision making

*“Commissioning does not often understand concepts of marginalised, minoritised communities.*

*Commissioners can often suggest certain provisions of services (e.g. must have weekend service), when local providers have plethora of evidence of service access needs not being within this time.”*





# ANALYSIS OF PROGRESS

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Whilst progress has been made in some areas, responses show that we still have further to travel in implementing the recommendations of the Commissioning Framework.

- Frustrations around systems for measuring and reporting social value are high
- Gains made during Covid in grant-making are starting to recede as a result of the significant system budget pressures.
- Varied practice across localities and GM is creating confusion
- Changes in ICS commissioning arrangements have led to increased bureaucracy and a one-size-fits-all approach and loss of crucial local VCSE and commissioner relationships.

However, we are also seeing green shoots emerging, with:

- Commissioners acting as allies, attempting to navigate unhelpful systems in order to achieve the best outcomes
- Pockets of great co-production practice in localities
- Commissioners exploring how they can deliver longer term funding models





A photograph of three people, likely of diverse ages, wearing winter jackets and standing outdoors. The image is partially obscured by a white text overlay.

# PRIORITY AREAS FOR ACTION -VCSE

1. Improve locality VCSE orgs understanding of
  - a. GM-level commissioning intentions and pipelines,
  - b. How to be bid-ready
  - c. How to access opportunities
2. Develop key sector messages around social value and utilise all co-design opportunities to share these with the system.
3. Use VCSE good practice in demonstrating social value and impact to develop tools / learning for the wider sector.

A photograph of three people, two men and one woman, smiling and looking towards the camera. They are outdoors, wearing jackets and scarves, suggesting a cool environment. The image is partially obscured by a white text overlay.

# PRIORITY AREAS FOR ACTION -SYSTEM

1. Grow opportunities for commissioners and procurement teams to learn about and understand the VCSE sector
2. Grow mechanisms that improve VCSE access to locality commissioners
3. Influence those developing procurement and commissioning guidance to:
  - a. Include grants and innovative forms of investment as core funding mechanisms.
  - b. Reduce unnecessary bureaucracy within processes
  - c. Adopt good practice around contract length and accessible procurement models
4. Formalise measurement and tracking of sector investment trends data.
5. Create joint opportunities to share social value good practice amongst localities and with GM partners.

A photograph of three elderly people, two women and one man, smiling and looking towards the camera. They are wearing jackets and are outdoors with green foliage in the background. The image is overlaid with a semi-transparent blue filter.

# AREAS FOR ACTION - LED BY WIDER VCSE LG

1. Create opportunities to share local good practice around co-production and co design with commissioners
2. Lobby Place Leads for a long-term approach to investment in VCSE locality infrastructure
3. Lobby the system to put tackling inequalities at the centre of all decision making.

# WANT TO KNOW MORE?

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To find out more about the work of the VCSE Commissioning and Investment Group, click [here](#).

To find resources to support VCSE Commissioning, click [here](#).

To read the full VCSE Commissioning Framework, click [here](#).

