

**TITLE OF REPORT: Contribution of the Voluntary and Community Sector to improving health and wellbeing in Gateshead**

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### **Purpose of the Report**

1. To seek the views of the Health and Wellbeing Board on the contribution of the voluntary and community sector to improving health and wellbeing in Gateshead.

### **Background**

2. In April 2016, Newcastle CVS were invited by Gateshead Council to provide support and development, networking opportunities and representation for the voluntary and community sector in Gateshead and to manage the OurGateshead website. This was initially until March 2017, until a more permanent solution could be resolved. This contract has now been extended until December 2017 and a competitive tender for the service will be issued. As part of this role, Newcastle CVS has become actively involved in the Gateshead Health and Wellbeing Board and the Chief Executive chairs the Advisory Group. The Chair of the Gateshead Health and Wellbeing Board requested a report on the state of the local voluntary and community sector and its contribution to health and wellbeing.
3. At the start of this year, Newcastle CVS carried out a survey with local voluntary and community organisations, and the findings from this study, together with information from visits and meetings provided the basis for '*Doing Good in Gateshead 2017 : Looking at the voluntary and community sector in Gateshead*'.
4. The study identified that there were:
  - 342 registered charities based in Gateshead
  - 24 mutuals
  - 42 CICs (Community Interest Companies)
  - Between 700-1000 small, local groups, activities and organisations (*using the Below the Radar methodology of 3-4 times the numbers of registered charities*)
  - 502 charities that are not based in Gateshead, but cover Gateshead in their activities eg Newcastle CVS

The organisations survey worked with both the general and specific groups:

- 44% work with all client groups
- 56% work with specific groups

These communities include asylum seekers, refugees, BAME communities, carers, children, disabled people, employed people, faith groups, families/parents, LGBT, gypsy / traveller communities, homeless people, people with learning disabilities, lone parents, and all the groups identified under the Equalities Act and having the poorest health and wellbeing.

5. The voluntary and community organisations that work in Gateshead are very varied, and the following findings come from the organisations surveyed :
- *Staff* - More than half of those asked had no or just one member of staff, but a small number have several hundred eg Mental Health Concern. Some will employ clinically qualified staff
  - *Income* - can range from a few hundred pounds to many millions (Changing Lives). Across England, more than half of all charities have an income of less than £10,000
  - *Volunteers* - 75% of those asked have between 5-70 volunteers. However there are issues on recruitment, retention, support and training for volunteers.
  - *Governance* - trustees, management committee members, directors (not CICs) are unpaid
  - *Beneficiaries* – many tens of thousands of Gateshead residents benefit from engaging in what we do, whether directly from support, services, activities, facilities or an improved environment
  - *Regulation* – Charity Commission, Companies House, CIC register, Cooperatives and Mutuals

6. Funding and sustainability remain a key concern for many organisations and their income streams have changed significantly in the last five years, often due to the reduction in funding from local government. The position in Gateshead is reflected across the country, and the North East in particular (please see appendix)

The key sources of funding were:

- Grants from charitable foundations/ trusts
- Selling goods / services (trading) eg renting rooms
- Charitable donations from the public
- Public sector grants – national and local government, NHS, OPCC
- Grants from Big Lottery
- Public sector contracts - national & local government, NHS, OPCC
- Reserves, investment, endowment, other

7. One of the factors that had a significant impact is the amount of change that organisations have faced. The significant changes in funding, policy, regulations, commissioning practices, organisational and personnel changes in local authorities and the NHS, means this has impacted on what organisations do and how they operate.

Of the 87 organisations that responded, last year in Gateshead :

- 40% saw an increase in income, 37% stayed the same, 23% saw a decrease
- 27% saw an increase in staff numbers, 59% stayed the same, 12% saw a decrease
- 34% saw an increase in volunteer numbers, 48% stayed the same, 18% saw a decrease
- 72% saw an increase in demand for their service, 21% stayed the same and 7% saw a decrease
- 66% of organisations developed a new service

8. Looking at the challenges ahead, Gateshead organisations identified these as:

- *Organisational* - Funding; recruiting and retaining volunteers; coping with increased costs; keeping up with change; keeping going / sustainability; premises issues; new trading ideas; being as efficient and effective as possible – managing the increased demands within reduced resources and higher costs; regular / constant restructures

and change to be able to cope in circumstance; responding to the communities' needs; rules around commissioning made it harder for some organisations – could Social Value be used more in contracts

- *Communities* - Impact of welfare reforms; increased poverty in communities; withdrawal of statutory services; loss of general activities; loneliness and isolation; having to pay more / pay for; (lack of) jobs / employment / sanctions
  - *Organisations supporting people with disabilities (Changing Winds)* - four gone/going since 2013; changing organisations; equality agenda being downgraded; impact of welfare reforms; can't charge poor clients, carers; organisations greater use of digital; access is still an issue; communications and access; articulating need; changing needs, more complex, more intractable; safeguarding issues; poverty
9. The role of the voluntary and community sector in improving health, wellbeing and care has developed enormously in the last twenty-five years. It has multiple roles, often dependent on the size and nature of the organisation; these include:
- As a service provider
  - As a mechanism for bringing patients, users, and carers together e.g. support groups, peer experience
  - As an advocate for individuals, groups and communities who are often excluded
  - Through the use of volunteers to enhance services and experiences
  - Engagement in the governance process
  - As a consultee
  - As a partner in decision-making
  - As an advisor on processes
  - Being involved in the production of the JSNA, and other strategies
  - As a source of information, knowledge and expertise on particular communities
  - As an improver of the physical environment
  - As a campaigner for environmental and other improvements
10. However most of these activities require capacity and resources, whether it is goodwill, time, space, volunteers, finance etc. There is a danger, identified in a number of reports, including *Doing Good in Gateshead*, that voluntary and community organisations will just somehow substitute for paid public sector staff. The shift towards social prescribing is of increasing concern as across the country a number of resources seem to be invested into sign-posters / navigators/ directories indicating where services are, but not into the services themselves. The definition of social prescribing isn't clear and seems to be bandied about without an understanding of the implications or the resources necessary to make it work properly.

There have been some successful examples of asset transfers from the public sector to voluntary organisations, but these take time and a lot of resources. Initially public sector (mainly council) staff were able to invest time in these and provide background support and a safety net, however the more recent transfers are not as sustainable.

Experience has demonstrated that what makes local organisations work well is the involvement and support of local people. This can take time, involve community development, be focussed on a need, and the end result has got to be what that community wants. The contractual cycle can sometimes conflict between what a commissioner wants to purchase and what an organisation believes is necessary for delivering to its community. Artificial structures parachuted in, that don't have local ownership or buy-in, are unlikely to work; an example of this across the country is National Citizen Service (NCS), a national government initiative which is often not

delivered by local organisations. In Gateshead this is delivered by Catch 22 (a national charity) and Groundwork North East (which is already active in Gateshead).

In 2010, the Government proposed the opening up of public sector contracts to the voluntary sector. These included major contracts on the Work Programme and the Criminal Justice system. In reality, the vast majority of these contracts are now delivered by private sector international companies eg Serco, A4E and G4S and the voluntary sector has had a few painful experiences as end providers. A number of medium-sized organisations do not feel able to bid for public sector contracts as these have become larger and often the requirements are onerous and disproportionate to the contract value. As public sector funding has shrunk further, a number of organisations (voluntary and private), are removing themselves from social care provision. Very recently Lifeline, a major charity (£60million) providing drug and alcohol services (albeit not in Gateshead), went into receivership.

The amount of volunteering in Gateshead is much higher than the UK, with Gateshead Council reporting that *“34% of Gateshead residents regularly taking part in an activity”*. There is clearly a strong base to build upon, and councillors and council officers are involved with and aware of the sector. Newcastle CVS has built up a good rapport with a number of voluntary and community organisations in the fifteen months.

There have been major shifts in public sector organisations with more to come, and this has meant a loss of some partnerships, relationships and understanding of each other’s challenges and difficulties. This could be the right time to forge a new relationship, refresh the Gateshead Compact (which is a statement of the relationships) and work together across the wider partnership to improve health and wellbeing in Gateshead.

### **Proposal**

11. It is proposed that Board considers this report, the information contained in Doing Good in Gateshead, and the National Trends paper, the need to review the Gateshead Compact and other appropriate issues.

### **Recommendations**

12. The Health and Wellbeing Board is asked to consider the report and how it wishes to take forwards its recommendations.

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