

The value- and the values

When will the time come to resource the VCSE sector?

Having been involved in the VCSE sector since 2009, and having walked into it by accident rather than by design, I continue to be frustrated by lack of progress, and even regress in valuing our sector through investment. It is more than clear that specialist charities and social enterprises especially provide exceptional value for money and create more than they are asked for by funders and commissioners. Driven by passion, we often work long, sometimes unpaid (in the case of staff) hours to help those who need us- be it older people, young care leavers or migrant people.

While, arguably, working for the sector is a mission and the overwhelming driver for being part of it is a strong personal commitment to a cause (as illustrated by this research from 2023: <https://bobvcsehealthalliance.org.uk/wp-content/uploads/2024/07/The-VCSE-sector-workforce-in-BOB-V8.3.pdf>), burnout and exhaustion are a constant feature, and threat to sector's workforce.

These issues are in no small part caused by the sheer and paradoxical, even illogical disparity in accessing substantial contracts to deliver public services. "The Value of Small/Value of Small in a Big Crisis (CRESR, ICRD, IVAR; 2018, 2021) sufficiently established that we consistently deliver person-centered services, gap-filling delivery, and provide economic significant value, operating as "first responders," stabilising individuals in crisis (e.g., housing instability, mental health support, debt advice). By intervening early, we prevent acute, high-cost downstream interventions by the NHS, social care, housing, and emergency services. Yet, somehow, large block contracts are almost always awarded to large private (often private equity) companies, which charge overheads and profits at 30% of contracts value (<https://www.instituteforgovernment.org.uk/publication/report/government-outsourcing-reform>), as opposed to VCSE' standard 10-15%. But it does not have to be like this, and it should not. We can do better.

Solutions exists, also in the UK.

For the sake of the beneficiaries, and the workforce, as well as our volunteers, these solutions must be implemented now, before more organisations close or become dormant, and more people burn out and leave the sector. The public sector, including the NHS and local and regional authorities must urgently:

- Divide contracts into smaller lots to enable local organisations to take on them, either directly or as part of local consortia
- Provide enough mobilization time in order to enable VCSE organisations to create collaborative and consortia approaches and responses to opportunities
- Enforce transparency in contracting to ensure that value for money can be compared across and in-between different types of organisations
- Adopt the "Keep it Local" approach and prioritise local delivery partners in delivery (<https://locality.org.uk/news/west-yorkshire-icb-keep-it-local>). This approach has already been adopted by the West Yorkshire NHS Integrated Care Board.

Solutions are out there.

Now we need the willpower to change things.

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