

Local health and social wellbeing

The contribution of the voluntary, community
and social enterprise sector in Cumbria

(Summary report)



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The contents of the report express the views of the authors and do not necessarily reflect the views or policies of the commissioning partners.

Third Sector Trends Study

Data in this report are drawn from the Third Sector Trends study which was conceived and originally commissioned by Northern Rock Foundation with research conducted by the universities of Southampton, Teesside and Durham. The Community Foundation Tyne & Wear and Northumberland was a co-founder of the research and is now responsible for its legacy.

The Community Foundation and St Chad's College are currently collaborating with partners including: Power to Change, Barrow Cadbury Trust and Millfield House Foundation to undertake the Third Sector Trends Study survey and analysis in 2022-23

All publications from the Third Sector Trends study are available free to download at this address:

<https://www.communityfoundation.org.uk/knowledge-and-leadership/third-sector-trends-research/>

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Purpose of the report

The local voluntary, community and social enterprise sector (VCSE) is a 'home grown' resource, formed of many organisations and groups which were set up to tackle a wide range of local social, environmental and economic issues.

As independent minded and autonomous entities, VCSE organisations decide what their objectives should be, garner the resources to get things done, develop and use working practices that suit them best and develop relationships with other organisations as and when this helps them to achieve their aims.

Collectively, the local VCSE sector achieves a great deal for its beneficiaries by strengthening people's resolve to tackle difficult problems or supporting them to achieve their ambitions. And when working in complementary ways with other organisations and agencies, it can help improve the social fabric of neighbourhoods and communities.

So it is not surprising that the VCSE's contribution to local wellbeing is much appreciated by local public bodies, such as the police and fire services, local authorities, the National Health Service and combined authorities.

Valuing the work of the local VCSE sector is one thing, but understanding how that value is produced and for what purpose is another. So this research report was commissioned to find out more about sector structure, purpose, energy and impact at a local level.

To understand what's going on properly, it is necessary to look beyond the boundaries of a locality so that comparisons can be made with similar or different kinds of areas. Otherwise it cannot be known which aspects of the work of the local VCSE sector are distinctive, effective or particularly challenging.

Using comparative statistical analysis, this report builds a comprehensive picture of sector strengths and its willingness to work alongside or in partnership with local public agencies, businesses and other VCSE organisations.

Key statistical findings

Sector size and structure

The VCSE sector in Cumbria is composed of about 2,500 registered organisations. The majority are registered with the Charity Commission as charities, charitable companies, trusts and Charitable Incorporated Organisations (80%). There are also large numbers of Community Interest Companies (8% of the sector) Cooperatives, Community Benefit Societies and Registered Societies (7%) and Community Amateur Sport Clubs (5%).

Most VCSE organisations are small and have income below £50,000 (75%) which is higher than the national average (63%). Organisations with income between £50,000 and £1 million compose 23 per cent of the sector (30% nationally) and organisations with an income between £1-25 million constitute just 2 per cent of the sector (5% nationally).

The VCSE sector is not distributed evenly across areas. There is a concentration of organisations in more affluent areas. Only 10 per cent of VCSE organisations are located in the poorest areas. But many organisations work beyond the locality where they are based.

In the least affluent areas, 53 per cent of organisations work across the local authority, In the most affluent areas, more organisations focus on their local

neighbourhood or village (40%) than in the least affluent areas (25%). This is because there is a larger concentration of micro and small organisations in wealthier areas.

A useful indicator of social and economic vitality in localities is the density of VCSE organisations and private businesses. In Cumbria, business density is relatively high at 54.8 per 1,000 residents and VCSE organisational density is 4.9 per 1,000 residents. The ratio of businesses to VCSE organisations is 12:1.

VCSE Sector workforce

It is estimated that there are 4,800 full-time equivalent VCSE sector employees in Cumberland Council and 5,500 in Westmorland and Furness Council: about 4 per cent of all employment in the area.

Levels of employment have fallen slightly since 2019 in Cumbria from 10,470 to 10,350. It is unlikely that decline in employment is primarily due to financial problems in the sector, but instead is caused by difficulties associated with employee retention and recruitment.

Employee retention problems are more severe in Cumbria than in most comparable areas. Difficulties in the recruitment of new employees affects 52 per cent of VCSE organisations, while retention problems affect 27 per cent of organisations.

There are about 52,000 regular volunteers working with VCSE organisations in Cumbria (23,000 in Cumberland Council and 29,700 in Westmorland and Furness Council areas). The proxy replacement value of volunteers in Cumbria is between £38 million (at National Living Wage level) and £53 million (at 80% average Cumbria wage).

Most VCSE organisations could not continue without the support from volunteers (87%). So it is worrying that many VCSE organisations have struggled to hold on to volunteers who joined them during the pandemic (22%) and many organisations say that they have struggled to hold on to older volunteers (47%). About a fifth of organisations report that they now have more younger volunteers (aged under 30). There is little evidence to show that people began volunteering because they wanted to work online (4%).

Diversity in leadership is currently limited in Cumbria amongst people from ethnic minorities, which may reflect local demographics (under 3% of chief officers and no reported examples of chairs). Women are chairs in 45 per cent of organisations, but hold 70 per cent of chief officer roles. Graduates hold 64 per cent of chairs and 58 per cent of chief officer roles. People with disabilities hold 8 per cent of chairs and 5 per cent of chief officer roles.

Investment in people is an important element of sustaining or developing sector skills and ensuring the commitment of staff and volunteers.

- The provision of training for staff and volunteers is at a higher level in Cumbria (50%) than most areas with similar characteristics (43%).
- Provision of flexible working practices is more prevalent in Cumbria (63%) compared with statistical neighbours (53%).
- Nearly 60 per cent of organisations invest in staff development compared with 56% amongst statistical neighbours.

Sector energy, purpose and impact

The energy the VCSE sector has at its disposal is associated with, but not wholly reliant on its income. In Cumbria, VCSE sector income is £508 million (£221 million in Cumberland Council area and £287 in Westmorland and Furness Council area).

When all aspects of sector energy are taken into account (including expenditure, volunteer time, sale of free goods and in-kind support), the financial value in

Cumberland Council area is £242 million and Westmorland and Furness Council area £315 million.

The employment of this energy produces £858 million of value in Cumberland Council area and £1,117 million in Westmorland and Furness Council area: a ratio of value created by energy invested of about 3:1.

Making sense of the impact of the work of the VCSE sector is challenging at national, regional and local level because it will never be possible to 'nail down' who does what, where and how precisely. Instead, it must be accepted that attribution of impact will always be shared. No single organisation can achieve everything on its own – and more often than not – they achieve more by working alongside other organisations in the VCSE sector, public sector and private sector in complementary ways,

In Cumbria, 16 per cent of energy is devoted to supporting the financial security of beneficiaries, 27 per cent to health and wellbeing, 27 per cent to personal and social wellbeing and 30 per cent to community wellbeing.

VCSE sector financial sustainability

VCSE organisations rarely rely on a single source of income to sustain their activities, instead they draw upon a wide range of income sources such as grants, contracts, earned income from self-generated trading, dividends from investments, in-kind support from other organisations, gifts and legacies, subscriptions from members; and, though much less often, borrowed money.

- Relatively few VCSE organisations in Cumbria rely on income from contracts to delivery public services (13%) and most of those organisations which do, are larger in size – but about 30 per cent of the biggest organisations choose not to take on contracts.
- Grants are a mainstay of funding for many VCSE organisations. But determining the value of grants in Cumbria is not straight-forward. Grant values are likely to be around £64 million from trusts and foundations and public sector sources.
- Contrary to national trends, there has been a shift in direction toward earning income from trading in Cumbria in recent years (77% of organisations earned some income in 2022 compared with just 60% in 2014). But the level of reliance on earned income has decreased (in 2022 only 12 per cent of organisations earned more than 8 per cent of their income – compared with 20 per cent in 2014).
- in Cumbria, property ownership is more prevalent (42%) than statistical neighbour areas (apart from Cornwall at 46%). Renting is also more important than in most other areas. Free use of space is a little less common in Cumbria (25%) compared with Cornwall (28%) and Northumberland (27%).
- The indications are that the VCSE sector in Cumbria is generally quite resilient: many organisations have seen income increase in the last two years (28%) and many have experienced income stability (47%). That stated, over a quarter have seen income fall (26%). Falling income may not be indicative of organisational financial crises – but, for many, a sign of organisational hibernation or reduced activity during the pandemic.
- The percentage of VCSE organisations with rising income has increased steadily since 2019 (from 21% - 27%). This may have provided a clear indication of growing VCSE sector resilience, had not the proportion of organisations with falling income not also grown substantially between 2019 to 2022 (from 9 to 26 per cent).

- The ownership of reserves is widespread – but organisations are holding on to their reserves rather than investing in new initiatives (47%). Caution is understandable given current financial concerns driven by energy costs, general inflation and higher wage demands.
- Many organisations are using reserves for essential costs (such as wages, energy costs, rents etc.) – in Cumbria this is at the national average level (23%).

Expectations about the next two years

Many VCSE organisations are quite optimistic about their prospects over the next two years.

- About a third of the sector is optimistic about income increasing in the next two years. This is quite consistent amongst statistical neighbours (31%).
- Private sector support is provided to about a quarter of VCSE organisations in Cumbria (24%).
- Grants from trusts and foundations: a quarter of VCSE organisations believe that grant income will increase (24%).
- Expectations about support from volunteers are high: a third of organisations in Cumbria expect volunteer numbers to increase in the next two years (32%).
- A fifth of VCSE organisations in Cumbria expect that statutory funding will increase in the next two years (21%).

Relationships and influencing

Relationships within the VCSE sector are strong. Most organisations have useful informal relationships with other organisations or groups (78%). Slightly fewer work quite closely but informally with other organisations (76%), but this is much higher than the average for statistical neighbours (65%). Formal partnership working is less common (37%) but higher than amongst statistical neighbours (30%).

About two-thirds of VCSE organisations have working relationships with the private sector in Cumbria (66%): the vast majority work mainly with local firms. The benefits of working with business are widespread: in the last two years, 46 per cent receive money, 31 per cent get in-kind support, 18 per cent get help from employee volunteers and 18 per cent have received *pro bono* expert advice.

The percentage of VCSE organisations gaining financial support from business in Cumbria has increased since before the pandemic (from 40% to 46%), but in-kind support has fallen (from 20% to 18%) as has *pro bono* advice (from 26% to 18%).

Relationships with public sector organisations remain strong.

- The vast majority of VCSE organisations in Cumbria feel valued by local public sector bodies (88%).
- About three-quarters of organisations which have a relationship with the public sector, state that they feel informed about issues of importance to them.
- A majority of organisations in Cumbria (54%) feel that the local public sector involves them in the development and implementation of policy – a higher percentage than all other statistical neighbour areas.
- About half of VCSE organisations in Cumbria state that the local public sector acts upon their responses to consultations.
- Local public sector bodies sought support from 62 per cent of local VCSE organisations during the pandemic (of those organisations which have a relationship with the public sector) – a higher level than all other statistical neighbours apart from Cornwall (69%).

Much of the VCSE sector seeks to be an active partner in its relationships with public sector bodies. But a majority of organisations in Cumbria ‘steer well clear of *political issues*’ (69% compared with 74% of statistical neighbours).

- More VCSE organisations in Cumbria (80% compared with 70% of statistical neighbours) will participate in formal activities (orchestrated by, for example, local authorities, health authorities or local infrastructure organisations) which address local social and public policy priorities.
- About 60 per cent of VCSE organisations in Cumbria campaign to influence local policy compared with 45 per cent of statistical neighbours.
- About two-fifths of VCSE organisations in Cumbria (42%) trust a local VCSE sector support agency to act on their behalf on aspects of policy, compared with less than a third of statistical neighbours (32%).
- Working behind the scenes to influence policy is an option many VCSE organisations choose to take (46% of VCSEs in Cumbria take this option compared with 42% of statistical neighbours).

Summary and implications

Local context shapes sector size and structure

Cumbria has a large and productive voluntary, community and social enterprise sector (VCSE) which makes a substantial contribution to local health and social wellbeing. To understand the specifics of sector dynamics, strengths, purpose and impact, the report has looked in detail at the local context within which the sector operates.

Cumbria is spatially distant from major urban areas which affects how the local labour market works and how social dynamics are framed. While much of the population is concentrated in several quite large towns and the city of Carlisle; local cultural, economic and social interactions are shaped to an extent by area geography and sparsely populated rural areas.

Industrial history and the structure of the local economy also affects aspects of local demographics. There are areas where most of the resident population is affluent, in good health and stocks of social capital are secure. But there are other areas, especially in former industrial coastal areas where social deprivation is deeply embedded which limits local opportunities, fractures community confidence and undermines personal health and wellbeing.

Comparing like with like

Even with such an understanding at hand, it is not possible fully to understand the contribution of the VCSE sector by focusing solely on Cumbria. Without comparative analysis with other, similar types of town and country areas and dissimilar major urban areas, it would not be possible to get insights into aspects of the distinctiveness of the situation in Cumbria. It is also vital to recognise similarities in areas referred to in this report as ‘statistical neighbours’ or major urban areas: ‘statistical strangers’.

Statistical neighbours (including Northumberland, Shropshire, Suffolk, Dorset, Devon and Cornwall) share many of the local characteristics of Cumbria. But it is Cornwall

that shares the most.¹ Indeed, in many respects, the objectives, operations and impact, of the VCSE sectors Cumbria and Cornwall are remarkably similar. Both counties are coastal, have large often quite inaccessible rural districts and areas of industrial decline or dereliction. They also have visitor economies capitalising upon beautiful coastlines and natural parks.

It should also be noted that the two newly established local authorities in Cumbria, Cumbria Council and Westmorland and Furness Council, share close statistical similarities. Indeed, in future rounds of Third Sector Trends research they will be referred to as both proximate and statistical neighbours.

Serving less affluent communities

Deep social disadvantage is often focused in former industrial areas in Cumbria. That does not mean that deprivation or social exclusion is absent in rural areas or in more affluent zones where housing availability is low and costs are high due to the popularity of the area as a tourist destination, as a location for second homes or relocation for work or retirement. Such issues can be compounded in an area with a large visitor economy, where work is often seasonal, insecure and relatively low paid.

The local situation in town and country areas such as Cumbria shapes the structure of the VCSE sector itself. In more affluent communities, there tends to be a much higher concentration of small groups and organisations which serve local social interests. These organisations, often by default rather than purpose, maintain social and personal wellbeing by keeping people socially connected, mentally acute, physically active and provide a purposeful and positive focus for personal development and self actualisation.

Larger organisations, which tackle pernicious or acute aspects of social need, concentrate their work in less advantaged urban or remote rural areas. These organisations command the lion's share of sector finances, but often they are not free to allocate resources as they choose. Instead, much of their income comes from public sector service contracts from, for example, the local authority, NHS or government departments to tackle specific aspects of social need that are defined elsewhere – often in Whitehall.

Due to local circumstances, such service delivery organisations often operate differently from those in major urban areas (such as the Combined Authorities which have been the focus of a parallel study on statistical strangers²). Spatial inaccessibility and lower concentrations of population deprivation mean that the expenses associated with delivering services can be higher in town and country areas. Furthermore, experiences of poverty or ill health can be exacerbated in spatially remote areas because issues surrounding social isolation are pervasive.

Enclaves of social deprivation or exclusion can be small in remote areas, sometimes rendering them as statistically invisible. Disadvantage can take many forms – depending upon the situation of individuals. For example, the ethnic minority population is comparatively small and spatially dispersed in Cumbria compared with major urban areas –restricting access to specialist support.

Access to services can be limited by public transport and awareness of provision can be undermined by inaccessibility to information, advice and support. Domains where local VCSE organisations are able to connect with people can be more expensive to deliver than in urban areas.

¹ A separate study of the VCSE sector in Cornwall was undertaken in 2002-22. Chapman, T. (2022) *The structure, dynamics and impact of the voluntary, community and social enterprise sector in Cornwall and the Isles of Scilly*, Durham: Policy&Practice. The report is available here: <https://www.stchads.ac.uk/uncategorised/voluntary-sector-dynamics-in-cornwall-and-isles-of-scilly/>

² The parallel study is centred upon Yorkshire and Humber but covers all combined authority areas. The report from the study will be available in late May 2023. Chapman, T. and Wistow, J. (2023) *Local health and social wellbeing: the contribution of the voluntary, community and social enterprise sector in Yorkshire and Humber*, Durham: Policy&Practice. The report will be available at this address: <https://www.stchads.ac.uk/research/publications/>

Sector challenges: similarities and differences

At root, the research shows that spatial factors can affect the local working conditions of the VCSE sector. But this does not necessarily mean that some experience of VCSE organisations is consistent across all types of areas. As the VCSE sector has emerged from the Coronavirus pandemic, it has done so in much better financial shape than was expected in the depths of the Covid-19 crisis. Many more organisations have reserves than was the case in 2019 and the indications are that they are holding onto these reserves rather than investing in new initiatives.

Across the VCSE sector in England and Wales, VCSE organisations are characterised by their financial prudence. As NCVO shows, never in the last twenty years has the sector spent more money than it received.³ This is usually possible as VCSE organisations rarely borrow money because, unlike private businesses, they rarely need to buy stock and they can access funds from a wide variety of sources ranging from gifts, legacies, subscriptions, grants, self-generated earned income, in-kind support and contracts.

Nevertheless, some difficulties now face the VCSE sector across England and Wales – especially amongst those organisations which employ staff. As the cost-of-living crisis deepened in 2022, employees' demands for higher wages affected all employment sectors and has resulted in strikes, even, in some national charities. Employee retention problems have hit many VCSE organisations hard. Changing attitudes toward work also affect recruitment and retention - many employees enjoyed a higher degree of flexibility and autonomy during the pandemic and have decided to reduce hours or remove themselves from the paid labour force.

Problems with recruitment and retention are widespread in all areas of England and Wales, but this research indicates that it is particularly acute in Cumbria – recruitment problems affect 52 per cent of organisations. Furthermore, over a quarter of employer organisations are struggling with staff retention. These factors are most acute in organisations which deliver public services under contract. Similarly, support from regular volunteers has been in decline since the pandemic, and while this may recover, that is in doubt due to other pressures on potential volunteers to sustain their finances, meet family responsibilities or just to do other things that they find more appealing.⁴

The evidence indicates that too few organisations are investing in their staff and volunteers through training and professional development. And it is a worry that some or perhaps most organisations prioritise financial prudence over increasing pay levels. If this is so, it could have far-reaching consequences for sector capacity in future.

With all of these worries in mind, it may be expected that leaders of VCSE organisations would be pessimistic about the future. But the opposite is the case – more sector leaders are in positive or buoyant mood now than in 2019 about their future prospects of sustaining or increasing income from statutory sources, trusts and foundations and from business. It is a good thing that sector leaders are positive about the future – as optimism is a driver of ambition to achieve more. But it also risks setting up the sector for disappointment if ambitions cannot be realised.

³ NCVO UK civil society almanac 2022 provides data tracked from 2022/01 on sector income and spending: <https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2022/financials/#/>

⁴ Recent research from NCVO indicate substantive decline in the willingness of people to devote time to regular volunteering for VCSE organisations: NCVO (2022) Key findings from *Time Well Spent 2023*. <https://www.ncvo.org.uk/news-and-insights/news-index/key-findings-from-time-well-spent-2023/#/>

The difference the VCSE sector makes

The VCSE sector is keen to make a strong contribution to health, personal, social and community wellbeing in Cumbria – and in many respects, it is already doing so. The social impact measures used in this study indicate that from the energy it invests in activities, the VCSE sector in Cumbria produces almost £2bn in social impact. It should come as no surprise, therefore, that many organisations are keen to take up opportunities to engage with local social and public policy. They do so in the firm belief that they are already valued by local public sector organisations.

VCSE organisations in Cumbria (80%) are more engaged in local social and public policy processes than on average in other statistical neighbour areas (70%). About 60 per cent of VCSE organisations in Cumbria campaign to influence local policy compared with 45 per cent of statistical neighbours. Working behind the scenes to influence policy is an option many VCSE organisations choose to take (46% of VCSEs in Cumbria take this option compared with 42% of statistical neighbours).

This may be good news for public bodies in Cumbria which want to engage with and work in partnership with VCSE organisations. But this report shows that patterns of engagement will always be constrained by the particularities of the way in which the VCSE sector works.

Complementary working

The VCSE sector in Cumbria works well together. As the research summary demonstrated, most organisations have useful informal relationships with other organisations or groups (78%). Slightly fewer work quite closely but informally with other organisations (76%), but this is much higher than the average for statistical neighbours (65%). Formal partnership working is less common (37%) but higher than amongst statistical neighbours (30%).

When health, public and social policy strategic initiatives are devised, emphasis is often stressed on the importance of including the VCSE sector in the definition and delivery of objectives. Some go further and aim to integrate VCSE organisations in collaborative governance initiatives.

This report shows that care needs to be taken when plans are drawn up to involve charities and social enterprises in formal partnership arrangements or to align with strategic public and social policy objectives. And certainly, it is unwise to raise expectations that sector opinion can be expressed as ‘one voice’ and sector interaction accessed through ‘one door’.

The VCSE sector, taken as a whole, cannot and should not be expected to agree shared priorities. Civil society is not driven by principles surrounding fair distribution of services for all, as is the case in a welfare state. Instead, most organisations focus on particulars, not universals and defend their areas of interest vigorously. And while there will be alliances on specific issues from time to time, there can never be a fully shared set of values (beyond the legal right for such organisations to exist) on issues surrounding purpose, practice, need or social benefit. In a sector that is enormously ambitious to make a difference, this means that there is rivalry to highlight the importance of causes and competition to access finite resources of money, employees and volunteers.

The VCSE sector, ultimately, exists to respond to or elicit change. But that does not mean that organisations share the same values: some want to protect privilege, some want to challenge it – consequently, disagreement can often be close to the surface when expectations are raised about alignment with policy initiatives.

The workings of the VCSE sector might not be *neat*, but its members know what they are good at. And as champions of causes in need of financial support they welcome a pluralistic funding environment so they can avoid keeping all their eggs in one basket. This diminishes the risk of dependence on just one funding body and also strengthens their autonomy.

As shown in this report, it is not possible to disentangle who does what in the VCSE sector. This is because approaches to practice are sometimes shared, definitions of purpose are varied and constituencies of beneficiaries are complex. At best, it is only possible to define general areas of activity.

VCSE sector activity in policy contexts

Currently, two major policy initiatives driven by government focus on engagement with the VCSE sector to contribute to strategic objectives for localities. Levelling Up policies⁵ lack coherence – involving a mish-mash of strategies and funding streams that are focused on the laudable objective of rebalancing inequitable conditions across localities and regions. This makes it hard for VCSE organisations and their representative bodies to know how to engage with or respond to initiatives.

The NHS's Integrated Care Systems (ICSs) policy framework⁶ is much more coherent, but this carries the risk of raising expectations of involvement of the VCSE sector in planning and aligning the sector to specific aspects of delivery.

Administrative boundaries can add layers of complexity which VCSE organisations must learn how to negotiate. In Cumbria, some of this may be alleviated with the abolition of district councils, but heightened by the establishment of new local authority boundaries. Furthermore, ICS boundaries do not align with political boundaries in Cumbria – and their jurisdictions are not limited by the natural boundary of Cumbria itself.⁷

The reality is that much of the activity of the VCSE sector addresses 'intangible' aspects of social value which is nevertheless of great importance to public health – and particularly so in the realm of prevention or in complementary but autonomous aspects of activity which contribute to the alleviation of health conditions.

This can be a good thing. Because it means that the VCSE sector is already finding the resources to create the energy to tackle issues on its own terms which contribute to the greater public good (see Figure 8.1). Consequently, the NHS and local authorities can learn how to value that contribution and factor it into thinking about the purpose of ICSs – but without feeling the need to take responsibility for it, or to attempt to control it.

But there is a downside to this. The VCSE does not operate with the same levels of energy in poorer areas as it does in the richest. There are about two and a half as many small organisations and groups in richer areas, by resident population numbers, as there are in the poorest areas. And, of course, more affluent areas do not have more healthy, socially engaged and confident residents *because* they have a lot of charities – they have more charities because they are healthier, wealthier, socially confident and engaged.

The idea of 'unleashing' the hidden potential of poorer areas and 'harnessing' that energy (as some think tanks argue, somewhat perversely) to improve social wellbeing is therefore deeply flawed. People shape their priorities differently when in poverty and living in marginalised communities that have poorer facilities and where opportunities are limited.

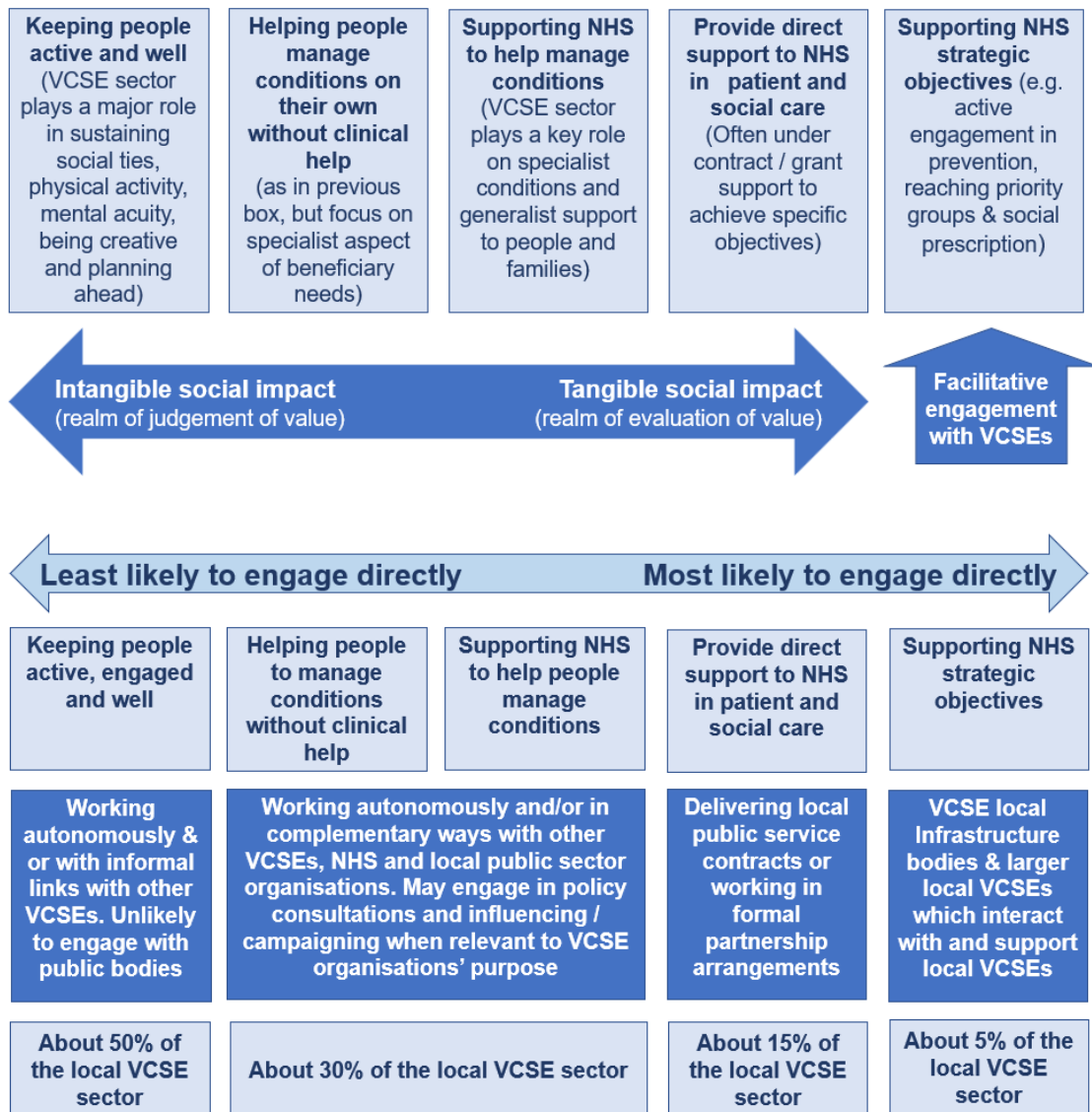
⁵ Department for Levelling Up, Housing and Communities (2022) *Levelling Up in the United Kingdom*, London: OGL, <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

⁶ ICS strategy and implementation documentation can be found here: <https://www.england.nhs.uk/integratedcare/>

⁷ Cumbria comprises part of two ICS areas. NHS Lancashire and South Cumbria Integrated Care Board and NHS North East and North Cumbria Integrated Care Board. These areas do not align with newly established Council boundaries. For full details see: Integrated Care Boards in England: table (1st April 2023)

<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.england.nhs.uk%2Fwp-content%2Fuploads%2F2022%2F05%2Ficb-areas-table-1-april-2023.docx&wdOrigin=BROWSELINK>

Figure 8.1 The VCSE sector's contribution to Integrated Care Systems



When people feel undervalued, it can undermine their sense of trust in those who want to help them. Engagement can be difficult and slow, often resulting in backward steps when things go wrong. And it means that assessments of progress have to be devised differently from better-off communities where some achievements are regarded as 'normal' but should be recognised as a 'triumph' in the poorest communities. As argued by Marmot⁸, this means that purposeful and inequitable investment in the VCSE sector by public or health authorities needs to be carefully thought through and targeted to achieve objectives that are meaningful to the people they aim to serve.

This is a complex environment to understand, navigate and negotiate. But if the objective to improve prevention of health conditions is to move closer to centre stage, as indicated in ICS strategies and in the recent Hewitt Review⁹ to shift resources

⁸ Marmot, M., Allen, J., Boyce, T., Goldblatt, P. and Morrison, J. (Health Foundation (2020) *Health Equity in England: the Marmot Review 10 years on*, London: Institute of Health Equity: https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on?psafe_param=1&qclid=Cj0KCQjwr82iBhCuARIsAO0EAZwSgDf6T2TZPnb8NZx3gzniFTM1VhUHsJtsc_vlzHwugnMWJCJI4bEaAq6aEALw_wcB

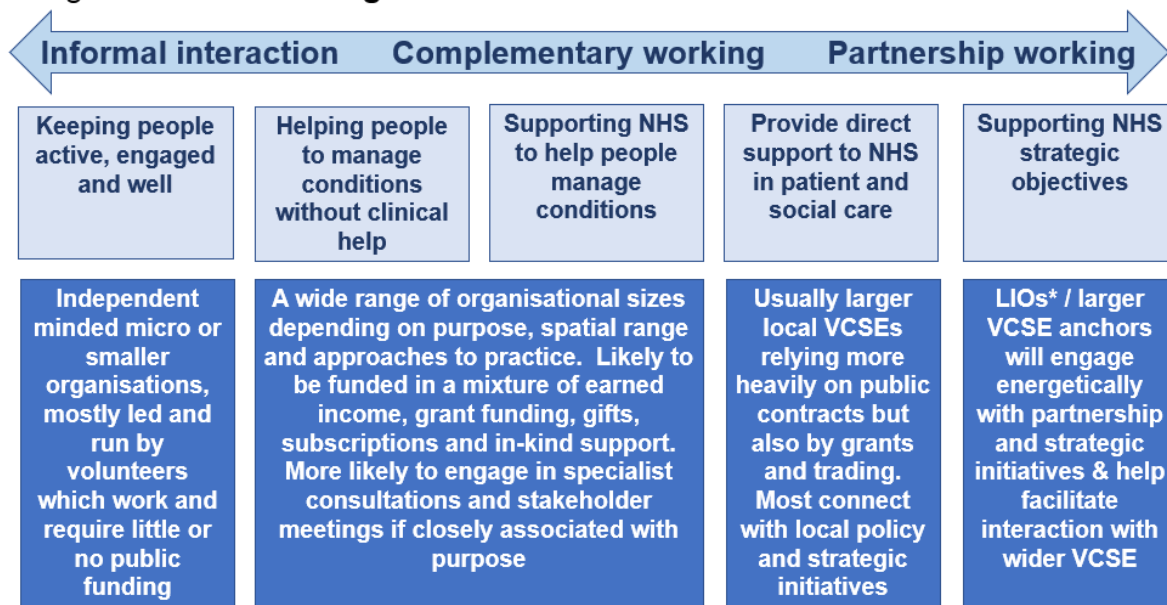
⁹ (2023) *Hewitt Review: an independent review of integrated care systems*, London: OGL, <https://www.gov.uk/government/publications/the-hewitt-review-an-independent-review-of-integrated-care-systems>

from ‘illness’ to ‘health’, then recognising and valuing what is happening on the ground now in the VCSE sector is vital.

As Figure 8.2 indicates, about half of VCSE sector organisations are very unlikely to engage directly with ICS policies at a strategic level. Indeed, many may not recognise, nor be interested in articulating how their work adds value to public health. That may not matter to them, but it does not mean that their contribution should not be valued in holistic terms. And in some cases, they may have a more direct role to play, if they are enticed to do so, by – for example an effective link worker with their ear to the ground on new avenues for social prescription.

At the other end of the spectrum – those organisations which are given major grants, or are contracted to deliver services – engagement, in principle, should be much easier. Although current problems with employee retention and recruitment may worsen the scope for interaction if unit costs for service delivery remain too low and organisations continue to withdraw from this marketplace.

Figure 8.2 **The strategic orientation of VCSEs**



*Local infrastructure organisations / CVSS

Looking forward

Government strategies undoubtedly shape the local policy landscape. But locally driven policy initiatives can also make a real difference. In recent years, in the North of England, there has been a stronger emphasis, for example, on understanding the value of the ‘foundation economy’ in localities. This is often connected to ‘community wealth building’ strategies which focus upon strengthening local business, third sector and public sector interactions.¹⁰

The VCSE sector continues to work well together, usually in informal or complementary ways and is also eager to connect with and help to shape health, economic and social policy initiatives which have the potential to bring wider benefit to the area. The VCSE sector makes a substantive contribution through policy engagement, commitment to community development and its contribution to local employment and economic activity.

¹⁰ See, for example, Guinan, J. and O’Neill, M. (2020) *The case for community wealth building*, Cambridge: Polity Press, and Foundational Economy Collective (2022) *Foundational Economy: the infrastructure of everyday life*, Manchester: Manchester University Press.

This does not mean that everything is easy. The VCSE sector also faces significant challenges as it emerges from the extraordinary circumstances it faced during the Coronavirus pandemic – especially so in relation to recruitment and retention of employees and volunteers. It is important, though, not to overstate the significance of these problems. The sector is in better shape now financially than when in the depths of austerity a few years back and the VCSE sector has also emerged from the pandemic with optimism.

