

Written evidence submitted by NICVA, relating to the funding and delivery of public services in Northern Ireland inquiry (FPC0022)

Background

NICVA is the umbrella body for the voluntary, community and social enterprise (VCSE) sector in Northern Ireland with over 1300 members, who provide a wide range of services and activities for public benefit. These range from health, social care, and emergency services; advice and counselling, community development and peace-building; to environmental, arts, and sporting activities. NICVA's database of VCSE sector organisations holds records of over 6,100 organisations employing over 53,000 people across Northern Ireland. For further details on the NI VCSE sector and the public benefits it delivers visit NICVA's 'State of the Sector' resource at - <https://www.nicva.org/stateofthesector> and our 'Value of the Sector' resource at - [Value of the Sector | NICVA](#)

Operating Context for the Northern Ireland Voluntary, Community and Social Enterprise (VCSE) Sector

This submission is informed by the difficult context within which VCSE sector organisations are working, features of which include: the legacy of the Covid-19 pandemic and its impacts on both VCSE organisations and those they serve; the cost of living crisis and its impacts on VCSE organisations and their service users; and the lack of functioning government in Northern Ireland due to disagreements over post-Brexit arrangements. The lack of functioning and stable government and consequent short-term/single year and last-minute public budgeting is particularly detrimental to the many VCSE organisations that receive public funding through grants and contracts to deliver services. This is resulting in continuous uncertainty for these organisations, affecting their ability to offer stable employment to, and retain staff delivering their vital services, whilst responsibly managing their finances.

The above context presents multiple challenges to realising the full value and potential of VCSE organisations to deliver vital and hugely wide-ranging services to the Northern Ireland public. NICVA believes that there is an urgent need for a more strategic and long-term approach by government (supported by other sectors) to supporting the VCSE sector's public service delivery role.

The Importance and Contribution of VCSE Services to the Public

An independent Kantar Millward Brown survey¹ of the Northern Ireland public commissioned by NICVA in 2017 found that 9 in 10 people had used a service provided by an NI community or voluntary organisation in the last year and 1 in 8 that these services were 'essential to their lives.' These essential services have never been more needed and require resourcing to be sustained and increased to meet increasing need.

¹ <https://www.nicva.org/resource/nicva-public-perception-survey-identifies-high-levels-of-public-usage-and-trust-in>

Sector provided services such as Community Transport are a lifeline for communities otherwise unable to access these amenities. The most recently available figures show that over 216,000 journeys were made using community transport² in Northern Ireland, in 2016. 46% of journeys were health related, providing transport for people to attend hospital appointments who would otherwise be unable to. Furthermore, 100,069 of all Community Transport journeys in this time-period were disabled user trips to facilitate access to appointments, services and recreational days.

During the Covid 19 Pandemic, the Voluntary and Community sector developed new, essential services to help their communities through the crisis. In a survey conducted by NICVA³ during the pandemic, 42.3% of organisations reported up to a quarter of their services were new and had been developed in response to the pandemic. These included prescription runs, food/ essential item drops offs, and mental health support. Without this rapid response from the sector, communities would have been left struggling attain medication, food, etc.

Despite the 'post-Covid burnout' experienced by a large number of staff and volunteers, the sector has once again stepped up to tackle the next crisis facing communities; the Cost-of-Living Crisis. Trussell Trust has reported a 14% increase of the use of their food banks compared to two years ago⁴, delivering a total of 2.1 million food parcels throughout that period.

The value of the sector to their communities and to public services is immense and cannot be measure in one single way. Services delivered by the voluntary and community sector are often an integral part of mainstream service pathways and well-established referral routes to many areas of public service provision. The voluntary and community sector also continues to respond to and plug increasing gaps across many of our mainstream public services, delivering services and supports that may not be readily available or accessible within the public sector for a variety of factors not least budgetary or resourcing pressures. As referenced earlier, these services are essential to the daily lives of so many, and therefore must be better profiled within mainstream government policy, strategy and planning including via the provision of adequate and sustainable funding.

The importance of the VCSE sector to delivering government/departmental goals and public services

When considering the operation and funding of public services in NI, it is vitally important to take full account of the public services which are delivered not under the umbrella of the public sector, but by voluntary, community and social enterprise organisations. These organisations provide employment to over 53,600 people supported by a further estimated 187,477 volunteers. The breadth of services

²The Detail, 'Community Transport: The Numbers', Lindsay Fergus, 2 December 2016- [Community transport: the numbers - Investigations & Analysis - Northern Ireland from The Detail](#)

³ Voluntary and Community Sector in Northern Ireland significantly impacted by Covid-19- <https://www.nicva.org/article/voluntary-and-community-sector-in-northern-ireland-significantly-impacted-by-covid-19>

⁴ Trussell Trust, 'End of Year Stats' April 2021-March 2022- <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/>

provided by the approximately 6,122 voluntary, community and social enterprise organisations in Northern Ireland ranges from provision of mental health services, disability services, autism services to projects for the alleviation of poverty, dealing with homelessness, assistance with substance abuse and addiction to the rehabilitation of offenders, assisting with employment and providing skills training to childcare facilities and education. This list is nowhere near exhaustive and only begins to describe the very many services provided by the sector, however it does provide an insight into how many of the services provided by the VCSE sector complement public sector services and feed into Government goals and outcomes within the Programme for Government.

The VCSE sector is valuable strategic partner in the delivery of care and support planning⁵, and the role of the VCSE is pivotal to social prescribing and providing personalised, place-based care⁶. The Bengoa report highlighted the role of the VCSE sector highlighting the need for improvement of coordination between the public health sector with the voluntary and the community as well as the recognition of VCSE organisations as true partners in care⁷. In 2018, Richard Ramsey, chief economist at Ulster Bank, commented that the VCSE sector had a central role to play in delivering key services, highlighting that a shrinking third sector could become a major concern for Northern Ireland as pressures grow on the health service and other parts of local government⁸. He added that the sector was coming under increasing pressure, due to a scaling back on public spending and mounting pressure on the health service. This working partnership is more important now than ever as we come out of the COVID-19 pandemic with organisations across the sector uniquely placed to support people and communities making them vital to COVID-19 recovery planning⁹. (See [here](#) some examples of this vital work showcased at the launch event for NICVA's Value of the Sector web resource)

It should also be noted that the sector not only provides these services, but the vast amount of knowledge held by the organisations and their employees/volunteers with regards to the problems facing our society and what works and what does not work is vital to effectively and efficiently providing support where and when it is needed.

Much of the VCSE sector readily understand the needs of the communities they work with and contribute hugely to their well-being, with 70.2% of organisations reporting in recent NICVA research that their work is aligned to and delivering the Sustainable Development Goals which government has signed up to. In this research, Good Health and Wellbeing, Reduced Inequalities and Quality Education were reported as the top three SDGs most relevant to their organisations¹⁰. VCSE organisations understand how initiatives work at a grass roots level and have the connections and networks built to drive forward projects that will really make a

⁵ [What is the role of voluntary, community and social enterprise \(VCSE\) organisations in care and support planning? | www.basw.co.uk](#)

⁶ [Social Prescribing for VCSE - Elemental | Social Prescribing Software & Consultancy \(elementalsoftware.co\)](#)

⁷ [Systems, not structures - Changing health and social care - Full Report \(health-ni.gov.uk\)](#)

⁸ [Northern Ireland economy to lose out if third sector shrinks - BelfastTelegraph.co.uk](#)

⁹ [How health and care systems can work better with VCSE partners - NHS Confederation](#)

¹⁰ [Future Issues | NICVA](#)

difference. It is important that their knowledge and services are not ignored by Government.

Given the importance to NI society and to the delivery of Government goals of the public services delivered by voluntary, community and social enterprise organisations, we believe there is need to ensure there is balanced and equal treatment of statutory and VCSE-delivered public services. For example, it is important that services that are considered 'essential public services' and that should therefore be prioritised in budgetary decisions should include VCSE sector-delivered services. Also, those delivering VCSE sector public services with support from public funds, should be supported so that they can enjoy equal working conditions as those delivering statutory public services and are not disadvantaged simply due to the sector, they work in. This is vital to retain adequate staffing and the unique skills and expertise built up across the sectors diverse workforce. Staff recruitment and retention is a continued challenge for the sector, which has only been intensified by the cost-of-living crisis and the current absence of agreed public sector budgets.

We are already seeing detrimental impacts on the expert staffing and established infrastructure and partnerships built up by organisations in the voluntary and community sector over many, many years and which make a critical contribution to many areas of public service provision, as a result of continued public sector funding cuts and increasing financial uncertainty. The continuation of which will undoubtedly place many public sector services under increasing demand and pressure, as a result.

Key Challenges to be Addressed to Facilitate the VCSE sector's Public Service Delivery Role

Loss and replacement of EU funding programmes

The impact of the loss of EU funds, as a result of Brexit, on many areas of essential public service provision, cannot be underestimated. This income included funding for peacebuilding (PEACE IV), cross-border co-operation and meeting the needs of border communities (Interreg VA), rural communities and agri-environment schemes operated by land-managing environmental NGOs (Rural Development Programme) and combatting poverty and enhancing social inclusion by reducing economic inactivity and increasing the skills base of those in work and future potential workforce participants (European Social Fund).

Via locally designed and administered EU programmes this funding enabled voluntary, community and social enterprise organisations to address a wide range of societal needs in Northern Ireland and make substantial contributions to many areas of public service provision.

Taking the example of the European Social Fund (ESF), the 2014-20 NI ESF programme supported over 77,000 people into employment including providing funding to a wide range of voluntary and community organisations working to support the integration of many of our most vulnerable groups into society and the labour market. The programmes outcomes spanned the remits of a range of NI government departments, including the Departments for Economy, Communities, Health, and Justice, with many ESF projects forming an integral part of mainstream public service pathways and well-established referral routes for thousands of marginalised and vulnerable people, who may otherwise have struggled to access or maintain mainstream services or supports.

Whilst NICVA welcomed the recent confirmation of £57 million of funds to Northern Ireland via the UK Government administered UK Shared Prosperity Fund ([UKSPF](#)) this in no way adequately replaces funding previously available to the sector via the European Social Fund (ESF), in either scope or value, with some voluntary and community sector services reporting they are having to significantly reduce or withdraw services as a result. The UKSPF does not fund the breadth of groups previously targeted under the four ESF Investment Priorities, with a focus primarily on economic inactivity, resulting in real concerns across the sector that those most in need and furthest from the workplace may be unsupported.

Unless there is a co-ordinated plan across departments to address these ongoing needs previously met via European funds, this will result in a critical loss of much needed support to individuals with acute and complex needs. This will, undoubtedly, place demands on a range of Northern Ireland Departments to pick up and adequately meet these needs, putting the overall NI block grant under further/increased pressure.

NICVA has consistently articulated that the provision of support to those who are socially excluded and most marginalised remains a major area of public policy responsibility for Northern Ireland government departments that deserves to be led by strategy rather than a funding stream.

We continue to advocate for a co-ordinated response across Northern Ireland government departments to address the immediate and longer-term need for continued support services for those facing significant and unique barriers to social inclusion previously funded under ESF.

We have called on the Northern Ireland Civil Service to review and plan how each of the government departments that have previously invested in this area through match funding under the ESF programme will continue to ensure the needs of those previously provided for can continue to be adequately and most appropriately met in their future budgeting and programmes.

Greater clarity is also needed on the future of UK Government investment including how and if UKSPF funds are to be sustained and delivered beyond the current funding period, ending in 2025.

This is necessary to address the unique landscape of need in NI, previously met by ESF and to help sustain essential, embedded services, that make a vital contribution to public service provision.

More broadly, all Departments previously responsible for other important EU programmes need to make both policy and budgetary provision for domestic programmes to target the needs previously met by EU programmes, including DAERA to make provision for funding for rural communities and agri-environment schemes no longer funded under the NI EU Rural Development Programme.

It should also be noted that Brexit has resulted in the loss of other EU funding for Northern Ireland VCSE organisations from non-Structural Funds programmes such as the Erasmus programme which provided €28 million to NI in 2017 including €3,2 million to youth work organisations¹¹, and the European Solidarity Corps programme which provided €800,000 to NI organisations in 2020¹² for volunteering.

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¹¹ [Northern Ireland awarded €28m in Erasmus+ EU funding so far | Erasmus+ \(erasmusplus.org.uk\)](https://erasmusplus.org.uk)

¹² [Funding results | Solidarity Corps \(eusolidaritycorps.org.uk\)](https://eusolidaritycorps.org.uk)