

**A consultation paper on proposals for the
provision of strategic support to the
voluntary and community sector in Northern
Ireland
2017-2021**

September 2016



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Ministerial Foreword

A key priority for me as Minister for Communities is to ensure that the voluntary and community sector (VCS) is empowered and supported appropriately to enable it to shape and better inform government policy and improve the delivery of public services. The shared vision of government and the sector is to work together as social partners to build a participative, peaceful, equitable and inclusive community in Northern Ireland.

The passion and commitment of those in the VCS combined with professionalism and countless hours of unpaid volunteering to help others makes an enormous contribution to the quality of life for us all in Northern Ireland. The new Programme for Government signals a change of approach by highlighting the key outcomes the Executive wants to deliver for all our citizens. To achieve these outcomes will require a much more collaborative approach in terms of developing policy proposals and establishing how best to deliver them. I want to equip the VCS for this opportunity, and also the longer term, both regionally and locally so it can contribute fully to discussions about policies and delivery models and how these can be best tailored to help those most in need.

While resources will be finite this should not prevent innovation and the identification of new ways of working across boundaries and sectors to make the most of the assets we already have and whatever funding might be available. In developing new models of delivery we need to have the confidence to abandon or stop activities that are not delivering for our citizens or providing value for money. This will be a challenge for the sector and officials alike but harnessing the energy and social capital which exists in communities of interest across the VCS in a more coordinated way offers opportunities for new and better delivery models.

The VCS brings a valued perspective and wealth of expertise and experience to public policy making and delivery reflecting its day to day engagement with citizens across a wide range of government funded activities. Having an efficient, effective, sustainable and inclusive VCS is, I believe, one of the critical success factors in terms of achieving the outcomes in the PfG. Working collaboratively to help realise the desired outcomes over the period 2017 to 2021 will make Northern Ireland a better place to live, work and visit. Strengthening our communities and

supporting the diversity of talent, skills and culture they nurture will also help to make Northern Ireland an attractive place to invest.

I hope the proposals for strategic support for the VCS spark a helpful and constructive debate about how we develop our trusted partnership in working to deliver more for all our people in the future. I look forward to receiving the comments and suggestions from the consultation process to help inform my department's future thinking and approach.

Paul Givan MLA

Minister for Communities

i. Background to this public consultation.

1. This document sets out, for consultation, proposed new arrangements for the provision of strategic support to the voluntary and community sector (VCS) in Northern Ireland for the period 2017 – 2021. This public consultation invites and welcomes comments in particular about:
 - a) A proposed new vision for the provision of strategic support to the VCS;
 - b) A series of high level desired outcomes; and
 - c) Key priorities and proposals geared to support the achievement of the desired outcomes (subject to the availability of funding).
2. On behalf of the NI Executive, the Department for Communities has lead responsibility for supporting the VCS *at a regional level across Northern Ireland* - support that enables the sector to function efficiently¹ and effectively² across urban and rural areas. It is that support that is the subject of this consultation and which complements, but **does not include**, project related funding to individual VCS groups provided through central or local government for the delivery of services.
3. The current support arrangements to the VCS relate to areas such as training board members, capacity building, handling governance issues, income generation, support to women in disadvantaged and rural areas and support to faith communities. Current arrangements also support³ and promote volunteering activity across Northern Ireland.
4. The existing arrangements have been in place since 2012 and were last evaluated in 2015. The evaluation concluded that support arrangements were broadly effective in most areas but highlighted a number of areas for improvement including scope for greater efficiency and effectiveness, a need to focus more on the delivery of outcomes and better

1 i.e. delivering the same level of service for minimum input of cost, time or effort; or obtaining maximum benefit from a given level of input

2 i.e. delivering a successful outcome and meeting objectives as fully as possible.

3 On behalf of the NI Executive through the current Volunteering Strategy and Action Plan published in March 2012 entitled 'Join in, Get Involved: Build a Better Future'.

impact measurement, away from grant funding the core costs of support organisations and improved support to people from under-represented groups in society.

5. Alongside the conclusions and recommendations from the evaluation, the environment within which the VCS operates, continues to change. A number of key drivers for change and associated needs for change have been identified as follows:

- The Northern Ireland Executive's new Programme for Government (PfG) covering the period 2016-2021, will provide the overarching strategic direction for its work. As such, it will provide the context for the Budget, an Economic Strategy, a Social Strategy and an Investment Strategy.
- A need to focus more clearly on outcomes to contribute towards the Programme for Government (a ⁴Concordat commitment);
- A more challenging budget environment which is likely to continue for the foreseeable future driving the need for greater efficiencies, for innovative ideas on how to do things better and for consideration/adoption of alternative funding mechanisms (also a Concordat commitment);
- Changes in public service commissioning approaches which are creating new opportunities for a wider range of organisations to deliver public services more effectively. One example of this is the new 'Buy Social' toolkit⁵ which requires major capital project contracts to include, inter alia, targeted recruitment and training for people who are either long-term unemployed or leaving education, community engagement, volunteer activities, opportunities for people with disability or learning difficulties and mentoring support. There is a key opportunity for the VCS to play a role in helping deliver the Buy Social agenda;
- The population is increasingly active online. Whilst this requires those providing services to adapt to meet the expectations of their users, it presents a significant opportunity to explore alternative and more efficient approaches for VCS organisations to deliver services;

⁴ The Concordat is an agreement between Government and the VCS which outlines key values and principles underpinning the partnership includes a list of priority actions - referred to as Commitments - which are addressed jointly by both Government and the VCS in order to improve relationships and deliver improved services. Further details can be found at:

<https://www.communities-ni.gov.uk/publications/concordat-between-voluntary-and-community-sector-and-ni-government>

⁵ See <http://www.buysocialni.org/>

- The need to focus support arrangements to better support and develop a sustainable VCS;
- A need to signal leadership in respect of change and transformation in the VCS;
- The Reform of Local Government and the need for support arrangements to the VCS to ‘dovetail’ with the needs of the new councils;
- The need for more social innovation and to further support good ideas emerging from the VCS;
- A new Departmental structure reflecting changing priorities and a more collaborative way of working , and
- The Delivering Social Change Framework established in 2012 sought to co-ordinate key actions across Government departments to take forward work on priority social policy areas. The DSC Framework provides a way for the Executive Office and other departments to take forward significant cross-cutting policy development and programme delivery work, using a co-design and partnership approach.

6. The former DSD initiated a formal review of arrangements for supporting the VCS over the period 2017-2021, which included a series of co-design workshops across Northern Ireland attended by 160 representatives from across the sector. In addition an Innovation Lab was hosted by DFP attended by external experts from England and Scotland, representatives from central and local government, and the VCS in Northern Ireland. Details of the review process and key findings to date can be found on the DfC website⁶.

⁶ <https://www.communities-ni.gov.uk/publications/workshops-review-vcu-infrastructure-support-arrangements>

The Consultation Document

7. It is planned that the new arrangements for strategic support to the VCS will be structured around a **vision statement, four key outcomes within an overall outcome based approach** linked to the PfG and underpinned by **priorities and proposals in relation to specific support arrangements** which are collectively designed to support the VCS over the period 2017-2021.
8. This consultation seeks your views and alternative suggestions regarding the proposed vision, related outcomes and the identified proposals in relation to specific strategic support arrangements. Please feel free to respond to the consultation, or to highlight issues, which are most relevant to you. In doing so, it would be helpful if you could give practical examples to explain or illustrate your points.

How to respond

9. The closing date for responses is 2nd November 2016. Responses, or queries, can be made in one of the following ways:
 - Using the online Questionnaire. You can access the online questionnaire in the consultation zone of the DfC website. **This is the preferred method and for many people it will be the quickest and easiest way to respond.**
 - Using the Consultation Questionnaire response template which you can print out, please complete and return to us at the address below. The response template is available on the DfC website www.communities-ni.gov.uk/consultations
 - By attending a public consultation event.
 - In writing to:

Arrangements for supporting the Voluntary and Community Sector
Policy and Innovation Team
Department for Communities
Voluntary and Community Division
Lighthouse Building
1 Cromac Place
BELFAST
BT7 2JB

Or by email to: vcd@communities-ni.gov.uk

Consultation Events

10. As noted in Section i above, in developing the review to consultation stage, officials undertook a series of pre-consultation co-design events at venues across Northern Ireland with key stakeholders. This engagement helped to inform and guide the new support arrangements. The Innovation Lab referred to above is a relatively new approach to addressing policy issues and provided a dedicated 'safe' space and opportunities for collaboration involving key stakeholders, in a process of co-creation, crafting new solutions to the challenges of public service delivery. Details of the content and feedback of these co-design meetings is available on the DfC website⁷.
11. As part of the wider public consultation DfC plans to hold a number of public consultation events. DfC welcomes anyone with an interest in the provision of support arrangements to the VCS to attend these consultations. For information on the dates and venues for these consultation events visit the DfC website www.communities-ni.gov.uk or contact Barry Kilpatrick on 02890 829413.

Consultation responses

12. The information you send us may need to be passed to colleagues within the Department for Communities in Northern Ireland (“the Department”). Following the end of the

⁷ <https://www.communities-ni.gov.uk/publications/workshops-review-vcu-infrastructure-support-arrangements>

consultation we shall publish a summary of responses received. Information provided in response to our consultations, including personal information, may be disclosed in accordance with the Freedom of Information Act 2000 and the Data Protection Act 1998. If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality.

To find out more about the general principles of Freedom of Information and how it is applied within the Department, please contact Information Management Branch (IMB):

Email: foi@communities-ni.gsi.gov.uk

IMB cannot advise on specific consultation exercises, only on Freedom of Information issues. Read more information about the [Freedom of Information Act](#).

Other Formats

13. If this document is not in a format that suits your needs, please contact us and we can discuss alternative arrangements that may better suit your specific requirements.

Additional Copies

14. This document is available in the Consultation Zone of DfC website <https://www.communities-ni.gov.uk/consultations>

Rural Proofing

15. A Rural Proofing exercise and Rural Proofing Statement, with relevant statistics, have been completed and published in the Consultations Zone of the DfC website. DfC would welcome your views on the proposals in the consultation document from a rural perspective. Comments can be made using the response template. It is the intention that the Rural Proofing Statement will be re-visited following the public consultation to take account of comments and any emerging issues.

Section 75 of the Northern Ireland Act 1998

16. Section 75 of the Northern Ireland Act (1998) places an onus on all public authorities to have due regard to the need to promote equality of opportunity between:
- persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
 - between men and women generally;
 - between persons with a disability and persons without; and
 - between persons with dependents and persons without.
17. Under current support arrangements services are made freely available to all organisations in the VCS, regardless of the age, disability, gender, sexual orientation, religion, race or location of the people they work with. This will remain the case under these new arrangements. It is proposed that organisations contracted to deliver services under the new arrangements will monitor the uptake of services to confirm that all of the services are used by organisations working with all of the Section 75 groups. DSD conducted a Section 75 screening exercise on the proposed arrangements and DfC has determined that at this time a full Equality Impact Assessment is not required. The Screening Form⁸ is published in the Consultation Zone of the DfC website.
18. DfC would welcome your views on the proposals in the consultation document from a Section 75 perspective. Comments can be made using the response template. It is the intention that the Section 75 screening exercise will be re-visited following this public consultation to take account of any issues relating to Section 75 groups.

⁸ <https://www.communities-ni.gov.uk/dfc-equality>

The proposed new Support Arrangements

iii. The proposed Vision and desired outcomes for the new Support Arrangements

19. During the pre-consultation co-design workshops and Innovation Lab, a new vision for support arrangements began to emerge. The following long-term vision for new support arrangements for the VCS is proposed. This is regarded as an ideal to work towards over the period of the PfG.

“To support an efficient, effective, sustainable and inclusive VCS which will work collaboratively with Government to effectively deliver against agreed PfG outcomes over the next 4 years”

20. It is also proposed that the vision is underpinned by the following headline outcomes:

- Outcome 1 - An efficient and effective VCS
- Outcome 2 - A sustainable VCS that has navigated and implemented change
- Outcome 3 – An inclusive VCS
- Outcome 4 – Volunteering integral to the VCS

21. The support areas proposed to achieve the delivery of the above outcomes are summarised in the table on page 14. It should be noted that a number of the support areas are expected to contribute and cross cut a number of the headline outcomes, each support area is identified as a ‘primary’ support to an individual outcome. A more detailed Theory of Change model underpinning the table has been developed which sets out the logic flow between desired outcomes, support areas and longer term impacts and associated policy goals, along with illustrative Key Performance Indicators (KPI’s). This is attached at Appendix 2 for information. This approach of a Theory of Change model in relation to the VCS Support Arrangements is intended to reflect a move towards outcomes based measurement of the support arrangements themselves (as well as promoting the same within the VCS more generally) and the link with the outcome based PfG.

Headline Outcome	Proposed Support Areas	Document Reference
Outcome 1 - An efficient and effective VCS	<ul style="list-style-type: none"> • Governance • Organisation Capacity / Skills • Policy Advocacy and Co-design of Public Services • Impact / Outcome Measurement 	Part iv.
Outcome 2 - A sustainable VCS that has navigated and implemented change	<ul style="list-style-type: none"> • Strategic Leadership for change • Change Fund • Digital delivery of services / social media • Building collaborative advantage • Access to finance/ diversification of financial products/alternative funding mechanisms • Investment Readiness 	Part v.
Outcome 3 – An inclusive VCS	<ul style="list-style-type: none"> • Ensuring that the distinctive needs of particular constituencies (e.g. women in community development, involvement of faith communities) inform policy development and service delivery to VCS groups on the ground. 	Part vi.
Outcome 4 – Volunteering remains integral to the VCS	<ul style="list-style-type: none"> • Volunteering Infrastructure • Volunteering Small Grants • Volunteering Innovation Support 	Part vii.

Priorities:

- That a new vision for the provision of strategic support to the VCS is agreed.
- That underpinning headline outcomes are agreed.

Proposals

1	Vision Statement – <i>“To support an efficient, effective, sustainable and inclusive VCS / which will work collaboratively with Government to effectively deliver against agreed PfG outcomes over the next 4 years”</i>
2	The underpinning desired headline outcomes in relation to the Vision are: <ul style="list-style-type: none">• Outcome 1 - An efficient and effective VCS• Outcome 2 - A sustainable VCS that has navigated and implemented change• Outcome 3 - An inclusive VCS• Outcome 4 - Volunteering integral to the VCS

For consideration: To what extent do you agree with the Vision and underpinning desired headline outcomes? What else, if anything should be included in the Vision or underpinning desired headline outcomes? Is there anything that should not be included?

iv. Proposed support arrangements to facilitate an efficient and effective VCS sector

Governance

22. This support area recognises the importance of having strong governance arrangements in place within VCS organisations in order to comply with regulations (e.g. compliance with charities legislation/ regulations) and to foster public confidence/trust in the sector. With this in mind, it is proposed that DfC continues to provide support in relation to maintaining effective governance arrangements and promoting good practice. It is proposed that the main content of this support comprises:

- interpreting the ongoing changes in charity law reform (and promotion of the same);
- delivery of road shows / training on charity regulation and good governance;
- development of resources and toolkits (e.g. governance health check and the website www.diycommitteeguide.org aligned to the Code of Good Governance) to provide practical information and a self-assessment framework for VCS boards to assess their own governance practices;
- the provision of a governing document drafting service for VCS organisations to ensure that they have a relevant, up-to-date constitution; and
- assisting organisations to apply for charitable status to the Charity Commission and helping groups to get recognised as charities for tax purposes with HMRC.

Organisational Capacity / Skills

23. This support area recognises the importance of ensuring that VCS organisations have the operational capabilities and capacity needed to deliver efficiently and effectively. It is proposed that the main components of this support comprise:

- Development of a skills framework to establish a baseline/ scoping of existing key skills within the VCS sector and to identify priority skills areas requiring support, in order to create an efficient and effective VCS at an operational level (i.e. distinct from leadership development below). Support would be provided where skills 'gaps' are identified and using technology, where possible, as an enabler for addressing skills 'gaps'.

- organisational development support;
- operational leadership development (distinct from leadership specific to managing change which is addressed separately); and
- practitioner training (i.e. practitioner training for staff at all levels and Board/Committee members e.g. safeguarding and protection). It is envisaged that much of the training should be available online and that not all training will need to be resourced through these support arrangements.

Policy Advocacy and Co-design of Public Services

24. It is proposed that a future programme continues to support the VCS to make a valued and effective contribution to policy development across Government. Implicit in this is leading and representing the interests of the VCS in an inclusive manner on key policy issues; supporting evidenced-based policy making through conducting research relevant to the needs of the VCS/Government priorities; and positively effecting policy development/change as a result of these activities. Looking ahead this needs to extend more fully from the NI-wide perspective to the Council perspective in the context of community planning. It is also proposed that this role needs to extend beyond influencing policy into the co-design/co production of public services i.e. working in partnership with government to design services that best meet the needs of the public. In activity terms, it is proposed that this area supports:

- Facilitating a programme of engagement with MLA's, Assembly Committees, Permanent Secretaries/senior officials, supporting joint structures i.e. the Joint Forum and the Concordat Action teams;
- Leading (or supporting) issue based policy campaigns and participation in Government led working groups (e.g. the ⁹Bureaucracy Working Group); and
- Working in partnership with central and local Government to co-design key public services and to help ensure that services best meet the needs of the public/ services users informed by the experience and knowledge of the VCS.

⁹ the Bureaucracy Working Group was established in response to the NI Audit Office report on the relationship between government and the sector. NICVA has contributed to the Bureaucracy project lead by VCD at four levels, Corporate Steering Group, Project Board, Project team and pilot working groups (4 out of 5).

Impact/ Outcome Measurement

25. More needs to be done to ensure that the public benefit and outcomes of VCS activity are consistently articulated and understood. The Inspiring Impact¹⁰ pilot programme and the work of the Joint Forum Commitment Action Team provide some good examples of moving towards an outcome focussed approach and outcomes based measurement and this will remain a high priority for support within the strategic support arrangements. It is proposed that the main components of this support comprise:

- Support to improve knowledge/ understanding of impact practice and outcomes based measurement;
- Support to implement impact practice and outcomes based measurement across the VCS;
- Support to document, and share learning on impact and outcomes based measurement practice.

Priorities:

- Support VCS organisations in relation to ensuring strong governance arrangements are in place;
- Support VCS organisations so that they have the capabilities and capacity needed to function efficiently and effectively;
- Support VCS organisations to make a valued and effective contribution to policy development across Government and in relation to the co-design of public services; and
- Support VCS organisations in relation to ensuring that the public benefit and outcomes of VCS activity are consistently articulated and understood; and

Proposals

- | | |
|----------|---|
| 3 | Support arrangements in relation to maintaining effective governance arrangements should comprise: <ul style="list-style-type: none">• Promotion of good governance practice; |
|----------|---|

¹⁰ See <https://inspiringimpactni.org/>

	<ul style="list-style-type: none"> • interpreting the ongoing changes in charity law reform (and promotion of the same); • delivery of road shows / training on charity regulation and good governance; • development of resources and toolkits (e.g. governance health check and the website www.diycommitteeguide.org aligned to the Code of Good Governance) to provide practical information and a self-assessment framework for VCS boards to assess their own governance practices; • the provision of a governing document drafting service for VCS organisations to ensure that they have a relevant, up-to-date constitution; and • assisting organisations to apply for charitable status to the Charity Commission and helping groups to get recognised as charities for tax purposes with HMRC.
4	<p>Support arrangements in relation to ensuring that VCS organisations have the capabilities and capacity needed to deliver efficiently and effectively should comprise:</p> <ul style="list-style-type: none"> • Development of a skills framework to establish a baseline of key skills within the VCS and to identify priority skills areas requiring support, in order to create an efficient and effective VCS at an operational level (i.e. distinct from leadership development below). Support would be provided where skills ‘gaps’ are identified and using technology, where possible, as an enabler for addressing skills ‘gaps’. • organisational development support; • operational leadership development (distinct from leadership specific to managing change which is addressed separately); and • practitioner training (i.e. practitioner training for staff at all levels and Board/Committee members e.g. safeguarding and protection)
5	<p>Support arrangements in relation to ensuring that the VCS makes a valued and effective contribution to policy development and co-design of public services across central and local Government should comprise:</p> <ul style="list-style-type: none"> • Supporting a widespread programme of engagement with MLAs, Assembly Committees, Permanent Secretaries/senior officials, supporting joint structures i.e. the Joint Forum and the Concordat Action teams;

	<ul style="list-style-type: none"> • Leading (or supporting) issue based policy campaigns and participation in Government led working groups (e.g. the ¹¹Bureaucracy Working Group); and • Working in partnership with central and local Government to co-design key public services and to help ensure that services best meet the needs of the public informed by the experience and knowledge of the VCS such as in relation to maximising and measuring social value.
6	<p>Support arrangements in relation to ensuring that the public benefit and outcomes of VCS activity are consistently articulated and understood should comprise:</p> <ul style="list-style-type: none"> • Support to improve knowledge/ understanding of impact practice and outcomes based measurement; • Support to implement impact practice and outcomes based measurement; and • Support to document, and share learning on impact and outcomes based measurement practice.

For consideration: To what extent do you agree with these priorities and proposals? Do these priorities and proposals address the main issues? What else, if anything should be included in the priorities and proposals? Is there anything that should not be included?

11 the Bureaucracy Working Group was established in response to the NI Audit Office report on the relationship between government and the sector. NICVA has contributed to the Bureaucracy project lead by VCD at four levels, Corporate Steering Group, Project Board, Project team and pilot working groups (4 out of 5).

v. Proposed support arrangements to facilitate a sustainable VCS that has navigated and implemented change

26. It is recognised that the VCS faces significant challenges in relation to the constrained public funding environment alongside significant changes to the structure of central and local Government. The key challenge to the VCS is how best to navigate these challenges/ changes while ensuring that VCS organisations are sustainable. Navigating change successfully and working towards a more sustainable VCS requires a range of factors and associated support arrangements to be in place which include:-
- Having the right strategic leadership skills to shape, lead and adapt to change;
 - Access to a more diverse range of financial products/ income sources/alternative funding mechanisms – consistent with the need for alternative, sustainable funding/ income sources, moving away from a grant culture towards income linked to the delivery of services and outcomes where appropriate to the VCS organisation. It is recognised that some element of grant funding might still be the most relevant for some VCS organisations; and
 - VCS organisations that are in a strong position to demonstrate their readiness to receive investment.

Strategic leadership for change

27. It is recognised that culture change, enterprise and innovation are needed in both government and the VCS if the aforementioned challenges are to be successfully addressed. This requires strong and clear leadership that embraces and can navigate and implement change towards a more sustainable VCS.
28. It is proposed that the main content of this support comprises development and delivery of a 'Strategic Leadership for Change' training programme which will work with VCS leaders to ensure that they have all of the requisite skills to navigate change within their organisation. The precise content of this programme can be developed in due course but will likely focus on the skills and approaches needed to deliver strategic culture change e.g. developing a commitment/ motivation to change within an organisation, creating a shared purpose, role model behaviours in leading and implementing change, empowering leaders

to deliver change at all levels of the organisations etc. This would be distinct and more focussed on change than the operational leadership training referenced previously. Successful completion of the Strategic Leadership for Change programme would be a prerequisite for support from the Change Fund described below (to ensure that the Change Fund is focussed on those VCS organisations that are most ready for change).

Change Fund

29. It is acknowledged that support is needed to help VCS organisations to navigate change and become more sustainable; transitioning away from reliance on grant based funding where possible. It is therefore proposed to establish a Change Fund which VCS organisations can apply to for support in managing change. The Change Fund would be open to those VCS organisations at a point where leadership for change management is evident e.g. through completion of the Leadership for Change programme. The primary purpose of the Change Fund would be to invest in enterprising VCS organisations that demonstrate the greatest potential for sustainability and growth and for which a grant from the fund will have the greatest impact in enabling them to move in this direction. The Change Fund would help VCS organisations achieve the following outcomes:

- be in a strong financial position with a business model less reliant on grant funding;
- be more innovative, self-sustainable and operate as robust, flexible, efficient and growing businesses;
- be best placed to win more contracts, including with the public sector;
- be able to engage in co-design (using service users and representatives in the VCS to design services);
- apply social benefits in the supply chain in responding to contracts incorporating a Buy Social requirement;
- be best placed to take advantage of new business opportunities and replicate new business models;
- be able to develop products and services and diversify into new markets; and
- possess the skills and ability to grow their businesses and improve self-sustainability.

30. It is proposed that the Change Fund would comprise the following features/ potential areas of support:

- It would be time bound for a period of up to three years (starting in Year 2, 2018);

- It would support the creation of new sustainable products and services and support VCS organisations to take advantage of new business/ income generating opportunities;
- It would incentivise improved sustainability through collaboration/mergers, the use of shared services and supporting VCS organisations with a strong track record of delivering services and empowering their beneficiaries, but which nevertheless are experiencing some current challenges, and which, with targeted support, could secure a strong future;
- It would provide expertise to carry out needs analysis and forward planning e.g. consultancy support to review need and put in place a robust plan for the future;
- It would provide support with cost cutting measures e.g. merging or downsizing or cutting unproductive services or costs;
- It would provide support with service delivery reform e.g. greater digital delivery of services to reduce cost and improve service delivery;
- It would provide support with identifying and establishing new, more diverse income sources e.g. expertise for bidding for specific funds or grants, funding to develop new paid for services, support with public fundraising capability, support to engage with local funders/ commissioners to ensure that opportunities are opened up to VCS organisations.

31. It is proposed that a diagnostic tool will be developed to help VCS organisations identify and prioritise their needs in relation to support for change. This will help VCS organisations identify their needs so enabling the provision of specific and tailored support to the identified needs. Completion of the diagnostic tool will be incorporated within the Strategic Leadership for Change programme.
32. It should be noted that there is no one one-size-fits-all approach to building a strong business model; it will be up to each organisation to find the right pathway for them. For some organisations this will involve being better able to secure and deliver public service contracts, perhaps using social finance as an enabler to do so. For others developing paid-for services to end users/ consumers will enable them to better diversify their income. Some may want to look at how they can maintain their services by getting back to basics, developing their public fundraising and making more effective use of volunteers. In all

cases organisations will be looking to review their operations and strategic partnerships to understand where they can improve their long term sustainability and adapt to change.

Access to more diverse funding opportunities

32. In addition to supporting VCS organisations through the Change Fund, there is a need for specific support to help VCS organisations access a wider range of funding mechanisms/ products which could include for example:

- transition to a social economy model (where appropriate);
- public procurement/ tender opportunities (links to 'Buy Social')
- asset based development/ community asset transfer;
- community shares;
- implementation of grant / loan hybrid approaches ;
- social impact bonds;
- Financial Transactions Capital (FTC);
- patient capital;
- kick-starters;
- crowd funding; and
- community ISA/bonds.

33. It is proposed that the role of the support arrangements in this regard should be to lobby / influence / shape extended provision and promote demonstrators of good practice in order to improve the accessibility of such funding products/ mechanisms by the VCS.

Investment Readiness Support

34. For those VCS organisations that are actively considering a wider range of funding mechanisms/ products, bidding for contracts or taking on investment to grow, the right support will be critical to ensuring their success. Securing investment/ funding requires VCS organisations to have the systems, processes and business model to be able to attract investment. Hence, it is proposed to establish an Investment Readiness Programme of support which would complement the support provided through the Change Fund and comprise supporting individual VCS organisations in relation to areas such as:

- Funding advice - support in selecting the funding products/ mechanisms that are most appropriate to the needs of the VCS organisation and the new business model proposed;
- Practical support in accessing finance including, for example:
 - Business planning - to demonstrate a robust business model to investors/ funders;
 - Financial or operational modelling – to demonstrate a strong financial position of the organisation and credible financial plans;
 - Bid writing – to adequately convey the services which the organisation can deliver in response to invitations to tender;
 - Impact measurement – to robustly demonstrate the impacts that the VCS organisation can deliver.

35. It is envisaged that the above support would be open to all VCS organisations.

Complementary Support

36. It is anticipated that the above proposals would complement other ongoing initiatives designed to support the VCS being taken forward across Government including, for example, the Community Finance Fund. February 2016 saw the announcement of the Northern Ireland Community Finance Fund, which is part of the UK wide Dormant Accounts Scheme, utilising monies from dormant bank and building society accounts to support social investment. The Fund aims to improve access to finance for a range of organisations across the third sector, enabling such organisations to make further investment in their activities, grow their organisations and increase their revenue.

Priorities:

- Support individual VCS organisations to have the right strategic leadership skills to adapt to change;
- Support access to a more diverse range of financial products/ income sources – consistent with the need for alternative, sustainable funding/ income sources; and
- Help ensure that VCS organisations are in a strong position to demonstrate their readiness to receive investment.

Proposals

7	A ‘Strategic Leadership for Change’ training programme should be developed and delivered which will work with VCS leaders to ensure that they have all of the requisite skills to navigate change within their organisation. The precise content of this programme can be developed in due course but will likely focus on the skills needed to deliver organisational culture change.
8	Establish a Change Fund which VCS organisations can apply to for support in managing change which would: <ul style="list-style-type: none">• Support the creation of new sustainable products and services and support VCS organisations to take advantage of new business/ income generating opportunities;• Incentivise improved sustainability through collaboration/mergers and supporting VCS organisations with a strong track record of delivering services and empowering their beneficiaries, which nevertheless are experiencing some current challenges, and which, with targeted support, could secure a strong future;• Provide expertise to carry out needs analysis and forward planning e.g. consultancy support to review need and put in place a robust plan for the future;• Provide support with cost cutting measures e.g. merging or downsizing or cutting unproductive services or costs;• Provide support with service delivery reform e.g. greater digital delivery of services to reduce cost and improve service delivery;• Provide support with identifying and establishing new, more diverse income sources e.g. expertise for bidding for specific funds or grants, funding to develop new paid for services, support with public fundraising capability, support to engage with local funders/ commissioners to ensure that opportunities are opened up to VCS

	<p>organisations.</p> <p>A diagnostic tool would accompany the Change Fund to help VCS organisations identify and prioritise their needs in relation to support for change.</p>
9	<p>Support arrangements should include lobbying / influencing / shaping extended provision of diverse financial products/ mechanisms and promote demonstrators of good practice in order to improve the accessibility of such funding products/ mechanisms by the VCS.</p>
10	<p>Establish an Investment Readiness Programme of support which would complement the support provided through the Change Fund and comprise supporting individual VCS organisations in relation to areas such as:</p> <ul style="list-style-type: none"> • Funding advice - support in selecting the funding products/ mechanisms that are most appropriate to the needs of the VCS organisation; • Practical support in accessing finance including, for example: <ul style="list-style-type: none"> ➤ Business planning - to demonstrate a robust business model to investors/ funders; ➤ Financial or operational modelling – to demonstrate a strong financial position of the organisation and credible financial plans; ➤ Bid writing – to adequately convey the services which the organisation can deliver in response to invitations to tender; ➤ Impact measurement – to robustly demonstrate the impacts that the VCS organisation can deliver.

For consideration: To what extent do you agree with these priorities and proposals? Do these priorities and proposals address the main issues? What else, if anything, should be included in the priorities and proposals? Is there anything that should not be included?

vi. Proposed support arrangements to facilitate an inclusive VCS

37. A key desired outcome of the support arrangements to the VCS is to continue to support an inclusive sector, with representation and reach from/across all groups within society. In addition it is important that the support arrangements promote wider representation of under-represented groups in decision-making structures/ public bodies pertaining to joint Government/ VCS initiatives and society more generally. To achieve both of these, it is recognised that support is needed for specific groups and sections of our society that have distinctive support needs of their respective constituencies.
38. The first example relates to ‘women in community development’, recognising the key role of women living and working in areas of greatest need, where the traditional involvement of women and mothers as primary carers for children and for elderly relatives, running households and engaging with schools, teachers and medical professionals, places women in positions where they can be a major and strategic influence for change for good in families and communities that are struggling to overcome disadvantage and poverty. In addition the Fresh Start Agreement¹² recognises in particular the important role of women in community development in the context of tackling the impact of criminality and paramilitarism in Northern Ireland and contains in its implementation plan the ‘development of a programme to increase the participation and influence of women in community development’.
39. The second example relates to supporting the important role that faith-based organisations (FBO’s) play in society and ensuring that their community work informs policy and service development. FBO’s work on a value base emanating from their respective spiritual and religious traditions and tend to have long term roots, sustainable commitment to and presence in communities that have experienced deprivation as well as involvement with some of the most marginalised groups in society. Their work demonstrates and reflects the cultural complexities and sensitivities of increasingly multi ethnic and multi faith communities in NI. As such there are distinctive needs within this particular constituency

¹² A Fresh Start, The Stormont Agreement and Implementation Plan – An Agreement to Consolidate the Peace, Secure Stability, Enable Progress and Offer Hope (Page 17)

that the support arrangements need to facilitate to ensure that the voice of those who are most marginalised and vulnerable in society inform policy development and service delivery to VCS groups on the ground.

40. The above are only examples of the sort of support that may be relevant to this outcome area. It is acknowledged that other distinctive areas of need may emerge in the context of building an inclusive VCS – for example interests linked to migrants/ refugees currently arriving in NI. It is also important that work to achieve an inclusive VCS is linked with complementary strategies / policies across Government e.g. the Racial Equality Strategy 2015 – 2025; Together: Building a United Community; and the ¹³Executive’s Disability Strategy.

Women in Community Development

41. It is proposed that support arrangements for women in community development provide support to increase the participation and influence of women in community development regionally, across both urban and rural areas across Northern Ireland. The support arrangements will focus on supporting women’s organisations working in disadvantaged areas and involved in serving the needs of marginalised and isolated women, tackling poverty and disadvantage. The overall desired outcomes of the support arrangements are:
- Organisations serving the needs of women living in disadvantaged areas and rural areas, have access to the specialist support they require to function effectively and efficiently;
 - The VCS, including women’s organisations, is supported in making a valued and effective contribution to policy development across Government specific to women living and working in disadvantaged areas (urban and rural);
 - There is increased participation and improved community development/engagement amongst women from all disadvantaged communities (urban and rural); and
 - There are improved working relationships, better collaboration and more effective partnerships, pertaining to the specific interests and needs of women from disadvantaged areas and rural women’s needs, across the VCS and Government.

¹³ A strategy to improve the lives of people with disabilities – extended to 2017

41. The proposed support arrangements for these outcomes include:
- Support advocacy and leadership – This encompasses supporting women’s organisations working in disadvantaged areas in relation to collating the views of women on issues affecting their everyday lives and representing them to government, statutory agencies and representative bodies;
 - Support women in disadvantaged areas to influence policy making – this encompasses advising women of ongoing policy which has an impact on them, seeking their views on proposals and collating findings through a formal consultation response to assist in influencing policy on behalf of women;
 - Support the conducting of research for women in disadvantaged areas – this encompasses taking on board the needs of women through conducting appropriate new research and presenting findings to appropriate bodies;
 - Service support for women in disadvantaged areas – this encompasses providing information and advice, promoting good practice, shaping funding bids, providing networking opportunities and support for women specific issues;
 - Engagement for women in disadvantaged areas – this encompasses engaging with women to identify on an ongoing basis their specific regional support needs, engage local councils and other regional partners.

Faith Based Organisations (FBO’s)

42. The current VCS support arrangements facilitate a Community Faiths Forum (CFF) which brings together around 25 experienced individuals from Christian and other faiths to work together on poverty, community development, and related issues. The purpose of the CFF is to promote the involvement of FBO’s in making a valued and effective contribution to policy development across Government. The ‘faith reflection’ on poverty and social inclusion by the CFF has positively influenced policy development¹⁴ and has extended the reach ‘on the ground’ of Government departments instigating policy changes. As such it is proposed that the VCS support arrangements from 2017-2021 continue to facilitate a Community Faiths Forum.

¹⁴ Whilst the main areas of focus to date have been centred on social policy areas – e.g. poverty, housing, volunteering, and community engagement – as above there has been effective engagement and input in policy areas outside the ‘DfC family’. By way of examples this has included Councils (in respect of local government reform and community planning); DAERA (in respect of rural support); DoH/ PHA (e.g. in respect of suicide prevention and emotional well-being); Department of Justice (e.g. in respect of NGO engagement on human trafficking and prison reform/ change management) and the Executive Office (in terms of good relations and related initiatives that are part of Together: Building a United Community, such as United Youth).

Initial Priorities:

- Support an increase in participation and influence of women in community development, in tackling poverty and disadvantage.
- Supporting faith-based organisations' to articulate the voice of their respective constituencies of need to inform policy and service development for some of the most marginalised and vulnerable in society.

Initial Proposals

11	<p>Establish a programme of support for women in community development across the following activity areas:</p> <ul style="list-style-type: none">• Support advocacy and leadership – This encompasses supporting women’s organisations working in disadvantaged areas in relation to collating the views of women on issues affecting their everyday lives and representing them to government, statutory agencies and representative bodies;• Support women in disadvantaged areas to influence policy making – this encompasses advising women of ongoing policy which has an impact on them, seeking their views on proposals and collating findings through a formal consultation response to assist in influencing policy on behalf of women;• Support the conducting of research for women in disadvantaged areas – this encompasses taking on board the needs of women through conducting appropriate new research and presenting findings to appropriate bodies;• Service Support for women in disadvantaged areas – this encompasses providing information and advice, promoting good practice, shaping funding bids, providing networking opportunities and support for women specific issues; and• Engagement for Women in Disadvantaged and Rural Areas – this encompasses engaging with women to identify on an ongoing basis their specific regional support needs, engage with neighbourhood renewal partnerships, local councils and other regional partners.
12	Support to facilitate a Community Faiths Forum as a mechanism for FBO’s to make a valued and effective contribution to policy /service development across Government in

areas of work that are specifically relevant to disadvantage and poverty.

For consideration: To what extent do you agree with these priorities and proposals?
Do these priorities and proposals address the main issues? What else, if anything should be included in the priorities and proposals? Is there anything that should not be included?

vii Proposed support arrangements to facilitate volunteering remaining integral to VCS

42. The current Volunteering Strategy and Action Plan¹⁵ was published in March 2012. There were mixed views during the co-design process regarding whether a new Volunteering Strategy and Action Plan should be developed. Some felt that a Strategy and Action plan was necessary to provide a co-ordinated approach across Government and the VCS in recognising and valuing volunteering. Others felt that a new Volunteering Strategy and Action Plan was not required and that it could encourage the VCS in a direction which is not suitable. However, the majority of people who attended the co-design workshops and Innovation Lab felt that volunteering / the volunteer ethos is central to everything that the VCS is about - in facilitating social action and in building communities and active citizenship etc. Therefore the department's proposals in relation to supporting volunteering are about building on the achievements to date e.g. inspiring more people to volunteer, inspiring more organisations to offer volunteer opportunities to promote learning, skills development and employability, inclusivity and greater social cohesion; enabling the value of volunteering – both in terms of economic value and contribution to the 'well-being' agenda – to be understood and encouraging more diversity in the volunteer pool. Presently males; young people 18-24; those over 65 and people with a disability are under-represented.
43. Whether framed within a new Strategy or not, it is anticipated that the key objectives of support arrangements to facilitate volunteering remaining integral to the VCS will broadly remain as expressed in the current Volunteering Strategy namely:
- Recognising the value and promoting the benefits of volunteering;
 - Enhancing accessibility and diversity;
 - Improving the volunteering experience;
 - Supporting and strengthening the volunteering infrastructure.

¹⁵ <https://www.communities-ni.gov.uk/publications/join-get-involved-build-better-future>

44. Within the above objectives however, feedback received through Co-Design workshops and Innovation Lab with voluntary and community sector representatives indicated that the following areas should form part of future support arrangements to facilitate volunteering remaining integral to the VCS:

- Provision of the small grants scheme is anticipated to continue, reflecting the value of the scheme to volunteering organisations in terms of supporting activities through funding support for training and small items of capital. It is anticipated that this would be subject to availability of funding.
- Provision of infrastructure support to help deliver the outcomes and activities associated with the current Volunteering Strategy and Action. The primary actions supported through the current Action Plan under each objective of the Volunteering Strategy include for example:
 - Support to recruit more volunteers e.g. support with volunteer recruitment fairs/events, development and dissemination of information on volunteering opportunities;
 - Measure the impact of volunteer involvement on volunteers, individuals, organisations and society (see below);
 - Seek to protect volunteering from the unintended consequences of legislation and Government policy e.g. support to enable the checking of policy and legislation proposals;
 - Ensure that everyone has an opportunity to volunteer and that volunteering is representative of the diversity of the community e.g. support with developing new practices that encourage participation by under-represented groups in society (see below);
 - Improve volunteer management practice e.g. by encouraging and supporting volunteer managers and volunteer involving organisations to improve their volunteer management practice and gain relevant accreditation, ensuring the quality of volunteer involvement and management is of an effective standard;
 - Increase the number and quality of volunteering opportunities;
 - Encourage and support the development of skills by volunteers e.g. gaining qualifications during volunteering opportunities, increasing the recognition of volunteering in schools; and

- Extend volunteering in the public sector to provide opportunities to better understand how government and civic society work and interact.
- Subject to availability of funding, provision of an Innovation Fund to support innovative approaches to volunteering that have not traditionally received government assistance. In essence, the Innovation Fund will seek to provide funding to pilot new, innovative projects that can contribute to the objectives outlined previously and with potential for expansion subject to evaluation of each pilot project supported under the programme.

45. Derived from the findings of the Interim Evaluation of the Volunteering Strategy and Action Plan, the co-design workshops and Innovation Lab, a number of specific suggestions were put forward in relation to areas that should be included and given greater emphasis in supporting volunteering as an integral part of the VCS:

- **Better, more consistent measurement of the social and economic impacts of volunteering across Northern Ireland.** Within the above support arrangements a recurring theme throughout the Co-design consultations and Innovation Lab was the need for improved measurement of social and economic impacts of volunteering across Northern Ireland. While there are examples of good practice, there is a need for greater co-ordination and resources being directed into measuring impact to help inform policy decisions and public awareness of volunteering. Hence, it is proposed that an area of focus in relation to support arrangements for volunteering should be the establishment of a robust mechanism(s) for measuring the social and economic impact of volunteering in Northern Ireland e.g. through a commissioned study into the social and economic impact of volunteering here..
- **Improved participation by under-represented groups.** Statistics show that there is an under-representation of volunteers from young people aged 18-24; those over 65 and people with a disability. Therefore it is proposed that the future support arrangements encompass specific initiatives targeted to promote representation from these under-represented groups.

Priorities:

- Volunteering should be supported to remain an integral part of the VCS through infrastructure support
- Small grants support to volunteering organisations should continue
- Better, more consistent measurement of the social and economic impacts of volunteering should be developed
- Participation from under-represented groups such as people with disabilities, young people aged 18-24 and people over 65 should be improved.

Proposals

- 13** Establish a programme of volunteering support to ensure that volunteering is integral to the VCS across the following activity areas:
- Support to recruit more volunteers e.g. support with volunteer recruitment fairs/events, development and dissemination of information on volunteering opportunities;
 - Measure the impact of volunteer involvement on volunteers, individuals, organisations and society, including support for better, more consistent measurement of the social and economic impacts of volunteering;
 - Seek to protect volunteering from the unintended consequences of legislation and Government policy e.g. support to enable the checking of policy and legislation proposals;
 - Ensure that everyone has an opportunity to volunteer and that volunteering is representative of the diversity of the community e.g. support with developing new practices that encourage participation by under-represented groups in society. This should focus on improving participation by under-represented groups including people with disabilities, young people aged 18-24 and people over 65;
 - Improve volunteer management practice e.g. by encouraging and supporting volunteer managers and volunteer involving organisations to improve their volunteer management practice and gain relevant accreditation, ensuring the quality of volunteer involvement and management is of an effective standard;

	<ul style="list-style-type: none"> • Increase the number and quality of volunteering opportunities; • Encourage and support the development of skills by volunteers e.g. gaining qualifications during volunteering opportunities, increasing the recognition of volunteering in schools; and • Extend volunteering in the public sector.
14	Support a small grants scheme to assist volunteering organisations with training and small items of capital.
15	Subject to the availability of funding provision of an innovation fund to support innovative approaches and types of volunteering activity that help address gaps in current provision, encourages participation and pilots new and innovative volunteering activity.

For consideration: To what extent do you agree with these priorities and proposals?
Do these priorities and proposals address the main issues? What else, if anything, should be included in the priorities and proposals? Is there anything that should not be included?
Should a new Volunteering Strategy and Action Plan be developed?

Appendix 1
Abbreviations

DfC	Department for Communities
HMRC	Her Majesty's Revenue & Customs
PfG	Programme for Government
VCS	Voluntary and Community Sector
VCD	Voluntary and Community Division (of DfC)

Appendix 2: VCS Support Arrangements Theory of Change Model

Headline Outcome Areas	Sub-outcomes	Support Areas*	Illustrative KPIs Across the Outcome Areas	Longer-term Impact	Policy Goal		
An efficient and effective VCS	1. The VCS has good governance arrangements	Provision of support to develop: <ul style="list-style-type: none"> - Governance - Organisation Capacity / Skills - Policy Advocacy and Co-design of Public Services - Impact / Outcome Measurement 	<ul style="list-style-type: none"> - Public trust and confidence in the operation of the VCS supported by an effective regulatory framework. - Number of new user led co-designed public services. 	Infrastructure of VCS sector developed to: support communities improve services inform policy attract investment	Create more sustainable Communities Tackle Poverty Disadvantage Improve Social Economic Inclusion		
	2. The VCS has skills to meet challenges it faces					<ul style="list-style-type: none"> - Strategic Leadership for change - Change Fund - Digital delivery of services / social media - Building collaborative advantage - Access to finance/ diversification of financial products - Investment Readiness 	<ul style="list-style-type: none"> - Percentage reliance on grant aiding of core costs by Government amongst VCS groups. - Levels of collaboration between VCS groups. - Involvement of underrepresented groups in decision-making structures/ public bodies and in volunteering efforts.
	3. The VCS can demonstrate its impact						
A sustainable VCS that has shaped and navigated change	4. The VCS has enterprise/ innovation	<ul style="list-style-type: none"> - Ensuring that the distinctive needs of particular constituencies (e.g. women in community development, involvement of faith communities) inform policy development and service delivery to VCS groups on the ground. 	<ul style="list-style-type: none"> - Involvement of underrepresented groups in decision-making structures/ public bodies and in volunteering efforts. - Number of people volunteering in NI 	Infrastructure of VCS sector developed to: support communities improve services inform policy attract investment	Create more sustainable Communities Tackle Poverty Disadvantage Improve Social Economic Inclusion		
	5. The VCS has resilience						
	6. The VCS has effective Influence on policy debate						
	7. The VCS is a key partner in public service reform						
An Inclusive VCS	8. The VCS is inclusive of under-represented and minority groups	<ul style="list-style-type: none"> - Ensuring that the distinctive needs of particular constituencies (e.g. women in community development, involvement of faith communities) inform policy development and service delivery to VCS groups on the ground. 	<ul style="list-style-type: none"> - Involvement of underrepresented groups in decision-making structures/ public bodies and in volunteering efforts. - Number of people volunteering in NI 	Infrastructure of VCS sector developed to: support communities improve services inform policy attract investment	Create more sustainable Communities Tackle Poverty Disadvantage Improve Social Economic Inclusion		
	9. The VCS promotes wider representation of under-represented groups in decision-making structures/ public bodies pertaining to joint Government/ VCS initiatives and society more generally.						
Volunteering	10. Strategy for volunteering	<ul style="list-style-type: none"> - Volunteering Infrastructure 	<p><i>Note: There are potential baseline metrics for some of the above in the</i></p>	Infrastructure of VCS sector developed to: support communities improve services inform policy attract investment	Create more sustainable Communities Tackle Poverty Disadvantage Improve Social Economic Inclusion		

integral to the VCS	11. Operational support for volunteering	<ul style="list-style-type: none"> - Volunteering Small Grants - Volunteering Innovation Support 	NICVA <i>State of the Sector Report</i>		
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<-----WHAT we want to happen ----->

<-----HOW this would happen----->

<--DEMONSTRATING it has happened----->

<---WHY this needs to happen --->

*While the support areas can contribute to a range of outcomes and outcome areas, those listed within the dotted lines have a primary delivery function against that outcome area / set of outcomes.