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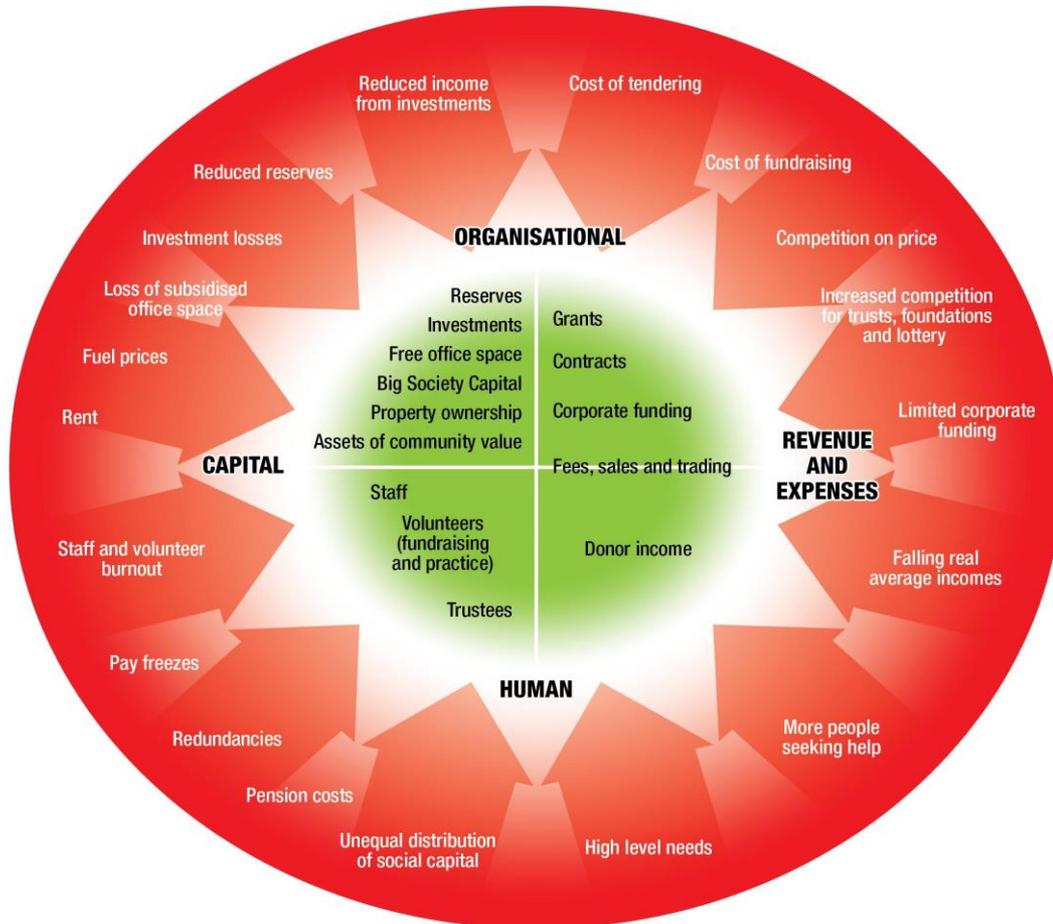
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Perfect Storms

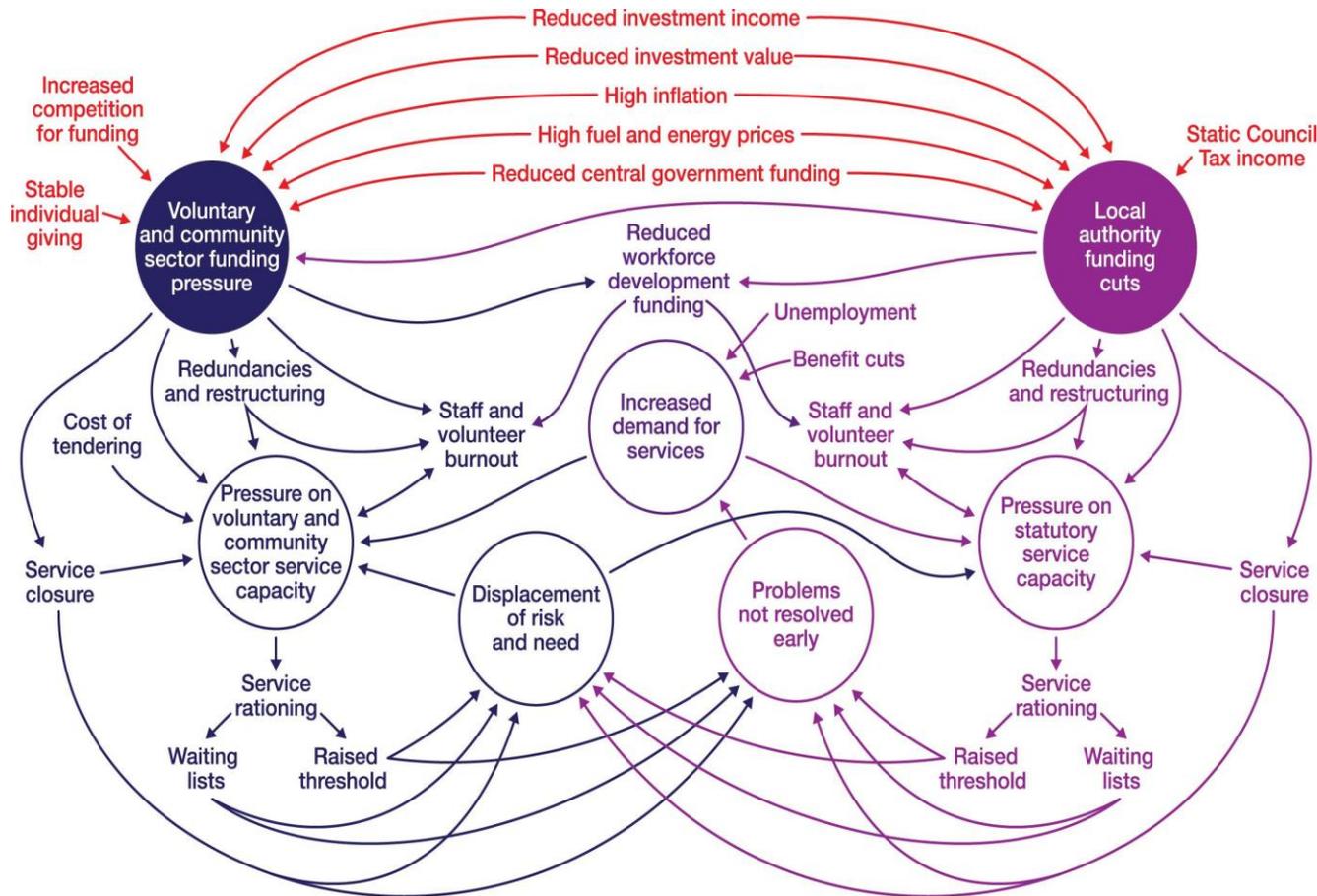
Business Storms in the Voluntary and Community Sector



Severe simultaneous pressures on all areas of VCS business models

- Increasing fuel bills, high price inflation, pension costs.
- Public grant-giving diminishing; competition for all funds high
- Do more for less while it costs more to get less
- Donation income relatively resilient
- Salary cuts and workforce reductions highest of all 3 sectors
- Increasing service demand from children, young people and families is reported right across both VCS and statutory services.
- Organisational strength substantially weakened by investment and asset value losses and continuing low interest rates
- Ongoing cashflow pressures on reserves.
- Adaptation to new business models, social finance opportunities and more commercial 'trading' models is being embraced, but cannot be achieved quickly, and open to question as 'effective' in some practice areas.
- The primary blockage to taking up social finance opportunities for many VCSOs is low, or highly uncertain, revenue funding prospects.

Locality Storms in Children and Families Services



The 'Chaos Theory' of Interdependence

- Changes in one public authority, body or service have knock-on impacts for other agencies in the 'support chain'
- Training budgets are under severe pressure right across statutory and voluntary agencies,
- Some charities are having to consider rationing criteria or waiting lists to manage and prioritise increased service demand
- Early intervention levels of support appear at highest risk of being reduced or cut, potentially storing up problems for the future as unmet needs may escalate to further increase demand for higher cost and complex services later.
- Risk levels and risk transfer are serious issues – both financial risks and caseload risks

Declaration of Interdependence

We share the vision and commitment to create a society where all children and young people are valued, protected and listened to, their rights are realised and their families are supported.

We believe that the reliance on price-driven competition in children's service commissioning is eroding, rather than building, our collective capacity and sense of common cause in achieving this vision.

We declare our mutual respect for the importance of public service, charitable mission, professionalism and voluntary action in a more creative and collaborative future for children's services.

Building a New Relationship Through Intelligent Commissioning



- Collaborative strategic planning
- Collaborative commissioning
- Commissioning for quality
- Democratic accountability
- Intelligent commissioning
- Grants as investment tools
- Sharing risk
- Long term investment
- Longer term contracts
- Full cost recovery
- Proportionality
- Transparency



- Cross-sector workforce leadership
- Security for staff
- Ending exploitation
- Worker voice
- Funding core staff
- Valuing volunteers
- Training and development
- Safe and sufficient staff ratios