

GM VCSE Leadership Group
Voluntary Sector North West
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Dear Chairs and members of the Greater Manchester VCSE Commissioning and Investment Group

Many thanks for your letter dated 28th July and for sharing your understandable concerns regarding the lack of clarity over non recurrent contracts and overall commissioning intentions.

We understand and acknowledge the sector's anxiety around the future. We also fully appreciate your need for confirmed commissioning intentions in order to provide a level of security and confidence for the sector's planning and future sustainability.

This letter aims to provide a general response to the issues raised. There remains some specific detail pertaining to individual contracts which will need to be confirmed in the coming days, but I hope that we can provide some clarity in the majority of cases in the meantime.

Timely notification of Commissioning Intentions for 2024/25

Since September 2021, in preparation for the transfer of contracts over to the ICB, a set of consistent principles have been approved and adopted across GM, to ensure that each locality worked within the same guidelines when taking decisions around contracts.

These principles provided a level of assurance to parts of the health and care system who had concerns about how the changes to the commissioning landscape may impact their business, including the VCSE sector.

Principles agreed at that time included a consistent set of extension options and guidelines for commissioners to consider for VCSE contracts expiring on the 31st March 2022, providing opportunities to extend for up to 3 years.

Consequently, a significant number of VCSE providers have already had contract arrangements committed up until 31/03/2025, which has provided the sector with a level of assurance and stability required for future planning.

Where contracts are due to on 31st March 2024, a detailed review is underway to confirm the funding source to clarify whether both the commissioning context and the associated funding support extension. Where these conditions can be confirmed our aim will be to extend in line with the 2022/23 and 2023/24 GM contract Principles until 31st March 2025. Notwithstanding,

it should be noted that whilst overarching recurrent contracts arrangements may be extended, any individual schemes within the contract, funded on a time limited or via non - recurrent funding allocations sit outside the scope of these principles. We will seek to confirm where this is the case as a matter of urgency.

Any decisions will continue to be subject to NHS GM governance, its Statutory Financial Instructions and the Scheme of Delegation, including, where necessary, appropriate consideration of procurement, in line with our legal obligations.

Medium Term Commissioning intentions

We recognise that it is in everyone's interest to move to a set of arrangements which provide greater certainty into the medium and long term. We also recognise 2 specific strategic commitments in the GM VCSE Accord which will guide how we attain these longer terms sustainability:

- Commitment 2: We will embed the VCSE sector as a key delivery partner of services for communities in Greater Manchester; and
- Commitment 4: We will grow the role of the VCSE sector as an integral part of a resilient and inclusive economy where social enterprises, co-operatives, community businesses, charities and microsocial business thrive.

We intend therefore to work with the sector's leadership to develop and agree a GM Framework for VCSE service provision. This would provide that medium term clarity on commissioning intentions you have sought as well as reducing transactional burdens on the sector. It is the ambition of NHS GM that we would initiate the work to develop the framework immediately and have that in place in time for the contracting round effective from April 2025.

I hope this goes some way to alleviate your concerns and we look forward to working with you and wider VCSE colleagues, as we further develop these proposals.

Yours sincerely



Mark Fisher
Chief Executive
NHS Greater Manchester