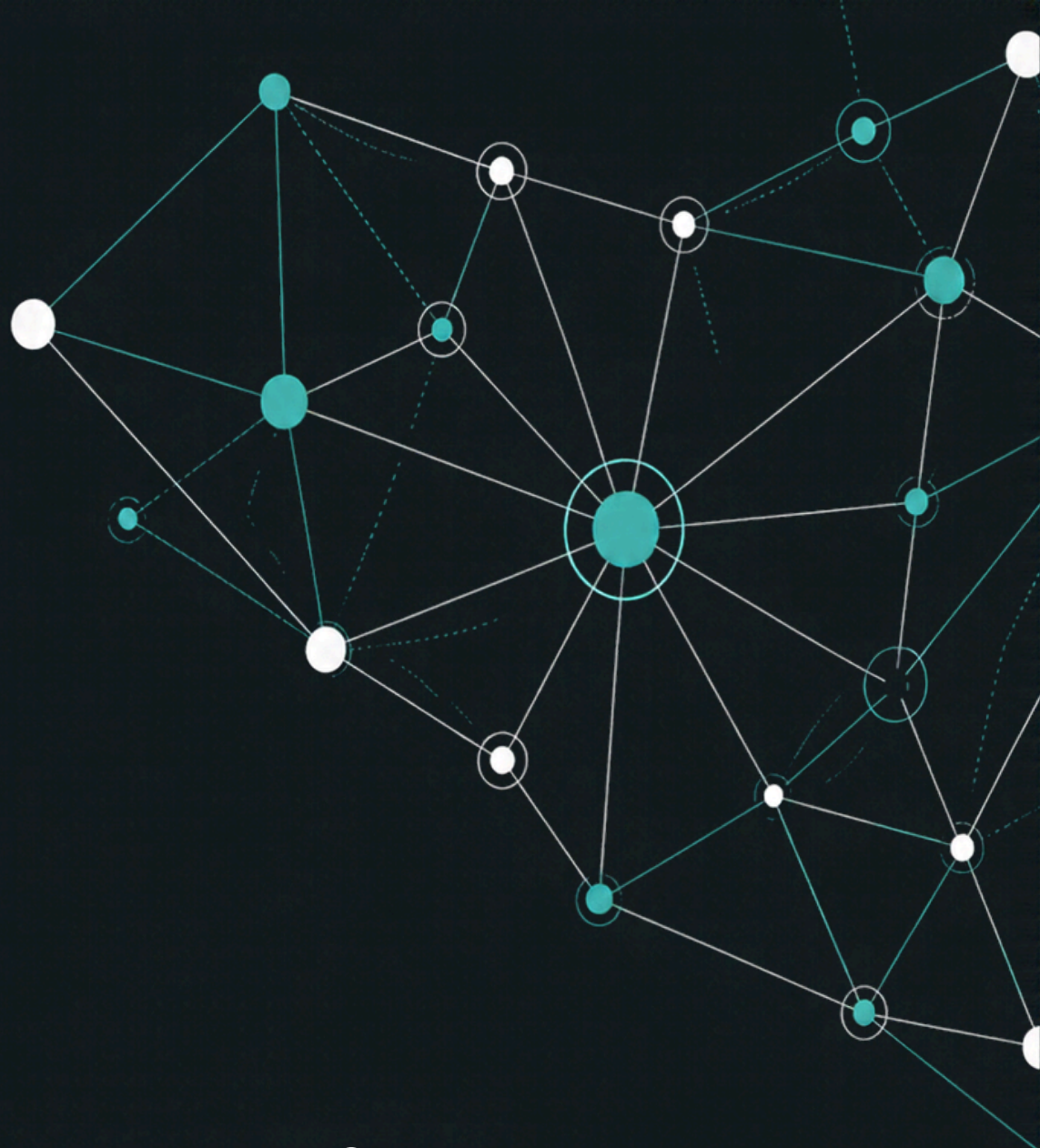




United Kingdom

Amplify Impact: Patient Organisation Sustainability
& Health Equity

04

United Kingdom country audit

Audit parameters

Field	United Kingdom audit specification
Jurisdiction	United Kingdom
Primary unit	UK central government support framework
Devolved treatment	Separate consideration of England, Scotland, Wales and Northern Ireland where health, charity regulation and third-sector funding are devolved
Organisations in scope	Registered health charities, voluntary and community organisations, social enterprises, patient organisations, community health providers, hospices, advocacy bodies and other not-for-profit health and care organisations
Evidence standard	Publicly accessible and independently verifiable sources
Scoring basis	Desk evidence only; scores assess the documented framework rather than every organisation's experience
Regulatory context	England and Wales share the Charity Commission; Scotland is regulated by OSCR; Northern Ireland is regulated by the Charity Commission for Northern Ireland
Health-system context	NHS structures and commissioning arrangements differ across England, Scotland, Wales and Northern Ireland

Overall finding

The United Kingdom has a developed and comparatively enabling framework for health charities and voluntary, community and social enterprise organisations.

Government support is delivered through:

- health and social-care service contracts;
- central and local grants;
- targeted health inequality and community funds;
- some core-cost funding;
- national charity tax reliefs;
- Gift Aid;
- mandatory business-rates relief;
- health-system partnership and advisory structures;
- social-prescribing and community-referral arrangements;
- dedicated grant and procurement portals;
- proportionate grant standards;
- flexible health-service procurement rules; and
- devolved-government third-sector programs.

A distinctive feature is the formal recognition of the VCSE sector as a health-system partner, rather than only a recipient of grants. NHS England describes VCSE organisations as contributing to service delivery, service design, advocacy, community voice and action on health inequalities. Its VCSE Health and Wellbeing Programme combines a national alliance with funded project mechanisms.

The framework is especially strong in:

- charity and award transparency;
- tax and donor support;
- national health–VCSE partnership infrastructure;
- social-prescribing and community integration;
- flexible procurement for health and social services;
- explicit equity and health-inequality objectives;
- proportional grant and charity-reporting requirements; and

- the existence of genuine core-cost funding in Northern Ireland.

Its principal weaknesses are:

- major variation among the four nations and local commissioning systems;
- widespread reliance on restricted grants and service contracts;
- limited consistent full-cost recovery;
- short funding cycles in many programs;
- uncertain inflation and wage indexation;
- fragmented local access;
- limited published evidence about payment and renewal performance; and
- significant cumulative regulatory and procurement requirements for organisations working across the UK.

Instrument matrix

Direct financial support

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
DF-UK-01	NHS health and care service contracts	National systems/local	Health charities and VCSE organisations deliver commissioned health, public-health, mental-health, social-care, hospice and community services under NHS and local-government agreements.	Strong and structurally embedded, although commissioning differs by nation and locality.
DF-UK-02	NHS England VCSE Health and Wellbeing Fund	England	Provides funding for bespoke VCSE projects intended to improve health, address inequalities and test community-based approaches.	Strong health-specific project mechanism.
DF-UK-03	VCSE Health and Wellbeing Alliance funding	England	National partnership mechanism through which funded VCSE representatives contribute expertise, lived experience and community perspectives to health policy and service design.	Strong example of funding sector participation, not only frontline delivery.
DF-UK-04	Integrated Care Board grants and contracts	England/local	ICBs can commission and fund VCSE organisations for population health, prevention, employment support, community care and health-inequality initiatives. NHS England's 2024–25 performance	Strong but locally variable.

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
			assessment records ICB funding committed through VCSE partners.	
DF-UK-05	Social-prescribing and community-support commissioning	England/local	NHS and local systems fund or contract VCSE organisations to provide community activities, link-worker destinations, peer support and non-clinical services.	Strong integration pathway, although funding may be indirect or short term.
DF-UK-06	Better Care Fund expenditure	England/local	The Better Care Fund pools NHS and local-government resources for integrated health and social care. Local plans can include VCSE grants and commissioned community services.	Major financial framework, but local allocations to charities are not consistently separable nationally.
DF-UK-07	Local-authority public-health grants and subgrants	England/local	Councils use public-health and other funds to commission or grant-fund community organisations for prevention, wellbeing and health inequalities.	Strong but highly decentralised.
DF-UK-08	Healthy Communities and local VCSE grant programs	Local	Councils operate targeted health and wellbeing grants. Coventry's Healthy Communities program, for example, supports locally led VCSE work focused on prevention and cardiovascular health.	Verified but local and program-specific.
DF-UK-09	Men's Health Community Fund	England	A £6.3 million community fund announced in 2026 supports community-led projects addressing men's health and unequal engagement with traditional services.	Strong current targeted mechanism, but time-limited.
DF-UK-10	Strategic health-program grants	England	DHSC and NHS bodies may fund disease-specific, prevention, women's health, mental-health, carer and community initiatives through grants or intermediary funders.	Broad but dispersed.

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
DF-UK-11	NHS engagement and co-production contracts	England	NHS England may commission VCSE organisations to conduct engagement where they have necessary community relationships, knowledge or skills.	Strong recognition of community expertise as a purchased capability.
DF-UK-12	Scottish Government third-sector funding	Scotland	Scotland funds charities and third-sector organisations across health, poverty, equality, care and community priorities. Funding announced for 2025–26 and 2026–27 included multi-year support across several portfolios.	Strong devolved-government support.
DF-UK-13	Scotland Fairer Funding approach	Scotland	The Scottish Government has committed to improving funding security and has moved selected third-sector programs toward multi-year arrangements.	Strong policy direction, although not yet universal.
DF-UK-14	Communities Mental Health and Wellbeing Fund for Adults	Scotland/local	Community mental-health funding distributed through local partnerships has supported thousands of grassroots projects; £15 million was committed for 2026–27 as part of a Fairer Funding pilot.	Strong community-level mechanism.
DF-UK-15	Welsh Government third-sector grants	Wales	Wales provides grants through health, social services, children, communities and other portfolios and operates a statutory Third Sector Scheme governing government–sector relationships.	Strong strategic framework, with program-specific funding.
DF-UK-16	Welsh social-services and third-sector support	Wales	Welsh Government funds key third-sector and social-service organisations and has reviewed arrangements for sustaining these grants from April 2026.	Strong recognition of sector sustainability, though current models remain under development.
DF-UK-17	Welsh stabilisation funding	Wales	Additional one-off stabilisation funding has been used for	Demonstrates emergency or stability support, but it is episodic.

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
			health and social-care pressures, including a £4.3 million allocation approved for 2025–26.	
DF-UK-18	Northern Ireland Department of Health Core Grant	Northern Ireland	Supports voluntary and community-sector organisations with fixed and core operating costs rather than direct service delivery. More than 70 organisations were anticipated to receive funding in 2026–27.	Exceptionally relevant core-funding instrument.
DF-UK-19	Northern Ireland health service-delivery contracts	Northern Ireland	Core Grant recipients may also hold substantial Health and Social Care service contracts. In 2023–24, 84% of Core Grant recipients reportedly also received service-delivery contracts worth £53 million.	Strong evidence of combined core and service funding.
DF-UK-20	Northern Ireland Support While Waiting grants	Northern Ireland	Voluntary and community organisations could apply for grants of £5,000–£30,000 to support people on health-service waiting lists; the 2025–26 funding pot was £0.5 million.	Strong targeted community-health mechanism.
DF-UK-21	Northern Ireland cancer-charity support	Northern Ireland	A 2025–26 scheme provided £2 million for cancer charities.	Strong condition-specific example.
DF-UK-22	Research and innovation grants	UK-wide/devolved	UK Research and Innovation and health-research bodies fund universities, medical charities, research institutes and eligible nonprofits.	Strong but generally research-focused and capacity-intensive.
DF-UK-23	Local community grants	UK/local	Councils throughout the UK provide grants for voluntary organisations, community wellbeing, carers, disability, prevention and social inclusion.	Extensive but fragmented.

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
DF-UK-24	Capital and infrastructure grants	UK/devolved/local	Selected government programs fund buildings, equipment, accessibility, digital infrastructure and community facilities.	Material but not a general entitlement.
DF-UK-25	Emergency and humanitarian funding	UK/devolved	Governments may establish emergency funds, rapid-response grants and continuity mechanisms during crises.	Demonstrated but event-specific.
DF-UK-26	Social-investment and blended-finance programs	Devolved/program-specific	Some public programs use loans, grants or blended finance through intermediaries. Scotland's Social Enterprise Just Transition Fund used a part-loan, part-grant model.	Useful but not health-charity-wide.

Direct financial support assessment

The UK provides broad direct financial support through a combination of:

- NHS and social-care commissioning;
- central-government grants;
- devolved-government third-sector programs;
- local-authority grants;
- research funding;
- community-health initiatives; and
- targeted core support.

The Northern Ireland Department of Health Core Grant is particularly important for this audit because it explicitly supports fixed operating costs. Contributions have covered costs such as premises, management and organisational infrastructure rather than simply purchasing service outputs.

Scotland's Fairer Funding direction and multi-year commitments also represent stronger recognition of sector sustainability than a purely annual project model.

Nevertheless, core funding is not available consistently across the UK. Much health-charity funding remains:

- restricted to specified services or projects;
- competitively allocated;
- tied to government priorities;
- locally determined;
- time-limited; or
- dependent on annual public budgets.

Indirect financial support

Code	Instrument	Level	Description and relevance	Evidence assessment
IF-UK-01	Charitable income and gains tax relief	UK	Charities generally receive tax relief on income and gains used for charitable purposes, subject to HMRC rules.	Strong national fiscal instrument.
IF-UK-02	Gift Aid	UK	Charities can claim basic-rate income tax on qualifying individual donations, increasing the value of the gift.	Strong and high-value donor incentive.
IF-UK-03	Higher-rate donor tax relief	UK	Eligible higher- and additional-rate taxpayers may claim further tax relief on Gift Aid donations.	Strong additional donor incentive.
IF-UK-04	Mandatory charitable business-rates relief	UK/devolved/local	Charities occupying non-domestic property generally receive an 80% business-rates discount, with local discretion potentially providing additional relief.	Major operating-cost concession.
IF-UK-05	Inheritance Tax relief	UK	Gifts to charities are generally exempt from Inheritance Tax and may reduce the tax rate applied to the remainder of an estate where statutory conditions are met.	Strong philanthropic incentive.
IF-UK-06	Relief on donated shares and property	UK	Donors may receive relief for qualifying gifts of shares, securities, land or buildings.	Strong but more specialised donor mechanism.
IF-UK-07	Stamp Duty Land Tax and related reliefs	UK/devolved	Charities may receive relief on qualifying property transactions, subject to relevant rules and devolved tax arrangements.	Material but transaction-specific.
IF-UK-08	VAT reliefs for specified charitable goods and activities	UK	Certain goods and services supplied to charities may be zero-rated or reduced-rated, and particular charity activities receive special VAT treatment.	Useful but complex and incomplete.
IF-UK-09	VAT relief on business donations of goods	UK	A measure introduced from 2025 removes the requirement for businesses to account for VAT on eligible goods donated for charitable distribution or service use.	Strong new in-kind donation incentive.
IF-UK-10	Gift Aid Small Donations Scheme	UK	Eligible charities can claim a Gift Aid-style payment on certain small cash or contactless donations without obtaining an individual declaration for every gift.	Material small-donation facilitation mechanism.
IF-UK-11	Corporation Tax relief for charitable companies	UK	Charitable companies may receive relief on income and gains applied to charitable purposes.	Strong but dependent on organisational structure and activity.
IF-UK-12	Free charity registration	UK/devolved	Charity-regulator registration services generally do not charge an application fee.	Useful facilitation, though professional

Code	Instrument	Level	Description and relevance	Evidence assessment
				advice may still be costly.
IF-UK-13	Free grant-search service	UK	Find a Grant allows organisations to search government grants and assess eligibility without a subscription fee.	Strong access mechanism.
IF-UK-14	Government-backed social investment	Program-specific	Publicly supported social-investment and blended-finance mechanisms can provide repayable funding to charities and social enterprises.	Available selectively rather than as a universal health-charity facility.
IF-UK-15	Indirect-cost and overhead recovery	Mixed	Central grant rules permit eligible expenditure to be defined in agreements, but no mandatory UK-wide minimum overhead rate for health charities was identified.	Major gap compared with the US federal de minimis model.
IF-UK-16	Import and customs concessions	UK	Certain donated or medical goods may qualify for relief under specific customs rules, but no broad general import-facilitation framework for ordinary domestic health charities was identified.	Limited/systematic evidence not found.

Indirect financial support assessment

The UK charity tax-relief framework is substantial. HMRC's 2026 statistics estimated:

- £2.87 billion in non-domestic rates relief;
- £1.88 billion in Gift Aid paid to charities;
- £1.28 billion in Inheritance Tax relief associated with charitable giving; and
- £920 million in higher-rate donor relief.

Gift Aid is particularly valuable because a charity can normally reclaim 25 pence for every £1 donated where the qualifying conditions are met.

Business-rates relief is another major strength. Registered charities generally receive an 80% discount on qualifying non-domestic property, meaning the concession directly reduces premises costs.

VAT treatment is less favourable and more complex. Charities often pay VAT on purchased goods and services and cannot necessarily recover it unless they undertake VAT-taxable business activities. Specific zero-rating and relief provisions exist, but there is no general charity VAT rebate comparable to Canada's Public Service Bodies' Rebate.

Operational support

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-UK-01	Charity Commission for England and Wales	England and Wales	Registers and regulates charities, publishes guidance and maintains the public register.	Strong national-level infrastructure for England and Wales.
OS-UK-02	Office of the Scottish	Scotland	Registers and regulates Scottish	Strong devolved infrastructure.

Code	Instrument	Level	Description and relevance	Evidence assessment
	Charity Regulator		charities and maintains a downloadable public register.	
OS-UK-03	Charity Commission for Northern Ireland	Northern Ireland	Registers and regulates charities and publishes annual monitoring information and guidance.	Strong devolved infrastructure.
OS-UK-04	Online charity registration	UK/devolved	Regulators provide online registration and reporting systems. In England and Wales, non-CIO charities generally register once annual income reaches £5,000; CIOs register regardless of income.	Strong facilitation, but requirements differ across jurisdictions.
OS-UK-05	Public charity registers	UK/devolved	Public registers disclose organisational details, trustees and increasingly annual accounts and reports. Scotland began publishing submitted annual reports and accounts in full from March 2026.	Strong transparency.
OS-UK-06	Tiered annual reporting	England and Wales	Reporting requirements increase with income. Charities below £10,000 provide limited income and expenditure information, while higher-income organisations submit fuller returns and	Strong proportionality mechanism.

Code	Instrument	Level	Description and relevance	Evidence assessment
			supporting documents.	
OS-UK-07	Tiered reporting in Northern Ireland	Northern Ireland	Annual Monitoring Return requirements vary according to income; smaller charities complete fewer sections than organisations above £250,000.	Strong proportionality mechanism.
OS-UK-08	Scottish annual reporting	Scotland	Every registered Scottish charity submits an annual return, accounts, trustees' report and external scrutiny report within nine months; scrutiny requirements vary with size and structure.	Strong accountability, although requirements may be comparatively demanding for very small organisations.
OS-UK-09	Find a Grant	UK central government	Central service enables users to search, filter and assess eligibility for government grant opportunities.	Strong grant discoverability.
OS-UK-10	Government Grants Functional Standard	UK central government	Establishes minimum requirements for grant design, award, agreements, risk management, monitoring and evaluation.	Strong standardisation framework.
OS-UK-11	Proportionate grant agreements	UK central government	General grant agreements must be proportionate to the value and characteristics of the grant.	Strong formal proportionality principle.
OS-UK-12	Model Grant Funding	UK central government	Provides standard clauses for government grants, including	Strong standardisation and timeliness mechanism, though it excludes liability for loss caused by delay.

Code	Instrument	Level	Description and relevance	Evidence assessment
	Agreement		a default expectation that approved grant claims are paid within 30 days unless otherwise stated.	
OS-UK-13	Risk-based grant management	UK central government	Grant risk management is required throughout design, award and delivery, allowing controls to reflect assessed risk.	Strong formal proportionality framework.
OS-UK-14	Procurement Act 2023	England, Wales and Northern Ireland for covered procurement	The Act came into force on 24 February 2025 and aims to simplify procurement and improve access for smaller suppliers and social enterprises.	Strong general access reform.
OS-UK-15	Light-touch contracting regime	Covered jurisdictions	Health, social, education and certain person-centred services can be procured under more flexible light-touch rules.	Strong flexibility relevant to VCSE providers.
OS-UK-16	NHS Provider Selection Regime	England	Allows greater flexibility when arranging healthcare services and reduces the presumption that every service must be competitively retendered.	Strong potential for stable and collaborative VCSE relationships.
OS-UK-17	VCSE Health and Wellbeing	England	Formal joint program of DHSC, NHS England and UKHSA that supports co-	Strong health-specific operating partnership.

Code	Instrument	Level	Description and relevance	Evidence assessment
	Programme		production, community voice, health equality and scalable community solutions.	
OS-UK-18	VCSE Health and Wellbeing Alliance	England	National advisory and partnership structure allowing VCSE organisations to shape policy and system design.	Strong sector-coordination infrastructure.
OS-UK-19	VCSE engagement principles	England	NHS England has published principles for more inclusive and systematic VCSE involvement.	Strong framework-level support.
OS-UK-20	Integrated Care System VCSE partnership	England/local	Integrated care systems are expected to engage VCSE partners in planning, population health, community engagement and service delivery.	Strong in policy design, with variable local implementation.
OS-UK-21	Strategic Commissioning Framework	England	NHS England's framework states that commissioning should support ongoing collaboration with the VCSE sector and people with lived experience.	Strong current policy direction.
OS-UK-22	Neighbourhood health partnerships	England/local	The 10 Year Health Plan and related neighbourhood models envisage the NHS working as an equal partner	Strong strategic intention; implementation is developing.

Code	Instrument	Level	Description and relevance	Evidence assessment
			with local VCSE organisations.	
OS-UK-23	Social-prescribing infrastructure	England/devolved/local	Primary care and community systems refer patients to VCSE activities and supports through link workers and community networks.	Strong referral integration, but organisational funding is not always stable.
OS-UK-24	Better Care Fund integration	England/local	Pooled health and local-government funding supports integrated care and can involve community and VCSE partners.	Strong operational mechanism, locally variable.
OS-UK-25	Welsh Third Sector Scheme	Wales	Statutory framework structures Welsh Government engagement, consultation and partnership with the third sector.	Strong distinctive coordination instrument.
OS-UK-26	Scottish third-sector infrastructure partnerships	Scotland	Scottish Government works with national and local third-sector infrastructure organisations and funds volunteering, community development and sector coordination.	Strong operational support.
OS-UK-27	Northern Ireland core-cost recognition	Northern Ireland	The Department of Health distinguishes core organisational support from separately commissioned service delivery.	Strong recognition of institutional infrastructure.

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-UK-28	Prompt Payment Code expectations	UK	Government grant terms and procurement policy may require or encourage recipients and contractors to pay supply-chain partners within agreed periods or 30 days.	Strong policy expectation, but coverage and enforcement vary.
OS-UK-29	Local-sector support and grant-search services	Local/devolved	Councils and third-sector interfaces provide funding searches, application advice, governance assistance and volunteer support.	Broad but uneven.
OS-UK-30	Shared infrastructure and facilities	Local/program-specific	Some health charities gain access to NHS or council premises, referral platforms or co-location through partnerships, but no universal right exists.	Moderate and locally dependent.
OS-UK-31	Health-data integration	Local/program-specific	VCSE providers may participate in integrated-care data and referral arrangements, subject to contracts, information governance and local technical capacity.	Moderate and fragmented.
OS-UK-32	Import facilitation	UK	No standing expedited import system specifically for ordinary domestic health charities was identified.	Evidence gap.

Instrument coverage summary

Taxonomy group	Coverage	Overall assessment
Direct grants	Broad	Extensive central, devolved and local opportunities
Commissioning and service contracts	Very broad	VCSE providers are integrated into NHS and social-care delivery
Core funding	Moderate	Strong specific example in Northern Ireland; less systematic elsewhere
Multi-year funding	Moderate	Emerging strongly in Scotland and selected programs, but not universal
Emergency and stabilisation funding	Demonstrated	Governments can activate targeted crisis or continuity support
Tax concessions	Very strong	Gift Aid, tax exemption and business-rates relief are substantial
VAT relief	Moderate	Several reliefs exist, but no general rebate
Indirect-cost recovery	Limited–moderate	Program-dependent; no mandatory minimum overhead rate
Registration facilitation	Strong	Online regulators and extensive guidance
Grant transparency	Strong	Find a Grant and published program guidance provide central access
Procurement access	Strong	Procurement Act, light-touch services and NHS Provider Selection Regime
Capacity building	Strong but uneven	National VCSE structures and local infrastructure exist
Health-system integration	Strong	Formal NHS partnership, social prescribing and integrated-care structures
Equity and inclusion	Strong	Health inequalities and community voice are embedded in major frameworks
Government-backed finance	Limited–moderate	Social-investment instruments exist but are selective
Infrastructure access	Moderate	Available through local arrangements, not a universal entitlement
Import facilitation	Limited/not identified	No broad sector-specific system located

United Kingdom scorecard

Dimension	Score	Summary
1. Transparency	3 – Comprehensive	Strong charity registers, central grant discovery and public procurement information
2. Accessibility/admin burden	2 – Established but uneven	Central systems and flexible procurement exist, but national, devolved and local fragmentation remains
3. Funding quality	2 – Established but uneven	Core and multi-year funding exist in parts of the UK, but restricted and short-term funding remains common
4. Timeliness and reliability	2 – Established but uneven	Model grant terms use a 30-day payment expectation, but renewal and payment performance are not consistently reported
5. Equity and inclusion	3 – Comprehensive in framework design	Health inequalities, community voice and targeted population support are embedded across health–VCSE frameworks
6. Proportional accountability	3 – Comprehensive in framework design	Tiered charity reporting, proportionate grant agreements and risk-based assurance are formally established
7. Operational enablement	3 – Comprehensive in framework design	Dedicated health–VCSE partnerships, flexible procurement, integrated-care structures and social prescribing provide substantial enablement
Total	18/21	A developed, partnership-oriented and operationally enabling framework
Mean	2.57/3	—

1. Transparency — Score: 3/3

The UK has extensive transparency infrastructure.

Find a Grant allows organisations to:

- search government grants;
- filter opportunities;
- assess eligibility; and
- identify application routes.

Charity information is publicly available through separate registers for England and Wales, Scotland and Northern Ireland. Regulators publish organisational details, trustees, filings and annual accounts according to each jurisdiction's reporting rules. Scotland expanded transparency in March 2026 by publishing newly submitted annual reports and accounts in full.

Procurement notices and awards are also published through government tender systems, while the Procurement Act reforms place increased emphasis on transparent public purchasing.

The main limitation is fragmentation. Users may need to consult:

- Find a Grant;
- NHS or ICB websites;
- local-authority portals;
- devolved-government sites;
- tender systems; and
- separate charity regulators.

Score rationale: Despite fragmented entry points, the existence, eligibility and administration of major instruments are comprehensively documented and desk-verifiable.

2. Accessibility and administrative burden — Score: 2/3

The UK has introduced meaningful accessibility measures:

- a central grant-search service;
- online charity registration and reporting;
- standard grant agreements;
- proportionate grant requirements;
- the Procurement Act's simplified supplier framework;
- light-touch procurement for person-centred services;
- the NHS Provider Selection Regime; and
- local VCSE infrastructure organisations.

The NHS Provider Selection Regime is particularly relevant because it moves England away from an expectation that healthcare services must always be competitively tendered. This may reduce repeated tender costs and allow commissioners to preserve effective provider relationships.

However, charities operating across the UK may need to navigate:

- different charity regulators;
- separate NHS systems;
- central and devolved-government funding portals;
- ICBs or health boards;
- local authorities;
- procurement systems;

- tax registration;
- safeguarding and service regulations; and
- program-specific reporting.

Smaller charities may still lack procurement, contract-management and bid-writing capacity.

Score rationale: Access architecture is comparatively strong, but decentralisation and cumulative compliance prevent a score of 3.

3. Funding quality — Score: 2/3

There is clear evidence of higher-quality funding in parts of the UK.

Northern Ireland's Core Grant explicitly supports fixed organisational costs and is additional to service-delivery contracts.

Scotland has made explicit commitments to fairer and more predictable third-sector funding, including funding allocations extending across 2025–26 and 2026–27.

The NHS Provider Selection Regime also has the potential to support more stable provider relationships by reducing unnecessary retendering.

Nevertheless, many opportunities remain:

- one-year or short-term;
- project-restricted;
- competitively allocated;
- linked to service outputs;
- locally variable; or
- vulnerable to annual budget decisions.

There is no UK-wide requirement that every public funder:

- covers full indirect costs;
- applies inflation or wage indexation;
- offers multi-year agreements;
- provides adequate exit notice; or
- funds organisational reserves and development.

Score rationale: The UK contains credible core and multi-year funding models, but these are not consistently available across health charities and jurisdictions.

4. Timeliness and reliability — Score: 2/3

The UK Model Grant Funding Agreement states that, unless otherwise specified, an authority will make payment within 30 days of approving a grant recipient's claim.

Prompt-payment expectations also appear in government grant terms and procurement policy, including expectations that grant recipients pay contractors by the agreed date or within 30 days where no date is specified.

Multi-year funding in Scotland and recurrent health service contracts provide some organisations with improved continuity. Northern Ireland's recurring Core Grant also demonstrates an ongoing institutional-support mechanism.

However, the model grant agreement also states that the authority has no liability for losses caused by delayed grant payment.

The audit did not identify consistent UK-wide reporting of:

- grant-payment compliance;
- time from application to decision;
- contract-signing delays;
- renewal notice periods;
- late-payment compensation for grants;
- funding gaps between contracts; or
- inflation adjustments.

Score rationale: Clear payment expectations and some multi-year mechanisms exist, but system-wide performance and continuity are insufficiently demonstrated for a score of 3.

5. Equity and inclusion — Score: 3/3

Equity and community voice are embedded in major UK health–VCSE frameworks.

NHS England’s VCSE Health and Wellbeing Programme aims to:

- promote equality;
- address health inequalities;
- support co-production;
- incorporate lived experience into national policymaking; and
- develop scalable community-based solutions.

The emerging neighbourhood-health approach also states that the NHS should work as an equal partner with local VCSE organisations to remove barriers and improve access.

Dedicated mechanisms target:

- men’s health;
- mental health;
- carers;
- disability;
- waiting-list support;
- cancer;
- linguistic and cultural communities;
- rural and island communities;
- poverty and social exclusion; and
- groups experiencing unequal access.

Northern Ireland’s Support While Waiting scheme and Scotland’s community mental-health fund illustrate community delivery targeted at access gaps and population need.

The score reflects formal framework design. It does not imply that health inequalities have been resolved or that all grassroots organisations receive equitable funding.

Score rationale: Equity, lived experience, community voice and health inequalities are explicit and recurring features of national and devolved support frameworks.

6. Proportional accountability — Score: 3/3

The UK has several mutually reinforcing proportionality mechanisms.

For central-government grants, agreements must be proportionate to the value and nature of the award. Risk management is required across the grant lifecycle, allowing assurance and monitoring to reflect assessed risk.

Charity reporting is also scaled according to organisational income and structure.

In England and Wales:

- charities below £10,000 provide basic income and spending information;
- charities between £10,000 and £25,000 answer an annual return;
- organisations above £25,000 provide fuller documentation and scrutiny;
- larger organisations face more extensive audit and reporting requirements.

Northern Ireland's Annual Monitoring Return similarly varies according to income bands, with smaller charities completing fewer sections.

Although Scotland requires annual returns and supporting reports from all registered charities, scrutiny and accounting obligations vary according to size and legal form.

Cumulative requirements can still be burdensome, especially for charities funded by several commissioners. However, the formal framework contains clear, desk-verifiable proportionality at both regulatory and grant-management levels.

Score rationale: Proportionality is explicitly embedded in charity reporting, grant agreements and risk-based assurance.

7. Operational enablement — Score: 3/3

The UK has a broad set of operational-support instruments extending beyond financial awards.

These include:

- separate public charity regulators and registers;
- Find a Grant;
- government grant standards;
- standard funding agreements;
- flexible person-centred procurement;
- the NHS Provider Selection Regime;
- the VCSE Health and Wellbeing Programme;
- the VCSE Health and Wellbeing Alliance;
- ICB and integrated-care partnerships;
- social-prescribing infrastructure;
- devolved third-sector schemes;
- local infrastructure bodies; and
- community grant-distribution partnerships.

NHS England explicitly describes VCSE organisations as essential to health-system design, community representation, service delivery and action on inequality.

The Strategic Commissioning Framework states that health commissioning should support continuing collaboration with the VCSE sector and people with lived experience.

The Provider Selection Regime provides flexibility to continue suitable provider arrangements without defaulting to repeated competitive tendering, supporting integration and potentially reducing disruption.

There are still gaps in:

- universal shared infrastructure;
- standard data access;
- consistent local VCSE representation;
- stable funding for social-prescribing providers; and
- uniform implementation among health systems.

Score rationale: Dedicated health–VCSE partnership, commissioning, procurement and referral structures are sufficiently extensive to support the highest desk-based score.

Evidence gaps

Evidence gap	Why it matters
Total UK government funding paid specifically to health charities and VCSE organisations	No single dataset combines grants, NHS contracts, local authorities and devolved administrations
Distribution of funding by UK nation	Needed to assess territorial equity
Percentage of health-charity funding that is core or unrestricted	Core funding is visible in Northern Ireland but not quantified UK-wide
Percentage of contracts lasting three years or more	Indicates continuity and workforce stability
Full-cost recovery rates	Needed to assess whether overheads and infrastructure are adequately funded
Inflation and wage indexation	Particularly important for labour-intensive health and social-care services
Payment performance against the 30-day model term	Policy expectations do not demonstrate actual compliance
Contract-renewal notice periods	Determines whether charities can retain staff and services
Frequency of gaps between contracts	Important for cash flow and service continuity
Grant success rates by organisation size	Would test practical accessibility
Access for grassroots and lived-experience-led organisations	Formal eligibility may not translate into competitive capacity
Variation in ICB use of VCSE grants and contracts	Central to assessing England’s actual implementation
Stability of social-prescribing funding	Referral integration is weakened if destination organisations are underfunded
Cross-border regulatory burden	Organisations operating in several UK nations may face duplicate registration and reporting
Data-sharing access	No national measure of VCSE participation in integrated records or referral systems
Government-backed finance specifically for health charities	Social-investment schemes exist, but no comprehensive health-sector facility was identified
Import facilitation	No broad health-charity-specific pathway was identified

Preliminary policy interpretation

The UK framework is best characterised as a tax-supported and publicly commissioned charity system with formal health–VCSE partnership structures.

Its principal strengths are:

1. formal recognition of the VCSE sector as a health-system partner;
2. strong Gift Aid and business-rates relief;
3. central grant-search infrastructure;
4. proportionate government grant standards;
5. tiered charity reporting;
6. flexible procurement for health and social services;
7. the NHS Provider Selection Regime;
8. health-system engagement and advisory structures;
9. social-prescribing and integrated-care pathways;
10. targeted core-cost support in Northern Ireland;
11. emerging multi-year and fair-funding approaches in Scotland; and
12. statutory third-sector partnership arrangements in Wales.

Its principal vulnerabilities are:

1. uneven funding and implementation between UK nations;
2. local variation among commissioners;
3. limited universal core funding;
4. no mandatory full-cost-recovery rate;
5. uncertainty about indexation and renewal;
6. fragmented data and referral access;
7. limited published payment-performance data;
8. potentially unstable community-provider funding;
9. cumulative compliance for cross-border organisations; and
10. dependence on public-sector priorities and annual budgets.

Country fiche conclusion

The United Kingdom provides a mature government-support environment for health charities and VCSE organisations. These organisations receive grants, health and social-care contracts, tax concessions, Gift Aid, business-rates relief, community funding and operational support.

The UK's most distinctive strength is its recognition of health charities and community organisations as partners in health-system planning, engagement and delivery. NHS England's VCSE structures, integrated-care arrangements, social prescribing and flexible provider-selection rules collectively support a more embedded role than simple project grant eligibility.

The framework is nevertheless uneven. Funding quality and access differ between England, Scotland, Wales and Northern Ireland and among local commissioners. Core funding is not universally available, and public evidence remains limited on full-cost recovery, indexation, payment performance and renewal stability.

Desk score: 18/21, or 2.57/3. The United Kingdom is therefore classified as having a developed, partnership-oriented and operationally enabling government-support framework, with fragmented implementation and inconsistent funding sustainability as its principal limitations.

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