

Compact Leicestershire

A guide on the relation between the Leicestershire Public Service Agencies and the Voluntary and Community Sector in Leicestershire

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Foreword

Compact Leicestershire – The Leicestershire Refresh

The first Leicestershire Compact was launched in June 2003. Compact Leicestershire seeks to build on the work undertaken through the original Compact agreement, reflect the new national Compact Guidance and address local issues and opportunities in this time of economic and social change.

Compact Leicestershire will raise specific challenges, not least that it aims to develop a whole area approach including District and Borough local authorities (including Primary Care Trusts and Police) drawing together all Public Service Agencies in an agreement with the VCS. It is hoped that Compact Leicestershire will help facilitate wider joint commissioning between the various elements of PSAs and the VCS with recognition that PSAs are facing ever increasing need to reflect value for money in commissioning and procurement decisions.

Compact Leicestershire is an innovative departure from the previous Leicestershire County Compact that focussed on the relationship between the VCS and Leicestershire County Council in the main.

The Action Plan describes the activities necessary to deliver Compact Leicestershire and provide support, mediation and conciliation processes and recruit signatories from both the VCS and the PSAs. Monitoring and review will form a key element to ensuring the effectiveness of Compact Leicestershire.

The Leicestershire Countywide Compact provides an essential guide for anyone who needs to know about the way that Leicestershire Public Service Agencies (PSAs) and the Voluntary and Community Sector (VCS) work together in Leicestershire.

1) The Status of Compact Leicestershire

Compact Leicestershire is a written agreement that provides a framework for the way in which VCS organisations and the various Public Service Agencies in Leicestershire work together. It promotes and drives effective and respectful working relationships, providing efficient and effective services and involves the VCS in policy development and the commissioning, procurement and delivery of public services.

Compact Leicestershire is drawn up between the VCS and Leicestershire PSAs
Compact Leicestershire is a voluntary commitment by organisations to work together to mutually agreed standards. It is not legally binding. However, all organisations that sign up to Compact Leicestershire are committed to making it work in practice.

The economic recession necessitates new ways of working. Compact Leicestershire is innovative. It will bring together all PSAs who commission and contract and grant fund service delivery from the VCS. It will provide holistic cross cutting principles that are embedded within PSAs commissioning and procurement frameworks.

Compact Leicestershire is a partnership agreement and a process that is endorsed by central government in the National Compact.

Compact Leicestershire will refer to the National Compact Dec 09 in matters of national guidance

2) Why have Compact Leicestershire?

The VCS is by nature, large and diverse. VCS organisations have developed in response to the needs of communities and individuals. VCS organisations have distinct aims, ethos and ways of working.

However, differences in approach and delivery between the VCS and the PSAs can initially make partnership working challenging. Compact Leicestershire will seek to overcome these challenges. Compact Leicestershire will seek to provide support and guidance to all VCS organisations, regardless of size, capacity or service area.

It is because VCS organisations have distinct strengths and reach that government has championed increased partnership working between the VCS and PSAs. Many VCS organisations can:

- Provide a channel for the views of communities of interest and communities of need and place – they have greater capacity and experience to reach those furthest from mainstream statutory (PSA) service delivery mechanisms;
- Identify new needs and innovative ways to meet them – approaches developed by the sector have in many instances been adopted by statutory authorities;
- Address poverty and champion social inclusion – VCS organisations that are generated by communities or are operating close to communities are skilled at developing appropriate informed responses;
- Encourage and support individuals to become active in their communities- volunteering, acting as trustees or management committees, skill and educational development or forming self-help groups;
- Have a crucial role to play in shaping and delivering a “third generation” of public services tailored to and informed by their users - adapt quickly to newly identified needs and deliver in shorter time frames– launch new services swiftly to targeted audiences utilising local knowledge and contacts.

3) What Defines the Voluntary and Community Sector?

There is no universally agreed definition of what constitutes the VCS. How the VCS perceives and describes itself is not necessarily the same as how government views it.

The relationship between the VCS and the PSA bodies is increasingly being drawn together by the commissioning and procurement of public services through the VCS. For some, the independence and public credibility of the VCS risks being eroded as the lines between VCS and PSAs appear to fade – Compact Leicestershire has a role to play in maintaining the independence and autonomy of the VCS.

The following gives a flavour of the types of structures that fall within the VCS:

Voluntary Organisations are formally structured, not-for-profit, independent and not part of government. They tend to be managed by unpaid, voluntary management committees or boards of trustees. They have paid employees and volunteers and may be registered as charities, companies limited by guarantee or friendly societies. Social enterprises and Community Interest Companies are also regarded as voluntary organisations.

Community Organisations are local and self help groups. They tend to be less formal and are often made up of volunteers. Paid staff are more likely to be part-time. They are independent and are often at the centre of community action and are formed in response to a local need.

Volunteering is an important expression of citizenship and essential to democracy. It is the commitment of time and energy for the benefit of society and the community, and can take many forms. It is undertaken freely and by choice, without concern for financial gain.

Social Enterprises are businesses that trade in the market in order to fulfil social aims and reinvest profit (surpluses) in social projects.

Umbrella Organisations are also referred to as Infrastructure Organisations. Umbrella organisations link the different levels and type of voluntary sector activity. In general, they fulfil five main functions; strategic development, support services to other organisations, liaison and representation and capacity building. Examples of umbrella organisations in Leicestershire include Voluntary Action Leicestershire and the Rural Community Council (Leicestershire and Rutland)

4) What defines the Public Service Agencies?

A public service is something such as local government, health care, policing and transport that is organised by the government or an official body, (the Public Service Agency), in order to benefit all the people in a particular society or community.

A PSA consists of the various departments and agencies that administer government policies and provide government-funded services. It is an Agency involved in providing public services for or on behalf of government.

Public service activities and types of work are concerned with helping people and providing them with what they need within a “value for money” context, rather than making a profit. Examples of Leicestershire PSAs include Leicestershire County Council, the Primary Care Trusts, District and Borough Councils and the Police and Fire Service.

PSAs are typically involved in Local Strategic Partnerships

5) What type of relationship can the VCS have with PSAs?

The VCS can have a direct relationship with PSAs in the following ways:

- Service delivery and funding – gap and needs analysis, tendering specification development, commissioning and procurement and contracts, grants and service level agreements. However, this activity must not give the VCS an advantage in later competition
- Consultation and representation – seeking and collating the views, needs and suggestions of communities, groups, users, and volunteers. Representation on strategic and operational boards and working groups
- As a critical friend through providing feedback, guidance and support where VCS and community matters are identified
- Lobbying and campaigning – influencing the formation of policy and the PSAs strategic agenda, practices and delivery plans
- Volunteers within PSA funded provision such as youth and community education, policing, social care or similar types of service
- Providing specialist input into PSA policy development where this is appropriate, or where voluntary organisations deliver a statutory service on behalf of the PSA

Whilst some VCS organisations do not feel that they have a direct relationship with a PSA and therefore do not see the relevance of Compact Leicestershire they may have an indirect relationship in one or more of the following ways:

- As an affiliated member of a VCS network or organisation that has a commissioning agreement with a PSA
- As a user of a community centre or other services provided by a PSA
- As a member of a forum that is recognised as a means of communication within a particular geographical area or for a community of interest or need

There may be occasions where a VCS organisation needs to develop a relationship with a PSA and they should be able to do this based on sufficient knowledge of that PSA and its practices.

6) The Shared Principles of Compact Leicestershire

All signatories of Compact Leicestershire agree with the following principles:

1. Voluntary and Community action is essential to a democratic society
2. An independent and diverse voluntary and community sector is fundamental to the well-being of society
3. The PSAs and the VCS acknowledge the importance of promoting equality of opportunity for all people, regardless of race, age, disability, gender, sexuality, religion, ethnic or national origin marital status or medical condition
4. In the development and delivery of public policy and delivery of services, the PSAs and the VCS have distinct but complementary roles
5. There is added value in working together towards common aims and objectives. Proper communication builds relationships, improves policy development and enhances the design and delivery of services and programmes
6. The PSAs and the VCS have different forms of accountability and can be answerable to a different range of people and organisations. Common to both is the need for selflessness,

- integrity, accountability, openness, honesty, value for money, and leadership
7. That the principles detailed in the Funding, Commissioning and Procurement Code of Good Practice, and current and subsequent agreed Leicestershire Compact Leicestershire codes and guidance, are adhered to by both VCS and PSA signatories
 8. Voluntary and Community organisations are entitled to campaign within the law in order to advance their aims
 9. The PSAs and the VCS recognise the need to allocate resources to voluntary and community organisations. These resources include funding advice and other support and they are important elements of the relationship
 10. There is recognition (and support) that the VCS (and social enterprises) will follow Full Cost Recovery practice when tendering and contracting with PSAs
 11. That an agreed period of a minimum of three months notice, in advance, is given by PSAs to all VCS organisations that will be effected by any change, cessation, or review of existing, current or awarded contracts, grants, agreements or support, including accommodation assets, except where there is a previously defined end date
 12. That National Indicator 007 (A vibrant, diverse, and independent third sector) is a central measure of the success of Compact Leicestershire
 13. No Compact Leicestershire signatory should fear or be subject to sanctions should a failure of compliance (real or perceived) be challenged
 14. That the Compact Leicestershire principles detailed above are written into contracts with the VCS

7) Undertakings by Signatories of Compact Leicestershire

Leicestershire Countywide Public Service Agencies

PSA Complementary Roles

- To work with the VCS to make information and services to the community accessible
- To recognise and support the VCS's ability to access external resources that meet shared objectives
- To support the VCS in developing its resource base to enable it to effectively engage in policy development, strategic activities and partnership working
- To recognise that many of the outcomes that the VCS achieve are qualitative in nature and can also be evidenced

Recognition

- To recognise the VCS's ability to identify and articulate a diverse range of individual and community needs and its value in encouraging people to be involved in community life
- To recognise the added value brought by volunteers to the quality of services to the community
- To recognise that the relationship between the VCS and PSAs will evolve

Funding and Accountability

- To develop funding measures to ensure resources meet agreed priorities and secure continuous improvement
- To develop within PSAs and with external funders, co-ordinated approaches to funding voluntary and community organisations to ensure the most effective and efficient use of public money including taking into account the wider community benefits at the award stage or when identifying procurement needs
- To work with the VCS to develop a framework that will ensure openness in funding and to apply monitoring and accountability systems in proportion to the amount and purpose of funding
- To recognise the value of long term contracts to the VCS when making decisions as to contract length. To ensure (where appropriate) that contract agreements are for a minimum of three

years funding. Exceptions such as research contracts may be shorter.

- Advocate that prime and sub-contractors and all other public and private bodies distributing public money work within Compact by making it a requirement of funding arrangements
- Apply the Compact when distributing European funding. Where conflicts arise with European regulations, discuss the potential effects and possible solutions with the VCS organisations

Policy Development and Consultation

- To involve actively and consistently the VCS in timely and efficient ways in the planning and development of policies and services
- To work with voluntary and community organisations to enable them to engage more effectively with, and, represent the interests of all groups
- To work with the VCS to ensure that effective and appropriate VCS and community representation is involved at committee and board level
- Identify implications for the VCS when assessing the impact of new policies, guidance and efficiencies
- Conduct 12-week formal written consultations, with explanation given for shorter time-frames

Good Practice When Working Together

- To communicate with the VCS on how PSAs and VCS organisations can work better together
- To respond appropriately to issues raised by the VCS through this open dialogue
- To incorporate appropriate elements of the Equalities Bill (Act) into Compact Leicestershire working and link this with the work of the Leicestershire Together Equalities and Diversity procedures and mechanisms

How the PSAs will demonstrate commitment to Compact Leicestershire

- To reinvigorate Compact working arrangements and allocate appropriate resources to put in practice the commitments in Compact Leicestershire, including the establishment of Compact Leicestershire Champions
- To promote the understanding of Compact principles and undertakings within signatory PSAs, ensuring a driven corporate commitment throughout

Leicestershire Voluntary and Community Sector Organisations

VCS Complementary Roles

- To support PSAs in developing mechanisms to effectively engage with and consult communities, achieving efficient, effective targeted public services and support
- To recognise the value of working together and the different strengths that the PSAs and the VCS can bring to the Compact Leicestershire relationship
- To acknowledge that PSAs compliment the work of the VCS by providing resources, structures, accountability, access to information and expertise and support
- Through umbrella organisations, support local groups, policy development, capacity building (including tendering capacity) and partnership working
- To recognise that PSAs have a duty to record and report against agreed targets and national indicators and that contracts awarded to VCS organisations will include a duty to monitor and report to the awarding PSA - move to recognise

Recognition

- To recognise the commitments made by PSAs to involve, consult, resource, and support VCS organisations
- To recognise that the relationship between the PSAs and the VCS will evolve

Funding and Accountability

- To ensure the most effective and efficient use of funding for the benefit of service users ensuring value for money
- In relation to funding received from PSAs, to demonstrate accountability to them and service users
- To comply with the law and, where necessary, appropriate guidance from the Charity Commission

Policy Development and Consultation

- To work together with PSAs to ensure effective representation and consultation takes place at community, committee and board levels
- To provide a voice for communities in Leicestershire to influence policy for the provision and delivery of services
- Accept that, in rare cases, consultations may need to take place in shorter time-frames than 12 weeks

Good Practice When Working Together

- To develop and promote beneficial working relationships with PSAs, within the VCS and particularly with marginalised or disconnected groups and communities
- To involve service users in the development and management of activities and services
- To be open and transparent in all dealings with PSAs and other VCS organisations
- To give a clear idea of the VCS capacity for involvement when working together with a PSA
- To incorporate appropriate elements of the Equalities Bill (Act) into Compact Leicestershire working and link this with the work of the Leicestershire Together Equalities procedures and mechanisms
- To review the Compact Leicestershire Action Plan on an annual basis

How the VCS will demonstrate commitment to Compact Leicestershire

- To reinvigorate Compact working arrangements and allocate appropriate resources to put in practice the commitments in Compact Leicestershire including the establishment of Compact Leicestershire Champions
- To promote understanding and compliance throughout signatory VCS organisations of the commitments in Compact Leicestershire and how they are to be put into practice

8) How will it be known if Compact Leicestershire is working?

All partners in the development of Compact Leicestershire want to see the following outcomes between the VCS and the PSAs:

- Increase understanding
- Better communication
- Better consultation processes and procedures
- Increased joint planning and policy initiatives
- Greater VCS engagement in consultation exercises with regard to efficiency savings, funding arrangements, procedures and subsequent public service delivery
- Efficient information flow
- Better service delivery and value for money
- Establishment of Compact Champions in PSA and VCS organisations

In order to achieve these outcomes, an Action Plan will be prepared. This will:

- Incorporate appropriate elements of the Equalities Bill (Act) to ensure that an equality strand

- runs centrally through Compact Leicestershire
- Establish mechanisms to review and monitor the impact of Compact Leicestershire
 - Set out and establish a mediation and conciliation process
 - Increase awareness, sign-up and participation in Compact Leicestershire from PSAs and the VCS
 - Review Compact Leicestershire and the Action Plan annually to ensure that it reflects the needs of communities, PSAs and VCS organisations and is achieving what it set out to do
 - Outcomes will be measured against N1 007

9) Accessibility of Compact Leicestershire

Compact Leicestershire is available in a variety of languages and formats upon request.

10) Resolving Differences

It is proposed that the Action Plan will draw upon the Leicester City Compact 2008 process for arbitration in instances of Compact disagreement. This process follows a three-stage approach (Informal, Formal and Appeal) and will be overseen by a Dispute Resolution Subgroup of the Compact Leicestershire Steering Group

Disagreements over meeting the Compact Leicestershire principles, and undertakings should be resolved, amicably and informally, between partners through open dialog and negotiation before they escalate.

Where issues are not covered in the principles and undertakings, compromise and discussion should be based upon the principles and undertakings.

The Action Plan will detail how the resolution mechanism will be established and driven

11) Compact Leicestershire Action Plan

The Action Plan will be developed following the full consultation of the Leicestershire Compact Leicestershire draft

The existing local Codes of Good Practice and Guidance documents that have been developed over the past seven years will be incorporated into the Action Plan

Glossary of terms found within Compact Leicestershire

NI 007: Environment for a thriving third sector

A vibrant, diverse, and independent third sector is a vital component of a fair and enterprising society. It can help communities to be more cohesive and inclusive, and help individuals to have more say over issues that affect them. In addition, the third sector can help local statutory agencies to address a wide range of community concerns. These issues range from strengthening community cohesion, to increasing environmental sustainability, to tackling many of the causes and consequences of social and economic disadvantage. Local statutory agencies can be influential in shaping the environment in which independent third sector organisations operate. This could be, for example, through their approaches to partnership working, consultation, funding relationships, or in the way that they commission and procure services. Sometimes this influence will be direct and specific, other times diffuse and broad. Taking account of these influences, this indicator is designed to capture the overall contribution made by local statutory agencies to the environment in which third sector organisations operate.

PSA

Public Service Agency. This term is used to describe statutory bodies that have a public service function. For example: Leicestershire County Council, District and Borough Authorities, Police, Primary Care Trusts and the National Health Service, Fire and Rescue Service and the Ambulance Service.

VCS

Voluntary and Community Sector. Often referred to as the Third Sector in government and public service agency publications and literature. The VCS includes registered charities, as well as non-charitable, non-profit organisations, associations and self-help groups and community groups. Must involve some aspect of voluntary activity, though many are also professional organisations with paid staff, some of which are of considerable size. Community organisations tend to be focussed on particular localities or groups within the community; many are dependent entirely or almost entirely on voluntary activity.

Local Strategic Partnership

A Local Strategic Partnership (LSP) is a partnership that brings together organisations from public, private, community and voluntary sector in a local authority area. The key objective of the LSP is to improve the quality of life in that area.

Because an LSP is locally based, the community are well placed to influence its decision-making. This provides the community with the opportunity to have their say on what services should be provided to meet their needs.

Value for Money

Value for Money (VfM) is the term used to assess whether or not an organisation has obtained the maximum benefit from the goods and services it acquires and/ or provides, within the resources available to it. It not only measures the cost of goods and services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness and convenience to judge whether or not, when taken together, they constitute good value. Achieving VfM may be described in terms of the 'three Es' - economy, efficiency and effectiveness.

Compact

Nationally established in 1998 and refreshed in 2009, the Compact is an agreement between Government and the voluntary and community sector in England. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work together. Although the Compact is not legally binding and is built on trust and mutual goodwill, its authority is derived from its endorsement by government and by the voluntary and community sector itself through its consultation process.

Commissioning

Commissioning means securing the services that most appropriately address the needs and wishes of the individual service user, making use of market intelligence and research, and planning accordingly.

Partnership

An understanding that brings together two or more organisations in a joint venture such as the delivery of a public service, the implementation of a programme or the development of policy. It can also refer to the group of organisations that come together to discuss strategic activities (see LSP)