

The Richmond upon Thames Compact

A vision and framework for improving the relationship between the Voluntary and Community Sector and the Statutory Sector in Richmond upon Thames

1. Introduction

In 1998 the Government published its first “Compact” with the voluntary sector. This Compact is a written understanding between the two sectors as to how they should behave towards each other to ensure a mutually beneficial relationship exists.

In response to this central Compact, local authorities were encouraged and started to agree Compacts with their respective voluntary organisations, with the Council, Primary Care Trust and Richmond CVS agreeing the first Compact in 2002, set out in appendix 1. However, since then the policy and service delivery environment in which both sectors operate has changed, and whilst the original tenets stated in our current Compact still apply there is a recognition in both sectors that, like any policy, service or partnership, the Compact cannot stand still. Its use needs to be embedded and the commitments it contains monitored.

Like many others, Richmond’s Compact sets out a series of commitments by which the signatories would abide. It sets out both shared principles and sector specific commitments. These commitments are still applicable and those original signatories are still committed to the principles they contain. However, there are areas that are missing from the Compact around equalities, diversity and volunteering that this document seeks to address.

The other element seen to be missing from the Compact is a robust framework around which the relationship between the sectors could be monitored and any necessary changes to policy or procedure actioned. A lack of a review framework prevents the Compact from keeping up to date with changes in policy such as boosting the voluntary sector’s involvement in commissioning for public service delivery, whilst also retaining grants to support voluntary and community activity. A framework for improving the relationship between the sectors will allow these issues to be debated and discussed and actions created to ensure policies and services address the needs of the community most effectively.

Therefore this document sets out a vision and framework which aims to improve the working relationship between the voluntary sector and the statutory sector. This will not change those commitments made by both sectors within the original Compact rather it will build on them and provide a framework for a more open and honest dialogue that is backed up by actions from all partners.

Outlined within this document is a shared vision for the relationship between the voluntary and statutory sectors, a framework for discussion and debate and an action planning process.

2. Purpose

The purpose of this framework is to provide an agreed mechanism by which the relationship between the voluntary and statutory sectors can be developed and strengthened. Whilst the shared principles and vision are important it is the framework that enables actions to be developed and implemented to ensure not only that the relationship between the sectors is enhanced but also that the sectors are able to work effectively together to meet any new challenges that arise.

Effectively the framework not only provides a system to improve the relationship but also places the Compact and its principles more securely within the borough's strategic partnership frameworks ensuring that the sector is more closely involved in strategic decision making.

3. Status

This framework for improving the partnership between the sectors is a voluntary agreement between those organisations that have signed up to it. Partners are committed to complying with this Compact but recognise that situations can arise where this is not possible. In such instances, discussions will take place between them to find a way forward. Its legitimacy is derived from the status given to it by the signatories. This collective ownership of the values and principles and the commitment to monitor and implement actions to improve the relationship between the sectors is what gives the framework its force and status within the borough.

Accountability for the framework will rest with the Local Strategic Partnership. However, each organisation will be accountable for any actions agreed following debate raised within the framework. The framework will also be scrutinised through overview and scrutiny committees. The monitoring and accountability for the framework is outlined later on in this document.

4. To which organisations is this framework relevant?

The framework is relevant to all organisations that operate in the borough within both the Statutory Sector and the Voluntary and Community Sector. Within this document the voluntary sector refers to the full scope of not for profit organisations operating within the borough. Whilst they may differ in size, they all share a common characteristic that they were formed by people coming together independently in order to improve the quality of life for people within the borough. The statutory sector is all those organisations that are funded directly by tax payer's money such as the local authority and the Primary Care Trust.

The aim is to ensure that all members of the Local Strategic Partnership are signed up to the framework and support the need to build a strong relationship between the Sectors. However, all Voluntary and Community Sector Organisations will also have the opportunity to sign up to the Framework and show their support for this agreement. This can be done via a web based pledge form on the council's website.

A shared vision and principles

Our vision for the relationship between the voluntary and statutory sector

Our vision for the relationship between the third sector and statutory sectors is for it to be open and honest, with the unique and independent nature of the voluntary and community sector recognised by their statutory partners who listen to and involve them in the development of new policies and services to ensure they meet the needs of the community.

This excellent relationship between the sectors means that Richmond upon Thames has a vibrant voluntary and community sector that not only supports the statutory sector in delivering services through both grants and contracts, but also acts as a critical friend – challenging where necessary to ensure the needs of their service users are understood without fear that funding or contracts will be affected.

This open and honest relationship also means that the sectors recognise the different challenges faced by each sector and that this can sometime lead to difficult decisions. However, these decisions are made with the active participation of both sectors and allow for the impacts of any challenges to be minimised.

For any relationship to grow and prosper there needs to be some shared values and principles on which to base the relationship. Outlined below are those shared values and principles that all partners will support in order to ensure that there is integrity, accountability, openness and honesty when organisations are working together. These build on and are in addition to the shared principles set out in the current Compact.

- **The need for a strong and sustainable voluntary and community sector**
- **Having mutual respect for each other and respecting independence**
- **Recognising diversity and equality**
- **Recognising the value of partnership working**
- **Recognising of the different legal, financial and political frameworks within which organisations operate**
- **Minimise the impact of their activities on the environment**
- **Recognising the important contribution of volunteers**

1. The need for a strong and sustainable voluntary and community sector

All partners recognise that a strong and sustainable third sector is a key part of our community, delivering support to a wide range of individuals and communities and

that all organisations have a responsibility for ensuring the sector remains a strong and active partner.

To support this, the statutory sector recognises the need for on going investment in the infrastructure that supports the voluntary and community sector within the borough in order to build strong, cohesive and involved communities. The statutory sector also recognises the unique contribution local service providers bring to a community and agree to ensure that that the value of this contribution is effectively assessed when commissioning services.

In turn, the voluntary and community sector recognises the need to take responsibility for developing their own capacity and improving services by:

- working collaboratively with other voluntary sector organisations to increase impact and efficiency of services;
- adhering to good practice in relation to public accountability; and
- ensuring sound management and governance structures are in place

2. Having mutual respect for each other and respecting independence

Mutual respect means that all partners' views are equally important and valid, whilst recognising the distinct but complementary roles of each partner. In particular partners must recognise and support the independence and special contribution of the voluntary and community sector regardless of funding, recognising the sector's right to lobby and provide constructive criticism without sanction.

It is also recognised that there are a variety of approaches that can be used to address the issues within the borough and achieve positive outcomes for the communities we support. Each sector brings its own range of approaches with their own distinctive strengths and advantages which, as long as they continue to achieve identifiable results, should not be seen as being superior to the other in securing improvements.

3. Recognising diversity and equality

Partners recognise that within Richmond upon Thames there is a diversity of communities and that fairness, accessibility and inclusion must underpin all aspects of partnership working. All partners need to recognise their responsibility to actively promote equal opportunities and inclusion for all people regardless of race, age, class, employment status, disability, gender, marital status, sexual orientation, ethnic background, religion, social and economic status and community services and activities. All organisations will, therefore, undertake positive action to:

- promote equalities and take account of diverse needs;
- use the qualities and skills that exist across the sectors to promote equalities and diversity;
- develop an inclusive approach to enable opportunities for anybody to participate;
- ensure the safety and protection of those using or involved in statutory, voluntary and community services;
- Support the involvement of all minority groups in the development of policies and services.

4. Recognising the value of partnership working

Partnership working has proliferated in recent years, frequently as a direct result of government policy, but also as means of delivering improved outcomes locally. However, it is recognised that working in partnership is a major challenge for both sectors and in particular for the third sector where lack of resource and capacity can hinder their full involvement in partnerships. In order to ensure that partnerships work effectively all partners:

- Recognise the value of working in partnership and that where ever possible they should seek to develop common goals, aspirations and objectives and agree actions to deliver progress.
- Will seek to be inclusive of other organisations when developing policy or services that will have an impact on their work, and ensure that representation is appropriate. For example, where there is a bid for external resources all relevant partners should be included at all stages of the bid.
- Will ensure that no group dominates a specific partnership and all organisations will seek to develop good working relationships with each other.
- Will share best practice and inform each other of their key priorities. They will also look to provide advance notification when policies are going to be developed or where existing policies are to be amended to allow all partners to engage and comment.

5. Recognising the different legal, financial and political frameworks within which organisations operate.

All partners recognise the different legal, financial and political responsibilities within which separate organisations operate. Because of these different frameworks organisations often have to make difficult decisions that can have considerable impact. Therefore all organisations agree to act openly, unless restricted due to legal and financial regulations, during the development of policy options and in the decision making process, involving those organisations directly affected where ever possible.

Local partnerships also recognise that the representatives of the voluntary and community sector on these partnerships should be selected by the sector, where possible through election. These representatives would then have a duty to reflect the views of the sector and to report back to the sector.

In particular both sectors need to recognise the financial restrictions within which they each operate. The statutory sector recognises the need for greater financial security for the voluntary and community sector. Longer term funding to support more effective service delivery and the need for prompt payments of any funding are essential to a strong and active voluntary sector. The statutory sector must also recognise that in order to maintain good financial planning they proper notice is required, unless related to performance, before funding is to be reduced or removed to ensure that alternative funding can be sourced.

In turn the voluntary sector must recognise that the statutory sector faces significant pressures on budgets from central government. There is an increasing need to find savings and efficiencies within budgets and decisions on funding are made against this as well as the need to focus resources on identified need and shared priorities.

All partners also recognise the legitimate representative role of elected members, their decision making and democratic responsibility to set priorities for services within available resources and a context of sound prudent stewardship of public money.

6. Minimise the impact of their activities on the environment

Climate change is recognised as a real problem facing communities and that whilst the problems are global local action can start to make a difference. In 2006 the council signed the Nottingham declaration which pledges the authority to actively tackling climate change and work with others to reduce emissions through out the borough. To ensure this happens across the borough both the statutory sector and voluntary sector acknowledge they have a role to play in combating climate change and agree to try and reduce their impact on the environment wherever possible.

7. Recognising the contribution of volunteers make to our community.

All organisations recognise the significant contributions to improving the quality of life within the borough that are made by volunteers. Majority of volunteers do not volunteer for personal recognition but because they care for the well-being of their fellow citizens and welcome the opportunity to put something back into their communities. Therefore high levels of volunteering should be seen as indicators of healthy and active communities, with a good quality of life and as a significant contribution to the social capital of the borough. Therefore it is agreed that:

- all organisations will ensure that volunteering is safe for volunteers and that they are given proper support, training, management and they need to be involved effectively;
- the correct checks are undertaken when any volunteer works with children or vulnerable adults;
- all organisations seek to increase the diversity of their volunteer workforce and ensure that opportunities are open to everyone in the community regardless of race, gender, sexuality or disability;
- any barriers to volunteering are adequately addressed by both sectors
- the statutory sector will not use volunteers to undertake work that should be undertaken by paid staff;
- all organisations to have a role in promoting the benefits of volunteering.

8. Supporting local service delivery

The way local public services are being delivered is changing. More services are being commissioned by the statutory sector and with the introduction of policies, such as Self Directed Support, there will be increasing levels of choice amongst the general public in who meets their requirements and how they are met. Partners will therefore strive to involve voluntary and community organisations in the development of policy including the Local Area Agreement, Local Strategic Partnership, Community Strategy and the development of services. To support this all partners will seek to ensure that voluntary and community groups know what these policy processes are and how to get involved.

To deliver this all partners recognise the importance of having a strong local voluntary sector as a key element in delivering a greater choice of services within our community, and that the benefits of local services being delivered by locally based organisations will be taken into account within the commissioning process.

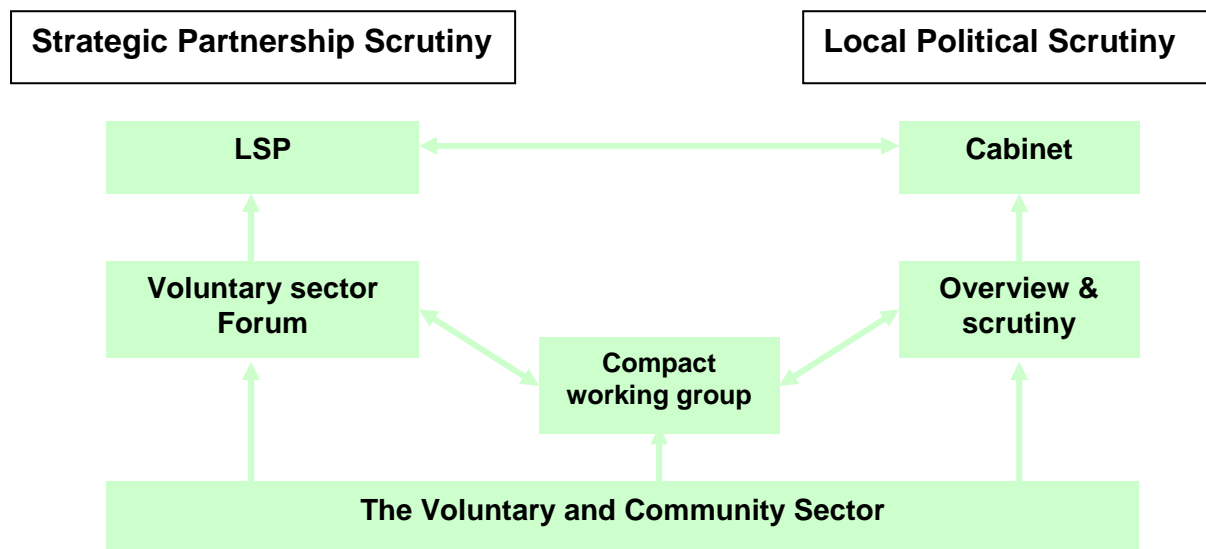
All partners also support the use of full cost recovery within the commissioning process to ensure that the full and actual cost of delivering a service is provided and the voluntary sector is not perceived as a low cost alternative.

A Framework for improving the relationship between the voluntary and statutory sectors

Outlined in this section is a framework for scrutinising the relationship and ensuring there is an open and honest dialogue between the sectors that leads to improvement.

The framework for scrutinising this relationship needs to sit at two levels within the borough. The first element is the need for scrutiny across the statutory sector. The relationship between the VCS is not solely with the local authority and the PCT. Whilst they will always be key organisations that work with the voluntary sector other organisations represented on the Local Strategic Partnership (LSP), such as the Police, Adult colleges and the LSC, also work with the voluntary sector in Richmond and therefore need to be involved in the scrutiny of the relationship between the two sectors in the borough.

The second element to the scrutiny of the relationship will be through the local authority. As representatives of the community, councillors have the duty to examine local policies and ensure that both the local authority and its partners are meeting their commitments to the sector and vice versa. This function will be carried out through existing overview and scrutiny functions which have the ability to call in local policies for debate. The structure below outlines where the Compact will sit within both the local political framework and LSP.



Monitoring and improving the relationship through the framework.

This framework for monitoring the relationship between the voluntary and statutory sector will ultimately be the responsibility of the Local Strategic Partnership. As the key partnership body within the borough it has the necessary status to be able to implement the necessary actions to ensure a relationship with the voluntary sector that meets the needs of both sectors but more importantly the needs of the community.

However, the LSP itself cannot undertake the monitoring and necessary action planning needed to develop the relationship. Therefore the necessary action planning

will be undertaken by a working group of officers from the key organisations signed up to the Compact and Framework. This working group will:

- set actions to deliver improvements to the relationship between the voluntary and statutory sectors in the borough;
- facilitate the implementation of any actions and good practice within both sectors;
- report annually on the relationship and the actions undertaken to improve the relationship.

Whilst this working group will develop the necessary action plans and reports on the relationship it will need to ensure that these address the key concerns of both the voluntary sector and the statutory sector. This will be done primarily through the Voluntary Sector Forum, which is a sub group of the LSP. The Forum will discuss the key issues for the sector and where these issues need to be addressed strategically by the LSP then they will become part of the action plan.

The Compact working group has responsibility for reporting back to the Overview and Scrutiny Committees, when requested, on the relationship between the voluntary sector and statutory sectors and any progress that has been made.

The Voluntary Sector Forum will report annually to the LSP on the state of the relationship between the sectors and on the actions taken to ensure the relationship is working towards the shared vision highlighted earlier in this document.

The action plan would be developed and agreed on an annual basis to ensure that actions have been undertaken and implemented by partners. New actions could also be proposed at this stage to ensure that any new challenges, issues or good practice can be introduced into the action plan.

Resolution of disagreements

But the framework is not meant to be a process by which specific issues between two organisations should be debated and resolved. The framework is about addressing issues that face the relationship between the sectors, it is there to take key issues and concerns from either sector and debate these and work up actions to address them. Issues between organisations need to be addressed between those organisations within the existing agreements or contracts that they have with each other.

Therefore disagreements on specific contracts, Service Level Agreements or tenancies will need to be addressed between organisations. These are legal issues and the compact has no force in relation to these. However, the general issues arising from these disagreements would need to be discussed within the framework and actions agreed as to how these problems might be avoided in future.

However, all organisations who have signed up to the Compact should work to the principles set out within the compact and towards the vision set out within this framework. Signatories will also agree to abide by any codes of practice or guidance developed as part of this framework. By abiding by these principles the relationship between the sectors should work towards the vision set out at the start of this document.

The Compact Working Group

The Compact Working Group will be composed of a core membership of the London Borough of Richmond upon Thames, the Primary Care Trust and Richmond CVS. Representation from the council will include at least one councillor. The membership of the group will also include three voluntary sector representatives from the Voluntary Sector Forum. These three members will be elected by members of the Voluntary Sector Forum each year to ensure a rotation of views and representation. The group will meet on a quarterly basis to review progress against actions and to assess key issues raised by either sector that will have an impact on the relationship.

Appendix 1: Richmond's Compact

SHARED PRINCIPLES

The shared principles underpinning the Compact are:

- Voluntary action is an essential component of democratic society.
- An independent and diverse voluntary sector is fundamental to the well-being of society.
- In the development and delivery of policy and services, the statutory and voluntary sectors have distinct but complementary roles.
- There is added value in working in partnership in pursuing common aims and objectives.
- The statutory and voluntary sectors have different forms of accountability and are answerable to a range of stakeholders. Common to both is the need for integrity, objectivity, openness, honesty and leadership.
- Voluntary organisations are entitled to campaign within the law to advance their aims.
- Successful partnerships will be based on equal rights and responsibilities, mutual respect and recognition of difference as well as similarity of purpose.
- Both the statutory and voluntary sectors acknowledge the importance of promoting equality of opportunity for all people, regardless of race, age, disability, gender, sexual orientation or religion.

CONSULTATION & INVOLVEMENT

STATUTORY SECTOR

The statutory sector undertakes to:

- Ensure the voluntary sector is given the opportunity to participate in the development of policy and strategic planning - setting out principles in a Compact code of practice on consultation and policy appraisal.
- Involve the sector at an early stage in the planning and review of relevant service provisions.
- Subject to issues of urgency, sensitivity or confidentiality, to consult the voluntary sector at an early stage on all issues of relevance to it. Such consultation should be timely and allow reasonable time scales for response, taking account of the possible need to consult service users, stakeholders or volunteers. In particular, to consult the voluntary sector when new roles and responsibilities for the sector are being proposed.
- Support the role of CVS and other umbrella bodies in facilitating consultation and to have regard to the resource implications of consultation.
- Provide adequate and timely feedback on the voluntary sectors contributions.
- Be willing to consider representations made by the voluntary sector before reaching decisions.
- Ensure that the voluntary sector is appropriately represented on public boards, agencies, working groups etc.
- Look at relevant new policies and procedures, particularly at the developmental stage, and identify implications for the voluntary sector.
- To respect the confidentiality of certain voluntary sector information.
- To recognise and support the independence of the sector, including its right to comment and campaign on issues, while acknowledging that this may conflict with statutory agencies' plans.

CONSULTATION AND INVOLVEMENT

VOLUNTARY SECTOR

The voluntary sector undertakes to:

- Promote effective working relations within the voluntary sector and between it and the statutory sector.
- Ensure that stakeholders are informed and involved in consultation as appropriate.
- Ensure that the views expressed by stakeholders as a result of consultation are reported accurately in the responses made to the statutory sector.
- Maintain an independent and constructively critical perspective to provide feedback on service and planning processes to the statutory sector.
- Observe the appropriate guidance from the Charity Commission/Registrar including those guidelines relating to political activities and campaigning.
- Campaign to improve practice, policy and services.
- To respect the confidentiality of certain statutory sector information.

RESOURCES

STATUTORY SECTOR

The statutory sector undertakes to:

- Work in partnership with the voluntary sector to develop policies and practices about providing resources against clear and consistent criteria.

- Encourage fair access to funding by ensuring:
 - clarity of programme aims, purpose and relationship to statutory sector policy
 - objective criteria
 - information on actual or likely amounts of funding available
 - transparency in allocating funding.

- When funding voluntary organisations to ensure that consideration is given to the provision of reasonable core costs to support the funded service.

- Operate funding arrangements that encourage effective long term planning by appropriate organisations and give adequate advance notice before making significant changes to the funding position.

- When developing commissioning strategies or undertaking Best Value review procedures to give positive consideration to the potential for the voluntary sector to undertake work in appropriate areas.

- Consult the voluntary sector about the financial implications when new roles and responsibilities for the sector are being considered.

RESOURCES

VOLUNTARY SECTOR

The voluntary sector undertakes to:

- Maintain high standards of governance, conduct and openness.
- Meet legal, reporting and accounting obligations to funders and other stakeholders.
- Implement policies that promote best practice and equal rights in activities, employment, involvement of volunteers and service provision.
- Adopt core quality standards appropriate to the organisation and to the services provided.
- Involve service users and other stakeholders such as carers in the development and management of services.
- Diversify its funding base and avoid reliance on any single source of funding.
- Explore ways in which resources within the sector can be shared and maximised.
- Acknowledge that the statutory sector is often legally required to secure the most appropriate services to meet local needs; that they must give priority to meeting statutory obligations and that they are publicly accountable for all resources they allocate.