

Agenda Item No.7 (a)

DERBYSHIRE COUNTY COUNCIL

CABINET

10 January 2017

Report of the Chief Executive

DERBY AND DERBYSHIRE COMPACT

1. Purpose of the Report

To seek approval to consult on the draft refreshed Derby and Derbyshire Compact.

2. Information and Analysis

The Derbyshire Compact was originally developed by the County Council and the voluntary and community sector and was approved by Cabinet in February 2003. The Derbyshire Compact built on the national Compact and gave a local focus to relations between the statutory sector bodies and the voluntary and community sector within the county. The Derbyshire Compact's key aim was to create a truly equal and fair relationship between the voluntary and community sector and local bodies.

The statutory sector and voluntary and community sector share a common set of principles, which are at the heart of what both are ultimately trying to achieve. These principles make it clear that the Compact is a way of working that can help deliver real outcomes and improvements for people and communities.

Since 2003, other key statutory partners have become more involved, signing up to the principles and embracing the same Compact agreement. The Compact has developed over a number of years with similar arrangements being developed locally across Derby City. There are now robust structures and processes in place for voluntary and community sector engagement.

Given the increased levels of joint working across Derbyshire and the developments that have taken place since the original Derbyshire Compact was approved in 2003, a joint Derbyshire Compact Refresh Task Group, consisting of representatives from both the statutory and voluntary sector was established to refresh the Derbyshire Compact taking into consideration local need and circumstances.

The refreshed Compact, which is now attached at Appendix A for consideration, builds on the previous work undertaken in Derby and Derbyshire and is the result of collaborative work which takes best practice from both Compacts. Moving forward Derbyshire and Derby City have agreed to work together to ensure alignment with new commissioning structures currently in place, which include Clinical Commissioning Groups, the Police and Crime Commissioner and the Local Enterprise Partnerships.

The draft refreshed Compact is more detailed than the original version which was underpinned by the five good practice guides produced nationally. The document lists the commitments for both the statutory sector and voluntary sector under the following themes:

- Involvement in policy development
- Allocating resources
- Advancing equality

The draft refreshed Compact is also being considered by Derby City Council and it is proposed that the draft document now go out for consultation for a period of 12 weeks. The consultation will be published on both Derby City Council's and Derbyshire County Council's websites and will be widely circulated to the voluntary sector and partners. Once completed, all feedback from the consultation process will be used to inform the final agreed version of the Derby and Derbyshire Compact which will subsequently be brought back to Cabinet for approval.

4. Social Value Considerations

A key priority for the Council is to develop and maintain good relationships and partnerships with the voluntary and community sector to ensure that there is a strategic contribution from the sector into the work of the Authority. The main aim of the Derby and Derbyshire Compact is to strengthen communities and improve people's lives. This can be achieved by the statutory sector working smarter with voluntary and community sector organisations who both share a common goal of providing services that meet the needs of local people. It is an expression of the commitment of the sectors to work in partnership for the benefit of society and to support voluntary and community activity.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered; legal, financial, equality and diversity, prevention of crime and disorder, environmental, human resources, health, property and transport considerations.

6. Background Papers

Draft Derby and Derbyshire Compact
Derbyshire Compact 2003

7. Key Decision

No

8. Call-in

Is it required that call-in be waived for any decision on this report? **No**

9. Officer's Recommendations

It is recommended that Cabinet:

1. Note the development of the draft refreshed Derby and Derbyshire Compact for consultation.
2. Receives a further report regarding the Compact following consultation with relevant stakeholders.

The Derby and Derbyshire Compact

Compact on Relations between the Statutory Sector and
Voluntary and Community Sector in Derby and
Derbyshire

**Derby City and
Neighbourhood Partnerships**



**Compact
voice**

Version	Date	Comments	Author
V0.4	8 December 2016	Draft for consultation	Compact Refresh Task Group

Aim

The main aim of the Derby and Derbyshire Compact is to strengthen communities and improve people's lives. This can be achieved by the statutory sector working smarter with voluntary and community sector organisations who both share a common goal of providing services that meet the needs of local people. It is an expression of the commitment of the sectors to work in partnership for the benefit of society and to support voluntary and community activity.

Case Study of Good Practice

To be added

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Contents – will be more detailed when the document is finalised

1. What is a Compact?
2. How this can support your work.
3. History of the Compact in England and Derbyshire.
4. Main principles and accompanying commitments from the statutory and voluntary and community sectors.
5. A brief action plan for promotion; awareness raising, points of contact, organisational champions and review.
6. What to do if things go wrong.
7. Pledge and sign up.

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1. What is a Compact?

The Compact outlines the relationship between the statutory sector and voluntary and community organisations allowing them to work together more effectively. The statutory sector and voluntary and community sector share a common set of principles, which are at the heart of what they are trying to achieve. These principles make it clear that the Compact is a way of working that can help deliver real outcomes and improvements for people and communities. These principles have been created to help the statutory sector and voluntary and community sector build relationships and work together effectively in partnership.

The Compact's commitments put these shared principles into practice. They provide the framework for local Compacts, which can tailor the national Compact to reflect distinctive local issues and partnership agreements.

The shared principles of Derby and Derbyshire Compact Partners are:

Respect: Statutory partners and the voluntary and community sectors are accountable in different ways, but both need to act with transparency and integrity. Effective partnerships are built on mutual understanding and an appreciation of the differences between partners of the Compact.

Honesty: It is only through open communication that strong partnerships can be built and maintained. Full and frank discussions should be the basis for resolving difficulties.

Independence: The independence of the voluntary and community sector is recognised and supported. This includes its right within the law to campaign, to comment on and to challenge Government policy (whatever funding or other relationship may exist with the Government) and to determine and manage its own affairs.

Diversity: The statutory and the voluntary and community sector value a thriving civil society, which brings innovation and choice through a multitude of voices.

Equality: Fairness for everyone, regardless of their background is a fundamental goal, and the Government and the voluntary and community sector will work together to achieve this.

Citizen empowerment: By working together the statutory sector and the voluntary and community sector can deliver change that is built around communities and people, meeting their needs and reflecting their choices.

Volunteering: The energy and commitment of people giving their time for the public good contributes to a vibrant society, and should be recognised and appreciated.

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2. How can this support your work?

The Compact framework is designed to:

- Support good relationships between voluntary and statutory partners.
- Support integrated working across all services.
- Help make funding arrangements clear and fair to all.
- Assist voluntary organisations with future planning of services
- Help focus on better outcomes for individuals and communities.
- Enable smarter use of scarce resources both money and time.
- Share good practice.
- Promote inclusion and equality.
- Encourage clear communication.
- Offer support and assistance if things go wrong between the sectors.

3. History of the Compact in England and Derbyshire

The first national Compact was launched by the Government in November 1998. Following this a set of accompanying codes of good practice were published in 1999 which aimed to clarify how the Compact could be applied. Since then local areas developed their own local Compacts using the national version as a guide. Today there are local Compacts in nearly every local authority area.

The national Compact was then refreshed in 2009 with the set of codes adapted into a list of principles. The latest version was published at the formation of the Coalition Government in December 2010, to reflect changing policy developments. This version was shorter and more focused and aimed to create the right environment for partnership working. It was also backed by a set of accountability and transparency measures outlined in a new guide.

The Derby Compact was first developed in 2001 by Derby City Council in partnership with the local voluntary and community sector. Derby City Partnership signed up on behalf of all partners in the statutory and voluntary and community sectors in the City. The Derby Compact Forum was launched in November 2003.

The Compact in Derbyshire was developed jointly with voluntary and community organisations and was agreed by Derbyshire County Council Cabinet in February 2003. The Compact Working Group was set up and other key statutory organisations in the county were approached with a view to embracing the same Compact agreement.

The Compact has developed over a number of years and there are now robust structures and processes in place for voluntary and community sector engagement throughout the county.

This refreshed document builds on the previous work undertaken in Derby and Derbyshire and is the result of collaborative work which takes best practice from both Compacts. It also aligns with the new commissioning structures now in place, which include the Clinical Commissioning Groups, Police and Crime Commissioner and D2N2 and Sheffield City Region (the Local Enterprise Partnerships). It also takes into account the emerging development of the North Midlands Combined Authority.

4. The Compact commitments

Involvement in policy development

1. When to involve?

Statutory sector commitments

1.1 Involve the voluntary and community sector (VCS) from the earliest stages of policy development, on all relevant issues likely to affect it, and inform the VCS of progress in developing policy, and discuss implications for the VCS of new policies, legislation and guidance.

2. Who to involve?

Statutory sector commitments

2.1 Identify and remove barriers which may prevent VCS organisations from contributing to policy development.

2.2 Encourage and facilitate responses from the full range of VCS organisations that are likely to have a view.

2.3 Support the development of VCS infrastructure organisations.

2.4 Recognise where there are costs to VCS organisations as a result of partnership work with the statutory sector and offer financial support on a clear and consistent basis.

3. How to involve?

Statutory sector commitments

3.1 Respect the independence of VCS organisations.

3.2 Give notice of forthcoming consultations so that organisations have enough time for VCS organisations to involve their service users, beneficiaries, members, volunteers and trustees in preparing responses.

3.3 Publicise consultation exercises widely and make sure they are accessible to the people they are intended to reach.

3.4 Use a variety of different consultation methods and explain the reasons for selecting them.

3.5 Explain which matters are open to change as a result of the consultation and which are not. Provide feedback to explain how respondents have influenced policy decisions, including where respondents' views have not been acted upon.

3.6 Conduct 12-weeks formal consultations, with an explanation given for shorter time-frames, and /or additional measures taken to support VCS groups to participate in the consultation.

3.7 Make VCS organisations aware of the consulting organisation's obligations under the Freedom of Information Act 2000. Where appropriate, protect the confidentiality of information that has been supplied by a VCS organisation for the consultation.

4. Effective involvement

VCS commitments

4.1 Involve service users, beneficiaries, members, volunteers and trustees when preparing responses to consultations.

4.2 VCS groups to actively engage in consultations that affect their service users and support their service users to participate in these consultations.

4.3 Give feedback on what information is presented to statutory sector partners and what the outcome is to everyone involved in responding to the consultation.

4.4 Be clear about whose views are being represented and what those views are.

4.5 Make sure all research and information that is presented is accurate, credible and reflective of a broad range of opinion.

4.6 Be aware of the consulting organisation's obligations under the Freedom of Information Act 2000. Where appropriate, respect the confidentiality of information that has been supplied by the statutory sector for the consultation.

4.7 Promote statutory sector consultations across the VCS, where appropriate.

4.8 Recognise that for a variety of reasons a 12 week period will not always be possible, in which case eight weeks for replies will generally be the minimum

Allocating resources

5. Planning

Statutory sector commitments

5.1 Plan new programmes and services with a focus on evidence-based interventions, providing scope for innovation wherever possible.

5.2 Work with VCS organisations to understand public service reform and support the sector in responding to changes.

5.3 Begin planning programmes and services well in advance of the expected start date, based on consultation with the VCS and other interested parties and stakeholders.

6. Choosing finance and funding options

Statutory sector commitments

6.1 Consider different ways of funding organisations working with the statutory sector and commissioning services. These methods could include grants, procurement, loan finance, training, use of premises or other in kind support. A clear rationale should be provided for the decision.

6.2 Ensure that the size and scale of the funding arrangement reflects the project's objectives and attracts those organisations best placed to deliver the required outcomes.

6.3 Advocate that prime and sub-contractors and all other public and private bodies distributing public money should be subject to the Compact.

7. Application and bidding processes

Statutory sector commitments

7.1 Ensure that funding opportunities including grant applications and tenders are:

- Publicised widely
- Proportionate to the nature of the risk and the amount of funding being allocated
- Contains enough information to allow organisations to make informed decisions.

7.3 Allow enough time for organisations of all sizes to apply, as well as for consortia and partnership working bids

7.4 Ensure guidance/information is provided about the bidding/application process.

7.5 Be clear about how bids will be assessed.

7.6 Consider advertising funding opportunities in smaller Lots to attract smaller organisations to apply.

8. Understanding costs

Statutory sector commitments

8.1 Recognise that where possible and appropriate, applications/bids can include Full Cost Recovery including relevant management and administration costs.

8.2 Accept the recovery of costs associated with volunteering, such as managing volunteers and reimbursing expenses.

8.3 Be consistent across sectors when requesting cost breakdowns from organisations.

8.4 Recognise that for new project/service relevant one-off start-up costs are necessary.

9. Making decisions

Statutory sector commitments

9.1 Commit funding for up to three years where this is possible and appropriate, considering financial pressures and uncertainty facing the statutory partners. If this is not the best way to deliver the best value for money, explain clearly what alternative funding arrangements could deliver the same outcomes.

9.2 Make funding decisions and when possible inform organisations at least three months in advance of the expected start date. Any departure from that time-scale should be justified and explained.

9.3 Provide constructive feedback to unsuccessful organisations.

10. Agreeing delivery terms

Statutory sector commitments

10.1 Discuss the risks to the project and agree delivery terms before a financial agreement is signed to ensure that delivery terms and risks are proportionate to the nature and value of the opportunity.

10.2 Agree a process for managing performance and responding to changing circumstances before signing a financial agreement.

10.3 All financial agreements should make reference to the Compact.

10.4 For grants, agree how under-spend will be managed.

11. Making payments

Statutory sector commitments

11.1 Make payments in advance of expenditure where there is a clear need and where this represents value for money. This may be particularly relevant for grants.

11.2 Make payments in a timely manner to ensure that VCS organisations receive money when they need it.

12. Monitoring and reporting

Statutory sector commitments

12.1 Discuss and agree how outcomes will be monitored before a contract or funding agreement is signed, and be clear about what monitoring is being requested, why, how it will be used.

12.3 Ensure that monitoring and reporting is proportionate and appropriate to the nature and value of the opportunity.

12.4 Consider how service users can be involved by getting their perspective of performance.

12.5 Aim to standardise monitoring and reporting arrangements and ensure that monitoring is consistently applied to organisations in all sectors.

12.6 If the project is encountering problems, discuss and agree a timetable of actions to improve performance before making a decision to end a financial relationship.

VCS commitments

12.7 Agree monitoring and reporting requirements before a financial agreement is made.

12.8 Recognise that monitoring, both internally and externally, is an element of good management practice and ensure that systems are in place to deliver the reporting required.

12.9 Give early notice to funders of significant changes in management, or financial or other risks.

13. Concluding a financial relationship

Statutory sector commitments

13.1 Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end funding and discuss the potential implications as early as possible with VCS organisations.

13.2 Where possible, give a minimum of three months' notice in writing when ending a funding relationship or other support and provide a clear rationale for why the decision has been taken.

13.3 Give organisations an opportunity to respond to the ending of funding and consider the response before making a final decision.

14. Contributing to planning

VCS commitments

14.1 Ensure representation of users, beneficiaries, members, volunteers and trustees when designing or reviewing programmes and services, and provide feedback to contributors about the outcomes of this

15. Making applications and bids

VCS commitments

15.1 Ensure they have a clear understanding of their reasons for applying and the opportunities and risks associated with the application for their organisation,

15.2 Be clear which organisation is the accountable body in partnership or consortia working arrangements.

15.3 Apply Compact principles when sub-contracting to other VCS organisations.

16. Agreeing delivery terms

VCS commitments

16.1 Be clear about the risks associated with delivering programmes and services, and highlight any concerns about delivery terms before a contract or funding agreement is signed.

16.2 Have appropriate governance arrangements in place and ensure that everyone involved understands and agrees to delivery terms.

16.3 Be clear about payment terms and, if appropriate, demonstrate why payment in advance is required.

16.4 Recognise that it is legitimate for funders to ask for public recognition of their funding.

16.5 Have appropriate systems in place to manage and account for finances.

17. When a financial relationship ends

VCS commitments

17.1 Plan for the end of funding to reduce any potential impact on beneficiaries and the organisation.

17.2 Contribute positively to reviews of programmes or services to inform future practice.

Advancing equality

18. Working together for equality

Statutory sector commitments

18.1 Work with the VCS towards eliminating unlawful and unfair discrimination and promoting equality of opportunity and put strategies in place to help achieve these aims in line with existing public duties.

18.2 Where appropriate, work with organisations in the VCS that represent people with protected characteristics, to understand their specific needs and design appropriate services and have equal opportunities to access funding programmes.

18.3 Be clear about any actions on equality that VCS organisations will be expected to undertake if they are funded to deliver programmes.

18.4 If a grant is withdrawn from an organisation serving people with a specific protected characteristic, consider the impact on that user group and put appropriate measures in place.

18.5 Work with the VCS to identify and remove any barriers that prevent volunteering by people with protected characteristics.

18.6 Acknowledge that funding for organisations that serve people with only one protected characteristic can promote cohesion.

18.7 Enable infrastructure organisations representing people or groups with protected characteristics to participate in policy development, consultation or other activities, by supporting them appropriately.

18.8 Recognise that groups which involve people with protected characteristics at community level may be small or informal, and engage with these groups in a way that suits their working methods.

19 Promoting equality and diversity

19.1 VCS organisations undertake to take practical action in partnership with government to eliminate discrimination, advance equality of opportunity and build community links.

19.2 VCS organisations show committed leadership to promote equality and diversity and put strategies in place to achieve it.

20. Representation and infrastructure

VCS commitments

20.1 Be clear on who is being represented and how their views have been gathered.

20.2 When selecting representatives from organisations and communities, be clear who they represent and with what legitimacy.

20.3 Where appropriate, support infrastructure organisations that can promote the interests of people with protected characteristics.

20.4 Identify groups that are in danger of being marginalised, excluded, or are currently underrepresented in voluntary activity, and put in place measures to promote their involvement.

5. Action Plan

A brief action plan for promotion; awareness raising, points of contact, organisational champions and review.

This will be included in the final version of the document.

6. What to do if things go wrong

If an organisation is concerned that another organisation has breached the Compact they should initially seek to resolve the difference directly, by contacting the person they believe has breached it, clearly stating which Compact commitment has been breached. Organisational complaints procedures may come into operation at this point.

If an outcome satisfactory to both parties is not reached please contact:

The final document will include a named person from the local statutory and voluntary sector for both Derby and Derbyshire who would act as a critical friend to support people in resolving issues.

In the event of the issue still not being resolved a small group of partners would be convened to look at finding an appropriate resolution.

7. Pledge and sign up

Details to be added to the final document.

Contact details

To be added will include VCS, statutory sector and relevant national organisations for example Compact Voice.