

Working Together

Public Service Organisations and Voluntary & Community Sector Organisations
working effectively in partnership for the benefit
of communities and residents in North Yorkshire.

The North Yorkshire Compact



**The term VCSE include small local community and voluntary groups, registered charities both large and small, foundations, trusts and the growing number of social enterprises and co-operatives. These are also referred to as third sector organisations or civil society organisations. It is recognised that not all VCSEs have a relationship with the public sector, those that do recognise the value of a positive relationship with public bodies and the benefits this can bring to communities.*

An effective partnership between the public sector and VCSEs in North Yorkshire will help achieve the following outcomes:

1. A strong and diverse and independent civil society.
2. Effective and transparent design and development of policies, commissioning, programmes and public services.
3. Responsive and high- quality programmes and services.
4. Clear arrangements for managing changes to programmes and services.
5. Improved community health and wellbeing.
6. An equal and fair society.

Introduction

The first national Compact was established in 1998, followed shortly afterwards by a North Yorkshire Compact. Both have played a vital role in defining the relationship and improving the partnership between public sector organisations and voluntary community and social enterprise organisations (VCSE).*

It is timely and critical that the North Yorkshire Compact between VCSEs and public sector organisations is renewed. Strong independent VCSEs are central to championing social action and giving people more power and control over their lives and communities. We also need to take account of new organisations such as Clinical Commissioning Groups and new multi-agency partnerships such as the Health and Wellbeing Board, as well as the challenges of spending cuts and budget reductions.

The new North Yorkshire Compact has been drawn up using the framework of the national Compact agreed in 2010 between the Government and VCSEs in England that also introduced new measures to ensure greater accountability on the implementation of the Compact.

www.compactvoice.org.uk/sites/default/files/the_compact.pdf

www.compactvoice.org.uk/sites/default/files/the_compact_accountability_guide.pdf

The significant changes in the new North Yorkshire Compact are that it is shorter and outcomes focused. This, coupled with greater accountability and an undertaking from the public sector to respect and uphold the independence of VCSEs, will be the platform to build strong relationships and improve communities and public services.

Commitments for the public sector and VCSEs:

1. A strong diverse and independent VCSE
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Undertakings for the public sector

- 1.1 Respect and uphold the independence of VCSEs to deliver their mission, including their right to campaign, regardless of any relationship, financial or otherwise which may exist.
- 1.2 Ensure VCSEs are supported and resourced in a reasonable and fair manner where they are helping the public sector fulfil its aims.
- 1.3 Work with the VCSE sector to support and encourage collaboration ensuring smaller more diverse organisations can survive.
- 1.4 Ensure that the public sector collectively recognises the need to resource local support and development organisations in order to assist VCSEs with their capacity and capability to deliver positive outcomes.
- 1.5 Ensure greater transparency by making data and information more accessible, helping VCSEs to challenge existing provision of services, access new markets and hold public service providers to account.
- 1.6 Consider a range of ways to support VCSEs, such as enabling greater access to public sector owned premises and resources, and enabling VCSEs to access research data that can contribute to evidencing and improving outcomes.
- 1.7 Work actively to reduce unnecessary barriers to volunteering.

Undertakings for VCSEs

- 1.8 When campaigning or advocating, ensure that robust evidence is provided, including information about the source and range of people and communities represented.
- 1.9 Ensure independence is upheld, focusing on the cause represented, regardless of any relationship they have with the public sector, financial or otherwise.
- 1.10 Consider and actively work together in partnership.

2. Effective and transparent design and development of policies, programmes and public services.

Undertakings from the public sector

- 2.1 Ensure that social, environmental and economic value forms a standard part of designing, developing and delivering policies, programmes, commissioning and services.
- 2.2 Consider the social impact that may result from policy and programme development, and in particular consider how these would impact local efforts to inspire and encourage social action and to empower communities.
- 2.3 Work with VCSEs from the earliest possible stage to design policies, programmes and services. Ensure those likely to have a view are involved from the start and remove barriers that may prevent organisations contributing.
- 2.4 Conduct consultations using the guidance that sets out the principles that Government departments and other public bodies should adopt for engaging stakeholders when developing policy and legislation.
www.gov.uk/government/uploads/system/uploads/attachment_data/file/255180/Consultation-Principles-Oct-2013.pdf
- 2.5 Consider providing feedback to explain how respondents have influenced the design and development of policies, programmes and public services, including where respondents' views have not been acted upon.
- 2.6 Assess the implications for the sector of new policies, legislation and guidance, aiming to reduce the bureaucratic burden, particularly on small organisations.
- 2.7 Drive innovation with VCSEs and respond to local need.

Undertakings for VCSEs

- 2.8 Promote and respond to public sector consultations where appropriate.
- 2.9 Seek the views of service users, clients, beneficiaries, members, volunteers and trustees when making representation. Be clear who is represented, in what capacity, and on what basis that representation is being made.
- 2.10 When putting forward ideas, for policy, programmes, commissioning and public service improvement, focus on evidence-based solutions, with clear proposals for positive outcomes.

3. Delivery of responsive and high-quality programmes and services.

Undertakings for the public sector

- 3.1 Ensure that VCSEs have a greater role and more opportunities in delivering public services by opening up new markets in accordance with wider public service reform measures and reforming the commissioning environment in existing markets.
- 3.2 Consider a wide range of ways to fund or resource VCSEs, including grants, contracts, loan finance, use of premises and so on. Work to remove unnecessary barriers that may prevent VCSEs accessing public funding, thereby enabling smaller organisations to become involved in delivering services where they are best placed to achieve the desired outcomes.
- 3.3 Ensure transparency by providing a clear rationale for all funding decisions.
- 3.4 Commit to multi-year funding where appropriate and where it adds value for money. The funding term should reflect the time it will take to deliver the outcome. If multi-year funding is not considered to be the best way of delivering the outcome, explain the reasons for the decision.
- 3.5 Ensure well managed and transparent application and tendering processes, which are proportionate to the desired objectives and outcomes of programmes.
- 3.6 Agree with VCSEs how outcomes, including the social, environmental or economic value, will be monitored before a contract or funding agreement is made. Ensure that monitoring and reporting is relevant and proportionate to the nature and size of the opportunity. Be clear about what information is being asked for, and why and how it will be used.
- 3.7 Ensure equal treatment across sectors, including reporting and monitoring arrangements, when tendering for contracts.
- 3.8 Recognise that when VCSEs apply for a grant they can include appropriate and relevant overheads using a robust Full Cost Recovery model including the costs associated with training and volunteer involvement, and monitoring and evaluation.
- 3.9 Discuss and allocate risks to the organisations best equipped to manage them. Where prime contractors are used, ensure they adhere to the principles of this Compact in allocating risk. Ensure delivery terms and risks are proportionate to the nature and value of the opportunity.

- 3.10 Ensure that the widest possible range of organisations can be involved in the provision of services through appropriate funding and financing models, for example outcome based payments and payment in advance of expenditure. Payment in advance of expenditure should be considered on a case by case basis where this represents value for money and take into account the size and ability of the organisation to manage the risk they would be exposed to when paying in arrears.
- 3.11 Ensure prompt payment of bills in line with invoicing terms and public sector good practice.
- 3.12 Ensure all bodies distributing funds on the public sector's behalf adhere to the commitments in this Compact. This includes the relationship between prime contractors and their supply chains. Demonstrate how funding arrangements and financial support can allow smaller and specialist providers to play a greater part.
- 3.13 Apply the compact when distributing European funding. Where conflicts arise with European regulations, discuss the potential effects and agree solutions together.
- 3.14 Encourage feedback from a range of sources on the effectiveness of the public sector partnership with VCSEs and how successful it has been in delivering their objectives. Consider placing this feedback in the public domain.

Undertakings for VCSEs

- 3.15 Ensure eligibility for funding before applying and be explicit about how outcomes will be achieved.
- 3.16 Ensure robust governance arrangements so that organisations can best manage any risk associated with service delivery and financing models, including giving funders early notice of significant changes in circumstances.
- 3.17 Be open and transparent about reporting, recognising that monitoring, whether internal or external, is an aspect of good management practice.
- 3.18 Demonstrate the social, environmental or economic value of the programmes and services provided, where appropriate.
- 3.19 Help facilitate feedback from users and communities to the public sector to help improve delivery of programmes and services.
- 3.20 Recognise that the public sector can legitimately expect VCSEs to give public recognition of its funding.

<p>4. Clear arrangements for managing changes to programmes and services.</p>

Undertakings for the public sector

- 4.1 If a programme or service is encountering problems, agree with the VCSE a timetable of actions to improve performance before making a decision to end a financial relationship.
- 4.2 Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end funding. Assess the need to re-allocate funds to another organisation serving the same group.
- 4.3 Where there are restrictions or changes to future resources, discuss with VCSEs the potential implications as early as possible, give organisations the opportunity to respond and consider the response fully respecting sector expertise, before making a final decision.
- 4.4 Give a minimum of three months' notice in writing when changing or ending a funding relationship or other support, apart from in exceptional circumstances, and provide a clear rationale for why the decision has been taken.
- 4.5 Carry out appropriate impact assessments (eg social, environmental, economic and equality) when changes to services are being planned.

Undertakings for VCSEs

- 4.6 Plan for the end of funding to reduce any potential negative impact on beneficiaries and the organisation.
- 4.7 Contribute positively to reviews of programmes and funding practices.
- 4.8 Advise the public sector on social, environmental or economic impact of funding changes, and on ways to minimise their effects on people in vulnerable situations, and people specifically protected by legislation and other under-represented groups.
- 4.9 If a programme or service is encountering problems, raise the issue early with the public sector commissioner/grant awarder to enable an early resolution of problems.

5. An equal and fair society

Undertakings for the public sector

- 5.1 Work with VCSEs that represent, support or provide services to people specifically protected by legislation and other under-represented and disadvantaged groups. Understand the specific needs of these groups by actively seeking the views of service users and clients. Take these views into account, including assessing impact when commissioning, designing and implementing policies, programmes and services.
- 5.2 Acknowledge that organisations representing specific disadvantaged or under-represented groups can help to promote social and community cohesion and should have equal access to public funding.
- 5.3 Take practical action to eliminate unlawful discrimination, advance equality and to ensure a voice for under-represented and disadvantage groups.

Undertakings for VCSEs

- 5.4 If receiving funding from the public sector, show how the value of the work can help deliver the public sector duties on promoting equality and tackling discrimination.
- 5.5 Take practical action, such as through funding bids, to eliminate unlawful discrimination, advance equality of opportunity and build stronger communities.

Resolving Compact Disputes

The Compact Accountability and Transparency Guide outlines steps to take at national and local level, including dispute resolution, internal complaints procedures and ombudsmen functions.

www.compactvoice.org.uk/sites/default/files/the_compact_accountability_guide.pdf

Monitoring, Review and Development of the Compact

The Compact is monitored and reviewed by the Thriving Third Sector Steering Group brings together representatives from statutory and third sector partners across the county. www.nypartnerships.org.uk/index.aspx?articleid=16806

Further information on the Compact visit:

www.nypartnerships.org.uk/compact

www.compactvoice.org.uk