

# why?

## Why the Compact?

### Fact sheet 10

#### What is the Compact?

The Compact is an agreement between Government and the voluntary and community sector (VCS) to improve the way they work together for the benefit of each partner and the wider community. It was first set up nationally in 1998 to address concerns that the way central government departments worked with the VCS led to the sector being disadvantaged.

Following a wide consultation the Compact was reviewed and a refreshed version launched in December 2009 based on the shared values of respect, honesty, independence, diversity, equality, citizen empowerment and volunteering. The refreshed Compact covers three key areas: involvement in policy development; allocating resources; and advancing equality. It is also strengthened with clear links to existing legislation, guidance and good practice.

Although not legally binding, the Compact recognises where there are shared values and principles between the sectors and sets out the commitments agreed by each partner to ensure effective partnership working. The Government and the VCS have different commitments, some examples of these are given below:

#### Government commits to:

- involve the VCS from the earliest stages of policy development on all issues likely to affect it;
- accept the recovery of costs associated with volunteering, such as managing volunteers and reimbursing expenses; and
- work with the VCS towards eliminating unlawful discrimination and promoting equality of opportunity.

#### The voluntary and community sector commits to:

- involve service users, beneficiaries, members, volunteers and trustees when preparing responses to consultations;
- have appropriate systems in place to manage and account for finances; and,
- when selecting representatives be clear on who they represent and with what legitimacy.

#### Implementation Guidelines

The commitments in the Compact set out the overall rules for partnership working between the VCS and Government. A set of guidance documents will be produced to reinforce the Compact and detail how these commitments should be worked out with specific situations, types of organisation or relationships. (The "Codes of Practice" which backed up the original Compact have been absorbed into the main text of the refreshed Compact).

#### Local Compacts

Almost every local area has a Local Compact in place which builds on the commitments of the Compact and addresses more localised issues in partnership working. They are often developed through the Local Strategic Partnership - a partnership of public, private and VCS organisations in a local area. Being developed in this way helps to ensure that all local public sector bodies, such as the council, primary care trust, police, fire and probation services, and local VCS organisations are included in, and commit to put into practice their local Compact. Following the launch of the refreshed Compact, each area will have to decide if their existing Local Compact needs to be updated.

There are three partner agencies working together to oversee the work of the Compact: Compact Voice representing the VCS; the Office of the Third Sector representing Government; and the Commission for the Compact, an independent body which oversees the development of the Compact.

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## What are Local Codes of Practice

The original national Compact was backed up by nationally agreed guidelines of good practice, called 'Codes of Practice' detailing how the agreed commitments would be carried out by each partner. Although these have now been incorporated into the main text of the refreshed national Compact many areas developed local Codes of Practice to support the implementation of their local Compact and these will still be in use. Local Codes are often based on to the original national Codes of Practice (consultation and policy appraisal; funding and procurement; volunteering; community groups; and, BME community and voluntary organisations) but focus on addressing the key issues faced by local VCS organisations and public sector bodies working in partnership. In light of this some local areas have different or additional subject areas to the original national Codes, such as commissioning, multi-sector partnerships or equality and diversity.

## What happens when things go wrong?

The Compact should provide the foundation for an honest discussion between partners to resolve any differences. In addition many local areas have a dispute resolution procedure for use by all partners when either party feels the Compact agreement has been breached. This procedure explains the key steps involved and the support available to partners undertaking the process. The dispute resolution process would be the first option to try to resolve any disputes between partners where informal discussion has been unsuccessful. Nationally, the Compact Advocacy Programme has been set up to advocate for fair treatment for the VCS by Government, and to give advice and support to VCS organisations on how to use the Compact and how to challenge Compact breaches.

## Does the Compact really make a difference to me?

The commitments contained in the refreshed Compact should lead to real changes in the way your organisation is treated in both serving communities directly and working to influence change on their behalf. For example wider and better consultation, a commitment to three year funding and being paid the full cost of delivering public services (in advance of expenditure where appropriate) should give your organisation more opportunities to get involved in decision making and a stronger voice in shaping services on behalf of the communities you serve. It should also reduce some of the key barriers faced by organisations wanting to deliver these services as part of their work. In return carrying out your commitments under the Compact (such as keeping accurate financial records and making constructive contributions to policy development) will strengthen the reputation of your organisation and the wider VCS with partners as an essential, skilled and effective provider of services to local communities.

## Where can I find out more about my local Compact?

To find out more about your local Compact, how you can use it and who is responsible for it in your area see [www.thecompact.org.uk](http://www.thecompact.org.uk) or contact the Compact Voice Administrator on 020 7520 2451.

For more information about the support available through the Compact Advocacy Programme see [www.ncvo-vol.org.uk/compactadvocacy](http://www.ncvo-vol.org.uk/compactadvocacy) or contact the National Advocate on 020 7520 2460.

'The Compact' and 'An Introduction to the Compact' can be downloaded or ordered in hard copy from [www.thecompact.org.uk](http://www.thecompact.org.uk).