



**Consultation response**

**'Refreshing the Compact: A framework for partnership working'**

Submitted to the Commission for the Compact

October 2009

## **About Children England**

Children England is the leading membership organisation for the children, young people and families' voluntary sector. With member organisations working in all parts of the country ranging from small local groups to the largest household names in children's charities, Children England is in a unique position to use the collective voice of the voluntary sector to achieve positive change for children. Children England provides capacity building, support and information to its members and the wide range of voluntary sector organisations working with children, young people and families. It does this by building active networks, promoting good practice, stimulating policy debate and ensuring that the issues that matter most to its members are taken up with decision makers.

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## **Introduction**

Children England is founded upon the premise that the lives of children, young people and families are enhanced by the existence of a vibrant and diverse Children, Young people and Families Voluntary and Community Sector (CYP&FVCS).

Children England has nine regional groups which bring together the children, young people and families' voluntary and community sector (VCS) in each region. These groups are coordinated by volunteer chairs from member organizations and are supported by regional development managers. Our regional groups give us vital information on how policy and practice is being played out at locality level. We seek to develop close working relationships with statutory partners in the regions to enable them to commission intelligently, understand and mitigate changes in funding and to collaborate with and improve the level of representation of the VCS on their representational structures. At the heart of our regional work is the belief that without a strong, vibrant and dynamic VCS in every locality; children, young people and families lose out.

Children England welcomes the opportunity to respond to this consultation on the refresh of the Compact. In this document we have responded to those sections of the consultation which most directly relate to the concerns and interests of our membership

## 1. Scope of the sector

It is welcomed that the refreshed Compact recognises the disputed nature of the term 'third sector' and makes much clearer reference to the diversity of organisations comprising the sector than was visible in the original Compact. It is unfortunate that the definition of the 'third' sector offered defines the sector primarily by what it is not. This oversight sets a negative tone from the start and gives the picture that the sector lacks its own identity and purpose - merely filling in the gap between the public and private sectors. In addition, although organisations do chose different terms to name their sector there are clear, in many cases legal definitions and requirements setting the parameters of different types of organisation within the sector. The suggestion that groups simply define what they are is confusing and again suggests the sector lacks a planned and accountable approach or that it has any shared sense of purpose, identity and professionalism.

Linked to this throughout the document there seems to be an interchangeable use of the terms voluntary sector, voluntary action and volunteering despite these referring to very different actions. This makes the document confusing to read and may reinforce perception of the sector as part time, volunteer, unprofessional and ad hoc which is inaccurate and has severe implications for the sector being seen as an equal partner. **It would be useful if part 1 clearly set out the language to be used in the document and used this consistently throughout.**

Finally although page 19 does refer specifically to smaller, community organisations as part of the diversity of the sector, overall there is a lack of reference to community organisations, their needs and the responsibilities of both the wider third sector and public sector to support and engage effectively with them. The document is heavily focussed on those parts of the third sector delivering public services under contract to the particular exclusion of the community sector. This is despite the Third Sector Review (2007) which stressed the role community based organisations play in the active engagement of communities in civil renewal. **It would be useful to consider of the specific needs of community organisations and build this into each section of the refreshed Compact.**

For example resource allocation processes and decisions can have a massive impact on community groups who are often limited in their access to funds due to their size and capacity. The Allocation of Resources section should include a more explicit commitment on the part of public bodies to maintaining grant funding as an essential component of a mixed funding economy. This is in line with views expressed in the Third Sector Review, the 2006 Government White Paper and several policy documents from the office of the third sector.

Children England's research on small organisations working with children young people and families found that sustainable funding continues to be particularly difficult for small organisations with many:

*...operating on the breadline, dependant on funding they are not guaranteed to have from one year to the next. This makes it extremely difficult to plan for the future... which could, ultimately, have a harmful effect on service users who rely on small organisations for essential services" (Small Change, 2009).*

## **2. The independence of the third sector**

The lack of a definition which poses the sector in a positive light with a clear purpose, history and character alongside the overall tone of the document and the focus throughout on those organisations within the third sector who are delivering public services risks losing importance of the third sector's independence with the sector being seen as just another delivery partner. **The purpose and value as well as the sector's long history as a community advocate, innovator and campaigner should be clearly built in as an integral part of the document beyond the paragraph in part 2.**

A key issue for the sector as a whole, and raised through Children England's membership is the concern that challenging, advocating and highlighting important issues can and, anecdotally organisations feel does, have longer term negative impacts in relationships with statutory bodies. In some instances where voluntary sector organisations have raised such issues they have consequently been disadvantaged in funding arrangements. **The paragraph on independence in Part 2 should include a clear and strong statement that third sector organisations exercising their independence on behalf of themselves or their service users must be able to do so without fear of negative repercussions for future engagement or opportunities.** This is also related to the need for third sector organisations to be genuinely considered an equal peer in partnership working, where their experience and expertise is respected and forms a critical part of the local relationship.

In addition, under commitment 23.2 third sector organisations are expected to engage with the Government and public sector in the selection of representatives from organisations and communities. Third sector organisations should be able to clearly explain who their chosen representatives are, the constituencies they represent, the skills and credibility they bring and the system for selecting them. However, the implication that they should engage with the Government and the public sector *in the selection* of such representatives shows a lack of commitment to supporting the genuine independence of the sector. **Such a commitment would have serious implications and on this basis should be reviewed.**

### 3. Accountability of the third sector

As stated on page 18, third sector organisations have different accountabilities to other Compact partners. Third sector organisations are already accountable through their governance structures and legal requirements and other structures such as the Charity Commission or Companies house in addition to local accountabilities to the communities they serve and funders' requirements. There is little mention of these accountabilities through the document, inclusion of which could serve to strengthen the view of the sector as a well run and effective sector clear and strong mechanisms of operation and accountability. Through these public accountability mechanisms it could even be argued that the third sector is in some cases more accountable, not less, than public bodies. In addition it is felt that some of the undertakings (such as those around appropriate governance and financial monitoring) actually duplicate what is already legally required of the sector. **The Compact should be clear in differentiating between the accountability structures of a third sector organisation as part of its general governance and the need for all partners to be mutually accountable to one another within the confines of a partnership approach.**

### 4. The relationship between national and Local Compacts

*Do you think the national Compact provides an effective framework for local Compact negotiations? If not, what changes would be required?*

The primary problem with the Compact lies not in the links between the national and local Compacts – but in implementation. In essence the national Compact does provide an effective framework for local Compact negotiations – subject to the additions and changes we have suggested in our response. However, the role of the national Compact could be strengthened and used as a measuring tool for the effectiveness and strength of Local Compacts. The national Compact must act as a beacon of best practice incorporating the crucial tenets of good partnership working between the VCS and statutory bodies which local Compacts should seek to emulate locally.

*How might the link between the national Compact and Local Compacts be strengthened?*

Children England strongly believes that all local public bodies, in particular local authorities and primary care trusts, should be required to adopt a local Compact that meets minimum national standards agreed by the Government and the Commission for the Compact. **We think that the national Compact should contain a clear statement to the effect that local Compacts are bound to follow to mitigate away the**

**prospect that key, crucial principles are watered-down, ignored or not implemented in local Compacts.**

Through our regional structures we have seen evidence of where local Compacts have made a difference in many localities – helping to revive local voluntary organisations in their working with statutory partners in order to best support the most vulnerable children, young people and families including those who have been under the radar of statutory services. Nevertheless there are areas where local public bodies adopt a Compact only to wilfully ignore or contradict its principles when it suits them. Minimum standards that are enforceable by the Commission would offer a means of addressing such problems.

The role of local Compacts must be to reflect local needs and conditions and they must retain their flexibility. However, there are some national principles or values that are universally applicable and should be set out in a national standard in order to reinforce the principles and undertakings in the Compact. **We would foresee a possible role for using the national compact as a statement setting out national values which act as minimum standards for local implementation.** This would include vital aspects of the compact agreement including the need for 12 week consultation periods, 3 year funding agreements, minimum 3 months notice of starting or ending a financial relationship, payment in advance where there is a clear need, and payment within 10 days of receipt of an invoice. This would also offer local Compacts a shared reference point. **To make this work the Commission would need to generate much greater publicity on both the national compact and the role local Compacts perform in local communities.**

The main issues of contention in discussing the role of local Compacts vis-a-vis the national compact is not over content, but in implementation. In many places adoption of the Compact is not the issue, the real concern is one of adherence to the principles it enshrines. One means of securing greater adherence would be through the new Comprehensive Area Assessment (CAA), the means by which, from April 2009, the Audit Commission and other inspectorates will review the effectiveness of all public agencies in a particular area.

Alongside NAVCA **we propose that the Commission for the Compact in conjunction with the Audit Commission looks at securing support for making an assessment of the effectiveness of the local Compact an element of CAA** . This could be done in circumstances where a local third sector body or the inspectorates calls into question the commitment of either a local public body or the area to the local Compact. In such circumstances the Commission for the Compact could be requested to review the implementation plans for the local Compact and advise the CAA assessors accordingly. We would like to see the Audit Commission and the Commission

for the Compact agree an approach that assesses the adequacy of an area's approach to implementation of the local Compact. This would develop a focus on how statutory agencies implement the fundamental principles of Compact in their operational activities, rather than a focus on paper documents.

## **8. Personalised/individual budgeting**

Personalisation of public services is a burgeoning agenda, and one which the third sector is already beginning to work with. Our membership is already well-versed in delivering personalised approaches and tailoring packages of support to individual children and families. However, the roll-out of individual budgets where users in effect become individual commissioners is one which poses a number of practical issues for all sectors, providers and commissioners.

The Compact is however about the relationship between the public and third sectors at the macro, locality and strategic level. The Compact does not and should not govern relationships between individuals and the organisations from which they buy services and facilities. It would be impractical and undesirable to insist that holders of individual budgets should only be allowed to buy from suppliers holding some kind of a Compact compliancy quality mark, and equally that those budget holders are Compact compliant. Issues surrounding prompt payment to VCS providers from whom they purchase services and goods and other Compact-related issues can be built in to the contracts signed between the organisation and individual. **Local Authorities can and should be persuaded to ensure these contracts do include where appropriate Compact principles, but this is not a responsibility that falls to the Compact itself.**

## **9. Content & Length**

The overall tone of the document with regard to third sector organisations seems to point to them being seen, and treated, very much as the inferior partner within the arrangement. This is emphasised by the confused language about the sector. The interchangeable and undefined use of the terms voluntary sector, voluntary action and volunteer give the impression that the sector is comprised only of volunteers acting in their 'spare time'. This undermines the fact that the sector has a rich history of innovation, experience and expertise and professionalism which are highly valuable in being responsive to community need, and often at the forefront of innovation. **The Compact should be clearer on the difference between the terms above and the different strengths they offer. It would be a shame to miss this opportunity to**

**strengthen the standing of the sector as an equal partner with a lot to offer as an equally experienced peer.**

At the same time there is a strong emphasis within the document on the expert knowledge of third sector organisations about the communities they serve, the needs of those communities and their ability to effectively engage at this level. This is a great strength of the sector. However, the tone in a number of sections, most notably the 'Achieving Equality Section', appears to be 'selling' the idea of public bodies engaging with third sector organisations. The notion appears to be that third sector organisations are the main source of information and effort in terms of 'tricky' areas and seldom heard groups, whose purpose is to save the public sector the time and effort of having to do this work themselves. **We believe that the document should be reviewed to ensure the language and tone throughout point to a more genuine and balance partnership arrangement.**

Significant concerns have also been raised that the current draft risks writing out community organisations due to the heavy focus on public service delivery. **The National Compact should have clear commitments throughout each section which set the minimum standards for active engagement with and support of community groups through local Compact arrangements.**

Feedback from Children England members raised the point that the 'Achieving Equality' section is incongruent with both the style and content of the rest of the document and unclear in purpose. The devotion of four pages to the explanation of how third sector organisations work with various equality strands is unnecessary. The absence of any information on how public bodies work with equality strand communities is stark. **The whole section should be thoroughly reviewed to focus on how genuine partnership working underpinned by Compact principles can contribute to this area of work.**

As a membership organisation representing charities working with children, young people and families, we were surprised to note that in an entire section devoted to age in the context of equality the focus was entirely on 'how the sector works with older people'. Children and young people receive no mention despite young people arguably being more subject to discrimination than any other group. As part of their commitment to raising this issue, Children England are members of Young Equals, a group of charities and children and young people who are campaigning to ensure children and young people are protected from age discrimination. **This oversight should be addressed in the final version of the document with a clear reference to the scope of the age equality strand in order to ensure that the needs of children and young people are considered at both a national and local level through the Compact.** Children England would like to highlight, as evidence of the need for this oversight to be

addressed, the UN Committee on the Rights of the Child report on the UK (October 2008), which expressed concern

*'at the general climate of intolerance and negative public attitudes towards children, especially adolescents'.*

In addition *Making the Case* published by Young Equals presents a wide range of examples of age discrimination experienced by children and young people and challenges the Government to be more proactive in protecting children and young people from age discrimination.

## **10. Equalities Strands**

In addition to the comments above regarding this section- its style, lack of clear purpose and the absence of any reference to children and young people in particular- Children England has a number of additional comments on this section.

The focus of this section on third sector organisations working exclusively with specific equality strands is at the expense of giving an accurate picture of the contribution to the whole third sector to improving outcomes for communities as a whole, including specific work with certain groups, bringing diverse and complex communities together and universal provision which seeks to be inclusive. This narrow focus excludes the work many organisations undertake around the equalities agenda and risks creating perception that large parts of the sector do little to promote this work. **This section should be revised to give a more inclusive picture of the contribution of the wider third sector with diverse and complex identities and communities.** It could also be argued that this section should go beyond the equality strands to discuss poverty and disadvantage and perhaps even cover the needs of community groups as one of the most excluded parts of the third sector.

As detailed above there is need to clearly articulate the purpose of third sector organisations throughout the document. This purpose should be respected through all aspects of partnership working under the Compact. Although the sector has strong links with diverse communities and seldom heard groups, there is a risk of the Compact document reinforcing the impression that the purpose of the sector is to be an information gathering system for public bodies and to save them the cost and effort of building these links and engaging with communities themselves, this is a particularly dangerous notion at a time of extreme pressure on the budgets of public bodies. If the knowledge and expertise of the sector is needed and valued by public bodies, something of equal value should be offered to them in return. This links to the wider point that the entire Achieving Equality section focuses almost completely on the

contribution of third sector organisations with little mention of the work undertaken by public bodies in relation to equalities strand groups. **This section should be reviewed to focus on how effective partnership working under Compact principles, which recognise the purpose and contribution of each party, can achieve better outcomes for diverse and complex communities. There should also be greater recognition that third sector organisations working with specific equalities strand groups are likely to be smaller community groups requiring specific support.**

## **12. Further Comments**

Comments have been raised above regarding the need for small community based organisations to be more clearly considered throughout the document. Further to this there should be a clear commitment to proactively support the smallest organisations constituting the third sector who may have limited engagement with public bodies due to lack of capacity. **Public bodies must be proactive in reaching out to and supporting the sector beyond just working with third sector organisations which have the capacity to be proactive and make the first approach.**

Finally, for partnership working to be both genuine and effective, there is a need for third sector organisations to be more fully respected for the experience, expertise and professionalism they contribute. Third sector organisations must be respected as peers within a Compact partnership arrangement, their contributions and challenges listened to and properly considered as a 'critical friend' within the arrangement. We believe that the current draft still has some distance to travel in reaching this point and look forward to reading the completed refreshed Compact following this consultation exercise.