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# Compact on relations between Lancashire County Council and the voluntary, community and faith sector (VCFS)

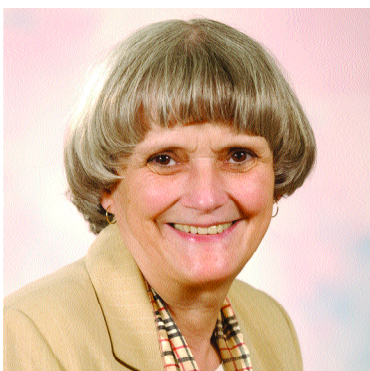
## Foreword by County Councillor Hazel Harding, Leader of Lancashire County Council

The County Council recognises the valuable role of VCFS organisations in the day-to-day life of Lancashire, across a wide range of activities. They are our partners and make a major contribution to the delivery of our overall vision, which is to make Lancashire a place where everyone matters.

Our relationship with the VCFS has been long and fruitful. This Compact builds on that relationship and provides a framework to guide it in the future. Our Compact is the result of a consultation process which has encouraged all sectors in Lancashire to let us know their views and aspirations, and it reflects the key issues we explored and discussed during the consultation. I express my thanks to all those who gave up their time to get involved in its development.

Working together with the VCFS in Lancashire, we will continue to develop this Compact and the codes of good practice that flow from it and we will encourage our partners in the public sector to adopt similar principles. I intend that our Compact and any codes of good practice should be working documents. This means they may well change over time to meet the needs of both the County Council and the VCFS organisations as we continue to work together to support and develop Lancashire's communities.

*Hazel Harding*



## Status of the Compact

**1** The Lancashire Compact has been drawn up in partnership after consultation with the voluntary, community and faith sectors (VCFS) and public sector service providers. Deliberately, the Compact does not try to cover everything but, recognising the diversity of the VCFS and their activities, is a general framework that will improve the relationship between Lancashire County Council (the Council) and the VCFS.

**2** The Compact is a statement about relations between the Council and the VCFS, not a legally binding document. Its authority derives from its endorsement by the Council, the VCFS, public sector service providers, district councils and other public bodies through consultation and ongoing development. The Compact applies to the full range of organisations in the VCFS.

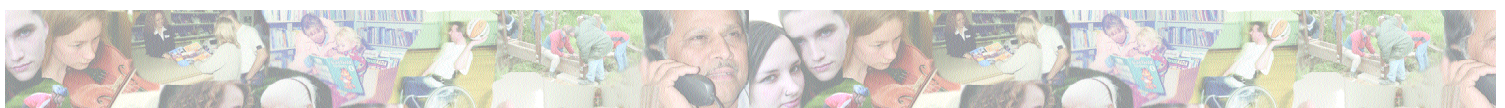
## Shared vision

**3** The Compact arises directly out of and very closely mirrors central Government's own Compact, published in 1998. The Lancashire Compact is an expression of the commitment of the Council and the VCFS to work in partnership to meet shared objectives; to build cohesive communities and promote social inclusion. As part of this process, the Compact sets out the key principles and undertakings that underpin the relationship between the Council and the VCFS in Lancashire.

**4** The Compact recognises that bodies in the VCFS range from small, local groups to large national and international organisations. Some have no income and rely on the efforts of volunteers; others are, in effect, medium-sized businesses run by paid staff. All can add value to society and fulfil a role that is distinct from that of the state, the local authority and the private sector. They achieve this through their specialist knowledge and skills; by involving people as service users or volunteers; through being able to engage all groups; and because they are perceived as independent.

**5** The VCFS make a major contribution to the development of society and to the social, cultural, economic and political life of Lancashire. They offer a way for users to get involved in the design and delivery of services, and often act as advocates for people who otherwise have no voice. In doing so, they promote equality, diversity and community cohesion. They help to alleviate poverty, improve the quality of life, and involve the socially excluded. The VCFS also make an important direct economic contribution to the county.

**6** The Compact recognises that these attributes are a major benefit to society and that the Council can play a positive role in promoting volunteering and in supporting the work of the VCFS.



## Shared principles

**7** These are the shared principles that underpin the Compact:

**7.1** Voluntary action is an essential component of democratic society.

**7.2** An independent and diverse VCFS is fundamental to the well-being of society and to building cohesive communities.

**7.3** In the development and delivery of public policy and services, the Council and the VCFS have distinct but complementary roles.

**7.4** Working in partnership is vital in achieving common aims and objectives. Meaningful and timely consultation and communication builds relationships, improves policy development and enhances the design and delivery of services and programmes.

**7.5** The Council and the VCFS recognise that communication is vital to a productive relationship and will work together towards continually improving communications between the parties.

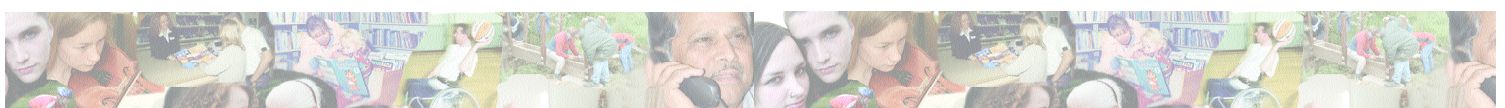
**7.6** The Council and the VCFS have different forms of accountability but common to both is the need for integrity, objectivity, accountability, openness, honesty and leadership.

**7.7** The VCFS are entitled to campaign<sup>1</sup> within the law to advance their aims.

**7.8** The Council plays a significant role as, among other things, a funder of some VCFS organisations. Funding is one important element of the relationship between the Council and the VCFS.

**7.9** Both the Council and the VCFS acknowledge the importance of promoting equality of opportunity for all and recognising the needs of a diverse population. The Council is committed to meeting the legislative requirements of the Equalities Standard for Local Government. The Council will also expect the VCFS to demonstrate a proactive commitment to the principles of the Equalities Standard.

1 Where this document refers to 'campaign' or 'campaigning', the VCFS, when applying for or receiving funding, should be aware of restrictions placed on the Council in providing funding to organisations for campaigning or publicity purposes, as set out in the Local Government Act 1986 and the Code of Recommended Practice on Local Authority Publicity.





## Promises by the Council

8 The Council makes the following promises.

## Independence

**8.1** To recognise and support the independence of the VCFS, including their right within the law, to campaign; to comment on government and Council policy; to challenge that policy, irrespective of any funding relationships (including partnership arrangements) that might exist; and to determine and manage their own affairs.

## Funding

**8.2** To develop as part of this Compact and in consultation with the VCFS a code of good practice to address principles of good funding. This will promote:

- the timely allocation of resources, (including in-kind support), against clear and consistent criteria, including value for money;
- clear, one-off feedback to organisations whose applications for funding are not successful;
- the publication of the grants that are awarded to organisations;
- funding policies that take account of the objectives of the VCFS and their need to operate efficiently and effectively, and the objectives of the Council;
- support, training and guidance for the VCFS in the application process;
- partnership working to achieve objectives and meet targets;
- regular, transparent, consistent and proportionate monitoring procedures to ensure accountability by all bodies;
- common, transparent arrangements for agreeing and evaluating objectives, performance indicators and their associated targets;
- facilitating prompt payment;
- reviewing financial support;
- consulting upon changes to the funding position; and
- informing the VCFS about future funding as early as possible, normally before the end of the current grant period;
- the value of long-term, multi-year funding, where appropriate, to assist longer-term planning and stability.

**8.3** To recognise the importance of infrastructure to the VCFS and volunteering and, where appropriate, to support its development.



## Policy development and consultation

**8.4** To work with the VCFS in appraising new policies and procedures, particularly at the developmental stage, so as to identify as far as possible implications for the VCFS.

**8.5** Subject to considerations of urgency, sensitivity or confidentiality, to consult the VCFS on issues that are likely to affect them. Such consultation should be timely and allow reasonable timescales for response, taking into account the need of organisations to consult their users, beneficiaries and stakeholders.

**8.6** To take account positively of the specific needs, interests and contributions of diverse groups within the VCFS.

**8.7** To respect the confidentiality of information provided by the VCFS, within the constraints of the law and the proper performance of public duties, when given access to it on that understanding.

**8.8** To develop jointly with the VCFS a code of good practice covering consultation, policy development, appraisal and implementation. This will draw on the Government's codes of practice and cross-cutting review.

**8.9** To promote effective working relationships, consistency of approach and good practice between the Council and the VCFS, particularly where cross-cutting and Best Value issues are concerned.

**8.10** To operate within the principles of open government, ensuring that decisions are made efficiently and are transparent and accountable to local people.

**8.11** To review the operation of the Compact, initially a year after implementation. At this review the timetable for future reviews will be decided with the VCFS.

**8.12** To promote the adoption of the Compact by other public bodies and, in particular, by the Lancashire Partnership and District Local Partnerships (if a local agreement is not in place). If a local agreement is in place, the Council will encourage dialogue to ensure there are common principles across the county.



## Promises by the VCFS

**9** The VCFS make the following promises.

## Funding and accountability

**9.1** To maintain high standards of governance and conduct and meet reporting and accountability obligations to funders and users; and, where applicable, to observe the accounting framework for charities.

**9.2** To respect and be accountable to the law; and in the case of charities, to observe the appropriate guidance from the Charity Commission, including that on political activities and campaigning.

**9.3** To develop standards on equalities, child protection and quality appropriate to the organisation.

## Policy development and consultation

**9.4** To ensure that service users, volunteers, members and supporters are informed and consulted, where appropriate, about activities and policy positions when presenting a case to the Council or responding to Council consultations, and to accurately convey in their presentation the views put to them.

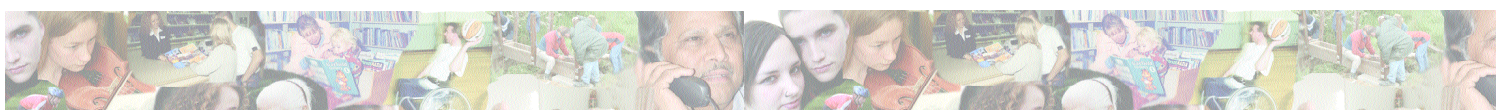
**9.5** To respect the confidentiality of Council information, when given access to it on that understanding.

**9.6** To promote effective working relationships with the Council, other agencies and across the VCFS.

**9.7** To involve and support users, wherever possible, in the development, management and evaluation of activities and services.

**9.8** To put in place policies for promoting best practice and equality of opportunity in activities, employment, involvement of volunteers and service provision.

**9.9** To review the operation of the Compact, initially a year after implementation. At this review the timetable for future reviews will be decided with the Council.





## Issues relating to small groups and other VCFS groups

**10** The principles and promises in this Compact will apply across the VCFS. The specific needs, interests and contribution of small groups, black and minority ethnic (BME) organisations and faith communities, need particular consideration to promote social inclusion and help build cohesive communities.

### 10.1 Meeting the needs of small groups

Small groups – as associations of people who come together to pursue a common cause or interest, often on a mutual basis – are usually run entirely by volunteers for people like themselves. It is important that the distinctive needs and interests of these groups are taken into account, as their perspective and concerns may differ from those of other voluntary organisations. A code of good practice will be developed to facilitate and reflect this.

### 10.2 Meeting the needs of all VCFS groups

Certain sectors, such as the BME sector, the faith sector and many others, have a crucial role in helping to reach some of the most socially excluded groups in Lancashire, combating discrimination and disadvantage, and providing vital services to their communities. Despite this work, many of these organisations and groups feel they are outside the traditional structures of the VCFS. The Compact sets a framework for ensuring that support for, and involvement of, these organisations are mainstream issues for the Council and the VCFS. In particular, special efforts are needed to make sure that all appropriate resources reach these organisations to help them support and develop their sector. Equally, both the Council and the VCFS need to ensure that such organisations have the opportunity to be directly involved in partnerships, consultation and decision making, for example to meet the commitment of the Race Equality Scheme. This involvement will help these organisations to develop and realise their potential. Specific codes of good practice, which will reflect the distinctive needs and circumstances of particular sectors, will address these concerns.

### 10.3 Meeting the needs of faith communities

The Council recognises that faith communities were among the first voluntary agencies to work in the community and that they continue to work with many groups. Organisations within faith communities will have the opportunity to access funding for secular activities, like other groups.





## Resolution of disagreements

**11** The Compact sets out a general framework for improving the relationship between the Council and the VCFS. As far as possible, the parties should resolve disagreements over how that framework is applied. To help with this, where both parties agree, mediation (including seeking the view of a mediator) may be a useful way of seeking agreement. A person can use the Council's Complaints Procedure to pursue a complaint alleging maladministration ('fault') by the Council in the application of the code. The complainant may also go to the Local Government Ombudsman after using our procedure.

## Taking the Compact forward

**12** The Compact is a framework document and a starting point – not a conclusion. The Council and the VCFS should be committed to working together to develop its application and effectiveness. As part of that process, codes of good practice will be prepared in the areas of funding, consultation and policy appraisal, volunteering, community groups (including those which are faith based) and BME organisations.

**13** As part of the process of making the Compact work, the Council and VCFS representatives will meet to review the operation of the Compact and its development, initially a year after implementation. The timetable for future meetings will be decided at that first review. The report of that meeting will be published on the Council website and copies will be placed in public buildings across the county, and widely distributed throughout the VCFS.



## Glossary of terms

### Best Value

A process by which the County Council, like every other local authority, is legally bound to review its services. Using what are commonly called the '4 Cs' – *challenge, compare, consult* and *compete* – the County Council sets targets for improvement which are regularly measured.

### Charities SORP (Statement of Recommended Practice)

An accounting framework for charities in England and Wales designed to meet the need for consistent and transparent public accountability for resources held by charities. The Statement covers maintenance, preparations and audit of accounting. (Source: **Charities SORP 2000**)

### Cohesive communities

Community Cohesion in Lancashire reflects the need for communities to share common values, whilst at the same time valuing and celebrating the inherent diversity that exists in all those communities. A cohesive community is characterised as a caring community, where people feel safe and empowered and can live healthy lives, with high levels of self-esteem and where strong and positive relationships exist between people in the workplace, in schools, and in both urban and rural localities. They are communities where everyone matters, everyone believes that they matter and that everyone else also matters.

### Community sector

'Those organisations active on a local or community level, usually small, modestly funded and largely dependent on voluntary, rather than paid, effort. Can be seen as distinct from the larger, professionally staffed agencies which are most visible in voluntary sector profiles.' (Source: **Volresource.org.uk**)

### Compact

An agreement between Lancashire County Council and the voluntary, community and faith sectors (VCFS) which aims to improve the relationship between them for mutual advantage.

### Core costs

Day-to-day running costs essential to maintain an organisation.

### Corporate Objectives

The County Council's broad aims in delivering its services to the people of Lancashire.

### Directorates

Sections within the County Council into which service areas are grouped. These are Education & Cultural Services; Environment; Resources and Social Services.

### Diversity

Diversity is about the uniqueness of every individual and about communities and organisations embracing differences.

### Equality

Equality is about everyone enjoying a good quality of life and access to opportunities and services regardless of who they are and where they live. It is about organisations making the necessary changes to deliver that for everyone.

## Equality Standard for Local Government

'The Standard is a means to combat the institutional processes that lead to discrimination and which form part of the culture and administration and governance in Britain. Current assumptions and practices can set up barriers that prevent access and discriminate against people through race, gender and disability. Working with the Standard will allow local authorities to mainstream equality, thereby ensuring that discriminatory barriers which prevent equal access to services are removed.' (Source: **CRE Equality Standard for Local Government**)

## Evaluation

The process of looking at information and making a judgment or series of judgments on the quality of progress and work and its success against expectations and stated aims. It looks at outputs or results – what has been done. It is qualitative, assessing outcomes in terms of the impact on the original problem.

## Infrastructure

The basic structure of an organisation. Includes, for example, buildings, staff, equipment, lighting and heating, transport and administration.

## Lancashire Partnership

The Lancashire Partnership is a partnership of lead agencies and stakeholders from the public, private and voluntary sectors working together to develop co-ordinated quality services, tailored to local needs across the county. The Partnership is still in its early development stage.

## Local Strategic Partnerships (LSPs)

'Local Strategic Partnerships (LSPs) are non-statutory bodies, which aim to bring together at a local level a range of stakeholders - from the public, private, voluntary and community sectors. Local partners working through an LSP will be expected to take many of the major decisions about priorities and funding for their local area.' (Source: **Office of the Deputy Prime Minister**)

## Monitoring

The process of gathering and recording information on a regular basis. Keeping account of progress and work against a set of agreed objectives, targets and indicators.

## Race Equality Scheme

Lancashire County Council's Race Equality Scheme has been drawn up to meet the general and specific duties arising out of the Race Relations (Amendment) Act, 2000.

## Small groups/organisations

Groups operating without a paid worker and/or with funds totalling £10,000 or less.

## Social inclusion

The process by which efforts are made to ensure that everyone, regardless of their experiences and circumstances, can achieve their potential in life. (Source: **Centre for Economic & Social Inclusion, 2002**)

## Sustainability

Mechanisms for improving the quality of life for people today whilst protecting the environment for our children.

## Value for money

Demonstration of economy (delivering at as low a cost as possible); efficiency (delivering the right things at the right price, not necessarily the lowest price); and effectiveness (in delivering policies).

### **VCFS (voluntary, community and faith sectors)**

The networks of voluntary, community or faith-led and run groups working to benefit their communities, either locally or nationally. These are usually not-for-profit organisations that respond to and provide ways of meeting identified community needs.

Additional copies of this Compact can be downloaded from Lancashire County Council's web-site at [http://lccweb/corporate/grants\\_groups/index.asp](http://lccweb/corporate/grants_groups/index.asp)

There are also copies in your local CVS office and at Community Futures.

Or contact Mark Waddington on Preston (01772) 537697.



