



# Adults and Community Scrutiny Panel

## 13 January 2015

<b>Report title</b>	Wolverhampton Compact – Its Value and Future	
<b>Cabinet member with lead responsibility</b>	Councillor Elias Mattu Economic Regeneration and Prosperity	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Tim Johnson, Education and Enterprise	
<b>Originating service</b>	Neighbourhood Services Team in conjunction with Wolverhampton Voluntary Sector Council (WVSC)	
<b>Accountable employee(s)</b>	Martha Cummings	Voluntary Sector Coordinator Tel 01902 555929 Email <a href="mailto:Martha.cummings@wolverhampton.gov.uk">Martha.cummings@wolverhampton.gov.uk</a>
<b>Accountable employee(s)</b>	Saffi Price	Deputy Chief Executive (WVSC) Tel 01902 773761 Email <a href="mailto:sprice@wolverhamptonvsc.org.uk">sprice@wolverhamptonvsc.org.uk</a>
<b>Report to be/has been considered by</b>	Progress Report will be taken to Strategic Executive Board in July 2015	

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### Recommendation(s) for action or decision:

The Panel is recommended to discuss and comment on the contents of this report.

### Recommendations for noting:

The Panel is asked to note:

1. The proposal to undertake a review and, if required, refresh of Wolverhampton Compact.
2. The continued approach to seek cross-party engagement from Councillors at all stages of the review.
3. The need to encourage “buy in” from other Public bodies.
4. The need for joint working across departments in the Council and with organisations city-wide for effective implementation.

## **1.0 Purpose**

- 1.1 That the Adults and Community Scrutiny Panel notes and comments upon the new direction for Wolverhampton Compact.

## **2.0 Background**

- 2.1 The Compact is an agreement between Government and the Voluntary and Community Sector (VCS) in England. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work together.
- 2.2 The National Compact was established in 1998, and with it came a mandatory requirement from Central Government that all Local Authorities develop their own local compacts by April 2005.
- 2.3 It promotes a clear understanding of the many diverse and different roles the VCS plays, including building relationships in local neighbourhoods and communities, the delivery of services on a local, national and international level.
- 2.4 Locally services are delivered both on a formal and often informal basis thereby encouraging people to take part in their communities, promoting a sense of ownership and belonging.
- 2.5 Following the launch of the National Compact, Wolverhampton's Compact was signed by partners in 2005. This followed a period of consultation across Public and the VCS.
- 2.6 The Compact lays down the rules of engagement between and within the sectors as follows in the summary principles:
1. Acknowledge the diversity of and the different levels of capacity in organisations, respect contribution and independence to build mutual respect.
  2. Build fair, honest and open relationships and acknowledge agreed shared responsibilities
  3. Continually work to improve communication between the sectors
  4. Continually work to improve the process of consultation between the sectors
  5. Allocation of resources should be made against open, transparent and consistent criteria, including jointly agreed outcomes and monitoring arrangements
  6. Funding processes will accommodate the different resource and capacity issues for organisations
  7. Work together to develop and support VCS infrastructure
  8. Observe the Nolan Committees Standards of Public Life
  9. Strive to ensure all principles take into account the concerns of BAME and any disadvantaged and under-represented people
  10. Recognise that misunderstandings and mistakes will occur but parties agree to work together to resolve any issues that arise.
- 2.7 Under-pinning the above Principles are six Codes of Practice that provide more detailed guidance across:

1. Funding, Commissioning and Procurement
  2. Community Groups
  3. Black and Minority Ethnic Voluntary and Community Organisations
  4. Equality and Diversity
  5. Volunteering
  6. Consultation and Policy Appraisal
- 2.8 In line with Central Government policy and practice, Wolverhampton's Compact exists to promote a 'Compact Way of working' across our organisation, other public agencies, the VCS and increasingly the private sector.
- 2.9 The National Compact has since been refreshed twice since its inception; In November 2009, to reflect legal, policy and practice changes, and again in December 2010 following the change of Government.
- 2.10 Many of the organisations who were the original signatories to Wolverhampton Compact no longer exist including Local Strategic Partnership, NHS Primary Care Trust, Learning and Skills Council, All Saints Blakenhall Community Development, Wolverhampton Network Consortium. Conversely, new key structures have come into play including Police and Crime Commissioners, Clinical Commissioning Groups, Healthwatch, City Board, Health & Well-being Board and others.
- 2.11 Legislation and terminology used in the Compact documents have also changed since the launch of our Compact; primarily cross-cutting legislation including the Equality Act 2010, and the Public Services (Social Value) Act 2012.
- 2.12 In Wolverhampton the success of our compact was recognised at a national level over a number of years including awards for Compact of the year, Compact Champion etc. The positive image presented at national level has strengthened Wolverhampton's reputation as a City with strong partnership structures.

### **3.0 Challenges and Changes**

- 3.1 Use of the Compact to challenge decision making has been limited. There have been examples of it being used in this way but there have been a number of barriers to this, not least the fear of damaging long term relationships.
- 3.2 The Compact has been successful in supporting a culture based on clarity and fairness and raised the bar in terms of the expectations that partners place on each other.
- 3.3 The Compact worked well in establishing rules of engagement when times were less challenging than is currently the case. This good practice has continued into the current age of austerity in mitigating some of the pressures to act in "non-compact" ways across areas such as funding and equalities.
- 3.4 The landscape within which we work has changed significantly over the past decade, not least the fact there are less resources available to the public sector and an associated

need to extract maximum value from each pound spent, particularly through recognising the social value in the delivery of contracts for goods as well as services.

- 3.5 The development of new funding models, for example those based around social investment and payment by results, is an emerging feature and it is important that our City engages with these new models in an effective manner.
- 3.6 The nature of relationships between Public and the VCS has also changed with an emerging landscape characterised by more equal partnership, not least in identifying sources of funding such as through the Big Lottery strategic programmes and co-ordinating European Union funding proposals. There is also a growing recognition that a strengthened “civil society” is, in part, the solution to ever growing demand on acute services.

## 4 The future

- 4.1 We are in a time of change not least within the funding landscape and the response requires a more mature relationship across public and voluntary and community sectors.
- 4.2 A revised Compact could provide a structure within which this relationship and its scope can be captured.
- 4.3 In terms of this direction of travel the Scrutiny Board are asked to note that a renewed compact that builds on best practice already established while acknowledging the changes referred to above in terms of both the Compact principles and the focus of the Codes of Practice.
- 4.4 In particular the new Compact should refer to:
- An acknowledgment of a changing and maturing relationship across the sectors.
  - Best practice in terms of Commissioning and Procurement, building on the existing Compact Code of Practice.
  - Best practise in terms of joint funding and other collaborations, building on our experiences to date.
  - The development of a shared understanding of social value with agreed measures of SROI (social return on investment) that looks beyond the existing legal framework.
  - An agreed approach to the best use of resources to maximise the long term benefits to the City.
  - A willingness to work together within and across organisations to examine alternative solutions and models of delivery and the principles around this.

## 5.0 Conclusion

- 5.1 The approaches proposed continue to demonstrate real commitment to working in partnership and create a firm framework for the further development of effective working relationships between the public sector and the third Sector in the city.

## **6.0 Financial implications**

- 6.1 As we move forward particularly with the savings programme, a Compact way of working supports the drive for exemplary partnership working, efficiencies and better outcomes for our local communities. By working with the Cabinet Office, Compact Voice and West Midlands Regional Compact Group in this way, Wolverhampton has an opportunity to build into its processes tools, indicators and actions that will enable us to robustly measure, capture and evidence the benefits to our local communities.
- 6.2 The initial stages of the review process will require a small resource for beverages and meeting costs which can be met across the partners. The proposals and recommendations that ensue from this process may then determine that a dedicated budget is required. Considerations as to how this will be met will be part of the discussions during the review process and will be included in the Report to Cabinet in July.
- 6.3 As such there are no direct financial implications arising from this report.  
[AB/05012015/D]

## **7.0 Legal implications**

- 7.1 The Compact is one of the key tools in meeting the Council's commitment to a thriving community voluntary sector. Whilst not a statutory duty, all local authorities are encouraged to have a Compact with their VCS.
- 7.2 The Council provides assistance to VCS organisations under Contract and Grant agreements in addition to discretionary powers contained in section 137(3) of the local Government Act 1972. As such there are no direct legal implications arising from this report. [RB/31122014/A]

## **8.0 Equalities implications**

- 8.1 This report does not require an initial Equality Screening at this stage as officers in the Council and WVSC are proposing to explore and identify preferred options following wider discussions with a range of organisations across the sectors.
- 8.2 The proposals and recommendations that ensue from those discussions may then determine that an initial Equality Screening is required.

## **9.0 Environmental implications**

- 9.1 There are a number of organisations that are concerned with environmental issues that will fall under the remit of the Compact. However, there are no direct environmental implications arising from this report.

## **10.0 Human resources implications**

10.1 There are no direct Human Resources implications arising from this report.

**11.0 Corporate landlord implications**

11.1 There are no direct implications for the Council's property portfolio arising from this report.

**12.0 Schedule of background papers**

12.1 The Compact; Wolverhampton Compact; 6 Codes of Practice - Funding, Commissioning and Procurement; Community Groups; Black and Minority Ethnic Voluntary and Community Organisations; Equality and Diversity; Volunteering; Consultation and Policy Appraisal