

Draft re-negotiated Compact for consultation

Compact Voice Briefing Autumn 2010

The Compact is an agreement between the Government, and their associated Non-Departmental Public Bodies and Executive Agencies, and civil society organisations¹ (CSOs) in England. It is based upon the foundations that have always been at the heart of partnership working between the two – that in the development and delivery of public policy and services, the Government and CSOs have distinct but complementary roles; and that there is greater value in working in partnership towards common aims and objectives.

This agreement will be central in helping government to deliver their big society agenda, as an independent and diverse civil society is fundamental to the well-being of society. The Government believes that the innovation, expertise and ethos of CSOs is essential in tackling the social, economic, environmental and political challenges that the UK faces today.

Likewise ensuring the relationship is as productive as possible is central to many CSOs, who engage with government in a range of ways from representation and campaigning to delivering services. They range from informal community groups to larger formal organisations.

Central to this agreement are the principles of respect, honesty, the value of volunteering, and the value of support and development to organisations on the front line. All underpinned through open communication.

Outcomes for Government and Civil Society Organisations

- 1. Civil Society Organisations' independence is recognised and valued**
- 2. Effective and innovative policies, programmes and services, incorporating social value**
- 3. Well managed programmes and services**
- 4. Minimised impact of ending funding**
- 5. An equal and fair Society**

Commitments for Government and Civil Society Organisations

1 Civil society organisations' independence is recognised and valued

Undertakings for government:

- 1.1 Respect the independence of CSOs to deliver their mission, including their ability to campaign, regardless of any financial or other relationship which may exist.
- 1.2 Ensure that CSOs are supported to engage with government.

Undertakings for civil society organisations:

- 1.3 Campaign and advocate responsibly, based on robust evidence.
- 1.4 Ensure they uphold their independence, and remain focused on their mission, irrespective of any relationship with government.

¹ One of our consultation questions asks which organisations the Compact should cover.

2 Effective and innovative policies, programmes and services, incorporating social value

Undertakings for government:

- 2.1 Work with CSOs to plan policies, programmes and services from the earliest stages of development, ensuring those likely to have a view are involved from the beginning.
- 2.2 Reduce the bureaucratic burden on CSOs, particularly on small organisations, and assess the implications for CSOs of new policies, legislation and guidance, including keeping Criminal Record Bureau (CRB) checks and Independent Safeguarding Authority (ISA) registration free to volunteers.
- 2.3 Give early notice of forthcoming consultations, where possible, allowing enough time for CSOs to involve their service users, beneficiaries, members, volunteers and trustees in preparing responses. Conduct 12-week formal written consultations, with an explanation given for shorter time-frames or a more informal approach.
- 2.4 Consider social value as a standard part of policies, programmes and services.

Undertakings for civil society organisations:

- 2.5 Promote government consultations with their membership where appropriate
- 2.6 Seek the views of service users, beneficiaries, members, volunteers, and trustees, where possible, when making representation to government. Be clear on who is being represented, in what capacity, and on what basis that representation is being made.
- 2.7 Focus on solutions to issues, with clear proposals for change where relevant.

3 Well managed programmes and services

Undertakings for government:

- 3.1 Consider the most appropriate ways of funding or supporting organisations. These methods could include grants, contracts, loan finance, training, use of premises or other support. A clear rationale should be provided for the decision.
- 3.2 Ensure well managed application and tendering processes, proportionate to the desired objectives and outcomes of programmes.
- 3.3 Ensure that decisions are properly explained, giving specific reference to legislation or other guidance where relevant.
- 3.4 Discuss and allocate risks to the organisation(s) best equipped to manage them. Ensure that delivery terms and risks are proportionate to the nature and value of the opportunity.
- 3.5 Make payments in advance of expenditure where there is a clear need and where it represents value for money.
- 3.6 Commit funding for three years or more. If this is not the best way to deliver the best value for money, explain clearly what alternative funding arrangements could deliver the same outcomes.
- 3.7 Recognise that it is appropriate for CSOs to include relevant overheads and administrative costs when applying for grants, accept the recovery of costs associated with volunteering, and agree how underspend will be managed.
- 3.8 Discuss and agree with CSOs how outcomes, including value for money and social value, will be monitored before a contract or funding agreement is signed. Ensure that monitoring and reporting is proportionate to the nature and value of the opportunity. Be clear about what information is being requested, why, and how it will be used.
- 3.9 [Ensure that prime and sub-contractors and all other public and private bodies distributing public money, or delivering programmes or activities on behalf of government, commit to working within the Compact by making it a requirement of funding arrangements.] – *This is under review within government*
- 3.10 [Apply the Compact when distributing European funding. Where conflicts arise with European regulations, discuss the potential effects and agree solutions together.] – *This is under review within government*

Undertaking for civil society organisations:

- 3.11 Ensure eligibility for funding and finance agreement before applying and be explicit about how to deliver outcomes.
- 3.12 Ensure robust governance arrangements so that organisations are well placed to manage risk associated with service delivery.
- 3.13 Recognise that it is legitimate for the Government to ask for public recognition of their funding.
- 3.14 Be open and transparent about reporting, recognising that monitoring whether internal or external is an aspect of good management practice.
- 3.15 Give early notice to funders of significant changes in management, funding or other risks.

4 Minimised impact of ending funding

Undertakings for government:

- 4.1 If the project is encountering problems, discuss and agree with CSOs 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.
- 4.3 Where there are restrictions or changes to future resources, discuss with CSOs the potential implications as early as possible, giving organisations the opportunity to respond. Consider the response 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, and provide a clear rationale for why the decision has been taken.

Undertakings for civil society organisations:

- 4.5 Plan for the end of funding to reduce any potential impact on beneficiaries and the organisation.
- 4.6 Contribute positively to reviews of programmes and funding practice.

5 An equal and fair Society

Undertakings for government:

- 5.1 Work with CSOs that represent people protected by legislation and other under-represented groups to understand their specific needs and take these into consideration when designing and implementing policies, programmes and services.
- 5.2 Acknowledge that organisations that represent specific disadvantaged and under-represented group or groups can help to promote social and community cohesion.
- 5.3 Take practical action to eliminate discrimination, advance equality and to provide a voice for under-represented and disadvantaged groups to ensure that communities are inclusive and fair for all.

Undertakings for civil society organisations:

- 5.4 Demonstrate where the value of their work can help public bodies deliver their public sector duties on promoting equality and tackling discrimination.
- 5.5 Take practical action, such as through funding bids, to eliminate discrimination, advance equality of opportunity and build community links.