

HYNDBURN COMPACT

Consultation Document

GLOSSARY

Accountability	Responsible for, reporting actions to others.
Advocate	To put forward a cause, to enable others to present their own views.
Carer	An individual looking after a friend, relative or neighbour who cannot manage without help because of sickness, disability or age.
Charity Commission	A government department set up to further the work of charities by giving advice and information and investigating misconduct. It also maintains a public register of charities.
Community and Voluntary Sector	A sector distinct from the 'private' and 'public' sectors which is made up of the following: community groups, residents and tenants associations, self help groups, mutual support groups, registered charities and charitable companies limited by guarantee.
Compact	A mutual agreement.
Consensus	Agreement in opinion.
Constitution	The rules for an organisation or group to work to.
Funder	An organisation or individual providing cash or in-kind support (funding).
Governance	To carry out duties within legal requirements.
Quorum	An agreed minimum number of people required for a meeting to take place.
Not for Profit	To make sure any surplus finance is reinvested to the group or organisation as a whole and not to distribute this to individual share holders.
Social Exclusion	"A shorthand label for what can happen when individuals or areas suffer a combination of linked problems such as unemployment, poor skills, low income, poor housing, high crime environments, bad health and family breakdown" (Index SEU, 1998)
Service Provider	An organisation that provides a direct service to the public.
Service Users	Individuals who use direct services.

Introduction

A Compact is a statement of partnership between various organisations. It is a commitment to work together more closely and effectively and to respect each others' rights and responsibilities. It offers a new approach to partnership, and a framework to develop more detailed agreements in specific areas in the future.

This compact is being drawn up in consultation with the community and voluntary sector in Hyndburn and Hyndburn Borough Council.

The Compact represents a commitment by the Partners – it is not intended to be a legally binding formal contract but derives its authority from the endorsement of the Partners through the consultation process and through formal adoption by partners. The Compact sets out a shared vision for the Partners, establishing the principles for the relationship between the Partners and to clarify the expectations the Partners have of each other.

The Government has recognised that *“the work of voluntary and community organisations is central to (its) mission”* (Tony Blair) and has therefore produced a National Compact to provide a general framework and act as an enabling mechanism to enhance relationships between Government and the community and voluntary sector. The local Hyndburn Compact draws on the structure and content of the National Compact.

The aim has been to draft a statement that will be applicable across a whole range of relationships between the community and voluntary sector and the Council. Each Council service will be expected to take the Compact into account when revising existing policies, strategies and action plans and when devising new ones.

In addition, mechanisms will be established to monitor adherence to the principles set out in the document by both the community and voluntary sector and the Council. The compact itself will be subject to joint review.

Key Principles and Values

The following key principles and values are a foundation for the Hyndburn Compact, the relationship within the community and voluntary sector and between the community and voluntary sector and the public sector:

- An independent and diverse community and voluntary sector is fundamental to the well being of a democratic society.
- The relationship between the community and voluntary sector and the public sector must be one of mutual respect and equality.
- All partners are committed to equality of opportunity for all people, regardless of race, religion, age, disability, gender or sexual orientation.
- There are varied roles for the community and voluntary sector and the sector has a responsibility and entitlement to campaign and act as advocates, within the law.
- All partners are accountable for their actions and common throughout is the need for integrity, objectivity, openness, honesty and leadership. This requires appropriate management within all partners internal processes.
- An approach recognising that diversity of funding sources is one of the best guarantees of continued independence of the community and voluntary sector.
- Effective partnerships require communication and collaboration between all levels of the community and voluntary sector and public sector.
- The development of an open and honest relationship between the community and voluntary sector and the public sector based on mutual trust.

Shared Vision

The Partners recognise their interdependence and reliance on each other to achieve the shared goals of:

- Working together with people and communities of Hyndburn to combat social exclusion.
- Enabling the people of Hyndburn to achieve independence, dignity and self-respect.
- Encouraging self development and enhancing the capacity of communities to participate in decisions affecting their lives
- Being responsive to the needs, ideas and decisions of the people of Hyndburn.
- Promoting and implementing equal opportunities.
- Ensuring a diversity of service provision and wherever possible, choice for clients.
- Ensuring value for money.
- Helping to determine and then to meet the priorities and strategic objectives of plans to regenerate Hyndburn thereby improving the quality of life for all residents.

Public Sector Partners' commitments to the Community and Voluntary Sector

Partners' recognise and value the contribution that the community and voluntary sector makes to society. Partners want to ensure this contribution continues and throughout their work they will:

- Actively encourage the participation of the community and voluntary sector in the development of strategies and policies.
- Consult the community and voluntary sector on issues that are likely to affect it, particularly when new roles and responsibilities for the sector are being proposed.
- Recognise that groups within the community and voluntary sector have little resources when compared to large public sector bodies and act accordingly.
- Recognise that whilst groups may have few fiscal or physical resources the true economic value of the community and voluntary sector will always be acknowledged.
- Respect and value the campaigning role of the community and voluntary sector, whilst acknowledging that this may conflict with local government plan's and decisions.
- Develop clear guidelines and written agreements and procedures relating to the provision of in-kind, cash funding or other forms of support to the community and voluntary sector.
- Actively encourage the involvement of the community and voluntary sector, acknowledging that this may conflict with partners' plans and decisions.
- Maintain high standards of governance, conduct and openness.
- Actively encourage the involvement of service users.
- Work with the community and voluntary sector to develop and implement a code of good practice for the involvement of the community and voluntary sector, which ensures that confidentiality is established and maintained.
- Work with the community and voluntary sector continually to review the impact of the Hyndburn Compact.

The Community and Voluntary Sectors' commitment to partners.

The Community and Voluntary Sector recognises that it has a responsibility to the residents of Hyndburn and others with whom it may come into contact. The community and voluntary sector will:

- Maintain high standards of governance, conduct and openness.
- Meet legal, reporting and accountability obligations to funders and service users.
- Observe guidance from the Charity Commission including that on political activities and campaigning.
- Develop quality standards that are relevant and appropriate to each group.
- Consult with service users, carers, volunteers and members on policy development activities and planning and development of services.
- Actively and accurately communicate the views put to them in the course of a consultation carried out on behalf of the public sector or when presenting a case to the public sector.
- Promote effective working relationships within the community and voluntary sector and public and private sectors.
- Implement policies that promote best practice and equal rights in activities, employment, involvement of volunteers and service provision.
- Work with the public sector to develop and implement a code of good practice for the involvement of the community and voluntary sector, which ensures that confidentiality is established and maintained.
- To make effective use of the campaigning role to improve practice, policy and services.
- Work with the public sector continually to review the impact of the Hyndburn Compact.

Resolution of Disputes

The Compact seeks to clarify and enhance the relationship between the various partners. We recognise however that from time to time disagreements may occur. We believe that these should be dealt with in the first instance between the parties and that should there be a failure to agree there should be an option of independent mediation. In the case of any complaints made against the Council, there is a formal complaints procedure which should be followed if appropriate.

This process does not replace the need for the Council to ensure financial probity in the use of public funds nor the need to intervene promptly should allegations of impropriety be made. However, in the case of disputes about working relations between organisations we would wish to see mediation used prior to any further action.

Complaints from Third Parties

From time to time complaints about grant-aided organisations will arise and may be directed at the Council, as the custodian of public funds. No clear process currently exists about how the Council will respond to such complaints. It is therefore intended that a set of guidelines be established by the community and voluntary sector and the Council which will set out the process whilst meeting the Council's legal and best value obligations. Consideration of the interests of the end users of Council funded services will be of central importance in any investigation process.

Links with other strategies

This Compact can not be considered in isolation. It sits alongside and complements and supports the following strategies and plans:

The Health Improvement Plan

The Council's Corporate Plan

The Housing Strategy

The Borough Local Plan

The Annual Economic Development Plan

The Crime and Disorder Strategy

The Leisure Strategy

The Arts Strategy

The Sustainability Action Plan

The Environmental Strategy

The individual strategies and plans of groups in the Voluntary and Community Sector

The Council's housing services are of the utmost importance. Recognising this, a separate Housing Compact was developed specifically to address the needs of local tenants and residents. The Housing Compact must be considered alongside this wider-ranging compact.

The Compact will ensure that these strategies and plans will be influenced by inputs from, and relationships with, the community and voluntary sector.

HYNDBURN BOROUGH COUNCIL SUPPORT FOR COMMUNITY AND VOLUNTARY SECTOR ORGANISATIONS

Generally, Council support is made on the basis of shared and mutually compatible objectives.

The ability, and willingness, of the Council to provide support is influenced by:

- the level of resources available to the Council;
- corporate priorities;
- shared priorities; and
- competing claims for support.

All of these influences change over time, and will have consequences for the Council's support to community and voluntary sector organisations.

There are always too many claims for the Council to support everyone. Therefore, there are always hard decisions to take and not everyone can benefit. Equally, funding is not guaranteed and does not last forever.

Organisations submitting requests for funding are responsible for costing and planning their work realistically, including taking account of any cost increases over time, for example, salary increases or costs resulting from new legislation. Hyndburn Borough Council encourages applicants to develop realistic proposals and projects in order to be sure that shared objectives are achieved.

Funding can take different forms, including cash grants, cash loans, equipment loans, member or officer time, use of meeting rooms, provision of direct services, etc. In addition to funding taking different forms, it might address different types of needs: strategic, project specific or development funding.

Multi-year strategic funding

This type of funding takes into account the broader aims and needs of the funder over and above specific prescribed areas of activity (which may be more suited to project funding). It enables the Council to ensure that capacity exists, and assists longer term planning and stability, within the sector. It also takes account of the objectives of the funded organisation and its need to operate efficiently and effectively. In this way funding is used to support the core operational activities of an organisation:

- where these activities match the objectives of the Council but the organisation is able to deliver them at a level and to an audience that the Council is not;

- where Council priorities mean that there is a recognised need to assist a particular target group and that is best achieved via the organisation; or
- where the Council recognises the value of the organisation (its track record/strategic position) and its role in the wider voluntary sector context and wants to support that role.

Strategic funding should be provided for organisations that can make specific contributions to meeting Council priorities. A commitment to strategic funding should form part of an ongoing relationship between the Council and the funded organisation. Funding of this type will normally be considered over longer periods, and should be based on a number of factors including:

- consistency with shared priorities;
- the availability of funding;
- a statement of the expectations that the Council has of the supported organisation;
- value for money;
- a framework for monitoring and evaluation; and
- formal review processes.

The likely duration of a funding arrangement should be made clear at the outset. Strategic funding should be for a maximum of three years. The annual review process reflects the fact that strategic funding is, however, not an open-ended commitment to a voluntary or community organisation, and that the Council must retain the ability to exit from the relationship should:

- resources available to the Council reduce to a level that jeopardises general service delivery, necessitating a review of priorities; or
- Council priorities otherwise change significantly; or
- the supported organisation fail to meet the requirements of the Council in agreeing to provide the support.

Project Funding

The Council might prefer to provide project funding to meet the costs of a specific piece of work or activity for an agreed period of time.

Development Funding

For some voluntary and community organisations there are particular periods in their lives when they require funding to enable them to grow and develop in a particular direction. This may, for example, be because there have been changes in the external environment which provide opportunities for growth, which cannot be taken until the organisation has itself increased its capacity. It should:

- be for an agreed period of time;
- be explicit about the outcomes expected and the way in which progress will be monitored and evaluated; and
- provide a realistic exit for the funder and the funded organisation at the end of the period of development funding.

Monitoring and Evaluation

Monitoring and evaluation are important elements and help determine the success of the support against agreed objectives.

- **Monitoring** is the process of gathering and recording information on a regular basis. It keeps account of progress and work undertaken against a set of agreed objectives, targets and indicators.
- **Evaluation** is the process of looking at that information and making a judgement or series of judgements on the quality of the 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.

Before any support is given, the Council will be clear about what information it needs from the applicant and why. In doing so, the Council will:

- take account of the monitoring procedures already agreed by the organisation's other funders (if any) and any quality assurance system introduced by the organisation itself. These will be examined to see if they satisfy the Council's needs before devising any additional requirements;
- agree that monitoring will be relevant and proportionate to the size and nature of both the funding provided and the funded organisation, consistent with the need for the effective protection of, and proper accountability for, public money.