

The Stockton Borough Compact

The Compact defining relationships between sectors in Stockton-on-Tees
Borough
September 2014 to August 2017.

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Foreword by the Chair of Stockton Strategic Partnership and the Chair of Catalyst

We welcome this refreshed Compact as a guide to how all sectors can work together to improve the lives of the residents of the borough.

The relationship between the public sector and the Voluntary Community Social Enterprise Sector in the Borough has grown and flourished over a number of years. This is reflected in the continued support, despite the challenging financial landscape, that the Council working with Catalyst provides to the sector. This includes the on-going development by the Council and Catalyst of a dynamic package of support for the Voluntary Community Social Enterprise Sector which includes training, investment and capacity building.

This refreshed Compact was developed jointly with key Stockton Strategic Partnership partners including Cleveland Police, Cleveland Fire Brigade, Job Centre Plus, Stockton on Tees Borough Council, and infrastructure Voluntary Community Social Enterprise Sector organisations.

We look forward to continuing to working together in the future.

Bob Cook
Chair
Stockton Strategic Partnership

Ian Cockerill
Chair
Catalyst

This Compact applies to the relationship and activities of the following public and Voluntary Community Social Enterprise Sector partners that serve on the Stockton Strategic Partnership:-

Stockton-on-Tees Borough Council
JobCentre Plus
Tees, Esk and Wear Valleys NHS Foundation Trust

Cleveland Police
NHS Hartlepool & Stockton-on-Tees Clinical Commissioning Group
Durham Tees Valley Probation Trust
Cleveland Fire Brigade

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Catalyst on behalf of their VCSES member
organisations.....

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Background Information

What is a Compact?

Compact is simply another term for an agreement. This Compact is the agreement between the public sector and the Voluntary Community Social Enterprise Sector (hereby referred to as the VCSES) in Stockton Borough. Organisations from both sectors can sign up to the Compact and in doing so commit themselves to complying to a set of shared principles and joint commitments to build relationships and work together effectively in partnership to improve peoples lives.

In addition both sectors acknowledge the importance of promoting equality of opportunity for all people, regardless of race, age, disability, gender, sexual orientation or religious belief, and will work together to develop mechanisms, which not only accommodate specialist independent groups, but actively promote the inclusion of such groups.

The Compact is a partnership of principles, drawn up by the statutory, Voluntary Community Social Enterprise Sectors, whereby all parties agree to work together and recognise, and value, the diversity that exists in society generally and in Stockton-on-Tees.

Definitions:

What is the Public Sector?

Public sector organisations operate by statute or law and are regulated by Central Government. Organisations that form the public sector include local Councils, the Police, Police & Crime Commissioner, Clinical Commissioning Group, Fire and Rescue Service, health organisations including; NHS and Mental Health Trusts and Jobcentre Plus.

What is the Voluntary Community Social Enterprise Sector

Groups/organisations whose activities are carried out for social and/or community benefit and that any profit is used for social and/or community benefit and which are not public or local authorities or a private sector. These organisations would normally be formally constituted and may employ professional staff and may use volunteers. A range of autonomous collective activity undertaken by neighbourhoods or communities of interest, to improve life and conditions. Whatever the size or purpose they all have the following characteristics in common –

- They are independent and autonomous
- They exist for public or community benefit
- They are not for individual gain
- They are not allied to a political party
- They are governed by a constitution or set of rules
- They are overseen by unpaid board or committee members
- They are accountable to their members

- They include faith groups/organisations, Social Enterprises, Credit Unions etc
- Community Interest Companies

Shared Compact Principles

The shared principles of the Compact are:

- **Respect:** Public sector partners and the VCS partners on Stockton Strategic Partnership are accountable in different ways, but both need to act with transparency and integrity. Effective partnerships are built on mutual understanding, trust and an appreciation of the differences between partners of the Compact i.e. to respect the confidentiality of any information provided by each sector when given access to it and to respect different organisational cultures; to respect each other and behave professionally and to avoid personalising issues
- **Honesty:** It is only through open communication that strong partnerships can be built and maintained. Full and frank discussions, whilst treating each other with courtesy and respect, should be the basis for resolving difficulties.
- **Independence:** The independence of the VCS is recognised and supported. This includes its right within the law to campaign, to comment on and to challenge local policy and plans (whatever funding or other relationship may exist) and to determine and manage its own affairs.
- **Diversity:** Both sectors value and celebrate a thriving civil society, which brings innovation and choice through a multitude of voices.
- **Equality:** Fairness for everyone and protecting people from discrimination, regardless of their background, is a fundamental goal, and both the public sector partners and the VCS will work together to achieve this.
- **Citizen empowerment:** By working together, we deliver change that is built around cohesive communities and people, meeting their needs and reflecting their choices.
- **Volunteering:** The energy and commitment of people giving their time for the public good contributes to a vibrant society, and should be recognised and appreciated.

Stockton Renaissance Partners from both the public sector and the VCSES are committed to these principles.

Compact Commitments

The Compact recognises the following principles:

1. Involvement in Policy Development

VCS organisations have expertise in many areas, often because they work directly with people and groups on the ground. This allows them to understand the needs of their beneficiaries and provide new and effective answers to problems. Involving and consulting the VCS can help public sector partners develop policies that meet the needs of people and communities.

Involving the VCS in policy development is a continuous process right from the earliest stages of policy development. It includes a range of methods – from informal engagement to full-scale public consultation.

Commitments for public sector partners on Stockton Strategic Partnership;

When to involve?

Involving the VCS in policy development at the earliest stage possible will allow the public sector partners on Stockton Strategic Partnership to get the most out of the process. This will lead to more effective policies and programmes being developed.

Public sector partners undertake to:

- Involve the VCS from the earliest stages of policy development, on all relevant issues likely to affect it. This can include empowering VCS organisations to start discussions within affected communities themselves.
- Inform the sector of progress in developing policy.
- Identify implications for the VCS when assessing the impact of new policies, legislation and guidance.

Support to involve?

Spending time and resources helping the VCS organisations make their voices heard helps ensure that their knowledge can contribute to policy development.

Public sector partners undertake to:

- Ensuring increasing participation to identify and address barriers, such as communication barriers, which may prevent VCS organisations from contributing to policy development.
- Encourage and facilitate responses from the full range of VCS organisations that are likely to have a view.

- Support the development of VCS infrastructure. Infrastructure bodies enable VCS organisations to help people and communities more effectively, through services such as capacity building, representation and other forms of support.
- Identify where there are costs to VCS organisations as a result of partnership work with Stockton Strategic Partnership and offer support through the Voluntary Community Social Enterprise Sector Support Package.

How to involve?

VCS organisations can provide stronger and better-informed responses if the consultation methods used are suited to the purpose and audience, and if enough time is given for people to respond. Either formal or informal consultation methods may be appropriate depending on the circumstances and on the type and sizes of the organisation.

Public sector partners undertake to:

- Avoid compromising or undermining the independence of VCS organisations (whatever financial or other relationship may exist between them).
- Give notice of forthcoming consultations so that organisations can plan ahead.
- Publicise consultation exercises widely and make sure they are accessible to the people they are intended to reach.
- Use a variety of different consultation methods and explain the reasons for selecting them.
- Explain which matters are open to change as a result of the consultation and which are not. Provide feedback to explain how respondents have influenced policy decisions, including where respondents' views have not been acted upon.
- Allow enough time for VCS organisations to involve their service users, beneficiaries, members, volunteers and trustees in preparing responses.
- Where a policy decision is likely to have a significant effect on the Voluntary Community Social Enterprise Sector Catalyst must be involved at the earliest opportunity, allowing a minimum of 12 weeks, where possible for wider consultation. Explanations where appropriate to be provided where this minimum cannot be adhered to.
- We will ensure that in respecting confidentiality we are taking into account relevant legislation including Data Protection.

Commitments for VCS;

Effective involvement

When the VCS engages actively in policy development, it helps to build trust in the sector, establishing valuable links between the two sectors and encouraging Stockton Strategic Partnership to commit actively to listening to VCS views.

Voluntary Community Social Enterprise Sector organisations undertake to:

- Involve service users, beneficiaries, members, volunteers and trustees when preparing responses to consultations.
- Give feedback on what information is presented to Stockton Strategic Partnership and what the outcome is to everyone involved in responding to the consultation.
- Be clear about whose views are being represented and what those views are. This includes explaining whether views have been gathered directly (and from what audience), or whether the response is based on the organisation's knowledge and experience of the issues.
- Make sure all research and information that is presented to Stockton Strategic Partnership is accurate and credible. Explain where the information comes from and if there is conflicting evidence.
- Be aware of the consulting organisation's obligations under the Freedom of Information Act 2000. Where appropriate, respect the confidentiality of information that has been supplied by Stockton Strategic Partnership for the consultation.
- Ensure that in respecting confidentiality relevant legislation, including Data Protection, is taken into account.
- Promote government consultations across the Voluntary Community Social Enterprise Sector, where appropriate.
- Accept that, in rare cases, consultations may need to take place in shorter time-frames than 12 weeks. Where this is the case a written explanation will be provided.

2. Commissioning from VCS

VCS organisations, including those that receive no public funding, are often in a good position to understand what people want and how their needs can be met. By working together, developing markets, exploring local needs and co-designing programmes, public sector partners and the VCS can draw upon their experiences to deliver policies and programmes that are built around communities and individuals, meeting their needs and reflecting their choices.

This section reflects good practice in commissioning and is relevant to the entire commissioning cycle.

Commitments for public sector partners on Stockton Strategic Partnership

VCS organisations are often in a good position to understand people's needs and to provide innovative solutions to those needs. Involving Voluntary Community Social Enterprise Sector organisations in designing new programmes and services, and focusing on results, can help provide the right resources, identify risks and solutions, and achieve better outcomes. When done appropriately, this does not affect competitive neutrality.

Public sector partners undertake to:

- To embed the principles of social value in procurement processes in line with the Public Services (Social Value) Act 2012.
- Plan new programmes and services with a focus on outcomes, providing scope for innovation wherever possible.
- Work with VCS organisations to understand public service reform and support the sector in responding to changes.
- Begin planning programmes and services well in advance of the expected start date, based on consultation with the VCS.
- Ensure that those VCS organisations that are likely to have a view on the programme or service are involved from the beginning.

Choosing commissioning approaches

Choosing the most appropriate commissioning mechanism will help to secure the most appropriate organisation to deliver outcomes.

Public sector partners undertake to:

- Consider different ways of commissioning organisations working with Public Sector. These methods could include grants, contracts, loan finance, training, use of premises or other support. A clear rationale should be provided for the decision.
- Ensure that the size and scale of the commissioning arrangements reflects the projects objectives and attracts those organisations best placed to deliver the required outcomes.

- Advocate that prime and sub partners and all other public and private bodies distributing public money are encouraged to work within the Compact according to relevant funding bodies commissioning rules / procedures.
- Apply the Compact when commissioning projects using European funding. Where conflicts arise with European regulations, discuss the potential effects and possible solutions with the VCS organisation.

Application and tender processes

A well-managed application or tender process that is proportionate to the desired objectives will encourage a diverse range of organisations to apply, helping to ensure that the most appropriate organisation is found for the role. Public sector partners undertake to:

- Ensure that application or tender documents are:
 - Publicised widely.
 - Proportionate to the nature of the risk and the value of service being commissioned.
 - Contain enough information in clear jargon free language to allow organisations to make informed decisions.
- Require that when tendering for services, tender process are consistent with overarching Office of Government Commerce (OGC) guidance on public procurement and any agreed regional approaches.
- Allow appropriate time for organisations of all sizes to apply, as well as for consortia and partnership working bids.
- Be clear about how applications or tenders will be assessed and evaluated.
- Develop agreed approaches to exit strategies from the outset.

Understanding costs

Commissioners have an interest in ensuring that organisations can manage and administer effectively. Support functions are vital to achieving this. Public sector partners undertake to:

- Recognise that it is appropriate to include relevant overhead and administrative costs in applications.

- Accept the recovery of costs associated with volunteering, such as managing volunteers and reimbursing expenses.
- Be consistent when requesting cost breakdowns from organisations.

Making decisions

Award criteria should be designed to allow the commissioner to select the provider that is best placed to achieve best value for money.

Public sector partners undertake to:

- Where possible commit funding for up to three years or more subject to central government financial settlements. If this is not possible, public sector partners make a commitment to explain clearly why not.
- Aim to make commissioning decisions and inform organisations at least three months in advance of the expected start date. Any departure from that time-scale should be justified and explained.
- Provide constructive feedback to unsuccessful organisations.
- Make decisions on the basis of value for money. This may include taking into account the wider community benefits at the award stage or when identifying procurement needs.

Agreeing delivery terms

Agreeing terms in advance ensures a clear and shared understanding of respective responsibilities and allows the organisations involved to focus on delivery.

Public sector partners undertake to:

- Discuss the risks to the project and agree delivery terms before a financial agreement is signed.
- 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.
- Agree a process for managing performance and responding to changing circumstances before signing a financial agreement.
- For grants, agree how underspend will be managed.

Making payments

Payment terms which suit the type of service and the organisation involved will increase the likelihood of the desired outcomes being achieved.

Public sector partners undertake to:

- Make payments in advance of expenditure where there is a clear need and where this represents value for money. This may be particularly relevant for grants.
- Aim to make payments within 30 working days of invoices or grant claims being received, unless alternative arrangements have been agreed.

Monitoring and reporting

Appropriate monitoring reduces costs, time and resources for both sides, and means that time and effort can be focussed on delivering results.

Public sector partners undertake to:

- Discuss and agree how outcomes will be monitored before a contract or funding agreement is signed.
- Be clear about what information is being requested, why, and how it will be used.
- Ensure that monitoring and reporting is proportionate to the nature and value of the opportunity. Focus on evidence that is meaningful to the beneficiaries of organisations, as well as to commissioners.
- Consider how service users can be involved by getting their perspective of performance.
- Aim to standardise monitoring and reporting arrangements.
- Ensure that monitoring is consistently applied to organisations in all sectors.
- If the project is encountering problems, discuss and agree a timetable of actions to improve performance before making a decision to end a financial relationship.
- Variations to contracts should be discussed and agreed, including any financial implications.

Concluding a commission

It is important to plan ahead for the end of funding, in order to reduce its negative impact on the people involved, the stability of the VCS organisation and future partnerships.

Public sector partners undertake to:

- Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end a commission.

- Where there are restrictions on future resources, discuss the potential implications as early as possible with VCS organisations.
- Give a minimum of three months' notice in writing when ending a commission or other support, and provide a clear rationale for why the decision has been taken. Subject to the public sector organisations having received three months notice from central government.
- Review programmes and services with relevant VCS organisations to inform future practice.

Commitments for VCS;

Contribute to planning

When VCS organisations contribute to the planning and design of programmes and services, it helps ensure that they reflect the needs of beneficiaries.

VCS organisations undertake to:

- Involve users, beneficiaries, members, volunteers and trustees when designing or reviewing programmes and services.
- Provide feedback to contributors on information that is presented to Stockton Strategic Partnership and on what the outcomes are.
- Be clear about who they are representing, in what capacity, and what basis they are making that representation.

Making applications and bids

Organisations should ensure that they are eligible to apply for commissions and should check that the objectives of the funding programme or service are in line with the objectives of the organisation before applying.

VCS organisations undertake to:

- Be clear on their capacity for bidding or applying to deliver programmes or services.
- Highlight how new commissions will impact on their organisation, relate to its mission, and contribute to its income mix.
- Ensure they have a robust and clear understanding of the relevant overhead and associated costs to include when applying for resources or bidding for contracts.
- Be clear which organisation is the accountable body in partnership or consortia working arrangements and apply Compact principles in dealings within the consortia to ensure that the consortia 'speaks with one voice' in any dialogue with the commissioning organisation .

- Apply Compact principles when sub-contracting to other VCS organisations.

Agreeing delivery terms

Delivery and payment terms should be proportionate, in order to ensure that the project can run smoothly and focus on maximising outcomes for beneficiaries.

VCS organisations undertake to:

- Be clear about the risks associated with delivering programmes and services, and agree delivery terms before a contract or funding agreement is signed.
- Have appropriate governance arrangements in place and ensure that everyone involved understands and agrees to delivery terms.
- Be clear about payment terms and, if appropriate, demonstrate why payment in advance is required.
- Recognise that it is legitimate for commissioners to ask for public recognition of their funding.
- Have appropriate systems in place to manage and account for finances.

Monitoring and reporting

Managing funding effectively requires good monitoring. It promotes better working relationships with commissioners and ensures that performance is managed properly.

VCS organisations undertake to:

- Negotiate monitoring and reporting requirements before a financial agreement is made or contract agreed.
- Recognise that monitoring, both internally and externally, is an element of good management practice.
- Ensure that systems are in place to deliver the reporting required.
- Give early notice to commissioners of significant changes in management, or financial or other risks.
- Be open and transparent in reporting.

When commission ends

Contingency planning for the end of a contract or grant helps minimise the impact on beneficiaries. Planning in this way can help with long-term sustainability.

VCS organisations undertake to:

- Plan for the end of a commission to reduce any potential impact on beneficiaries and the organisation.
- Contribute positively to reviews of programmes or services to inform future practice.

In the event of a dispute or non compliance with this Compact both the public sector and VCS agree to adhere to the resolution process outlined at page 21.

Advancing Equality

The Compact aims at promoting the inclusion and integration of communities, groups and individuals throughout the borough, and recognises the principles of proactive or alternative forms of intervention designed to ensure that isolated, under-represented or excluded communities, groups or individuals are given the opportunity to fully engage in the democratic processes.

This Equality & Diversity commitment is one of the three commitments that describe how the Compact will work in practice. It is based on the National Code that was developed by Central Government in partnership with the VCS.

Partners subscribing to the Compact are committed to:

- recognising that everyone is different in terms of their race, age, gender reassignment, disability, sexual orientation, pregnancy and maternity, sex (gender) or religion or belief
- Legal responsibilities and duties under the Equality Act 2010
- recognising the importance of equality, diversity, community cohesion and human rights;
- developing working methods that will allow all groups to get involved;
- supporting marginal groups; i.e. Armed Forces
- celebrating and valuing people's differences.

Equality and Diversity

The population of Stockton-on-Tees comprises a diverse range of communities and needs. Public sector and VCS sector partners on Stockton Strategic Partnership are committed to the principles of equality of opportunity, and apply such principles in the belief that they are central in creating and maintaining a fair, equal and democratic society.

We recognise that issues of equality and diversity take many forms. This commitment will help to ensure that the different communities of Stockton can get involved. The commitment provides a source of good practice to address issues such as:

- rural, and social isolation;
- the needs of service users and carers;
- disability;
- gender and transgender;
- sexuality;
- religion and belief;
- young people;
- older people;
- black and minority ethnic communities;
- asylum seekers & refugees;
- gypsies and travellers;
- Armed forces.

Please note the above list is not definitive and may be revised from time to time.

In promoting equality and diversity both sectors undertake to:

- Include equality and diversity as a key requirement in new policy development, or in any updates of existing policy, evidenced by:
 - i) access to, and active promotion of, services
 - ii) any training requirements
 - iii) developing methods or procedures that actively encourage disadvantaged groups to participate in the development of services in a way that is real, active, productive and valued.
- Monitor the usage of services by all participating groups/agencies.
- Introduce specific conditions in funding agreements and appropriate monitoring measures in line with legislative requirements.
- Analyse and develop action points, as necessary, to increase equality of access to services.
- Promote fair and equal employment practices in recruitment, selection, retention, training and development, support, supervision and appraisal and introduce employment monitoring mechanisms which can measure these.
- Comply with up-to-date legislation to ensure reasonable provision of services on an equality and diversity basis.
- Specifically and actively promote and encourage ongoing partnership links.
- Promote equality and diversity in all day-to-day activities, as our core business.
- Give full attention to the needs of individual groups that are protected from discrimination through legislation.
- Support local action, dialogue and understanding between different organisations and communities.
- Share training resources / expertise, where appropriate, on equality and diversity.
- Celebrate equality, diversity and community cohesion.

Commitments for Public Sector Partners;

Public Sector Partners undertake to:

- Monitor the Governments ideas around “civil society” and incorporate relevant themes as appropriate into future policies and planning.
- Ensure that any ongoing review of policies, planning and procedures include evidence, such as application of any Impact Assessment, to ensure that no particular group is disadvantaged by existing or future policies by demonstrating ‘due regards’.
- Review their own published Equality and Diversity Policy as required, along with its action plan.

Commitments for VCS;

The Voluntary Community Social Enterprise Sector will also undertake to:

- Ensure that any ongoing review of policies, planning and procedures include evidence to ensure that no particular group is disadvantaged by existing or future policies.
- Adopt and develop an Equality and Diversity Policy or statement, as appropriate, along with its own action plan.
- Maximise communication.

Policies and legislation

This commitment links to existing laws and ways of working and should be used in conjunction with the National Association of Councils of Voluntary Service’s (NACVS) ‘Toolkit for Developing and Implementing Equal Opportunities Policies’ and any other guidance available for the promotion of equality and diversity.

Partner organisations should be aware of their responsibilities under both domestic (United Kingdom) and European legislation on equality issues. Each organisation will have its own policies and procedures regarding equality that complies with the relevant legislation, such as the Equality Act 2010 and Public Sector Equality duties.

**Example Flow Chart of non compliance / conflict procedure
(timescales for the respective actions to be appropriate for the issue)**



