

# A Compact for Bexley

## Stronger Partnerships, Stronger Bexley

October 2016



### FOREWARDS



**Councillor Don Massey**

**Cabinet Member for Finance and Corporate Services**

The Bexley Compact is a written agreement based on shared values, understanding and mutual respect between the statutory sector and the voluntary and community sector (VCS), for the benefit of Bexley's communities.

Bexley's Voluntary and Community sector contributes significantly to civic life here in Bexley. Our voluntary and community sector is one of our greatest assets and local statutory partners recognise this and value the sector's contribution, whether it is in delivering public services or in engaging with our most vulnerable residents and communities.

We all want Bexley's communities to continue to grow and flourish and therefore it is essential that we work together in a way that promotes volunteering, builds capacity in local charities and remains focused on the needs of our residents and businesses. The Bexley Compact outlines key principles to do this. It builds on the existing good working relationships and sets out aspirations for creating outstanding local partnerships.

**Gill Steward**

**Chief Executive, London Borough of Bexley**

In Bexley, we want residents to live long, fulfilling and healthy lives in a supportive community. Our ambitions for achieving this depend on strong and positively challenging relationships between local statutory partners and the local voluntary and community sector.



We are in times of significant change in the way that public services are delivered. This offers us some exciting opportunities in Bexley. We expect to be working with the voluntary sector in new, innovative and technically challenging ways that moves beyond our traditional relationship of funder and funded organisations. We will be co-designing solutions together, using new financial models to fund projects and working together much more closely than ever imagined.

The way we do business in Bexley is changing and as such, we will be testing new ground. The next three years will re-define our relationship with the voluntary sector. Having the Compact, which sets out guiding principles, will be key as we test our relationship in new ways. It will help us find solutions together for the benefit of our residents.

## EXECUTIVE SUMMARY

The Bexley Compact commits both the statutory sector and the voluntary and community sector (VCS) in Bexley to achieving the following four principles:

- 1. A strong, diverse and independent voluntary and community sector**
- 2. Effective and transparent design and development of policies, programmes and public services**
- 3. Responsive and high-quality programmes and services**
- 4. Clear arrangements for managing changes to programmes and services**

In aiming to achieve these four principles, we have asked that the voluntary and statutory sectors make some commitments in their process and practices, and in their thinking and behaviour.

### Five key commitments for the statutory sector:

- Respect and uphold the independence of Voluntary and Community Organisations (VCOs) to deliver their mission, including their right to campaign, regardless of any relationship, financial or otherwise, which may exist.
- Ensure greater transparency by making data and information more accessible, helping VCOs to challenge existing provision of services, access new markets and hold the statutory sector to account.
- Recognise that the VCS have a role to play in developing and shaping services and policy through co-design and co-production and provide opportunities for the VCS to do so.
- Work to a published funding or commissioning framework that is corporately agreed across their organisation when working with voluntary and community sector organisations
- Encourage feedback from a range of sources on the effectiveness of the statutory sector's partnership with VCOs and how successful it has been in delivering their objectives. Consider placing this feedback in the public domain.

### Five key commitments for the voluntary sector:

- Raise awareness of the impact that voluntary action and volunteers have on individuals, local communities and the wider VCS.
- Be open to hearing about performance issues with your service and take appropriate action as early as possible.
- Proactively engage in the commissioning process providing information and advice about communities and individuals.
- Take active leadership in developing and shaping services and ensuring service users are involved in the co-production process.
- When campaigning or advocating, ensure that robust evidence is provided, including information about the source and range of people and communities represented.

### Shared Aims:

- Place the needs of the community first in considering impact of changes to programmes.
- Understand on both sides that reduced budgets affect everyone; work together to weave resource to most effectively arrive at outcomes.
- Be transparent about acknowledging success and failure in design and delivery of programmes.
- Agree not to speak badly of one another in public and be clear on what type of campaigning is acceptable.
- Develop and engage in programmes that support partnership working between the sectors and develop increased awareness of the roles, responsibilities and constraints that each of the sectors operate within.

### WHAT IS A COMPACT?

The Compact is an agreement between the statutory sector and the voluntary and community sector (VCS). The agreement aims to ensure that the statutory sector and the VCS work effectively in partnership to achieve common goals and outcomes for the benefit of communities.

### BACKGROUND: LOCAL PARTNERSHIPS IN BEXLEY

The challenges to public funding and increasing demand on local services means it is more important than ever to transform how public services are delivered.

- The Local Authority's Transformation Strategy 2018 focusses on addressing further budget reductions. By 2019/20 the Council is required to save an additional £56m (in addition to the £63m saved between 2011 and 2016).
- The NHS transformation strategy 'Our Healthier South East London' focuses on priority health issues which need collective action across the sub-region. It looks to establish Local Care Networks which in practice will mean more care is provided in community settings outside hospital. There will be a greater focus on helping people to stay well and services more joined up.

Both transformation strategies seek to build community resilience and build capacity the voluntary and community sector in order to support the whole-system changes required.

In the last two years, the London Borough of Bexley, supported by BVSC, has invested in the Building Health Partnerships Programme and the Capacity Building Transformation Board – both designed to improve partnership between the VCS and the statutory sector.

The Capacity Building Transformation Board in particular is focused on:

- Improved commissioning including more co-production and co-design
- Increased community engagement and community activation
- Improved use of volunteering

Already, there are a number of good examples of co-production between the voluntary and community sector and the Council and CCG, including social prescribing, the Carer's Hub, Weight Management programmes and falls prevention service development. The Capacity Building Transformation Board has also developed a commissioning cycle for the Council and CCG to ensure that commissioning is consistent and offers maximum opportunity for co-production.

### THE BEXLEY COMPACT

This Compact follows the principles of the national compact but also reflects local circumstances. It sets a structure for both the VCS and statutory sectors to engage with each other. By refreshing the Bexley Compact in this way, we hope to inspire new partners to sign up and support the principles underpinning this compact.

By refreshing the Bexley Compact we intend to:

- Raise mutual awareness, respect and honesty between the sectors
- Build trusting relationships and foster a spirit of collaboration
- Show that the aims and ambitions we have in common are greater than the
- perceived differences that might have caused barriers in the past
- Create transformation and success
- Work together to improve local communities by making them stronger and more resilient

### BEXLEY COMPACT COMMITMENTS

The Bexley Compact commits both the statutory sector and the VCS to achieving the following five principles:

1. A strong, diverse and independent voluntary and community sector
2. Effective and transparent design and development of policies, programmes and public services
3. Responsive and high-quality programmes and services
4. Clear arrangements for managing changes to programmes and services

### 1. A STRONG, DIVERSE & INDEPENDENT VOLUNTARY AND COMMUNITY SECTOR

#### Undertakings for the statutory sector:

- Respect and uphold the independence of Voluntary and Community Organisations (VCOs) deliver their mission, including their right to campaign, regardless of any relationship, financial or otherwise, which may exist.
- Ensure VCOs are supported and resourced in a reasonable and fair manner where they are helping the statutory sector fulfil its aims.
- Ensure that there are resources in order to assist with VCOs capacity and capability to deliver positive outcomes.
- Ensure greater transparency by making data and information more accessible, helping VCOs to challenge existing provision of services, access new markets and hold government to account.
- Consider a range of ways to resource the VCS, including grants, contracts, loan finance and use of premises.
- Recognise that volunteers make an important contribution to Bexley both socially and economically and recognise, promote and uphold good volunteer management.

#### Undertakings for VCOs:

- Raise awareness of the impact that volunteers and voluntary action have on individuals, the VCS and local communities.
- Explore new ways of working and diversify funding streams.
- When campaigning or advocating, ensure that robust evidence is provided, including information about the source and range of people and communities represented.
- Ensure the needs of the community are met by providing services to targeted groups with funding that has been made available.
- Share information to develop evidence bases and use this information to target services.
- Support the statutory sector with working towards achieving their priorities.
- Ensure independence is upheld, focusing on the cause represented

#### Shared aims:

- Be transparent
- Share information and data, policies and best practice.
- Agree not to speak badly of one another in public and be clear on what type of campaigning is acceptable.
- Understand on both sides that cuts affect everyone; try to protect services where possible.
- Use resources effectively and explore collaboration of premises, facilities and leases.

### 2. EFFECTIVE & TRANSPARENT DESIGN OF PROGRAMMES & PUBLIC SERVICES

#### Undertakings for the statutory sector:

- Work to a published funding or commissioning framework that is corporately agreed across their organisation when working with voluntary and community sector organisations;
- Provide timely information to the voluntary and community sector about changing public policy, development of new service outcomes, and related funding opportunities allowing sufficient time for bids or tenders to be prepared, including collaborative bids
- Ensure that procurement processes including timing do not disadvantage smaller voluntary organisations
- Recognise that the VCS have a role to play in developing and shaping services and policy through co-production and provide opportunities for the VCS to do so
- Consider 'social value' and maximise the opportunities for small voluntary and/or community groups to engage in delivery of public services
- Acknowledge that voluntary organisations have the right to use the full cost recovery process, but may choose not to do so
- Provide, wherever possible, at least three- year funding agreements, recognising that this improves confidence, stability and sustainability
- Consider the financial stability of organisations being paid by results, recognising core costs
- Only request monitoring information that is proportionate and that will evidence not only outcomes but experiences of the whole commissioning cycle.

#### Undertakings for VCOs:

- Take active leadership in developing and shaping service and ensuring service users are involved in the co-production process.
- Share expertise, knowledge and skills gained from being able to engage closely with service users. Help to identify need in the community.
- Engage in consultation and provide feedback to statutory partners when collecting the views of local residents.
- When putting forward ideas, focus on evidence-based solutions, with clear proposals for positive outcomes.
- Where proportionate to do so, develop business plans to ensure the sustainability of their organisation and its services which may include collaboration or consortia arrangements with other organisations;



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- Provide clear monitoring and evaluation information which shows the return on a statutory sector agency's investment in an agreed format proportional in scope to the investment made
- Establish the added value that they provide including recognition of an equivalent monetary value to volunteering.
- Ensure the organisation is able to monitor and evaluate the indicators agreed.
- Be up to date on the easiest way to evidence outcomes and share best practice in monitoring.

### Shared aims:

- Be transparent about acknowledging success and failure in design and delivery of programmes
- Review performance and take actions to improve

### 3. RESPONSIVE AND HIGH-QUALITY PROGRAMMES AND SERVICES

#### Undertakings for the statutory sector:

- Ensure that VCOs have a greater role and more opportunities in delivering public services by opening up new markets in accordance with wider public service reform measures and reforming the commissioning environment in existing markets
- Work to remove barriers that may prevent VCOs accessing public sector funding, thereby enabling smaller organisations to become involved in delivering services where they are best placed to achieve the desired outcomes.
- Commit to multi-year funding where appropriate and where it adds value for money.
- The funding term should reflect the time it will take to deliver the outcome. If multi-year funding is not considered to be the best way of delivering the objective, explain the reasons for the decision
- Ensure well managed and transparent application and tendering processes, which are proportionate to the desired objectives and outcomes of programmes
- Agree with VCOs how outcomes, including the social, environmental or economic value, will be monitored before a contract or funding agreement is made. Ensure that monitoring and reporting is relevant and proportionate to the nature and size of the opportunity. Be clear about what information is being asked for, and why and how it will be used
- Ensure equal treatment across sectors, including reporting and monitoring arrangements, when tendering for contracts
- Recognise that when VCOs apply for a grant they can include appropriate and relevant overheads, including the costs associated with training and volunteer involvement
- Discuss and allocate risks to the organisation(s) best equipped to manage them. Where prime contractors are used, ensure they adhere to the principles of this Compact in allocating risk
- Ensure delivery terms and risks are proportionate to the nature and value of the opportunity
- Ensure that the widest possible range of organisations can be involved in the provision of services through appropriate funding and financing models, for example outcome based payments and payment in advance of expenditure
- Recognise different kinds of quality standards and have an active role in agreeing locally recognised quality standards
- Ensure all bodies distributing funds from the statutory sector adhere to the commitments in this Compact. This includes the relationship between prime contractors and their supply chains

- Apply the Compact when distributing European funding. Where conflicts arise with European regulations, discuss the potential effects and agree solutions together
- Encourage feedback from a range of sources on the effectiveness of the statutory sector's partnership with VCOs and how successful it has been in delivering their objectives. Consider placing this feedback in the public domain.

### Undertakings for VCOs:

- Proactively engage in the commissioning process providing information and advice about communities and individuals
- Ensure eligibility for funding before applying and be explicit about how outcomes will be achieved.
- Ensure robust governance arrangements so that organisations can best manage any risk associated with service delivery and financing models, including giving funders early notice of significant changes in circumstances.
- Work towards achieving appropriate quality standards
- Provide appropriate training for trustees
- Be open and transparent about reporting, recognising that monitoring, whether internal or external, is an aspect of good management practice.
- Demonstrate the social, environmental or economic value of the programmes and services provided, where appropriate.
- Help facilitate feedback from users and communities to the statutory sector to help improve delivery of programmes and services.
- Recognise that the statutory sector can legitimately expect VCOs to give public recognition of its funding

### Shared aims:

- Strong governance practice
- Programmes and practices that support partnership working between the sectors and increased awareness of the roles, responsibilities and constraints that each of the sectors operate within

### 4. CLEAR ARRANGEMENTS FOR MANAGING CHANGE TO PROGRAMMES AND SERVICES

#### Undertakings for the statutory sector:

- Ensure regular and proportionate performance management of services
- If a programme or service is encountering problems, identify this as early as possible, give clear messages to the CSO about the issues encountered, and agree with the CSO a timetable of actions to improve performance before making a decision to end a financial relationship.
- Provide support to overcome problems, and resource or support with efficiency and smart working
- Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end funding. Assess the need to re-allocate funds to another organisation serving the same group.
- Where there are restrictions or changes to future resources, discuss with VCOs the potential implications as early as possible, give organisations the opportunity to respond, and consider the response fully, respecting sector expertise, before making a final decision.
- Give a minimum of three months notice in writing when changing or ending a funding relationship or other support, apart from in exceptional circumstances, and provide a clear rationale for why the decision has been taken. Have an open door policy to talk about funding concerns

#### Undertakings for VCOs:

- Recognise and prepare for some funding and some projects that will be time-limited
- Be open to hearing about performance issues with the service and take appropriate action as early as possible
- Plan for the end of funding to reduce any potential negative impact on beneficiaries and the organisation. Give early notice of change in service delivery
- Contribute positively to reviews of programmes and funding practice.
- Advise the statutory sector on the social, environmental or economic impact of funding changes, and on ways to minimise their effects on people in vulnerable situations.
- Look at efficiencies and smart working where possible, and sharing resources where appropriate

#### Shared aims:

- Place the needs of the community first in considering impact of changes to programmes
- Design a resilience policy and undertake scenario planning

## Compact Action Plan

We recognise that making the compact real requires commitment and action from both the statutory and voluntary sector. This action plan sets out our combined steps to implementing an effective compact.

<b>Targeted support to commissioning and VCS workforce to think about how the compact principles might be applied in their area of work.</b>
<p>Written guidance to key 'fixed point' programmes of work around how the compact principles can be applied in this area of work. This includes:</p> <ul style="list-style-type: none"> <li>- Local Care Networks</li> <li>- Family Wellbeing</li> <li>- Integrated Care Partnership Development</li> <li>- Social Investment</li> <li>- Voluntary Sector Property</li> </ul>
<p>Develop a series of articles and blogs to help the statutory and voluntary sector workforce understand how the Compact relates to their work and prompt thinking around what actions to take to improve against delivering on the Compact, for e.g.:</p> <ul style="list-style-type: none"> <li>- 10 key questions commissioners should ask themselves</li> <li>- 10 key questions VCO CE should ask themselves</li> </ul>
<p>Partnership surgeries held in Council Atrium, Crayford Manor House and CCG to provide one to one support to help workforce troubleshoot Compact issues.</p>
<p>Council review of commissioning arrangements to demonstrate how the new shape of commissioning in Bexley will enable the delivery of compact principles.</p>
<p>Timeline for Council and CCG contracts and grants to be shared with VCS.</p>
<b>Monitoring the effectiveness of the Compact</b>
<p>The Capacity Building Transformation Board to review the effectiveness of the Compact and the implementation of this action plan on a bi-annual basis.</p>
<p>The new Commissioning Board to continuously self-assess how its actions have enabled the principles of the contract to be realised in Bexley.</p>
<p>Monthly communication between LA, CCG and BVSC on operational issues where compact principles might need to be applied more effectively.</p>
<p>A joint session to get a clear understanding of how we define social value in Bexley.          How it can be realised in Bexley through commissioning, procurement and delivery?          How it can be measured?</p>

Guidance to be developed on how to resolve disputes and the process to do so.
Shorting briefing note for professionals across sectors and web links introducing the Compact to professionals. Web page to be engaging and thought provoking.
Develop consistent messaging or a short training sessions for council teams, CCG commissioners, primary care professionals, future forum, Health Visitors, Social Workers, GPs and Councillors on the shape and size of the sector in Bexley.
Coordinate written briefs from Council Directors, CEOs of VCOs, GPs, CCG Senior Managers, Schools, Police, Fire Service, Probation - and others - about "What are the 10 key things that keep me up at night?"
Set up and coordinate a partnership work shadowing programme.
<b>Communicating the Compact</b>
Develop printed version & summary which needs to be communicated through key channels.
Launch at BVSC's AGM.
Disseminate branded compact marketing materials to key partners
Internal communications brief written for communications teams at CCG and Council.
Short 'advert' for compact to be developed to share through various channels.

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