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CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

Mr Richard Parry Jones, MA.
Prif Weithredwr – Chief Executive
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RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR CYSWLLT Y SECTOR GWIRFODDOL	VOLUNTARY SECTOR LIAISON COMMITTEE
DYDD IAU, 11 GORFFENNAF, 2013 am 2 o'r gloch y prynhawn	THURSDAY, 11 JULY 2013 at 2.00 pm
YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFNI	COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFNI
Swyddog Pwyllgor	Ann Holmes 01248 752518 Committee Officer

AELODAU / MEMBERS

CYNGOR SIR YNYS MÔN / ISLE OF ANGLESEY COUNTY COUNCIL

Cynghorwyr/Councillors: Jim Evans, Kenneth P.Hughes, Alun Mummery, Alwyn Rowlands, Ieuan Williams

SECTOR GWIRFODDOL / VOLUNTARY SECTOR

Islwyn Humphreys, Eleri Lloyd Jones, Aled Roberts, Cadi Roberts, Dilys Shaw

IECHYD/ HEALTH

Wyn Thomas, Cyfarwyddwr Cynorthwyol Datblygu Partneriaeth Cymunedol,
BIPBC/Assistant Director of Community Development, BCUHB

A G E N D A

1 CHAIRPERSON

To elect a Chairperson for the Committee

2 VICE-CHAIRPERSON

To elect a Vice-Chairperson for this Committee.

3 DECLARATION OF INTEREST

To receive any declaration of interest by any Member or Officer in respect of any item of business.

4 MINUTES 15TH APRIL MEETING (Pages 1 - 6)

To present the minutes of the previous meeting of the Voluntary Sector Liaison Committee held on 15th April, 2013.

5 VOLUNTARY SECTOR LIAISON COMMITTEE REMIT (Pages 7 - 8)

To consider and agree the remit of the Voluntary Sector Liaison Committee.

(A proposed revised remit as presented to the previous meeting on 15th April is enclosed)

6 THE COMPACT AND VOLUNTEERING POLICY (Pages 9 - 28)

To present the Compact and Volunteering Policy as presented to and endorsed by the Executive at its meeting held on 18th March, 2013.

7 WELSH GOVERNMENT MATTERS - COMMISSION ON PUBLIC SERVICE AND DELIVERY IN WALES (Pages 29 - 70)

- To consider the Commission on Public Service Governance and Delivery in Wales (*Remit attached*)
- To consider the Welsh Government's Consultation Document – Continuity and Change: Refreshing the relationship between the Welsh Government and the Third Sector in Wales

8 LOCAL VOICES

To receive an update by the Voluntary Sector on the Local Voices Project.

9 ARRANGEMENTS FOR THE NEXT MEETING

To consider arrangements for a Workshop in the Autumn to formulate the Liaison Committee's Work programme.

VOLUNTARY SECTOR LIAISON COMMITTEE

Minutes of the meeting held on 15th April, 2013

- PRESENT:** Councillor Kenneth Hughes (Isle of Anglesey County Council) (Chair)
- Mr Arthur Beechey (Agoriad Cyf.)
Jackie Blackwell (CAB)
Mr Islwyn Humphreys (Samaritans)
Mrs Dilys Shaw (Medrwn Môn)
Mrs Jean Baker (Menai Partnership)
- Eleri Lloyd (BCUHB)
- IN ATTENDANCE:** John R.Jones (Chief Officer Medrwn Môn)
Mrs Gwen Carrington (Director of Community – IOACC)
Mr J.Huw Jones (Head of Service – Policy, IOACC)
Mr Mark Gahan (Making the Connections Officer – Medrwn Môn)
Mr Gareth Llwyd (Business Support Team Manager)
Bev Symonds (Scrutiny Manager) (for item 3)
Ann Holmes (Committee Officer)
- APOLOGIES:** None received
-

The Chair welcomed all those present to this meeting of the Liaison Committee.

1 DECLARATION OF INTEREST

No declaration of interest was received.

2 MINUTES

The minutes of the previous meeting of the Liaison Committee held on 22 January, 2013 were presented and confirmed as correct.

Arising thereon –

- With regard to the workshop held between officers of the Council and representatives of the voluntary sector in late November and the action areas agreed at that meeting, one of which was joint planning with the voluntary sector in relation to elderly care provision in a pilot area the Director of Community informed the Committee that prior to this meeting she had been in a meeting of the Adults' Services Group and that she was aware that some work with the voluntary sector's Making the Connections Officer and the Health and Well-being Partnership group has been on-going in the area of Adults' Services and particularly community building and that consequently she thought it would be advantageous to the Committee if representatives of the Adults' Services Group be invited to its next meeting to provide Members with an impression of the progress and direction of that work hitherto. The Committee concurred with the suggestion.

ACTION ARISING: Director of Community to arrange for representatives of the Adults' Service Group to attend the next meeting of the Liaison Committee.

- In response to questions regarding whether or not European and/or other monies had been included within the Council's budget formulation process and cutback strategy, the Director of Community explained that the letter as at Enclosure B of the agenda sets out the strategy with regard to investments in the third sector for 2013/14. With reference to European monies and their implications consideration was of necessity given to this source of funding in order to be able to

identify and distinguish Council funding streams as opposed to funding that is European derived and that is one of the reasons for recommending as part of the Third Sector/IOACC joint work programme a full review of the Council's contributions to the third sector so as to be clear regarding existing contracts and their funding basis.

The Business Support Team Manager pointed out that contracts under the Taith i Waith scheme had not been included as possible sources of efficiency savings in 2013/14 due to the fact that they are based on a 3 year commitment.

Mr Arthur Beechy having raised the matter underlined the importance of the Third Sector's being able to obtain a full and clear picture of the funding position and based on that, to be able to plan and tailor resources as necessary over the longer term without having to revisit and face up to the same challenge next year.

The Chief Officer of Medrwn Môn confirmed that the Director of Community had responded by letter to the representations made in relation to the 2013/14 budget in its totality.

3 SCRUTINY AND THE ROLE OF THE VOLUNTARY SECTOR

Bev Symonds, the Scrutiny Manager provided the Committee with an update on the position regarding enhancing the role of the Third sector within the scrutiny process.

The Scrutiny Manager said that hitherto the scrutiny function on Anglesey has not made optimum use of the voluntary sector in scrutiny reviews but it is hoped that that might be rectified in the coming year. The Local Government Wales Measure remains in flux at the present time and guidance is awaited from the Welsh Government in relation to designated persons and joint scrutiny i.e. persons that can be legitimately called in for the purposes of scrutiny and joining forces with other authorities to look at subjects that cross boundaries. In preparation for this the scrutiny function will require the added skills that sit within the voluntary sector to help and add knowledge to scrutiny reviews. There have been discussions with the Chief Officer of Medrwn Môn as to how this might be best achieved with the agreement that the Scrutiny Manager will liaise with the Chief Officer of Medrwn Môn as and when reviews emerge with a view to the Chief Officer then providing a steer towards the relevant area. Training in terms of undertaking effective scrutiny is an issue that needs to be addressed and post May the newly elected county councillors will be undergoing training, which might also provide an opportunity to extend that training to relevant representatives of the voluntary sector as well.

The Officer proceeded to explain that the Council has approved a reduction in the number of scrutiny committees from 5 to 2 committees, one of which will be outward looking and focused on partnership working and the other inward looking focussed on the range of Council services. The scrutiny team will therefore be looking outside for assistance in conducting reviews. Whilst the Measure does not at present provide details e.g. as to the rights of co-optees on scrutiny committees, the primary issue for the scrutiny team is to be able to draw on the knowledge that there is outside in order to support Members in undertaking thorough and effective reviews.

It was agreed to note the position.

NO FURTHER ACTION ARISING.

4 REVIEW OF SOCIAL SERVICES CONTRACTS – TO AGREE A FRAMEWORK

A copy of a letter dated 25 March, 2013 from the Director of Community to voluntary sector bodies in explanation of the position with regard to investments in the Third sector in 2013/14 along with a service review pro forma were presented for the Committee's attention.

The Director of Community explained that it had become apparent in the discussions last year regarding funding that there was a feeling that agreement tends to be a "last minute" arrangement. The Department as part of the budget setting process was therefore keen to establish an arrangement for reviewing and obtaining general information about expectations, contracts and procedure. Discussions have taken place with the Chief Officer of Medrwn Môn and the BCUHB's Assistant Director of Community Development in the awareness of the fact that BCUHB has undertaken a review of its own contracts previously. The substance of the recent discussions has been the potential for the Authority to utilise the BCUHB framework for its own

review and to share the information obtained so as to be able to build a more complete picture of the funding position in both the public and the third sectors. The Department is also keen to establish a clearly defined timetable in preparation for the next year's budget formulation exercise, with the aim of completing the review work programme before October.

The Business Support Team Manager said that consideration has been given to the BCUHB template used to conduct its own review of Third sector contracts and that it has been adapted to suit the requirements of the Social Services Department and the County Council. At present discussions with Adults and Children's services managers are on-going with the aim of planning a programme to review current service level agreements and contracts. As explained in the letter at Enclosure B, the Department has looked at all investments in the third sector to establish whether or not they are appropriate as subjects of efficiency savings – hitherto the uplift of 2% for inflation has been set against the efficiency savings target which explains the standstill position of third sector contracts for 2013/14. However, further efficiency savings need to be identified as explained in the letter to the amount of £16,000. The next step is to create a work programme over the course of the next six months to support the intended review. The Officer said whilst some contracts do meet the priorities and commissioning intentions and fulfil the aims, others need to be reviewed for example on account of being dated. Consideration also needs to be given to the price of the investment to see whether savings can be realised or whether there needs to be a remodelling of services to either disinvest or re-invest in services that are prepared in accordance with policy priorities and commissioning intentions. The Department is at present in the process of prioritising those contracts that need to be targeted in order to plan a work programme and this is being done jointly with Adults and Children Services managers. The Department is seeking input regarding the decisions it will have to make regarding contracts which can be renewed over a 3 year period, contracts that perhaps can be exempted from procurement and tendering regulations and other service areas where it might be necessary for the Department to commit to procurement and tendering arrangements for the provision of those services.

Members of the Liaison Committee considered the information presented and in the subsequent discussion the following were matters regarding which they sought further explanation and clarification –

- The position of, and prospects for voluntary organisations which are not subject to formal funding contracts but which nevertheless receive financial support from the Social Services.
- The rationale for postulating 1%, 2% and 5% savings against investments which some Members found confusing and potentially misleading in terms of the definitive percentage reduction to be implemented. The Business Support Team Manager replied in explanation that these were options for presentation to Elected Members to allow them to see exactly what savings of 1%, 2% or 5% would achieve against the Department's investments in the third sector.
- The absence from the process of any information regarding ways in which opportunities for developing business in partnership might be considered.
- The outcome of the contracts review undertaken by BCUHB and whether the proforma used at had worked well.
- The arrangements for reviewing MEC as being community based and therefore presuming greater involvement by the third sector. It was suggested that any review should take into account the expectations regarding third sector input into community based care and that contracts should reflect this.
- Community benefits.

The Chief Officer of Medrwn Môn welcomed the explanatory letter at Enclosure B which he said would be of assistance to third sector organisations in enabling them to plan more sensibly for the future as were the references to different forms of funding and to 3 year contracts which were also positives. The intended review mentions the Department's priorities and aims for the medium term which it is important for third sector organisations to be aware of so they have an idea of how the future might unfold and can decide whether they want to be part of it and develop their plans accordingly. However, the fact should not be lost that these developments are set against a backdrop of serious spending cuts facing the Social Services

It was agreed to note the position and the points raised.

NO FURTHER ACTION ARISING

5 IMPLEMENTING/INTRODUCING THE COMPACT AND VOLUNTEERING POLICY

A copy of the report as presented to the meeting of the Executive held on 18th March, 2013 incorporating the revised compact and Volunteering Policy was presented for the Committee's information.

The Head of Service (Policy) confirmed that the Compact and Volunteering Policy had been endorsed by the Executive and Council and could now be implemented. The Compact supports and supplements the existing compact between the BCUHB and the six North Wales authorities.

Members welcomed the information and emphasised the importance of disseminating information about the new compact to all parties. The Chief Officer of Medrwn Môn said that the next step is to take ownership of and implement the compact and volunteering policy.

It was agreed to note the information.

NO FURTHER ACTION ARISING.

6 WORK PROGRAMME

The Head of Service (Policy) tabled a draft work programme for the Liaison Committee based on initial discussions with the Chief Officer of Medrwn Môn which had identified six priority areas for action which would form the basis of the Committee's future work. The Officer asked the Voluntary Sector's representatives for input on the draft work programme before the end of April.

The Chief Officer of Medrwn Môn said that he would bring the draft work programme to the attention of the Medrwn Môn Management Committee. He highlighted the fact that the tendering process remains a source of concern to the third sector in terms of what is put to tender and how to go about tendering for it. It was a cause of worry that local organisations might be placed at a disadvantage in comparison with larger regional and national organisations in being less conversant with the tendering process with the risk that they will subsequently lose out as regards succeeding to win tenders to provide certain services. He suggested that the issue and the matter of preparing local third sector organisations for the tendering process and the opportunity to tender might be an item for inclusion on the draft work programme.

The Director of Community informed Members that as part of the Council's Transformation Programme there is a work stream around introducing a commissioning framework for the Council. Presentations have been made by the Council's Procurement Officer which have indicated that there is room for improvement in terms of practice and consistency. A message has also emerged in other places that the independent and third sectors would like an input as regards developing better business planning. She suggested that it might be useful for the Procurement Officer to give this Committee a presentation on procurement and the Council's expectations in relation to procurement.

The Chief Officer of Medrwn Môn welcomed the fact that the issue of procurement is receiving attention on a corporate basis within the Council.

It was resolved to note the draft Work Programme.

ACTIONS ARISING:

- **Chief Officer of Medrwn Môn to co-ordinate responses/input to the draft work programme by the Third sector and to forward the information to the Head of Service (Policy) by the end of April.**
- **Head of Service (Policy) to ask the Procurement Officer to make a presentation on procurement within the Council to a future meeting of this Committee.**

7 WELFARE BOND SCHEME

Mr Mark Gahan provided the Committee with a brief explanation of how the Bond scheme works by saying that the opportunities exist to enable organisations to work together to identify savings in a specific area, and then to work with the third sector to put together a project which would set out clear outcomes to be achieved. The designated area would need the agreement of all the parties involved. Examples of bond schemes in operation thus far are few but one has been developed

around a feasibility study in the field of antidepressants and preventative work which has involved the BCUHB, the WCVA and other partners.

The Chief Officer of Medrwn Môn said that the Bond related work will be incorporated within the Making the Connections Officer's work in respect of looking at sources of funding to promote the work within a defined area and will involve identifying the baseline and then bringing in the Bond in terms of identifying where the money can be saved. The funding is available depending on identifying a project and the savings to be made.

Mr Mark Gahan pointed out that the opportunities where the Bond can be used have to come from the Authority and/or the BCUHB themselves in terms of those organisations identifying the savings they want to make and where, and then a package can be put together setting out how those savings can be achieved.

The Director of Community explained that she had raised the matter via the agenda in order to be sure that the Committee is being sufficiently proactive in exploring Bond possibilities.

Following further discussion it was agreed that there are possibilities to explore the Bond opportunities in relation to adults' services and that a meeting with the relevant officers should be convened to this end.

It was agreed to note the information.

ACTION ARISING: Director of Community and Eira Lloyd BCUHB to liaise with the relevant officers to convene a meeting to explore the Bond possibilities in relation to Adults' Services.

8 REMIT OF THE LIAISON COMMITTEE

A copy of draft terms of reference for the Liaison Committee was presented for Members' consideration.

The Chief Officer of Medrwn Môn said that with the current Council nearing its end and with the adoption of a new Compact and Volunteering Policy he believed that it was timely to be reviewing the Committee's membership and terms of reference as the forum with oversight of the workings of the compact.

There was subsequently a discussion about the potential for partnerships' representatives to sit on the Liaison Committee e.g. a representative of the Office of the Police Commissioner or a representative of the Community Safety Partnership and whether certain officers should sit as full Members of the Committee rather than simply in an advisory capacity. It was emphasised that the Committee's make up also needs to reflect the situation in Anglesey.

It was agreed to note the draft terms of reference.

ACTION ARISING: Head of Service (Policy) and Eira Lloyd (BCUHB) to liaise with relevant officers as necessary to establish the most appropriate representation on the Liaison Committee for the County Council and BCUHB respectively.

9 UPDATING THE FUNDING CODE

Consideration was given to the position with regard to the Funding Code.

The Head of Service (Policy) said that the Funding Code as a supporting document to the Compact has to be updated and that the process ideally will run in line with the review of contracts.

It was agreed that a draft of the Funding Code be presented to the next meeting of the Liaison Committee.

ACTION ARISING: Head of Service (Policy) and Chief Officer of Medrwn Môn to liaise to present a draft of the Funding Code to the next meeting of the Committee.

10 THE CASE FOR STATUTORY COMPACTS BETWEEN WELSH LOCAL AUTHORITIES AND THE THIRD SECTOR

The Welsh Government's summary report and recommendations in relation to the case for statutory compacts between Welsh local authorities and the Third Sector was presented for the Committee's information.

It was resolved to note the report and its contents.

ACTION ARISING: Head of Service (Policy) and Chief Officer of Medrwn Môn to monitor the position for potential developments that could impact on the local Compact.

**Councillor Kenneth Hughes
Chair**

DRAFT

PWYLLGOR CYSWLLT Y SECTOR WIRFODDOL YNYS MÔN

TERMS OF REFERENCE

1 Aims

The purpose of the [Pwyllgor Cyswllt](#) is to structure and focus the relationship between the local authority, *the NHS* and the third sector [on the Isle of Anglesey](#). The [Pwyllgor](#) will:

- 1.1 Develop, implement, monitor and review the Compact.
- 1.2 Produce a Compact Action Plan which sets out objectives and targets
- 1.3 Monitor and review the Action Plan on an annual basis
- 1.4 Ensure the development of the Codes of Practice identified in the Compact
- 1.5 Ensure the codes of practice are implemented and monitor their effectiveness
- 1.6 Provide a forum for exploring issues of mutual concern
- 1.7 Report on progress to the [Executive Committee of the Isle of Anglesey County Council, the third sector on Anglesey through Medrwn Môn and the Local Service Board](#)
- 1.8 Report to accountable local statutory bodies and [Medrwn Môn](#) by submitting an annual report on progress

2 Membership

IACC

[???](#)

NHS

[???](#)

Third Sector

[Four](#) elected representatives

Chair [Medrwn Môn](#)

Observer

Representative of [North Wales Police](#) [Police and Crime Commissioner](#)

Alternates

Deputisation is acceptable with the agreement of the Chair.

3 Quorum

The quorum is at least *two* people from each of the three constituent sections of the Board. If a meeting is inquorate, the meeting will be reconvened within 28 days. If then, the meeting is still not quorate the meeting would proceed as if a quorum was present

4 Declarations of Interest

All members of the Board must declare any interest relating to a particular agenda item and withdraw from the meeting while that item is under consideration.

5 Chair and Secretariat

The office of Chair of the Compact Board will alternate on an annual basis between a member of the three constituent organisations.

The Board will be jointly serviced by appointed officers of [Medrwn Môn](#), the NHS and [IACC](#). [Medrwn Môn](#) will be responsible for servicing and supporting the third sector representatives.

6 Frequency of Meetings

The Board will determine its own schedule of meetings but the Group will usually meet on at least 4 occasions per year.

7 Co-options

The Board may make co-options as they think fit. Such co-options must have the full agreement of the members of the Board.

8 Review

The terms of reference and membership of the Board will be reviewed on an annual basis or more frequently if required.

APPENDIX

Schedule of Membership

[IACC](#)

NHS

Third Sector

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to	The Executive
Date	18 March 2013
Subject	Anglesey Compact Agreement and Volunteering Policy
Portfolio Holder(s)	Cllr Kenneth P Hughes
Lead Officer(s)	Deputy Chief Executive
Contact Officer	Huw Jones Head of Service – Policy (Tel. 01248 752108)
Nature and reason for reporting:	
To seek approval of the revised Compact Agreement and draft Volunteering Policy.	

A – Introduction / Background / Issues
<p>1. Anglesey Compact Agreement</p> <p>The Anglesey Compact is a partnership agreement between the third sector and local authority on Anglesey. It provides a framework within which the development of shared aims, objectives, mutual respect and understanding will assist the ability of public and third sector partners to improve quality of life for the people of Anglesey.</p> <p>The original Compact - between the Isle of Anglesey County Council, the Isle of Anglesey Local Health Group and the voluntary sector on Anglesey - was published in 2007. On 22 March 2012, Betsi Cadwaladr University Health Board agreed a Compact for health services with the voluntary sector across North Wales.</p> <p>The Compact between this Council and the third sector has now been updated based on Welsh Government guidance and is attached as Appendix 1 to this report. The Compact, which provides the basis for developing the Voluntary Sector Liaison Committee’s work programme, has been accepted by the Liaison Committee and now needs to be considered formally by the Council.</p> <p>It is intended that the approved Compact will be reviewed annually by the Liaison Committee, taking into account any further guidance from Welsh Government on local Compacts.</p>

In addition, members will note that a Funding Code of Practice (Voluntary Sector) was adopted by the Council's Executive in 2007 as a basis to underpin the financial relationship between the Council and the voluntary sector on Anglesey. As part of its work programme, the Liaison Committee will need to consider the Funding Code of Practice during 2013/14.

2. Volunteering Policy

One of the core principles of the Anglesey Compact is to formalise a Volunteering Policy. A written policy gives formal recognition to the importance of volunteers and will help all staff involved in recruiting and managing volunteers to adhere to good practice and support volunteers in a planned and managed way.

A draft Volunteering Policy has been prepared and is attached as Appendix 2.

B – Considerations

The revised Compact Agreement and Volunteering Policy was submitted to the Corporate Scrutiny Committee on 4 March 2013. The Scrutiny Committee's observations will be reported to the Executive at the meeting on 18 March.

C – Implications and Impacts

1	Finance / Section 151	
2	Legal / Monitoring Officer	
3	Human Resources	
4	Property Services	
5	Information and Communications Technology (ICT)	
6	Equality	Both the Compact Agreement and the Volunteering Policy are based on the principles of equality and diversity.
7	Anti-poverty and Social	

C – Implications and Impacts	
8	Communication
9	Consultation
10	Economic
11	Environmental
12	Crime and Disorder
13	Outcome Agreements

CH – Summary
<p>Anglesey Compact</p> <p>The original Compact between this Council and the third sector - which was published in 2007 - has been updated based on Welsh Government guidance and is attached as Appendix 1 to this report. The Compact has been accepted by the Voluntary Sector Liaison Committee and now needs to be considered formally by the Council.</p> <p>Volunteering Policy</p> <p>One of the core principles of the Anglesey Compact is to formalise a Volunteering Policy. A draft Volunteering Policy has been prepared and is attached as Appendix 2.</p>

D – Recommendation
The Executive is requested to approve the revised Compact Agreement and draft Volunteering Policy.

Name of author of report: Huw Jones
Job Title: Head of Service - Policy
Date: 8 March 2013

Appendices:
Appendix 1 - Revised Compact Agreement Appendix 2 – Draft Volunteering Policy

Background papers

THE ANGLESEY COMPACT

A Partnership Agreement between Isle of Anglesey County Council and the Third Sector on Anglesey

Foreword

The vision of the Ynys Môn Integrated Plan is an island working together to create jobs, improve health and deliver a safe and sustainable place to live based on three main strands: people – supporting people and communities to improve their quality of life; place – protecting and enhancing the natural and built environment; jobs – maximising work opportunities with high quality education and skills.

The needs and hopes of people can be met if sectors are willing to build strong, healthy and vibrant partnerships to improve services and achieve the vision of the Community Plan.

This Compact builds on the original Compact between the voluntary sector the Isle of Anglesey County Council, the Local Health Group and Medrwn Môn on behalf of the third sector which was published in 2006. It also complements the Compact agreement between Betsi Cadwaladr University Health Board and the voluntary sector across North Wales.

All partners are encouraged to support the Compact's principles and practices and to be involved in the development of the associated Codes of Practice.

We are delighted to present the new Anglesey Compact as a method in building on the existing working relationships and improving the partnership for the benefit of the Isle of Anglesey.

Signed

Chair

Chair

Chair

What is the Anglesey Compact?

The Compact is a partnership agreement between the third sector and local authority on Anglesey. It provides a framework within which the development of shared aims, objectives, mutual respect and understanding will assist the ability of public and third sector partners to improve the quality of life for the people of Anglesey.

This Compact supports the Welsh Government's policy on Service Delivery, partnership working and the involvement of citizen's and engaging with them in the design, delivery and improvement of all public services.

The Compact is intended to guide the process of working in partnership to deliver public services. It covers issues of process rather than substance, i.e. the way plans are made and decisions taken – rather than the content of those plans and decisions.

It covers the whole spectrum of partnership working: from consultation and community involvement, through representation on planning bodies and participation in networks, to funding, procurement and contracting.

A Compact between the Wales Government and the Voluntary Sector in Wales was first introduced in 1998. The National Assembly for Wales has reinforced this policy initiative and established the Voluntary Sector Scheme and a Partnership Council between the Assembly and the voluntary sector. In 2007, the Local Compact between Isle of Anglesey County Council, the Isle of Anglesey Local Health Group and the voluntary sector on Anglesey was published. On 22 March 2012, BCUHB agreed a compact for health services with the voluntary sector across North Wales. The Voluntary Sector Liaison Committee has been responsible for implementing the Local Authority and Health Compacts on Anglesey.

This revised Compact has been jointly produced by the Isle of Anglesey County Council and Medrwn Môn on behalf of and in consultation with local third sector organisations and groups. The Compact is consistent with, and complements the Compact signed by Medrwn Môn with BCUHB. The Compact development process builds on reviewing the performance of the original compact and consultation with third sector organisations concerning their views regarding the content of a revised Compact. It is intended that more detailed draft codes of practice will follow, covering areas such as funding and procurement, volunteering, consultation and policy development (see Appendix 1). To assist with clarity, the definition of a third sector/voluntary organisation is based on guidance from the Welsh Government (see Appendix 2).

What is the Aim of the Compact?

The Compact aims to develop the partnership between the local authority and the third sector on the Isle of Anglesey by helping us to:

- Communicate better with each other
- Understand and respect each other's views
- Work together more effectively to support the people of Anglesey and develop services collaboratively.

It is intended to ask the local authority and third sector organisations (through Medrwn Môn) to endorse the Compact in writing.

What are the Compact's Values and Principles?

Our shared aim is to provide quality services to the people of Anglesey. We recognise that there is added value in working in partnership towards common aims and objectives. The following principles will underpin this partnership:

Voluntary action and community involvement is an essential part of an inclusive and democratic society and add value to the quality of life on Anglesey. It is recognised that the third sector makes a valuable contribution to the economic, environmental and social development of Anglesey. The differences and diversity between the public sector and the third sector should be respected and valued. In the development and delivery of services, the public sector and the third sector have distinct and complementary roles. Each sector has its own set of responsibilities and constraints

The independence of the third sector should be respected, recognising and valuing the important strategic role the public sector plays in developing public policy and services as well as the legal and financial framework in which it operates. To maximise the effectiveness of the third sector, investment in its infrastructure is essential. The relationship between the sectors should be open and respectful and demonstrate trust. Each sector should strive for excellence, equity of access and embrace the principles of sustainable development. When working together contributions from each sector should be given equal consideration and respect. Organisations in each sector have the right to contribute to and challenge matters that affect them

Together the Compact will...

Help to foster a thriving, diverse and independent third sector on Anglesey with funding and contracting arrangements that:

- are clear and easy to understand;
- are fair and consistent;
- provide a range of funding arrangements for core, project and small grant funding
- carry an administrative burden proportionate to the level of funding;
- permit and encourage effective forward planning and funding arrangements.

- Help to ensure that the third sector not only participates in joint working and partnership structures but exercises a real influence on the planning and development of local services and public initiatives.
- Develop the Voluntary Sector Liaison Committee as a liaison mechanism which is integrated with the public sector's decision making processes and the wider joint planning arena. The Committee will have representation from both public and third sector partners.
- Help to ensure a wider and more sustained recognition of the social value of volunteering, in terms of both the personal and professional development of the volunteer and the public services provided.
- Promote the effective governance and management of both the local authority and the third sector. It will underpin a shared commitment to building the capacity of third sector organisations where consistent with a shared strategic direction. It will also encourage all sectors to learn from best practice and seek continuous improvement in the planning and delivery of services.
- Provide a meaningful and effective procedure for resolving disagreements in a constructive and open way. Responsibility for this will lie with a monitoring body made up of representatives from the Compact partners. Whilst noting that the third sector is not a unitary body, it is envisaged that all representatives will have appropriate authority to follow up any apparent breaches of the compact within their own sector. In the case of the public sector partners, they will have the authority to seek resolution at a senior level if necessary.
- Develop a shared action plan to deliver the objectives of the Compact and produce an annual progress report to the local authority and Medrwn Mon for distribution to third sector organisations.

Undertakings of Partners

The local authority will support the development, implementation and monitoring of the Compact in line with the agreed vision and principles. This support will include:

- ensuring that key staff (e.g. external funding officers, procurement and commissioning officers, partnership planning officers) are able to take part in this work;
- endorsing the need for detailed codes of practice to cover key issues;
- being prepared to review their own procedures and timetables in the light of those codes of practice;
- endorsing the need for procedures for resolving disagreements; and
- reviewing the operation of the Compact annually together with the third sector.

The third sector will support the development implementation and monitoring of the Compact in line with the agreed vision and principles. This support will include:

- ensuring that key staff are able to take part in this work;
- endorsing the need for detailed codes of practice to cover key issues being prepared to review their own procedures and timetables in the light of those codes of practice;
- endorsing the need for procedures for resolving disagreements; and
- reviewing the operation of the Compact annually together with the public sector.

The third sector undertakes to maintain high standards of governance and conduct and meet reporting and accountability obligations to funders and users. It will involve users wherever possible and carers where appropriate in the development and management of activities and services. Organisations in the third sector will be encouraged to develop quality standards appropriate to the organisation, including promoting best practice and equality of opportunity in activities, employment, involvement of volunteers and service provision.

The third sector undertakes to respect and be accountable to the law. In the case of charities, they will observe the accounting framework and other appropriate guidance as laid down by the Charity Commission

Appendix 1 - Codes of Practice

The Codes of Practice will help bring the Compact principles into our day to day work and will provide the framework for the codes.

Organisations from both sectors will be invited to adopt the Codes of Practice and are encouraged to be involved in the ongoing development.

1 Code Principles - Consultation and Policy Appraisal

1.1 Integral to project development and policy review

Consultation should be considered at the start of a project or policy review to ensure that it happens at the appropriate stage in the project cycle. The methods chosen, and success of these processes, should be continuously reviewed and evaluated throughout the life of the project. When necessary any statutory consultation procedures must be taken into account.

1.2 Carried out using agreed standards

Consultation between partners should be carried out to agreed standards. These should include defined timescales (ideally at least twelve weeks), summarised reports, and clear feedback about results and decisions undertaken.

1.3 Appropriate for the target groups

Consultation should be designed to be appropriate for the partners being consulted, both in terms of the methods used and the style of presentation. Consultation documents should be written in plain language with technical terms explained. All methodologies should be fit for the purpose and target group being consulted. Where appropriate, reports should be in accordance of Welsh Policies or other formats accessible to their audience, including those with language difficulties or physical and sensory disabilities. Consideration must be given to meaningful engagement of socially excluded groups.

1.4 Genuine and transparent

Any consultation exercise or document should specify which aspects are being presented for comment and which cannot be changed, to allow partners to respond appropriately. It is understood that partners cannot have an impact on decision making for all aspects of each other's work. Where this is not possible, partners should always make clear that a document or event is for information purposes only rather than consultation.

1.5 Publicised and accessible

Partners should ensure that information and consultation exercises relevant to the work of other partners are well publicised. Consultations and related documents should be easily accessible to groups with all levels of resources and in a format that will allow smaller organisations to respond.

1.6 Shared where appropriate

Partners should work together to share the resources available to undertake consultation where appropriate. The potential for joint consultation exercises should always be examined to reduce duplication.

1.7 "The Gold Standard in Consultation"

Check if anyone else has done consultation work with results that you can share.

Ensure that consultation can affect change. It should be a dialogue that leads to decisions, so consult BEFORE decisions are made. Make sure you allow adequate time for your consultation project. You need to consider time for planning, conducting, collecting and responding to your activities.

Try to use methods of consultation that will be the best use of your resources and give you the best results from your target audience.

Try to make your consultation as inclusive as possible but be aware of over-consulting certain groups.

Always give feedback to those who have participated in your consultation exercises.

Turn consultation into action. Don't leave consultation work "on the shelf".

Share the results of your work with others.

2. Code Principles - **Funding, Procurement and Commissioning**

2.1 Genuine and transparent

There will be openness and transparency to make it easier to find out about available funding. The partners will promote fair access to strategic, project and contract funding.

Decisions about procuring or commissioning services will be based on principles concerning locality, quality and value for money and never on cost alone.

2.2 Corporate approach

The public sector will develop consistent procedures and a joint approach to supporting the third sector. They will operate a corporate approach to funding that is consistent and timely and streamlines procedures and reduces duplication, whilst exercising accountability of public funds.

2.3 Infrastructure and sustainability

The public sector recognises the importance of investing in the infrastructure of third sector organisations. It also recognises that longer term funding will improve sustainability and enable forward planning. The public sector will ensure proper consideration of the needs of small community groups by ensuring access to in-kind support, small grants, and supporting the role of Medrwn Môn in providing development support.

2.4 Full Cost Recovery

The public sector recognises the principle of "Full Cost Recovery". A joint approach will be agreed to the principle and practical application of full cost recovery i.e. securing funding for proportionate overhead costs as well as the direct costs of projects. This principle recognises that third sector organisations need to recover costs associated with premises, human, resources, audit, marketing and business planning.

2.5 Proportionality

There will be a joint and consistent approach to monitoring and evaluation that is effective and proportionate to the level of funding.

2.6 Consequences of not funding

Consideration will be given to the effects on a third sector organisation of any decision not to fund, or to withdraw funding, before any final decision is taken.

2.7 Timely decisions and payments

The public sector will ensure sufficient notification of funding decisions and will make timely payment of funds subject to public sector budgetary processes.

3. Code Principles - **Community Involvement, Partnerships and Networks**

3.1 To ensure that third sector organisations, when developing their policies and services in the county, are informed by a wide range of knowledge, experience and expertise

3.2 To ensure that the views of public sector and third sector service users are regularly consulted, listened to and acted upon

3.3 Medrwn Môn will seek to ensure that members of partnerships and networks are representative and accountable to their 'constituency'

3.4 "The Gold Standards in Community Involvement"

Value the skills, knowledge and commitment of local people.

Develop working relationships with communities and community organisations.

Support staff and local people to work with and learn from each other (as a whole community)

Plan for change with, and take collective action with, the community.

Work with people in the community to develop and use frameworks for evaluation.

4. Code Principles - **Volunteering**

Volunteering has been described as "an important expression of citizenship and essential to democracy. It is the commitment of time and energy for the benefit of society and the community and can take many forms. It is undertaken freely and by choice, without concern for financial gain."

4.1 Support of volunteers

Volunteer-involving organisations need an effective and properly resourced support framework.

4.2 Contribution of volunteers

It is recognised that volunteers make a major contribution to the economic, environmental and social development of Medrwn Môn. This contribution should be valued and the profile and ethos of volunteering promoted.

4.3 Barriers to volunteering

The barriers to people volunteering should be recognised by developing the capacity of volunteer-involving organisations to respond to the changing needs of volunteers.

4.4 Investing in volunteering

Best practice for the management and support of volunteers and the accreditation of volunteering will be encouraged.

4.5 Consultation and participation

The contribution of volunteers in helping to develop public policy is recognised and encouraged through involvement in consultation processes and campaigning.

5. Code Principles - **Governance**

5.1 Adherence to legal obligations and best practice guidelines. The Third sector will maintain high standards of governance and conduct and comply with their reporting and accountability obligations.

5.2 Medrwn Môn will produce a Code of Conduct for trustees as an exemplar document for third sector organisations to consider

5.3 Medrwn Môn will provide training for trustees in accordance with the national occupational standards for trusteeship on:

Principles of governance

Roles and responsibilities of trustees

Roles of honorary officers

Board and committee structures

Recruiting and developing trustees

Working with the chief officer

Appendix 2 - Definitions

Third Sector

The document uses the term “the third sector”. It recognises that not all organisations will agree, and individual organisations have the absolute right to describe themselves in any way that they choose – charity, voluntary, organisation, community group, self-help group, NGO, social enterprise, community business, etc. But what all of these have in common is that: They are established voluntarily by citizens who choose to organise; they provide some form of community or public benefit. Their surpluses, where these are generated, are re-invested in the organisation or for community or public benefit, and are not distributed for private gain. These common characteristics are far stronger than any differences that may exist between different types of organisation, and for this reason it is helpful to adopt a term that can cover all organisations that share these common characteristics - “*third sector*” achieves this. Adoption of the term “third sector” by statutory organisations will still require it to maintain more precise current definitions for the purpose of eligibility for grant aid or other benefits.

Definition of a “voluntary organisation”

The Welsh Assembly Government in the “Third Sector Scheme” lists the criteria that encompass most types of voluntary organisation as:

- independent - an organisation must be constitutionally independent and not directly controlled by a for-profit organisation or the state. An organisation is recognised as being independent of the state where there is a majority of non-statutory bodies, appointees or representatives on its ‘board of trustees’ and a majority of non statutory members.
- self governing - an organisation must have its own internal decision making process:
- non profit distributing and primarily non business - an organisation must make no payments (other than for reasonable out of pocket expenses or other payments allowed by the governing document e.g. for occasional professional services or for grants) to members or trustees;
- voluntarism - an organisation must benefit from a meaningful degree of philanthropy (e.g. gifts in kind or of time, including volunteers and non paid trustees for example, any organisation that has at least three trustees who give their time is considered to benefit to a meaningful level);
- public benefit - a voluntary organisation would be expected to be able to demonstrate that its objects and activities benefit the wider public and / or that it makes its benefits available to as wide a group of people as possible within the constituency defined by its objects and / or that it operates in ways which are open and inclusive rather than elitist and exclusive. Where a governing document exists, it should have a clause ensuring that on dissolution, the remaining assets are redistributed to (a) similar voluntary organisation(s).

These criteria specifically include:

Community businesses - organisations that are real businesses trading in one way or another, controlled by the community and that directly benefit the community;

- the voluntary housing movement;
- non membership charitable trusts;
- self help / mutual aid groups;
- community and local organisations, community associations, village halls etc;
- environmental groups;
- training charities;
- intermediary bodies;
- women's aid groups;
- arts organisations;
- agricultural groups with wider social benefit;
- charitable, industrial and provident societies;
- sports groups with community / social benefit;
- religious organisations with social benefit.

They specifically exclude:

- Political parties;
- universities;
- further education institutes;
- charitable independent and grant maintained schools;
- trade unions;
- sports clubs and societies for non public benefit;
- business associations and local enterprise agencies;
- the vast majority of professional associations;
- NHS trusts;
- many major museums;
- quangos and government sponsored public bodies (ASPBs);
- religious organisations with no wider social benefit.

There are an estimated 700 third sector groups on Anglesey ranging from small specialist self help groups run by users through to national charities. They can operate on a national, county, or neighbourhood level, each tending to align themselves to areas of specific specialist concern.

Some third sector organisations provide direct services (e.g. playgroups, special needs housing), while others provide advice, information, counselling and support, and some will also provide valuable advocacy services.

They exist because people perceive a need and work together to bring about change, or a service, for the benefit of the community.

All will have a governing or managing body of some kind. This group will be referred to in a variety of ways, e.g. a management or executive committee, a council, board of trustees. Whilst many third sector organisations are self financing and have no regular contact with the statutory sector, raising all they need directly from the public via fundraising events, donations, and public appeals, others do seek funding and support from a mixture of sources including the public, private and charitable sectors.



CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

Volunteering Policy

1. Scope

This policy underpins one of the core principles in the Compact agreement between the Isle of Anglesey County Council and Medrwn Môn in relation to volunteering.

The Compact is a partnership agreement between the third sector and the local authority on Anglesey. It provides a framework within which the development of shared aims, objectives, mutual respect and understanding will assist the ability of public and third sector partners to improve the quality of life for the people of Anglesey.

2. Policy Statement

The Council recognises the valuable contribution that volunteers can give to the organisation. Volunteers bring with them a diversity of experience, backgrounds, skills, ages and outlooks, which can provide added value to the services delivered. This policy will:

- Let volunteers know how we will ensure fairness and consistency
- Enable the volunteers to know where they stand
- Offer security in terms of knowing how they will be treated
- Help staff and volunteers understand each others roles

In addition this policy sets out the broad principles for working with volunteers within the Council in a fair and equitable manner. Its aim is to ensure that the benefits of volunteering are maximised for both the volunteers and the Council. It is of relevance to all within the Council including volunteers, staff and elected members.

This policy is endorsed by the Council as part of the Compact agreement and will be reviewed by the Voluntary Sector Liaison Committee on an annual basis as part of its remit to implement the principles in the Compact agreement.

3. Definition

Volunteering is an important expression of Citizenship as well as an important component of democracy. Volunteers are people who, unpaid and of their own free will, contribute their time, energy and skills to benefit the Community. Volunteering may be for a limited time (for example, to assist in the completion of a particular project or event), or it may be on an on-going basis (for example, to assist in the day to day delivery of a particular service).

The Council recognises its responsibility to arrange its volunteering efficiently and sensitively so that the valuable gift of the volunteers time is best used to the mutual advantage of all concerned.

Some examples of ways in which volunteers contribute to the work of the Council are given below:

- School Governors
- Sport and the support of sport

- Transport schemes
- Countryside management schemes
- Advocacy (social services)

The Council is committed to involving volunteers in appropriate positions and in ways which are encouraging, supportive and which develop volunteering.

4. Why Have a Policy?

A written policy gives formal recognition to the importance of volunteers and ensures that the following objectives are met:

- Volunteers are involved in appropriate activities through a suitable selection procedure which includes references and, as required, Disclosure and Barring Service (DBS) checks
- Volunteers are welcomed, feel valued and receive a relevant induction from the service in question
- Volunteers contributions are maximised by providing appropriate training and support
- More people are encouraged to become involved as volunteers
- More volunteers remain involved

This policy will help all staff involved in recruiting and managing volunteers to adhere to good practice and support volunteers in a planned and managed way.

5. What are the Benefits of Engaging a Volunteer

- Experiences and skills can be drawn upon and developed to impact positively on a range of services and projects.
- Volunteers can be flexible and innovative in their approach
- Volunteers enhance a sense of Community and help to build an inclusive society
- The Community and the environment benefit from the contribution made by volunteers

6. Principles

6.1 Recruitment and Selection

The Council aims to recruit volunteers from all sections of the community with a wide range of skills, life experiences and knowledge.

The recruitment of volunteers will normally be carried out through the posting of advertisements in leaflets, newsletters and on the corporate website. It may also be done by making informal contact within the existing user community.

All prospective volunteers will be interviewed to discuss their skills, roles and expectations. The selection procedure will broadly follow the processes outlined in the Authority's Recruitment and Selection Policy (where appropriate), which will include references and a check from the Disclosure and Barring Service (DBS) if applicable.

6.2 Status of Volunteers

A volunteer is not an employee or worker and will not have a contract of employment with the Council. All voluntary work undertaken is unpaid. The Council will agree a role with the volunteer and there will be an expectation that the volunteer will meet the role's requirements and that where available the Council will provide work for the volunteer. However, the volunteer is free to refuse to fulfil the role and the Council is not bound to provide the work.

Note: This policy does not apply to foster carers.

6.3 Volunteering Roles

It is the responsibility of the manager working with the volunteer to draw up an outline of the volunteer role. This will set out the duties of the role and the skills and experience necessary, as well as any training that is required before the voluntary work is undertaken. Voluntary work should complement the work of paid staff and provide added value to the benefit of service users. Volunteers are not intended to substitute for paid employees, so care should be taken to ensure that no undue demands are placed on our volunteers, and that they do not undertake work that should normally be carried out by paid staff.

6.4 Supervision and Support

The Council is committed to developing the knowledge, skills and effectiveness of its volunteers. This will be achieved by providing:

- Appropriate training and development
- Meaningful work within the priorities of the service
- Effective supervision
- Recognition of work completed
- Clear targets, priorities and appropriate standards for the work assigned

Volunteers will be entitled to receive a reference from the Council. This is conditional on the volunteer undertaking at least 30 hours of voluntary work of satisfactory standard whilst working directly on behalf of the Council.

6.5 Confidentiality

Where appropriate, volunteers will be required to sign a confidentiality agreement.

6.6 Grievance procedure

Volunteers should raise any concerns of problems with their immediate supervisor.

6.7 Expenses

Where appropriate, volunteers will be offered reimbursement of reasonable travel expenses from their home to place of work. A mileage allowance for those using their own means of transport is set at 18 pence per mile. All expenses must be agreed in advance with the volunteer's immediate supervisor.

6.8 Notice

The Council or the volunteer should endeavour to provide as much notice as possible of their intention to end the volunteering arrangement.

7. Compliance with Council policies, procedures and protocols

A number of specific issues are relevant to this volunteering policy:

7.1 Equality and Diversity

The Council is committed to equality and diversity, both in the provision of services and in its role as a major employer, and to the elimination of unfair and unlawful discrimination in all our policies, procedures and practices. The Council treats all people with equal respect, concern and consideration and recognises the valuable contribution made to the Isle of Anglesey by all individuals. Volunteers will be expected to accept and work in accordance with these principles.

7.2 Welsh Language Scheme

The Council recognises equal status for the Welsh and English languages. Welsh and English will be the official languages of the Council and will enjoy the same status and validity in the Council's administration and work. Volunteers will be expected to be aware of this principle.

7.3 Health & Safety

The Council has a responsibility for the health and safety of volunteers. Volunteers must be treated the same as paid staff in respect of health and safety. Volunteers should at all times follow the Council's health and safety policies and procedures. A risk assessment specific to each volunteer work area and role must be undertaken by a qualified person and a copy provided to the volunteer. Volunteers have a duty to take care of themselves and others who could be affected by their actions. Volunteers must not act outside their authorised area of work or duties. Volunteers must report all accidents and near misses to their supervisor.

7.4 Safeguarding Policies

Where appropriate, volunteers need to comply with the Council's Safeguarding policies and protocols in relation to vulnerable people.

7.5 Insurance

7.5.1 General

Volunteers will be indemnified against third party claims under the Council's Public Liability Insurance while carrying out their duties.

7.5.2 Drivers

Any person acting as a volunteer on behalf of the Council which requires the use of a vehicle (private or Council vehicle) must comply with the Council's Fleet and Driver Policy.

7.6 Disclosure and Barring Service (DBS) Check

Where the volunteering activity is with children and young people under the age of 18 years or vulnerable adults the volunteer will be advised that a Disclosure from the Disclosure and Barring Service must be applied for. Guidance will be provided by the relevant Council department.

Remit

Purpose

The Welsh Government is committed to values of fairness and equality. We do not accept poverty and inequality, or the erosion of public services which we believe need to be fit for our times and sustainable. Our Programme for Government set out a clear framework to strengthen the delivery of effective, efficient and accessible public services, including in particular, those that are the responsibility of local government. The importance of protecting and supporting our public services is crucial as we know that in particular our most vulnerable individuals and communities rely heavily on these services which impact so directly on the day to day quality of their lives. These services could not exist without the dedicated public service workforce we have and we are committed to developing and supporting those who work in public services.

We do not consider that the market is the solution to the challenges facing these public services. The needs of individuals, families and communities can be complex or simple, are often met through a range of organisations - including non devolved services - and do not neatly fit into organisational boundaries. Since public sector budgets are likely to continue to tighten, and demand pressures grow, in the medium to long term, there is a clear need to examine how services can be sustained and standards of performance raised, so that people in Wales can continue to receive and influence the public services they need and value.

The Welsh Government's commitment to establish an independent Commission on Public Service Governance and Delivery provides an opportunity to examine how public services are governed: that is, held accountable for their performance and delivered most effectively to the public.

The aims of the Commission will be to:

- Gather and provide an objective, authoritative assessment of the extent to which current arrangements for public service governance and delivery in Wales meet the needs and aspirations of people today and provide a sustainable basis for the future;
- Propose an optimal model of public service governance and delivery for Wales, that will ensure that efficient, effective and accessible services are provided to the citizen; and support continuous improvement in those services against the background of financial and demand pressures;
- And, as part of this, to engage with those who provide and use public services.

Context

The Commission is asked to consider the above, taking account of the Welsh policy context, including

- The current structure of Local Health Boards within Wales is already supporting the move to integrate services more effectively and to put services on a sustainable footing for the medium to long term. The Welsh Government would not, therefore, expect LHB configuration to require consideration by the Commission.
- the action already underway in developing the provision of public services including, but not limited to, the work of the Public Service Leadership Group as overseen by the Partnership Council for Wales; the Welsh Government's footprint for collaboration in public services; and the range of legislative measures such as the Social Services Bill, the Sustainable Development Bill and the Planning Bill
- the need for greater simplicity in governance and delivery arrangements for services in order to enable effective integrated planning and delivery for people in Wales, including through the work of Local Service Boards
- the recommendations of the Hill Review into education improvement
- the proposals put to the Silk Commission by the Welsh Government [and any emerging outcomes from the Silk Commission]

Scope

The Commission will consider arrangements for the governance and delivery of all devolved services. It is encouraged to reflect the contribution made to integrated delivery by non-devolved services and to report any conclusions relevant to the current considerations of the Silk Commission.

Outcome

The Commission is asked to collect and consider evidence; engage widely; and to produce findings and a final report, which makes clear recommendations for action by the Welsh Government and public sector partners on

- The optimal arrangements for the organisation, governance and delivery of efficient, effective and accessible public services in Wales, including
 - scale of delivery;
 - scope for integrated and cross-sectoral working.
- A timescale for any changes
- A consideration of any associated changes to the financing arrangements of the public services under consideration

Timing

The Commission should report by the end of 2013.

Approach to its work

The Commission will determine and plan the work necessary to produce an evidence-based report. In undertaking that work it should engage those who use and provide public services, including the voluntary sector, and those who are politically accountable for service delivery.

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Number: WG18656



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Welsh Government

Consultation Document

Continuity and Change - Refreshing the Relationship between Welsh Government and the Third Sector in Wales

Date of issue: **16 May 2013**

Action required: Responses by **8 August 2013**

Overview

This consultation focuses on refreshing the Welsh Government's relationship with the Third Sector in Wales, and in particular considers:

1. Affirming and renewing the relationship;
2. Supporting Third Sector Infrastructure;
3. Engagement with the sector;
4. Working together nationally, regionally and locally;
5. Local Compacts; and
6. Framework documents.

How to respond

You can respond to this consultation either by using the questionnaire at the back of the document or completing the online form which is available on our website at: <http://wales.gov.uk/consultations/housingcommunity/welsh-government-third-sector-relationships/>

In addition, three Consultation events will be held across Wales which will provide a further opportunity to respond.

29 May, Welsh Government office, Penllergaer

6 June, Welsh Government office, Llandudno

25 June, Welsh Government office, Merthyr Tydfil

Full event details available on our website.

Further information and related documents

Large print, Braille and alternate language versions of this document are available on request.

Further information which you may find useful can be found on the Third Sector pages of the Welsh Government website using the following link: <http://wales.gov.uk/topics/housingandcommunity/voluntarysector/?lang=en>

Contact details

For further information:

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Data protection

How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full.

Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government.

This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

Continuity and Change - Refreshing the Relationship between Welsh Government and the Third Sector in Wales

Consultation Document 2013

Preface By the Minister for Communities and Tackling Poverty

This Consultation Document focuses on one of the most important partnerships in Wales – between Welsh Government and the Third Sector in Wales.

We use The Third Sector to describe collectively the thousands of community groups, voluntary organisations and social enterprises which are so important to almost every part of life in Wales. As well as the staff and volunteers who run these organisations, the sector also includes many others who give their time and effort freely in their communities, through their place of work or by contributing to national and international endeavours.

The Third Sector in Wales is very diverse. That diversity is also reflected in the sector's relationship with Welsh Government. Some organisations rely heavily on Government funding while others receive little or no direct support. Small, local groups make up a large proportion of the sector and make a major contribution to the wellbeing of citizens.

It is five years since we published the last major review of this relationship. There have been significant changes since then that affect the work we do together. In particular the economic situation has become much more challenging, making life more difficult especially for our poorest households and communities.

The Third Sector has a vital part to play in building resilient communities and helping people to get by in these times. It is even more important now than in the past that resources and efforts are coordinated and used to the best possible effect. This document sets out our proposals to ensure that the Third Sector continues to be well-supported to fulfil its potential and that we have effective ways and means to manage this crucial relationship.

I will need to make some important decisions about these issues later this year. Before then, I want to hear from a wide range of people and organisations what you think about the way forward proposed in this document. Please take this opportunity to let us know your views.

Huw Lewis AM

Minister for Communities and Tackling Poverty

1. Introduction

1.1. The purpose of this consultation is to take a fresh look at the relationship between Welsh Government and the Third Sector in Wales. This includes reaffirming the importance of the Third Sector in Wales while also responding to important changes and developments of recent years. We want to draw on the experience of a strong working relationship to find opportunities to improve how we work together in the future.

1.2. The scope of this consultation is potentially very wide; in practice we will focus on a number of key issues which lie at the heart of the relationship. The intention is not to review in detail the numerous links which exist between individual Third Sector organisations and Welsh Government (for example those relating to Social Enterprise, for which the Minister for Economy, Science and Transport has responsibility), including funding arrangements which are – and will continue to be – managed by many different Government departments. Nevertheless, the issues and proposals which are set out here will have implications for the Third Sector as a whole and it is therefore important that as many people as possible are aware of it.

1.3. This introduction sets out the basis for the existing arrangements and then highlights some of the issues we consider make it necessary and desirable to revisit some aspects of the relationship. The following chapters follow a similar pattern, first describing the current position, then setting out the rationale for change and outlining proposals for new ways of working. There are questions at the end of each chapter to help shape your response to the consultation.

The Basis of the Relationship

1.4. The relationship between the Welsh Government and the Voluntary Sector is established in law. The Voluntary Sector Scheme was established under the Government of Wales Act (GOWA) 1998 and subsequently GOWA 2006. Section 74 of GOWA 2006 requires Welsh Ministers to make a scheme which sets out how they propose, in the exercise of their functions, to promote the interests of relevant voluntary organisations and to consult with such relevant voluntary organisations as they consider appropriate before making, remaking or revising the Voluntary Sector Scheme. “Relevant voluntary organisations” are defined in section 74(2) as bodies (other than local authorities) whose activities are carried on otherwise than for profit and directly or indirectly benefit the whole or any part of Wales (whether or not they also benefit any other area).

1.5. The Scheme sets out the principles and mechanisms which underpin and support the relationship between Welsh Government and the sector. These include:

- an agreed definition of the Sector;
- commitment to partnership, dialogue and joint working;
- a framework for engagement including a Partnership Council and meetings between Welsh Ministers and sector representatives;

- Welsh Government support for a network of “infrastructure” organisations including the Wales Council for Voluntary Action (WCVA), County Voluntary Councils (CVCs) and Volunteer Centres across Wales;
- support for volunteering and community development;
- an established *Code of Practice for Funding the Third Sector*;
- an Annual Report to be prepared in consultation with the sector on performance against the Scheme.

1.6. The Voluntary Sector Scheme was last revised in 2004 and the relationship has continued to grow over the past decade. In January 2008 we published *The Third Dimension – A Strategic Action Plan for the Voluntary Sector Scheme*. This established the use of “Third Sector” as a broader and more inclusive term than “Voluntary Sector” and also provided a detailed analysis of the nature and role of the Third Sector in Wales.

1.7. The basis for funding the infrastructure organisations is set out in the Third Sector Partnership Agreement. The Partnership Agreement was revised in 2012 and interim funding for WCVA, CVCs and Volunteer Centres was agreed to the end of March 2014.

Development and Change

1.8. This consultation draws on all the key documents mentioned above and published since 2000: The Voluntary Sector Scheme, The Code of Practice for Funding the Third Sector; *The Third Dimension*; and the Third Sector Partnership Agreement. Much of the content within these documents still holds true.

1.9. Nevertheless, we consider that some changes in recent years need to be taken into account more fully and the changes in relationship need to be reflected in the key documents, bringing them fully up to date. We therefore want to develop a new “policy framework” based on a revised Voluntary Sector Scheme that will re-affirm our partnership with the Third Sector, take full account of current circumstances, and be as effective and fit for purpose as possible. The following paragraphs outline the main areas of change which we consider impact on this relationship.

The Programme for Government

1.10. Crucially, there is no substantial expression of current Welsh Government policy in the main existing framework documents. Third Sector organisations contribute substantially to the priorities set out in the Welsh Government’s 2011 Programme for Government, including key policy areas e.g. Tackling Poverty; Public Service Delivery; 21st Century Healthcare; Equality; Environment and Sustainability.

1.11. It is important that this range of activity is fully recognised. We would like to go further and create new opportunities to maximise the contribution of the Third Sector to the Programme for Government and the policies and actions which flow from it.

1.12. An important example relates to the impact of welfare reform. The Welsh Government is mindful of the impact which current changes to welfare and benefits are likely to have on vulnerable people in Wales. We want to make sure that there is access to advice, support and a range of key services in every area. Welsh Government programmes such as Communities First and Families First will contribute to this approach, especially in the most deprived communities. The Third Sector has an important role in these programmes, but the sector's potential goes much further. We want both to challenge and support voluntary groups and social enterprises to do all they can to help us build resilient communities throughout Wales.

Pressure on Public Funding

1.13. The current economic climate is a challenging one. It is not possible at present to predict future levels of public funding but it is possible that further savings may be required. If so, it is inevitable that there will be an impact on some Third Sector organisations which rely to any extent on public funding.

1.14. It may be that in some cases we need to realign support for the Third Sector as we strive to find new ways of meeting needs and make better use of shrinking public sector resources.

1.15. Now is the time to re-assess how we support the Third Sector in Wales, maximising the impact of what funding is available for people, communities and the Third Sector.

1.16. There have been important developments in recent years in how decisions are made about the use of public funding and how grants and contracts are managed. The development of the Welsh Government's Grants Centre of Excellence is making an important contribution to ensuring that grants from Welsh Government are managed consistently and fairly, and in encouraging good governance in all organisations which receive grant funding. We need to ensure that we have taken account of these developments in our working relationship with the sector and in key documents such as *The Code of Practice for Funding the Third Sector*.

Public Service Delivery and Regional Working

1.17. Recent years have seen significant developments in the way in which Public Services are delivered in Wales and of the structures that help to support and co-ordinate that delivery. The Third Sector has a substantial stake in these developments and it is important that we are clear and consistent about how the sector should now be involved in local, regional and national structures.

1.18. The establishment of a collaborative footprint for public services in Wales based on six regions (North Wales; Gwent; Cwm Taff; Western Bay; Mid and West; Cardiff and Vale) is particularly important in this regard. Third Sector organisations including CVCs are already involved in a range of collaborative projects within these regions, but there is scope for further development of this approach. At the same time we need greater clarity and consistency about how the sector is represented on key forums, giving regard to the independence and diversity of the sector.

The Impact of Technology

1.19. Technology has developed rapidly in recent years impacting every part of society and many aspects of daily life. We therefore need to consider the best ways to communicate and engage with the Third Sector bearing in mind how information technology and social media are already being used, and the challenges this presents. This may include the need for additional investment in some cases and opportunities for savings and greater efficiency in others.

Legislation

1.20. Wales has undergone major legislative changes which are bound to impact directly and indirectly on our relationship with the Third Sector in the years ahead. The 2011 referendum brought into force provisions of GOWA 2006 which provide the National Assembly for Wales with legislative powers to pass Assembly Acts in respect of devolved matters. The Assembly can now make laws for Wales in matters such as health, social services, education, and transport, the environment and local government – all areas where Third Sector organisations have a strong interest.

1.21. For example, the Welsh Language (Wales) Measure, 2011, gave Welsh language official status in Wales and established the role of the Welsh Language Commissioner to monitor and enforce compliance with standards which will affect the sector.

1.22. Similarly, the Equality Act (Wales) 2010 and related Public Sector Equality Duty 2011 impose duties on relevant Welsh authorities including the requirement to publish equality objectives, which impact on the Third Sector and its relationship with Government. Authorities are required to publish a statement which sets out the steps taken in order to achieve each equality objective and also to monitor the progress of achieving those objectives.

1.23. Compacts between Local Authorities and the Third Sector are another example. New legislation to strengthen the use of such compacts in Wales is being considered and research has been commissioned to inform future decisions about this. Since the issues are closely related, we intend to use this consultation to seek your views about the future of Compacts as well. There is further information about this in Chapter 6.

Learning from Experience

1.24. As we consider the implications of these changes and developments for the Welsh Government's relationship with the Third Sector, we would like to take this opportunity to reflect on the experience gained from the practical working of that relationship in the past few years. That includes reflecting on the contribution that infrastructure organisations have made to support the Third Sector in Wales (see Chapter 3 in particular).

1.25. The working of the Third Sector Partnership Council and the pattern of meetings with Ministers and officials that has developed over this period is another area which needs to be part of the review. We consider that there is room for

improvement in these areas and want to hear the views and suggestions of a wide range of people about how this is achieved, including hearing from those who have been involved with the current structures and meetings and others who have not been engaged or involved (see Chapter 4 for more information about this).

1.26. Many elements of the existing arrangements have been subject to review in their own right in the past few years, including volunteering schemes, support for fundraising, the Criminal Records Unit, the Third Sector Partnership Agreement and Welsh Government funding of WCVA. These individual reviews provide useful evidence to inform the present consultation. The findings from each report will be built upon as we look afresh at how these different elements fit together and relate to each other to form the overall current picture.

Questions:

Q.1. Are there other key changes or developments in recent years that impact on the relationship between Welsh Government and the Third Sector and should be taken into account?

2. Affirming and Renewing the Relationship

2.1. An important aim of this consultation is to reaffirm some key aspects of the relationship between Welsh Government and the Third Sector in Wales and our mutual understanding of the nature and roles of the sector.

2.2. The following paragraphs draw heavily on existing documents, in particular the first half of *The Third Dimension*, which was published in 2008. We consider that much of the analysis set out there still holds true, so here we draw out the most relevant parts and restate them in a concise form. We also include a summary based on recent analysis of how the Third Sector in Wales is made up.

2.3. The following chapters will focus on issues where we outline where the developments described in Chapter 1 have had a significant impact and set out some proposals for change. However, it is important that we also test our thinking where we are **not** proposing change and want to restate and renew our previous understanding.

Defining the Third Sector in Wales

2.4. The Third Sector is not easy to describe or define. The term is used as an inclusive and overarching description of a very diverse range of organisations that share a set of values and characteristics. It is widely accepted that Third Sector organisations are:

- Independent, non-governmental bodies;
- Established voluntarily by people who choose to organise themselves;
- ‘value-driven’ and motivated by social, cultural or environmental objectives, rather than simply to make a profit;
- Committed to reinvesting their surpluses to further their social aims and for the benefit of people and communities in Wales.

2.5. Even with this common values-based approach, there is a broad range of organisations which make up the fabric of the Third Sector including community associations, self-help groups, voluntary organisations, charities, faith-based organisations, social enterprises, community businesses, housing associations, development trusts, co-operatives and mutual organisations.

2.6. Research shows that the sector in Wales encompasses:

- 33,000 organisations
- 230,000 trustees
- 1.13m volunteers and people helping out in their community
- 51,000 employees

The sector had an income of £1.6 billion in 2009/10, and is supported by 2.4% of the budget of the Welsh Government.

2.7. The 33,000 organisations in the Third Sector can be grouped into 24 areas of activity:

Advice and Advocacy	Health and Social Care
Animal welfare	Housing
Arts	Intermediaries
Benevolent organisations	International Aid and Emergency Relief
Children and Families	Older People
Community	Refugees
Community Justice	Religion
Disability	Research and self help
Education and Training	Sport and Recreation
Employment	Volunteering
Environment	Youth
Ethnic Minorities	
Gender	

2.8. These groups vary considerably in size and in the nature of the organisations they comprise. For example, sports and recreation groups are particularly numerous. Also, many organisations work across several of these categories; local groups often have a community focus as well as particular aims and interests.

2.9. The structures, forms and legal identities of Third Sector organisations also vary considerably. They include unincorporated organisations, registered and unregistered charities, companies limited by guarantee (which may also be registered charities), and community interest companies, charitable incorporated organisations and Industrial and Provident Societies.

2.10. Whilst individual organisations call themselves voluntary organisations, community groups or social enterprises, the distinctions between such categories are often blurred and there remains a strong argument for viewing them collectively as a distinctive Third Sector that makes a hugely important contribution to Welsh life.

2.11. We have previously identified the qualities of the Third Sector as:

- Flexible and responsive, able to meet needs quickly;
- Non-judgemental, independent and widely trusted, giving it credibility as an effective advocate;
- Caring in its approach and focused on people and their multiple needs, often drawing on direct experience of the issues;
- Capable of achieving a 'virtuous circle' which delivers benefits to the providers of support as well as the beneficiaries
- Able to penetrate more deeply than others into challenging areas making public services and resources more widely accessible;
- Able to generate community-ownership, releasing talent and energy;
- Excellent at networking and blending a wide range of funds and resources together to meet needs effectively;

- A repository of special skills and expertise not available anywhere else;
- Capable of delivering services that go ‘above and beyond’ the usual norms; and
- Cost effective, especially in achieving multiple outcomes and helping people to grow and develop as individuals.

2.12. Our focus is very much on the philanthropic and social action taking place at a community level that contributes to a rich civil society and improves people’s quality of life in Wales. This local community action highlights the importance we place on responding to experiences and needs on a daily basis. It is often at this very local neighbourhood or family level that Third Sector organisations can make the greatest difference. Its accessibility and responsiveness is one of the sector’s greatest strengths.

2.13. We want to make a long term commitment to support community and grassroots organisations to grow and develop and ensure we have the correct support structures in place to do this. In doing so, we can support a fair, just and inclusive society where communities can build capacity in individuals to tackle poverty, skills, unemployment and sustainability.

The Nature of the Relationship with Welsh Government

2.14. The relationship between Welsh Government and the Third Sector is complex and multi-faceted. It includes:

- The exchange of data and information
- The sharing of views through early identification and consultation processes on the impact on the Third Sector of policy and future implementation
- Joint planning, design, monitoring and evaluation of programmes and schemes
- The funding of generalist and specialist support services
- Funding across various subject areas, directly and indirectly
- A shared interest in the way local authorities, Welsh Government Sponsored Bodies (WGSBs), UK Government, the EU and other public authorities interact with the Third Sector

2.15. Within this complexity it is possible to identify three distinct, overlapping spheres of interest that define and structure our relationship with the Third Sector: stronger communities; better policy and better public services. Our interest in, and support for, the Third Sector is therefore threefold:

- To support further growth and development of the sector’s capacity to strengthen communities of place and interest
- To harness the knowledge and expertise of the sector to help design better public policies and services

- To encourage and support the sector to contribute to the delivery of citizen centred public services.

Proposals for Future Development

2.16. We think that the analysis above of the Third Sector, contained in *The Third Dimension*, and how it relates to Welsh Government is still largely valid. In particular, we still believe that empowering people and helping to develop resilient communities are essential contributions of the Third Sector to developing a fair and just society.

2.17. In *The Third Dimension*, the following strategic themes outlines our support to the sector:

- Valuing voluntary action
- Strengthening and empowering communities
- Facilitating citizen voice
- Accelerating social enterprise
- Personalising public services

2.18. Similarly, our previous approach was to outline three “frameworks for empowerment”:

- Strengthening public/Third Sector engagement
- Improving Third Sector support services
- Enabling raised performance and growth

2.19. This model has subsequently been developed in a number of ways including a new Integrated Delivery Plan which is described in more detail in the next chapter. This, together with other tools, provides a flexible basis for developing an effective working relationship and for monitoring how well the sector is fulfilling its aims.

2.20. Although we think that the previous themes and framework still have value, we do not propose to develop a single new detailed Action Plan based on them. Instead we want to foster a continuing dialogue with the sector which can continue to evolve year by year. The following chapters set out how we envisage this working in practice.

Questions:

Q.2. Do you agree that the analysis of the Third Sector and its qualities listed above are still relevant?

Q.3. Do you consider that the five strategic themes in 2.17 are still useful as a basis for ongoing dialogue?

Q.4. Are there other elements you would add or consider to be more useful?

3. Supporting the Third Sector Infrastructure

3.1. The Welsh Government recognises the value of a strong and thriving Third Sector in Wales. Voluntary and community organisations and social enterprises need support and guidance if they are to operate safely and legally, fulfil their aims effectively, thrive and grow. Individual volunteers may also need advice and help so that they can make the greatest possible contribution to their communities and the causes they care about. It is recognised that there is the case for supporting organisations which themselves support the development of the Third Sector.

3.2. In this chapter the existing arrangements in Wales are described, and the main roles of the organisations which provide this support outlined.

3.3. The impact of the changes and developments mentioned in Chapter 1 are highlighted and proposals which are designed to encourage innovation and creativity within the existing framework are set out.

What is the Third Sector Infrastructure?

3.4. There is a well established network of Third Sector support organisations in Wales, including WCVA, CVCs and Volunteer Centres. This is known as the Third Sector Infrastructure. These organisations play a pivotal role in the sector's relationship with Welsh Government. For this reason an emphasis on the infrastructure is at the centre of this consultation.

3.5. The Welsh Government has supported this infrastructure with core funding for many years, through the Third Sector Partnership Agreement, and the basic pattern has not changed substantially since local government reorganisation in Wales in 1996, which led to the creation of new CVCs in most of the new County Boroughs.

3.6. These infrastructure organisations work within a national (and in many cases regional) collaborative framework but each one is an independent body which retains a high degree of independence. There are 19 CVCs, one in each local authority area apart from the Gwent Association of Voluntary Organisations (GAVO) which covers Blaenau Gwent, Caerphilly, Monmouthshire and Newport. There are also Volunteer Centres in each local authority area, the majority of which are part of the local CVCs.

3.7. This Wales-wide infrastructure is widely recognised, within Wales and beyond, as a strength of the Third Sector in Wales, providing an agreed set of core services which are accessible to very many people and organisations throughout the country. WCVA, CVCs, and volunteer centres have a combined membership of 14,000 Third Sector organisations. They are in regular contact with not only their members, but with many other groups in the sector through their services and networks.

3.8. Funding for CVCs and Volunteer Centres is based on a formula first established in 1997 which takes account of population, geographic area and levels of deprivation. The substantial majority of Welsh Government grant funding to support this infrastructure is managed by WCVA, which transfers a proportion to each CVC and Volunteer Centre. The total amount of infrastructure funding managed by WCVA

in the financial year 2013/14 will be just under £7.4million, of which almost £4m will be passed on to the CVCs and Volunteer Centres. The funding also supports a number of national programmes and projects managed directly by WCVA including: just under £1m per year each for the Volunteering in Wales Fund and GwirVol (youth volunteering); just under £500k for the Criminal Records Unit; and just over £100k for the Partnership Capacity Fund which provides funding to enable networks to engage in the Third Sector Partnership Council.

3.9. A review of the Partnership Agreement and Third Sector Infrastructure was undertaken in 2012.* The review concluded that the agreement was a useful means of identifying and defining the different roles across the different levels of Third Sector infrastructure in Wales and identified the most appropriate level for different responsibilities. It found that overall the objectives in the current partnership were felt to still be relevant and fit for purpose by respondents. The core services delivered as part of the Third Sector Partnership Agreement were all considered relevant and generally well delivered. The findings of this review about particular aspects of these services are referred to in more detail below.

3.10. Infrastructure funding has in the past supported other organisations, outside of the Partnership Agreement, particularly in the area of fundraising. The amounts involved have always been small by comparison with the main infrastructure arrangements described above and very little such funding will continue in 2013/14. Nevertheless, other organisations providing support to the sector could receive funding from the infrastructure budget in future.

Development of an Integrated Delivery Plan

3.11. As a result of recent work undertaken between Welsh Government and the infrastructure organisations the Third Sector Partnership Agreement has been substantially developed and strengthened for 2013/14. To support this, a new “Integrated Delivery Plan” has been developed. This Plan builds on the detail of the Third Sector Partnership Agreement and provides an overview of the Third Sector in Wales, the context in which it is working, and the strategic context for future infrastructure priorities. The Plan also provides information about the existing infrastructure partners and an overview of the results they intend to achieve collectively.

3.12. Clear and measureable outcomes have been agreed for all the main areas of activity included in the Integrated Delivery Plan, arranged under three headings, as follows:

Active and involved citizens

More people in Wales benefiting from their volunteer involvement
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More communities benefiting from volunteers

More organisations providing quality volunteering opportunities

People and communities engaging more effectively with public services

* “Stakeholders views on the objectives of the Third Sector Partnership Agreement and of the performance monitoring of the third sector infrastructure. Report of findings 2012.

A thriving and sustainable third sector

Trustees are confident about leading their organisations to deliver effectively and efficiently

Organisations can operate sustainably, fairly, legally and safely

Third Sector personnel have the information and guidance they need to enable their organisations to deliver effectively and efficiently

Third Sector personnel have the skills and knowledge to enable their organisations to deliver effectively and efficiently

Organisations secure and maintain sustainable and diverse resources to achieve their objectives

People can create and sustain organisations/services that meet their community's needs

Effective engagement in policy

The sector can contribute effectively to policy at all levels

The sector is recognised as a vital route to participation and engagement

The sector is an effective member of public partnerships

The sector plays a greater role in improving public service delivery

The sector is effectively involved in the scrutiny of public services

People and communities (of place and interest) are represented, including minority and disadvantaged groups

3.13. This framework is supported by a commitment from the infrastructure organisations to increased levels of regional delivery, working more efficiently and responding to the big changes facing Wales. We consider that this framework provides a good basis for further development both of the infrastructure itself and of the relationship with Welsh Government.

The Roles of the Third Sector Infrastructure

3.14. The roles of the Third Sector Infrastructure, as set out in the Integrated Delivery Plan, may be summarised as follows:

- Enabling other Third Sector organisations to grow and develop.
- Supporting individual volunteers and collective voluntary action.
- Promoting good governance across the Third Sector.
- Supporting Public Service design and delivery.
- Providing voice and representation for the wider sector.
- Sharing good practice and innovation.

The following paragraphs describe how these roles have developed in recent years and highlight key findings of recent reviews.

Enabling other Third Sector organisations to grow and develop

3.15. A primary purpose of Infrastructure organisations is to develop the capability and capacity of other organisations and individuals within the Third Sector. An infrastructure that enhances the sustainability of the sector as a whole and especially supports smaller Third Sector organisations and grassroots voluntary action is therefore important to the Welsh Government.

3.16. Effective fundraising is a key part of this support and the main infrastructure organisations all support Third Sector groups to raise funds from a wide variety of sources and through a variety of means including funding fairs, use of IT programmes such as Grantfinder and with direct advice.

3.17. The review of the Third Sector Partnership Agreement in 2012 was mixed. Some stakeholders considered that CVCs excelled in this area while other respondents suggested that advice from CVCs tended to be rather generic and less effective for large organisations.

3.18. We recognise that infrastructure organisations themselves need to be sustainable, responsive to their local contexts (in the case of the WCVA, the national context) and flexible in changing circumstances. Additionally it is recognised that each is in an independent organisation accountable to a Board of Directors (or equivalent) and, in most cases, to a number of funders other than Welsh Government. In the case of most CVCs this also includes local authorities.

3.19. In practice these factors have led to CVCs developing in different ways and they have varying structures and sizes. While all deliver the infrastructure functions required by Welsh Government, many also deliver other projects and activities. In some respects this variety is a strength of the infrastructure as a whole, but we consider it essential that the focus on developing the wider sector and community action remains paramount. Whilst the variety is in some ways a strength of the infrastructure it is important that the infrastructure supported by the Welsh Government focuses on the key objectives set out in paragraph 2.17.

Supporting individual volunteers and collective voluntary action.

3.20. The work of volunteers is the bedrock of the Third Sector, so supporting volunteers individually and collectively is fundamental to the role of the infrastructure organisations. Individual volunteers have a wide variety of requirements while advice and support from the infrastructure organisations for training and guidance for organisations seeking to successfully manage volunteers are also essential.

3.21. Currently, infrastructure support for volunteering includes:

- core funding for CVCs which enables them to offer advice and guidance to organisations;
- core funding for Volunteer Centres to provide local support for volunteers and volunteer-involving organisations including developing volunteer placements, placing volunteers and working with organisations to develop good practice in this area;

- The Volunteering in Wales Fund, administered by WCVA, which provides additional resources at the national level and supports those who are less likely to volunteer;
- GwirVol, a youth volunteering partnership and scheme also administered by WCVA, which arose from the Russell Commission Report of 2005 and focuses on volunteers aged 14-25.

3.22. Although each of these elements of support for volunteering has a distinct role, there is also considerable cooperation between them; for example every Volunteer Centre has a formal role to support the delivery of GwirVol. The Volunteering in Wales Fund and GwirVol have recently been reviewed separately and each has independently of each other been found to be effective and to deliver value for money. Overall, however, the picture is quite complex and it is important to reconsider how the national programmes relate to each other and to the local support arrangements for volunteers as well as to the other parts of the infrastructure.

3.23. Many charities, social enterprises and employers support volunteering within their own organisations and sometimes more widely. Enhancing links, particularly with large networks and established organisations with experience and an interest in volunteering, will help to achieve the delivery of common goals and strengthen the overall infrastructure.

3.24. Other models, such as Time Banking and Street Ambassadors need to be taken into account. While these approaches have some distinctive features, they share many of the values of more traditional forms of volunteering, valuing people and enabling them to make a positive contribution to communities and society outside of mainstream education and employment. Such innovative approaches are to be encouraged and enabling them to benefit from the support and services provided by our Third Sector Infrastructure is to be welcomed.

3.25. Changes in society are impacting on volunteering, with young people and others being encouraged to volunteer as part of education or employment programmes. The review in 2012 and recent discussions have highlighted the impact that these developments are having on the volunteering infrastructure.

3.26. The importance of responding to changing needs and priorities within the sector and the need for funding for volunteering to reflect and encourage this should not be overlooked.

3.27. There should be a continuing focus on the needs of volunteers of all ages, but especially young people, and that every effort should be made to ensure that the resources available to support this work are well coordinated and as accessible as possible to people throughout Wales.

Promoting good governance

3.28. Governance” means the way organisations conduct their affairs, internally and with other people and organisations, and the way they manage resources. Finances,

day-to-day operations, how decisions are taken, and how complaints are dealt with are all important aspects of governance, but there are many others.

3.29. Ensuring that Third Sector organisations are well managed and properly accountable to their stakeholders is vitally important. This applies particularly, but not only, to organisations which receive public funding. Failings in this area can have a devastating impact on the organisations themselves but also on the people involved with them, whether as trustees, staff, volunteers or clients. Problems in one organisation can also impact on others and even on the sector as whole.

3.30. The Welsh Government is therefore fully committed to supporting all Third Sector organisations in Wales to maintain high standards of governance. Infrastructure organisations share this commitment, which is reflected in the Third Sector Partnership Agreement.

3.31. There is scope to strengthen this area and to achieve greater consistency in how good governance is promoted and safeguarded. The Welsh Government has recently developed its Grants Centre of Excellence which is supporting these efforts, and is working with other funders including Big Lottery to encourage the use of established tools such as PQASSO and Investors in Volunteers (IIV) to help organisations to improve their own governance.

Supporting Public Service Design and Delivery

3.32. Chapter 5 outlines our thinking around Third Sector involvement in the design and delivery of public services at all levels. Infrastructure organisations, most obviously WCVA at the national level and CVCs at the local authority and regional level, are well-placed to enable Third Sector organisations to contribute to this agenda. Once again it is essential that their role should be an enabling one, ensuring that the full resources of the sector are harnessed as fully as possible so that grassroots community organisations, charities of all sizes and social enterprises can all make a full contribution.

Providing voice and representation for the wider sector

3.33. One of the biggest roles for Third Sector infrastructure is representing the views of sector to Government and society in Wales and beyond. The review of the Partnership Agreement in 2012 found that most stakeholders considered this to be the most important role for the Third Sector infrastructure to fulfil.

3.34. That report also identified the challenges of representing such a diverse sector from within the infrastructure itself and noted that there are other overarching organisations in Wales which also seek to represent parts of the sector. The independence of the WCVA to represent the views of the sector while receiving funding from the Welsh Government was also noted as a potential challenge in delivering this core service. CVCs reported that they struggled to represent the views of their members effectively with the available resources.

3.35. These issues relate closely to the subject of the following chapter which explores the means of engagement between Welsh Government and the

Third Sector in more detail. Infrastructure bodies are directly involved in those structures and meetings and also support other organisations to participate in the relationship. It is therefore very important this part of the role is both effective and widely understood.

3.36. We are keen to strengthen the geographic dimension of the representative structures so the role of the CVCs at the local and regional level may become even more important than at present.

Sharing good practice and innovation

3.37. The existence of a Wales-wide Third Sector infrastructure provides the potential for good practice and good ideas to be shared widely, adopted and adapted by others. The infrastructure organisations also have an important role in gathering information, data and statistics about the sector in Wales to inform policy making and delivery.

3.38. While face to face contacts, print publications, conferences and seminars will certainly all continue to play a large part in this process for the foreseeable future, the rapid development of technology and social media is undoubtedly the most important current development in this area. The sector is responding to these changes, but the challenges and the opportunities remain substantial. We will need to provide an environment that fosters innovative uses of ICT and takes full advantage of the efficiencies and improvements that technological solutions can help to deliver.

Proposals for Future Development of the Infrastructure

3.39. As was stated at the start of this chapter, Welsh Government continues to recognise the case for supporting organisations which themselves support the development of the Third Sector in Wales. It is envisaged that one of the main outcomes of this consultation process will be the confirmation of new Third Sector Infrastructure funding arrangements for the period from 1 April 2014 to the end of March 2017.

3.40. In general we also consider that the main existing infrastructure organisations – WCVA, CVCs and volunteer centres – generally provide effective support to the Third Sector in Wales, contribute usefully to public service delivery and assist in enabling others to do so. In the context of the substantial challenges arising from present economic circumstances, we do not wish to cause major disruption to this infrastructure which would be likely to impact negatively on the organisations, communities and individual volunteers they support.

3.41. At the same time there is scope for the infrastructure to become more effective and more joined up, and for it to respond more substantially to the challenges and changes which were outlined in Chapter 1 of this consultation document. We believe it is the responsibility of Welsh Government to encourage the sector to build on the progress it has already made and to provide a funding framework that supports and incentivises this approach.

3.42. We also consider that there is expertise outside the main infrastructure organisations which could be harnessed more effectively than at present to support the wider Third Sector in Wales. We do not wish to fragment the infrastructure or to be unduly prescriptive about any new arrangements. Instead, we want to encourage WCVA and the CVCs to enter into dialogue with other organisations and jointly develop innovative and creative solutions which will benefit the sector as a whole.

3.43. We also consider that the time is right to look again at the formula whereby infrastructure funding is distributed between WCVA, CVCs and Volunteer Centres to test whether it is fair and equitable. Population size, geographic area and levels of deprivation all remain relevant considerations in this regard, but we must be careful to ensure that historic circumstances do not lead to imbalances being sustained over long periods without good reason.

3.44. Continuing to demonstrate that any arrangements are cost-effective and maintain high standards in delivering services remain very important. We must make sure that the Third Sector Infrastructure arrangements we fund are right for supporting the future Third Sector in Wales at national, regional and local levels, and evolve to address specific new needs identified at each level.

3.45. We are therefore looking to ensure that we provide a joined up, coherent Third Sector support service that also gives organisations with relevant expertise the opportunity to contribute to this provision. In essence, we propose to retain and improve the existing infrastructure arrangements, but will also allocate a proportion – perhaps 10% – of the overall infrastructure budget to encourage innovation and partnership working between the existing infrastructure bodies and other agencies.

3.46. The overall vision must be to strengthen the whole sector, including grassroots voluntary and community groups that often exist below the radar. We believe that the primary role of the Infrastructure is to support existing organisations to flourish and become more sustainable as well as encourage and nurture new and emerging organisations to enable growth of the sector.

3.47. With these principles in mind, we set out the following proposals which would provide the basis for new infrastructure funding:

- To maintain its commitment to infrastructure funding, taking into account the outcome of the Welsh Government's Central Spending Review when that is known later this year.
- Retain and develop further the new Integrated Delivery Plan as the basis for ensuring that the work of the infrastructure is outcomes focussed, measureable and responsive to change.
- Review the formula by which infrastructure funding is allocated to WCVA, CVCs and Volunteer Centres to test whether it still delivers a fair and equitable distribution of the available resources.
- Allocate 10% of the infrastructure fund to encourage innovation and collaboration, particularly at the regional level. Criteria for access to this "Third Sector Innovation Fund" to include:

- a close fit with the Programme for Government and, in particular, the Tackling Poverty Action Plan;
- working across local authority areas within the collaboration footprint and in partnership with public sector agencies;
- involvement of all CVCs in the respective area and at least one other Third Sector organisation with complementary expertise; opportunity for national agencies to be involved where they can demonstrate their potential to contribute at the regional and local levels, for example through harnessing the resources of their own networks.
- Welsh Government and Third Sector organisations to work together to develop a new coordinated framework of support for volunteering, within the wider infrastructure, reducing the complexity and fragmentation of the current pattern while retaining the strengths of the existing programmes and Volunteer Centres.

Questions:

Q.5. The role of Infrastructure is set out above. Please let us know if there is something that you think has been overlooked.

Q.6. How might we achieve the right balance of funding and delivery across the Infrastructure nationally, regionally and locally?

Q.7. Do you support the proposal to develop a Third Sector Innovation Fund on the basis outlined here?

Q.8. We consider that the current infrastructure support for volunteering (see para. 3.21 and 3.22) is strong in many respects but could be simplified. Do you have any suggestions for how it could be improved?

4. Engagement

4.1. In Wales the Welsh Government and the Third Sector have enjoyed a long history of direct engagement, primarily through the Voluntary Sector Scheme which is unique to Wales. This long term strategic engagement with the Third Sector remains important in informing policy development and helping to shape services to meet the needs of people in Wales

4.2. It is important that there are positive working relationships with the Third Sector at national, regional and local levels. Representatives from the Third Sector should be actively involved at all three levels.

4.3. As part of this process it is necessary to better understand the constantly evolving interaction between the Public and Third Sectors, while not forgetting the Private Sector, and to recognise the value we place on our engagement ensuring that the right mechanisms are in place for a productive and stronger future relationship.

Existing Arrangements

4.4. There are currently two principal, formal mechanisms for engagement – the Third Sector Partnership Council (TSPC) and biannual meetings across each Ministerial Portfolio. As part of this process the pattern and models of engagement will be considered to ensure the best way for Welsh Government and the Third Sector engage with each other. The existing pattern is described below and the proposals for future development follow.

The Third Sector Partnership Council (TSPC)

4.5. The TSPC is largely made up of representatives of WCVA and 25 Third Sector Networks as follows:

Advice and Advocacy	Health Social Care and Wellbeing
Animal Welfare	Housing
Arts, Culture & Heritage	Intermediaries (CVCs)
Asylum Seekers and Refugees	International
Children & Families	Older People
Community	Religion
Community Justice	Sexuality
Disability	Social Enterprise
Education and Training	Sport and Recreation
Employment	Volunteering
Environment	Welsh Language
Ethnic Minorities	Youth
Gender	

4.6. The TSPC had an advisory role on the implementation, monitoring and review of the Voluntary Sector Scheme including assisting in establishing indicators by which the Scheme should be evaluated. It has the responsibility for facilitating consultation with relevant Third Sector organisations and Public Sector bodies on the

Scheme's implementation, operation and review. The Scheme also requires the TSPC to propose arrangements for reviewing the Scheme after each ordinary election of the National Assembly and assist in the review process.

4.7. There are currently three main dimensions to the TSPC's work:

- Two meetings a year which at present last one hour, with pre-meetings for Third Sector representatives arranged by WCVA.
- A wider engagement through networking, whereby the Third Sector TSPC representatives disseminate information about its activities and meetings to their own networks and, in turn, gather views from those networks to inform the work of the TSPC.
- Thematic workstreams led by small groups including Third Sector representatives and Welsh Government officials.

4.8. TSPC meetings are chaired by the Minister with responsibility for the Third Sector, now the Minister for Communities and Tackling Poverty. Other Ministers sometimes attend the meetings to discuss issues relating to their portfolios and Civil Servants also always attend. TSPC meetings are open to the public and total attendance is usually around 30.

4.9. TSPC meetings have previously been longer than an hour, lasting half a day or more which was not a sustainable model. However the Third Sector members also meet separately before the main meetings. Alongside that there are meetings with the TSPC members and Welsh Government Officials

4.10. At its meetings, the TSPC considers issues that relate to the implementation of the Voluntary Sector Scheme and/or the functions and responsibilities of the Welsh Government that affect, or are of concern to, the Third Sector. The TSPC can then make recommendations to the Welsh Government and reports are often received from the Workstream groups (see below).

4.11. Third Sector TSPC members are selected to represent the networks listed above and individual members are expected to help ensure that the work of the TSPC is shared as widely as possible. In this way the work of the council extends well beyond the biannual meetings.

4.12. Some network representatives are better resourced than others to fulfil this wider role. Through the Partnership Agreement Welsh Government has made a Partnership Support Fund available to support organisations which would otherwise struggle in this regard.

4.13. Much of the work of the TSPC in recent years has been done through smaller working groups, called workstreams, made up of Third Sector representatives (mainly TSPC members) and Welsh Government officials. These groups meet separately from the main TSPC meetings and report back to it. Workstreams to date have included:

- Asset Transfer
- Climate Change

- Future arrangements for European Structural Funds
- Impact of UK Government decisions/policy on Wales
- Public Services Workforce
- Simpson Review
- Third Sector Skills

Ministerial meetings

4.14. The other main element of direct engagement between Welsh Government and the Third Sector is the pattern of biannual meetings which are currently held between each Welsh Minister Portfolio and Third Sector representatives on their portfolio area.

The Voluntary Sector Scheme states that these meetings will:

- Review the operation of the Scheme and the level of consultation and discussion that has taken place between the network and the appropriate Minister.
- Review past activity, anticipate forthcoming issues and consider resources.
- One of the meetings will usually be linked with the Welsh Government's Budget Planning Round and will focus on funding issues in the particular portfolio.

Summary of Proposals for Future Engagement

TSPC Meetings

4.15. The TSPC is at the heart of the relationship between Welsh Government and the Third Sector and it is therefore essential that it helps to enable an action based dialogue that will result in beneficial outcomes for people in Wales. The Welsh Government values the TSPC and would wish to see its role develop in a number of ways.

4.16. The present pattern of two one-hour meetings a year, supplemented by the workstream groups, is the minimum required for this body to be effective. It would be preferable to make provision for the TSPC to meet with Welsh Government for longer periods. It is proposed to move to a pattern whereby Minister(s) normally attend and Chair the TSPC meetings for part of longer biannual meetings with Senior Welsh Government officials in attendance throughout.

4.17. An alternative or complementary approach may be to establish a Strategic Leadership Group for the TSPC which could meet more frequently with Ministers or officials. Such an approach could be linked to development of the TSPC network as outlined in the following paragraphs.

The Wider TSPC Network

4.18. The membership of the TSPC represents a valuable resource to improve communication, information and dissemination to the wider sector. It is recognised that the sector already makes good use of this network, but it is considered that there is scope for the network to contribute more directly to strengthening the sector's relationship with Welsh Government.

4.19. While the TSPC is a large Body, it cannot fully represent all dimensions of the Third Sector in Wales. Some of the networks listed are covered by established umbrella bodies whose remit includes representing that part of the sector. In other cases the arrangements are less straightforward, with one organisation selected to represent a range of others with similar aims but also, perhaps, elements of rivalry or competition. Inevitably, some organisations and sub-sectors feel that they are not adequately represented on the TSPC.

4.20. There is also a particular concern that the TSPC does not currently include regional or local representatives, being comprised instead of "communities of interest" mainly represented by all-Wales agencies. There are partial exceptions to this in that there is one representative of the intermediary bodies, the CVCs, and communities in general are represented by Community Development Cymru. This approach is somewhat at odds with the nature of the sector, which includes very many locally based organisations. It also does not fully reflect the Welsh Government emphasis on local and regional development and its investment in place-based tackling poverty programmes such as Communities First.

4.21. Further expansion of the TSPC membership is not considered to be practical or desirable, but developing its networking dimension further could help to address these issues identified and make it a more effective communication and engagement vehicle between the Welsh Government and the Third Sector.

Thematic Workstreams

4.22. The current TSPC workstreams have been developed on an issue and needs-led basis over the years and the process to establish them has been neither clear nor consistent. This approach has resulted in some lack of clarity about the purpose and functioning of the workstreams. Some workstreams have been more dynamic and effective than others and in some cases the workstreams have been at risk of duplicating work already being done elsewhere.

4.23. Overall the workstreams represent, a good way of working and engaging in dialogue on issues of concern to the wider TSPC. In line with thinking outlined above for a Strategic Leadership Group of the TSPC and development of the wider network, it is believed there may be some merit in introducing a clearer framework for TSPC workstreams to operate within.

4.24. With clearer and more consistent terms of reference workstreams could play a greater role in strengthening our relationship and driving forward joint working. New terms of reference would include structure, membership, remit, intended outcomes

and timescales for action and clarity about the process relating to creating new workstreams.

Ministerial meetings

4.25. The importance of meetings between Welsh Ministers and representatives of the TSPC and wider sector is acknowledged. Experience gained through their operation in past years suggests that there may be better ways to engage in a timely and relevant way with Ministers. Meetings where specific issues are addressed, rather than attempting to tackle the breadth of complex portfolios within single six monthly meetings is one example. This would provide an opportunity for the sector to discuss topics, ideas and issues in a better timescale.

4.26. The main area which could most be improved in the present pattern of meetings so that both the Sector and the Welsh Government can maximise the effectiveness of the engagement can be summarised as follows:

- Agendas are often very diverse, reflecting Ministerial portfolios, leading to disjointed discussions with many of those present having little interest in most of the items under discussion.
- Attendance at the meetings can be large but with little continuity of representation so that it is difficult to develop effective working relationships.
- Issues are sometimes raised for discussion to fit the pre-determined timing of the meetings, rather than because they have reached a stage which merit inclusion at the meetings.

4.27. In practice all the Welsh Ministers engage with the Third Sector very frequently and in a wide range of ways. Examples include meetings about specific issues, visits to organisations and communities, correspondence and attendance at events, conferences etc. The current focus on the biannual meetings has perhaps meant that these other forms of interaction are not sufficiently recognised at present and could help to show a much broader and more diverse pattern of engagement with the sector.

4.28. The importance to the Third Sector of being able to meet with Ministers to discuss issues of concern is recognised, and is a key part of this relationship. The intention is to ensure that engagement is improved, becomes more focussed and more consistently productive of positive outcomes for all concerned. Specifically it is recognised that revised models of engagement should include provision for timely and relevant meetings with Ministers (as well as meetings with officials where that is more appropriate).

4.29. As at present, such meetings would provide opportunities for issues of mutual concern to be discussed between a range of Third Sector representatives and each of the Welsh Ministers. In future, however, they would not seek to cover the whole range of a Minister's portfolio at once and would be more clearly outcome focused. They would be timed to support this approach, with a particular emphasis on issues relating to the Programme for Government.

4.30. The proposals with regard to engagement can be summarised as follows:

- TSPC meetings to be supplemented with additional or longer meetings with Welsh Government officials.
- A TSPC Strategic Leadership Group to be established.
- TSPC membership to be revised to reflect regional perspectives.
- Consideration to be given to developing a regional dimension of the TSPC, perhaps utilising the Partnership Support Fund to facilitate new patterns of engagement.
- Terms of reference for Workstreams to be developed within a new overall framework based on key strands.
- Biannual Ministerial meetings to evolve into meetings arranged on issues identified by the Sector, or by Welsh Government, and agreed as areas of discussion meriting inclusion at Ministerial/Third Sector meetings.
- The Welsh Government and the TSPC to monitor the overall pattern of engagement with Ministers over time, to identify issues or parts of the sector which not represented, and to advise Ministers accordingly.

Questions:

Q.9. Do you agree with the proposals for development of the TSPC network and meeting structure?

Q.10. The suggested framework for TSPC Workstream activity seeks to increase the effectiveness of the contribution of the Workstreams. Do you have other suggestions to add to /or improve the proposal?

Q.11. Do you agree that the existing biannual cross-portfolio Ministerial meetings should be replaced by a more flexible pattern of meetings with Ministers which focus on timely and specific issues of mutual interest/concern?

5. Working Together Nationally, Regionally & Locally

5.1. This chapter does not include many specific proposals for change in addition to those set out in previous chapters. It does, however, highlight important priorities and principles which will impact on those proposals in practice. It also suggests some approaches to help shape future joint working between Welsh Government and the Third Sector. The unifying theme of the chapter is the need to develop a clearer understanding of how Welsh Government and the Third Sector work together nationally, regionally and locally which reflects current circumstances.

5.2. This includes the Programme for Government, public service delivery, models of commissioning; regional working; community development and community resilience. This is not an exhaustive list nor does the consultation document cover each area in depth. Nevertheless, it is important to set the relationship between Welsh Government and the Third Sector in this overall context.

5.3. Through this consultation we want to invite comments on how these areas relate to each other as it is likely that they will all have an impact on the reshaping of the Voluntary Sector Scheme, the developing roles of the Third Sector infrastructure, and on the continuing dialogue through the engagement mechanisms proposed in Chapter 4.

The Programme for Government

5.4. Chapter 1 highlighted that there is no substantial expression of current Welsh Government policy in the existing policy documents relating to the Third Sector. This does not reflect the reality that there is already involvement from the sector in many aspects of the Programme for Government, with important links to each Ministerial portfolio and Welsh Government department. It is therefore necessary and desirable that the policy framework be updated to both demonstrate and further strengthen this relationship.

5.5. This could be achieved by means of a revised Voluntary Sector Scheme or, for example, through the new framework for workstreams of the Third Sector Partnership Council suggested in Chapter 4. A new model of engagement with Ministers would also facilitate a focus on key issues and priorities.

5.6. In developing this approach we will have particular regard for three cross-cutting priorities which underpin the Welsh Government's Programme for Government – Tackling Poverty; Sustainable Development; and Equalities and Social Justice. We will also have regard to the commitment made in our Welsh Language Strategy, *A living language: a language for living*, and in our Welsh Language Scheme, to mainstream the Welsh language into our work in this area. These priorities should be reflected strongly in all aspects of our relationship and joint working.

5.7. The framework will also need to take account of the changing legislative context in Wales. As new Bills are brought forward there will be a continuing need for discussion of how they will impact on the Third Sector and how the sector can contribute to the issues involved in each case. The proposed framework for

engagement will need to facilitate this process and be responsive to new challenges and opportunities.

5.8. An important example of this already in place is the Welsh Language (Wales) Measure 2011. Duties under the Measures, known as Welsh language standards, are currently being developed. In due course, the Welsh Language Commissioner will be able to impose standards on those organisations that fall within the scope of the Measure, including some Third Sector organisations.

Public Service Delivery

5.9. Continuous improvement of public services in Wales is of key importance to the Welsh Government. The Third Sector is an important partner in this, with its ability to contribute to the design and delivery of a very wide range of services in local communities and more widely. The diversity and reach of the sector are key assets, drawing on the skills, enthusiasm and dedication of many thousands of volunteers as well as a substantial paid workforce.

5.10. The sector has a wealth of experience to share in developing approaches where individuals and communities are seen as partners and assets, focussing on the end users' experience of services.

5.11. We recognise and value the Third Sector's role in both the design and the delivery of public services. This role needs to be clarified in a way that acknowledges the independence of the sector.

5.12. More fundamentally, there is an appetite to work with the Third Sector, and with service users, carers and communities, to identify and implement new models of service delivery. Demographic changes, growing individual needs and expectations, and the pressures on public finances mean that we will need to place more emphasis on prevention and early intervention, and on community support and services.

Commissioning and Funding

5.13. In order to achieve the priority commitments in the Programme for Government, service delivery is often commissioned through the Third Sector; whether through grant funding or procured contracts. In these instances, Third Sector organisations are expected to deliver their commitments, working cooperatively with Welsh Government and other partners where they are part of collaborative approaches.

5.14. Individuals and organisations from the Third Sector are sometimes involved in both the design and the delivery of policies and programmes. There is nothing new in this and nor is such complexity confined to the Third Sector. Nevertheless, overlapping roles can lead to confusion and misunderstanding. For that reason it is sensible that this review seeks to define our respective roles more clearly and agree how separation of functions should be achieved in future where necessary.

5.15. Different models of commissioning and public service delivery will need consideration as part of this process. The aim is to achieve effective, locally-responsive services through collaborations across public service organisations. Being clearer about how the Third Sector operates on a national, regional and local basis is therefore important, as is ensuring that services are better aligned, avoid duplication and, particularly, support regional working with other public sector partners.

5.16. Outcomes based commissioning can help ensure that the services commissioned address these ever growing challenges. The Welsh Government is keen to explore creating opportunities for flexible ways of problem solving by working collaboratively to design innovative solutions that focus on creating change. By feeding in its knowledge, expertise and creativity the Third Sector can enhance the design process.

5.17. The Welsh Government's established model of commissioning is found in *Fulfilled Lives; Supportive Communities - Commissioning Framework Guidance and Good Practice*. This places commissioning within a four stage cycle of Analyse, Plan, Secure Services and Review. This consultation is an opportunity to feed into developing that thinking. On this basis our proposed approach to outcomes based commissioning would follow these stages:

- Defining the problem that needs solving and the desired outcome (the change that is needed)
- Co-designing a range of options that will work to address the issues identified and testing them against the defined outcome
- Funding an option/range of options to deliver the desired result (funding method to be agreed)
- Evaluating what works well and what could be improved further and looking for a phased approach to introducing that service on a longer term basis (probably through a competitive procurement process).

5.18. It is intended that this thinking and approach should be reflected in a new section within a revised Code of Practice on Funding the Third Sector in Wales (see also Chapter 7).

Regional and Local Working

5.19. The Welsh Government's established Footprint for Public Service Collaboration identifies six regional areas in Wales (North; Mid and West; Western Bay; Cwm Taf; Cardiff and Vale; Gwent) to provide a stable and coherent framework for collaborative working relationships. There is already considerable existing Third Sector activity within this footprint involving, among others, many of the CVCs. There is also a shared expectation that in future Third Sector organisations will develop more regional working with each other and with other agencies aligned to this footprint.

5.20. If this approach is to be successful, it is recognised that we need to make sure that the Third Sector is invited to be represented at regional strategic bodies. While

our intention about this is clear, the achievement of this aim is complicated by the diverse nature of the Third Sector and by the fact that participation in such structures cannot be taken for granted or imposed by Welsh Government. In practice, however, we do not consider that there are any obstacles which cannot be overcome through dialogue.

5.21. We understand that resources may be needed to help identify innovative and creative models of service delivery, and that early investment in this thinking may well reap rewards in the future. Accordingly we intend that the “Third Sector Innovation Fund” which was proposed in Chapter 3 as part of Third Sector Infrastructure funding from April 2014 would be available principally on a regional basis. The Fund would be designed to support new models of collaborative service delivery with a strong focus on Third Sector involvement.

5.22. As regional working develops, much will also continue to be delivered at the local authority level and in local communities. Whilst accepting the importance of avoiding duplication this is entirely appropriate; decisions will be needed as to the most appropriate level for delivery to provide accessible services based on shared resources.

5.23. Local authorities and other public sector agencies will be important stakeholders in this process. Local Service Boards, Regional Collaboration Bodies and other forums will have a role to play in ensuring that the role of the Third Sector in public service delivery at local and regional levels is effective and widely understood. This reinforces the need to ensure that the sector is properly represented on such bodies across Wales.

5.24. Third Sector Compacts are important means to foster dialogue and partnership working at the local authority level. The following chapter sets out our thinking and intentions regarding the future development of such compacts in Wales.

Community Development and Resilience

5.25. The Third Sector is represented in every community in Wales through more local groups, branches of voluntary organisations, informal associations and individual voluntary efforts than can possibly be counted or recognised. All manner of activity is undertaken locally and the cumulative benefit is vast. It is therefore important that this activity is not taken for granted and that community groups and local volunteers receive the support that they need to thrive and achieve their aims.

5.26. As well as supporting the work of volunteers and individual organisations, Welsh Government is also strongly committed to the principles of community development. This involves building communities through partnership working, training local people, collaborative effort and local investment. This applies particularly to the most deprived communities in Wales, which are supported through Communities First and other programmes such as Families First. More widely, however, we recognise that every community is important to those who live there and that every place has the potential to benefit from community development.

5.27. The Voluntary Sector Scheme presently includes a section on community development. We intend that this focus should be retained and updated in a revised version of the Scheme. Indeed, we want to strengthen the focus on local action and develop a more integrated understanding of the relationship between geographic communities and communities of interest. This intention is reflected in our proposals for the development of the Third Sector Partnership Council in Chapter 4.

5.28. Our work in this area now needs to be focused on developing resilient communities in difficult economic times, when many people, especially the poorest and most vulnerable, are struggling to lift themselves out of poverty and cope with the impact of cuts to services and benefits. We want to ensure that community effort is focused strongly on supporting such people and that, in turn, community organisations are helped to provide this support.

Questions:

Q.12. What can be done to ensure that the Third Sector's contribution to the Programme for Government is recognised and maximised?

Q.13 The proposal is for a greater Third Sector involvement in regional working. How would you wish to see that achieved?

Q.14 Do you agree that the model of commissioning set out in 5.17 should be adopted within the Code of Practice?

Q.15 Community development and community resilience is an important part of the Welsh Government and Third Sector relationship. How would you like to see our proposals in this area taken forward?

6. Local Compacts

6.1. Local Compacts are an established model for strengthening and managing the relationship between local authorities and the Third Sector, normally represented primarily by County Voluntary Councils. In some cases other public sector agencies such as Health Boards and the Police are also involved in such Compacts. There are at present compacts in existence or in development with 21 of the 22 local authorities in Wales.

6.2. The Third Sector has raised concerns previously as part of its annual survey of local Compacts (which it presents to the Third Sector Partnership Council) that some local authorities are less engaged in compact delivery and involving the Sector in local policy design than the Sector believes it should be. In general the Sector has indicated that engagement by Public Sector partners is somewhat “patchy”.

6.3. The Welsh Government has indicated that it might be persuaded to take opportunities to place the requirement to have meaningful compacts on a statutory footing if a significant need was evidenced that compelling local authorities to develop local compacts is required because persuasion has failed.

6.4. A Third Sector Compacts (Wales) Bill is being considered by Welsh Ministers as part of the legislative calendar in the current term. A research project was commissioned to help inform its decision on whether to introduce a statutory requirement for Welsh local authorities to establish compacts with Third Sector organisations in their area.

6.5. Practical Wisdom R2Z and Wavehill Ltd. were appointed to undertake research on the effectiveness of local Compacts, the potential factors for success and lack of success; and the advantages and disadvantages of such a requirement. The report was published on 18 March 2013 and is available at

<http://wales.gov.uk/about/aboutresearch/social/latestresearch/case-statutory-compacts-between-welsh-local-authorities-third-sector/?lang=en>

6.6. The report sets out conclusions drawn from the study together with some recommendations for the Welsh Government, taking into account legal opinion as to the merits and risks of setting the requirement that local authorities develop meaningful compacts on a statutory basis.

6.7. The following quotation from the report summarises the main conclusions and recommendations:

“There are three broad options among those to be explored:

- Do nothing;
- Develop existing compact-based and legal frameworks to impose greater control or influence over compacts;
- Introduce new statutory obligations in respect of compacts.

6.8. The report's recommendation was to reject the first option on the grounds that *'too much doing nothing had contributed to the problems of uneven implementation'*. It suggested that the third option be *'held in reserve and adopted only if nothing else works'*. The report concluded that "option two" – reinforcing the existing framework for compacts – was the most attractive option.

6.9. If this second option recommended by the report is adopted there would be no immediate requirement for new legislation but the Welsh Government would affirm a continuing commitment to the compact model and encourage local authorities and other public sector partners to develop and strengthen this means of engagement with the Third Sector. The report highlights that existing options have not been fully explored to date. Such options, the report suggests, might include:

- providing guidance where lack of sufficient engagement with Third Sector organisations may be detrimental to the exercise of statutory duties;
- the development of appropriate performance indicators for local Compacts;
- more consistent and effective monitoring of progress by Welsh Government.

It is also suggested that such options might achieve improvement in the effectiveness of local Compacts more readily than new legislation.

6.10. WG policy officials have considered the report in informing policy development and formulating policy proposals. It is currently proposed to proceed in line with the second option suggested by the report. Further discussion would be needed with local authorities and other public sector agencies, as well as with the Third Sector itself, to consider how options such as those listed above could be implemented to create a more consistent framework across Wales. Further consideration will also be given to whether there is scope to develop a regional model of compact working.

6.11. If there is support for this approach Welsh Government will **not** take forward the Third Sector Compacts (Wales) Bill at present.

6.12. Welsh Government had intended to consult separately on the issue of local Compacts, but in view of the substantial overlap between the issues, questions relating to Compacts have been included here.

Questions:

Q.16. Do you consider that local Compacts, as described in this chapter, have a continuing role in shaping the relationship between the Third and Public Sectors in Wales?

Q.17. Do you agree with the proposal ("Option 2") to develop existing frameworks to impose greater control or influence over local compacts and only introduce new statutory obligations if this approach fails over time?

7. Framework Documents

7.1. As part of the process to refresh the relationship between Welsh Government and the Third Sector the key documents which underpin that relationship need to be brought fully up to date.

7.2. In this final chapter the key documents that will be required to provide a sound foundation for the future relationship between Welsh Government and the Third Sector are discussed.

7.3. At present the key documents are as follows:

- The Voluntary Sector Scheme (last revised 2004)
- The Code of Practice for Funding the Third Sector (last revised 2009)
- *The Third Dimension – A Strategic Action Plan for the Voluntary Sector Scheme* (2008)
- The Third Sector Partnership Agreement (revised 2012)

Voluntary Sector Scheme

7.4. Of these, the Voluntary Sector Scheme is the most important as it is established under the Government of Wales Act 2006 and all the other documents derive from it. The Scheme sets out the broad principles and shared values which govern the relationship between the Welsh Government and the Third Sector in Wales and includes chapters on:

- How Welsh Government works in partnership with Third Sector, including details of the Third Sector Partnership Council and Ministerial meetings.
- How Welsh Government consults with the Third Sector, including The Code of Practice for Funding the Third Sector.
- Policy on volunteering.
- Policy on community development.

7.5. Some of the proposals contained in this consultation document, if accepted would require changes to the Voluntary Sector Scheme. Accordingly, once the consultation process is complete, we propose to fully revise the Scheme and publish a new version which will reflect the new arrangements.

7.6. The Scheme presently requires Welsh Government to develop and maintain an Action Plan by which performance against the Scheme can be monitored. This was the basis for the development of the Third Dimension which was published in 2008 and includes a detailed action plan.

7.7. It is not intended that a new version of the *Third Dimension* or a new separate action plan is developed. Instead it is proposed that a number of the tools already mentioned in this document be used to fulfil the functions of an Action Plan in a more flexible way. This approach will include:

- The newly developed Integrated Delivery Plan (see 3.11-12 and also 7.14 below)
- The Annual Report on the Voluntary Sector Scheme which is laid before the National Assembly each year.
- Co-ordinated reports from the TSPC workstreams (see 4.23)

7.8. If agreed, this approach will be built into the revised Voluntary Sector Scheme as a flexible and dynamic basis for monitoring the effectiveness of the scheme and planning action to address any issues that arise over time.

The Code of Practice for Funding the Third Sector

7.9. This document needs to be updated and certainly not abandoned. The existing document is out of date in a number of important respects, for example:

- The Welsh Government's Grants Centre of Excellence has recently been established and now has an important role in this area which is not reflected in the existing Code.
- Although the Code presently refers to both grants and procured services, there is no explanation of the process whereby decisions are made about which model of commissioning should be used.
- References to loans are out of date and misleading.
- Detailed advice on application processes etc. is out of date in some respects.

7.10. Recent discussions at the TSPC's Funding and Compliance Sub-Committee have identified other ways in which the Code might be strengthened and made more useful. We therefore propose to develop a revised version of the Code taking account of these ideas and working closely with both the Sub-Committee and the Grants Centre of Excellence throughout the process. At this stage we anticipate that the revised Code will include the following changes:

- Some of the principles which are summarised at the start of the existing Code will be set out in more detail to reinforce key messages and explain important concepts such as Full Cost Recovery and models of commissioning more fully.
- The revised Code will be clearer about the meaning of "exceptional circumstances" which might make it impossible for the code to be followed in some instances and about the process which should be followed in such cases.

- There will be an online version of the Code with links to other relevant documents with more detail about some of the issues covered. This should in turn enable the Code itself to be more concise and focussed.
- The “Q&A” format of the existing Code will not be retained for the main body of the revised version. An alternative approach which has been suggested would set out the expectations and requirements of both the funder (Welsh Government) and organisations in receipt of funding in a two-way model. This and other options for the format of the revised Code will be further explored before it is finalised.
- The monitoring and compliance aspects of the Code will be updated and highlighted to ensure that it is an effective working tool.

7.11. We are very clear, in particular, that reinforcing compliance with the Code of Practice will be key to this revision, as will the future monitoring of compliance with the Code.

Partnership Agreement, Integrated Delivery Plan & Infrastructure Grant

7.12. Until recently the Third Sector Partnership Agreement and Infrastructure Grant offer were combined in a single document. This arrangement was not in accordance with Welsh Government’s current approach to grant management and the two were separated prior to interim funding for 2013-14 being agreed.

7.13. Subsequently, further work has been done to develop the Integrated Delivery Plan (see 3.11-12) which provides the framework for monitoring the infrastructure grant. As noted in Chapter 4, we consider that this provides a good basis for future infrastructure funding arrangements and propose to retain and develop it further.

7.14. We consider that a revised Voluntary Sector Scheme could incorporate the substance of the new Partnership Agreement. This would have the advantage of leaving a small number of key documents which could be publicised and monitored in an efficient and coherent way. These would be:

- A revised Voluntary Sector Scheme
- A revised Code of Practice for Funding the Third Sector
- Infrastructure Grant Terms and Conditions, incorporating the Integrated Delivery Plan

7.15. It is intended that all these documents should be in place before the end of 2013.

Questions:

Q.18. Do you agree that the Voluntary Sector Scheme should be revised on the suggested basis?

Q.19. Do you agree that the Code of Practice for Funding the Third Sector should be strengthened and updated? Are there particular issues you think should be addressed in the revision?

Q.20. Do you agree that the existing Action Plan should be superseded by the Integrated Delivery Plan, Annual Report and Work stream Framework?