



VOLUNTARY SECTOR SUB-COMMITTEE - 19TH JUNE 2013

**SUBJECT: WELSH GOVERNMENT CONSULTATION: CONTINUITY AND CHANGE
– REFRESHING THE RELATIONSHIP BETWEEN WELSH
GOVERNMENT AND THE THIRD SECTOR IN WALES**

REPORT BY: DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To inform Members of a key Welsh Government consultation “to strengthen and renew the relationship between Welsh Government and the Third Sector” (used collectively to denote voluntary organisations, community groups and social enterprises) which has been issued for consultation until 8th August 2013.

2. SUMMARY

- 2.1 The consultation focuses on refreshing the Welsh Government’s relationship with the Third Sector in Wales, and in particular considers:-

- a) Affirming and renewing the relationship;
- b) Supporting Third Sector Infrastructure;
- c) Engagement with the sector;
- d) Working together nationally, regionally and locally;
- e) Local Compacts; and
- f) Framework documents.

3. LINKS TO STRATEGY

- 3.1 The Third Sector makes an important contribution to public service provision across the county borough, and is a key partner in *Caerphilly Delivers* the Single Integrated Plan for delivering the Caerphilly borough’s Community Strategy.
- 3.2 The recently published revised Compact Agreement *Delivering Together 2013-17* provides an effective partnership framework in working together in providing services to local people and communities. The following are the Compact Partners to this agreement: Gwent Association of Voluntary Organisations, Caerphilly County Borough Council, Gwent Police, Police and Crime Commissioner Office, Aneurin Bevan Health Board, South Wales Fire and Rescue Service, Caerphilly County Borough Community/Town Councils and Caerphilly Business Forum.

4. THE REPORT

- 4.1 The purpose of the consultation is to “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” (page 2), and in particular to link with the programme of welfare reform “both to challenge and support voluntary groups and social enterprises to do all they can to help us build resilient communities” (page 3) and to maximising the impact of what funding is available

to the Third Sector. The consultation notes the Third Sector had an income of £1.6 billion in 2009/10, and is supported by 2.4% of the Welsh Government budget (page 6).

a) Affirming and renewing the relationship

The consultation notes that the Sector's greatest strength is its "accessibility and responsiveness" and that the Welsh Government wishes to make "a long term commitment to support community and grassroots organisations to grow" building community and individuals capacity "to tackle poverty, skills, unemployment and sustainability" (page 8). Rather than developing a new detailed action plan as previously set for the sector, the Welsh government now wishes to "foster a continuing dialogue with the sector which can continue to evolve year by year" (page 9).

b) Supporting Third Sector Infrastructure

The consultation reiterates its previous commitment to supporting the Third sector infrastructure through the following key objectives:

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

4.2 Particular emphasis is given on encouraging volunteering especially with young people, and ensuring this work is properly coordinated and resourced. Focus is also given to strengthen the work of "grassroots voluntary and community groups that often exist below the radar" (page 17).

4.3 The following proposals are put forward to provide the basis for new infrastructure funding:-

- To maintain Welsh Government commitment to infrastructure funding for April 2014 – March 2017, taking into account the outcome of the Welsh Government's Central Spending Review
- Retain and develop further the new Integrated Delivery Plan as the basis for ensuring that the work of the infrastructure is outcomes focused, measurable and responsive to change
- Review the formula by which infrastructure funding is allocated to Wales Council for Voluntary Action (WCVA), County Voluntary Councils (CVC's) 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 CVC's in the respective area and at least one other Third Sector organisation with complementary expertise;
 - national agencies to be involved where they can demonstrate their potential to contribute at the regional and local levels
 - Welsh Government and Third Sector organisations to work together to develop a new coordinated framework of support for volunteering (Page 17-18)

a) Engagement with the sector

The following proposals are put forward to improve engagement:-

- Third Sector Partnership Council (TSPC) meetings to be supplemented with additional or longer meetings with Welsh Government officials
- A TSPC Strategic Leadership Group to be established to meet more frequently with Ministers or officials

- TSPC membership to be revised to reflect regional perspectives
- Consideration to be given to developing a regional dimension of the TSP
- Terms of reference for thematic work streams 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
- 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 are not represented, and to advise Ministers accordingly.

b) Working together nationally, regionally and locally

The need is emphasised for a clearer understanding to be developed of how “Welsh Government and the Third Sector work together nationally, regionally and locally” including the Programme for Government, public service delivery, models of commissioning, regional working, community development and community resilience (page 25).

In developing this approach it is mentioned that regard must be made to the Welsh Government cross-cutting priorities of: tackling poverty; sustainable development; equalities and social justice, and for mainstreaming the Welsh language into work areas recognising the Welsh Language Commissioner will be able to impose standards on organisations falling under the Welsh Language Measure 2011, including some third sector organisations (pages 25-26).

Emphasis is placed on outcomes based commissioning for third sector commissioning, which will be reflected in a new section within a revised Code of Practice on Funding the Third Sector in Wales (page 27).

On regional and local working it is emphasised that third sector organisations should link in with the established footprint for public service (i.e. North; Mid and West; Western Bay; Cwm Taf; Cardiff and Vale; Gwent). It is noted that the Third Sector should be “invited to be represented at regional strategic bodies” (page 27). The Third Sector Innovation Fund it is stated will be available to encourage regional working. It is noted that “Local Service Boards, Regional Collaboration Bodies will have a role to play in ensuring that the role of the Third Sector in public service delivery is understood, and reinforces the need to ensure that the sector is properly represented on such bodies” (page 28).

c) Local Compacts

The report emphasises the importance of third sector compacts as a means to foster dialogue and partnership working at a local level. The Welsh Government has recently commissioned a report around compact working, in which the Caerphilly borough was a case study, and seen to be a model of good practice. The Welsh Government will be taking forward the report’s recommendation to “Develop existing compact-based and legal frameworks to impose greater control or influence over compacts” (page 30-31) ruling out at this stage making compacts statutory requirements. The Welsh Government will be giving consideration as to “whether there is scope to develop a regional model of compact working” (page 31).

d) Framework documents

Key framework documents concerning the relationship between the Welsh Government and the Third Sector will be brought up to date. Once the consultation process is complete the Voluntary Sector Scheme will be redrafted, taking out the action plan, and instead including as tools:-

- The newly developed Integrated Delivery Plan
- The Annual Report on the Voluntary Sector Scheme to be laid before the National Assembly
- Co-ordinated reports from the Third Sector Partnership Council work streams.

The Code of Practice for Funding the Third Sector will be updated to include:-

- The Welsh Government's Grant Centre of Excellence, which is working with funders including Big Lottery to help organisations improve their governance
- Key concepts such as "Full Cost Recovery and models of commissioning" to be detailed and explained (page 33)
- To be clearer "about the meaning of 'exceptional circumstances', which might make it impossible for the code to be followed" (page 33)
- On-line links to other key documentation
- The monitoring and compliance aspects of the Code will be updated to ensure it is an effective working tool (page 34).
- Reinforcing compliance to the Code will be key to this revision, along with the future monitoring of compliance.

It is noted that the Integrated Delivery Plan, which provides the framework for monitoring the infrastructure grant will be retained and developed further (page 34)

The Government intends for all three of these documents to be in place before the end of 2013.

5. EQUALITIES IMPLICATIONS

- 5.1 Promoting equalities is a fundamental part of the work of Compact Partners and features strongly in the Compact Agreement. Equalities is embedded into all work around community planning.

6. FINANCIAL IMPLICATIONS

- 6.1 The Welsh Government intends for a revised Code of Practice for Funding the Third Sector to be in place by the end of 2013.

7. PERSONNEL IMPLICATIONS

- 7.1 None arising

8. CONSULTATIONS

- 8.1 The Welsh Government is holding a consultation event for the region on 25th June, 1:30 p.m. to 4:00 p.m. at the Welsh Government Offices, Merthyr Tydfil. Interest can be registered by email at:- WGthirdsectorconsultation@wales.gsi.gov.uk
- 8.2 A consultation event for the Caerphilly borough Voluntary Sector Committee will be held on 3rd July 2013, in the Rhymney Room, at 12.30pm to 4.00pm in Penallta House.

9. STATUTORY POWER

- 9.1 Local Government Act 2000

Author: Jackie Dix, Policy & Research Manager, CCBC
Consultees: Mike Bridgman, Acting Director GAVO

Appendices:

- Appendix 1 Executive Summary Continuity and Change – Refreshing the Relationship between Welsh Government and the Third Sector in Wales
- Appendix 2 Full Report Continuity and Change – Refreshing the Relationship between Welsh Government and the Third Sector in Wales