

# THE MIDLOTHIAN COMPACT



## **THE MIDLOTHIAN COMPACT**

**Joint Foreword  
By  
The Provost  
And  
The Chair Of Midlothian Voluntary Action**

The last 10 years has seen a new relationship developing between local government and the voluntary sector, a relationship built on mutual trust and appreciation of our distinctive values and roles.

The Scottish Compact of 1998, which drew on the lessons of the previous two decades, provided the framework for this new relationship. But the time is now right to bring the Compact up to date with the challenges facing us in the early 21<sup>st</sup> century; challenges such as the protection of vulnerable youngsters, ending poverty, discrimination and disadvantage, and creating safe, strong communities that are underpinned by the Compact's basic values of active citizenship, equality of opportunity and sustainable development.

Midlothian's voluntary sector has already responded with great energy and commitment to these and the many other challenges facing our society today, and it shares the Council's determination to apply the Compact's principles throughout the public sector and across the voluntary sector.

Together we are pleased to endorse this new Midlothian Compact as the foundation for a community planning based partnership that will make Midlothian a better place.

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**Provost**

.....  
**Chair of Midlothian Voluntary Action**

*Signed 18 March 2008, at Loanhead Miners' Charitable Society*

## **THE MIDLOTHIAN COMPACT BETWEEN THE COUNCIL AND THE VOLUNTARY SECTOR IN MIDLOTHIAN**

### **PRINCIPLES FOR WORKING TOGETHER**

#### **Remit of the Compact**

The Midlothian Compact is a local adoption of the Compacts providing a framework for national Government/voluntary sector relationships across the UK. Although the Scottish Compact applies specifically to Scotland, it is expected that relationships between UK voluntary organisations and the Scottish Executive, and between Scottish voluntary organisations and the wider UK government, will also embrace Compact principles. The Scottish Executive has made clear that it expects local Councils to establish arrangements in line with these UK and Scottish policies.

The Midlothian Compact sets out the high level principles that we are seeking to achieve in the relationship between the Council and the voluntary sector. This latest version of the Compact has been updated to reflect renewed commitment to achieving an open and participative working relationship between the Council and the voluntary sector in Midlothian.

The Compact commitments have also been strengthened for all parties to reflect the Scottish Compact Good Practice Guidelines, which set out the detail on how we can work together to develop our relationships. These, and other relevant publications, can be accessed at both the SCVO and the Scottish Executive Voluntary Issues Unit, and can be accessed through their relevant websites ([www.scvo.org.uk](http://www.scvo.org.uk) and [www.scotland.gov.uk/viu](http://www.scotland.gov.uk/viu)).

This national Compact documentation is supported by the work of the Scottish Executive/Voluntary Sector Forum and the Scottish Compact Implementation Strategy (2003). The Scottish Compact Implementation Strategy reflects the following key themes: strategic aims and vision; leadership; mainstreaming; raising awareness and promoting best practice; communication; and resources. Monitoring and evaluation issues are also covered. Midlothian's Compact adopts these themes.

### **SETTING THE SCENE**

#### **Aim of the Compact**

The Compact is an agreement on the principles of working in partnership between all the Midlothian Council divisions (referred to collectively as the 'Council' throughout this document), and the voluntary sector. It is based on a mutual understanding of the distinctive values and roles of the Council and the voluntary sector. Its aim is to develop robust relationships for the wider public good.

Voluntary/

## **Voluntary Sector and Council Roles**

The Compact acknowledges that the voluntary sector and the Council have their own spheres of action with different roles, responsibilities and resources. In terms of value to Midlothian, the Voluntary sector makes a significant contribution to the local economy and to the delivery of public policy objectives. The close partnership of Councils and Local Voluntary groups is an integral part of successful public service delivery and mutually beneficial.

It is accepted that not all voluntary organisations will have an interest in seeking partnership with the Council. Some will prefer to pursue their own objectives without reference to the objectives of local government. Others may find themselves from time to time taking issue with Council or partner agencies strategies. But for the growing number of cases where all parties seek partnership, the Compact describes agreed principles for working together effectively.

## **Implementation of the Compact**

Implementation of the Compact is a key role for intermediary voluntary organisations, which in Midlothian include Midlothian Voluntary Action, Midlothian Volunteer Centre, Midlothian Association for Play, Lothian Association of Youth Clubs, Coal Industry Social Welfare Organisation, and others whose purpose is to represent and support other voluntary organisations in a particular area or field of activity. Intermediaries include some bodies with a national remit, local Councils for Voluntary Service, specialist ‘umbrella’ organisations, and many forums and alliances.

## **The Voluntary Sector in Midlothian**

The sector requires some definition since it is made up of a wide range of agencies. It includes the following main categories:

- **Community groups run solely by volunteers** that may or may not be grant aided by the Council or its community planning partners such as the NHS, they may also receive grants from national bodies such as Awards for All;
- **Local voluntary organisations employing staff**, but managed by voluntary management committees or Boards, these may receive funding as grants from the Council, but may also be suppliers of services on a contracted basis to the Council or its community planning partners- for example, M.Y.P.A.S. These may be Midlothian-wide, or cover a smaller area within Midlothian;
- **Regional or national voluntary sector organisations**, that may be contracted by the Council to deliver services on its behalf - for example, Children First, Scottish Association for Mental Health;
- **Social Enterprises** - not-for-private profit organisations, usually run by volunteer directors, which trade in goods and services and re-invest profit in activities with social benefits – such as McSence Ltd; and

**Social/**

- **Social Firms** – trading not-for-profit organisations set up specifically to employ people with additional needs, such as learning or physical disabilities, or mental health support needs.

The legal structure of each of these main types of agency can vary, from:

- **“Unincorporated bodies”**, such as most single arts groups (Brass bands, Pipe bands etc), playgroups, mother and toddler groups, many youth clubs, Miner’s Welfares, and small scale sports groups. These have a constitution and may often have charitable status;
- **Company Limited by Guarantee** – where the voluntary Board have protection by having limited personal liability to any debts incurred, these can range from local to national organisations;
- **Charitable Trusts**- these do not require the same annual general meeting and election of volunteers to form a Board of Trustees, but are run by appointed Trustees; and

Whatever form or scale they take, some defining factors are;

- the not-for- private profit nature of the agency, and provision of a social benefit as a primary purpose;
- the use of volunteers as deliverers of service in whole or alongside paid staff and
- the voluntary nature of the management committee, or board.

In addition, there are bodies (such as the Royal National Institute for the Blind, Scottish Association for Mental Health or SACRO), which provide a sub-contracting service to the Council on a wholly staffed basis without use of volunteers, but who are not for private profit and whose directors are volunteers.

### **The Economic Aspect of the Voluntary Sector**

In terms of value to Midlothian, the Voluntary sector makes a significant contribution to the local economy.

For example, recent research has been carried out by Volunteer Development Scotland based on the Scottish Household Survey, costing the work of volunteers in Midlothian at the equivalent of the average weekly wage of a Midlothian based worker. This shows that volunteers in 2004/05 contributed £1,814,755 of unpaid labour to the delivery of a wide range of community care, learning, youth work, sport and leisure and social welfare activities. Without this work and the unpaid work of the management committees of the wide range of community groups from playgroups to day centres for the elderly, the Council could not deliver the levels of service expected by its citizens.

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The Sector also employs a large number of local people in paid work, and the level of external investment attracted by these staff and spent in purchasing goods and services in Midlothian is a significant contribution to local economic as well as social well-being. In just one example, the c. £150,000 invested by the Council's Regeneration Section in 2004/05 in 8 local voluntary community groups attracted around £1million external funding to the Midlothian economy.

### **Funding the Voluntary Sector**

However, most voluntary sector organisation require 'core' funding of management and administration staff, premises and overheads to be in a position to make bids for such funds. It is often Midlothian Council that provides this 'core' funding, offering a stable base for creative development or projects to benefit the Midlothian population. Without this core funding many of the public services delivered by the Voluntary Sector but 'project' funded by the Scottish Executive, European Structural Funds, National Lottery distributors, or national government agencies such as the Department for Work and Pensions, would not be possible.

The sector is able to access considerable resources from sources external to Midlothian Council to deliver services in Midlothian.

There are 240 organisations currently receiving grant aid across the 4 Council divisions. Of which:

- 156 are funded by Community Services;
- 8 by Strategic Services;
- 33 by Education (Community Learning); and
- 37 by Social Work (not including specific central government grant funded groups).

## **THE MIDLOTHIAN COMPACT**

### **Benefits of the Compact**

The Compact will deliver benefits by:

- strengthening the relationship between the Council and the voluntary sector;
- extending opportunities for the voluntary sector's members, supporters and users to contribute their experience and ideas to the development and implementation of public policy;
- making the policies and practice developed by the Council, more responsive to the potential and needs of the voluntary sector;
- Recognising the potential of the voluntary sector to assist the Council in the delivery of shared public policy and operational service goals; enabling voluntary organisations to communicate more effectively to the Council, the needs of their users and wider constituencies;

Extending/

- extending the opportunities to collaborate with the voluntary sector where Council programmes and the objectives of voluntary organisations coincide
- Increasing mutual understanding of how the Council and the voluntary sector work;
- generating evidence and information on the value and impact of the work of the Council and of the voluntary sector; and
- Informing longer-term planning and strategic thinking.

## **SHARED VALUES**

The Council and the voluntary sector in Midlothian share a commitment to basic values including:

- A democratic society that acknowledges the value of voluntary sector activity and upholds the right of individuals to associate freely with one another in pursuit of a common purpose within the law;
- Active citizenship involving the widest possible participation by people in the lives of their national and local communities;
- Pluralism, which welcomes the diversity of identities and interests within Scotland, including minority groups such as ethnic minorities and disabled people, and upholds the right of each interest group to speak on its own behalf;
- Human rights , promoting a sense of strong community and encouraging respect for each other as both individuals and as members of a community with common values;
- Equality of opportunity, which maximises the opportunities for all people to contribute from their distinctive traditions, religions, cultures, values and abilities to the shared life of the wider community, as well as their own particular communities of need and interest. This includes opposing all forms of discrimination and promoting participation and inclusion. Equality of opportunity also encompasses the principle of fair access to the shared life of the wider community and to the public services provided;
- Quality services, which provide the highest achievable standards; within available resources
- Cross-sectoral working to promote effective cross-sectoral and cross-agency collaboration to respond to the complex needs of society, which often cannot be compartmentalised;
- Sustainable development that meets the needs of the present without compromising the ability of future generations to meet their own needs;

## **ROLES AND RESPONSIBILITIES**

### **Midlothian Council Commitments**

In working with voluntary organisations, volunteers and community development groups, the Council will:

- acknowledge the value of the contribution which the voluntary sector makes to the social, economic, environmental and cultural life of Midlothian and assisting the delivery of shared community planning aims;
- recognise and support the sector's independence, including its right to comment on and challenge the Council policy;
- recognise volunteering as an important part of citizenship and support volunteering as a means of extending people's participation in their community;
- recognise the importance of community action as a form of active citizenship and as contributing towards social and economic development;
- take positive steps to involve in the partnership, groups which face difficulties in making their voices heard; and
- promote an understanding of the value of voluntary sector activity to all public sector bodies and stakeholders in community planning.

### **Voluntary Sector Commitments**

In working with the Council , the sector undertakes to:

- acknowledge that the Council works within a statutory framework laid down by the Scottish Parliament, to which it is accountable for its policy towards the voluntary sector;
- acknowledge the Council's public accountability for the resources it provides to voluntary organisations;
- recognise that the Council , like all other agencies, acts within constraints;
- meet with the Council to discuss issues of mutual interest;
- take positive steps to involve in the partnership, groups which face difficulties in making their voices heard; and
- promote an understanding of the value of voluntary sector activity to all public sector bodies and stakeholders in community planning.

## **ACCESS**

### **Midlothian Council Commitments**

The Council acknowledges its obligation to facilitate access for the voluntary sector to its processes. The Council will:

Clearly/



- clearly state objectives and priorities;
- ensure clear and accessible channels of communication;
- provide access and support, including the provision of information, to enable voluntary organisations to contribute to the policy development process;
- ensure nominations are sought through open and transparent mechanisms from voluntary sector interests as appropriate for community planning, collaborative working groups and service user groups;
- consult in an open way, communicate clearly using appropriate media and ensure feedback is provided to all respondees and consultees; and
- consult fully and to a stated timetable, jointly agreed.

### **Voluntary Sector**

No single body or group of bodies can represent the complete range of interests that the voluntary sector pursues with the Council. However, where there are recognised representative lead bodies; such as Midlothian Voluntary Action, Volunteer Centre Midlothian, Coal Industry Social Welfare Organisation, Midlothian Association for Play, Lothian Association of Youth Clubs; these bodies commit themselves to:

- ensure clear and accessible channels of communication to the sector; within resources available;
- represent accurately and honestly the views of their sectoral interests;
- promote collaborative working between voluntary sector partners wherever possible;
- promote the development of voluntary sector capacity to enable particular interests and groups to develop and communicate their views to the Council;
- contribute to consultation and policy development exercises; and
- consult fully and to timetables jointly agreed with the Council.

### **PARTNERSHIP WORKING**

#### **Midlothian Council Commitments**

In encouraging good practice and co-operative methods of decision-making, the Council undertake to:

- work collaboratively with the sector to develop policy and practice;
- promote effective dialogue, using an jointly agreed format and the efficient use of time;
- work with the sector on issues of concern to either party in the spirit of openness and partnership;
- recognise the role which intermediary bodies have in representing the views of their sectors without prejudice to the right of individual organisations to represent their own views;

- ensure that, in the process of policy-making, the impact of changes in policy and procedure on the sector and on volunteering and community groups are considered and taken fully into account (a process known as ‘proofing’);
- assume that information is not confidential unless otherwise stated;
- be aware of the resource constraints on voluntary sector participation in partnerships; and Could this be expanded to include something about the timely delivery of partnership papers to allow the under-resourced voluntary sector time to read them?
- operate sub-contracting arrangements in line with Best Practice as defined by Audit Scotland; and
- Ensure cross-divisional co-ordination of relationships with the voluntary sector.

### **Voluntary Sector Commitments**

In working with the Council the voluntary sector undertakes to:

- Engage in collaborative working with the public sector in the best interest of its members, users and the wider public;
- Intermediary agencies will strive to ensure that the full range of voluntary organisations and interests are, as far as possible, informed of, and represented in, collaborative working to develop policy and practice and to promote effective dialogue;
- work with the Council on issues of concern to either party in the spirit of openness and partnership;
- Work with the Council to ensure that representatives at partnership meetings are properly and timeously briefed and supported;
- respect any agreed commitments to the confidentiality of the Council information; and
- work with the Council , when receiving funding to provide ‘Best Value’ services and work with the council to conform to national legal standards in respect of financial affairs, employment law and charity law, as required in grant conditions and contract law.

## **RESOURCES**

### **Midlothian Council Commitments**

Where the Council pursues its interest in promoting a healthy voluntary sector through public funding based on clear measures of performance. It will:

Apply/

- apply best practice in funding and in the administration of grants consistently, including prompt payment of agreed funds; Including telling voluntary organisations before the end of the financial year how much they can expect in the next financial year. The council also commits to paying instalments of grants within one month of the start of the financial year, and working toward developing three year grant cycles and Full Cost Recovery funding, subject to agreement being reached between CoSLA and the Scottish Executive regarding funding of councils to meet this goal;
- recognise the need for supporting the infrastructure of the voluntary sector in bids for service contracts and make reasonable contributions to core costs; follow best practice in monitoring publicly funded work, in a manner that reflects the scale of funding and of the organisation receiving support. Promote 'Best Value' processes proportionately, in ways which secure equality of treatment for voluntary organisations, and support intermediary bodies to develop the capacity of the sector in this respect
- target resources, including non-financial resources, effectively and in a way which takes account of changing needs and the maintenance of the infrastructure of voluntary organisations;
- proof documents in order that potential impact on the voluntary sector is considered routinely as part of policy development; and
- respect the confidentiality of commercially sensitive information.and respect organisations duties under the Data Protection Act.

### **Voluntary Sector Commitments**

In using public resources, the sector undertakes to:

- Practice good management of financial and non-financial resources and promote good management practice, including fulfilling conditions of funding; Within available resources;
- strive to secure its declared objectives from the most efficient use of resources available , and apply and promote good management processes in ways which secure equality of treatment for service users ;
- maintain agreed monitoring, performance evaluation and report-back systems to secure effectiveness in the use of resources; and
- recognise that public resources are limited and that public funding is provided on the basis of value for money and its contribution to policy priorities.

## **IMPLEMENTATION**

### **Midlothian Council Commitments**

In endorsing this Compact, the Council undertakes to:

Work/

- Work collaboratively with the sector to put in place effective and flexible arrangements to implement the Compact;
- Work collaboratively with the sector to monitor and evaluate Compact operations jointly with the sector;
- put in place mechanisms to facilitate cross-departmental and organisational working and the mainstreaming of Compact principles;
- promote the spirit and principles of the Compact throughout the Council and with its community planning partners;
- Within the Council ensure all Divisions having responsibility for relations with the voluntary sector implement, review, monitor and evaluate implementation of the Compact; and report regularly on progress in implementing the Compact to the Cabinet and Corporate management team of the Council;
- within the Council ensure that there continues to be a dedicated cross divisional working group to promote and address voluntary sector interests; and
- Jointly agree voluntary sector representation at all levels of community planning decision-making, and monitor the application of the Compact as part of community planning core activities. ...
- report regularly jointly with voluntary sector intermediaries on progress in implementing the Compact to the Community Planning Partnership.

### **Voluntary Sector Commitments**

By endorsing this Compact, the lead representative bodies of voluntary organisations intermediary bodies listed in the Compact undertake to:

- publicise to the sector the principles and understandings embodied in the Compact;
- promote and champion practices which are consistent with the Compact to voluntary organisations, volunteering activities and to community groups;
- promote the spirit and principles of the Compact to all community planning partners; ensure implementation of the Compact is a core function of capacity building intermediary voluntary organisations; establish a framework to monitor and evaluate the Compact jointly with the Council; Work collaboratively with the council put in place systems to monitor the implementation and operation of the Compact throughout the voluntary sector.