

# THE NEWCASTLE COMPACT

DECEMBER 2019

# ABOUT THE NEWCASTLE COMPACT

This Newcastle Compact is a framework for the relationship between Newcastle's social sector (voluntary and community sector - VCS) and a range of public sector partners. It is intended to help further develop and improve relationships between social and public sector partners, underpinning the on-going informal and formal conversation between public and social sector partners in Newcastle.

Public and social sector partners are subject to statutory regulation. This Compact supplements the statutory framework with locally agreed good practice.

The Newcastle Compact recognises that relationships go wider than commissioning, contracting and grant aid processes. The quality of our relationships is indicative of how we can work together for the maximum benefit of Newcastle's citizens and communities. We believe the best outcomes for the people and communities within Newcastle can only be achieved by positive and collaborative working relationships and partnerships within, and between, the sectors. We welcome additional public sector partners.



# WHAT IS THE NEWCASTLE COMPACT?

The Newcastle Compact is an agreement between public sector and social sector organisations working in Newcastle. It describes the relationship between the sectors. It sets out the shared principles and commitments both sectors make to working together more effectively to meet the needs of communities and individuals. The purpose of including commitments is to help us have on-going constructive conversations within our relationships. These commitments are detailed under five themes:

1. Allocating resources efficiently
2. Promoting equality, community cohesion and social inclusion
3. Consulting and involving the social sector, service users and governance bodies
4. Promoting and supporting volunteering
5. Managing changes to services

The Newcastle Compact recognises that an independent, diverse and thriving social sector is vital to the wellbeing of society and the prosperity of Newcastle. Voluntary and community action is an essential part of democratic society and life in Newcastle.

## THE NATIONAL COMPACT

The Government gave a commitment in August 2018 to renewing its commitment to the principles and commitment of the National Compact, governing the relationship between the social sector and the government, through the Civil Society Strategy: Building a future that works for everyone.

The Newcastle Compact reinforces the City's commitment to positive relationships between the public sector and the social sector (VCS) outlined in the National Compact which states, 'an effective partnership between the Government and CSOs (\*) will help achieve the following outcomes:

- A strong, diverse and independent civil society
- Effective and transparent design and implementation of policies, programmes and public services
- Responsive and high-quality programmes and services
- Clear arrangements for managing changes to programmes and services
- An equal and fair society.

\* The national Compact uses the term 'civil society' and 'civil society organisations' to describe the VCS and VCS organisations.

## WHY AGREE TO THE NEWCASTLE COMPACT?

The Newcastle Compact is an invaluable partnership tool which enhances and improves existing relationships, and helps to develop new ones, between social and public sector partners in Newcastle. Our Compact underpins the on-going cross sector informal and formal conversations and joint working to support communities and individuals in Newcastle. The Newcastle Compact is an integral part of the commissioning, procurement and delivery cycle of public sector and social sector organisations working in Newcastle. The Newcastle Compact recognises the best outcomes for the people and communities within Newcastle can only be achieved by positive and collaborative working relationships and partnerships within, and between the sectors.

## WHO IS IT FOR?

This Compact is for all social and public sector organisations in Newcastle. We would welcome any new public sector partners interested in finding out more about the Newcastle Compact and signing up to it. Contact details are provided at the end of this document.

## WHO HAS COMMITTED TO THE NEWCASTLE COMPACT?

The Newcastle Compact is our shared responsibility and is relevant to public sector and social sector organisations and groups working in Newcastle. Successful implementation works through co-operation, transparent dialogue and working in partnership.

Representatives of public sector and social sector organisations meet as the 'Voluntary Sector Liaison Group' (VSLG). This group currently oversees the implementation and monitoring of the Newcastle Compact.

The Newcastle Wellbeing for Life Board is the statutory platform for partnership working to improve wellbeing and health for all those who live, work or learn in the city. The Board has recognised that good quality, robust relationships between partners are a foundation of effective partnership working and have endorsed and continue to support the Newcastle Compact.

In February 2013, the Board endorsed a Prevention Concordat Programme for Better Mental health as set out in the Five Year Forward View for Mental health (recommendation two). The focus is on promoting good mental health and preventing mental health problems. This is part of a wider drive to secure an increase in the implementation of public health approaches across the whole system.

The programme is aimed at any partnership, organisation, community or alliance who has a commitment to prevention of mental health problems and promoting good mental health for example: the Newcastle Well Being for Life Board, Community Safety Partnership, Newcastle Gateshead Clinical Commissioning Group, NHS Newcastle Hospitals Trust and social sector organisations and charities.

# OUR NEWCASTLE COMPACT PRINCIPLES

**Shared Vision:** Partners share a commitment to the vision for Newcastle described in the Newcastle Future Needs Assessment (NFNA). As a process, the NFNA will provide an integrated, coherent and evidence-based means of partners working together to determine priorities for the city.

**Benefit:** Everything we do as partners is done for the benefit of Newcastle, its people and communities.

**Realism:** All partners have to work within the available resources linked to priorities for the city and established in consultation with each other. **Respect:** Public and social sector organisations are accountable in different ways, both need to act with transparency and integrity. Effective partnerships are built on mutual understanding, co-operation and an appreciation of the differences between partners of the Compact.

**Honesty:** It is only through open communication that strong partnerships can be built and maintained. Full, frank and mature discussions should be the basis for resolving difficulties.

**Independence:** The independence of the social sector is recognised and supported. This includes the right within the law to campaign, to comment on and to challenge national, regional and local policy (whatever funding or other relationship may exist with government) and to determine and manage its own affairs.

**Diversity:** The public and social sector value a thriving civil society, which brings innovation and choice through a multitude of voices and actions. **Fairness:** The public and social sector will work together to achieve fair decisions. Fairness for everyone, across diverse backgrounds, is a fundamental goal.

**Unlocking potential:** By working co-operatively and recognising and focusing on assets the public sector and social sector can deliver change that is built around communities and people.

**Volunteering:** Volunteering is the commitment of time and energy for the benefit of the society and the community and can take many forms. It is undertaken freely and by choice without concern for financial gain. All partners recognise that volunteering activities are an important part of citizenship and essential to public life and democracy.

All partners will aim to be volunteer-friendly and also volunteering-literate; that is, aware of ways that their actions and decisions may affect community and voluntary activity. Supporting volunteers effectively requires resources and this will inform the ability of partners to respond to volunteering requests. Volunteer Centre Newcastle can provide good practice support to partners involving volunteers.

## OUR NEWCASTLE COMPACT THEMES

The following themes are recognised as especially relevant to Newcastle. The shared commitments, public and social sector commitments, essential for implementation are detailed below.

### ALLOCATING RESOURCES EFFICIENTLY

#### **Our Shared Commitments are:**

We will integrate the principles of intelligent commissioning and procurement and social value into all commissioning and procurement process and policy. We will work co-operatively with partners, local people and communities, to inform service development proposals and to ensure resources are used effectively and value for money.

We will ensure all stages of the commissioning and procurement process are as inclusive as possible.

We recognise we are working in a fast-changing environment and will be sensitive to the challenges this presents.

We recognise sometimes our collaborative approaches will cut across traditional boundaries and responsibilities.

We will share best practice.

We will share resources, where possible, to help increase our efficiency and effectiveness.

#### **Public Sector Commitments are:**

We will move towards co-production and ensure, where appropriate, the involvement of the social sector in a range of opportunities from the earliest possible point in the process.

All commissioning and procurement activity will consider local markets and the social sector to maximise and embed social value in our communities. We will publicise information about all types of funding opportunities and we will follow realistic, and clearly communicated, timescales. When this is not possible we will explain why this is the case.

We will aim, where possible and appropriate, to provide funding through a variety of mechanisms according to commissioners' analysis of the provider market and current practice.

Health and Social Care Commissioners will collaborate where appropriate, involve the social sector, and try to align decisions.

We will seek multi-year funding commitments and engage in joint commissioning and/or procurement where demonstrably appropriate, and in line with our statutory and contracting requirements. We will balance the need for accountability and value for money with a commitment to proportionate and effective processes that monitor and evaluate.

We will adhere to internal codes of practice when making payments to the social sector and these will be clearly communicated.

We recognise that, in some circumstances, flexible payment arrangements may be required to enable more social sector organisations to engage in financial and service development opportunities.

We will seek to support the social sector in ways other than funding. This support will differ between partners and may include, for example, good practice dissemination and development.

We will be aware of potential opportunities which may benefit Newcastle people and communities and we will share our knowledge with the social sector.

We recognise new ways of working may involve risk and require a supportive approach. We will create opportunities to proactively maximise opportunities for success.

#### **Social Sector Commitments are:**

We will respond constructively to appropriate opportunities for coproduction.

We will recognise and promote social value in our activities, leading others by example to value the impact of their activity on local communities. We will respond constructively to information about financial arrangements and opportunities by engaging with service users and governance bodies. We will facilitate feedback from users and communities to help improve delivery of programmes and services and ensure that consultation responses accurately reflect the views and experiences of users / communities. We will share information based on our experience and knowledge to help shape and inform any analysis of the needs of communities and appropriate allocation of resources.

We will enter into collaborative partnerships with other social sector organisations and the public sector to develop, and deliver, appropriate services within the context of available resources.

We will be open and transparent about reporting, recognising that proportionate monitoring is an aspect of good management practice and a reasonable expectation of distributors of funds.

## 2 PROMOTING EQUALITY, COMMUNITY COHESION AND SOCIAL INCLUSION

#### **Our Shared Commitments are:**

We will work together to agree outcomes and approaches to reduce inequalities in our City. The Newcastle Future Needs Assessment (NFNA) will help us to do this.

We will ensure the voices of under-represented and disadvantaged groups are heard and taken into account when designing and implementing policies, programmes and services. This will include an assessment of impact.

We will ensure the decisions we take are fair and that we have appropriate communication plans in place.

We will take practical action to eliminate unlawful discrimination, advance equality and ensure a voice for under-represented and disadvantaged groups.

We will embed service user and carer involvement in the commissioning and procurement process.

We will seek advice and input from experienced organisations and / or service users and carers.

We will promote good relations between diverse social sector organisations and between the public and social sector. We will do this by communicating clearly and developing and supporting opportunities for collaboration and partnership working.

We will value good working practices, promoting improved ethical standards to others.

**Public Sector Commitments are:**

We will work with social sector organisations that represent, support or provide services to people specifically protected by legislation and other under-represented and disadvantaged groups.

We will recognise good working practices as creating social value and we will support organisations to improve their ethical standards and influence others. We acknowledge that organisations representing specific disadvantaged or under-represented groups can help promote social and community cohesion and should have fair access to funding and commissioning and procurement opportunities.

We will evidence the effects of commissioning and procurement through robust evaluation.

We will respond constructively to feedback from the social sector.

We recognise and value the perspectives of the social sector in influencing and shaping policy, strategy and practice.

**Social Sector Commitments are:**

We will share our specialist knowledge and best practice to assist the public sector to fulfil its duties under the Equalities Act.

We will assist public agencies to engage with the community by providing advice on appropriate ways of engaging communities and by distributing consultation documents to users of services and / or members of communities on issues of concern to them.

We will take practical action to eliminate unlawful discrimination, advance equality and build stronger communities.

We will represent and reflect the views of people and communities who are often excluded by using the reach and trust we have developed.



## 3 CONSULTING AND INVOLVING SOCIAL SECTOR SERVICE USERS AND GOVERNANCE BODIES

### **Our Shared Commitments are:**

We will use an appropriate range of tools to engage groups and individuals in consultations. We will aim to offer 12 weeks of consultation time wherever possible. We will work with our partners to find out what is already known and what other consultations are planned so that we can avoid duplication and explore joint consultations.

We will only consult on things that we can affect the outcome of, and we will report back on what this is.

We will consider social value in consultation, to increase the positive impact of our activity on our communities.

We will acknowledge the contribution of others where it is given.

We will ensure that consultations are clear about what they are asking and who should answer so that people contributing do not waste their time if it's not appropriate.

### **Public Sector Commitments are:**

We recognise social sector organisations are connected with people and communities and that those relationships can help make consultation more thorough and effective.

We will facilitate appropriate involvement of the social sector in all key stages of the commissioning and procurement process

We will consider social value in our consultation processes and use information to commission and procure for greater social value impact.

### **Social Sector Commitments are:**

We will support local people and communities to contribute to consultations as appropriate.

We will be clear about whom we are representing, in what capacity, and on what basis that representation is being made. Our contribution will be under-pinned by an evidence base.

We recognise that some consultations will be subject to statutory requirements or involve significant changes and the desired 12 week consultation time will be different for these

## 4 PROMOTING AND SUPPORTING VOLUNTEERS

### **Our Shared Commitments are:**

The Newcastle City Council Volunteer Policy was endorsed by Cabinet in 2017 and a number of Council services continue to support volunteers. If your organisation would like a model volunteer policy which reflects the compact principles and commitments then contact Volunteer Centre Newcastle. This is available to any organisation that involves volunteers and reflects the Compact principles and commitments.

**Choice:** We believe people must be free to choose to volunteer.

**Diversity:** We believe volunteering should be open to all, across different backgrounds, race, age, disability, sexual orientation, faith or other characteristics. However, some projects may not be suitable for every volunteer. This can be discussed with the volunteer

**Mutual Respect:** We believe volunteers should expect to gain something in return for giving their time, energy and skills. This could include, for example, a sense of worthwhile achievement, useful skills, experience and contacts, sociability and fun or inclusion in the life of the organisation.

**Recognition:** We recognise volunteers' contribution to the health and wellbeing of the community, public sector organisations, and the social economy and to wider social objectives.

We recognise volunteering has costs which impact upon the resources and capacity of volunteer involving organisations and we recognise volunteers should not be used as replacements for paid employees.

## 5 MANAGING CHANGES TO SERVICES

### **Our Shared Commitments are:**

We will have mature and sometimes difficult conversations but will maintain relationships as we both work for the benefit of people and communities in Newcastle.

We recognise that it may be necessary to end or change funding arrangements (for example, when people's or communities needs change or when funding streams cease).

Where changes are necessary, we will work together on understanding the effects, including the wider social impact.

We will work together to ensure any changes are implemented respectfully. We will be aware of and seek to proactively mitigate any potential adverse impact on service users, communities and employees.

We will engage in consultations to identify future gaps in provision or services.

We will work together to try to ensure appropriate transition arrangements and/or temporary measures can be put in place to maintain services and / or buildings. However, we recognise that sometimes this may not be possible.

### **Public Sector Commitments are:**

We will consider the potential effects of any proposed change to services, including the wider social impact.

We recognise the social sector require advance notice when changing or ending a future relationship or other support and will seek to work to a minimum notice period of 3 months

(unless there are exceptional circumstances such as a breach of funding conditions). Many contractual conditions adhere to or, in many cases, exceed this.

We will discuss the implications of any restrictions or changes to future resources with the social sector and consider comments before making final decisions. If a programme or service is encountering problems our first response would be to work with the provider to support performance improvement.

We will ensure standards about acceptable delivery are clearly communicated and are realistic.

We will ensure all parties are up to date with information and changes by using appropriate communication mechanisms.

### **Social Sector Commitments are:**

We will contribute positively to reviews of services.

We will advise funders on the social, environmental or economic impact of funding changes, and on ways to minimise their effects on people in vulnerable situations.

We will highlight any difficulties we are experiencing with delivery and seek constructive support.

We will act creatively to minimise negative aspects of service change, as appropriate

## DECLARATION OF INTERESTS

We acknowledge that there may be occasions when it will be necessary to declare an interest. Organisations will be guided by their own procedures and good practice guidelines when this is the case.

## RESOLVING DISPUTES

Each organisation will have its own complaints resolution process. This section relates purely to those disputes about Compact compliance.

We aim to resolve disputes about Compact compliance as early as possible. This is because disputes can be damaging to relationships and can result in wasted resources. Disputes involve interests that are negotiable. Wherever possible we will work to find a solution that at least partially meets the interests and needs of both parties.

However, in cases where it has not been possible to resolve a dispute in a timely and satisfactory way a dispute may lead to a formal complaint via the existing complaints procedure of an organisation.

Partners accept mistakes can happen and will respond positively when this is highlighted. Sometimes this may mean changes to processes.

# CONTACT DETAILS

## Contact Details

If you require any further information about, or are interested in signing up to the Newcastle Compact, please contact:

### Chief Executive

Connected Voice

Higham House, Higham Place, Newcastle  
upon Tyne

NE1 8AF

[connect@connectedvoice.org.uk](mailto:connect@connectedvoice.org.uk)

Phone 0191 232 7445

[www.connectedvoice.org.uk](http://www.connectedvoice.org.uk)

If you require any information or support around volunteering please contact:

### Volunteer Centre Newcastle

Commercial Union House,

39 Pilgrim St,

Newcastle upon Tyne

NE1 6QE

[karen.watson@volunteerinmatters.org.uk](mailto:karen.watson@volunteerinmatters.org.uk)

<https://www.volunteercentrenewcastle.org.uk/>

# ADDENDUM TO THE NEWCASTLE COMPACT

## 1. GRANT FUNDING

### 1.1 Payment schedule for grants

Under normal circumstances payments will be made in instalments relating to the size of the proposed grant and the nature of the VCS organisation. The Council's current policy is as follows:

- Grants up to £4,999 will be paid in one instalment.
- Grants between £5,000 and £9,999 will be paid in two instalments.
- Grants of £10,000 and over will be paid in four instalments.

To obtain payment the funded organisation will:

- Make a statement that any previous grant has been spent or allocated for the purposes for which it was given
- Provide brief summaries of income and expenditure to date
- Produce a forecast of expenditure for the next grant period.

The VCS organisation will be able to validate this with proper records.

### 1.2 Performance Monitoring

The Council requests performance monitoring reports from VCS organisations on a timely basis. The purpose of these reports is to ensure that there is a regular mechanism of communication between VCS organisations and the Council. Monitoring reports will typically include performance information such as: Finances, Outputs, Outcomes and/ or Case Studies.

- Grants up to £9,999 one annual performance monitoring report
- Grants between £10,000 and £29,999 two 6 monthly performance monitoring reports
- Grants of £30,000 and over four quarterly performance reports.

### 1.3 Payment and monitoring flexibility

From time to time organisations face short term financial difficulties, particularly within the current financial climate. Although the financial parameters attached to payment frequency are felt to be proportionate to the amount of money received, there exists a degree of flexibility. A VCS organisation facing some financial difficulties can request a change to the terms of their payment schedule. An acceptance of such a request would be upon receipt of a 'compelling business case' of why this change was required.

# ADDENDUM TO THE NEWCASTLE COMPACT

## 1.4 Using underspend

Under the terms and conditions of the grant, the funded organisation will notify the council of any anticipated underspends as soon as possible. Should underspends occur within individual grants and where the council will allow the grant funding to remain with the funded organisation, a written agreement will be reached on how the grant funding can be used.

## 1.5 End of year flexibility

VCS organisations that are grant funded for more than one year and who are properly meeting the terms and conditions of their grant funding should be allowed to carry over a reasonable amount from one financial year to the next, proportionate to the size of the grant. Funded organisations must seek the prior written agreement of their grant funding directorate before they do this.

## 2. CONTRACTING

### 2.1 Contract value bands

The Council has different procedures for different contract values. For guidance on these procedures please contact the Council's Commissioning & Procurement Team.

Email: [procurementgateway@newcastle.gov.uk](mailto:procurementgateway@newcastle.gov.uk)