

Evaluating the significance of local compacts

Two years ago, national government and voluntary sector agencies began to develop codes of practice for the national 'compact'. At the same time, many local authorities, other public sector bodies and voluntary and community organisations began to develop local compacts and codes. A joint research team from the Universities of Hull and Brighton has been tracking local compacts in ten case study areas in England, Scotland and Wales. This interim findings looks at the lessons emerging for local compacts and the implications for other forms of partnerships. It finds:

f The policy environment at the local level is increasingly crowded. There is a danger that early initiatives such as compacts can be marginalised by newer ones, such as Local Strategic Partnerships/Social Inclusion Partnerships.

f Local compacts can provide a generic framework and guiding principles within which other partnerships can develop. Lessons include:

- Proper time and resources need to be devoted to development;
- The focus needs to be broader than funding issues, if partnerships are to be equal;
- Attention needs to be given to involving a broad range of personnel and agencies;
- Key personnel in both sectors act as champions. If they leave, or if local structures or policies change significantly, compacts are vulnerable;
- Clear aims and procedures for review need to be established.

f National bodies – government and intermediary bodies in each sector - have a key role to play in supporting local compact development, including:

- Ensuring a close 'fit' between compacts and other nationally driven local partnership developments;
- Encouraging local public sector agencies other than local authorities to become fully involved;
- Using Best Value frameworks to promote local compact development;
- Providing training and support for councillors;
- Providing guidance for all local authority departments (not just those most closely involved in developing compacts);
- Establishing mechanisms for the transfer of best practice;
- Paying particular attention to supporting the black and minority ethnic voluntary sector within compact development.

Background

Since its election in 1997, the Labour Government has introduced policies which could potentially have a profound effect on the relationship between local government and other public bodies and the voluntary and community sector. For example, the 'modernising local government' agenda places a responsibility on local government to consult over Best Value and community strategies and proposes new governance structures (Local Strategic Partnerships/Social Inclusion Partnerships) in which local voluntary and community sector bodies are to be represented.

In 1997, the Government initiated a process for negotiating 'compacts' between central government and the voluntary and community sectors in England, Scotland and Wales. National compacts were launched in late 1998, with the commitment to encourage the adoption of similar principles and undertakings at local levels. This initiative was specifically designed to build and sustain equal and effective partnership arrangements between the statutory and voluntary sectors; the development of compacts may therefore hold valuable lessons for the other forms of partnership encouraged by recent policy initiatives.

A preliminary local mapping study ('Developing local compacts between local government and the voluntary sector', *Findings* Ref: 239) found widespread interest in the idea of such local compacts, both in local authorities and among voluntary and community sector bodies. Many areas already had some kind of policy or agreement which could provide the basis for a local framework, with the process further advanced in Wales and Scotland than in England. This interim *Findings*, from a second phase action-research project, evaluates the development of ten local compacts across the three countries. In some localities, negotiations on compacts were far advanced; elsewhere they were just beginning. In two localities, discussions were also being held with health authorities. In one there was no voluntary sector intermediary body covering the whole locality.

Introducing compacts

Despite some difficulties, most respondents agreed that the lead from central government through the national compact has been important, both in driving the process and raising the profile of the voluntary and community sector. It has helped to increase understanding of the breadth and variety of voluntary and community sector activity – operating across all public policy areas and offering many different approaches.

In some localities, new posts have been funded to drive the process forward, 'visioning' days have brought together key players from both sectors and

much-needed training has been provided on both sides. The evaluation so far confirms the findings of the mapping study: the most successful developments occur where there is a continuous history of dialogue locally between public bodies and the voluntary and community sector and where a well-supported voluntary and community sector infrastructure exists. It has also found that progress in all the case study sites has depended on the forging of positive relationships between individual key players on both sides.

Given the general context of change, developing a local compact might seem just another requirement amongst many. However, for some the process has provided the structure within which other changes can take place. At best, negotiating a local compact can establish a framework for institutional arrangements and a mutual understanding on which all the new requirements for partnerships and consultation can draw. Once agreed, a compact has the potential both:

- to provide principles against which different consultation processes, funding arrangements and partnerships can be checked; and
- to act as a framework for periodic review of the range of new relationships and their impact on both sectors.

However, the sheer pace of change means that opportunities to use the local compact process as a framework for other developments could be lost. The study is highlighting a number of important issues which have emerged for all parties and which are still being worked through.

Issues arising

Fitting with broader local government change

In some localities, local government reform and other changes in local government policy have meant cuts in funding to voluntary and community organisations; this has undermined the trust needed to negotiate a successful compact. Changes in both local government and in political administration can also disrupt relationships crucial to success. In some sites, the departure of a key person has delayed the process or even stalled it completely.

Overload

The sheer pace and extent of change has also stretched the capacity of partners on both sides. This research suggests that it is essential that local compacts 'fit' with other developments and vice versa. But in some cases, instead of providing a framework for other developments, compacts have slipped down the agenda as new, more 'urgent' demands come from central government; elsewhere

it has been difficult to fit the different demands together. The development of Local Strategic Partnerships/Social Inclusion Partnerships should help to integrate the different structures and initiatives, but this will need addressing explicitly rather than being taken for granted.

Representation, spread and coverage

Respondents from both local authorities and the voluntary sector are expressing concern as to whether the lessons and commitments developed through the compact process are reaching far enough beyond the principal negotiators on both sides, i.e. through *all* local government departments, through different levels of local government in England, and to *all* parts of the voluntary and community sector.

For voluntary and community organisations, the 'abstract' principles of a compact may not feel like a priority when there are many more immediate pressures. Smaller groups in particular may not feel they have the time to contribute, or may not recognise the impact that the outcomes of a compact could have on their work. Local black and minority ethnic groups, and small community organisations, often remain excluded from discussions. Conversely larger organisations may not feel the need for a compact, since they have the power to negotiate on their own behalf. But if they absent themselves from the process, the power of the local voluntary and community sector can be much reduced.

On the statutory side, outcomes can easily be undermined if key officers and members have no real engagement with the process. They can also be diluted if compacts do not include other public bodies at the local and regional level, like the NHS or Learning and Skills Councils, for example.

The case study sites vary, but in most there is concern that elected members are not sufficiently involved in the process. The same applies to their equivalents in voluntary and community organisations - unpaid trustees, managers and volunteers. There needs to be commitment to, and ownership of, the compact throughout participating organisations if it is to be effective.

Time and resources

Many of those charged with compact negotiations already have a full workload. Local intermediary bodies in many areas are already struggling to survive. Local compacts are expected to encompass all the issues that affect the relationship between the local public sector and the voluntary and community sector - and it is not surprising if the process of development becomes complicated and difficult.

The study's interim findings suggest that, if the compact is to have an impact beyond a few key players, time is required to allow those at the margins

to become involved, and dedicated resources (human and financial) are needed to ensure that key negotiators on both sides can take account of views across their sector, give an account to all who need to be informed and be held to account by all potential participants.

Content

The nature of local compacts varies considerably from locality to locality. The national compact provides a valuable benchmark but needs to be seen as a starting point, not a rigid framework, if local compacts are to reflect local priorities.

Funding was an issue for all the respondents. Voluntary and community organisations want clear policies and consistent procedures. They find it difficult to engage when there is increasing uncertainty about funding and they are scarcely covering their costs. Many felt demands for accountability are increasing beyond the point where they are 'fit for purpose'.

But most research respondents wanted to see compacts addressing a much wider agenda. Compacts need to be about much more than funding relationships if they are to underpin a productive relationship between the sectors. Too great a focus on funding also makes it more difficult for both parties to negotiate as equals.

The need for review

It was clear from the mapping study that compacts would only work if there were a clear framework for review. The success of a compact will ultimately be judged by the effectiveness of relationships locally - between agencies, between all those who participate in local governance, and between services and those who use them. A successful compact would be a reference point against which to assess the development of these relationships and would be a dynamic rather than a static document. It remains to be seen whether the idea of a compact can evolve in this way. The final report of this study will address this in more detail.

Messages for national agencies

Important messages are emerging about the development of local compacts, for national agencies supporting or directing the work of public sector agencies at a local level. These are:

- There is little activity locally which goes beyond local authorities and local voluntary and community sector bodies. National agencies directing or supporting local public sector organisations (such as health authorities and Learning and Skills Councils) should encourage their members to get involved.

- The modernisation of local government and Best Value developments offer potential for voluntary and community sector involvement in strategic discussions. National local government associations should encourage early discussion of how the voluntary and community sector can effectively be involved in these processes.
- Local compacts need to 'fit' effectively with other local partnership working rather than being pushed to one side. Government departments establishing or managing local partnership initiatives should ensure that the development of such initiatives takes account of local compacts. Local Strategic Partnerships/Social Inclusion Partnerships will need to consider how the compact process can support the involvement of the voluntary and community sectors at this strategic level.
- All government departments need to reaffirm the importance of ensuring that black and minority ethnic voluntary sector organisations have an appropriate place within local compact development; this may require separate, parallel development at the early stages.
- National local government support agencies need to provide guidance and training for local councillors so that they can fulfil their policy and representative roles in relation to voluntary and community sector bodies.
- National local government bodies are monitoring developments and producing advice. Further work could be done which emphasises the transfer of best practice between local authorities in parallel with similar work done by representative national voluntary and community sector agencies. This might include the production of guidance notes or circulars for local authority departments (particularly those with less contact with the voluntary and community sector), stressing the value of working closely with the sector, and an examination of particular issues, such as the use of Scrutiny Committees to promote both the spirit and the letter of local compacts.
- Further work needs to be done to establish appropriate and acceptable indicators of success for the work of local compacts, focusing both on process and outcomes.
- The National Working Group(s) overseeing the development of the national compacts should review their own work against the emerging findings from local compact development, to ensure that there is a strategic fit between national and local frameworks. The Group also needs to

acknowledge the importance of resourcing local compact development at a time of considerable 'partnership' pressure on local voluntary and community sector bodies.

About the study

The *Findings* are based on the first two series of visits to ten case study sites and a workshop held with participants in the research. Two case studies were in Wales, two in Scotland and six in England, chosen to ensure a balance between urban and rural localities, different political histories at local level, and contrasting local demographic profiles. The ten case studies are still underway and the evaluation process is due to be completed in the summer of 2001.

Despite efforts to select some localities with a significant black and minority ethnic population, the researchers did not feel that they were able adequately to address the perspectives of black and minority ethnic organisations. A complementary study, being undertaken by the same team, is exploring this issue and will report at the same time.

How to get further information

The research study will end in July 2001. The final report, incorporating the ancillary evaluation addressing black and ethnic minority issues, will be published in late 2001. Details of the study, and of publications available to date from this and the earlier mapping study, can be obtained from Professor Gary Craig, Social Policy, University of Hull, Hull, HU6 7RX.