



# The Future of the Compact

*bassac* policy forum - 6 October 2008

with Sir Bert Massie  
Commissioner for the Compact



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## Introduction

*bassac* works with its members to influence the policy environment for neighbourhood action. Following recent growth, we have been able to initiate a series of quarterly policy forums, providing an opportunity for *bassac* members to contribute to the development of *bassac*'s policy positions.

At each forum, we plan to invite a key speaker to challenge our thinking and stimulate the network to respond to emerging themes in the policy arena with energy and convincing evidence.

This is a report of the first forum attended by Sir Bert Massie to discuss the Compact.

## The Compact and the Commission

The Compact is a formal agreement between the government and the voluntary and community sector. It was launched ten years ago without any later revisions and has been supplemented by five Codes which focus on specific issues such as funding,

volunteering and working with community groups. Following Sir Bert Massie's arrival as the Commissioner for the Compact earlier this year, he called for a debate on the future of the Compact, inviting both government and the voluntary and community sector to contribute to his advice to the Minister for the Third Sector on the way forward.

Sir Bert's opening remarks helped to set the scene for the discussion. He noted that on arriving as Commissioner, he had found the Compact and its Codes complex, out of date and written in differing styles. His own Commission had been established with several implicit rationales competing for space in the founding documents. He (and Richard Corden, Commission CEO) had seen the importance of settling the direction and staffing of the Commission before setting to the current task. A priority for the future is to develop a research team to assess how and in what ways the Compact could be developed to better fit its purpose.



## Policy issues

Calls for the Compact to be placed on a statutory basis had been heard for years. Sir Bert had concluded that this process would *not* aid improved practice but had the potential to absorb much time and effort, which could be better used. He saw advantages in moving swiftly to engage the current Administration in reviewing the Compact without primary legislation, if possible before the next general election.

Assuming there is a consensus on a way forward (and it is too early to be conclusive, and other views could emerge) he hoped that the new minister would agree to the Commission drafting a single much shorter document that reflected current principles in a consistent style. In Sir Bert's view, this would focus attention on around ten key commitments rather than the more than 200 made in the current Compact and Codes. By a process of consultation, Sir Bert hoped that a first revised Compact might be in place within a year. He expected that the Commission would ensure that a revision was considered on a regular basis to keep it relevant and raise its profile.

Alongside the revised Compact, Sir Bert saw the need to revise the structure of the Commission itself. At present, it is a company with appointed directors owned by the government. Sir Bert hoped that by enlarging the Board, a wider range of directors might engage some of the key constituencies currently sidelined such as the Local Government Association.

The Commission will also need to have powers to investigate how problems with the Compact arise. He is considering seeking powers to require full documentation to be released to the Commission and to obtain evidence under oath, hence creating the option of criminal proceedings in the event of someone lying to the Commission. However, such powers would have to be within a framework designed to encourage as much as to compel. He also wanted the new Compact to relate explicitly to existing legislation such as the equalities acts, so that the links are clear.

The current debate will draw to a close on 11 November and Sir Bert will take his recommendations to Kevin Brennan, the new Minister for the Third Sector, in December. He expects that this will lead to a consultation in Spring 2009, so that (he hopes) any legislative changes can be included in the CLG Empowerment Bill due to be introduced to Parliament soon.

## The discussion

At a local level, the Compact has been forgotten by many. Raising the profile of the Compact through this debate was already showing benefit for members but too many local authority officers and councillors remained ignorant of it. Local Compacts are now in place in every local authority area but Sir Bert feels they take too much time, often just reinventing the wheel.

Sir Bert asked whether a template local agreement - incorporating best practice - would be welcome. Members felt that it might help to spread good practice but it would need to ensure that local circumstances could be adequately reflected.

## Tensions around Commissioning

Members raised commissioning as a key area of local conflict. Experience showed that some local authorities tender for their own contracts at a price which does not reflect full cost recovery, undercutting voluntary and community organisations bidding against them. Sir Bert agreed that the Compact should require the tender process to be transparent for all parties and cover full costs.

Such competitive tenders can place larger, sometimes national players in competition with smaller, local community-led organisations. The larger organisations from within the sector can achieve economies of scale and hence outbid smaller local interests. Sir Bert urged members to express the full value of their local roots in tender bids but felt that the Compact could not realistically address competitive behaviour

within the voluntary and community sector. Ben Hughes wondered whether the principles of the revised Compact also might be applied to relations within the sector in due course.

## Addressing community groups

Could the Compact ever address the needs of informal, small and local groups? What part might the Compact play in enhancing the recognition of their distinctive contribution to local life? *bassac's* own work three years ago with the Black Training and Enterprise Group has shown that small black and minority ethnic groups are unaware of the Compact and indeed of any source of local support, such as local or neighbourhood infrastructure. They want to gain access to the influence that their mainstream counterparts often achieve with ease. *bassac* members could act as advocates for such groups, using their greater resources to spread good practice and challenge bureaucratic misconduct.

However the vulnerability of small and informal community groups to misuse of the power inherent in statutory partners is huge. Reaching the kitchen table committee and the pub discussion group is a significant challenge. Small grants can make a massive difference to such community activities but such provision is often regarded as beyond the scope of the Compact.

The Compact lacks purchase with ordinary people and is often experienced as merely bureaucratic and administrative. Its very name can make it unattractive. How might the Compact be brought out from the shadows and made a source of inspiration

for everyone concerned for justice and well-being?

### **Building awareness and skills**

Sir Bert hoped that the network of Compact champions would be able to be strengthened by the Commission. He acknowledged that they often lacked direction and he wanted to find resources to assist them to be more effective. They would provide a ready task force to promote awareness of the revised national Compact and link it with local developments.

Such a renewed sense of purpose and energised engagement across society would only come if we invest in the skills of both the voluntary and community sector and their statutory partners. Building a set of competent and skilled staff, trustees and members needed to be a key priority in delivering a renewed commitment to the Compact and its principles.

### **Arbitration and influence**

Notwithstanding placing the Compact on a statutory basis, another potential role for the Commission is to provide independent arbitration in cases of relationship breakdown. Sir Bert explained he was trying to engage the Audit Commission in using their function in local areas to assess the working of the Compact. This would avoid the need to set up a new expert group of Compact assessors with all the inherent delays and costs. The new *National Indicator 7: A Thriving Third Sector* provides an opportunity to link statutory performance to the health of the sector as does the work of Local Strategic Partnerships. The latter are now working toward a Sustainable Communities Strategy in each local authority area and this can be a context for enquiry into all sectors' compliance with Compact principles.



### **Next steps**

In conclusion, Sir Bert urged members to make a response to the questions in the Commission's paper before the deadline of 11 November. He also pointed out, however, that there would be a second chance to contribute views on his proposals for change throughout a consultation period anticipated to be in Spring 2009.

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