



# **The Derby Compact**

**Compact on Relations between  
the Statutory Sector and the Voluntary and  
Community Sector in Derby**

## Foreword

The Derby Compact is a commitment to positive partnership working between the statutory sector and the voluntary and community sector. It provides a framework for promoting successful partnerships between these two sectors, for mutual advantage and community gain.

The first Derby Compact was developed in 2002 as a partnership agreement between Derby City Council and the voluntary and community sector. This revised version has been updated to broaden the scope of the Derby Compact to include all statutory sector partners, to reflect policy developments at a local and national level, and to strengthen the links with Derby City Partnership and the Local Area Agreement.

This revised version of the Derby Compact has been through a 12 week consultation with a wide range of voluntary and community organisations and statutory partners. It has been signed by representatives from Derby City Partnership and key statutory and voluntary and community sector organisations. All statutory and voluntary sector partnerships and networks will be expected to support the Derby Compact and to implement its principles and commitments.

The following representatives of Derby City Partnership, statutory and voluntary and community sector organisations and networks and members of the Compact Forum are pleased to sign up to the principles and commitments of the Derby Compact.

*Director of Derby City Partnership*



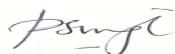
*Chief Executive of Derby City Council*



*Chief Executive of Community Action Derby*



*Chief Executive of NHS Derby City*



*Director of Public Health NHS Derby City*



*Chief Executive of Derby Millennium Network*



*Director of Community Safety Partnership*



*Forum of Faiths*



*Health and Social Care Forum*



*Children and Young People's Network*



## 1. What is the Derby Compact?

### ***Mission***

***The Derby Compact is a commitment to open, transparent and fair working practices between statutory and voluntary and community sector partners. Its aim is to improve relationships, communication, participation and services to create a better Derby.***

The Derby Compact is a framework for the way in which voluntary and community organisations and statutory agencies work together. It represents a commitment by these two sectors to work together to certain standards.

The Derby Compact is supported by Derby City Partnership, which has adopted an overarching Partnership Agreement covering all sectors and partners within Derby City Partnership. The Derby Compact is a complementary agreement, which focuses specifically on the relationships between voluntary and community sector organisations and statutory sector agencies.

## 2. What difference will the Derby Compact make?

The Derby Compact aims to achieve real improvements in the way the two sectors work together. This can only be achieved by making clear, specific and measurable commitments that can be cited and implemented.

All voluntary and community sector and statutory sector organisations that sign up to the Derby Compact make a commitment to working together to meet challenges and to resolve any difficulties in the relationship in an open, transparent and fair way.

The Derby Compact is a framework to develop and maintain effective partnerships between the statutory and voluntary and community sectors. Effective partnerships are essential to achieving our long term strategic objectives for the city, including developing and implementing Derby's Sustainable Community Strategy, our '2020 Vision'; our neighbourhood plans and profiles; our Community Cohesion strategy; and the Local Area Agreement.

### 3. Shared principles

To deliver its mission, Derby Compact partners have agreed to adopt the following shared principles:

- **Partnership** - while the roles of the statutory sector and the voluntary and community sector are distinct, they complement each other and we can add value by working together towards common aims and objectives.
- **Mutual value and respect** - although we have different forms of accountability and answer to a different range of stakeholders, the need for integrity, objectivity, accountability, openness, honesty and leadership is shared by both sectors.
- **Interdependence** - we accept that we need to rely on each other, because the contributions of both sectors are needed to achieve our shared goals. This does not conflict with the principle that the statutory sector should respect the formal independence of voluntary and community organisations.
- **Equality of opportunity** - we recognise the importance of promoting equality of opportunity for all people, of reducing inequality and of celebrating diversity.
- **Building sustainable, cohesive communities** - both sectors are committed to empowering communities and promoting community cohesion.

### 4. Statutory sector commitments

Statutory sector partners will:

- Respect the independence and diversity of the voluntary and community sector, including its right to campaign and challenge policies.
- Work alongside and empower voluntary and community organisations to understand the needs and views of the diverse communities in Derby and to create opportunities for them to influence policies.

- Where a decision is likely to affect the voluntary and community sector, consult widely and early enough to make a difference, allowing a minimum of 12 weeks, where practical. Meaningful consultation builds relationships, improves policies and enhances the design and delivery of services.
- Ensure fairness in funding decisions, using clear, transparent and impartial decision-making processes.
- When using procurement to deliver public services, commission for outcomes and set criteria that capture the added quality and value that voluntary and community sector organisations can bring to the delivery of services.
- Minimise the administrative burden associated with application, monitoring and reporting processes and streamline monitoring and audit arrangements where possible.
- Use multi-year funding models and make payments promptly, providing payment in advance of expenditure wherever appropriate.
- Share risks fairly between the funders and providers of services, making sure that risks fall on those best able to bear them.
- Allow overhead costs to be included in grant funding applications, according to the principle of full cost recovery.
- Promote, support and implement good practice in involving and managing volunteers.
- Work with the whole of the voluntary and community sector, including small community groups, minority ethnic community organisations, faith groups and social enterprises.
- Allow genuine and early involvement in decision making and treat the voluntary and community sector as an equal partner.

## 5. Voluntary and community sector commitments

Voluntary and community sector partners will:

- Operate through open and accountable organisations.
- Have robust monitoring, evaluation and financial management systems, which provide accurate and timely information for funding bodies and give accountability for public funds.
- Have an understanding of costs and the proper application of full cost recovery.
- Implement good practice in involving and managing volunteers.
- Embrace diversity and work to improve community cohesion and reduce inequalities
- Make sure their position on policy genuinely reflect the views of their stakeholders and users of services.
- Give a voice to the needs of their communities and users of services.

## 6. Implementing the Compact

### **Codes of Practice**

There are five national Compact codes of practice:

- Funding and Procurement Code
- Volunteering Code
- Black and Minority Ethnic Voluntary and Community Organisations Code
- Community Groups Code
- Consultation and Policy Appraisal Code

Statutory and voluntary and community sector partners are committed to implementing these, either by developing local codes of practice or by adopting the national codes. We will consider developing further codes of practice at a local level, as needed.

## **Derby Compact Action Plan and Annual Review**

All partners to the Derby Compact will identify key actions within the Action Plan, which they can take forward to support the implementation of the Compact and its codes of practice. This Action Plan is reviewed and updated on an annual basis. An annual event is held, as part of National Compact Week, to review progress from the previous year and to plan for the year ahead, taking local and national policy developments into consideration.

## **Compact Forum**

The Compact Forum is responsible for overseeing the implementation of the Action Plan. Statutory agencies and voluntary and community organisations are represented equally on the Forum. Representatives are elected or appointed to serve on the Compact Forum.

The Compact Forum commissions working groups to progress specific areas of work in the Action Plan. These working groups are accountable to the Compact Forum and report back to it.

## **Ownership and promotion of the Derby Compact**

All statutory and voluntary and community sector partners are committed to promoting the benefits of the Compact and abiding by its principles and commitments - in other words, they are committed to a 'Compact way of working'.

Members of the Compact Forum will act as Compact Champions, which means they will be responsible for promoting the Compact within their organisations, networks and partnerships. They can be contacted for information and support on Compact issues and can be called upon by the Chair of the Compact Forum to play a mediating role in resolving any disputes between the sectors.

Statutory sector partners agree to:

- Promote the adoption of the Derby Compact by other public bodies working in Derby.
- Publicise progress made on the Compact within their own organisations, for example, using briefing sessions, newsletters or bulletins.
- Work to embed the Compact into mainstream policy and practice within their own organisations and in their partnerships.
- Resource the Annual Review and Action Plan of the Derby Compact, which will be carried out jointly by statutory and voluntary and community organisations.

Voluntary and community sector partners agree to:

- Promote the adoption of the Derby Compact by other voluntary and community organisations and by members of networks and Cluster groups working in Derby.
- Support and commit time to taking part in the Annual Review and to taking forward the Action Plan of the Derby Compact, within available resources.
- Derby Council for Voluntary Service will publicise progress made on the Compact by distributing information to the wider voluntary and community sector.

## 7. Resolution of disputes

All Derby Compact partners are committed to resolving disagreements, conflicts and complaints by maintaining positive and open relationships. If difficulties occur in the relationship, the Derby Compact will be used as a framework of good practice for how the relationship should be conducted. As far as possible, difficulties will be resolved between the parties using the conflict resolution process on page 9.

## 8. Review of the Derby Compact

Amendments to the Derby Compact agreement will be proposed and approved at the Annual Review meetings, to make sure that the Compact reflects local and national policy developments.

# Derby Compact conflict resolution process

**Compact**  
working together better together

## Issue raised

### Issue raised informally

Both parties should discuss the issue informally and try to reach a resolution.

YES

Resolved?

NO

### Issue raised formally

The alleged breach of The Compact should be detailed in writing. A response should be given in a time frame in line with the organisation's existing internal complaints procedure.

NO

Resolved?

YES

## The Derby Compact Forum mediates

The Chair will nominate an appropriate mediator acceptable to both parties.

This will happen within three weeks of referral to the Compact Forum.

NO

Resolved?

YES

OR

### National options

- Compact Voice, the national advocacy service for the voluntary and community sector.
- Compact Commissioner.

YES

Resolved?

NO

### Ombudsman or Judicial Review

For example, in cases of maladministration.

For contact details and further information, please see the Derby Compact web page:

[www.derby.gov.uk/CommunityLiving/VoluntaryOrganisations/DerbyCompact.htm](http://www.derby.gov.uk/CommunityLiving/VoluntaryOrganisations/DerbyCompact.htm)

## Glossary

**Voluntary and community sector** is a term used to describe organisations that are set up for charitable, social, community or environmental benefit, rather than for profit and which are independent of statutory bodies.

**Statutory sector** is a term for public bodies, such as Local Authorities and Primary Care Trusts that have legal duties.

**Stakeholders** are parties with an interest in an organisation, or who will be affected by its activities, such as employees, service users, members, or the local community.

**Partnership** means where two or more agencies come together and work towards a common goal with shared responsibilities.

**Derby City Partnership** (DCP) is the local strategic partnership for Derby. Its members represent public services, voluntary and community organisations, local businesses and individuals who live or work in Derby. DCP is an alliance of organisations, working together to improve the quality of life for people in Derby.

**Local Area Agreement** (LAA) is an agreement between a local area and the government, describing how local priorities will be met, as well as national priorities set by government.

**'2020 Vision'** is Derby's Sustainable Community Strategy, which sets out Derby City Partnership's long-term social, economic and environmental objectives.

**Community cohesion** is a shared sense of belonging between the citizens of an area, based on strong community relationships, where people from different backgrounds get on well together.  
**Procurement** - buying goods or services, normally through competitive processes, as a means of ensuring value for money

**Procurement** is the buying of goods or services, normally through competitive processes, as a way of making sure the organisation gets value for money.

**Commissioning** means the process of planning, buying and monitoring services in relation to identified needs

**Full Cost Recovery** is a model for making sure that a relevant proportion of an organisation's overhead costs are included in the funding for projects

**Monitoring** is the process of checking against agreed targets and standards

**Evaluation** is an assessment of the performance of an activity or project, which may use various methods and sources of information

**Outcome** is the effect or impact of an activity or project

**Multi-year funding** means a grant funding agreement or contract that lasts for more than one year. The standard for grant funding is three years. Contracts should last for as long as they are needed to achieve the desired outcomes.