



scottishcompact

IMPLEMENTATION STRATEGY 2003 - 2006



SCOTTISH EXECUTIVE

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**SCOTTISH COMPACT IMPLEMENTATION STRATEGY:
A REPORT BY THE COMPACT REVIEW GROUP**

January 2004

EXECUTIVE SUMMARY

- 1.1 The Scottish Executive is committed to improving service delivery across the public sector. Recent years have seen increasing numbers of voluntary sector organisations playing an effective part in delivering on key agendas in terms of service delivery and the regeneration of disadvantaged communities. It is increasingly important that the Scottish Executive and the voluntary sector work in partnership to build a better Scotland.
- 1.2 The Scottish Compact (hereafter referred to as the ‘Compact’) sets out the key principles that underpin and define the partnership between the Scottish Executive, its Agencies and Non-Departmental Public Bodies (NDPBs), plus NHSScotland (referred to collectively as the ‘Executive’ throughout this document) and the voluntary sector in Scotland. The Compact is based upon the mutual recognition of the roles and responsibilities of each partner and its aims are to encourage closer working relationships and build on the voluntary sector’s experience in areas of mutual interest.
- 1.3 However, there was a growing recognition that the Compact needed to be more effectively implemented by both the Executive and the voluntary sector. In order to address this, a Compact Review Group was established jointly by the Scottish Executive and the Scottish Council for Voluntary Organisations (SCVO) to undertake a review of Compact implementation. Membership of this Review Group consisted of the Scottish Executive, its Agencies and NDPBs, SCVO, Volunteer Development Scotland, and a range of voluntary sector intermediary organisations and representatives.
- 1.4 The Compact Review Group recommend a 3-year strategy to give momentum to Compact implementation in Scotland. This strategy identifies a number of specific actions designed to ensure that the Compact is underpinned by clear and consistent practice across all parties. These actions reflect the following key themes: strategic aims and vision; leadership; mainstreaming; raising awareness and promoting best practice; communication; resources and monitoring and evaluation. The main findings of the Review Group are that:
 - The Compact should be updated to reflect renewed commitment to its principles and implementation;
 - Compact principles and practice should be adopted as the accepted everyday culture of the relationship between the Executive and the voluntary sector;
 - demonstrable leadership and political commitment are key requirements if the Compact is to be successfully implemented;
 - mainstreaming involves the systematic integration of Scottish Compact principles throughout the Executive and the voluntary sector. It involves the integration of voluntary issues into the everyday work of the Scottish Executive, its Agencies and NDPBs;

- the Compact provides an important means of ensuring that the voluntary sector's potential to contribute across policy areas is recognised;
- raising awareness and promoting best practice should be the prime area of concern for all parties;
- particular emphasis should be given to raising awareness in those areas of the Executive or voluntary sector which are less engaged with the Compact, for example within smaller voluntary organisations;
- effective implementation of the Scottish Compact relies on capacity building across the Executive, and across the voluntary sector;
- good communication between the Executive and the voluntary sector plays an essential role in contributing towards the development of a strong working relationship;
- effective Compact implementation requires acknowledgement of the scale of the challenge in delivering a real culture change. In order to achieve this, it is suggested that significant commitment of resources by the Executive and the voluntary sector is required;
- implementing the Compact should be recognised as a core function both for the Executive bodies operating in Scotland and by intermediary voluntary organisations in receipt of core funding from the Executive;
- monitoring and evaluation is critical; not only to identify how effectively the Compact is being implemented, but also to demonstrate the credibility of the Compact. It is also important for identifying good practice and gaps regarding implementation.

1.5 This Compact Review Group aimed to review and develop the Scottish Compact to ensure it is applicable, flexible, widely understood, useful and used as a mechanism for improving the relationship between the voluntary sector and the Scottish Executive, its Agencies and NDPBs and NHSScotland. The Compact Review Group recommends this Compact Implementation Strategy as providing an effective way forward to further develop and implement the Scottish Compact.

SETTING THE SCENE

- 2.1 The Scottish Compact was launched in the autumn of 1998 under the signatures of the Prime Minister, Secretary of State for Scotland and the Convenor of SCVO. It is one of four national Compacts providing the framework for Government/voluntary sector relationships across the UK. Each Compact sets out the key principles that underpin and define the partnership between Government and the voluntary sector, based upon mutual recognition of the roles and responsibilities of each partner. 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.
- 2.2 The Executive and the voluntary sector have complementary reasons for supporting the Scottish Compact. The Executive recognises the value of the voluntary sector's growing contribution to public services and policy development; its distinctive capacity to support social inclusion objectives; its importance as a channel of communication; and as a catalyst of debate between civil society, the Executive, and Parliament. For its part, the voluntary sector wishes to improve its access to those who develop policy and determine priorities within the Executive, while improving the processes through which the Executive provides financial and other support. The Compact provides a framework of principles to guide both sides' attempts to achieve these overlapping goals.
- 2.3 The Compact recognises that the voluntary sector and the Executive have their own spheres of action with different roles, responsibilities and resources. It acknowledges that not all voluntary sector organisations have an interest in seeking partnership with the Executive and therefore recognises and encourages the continuing independence of the voluntary sector.
- 2.4 The Compact is based on agreed shared values of:
 - a democratic society;
 - active citizenship;
 - pluralism;
 - human rights;
 - equality of opportunity;
 - quality services;
 - cross sectoral working; and
 - sustainable development.
- 2.5 The development of the Compact itself exemplified the benefits of a partnership approach. Through a joint Working Group, Government and the voluntary sector shared equally in the work of preparing, consulting on, and revising drafts of the Compact over twelve months in 1997/8. Thereafter, the two parties consulted on separate guidance to their respective stakeholders on how the Compact should be implemented. Subsequently, the Scottish Executive produced Good Practice Guides covering the issues of funding, consultation, partnership working and proofing

(Scottish Executive, 2000). SCVO similarly produced Implementation Guidance to Voluntary Organisations (SCVO, 2001).

- 2.6 The Compact was an important part of the inheritance of the new Scottish Executive in 1999. One of the Executive's earliest initiatives was to invite the Scottish Parliament to endorse the Compact as a key element in the relationship between Scotland's new political institutions and Scottish civil society. Devolution has made policy making in Scotland more democratic and accountable to the people of Scotland and the involvement of the voluntary sector in policy and service development and delivery in Scotland has significantly increased.
- 2.7 The transfer of functions to the Scottish Executive during 1999/2000 caused some delay in implementing the principles set out in the Compact. Nevertheless, an initial assessment of the extent to which the principles were being promoted and upheld was carried out during the spring of 2001 and reported to the Scottish Executive/Voluntary Sector Forum in the autumn of 2001. The assessment suggested that while most Executive respondees were positive about their relationship with the voluntary sector, voluntary organisations were more ambivalent. While the majority felt that consultation with the Executive had improved, the verdict on the funding relationship was less positive and the majority of local organisations consulted had not even heard of the Compact. The report also acknowledged the difficulty of isolating the impact of the Compact during a period of major constitutional change.
- 2.8 Following this initial assessment, the Scottish Executive/Voluntary Sector Forum agreed that the Compact should be formally reviewed with a particular focus on identifying ways in which it might be more effectively implemented by both the Executive and the voluntary sector. The Scottish Executive and SCVO therefore jointly established a Compact Review Group in the summer of 2002. This report summarises the Review Group's conclusions.

IMPACT OF SCOTTISH COMPACT

- 3.1 There are an estimated 50,000 individual organisations within the voluntary sector in Scotland and it is assumed that most of them are affected in some way by Government decisions. Although there is no official definition of a voluntary organisation, one description is as follows:

Voluntary organisations are independent bodies with self-governing structures and a wholly or predominantly voluntary governing body. They do not distribute profits and are run for the benefit of others or for the community. Many are recognised charities and some are formed as companies limited by guarantee. Voluntary organisations are accountable to their membership and more generally to the people and groups they serve or represent. They are also accountable to any funding bodies for how they spend their funds in accordance with any attached conditions. While all voluntary organisations are led by volunteers, some rely on volunteers to carry out their activities, others employ staff or use a mixture of the two. They may be large or small, local, national or international. The large national and international organisations with paid staff are very different from the small local voluntary organisations many of which are made up entirely of volunteers and are closely involved with their local community.

(Adapted from a definition provided within *Working Together: The Scottish Office, Volunteers and Voluntary Organisations*, The Scottish Office (1994)).

- 3.2 In addition to the majority of voluntary organisations having community or volunteer involvement, it is generally accepted that the main characteristics of a voluntary organisation include:

- established as a not for profit organisation;
- public benefit objectives;
- independent of the state; and
- volunteer governance (appointed by, and responsible to, their memberships).

- 3.3 The Government parties to the Compact are identified as the Scottish Executive, its Agencies and NDPBs and NHSScotland. The lead responsibility for the Scottish Compact in the Scottish Executive lies within the Voluntary Issues Unit (VIU), although implementation involves all Scottish Executive Departments, Agencies and NDPBs. The voluntary sector's commitment to the Compact is through the SCVO and other intermediary organisations.

- 3.4 To date there has been limited monitoring of the extent to which the principles outlined in the Compact are being carried out. Initial monitoring of Compact implementation during 2000-01 (Scottish Executive, 2001) suggested that there was only limited information available to describe the current state of the relationship between the Executive and the voluntary sector and insufficient information from before the launch of the Compact to establish a baseline. The Review Group believed that this lack of information continues due to the fact that information is fragmented and systems in place are not adequate to capture essential data.

- 3.5 The initial monitoring exercise identified a number of issues which would need to be covered in any monitoring and evaluation exercise. Full information can be found in *The Scottish Compact: Annual Review of Implementation of the Scottish Compact 2000-01 (Scottish Executive, 2001)*, however these included:
- the extent of understanding of policy procedures and decision making processes;
 - late notification to the Executive of voluntary sector issues and problems;
 - concerns about how representative voluntary sector intermediaries are;
 - the extent to which roles of similar organisations within the voluntary sector differ;
 - the need for the voluntary sector to define commitments;
 - parts of the voluntary sector being in breach of Compact commitments;
 - the lack of understanding around public sector funding decisions;
 - difficulties in the Executive making funding decisions with 3 months notification;
 - voluntary organisations claiming grants late and the late and/or incomplete submission of financial returns; and
 - difficulties for all parties meeting the 3 month consultation deadline.
- 3.6 The Review Group recognised that the Compact principles apply to all working relationships between the Executive and the voluntary sector. Capturing information on this wider picture has proved difficult. It is often the case that Executive/voluntary sector relationships are preoccupied with funding. The recent Scottish Executive Direct Funding Review (2001) has attempted to tackle these concerns in regards to Scottish Executive funding of the voluntary sector. The Scottish Executive's response to the Review (2002) sets out plans to reform the arrangements for direct funding of the voluntary sector in Scotland and a number of principles and processes aimed at making it easier for voluntary organisations to apply to the Scottish Executive for funding are being adopted. These include:
- making available on the Scottish Executive website information on the funding opportunities available and producing a published version annually;
 - introducing a single core application form for all Scottish Executive funding for the voluntary sector;
 - introducing standard packages of funding conditions, appropriate to the differing levels of funding; and
 - discussing with the voluntary sector the formats in which the funding process may be delivered, seeking to move to electronic delivery for those organisations that want it.
- 3.7 However, a large percentage of voluntary organisations are funded independently from the Scottish Executive or via NDPBs and Agencies. The need to carry out a strategic review of voluntary sector funding in Scotland has been recognised and is now being taken forward on a joint basis by the Scottish Executive, SCVO and CoSLA. The aim of the Strategic Funding Review is to maximise the contribution of voluntary organisations to the common good of Scotland by identifying and making a shared commitment to resolve the cultural and practical issues relating to the funding of voluntary organisations that currently constrain them.
- 3.8 On the basis of these observations, the Review Group has developed an implementation strategy designed to ensure that the Scottish Compact is underpinned

by clear and consistent practice across all parties. This strategy should seek to raise awareness, promote the Compact and develop capacity on a generic basis throughout both the Executive and voluntary sector. It is envisaged that this will lead to a further beneficial impact through better policy making and providing better services. The implementation strategy forms the central focus of this report and is outlined in the following chapter.

PRINCIPLES TO PRACTICE: THE IMPLEMENTATION PLAN

- 4.1 This chapter spells out a 3-year plan of action to secure the implementation of the Scottish Compact. It has been sub-divided into a number of sections to reflect the following key themes: strategic aims and vision; leadership; mainstreaming; raising awareness and promoting best practice; communication; and resources. Monitoring and evaluation issues are covered separately in the following chapter.

Strategic aims and vision

- 4.2.1 The voluntary sector is a key social and economic partner for the Executive. Through partnership, the voluntary sector is more able to communicate the needs of its users and communities at grass roots level to the Executive, and it can support Executive programmes where these coincide with the sector's own objectives. The voluntary sector plays a key role in developing and delivering public policy and services. It is therefore essential for the Executive and the voluntary sector to develop their relationship and to work in partnership to enable the voluntary sector to reach its full potential in this role.
- 4.2.2 The strategic aims for developing the relationship between the Executive and the voluntary sector are set out within the Compact. The Good Practice Guides outline commitments and practical actions that should be taken to secure those aims. Ultimately, this will enable all parties to achieve the potential benefits of partnership working.
- 4.2.3 A main task for the Review Group was to consider the Scottish Compact document itself to ensure its continued relevance. Overall, the Review Group agreed that the Compact identified a valuable set of principles to guide the Executive and voluntary sector relationship. There was little support for the abolition or wholesale replacement of the Compact. Nor was there support for turning the principles it contained into a rigid rulebook governing the behaviours of both parties. The Review Group recommended, however, some strengthening and updating of the text to reflect renewed commitment to achieving an open and participative working relationship between the Executive and the voluntary sector in Scotland and to demonstrate the current climate since devolution. These changes have been made and the revised Scottish Compact is available as a free-standing document separate to this report.
- 4.2.4 In the longer term, the Review Group concluded that the aim should be for Compact principles and practice to be adopted as part of the accepted everyday culture within the Executive and the voluntary sector. This will require regular profiling, promotion of benefits and the sharing of best practice.
- 4.2.5 The following specific actions are proposed:

Action	Completion date	Outcome
Endorsement of revised Scottish Compact and Compact Implementation Strategy at Cabinet level (for the Executive).	Winter 2003	Wide ownership of Compact.
Endorsement of revised Scottish Compact and Compact Implementation Strategy by SCVO and the other national Intermediaries (for the voluntary sector).	Winter 2003	Wide ownership of Compact.

Leadership

4.3.1 Effective implementation of the Compact requires leadership and strong commitment. Across the Executive, all parties and individuals with a link to the voluntary sector should take on ownership of the Compact principles and processes. The Review Group acknowledged that this move towards wide ownership of the Compact represents an ongoing effort, which could be supported through launching the revised Compact as a high profile, national initiative. This launch should be used to demonstrate the commitment of the Executive and of voluntary sector leaders to Compact principles and to secure its application across the board.

4.3.2 The Review Group proposed a number of ways in which the Compact profile could be raised. For example, a foreword by the First Minister in the revised Compact and endorsement at Cabinet or Cabinet Sub Committee level would demonstrate collective commitment by Ministers, the Scottish Executive, its Agencies and NDPBs in Scotland. The Compact's commitments, implementation and evaluation proposals might also be the subject of a Parliamentary debate around the time of the launch in order to raise awareness within the Scottish Parliament. The Executive and the voluntary sector might also facilitate national and/or local joint seminars and training where these will help to promote the Compact and improve understanding.

4.3.3 The following specific actions are proposed in order to achieve this:

Action	Completion date	Outcome
Launch of revised Scottish Compact.	Winter 2003	Increased awareness of Compact.
Commitment by the Executive and voluntary sector to co-ordinate ongoing promotion of the Compact through a 'sell not tell' approach.	Ongoing	Wider awareness of and engagement with Compact.
SCVO and VIU to update and revise Good Practice Guides as specific policy areas develop e.g. in line with the new Scottish Executive Delivering Professional Policy guidance.	At regular intervals on an ongoing basis	Wider awareness of and engagement with Compact.

SCVO and VIU to give consideration to publishing the Executive and voluntary sector Good Practice Guides as a single document.	Winter 2004	Wide ownership of Compact.
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Mainstreaming

- 4.4.1 Mainstreaming involves the systematic application of Compact principles throughout the Executive and the voluntary sector. It involves the integration of voluntary issues into the everyday work of policy makers across the Executive, and involves the voluntary sector representatives, specialists and other external partners. Mainstreaming also involves communicating an awareness of Executive policy priorities, where these priorities overlap with voluntary sector objectives, and information on the various ways that the Executive supports the voluntary sector in these areas.
- 4.4.2 The Compact, and the principles therein, provide an important means of ensuring that the voluntary sector's potential to contribute across policy areas can be recognised. The voluntary sector's contribution should include substantive inputs, alongside other stakeholder interests, to the formulation, design and delivery of policy, legislation and services. It should also involve promoting an awareness of the impact of policy and legislative proposals on the voluntary sector. Assessing the impact of particular proposals upon the voluntary sector should become an integral part of the overall appraisal and impact/risk assessment process. This would help ensure that the voluntary sector is engaged from the start of the policy development process. All Scottish Executive Ministers should therefore continue to mainstream Compact principles and voluntary sector issues throughout their portfolios.
- 4.4.3 In turn, the Compact principles should guide the voluntary sector in developing its relationship with the Executive. For example, through representation the voluntary sector has a role to play to ensure that consultation processes are fair and open to all. It should not only be national organisations, or those funded by the Executive, which have access to the policy development process. As outlined within the Compact, intermediary organisations should be able to demonstrate how they represent accurately and honestly the views of their sectoral constituencies. Through this process, grass roots organisations should be able to access the Executive's consultation processes.
- 4.4.4 The mechanisms and actions below are proposed to support mainstreaming across the Executive and to improve voluntary sector access to the policy development process.

Action	Completion date	Outcome
Bilateral meetings to be held between Ministers, Senior Departmental Officials and relevant voluntary sector organisations in key interest areas.	Ongoing on an annual basis	Voluntary sector access to the Scottish Executive policy development process.

Include the voluntary sector as a cross-cutting issue within the Scottish Executive's Delivering Professional Policy and Consultation guidance.	Summer 2003	Mainstreaming of Compact good practice.
SCVO and the voluntary sector to engage, as appropriate, in the Scottish Executive policy making process.	Ongoing	Mainstreaming of Compact good practice.
The Scottish Executive to establish Voluntary Sector Liaison Officers across each Department/portfolio area. Contact details to be publicised widely.	Spring 2004	Improved voluntary sector access to Executive Departments.
VIU to develop guidance on the roles and responsibilities of Voluntary Sector Liaison Officers	Spring 2004	Improved voluntary sector access to the Executive.
Voluntary sector intermediaries to be responsible for identifying key contacts across the voluntary sector.	Ongoing	Improved Executive access to the voluntary sector.
VIU to investigate the potential for establishing Voluntary Sector Liaison Officers within relevant Agencies and NDPBs, where these do not already exist.	Winter 2004	Improved voluntary sector access to Agencies and NDPBs.
SCVO and the voluntary sector to continue to develop infrastructure in response to identified needs.	Review by Spring 2006	Improved Executive access to the voluntary sector.
VIU to take a lead responsibility in promoting the Compact and disseminating its principles and practices across the Executive.	Ongoing	Mainstreaming of Compact principles.
SCVO to take a lead responsibility in promoting the Compact and disseminating its principles and practices across the intermediary organisations and wider voluntary sector, paying particular attention to small voluntary organisations.	Ongoing	Mainstreaming of Compact principles.

Raising awareness and promoting best practice

- 4.5.1 Effective implementation of the Compact relies on capacity building across the Executive and voluntary sector. The assessment of Compact implementation undertaken in 2001 emphasised that raising awareness and promoting best practice should be the prime area of concern for all parties.
- 4.5.2 To help achieve this, it is necessary to continue to develop structures, mechanisms and networks designed to raise awareness and develop capacity throughout the Executive and the voluntary sector as a whole. The Review Group also suggested that particular emphasis should be given to raising awareness within smaller voluntary organisations, who tend to be less engaged with the Compact than others.

- 4.5.3 The Review Group acknowledged the potential importance of local Compacts in developing effective relationships at a local level across Scotland. It concluded that local Compacts could be effective in promoting Compact principles at levels which national campaigns would find difficult to reach. The Review Group welcomed the initiatives underway in Edinburgh to develop a local Compact embracing leading public bodies in addition to the voluntary sector and the local authority. It recommended that this and similar initiatives elsewhere in Scotland and throughout the United Kingdom should be kept under review and that the lessons learned should be publicised. Further development of multi-agency local Compacts would require a co-ordinated approach by CoSLA, the Executive and the voluntary sector nationally and locally in order to promote good practice throughout Scotland.
- 4.5.4 The Review Group discussed Community Planning partnerships as a potential vehicle for the promotion of local Compacts. Community Planning partnerships are now well established in each local authority area across Scotland, with the voluntary sector recognised as key partners in the process and engaged at various levels. Community Planning guidance, which accompanies the Local Government in Scotland Act 2003, also identifies the voluntary sector as one of the key sectors that should be involved and consulted with by local authorities in the development of Community Planning. The Community Planning Implementation Group, which has been established by the Executive to further develop and implement Community Planning, also includes voluntary sector representation.
- 4.5.5 Improved relations and engagement between the Executive and the voluntary sector can lead to more effective service delivery. Community Planning provides a mechanism through which many of the potential signatories of multi-agency Compacts could be brought together. The CoSLA Voluntary Sector Task Force will continue to investigate the potential of the Community Planning process as providing a framework for developing local Compacts.
- 4.5.6 As part of developing their *Patient Focus and Public Involvement* (2001) agenda, NHS Boards throughout Scotland are being encouraged to consider their relationship with the voluntary sector. This will bring a renewed focus to their relationship and aims to ensure that NHS Boards recognise the valuable contribution the voluntary sector can and does make to their organisation. This work is being led by Voluntary Health Scotland through the provision of an, initially, two-year development programme. As part of this, consideration is being given to the ways in which NHS Boards can be supported to either develop their own local Compact or provide evidence that they are active partners in the multi-agency local Compact development work outlined above.
- 4.5.7 Specific proposals for action in this area include:

Action	Completion date	Outcome
All parties to the Compact to make best use of relevant publications and websites to raise awareness of the Compact. To be particularly aimed at small organisations.	Ongoing	Increased awareness of Compact principles and implications for all parties at all levels.

VIU to launch webpages on the Scottish Executive website specific to their work with the voluntary sector.	Summer 2003	Improved access to relevant voluntary sector and Executive information.
SCVO and key intermediaries to ensure their websites provide relevant and accessible information on the voluntary sector.	Summer 2004	Improved access to relevant voluntary sector and Executive information.
VIU to roll out staff seminars on the Compact throughout all Scottish Executive Departments.	Ongoing	Increased awareness of Compact principles and implications for all Executive parties at all levels.
VIU and SCVO to organise joint seminars with relevant NDPBs, Agencies and voluntary sector organisations.	Ongoing	Increased awareness of Compact and implications for all parties at all levels.
SCVO, in liaison with intermediaries, to roll out awareness-raising seminars across the voluntary sector, with a key focus on small organisations.	Ongoing	Increased awareness of Compact and implications for all parties at all levels.
All parties to encourage the development of local Compacts.	Ongoing	Improved relations at local level.
All partners to discuss potential models that could be used to promote effective awareness raising and the sharing of good practice.	Summer 2004	Better use of resources and application of best practice.

Communication

4.6.1 A variety of mechanisms exist, or are proposed within this report, to ensure more effective communication within the Executive, the voluntary sector, and between each of these parties. The key mechanisms are:

- Scottish Executive/Voluntary Sector Forum – for political engagement twice a year on strategic issues across the sector and on an Executive-wide basis.
- Executive/Voluntary Sector Bilaterals – for engagement at least annually between the Executive and relevant voluntary sector organisations at a political level.
- Scottish Executive/Voluntary Sector Away Day – for political level engagement, including Ministers, across the Executive and voluntary sector. There have been two events to date and it is recommended that the value of these are assessed to inform any similar events in the future.
- Voluntary Issues Unit Steering Group (VIU SG) – for Executive-wide engagement at official level on strategic issues. The VIU SG plays a key role in informing the context and, if required, the agendas for both the Scottish Executive/Voluntary Sector Forum and Executive/Voluntary Sector Bilaterals. Officials from SCVO and Volunteer Development Scotland (VDS) also attend.

- SCVO Policy Committee - members are nominated by individual member organisations and elected by the overall membership. The role of the Committee is to discuss and determine SCVO's position on public policy issues of interest to Scotland's voluntary sector.
 - Voluntary Sector Intermediaries Network - links intermediary bodies representing the interests of voluntary organisations working in particular areas of activity. Meetings take place on a two month cycle, with additional meetings for specific purposes as necessary.
- 4.6.2 Good communication between the Executive and the voluntary sector plays an essential role in supporting the development of a strong working relationship. The above mechanisms provide opportunities for the Executive and voluntary sector to discuss a wide range of issues, that may be generic, strategic and/or policy specific in nature. These particular systems could be further improved, however, through refining the potential role of the Away Day and the SE/VS Forum. The Executive might also specifically review the role of the VIU Steering Group and its members and examine their potential to act as champions for mainstreaming the principles of the Compact within Departments. By the same token, SCVO might undertake to review the role that their Policy Committee and their network of intermediaries play in contributing to policy development and in promoting the Compact throughout the wider voluntary sector, including those organisations that are not members of SCVO.
- 4.6.3 A particular finding of the 2001 Review of Compact Implementation was that it is often difficult for the voluntary sector to identify who has a lead role for promoting and sustaining the Compact within the Executive. The Review Group concluded that mechanisms being implemented to promote mainstreaming were also likely to improve communication and raise awareness of the Executive's structure and key contacts. To further enhance this, the Review Group recommend that details for key contacts are widely publicised e.g. for the VIU Steering Group and Voluntary Sector Liaison Officers.
- 4.6.4 In addition to measures to improve direct channels of communication between the Scottish Executive and voluntary sector, it is also important that there is effective communication between the Scottish Executive and the individual NDPBs and Agencies for which it is responsible, and between these Public Bodies and the voluntary organisations with whom they interact. Sponsor divisions within the Executive should ensure that the policies, priorities and responsibilities for the voluntary sector set by Ministers are effectively communicated to the Public Bodies for which they are responsible. NDPBs, Agencies and NHSScotland should also be encouraged to hold bilateral meetings at senior level at least annually with the voluntary bodies with whom they work, and clear points of contact should be established on both sides to share information and to ease access to other staff. The scope for closer involvement of the voluntary sector in the development of policy by these Public Bodies should also be explored.
- 4.6.5 The Review Group also suggests that the various parties to the Compact consider the scope for more effective co-ordination of publicity at national and local level to increase awareness of the Compact principles. The Review Group particularly

recommends improving communications with hard-to-reach, small voluntary and community groups through a wider range of media outlets, including national magazines such as the Big Issue and the range of Executive and voluntary sector websites. Creative marketing techniques, such as e-mail auto-signatures and web links, might be considered as potential publicity mechanisms in order to further raise awareness of, and mainstream, Compact principles and implementation.

4.6.6 To enhance the above communication mechanisms, a compliance system should also be developed for the recording and potential resolution of grievances related to non-compliance with Compact principles. In developing this system, care should be taken to guard against creating an “us against them” mentality, which could potentially damage the relationship between the Executive and voluntary sector. Generally, it is for individual Executive and voluntary sector bodies to deal with issues regarding the implementation of Compact principles, and how compliance with these principles should be interpreted. However, where no final solution can be found to a problem, the relevant information could be logged and used to provide valuable information on the general effectiveness of the Compact, the nature of any disputes and the policy areas in which they tend to arise.

4.6.7 This approach to a compliance system should be piloted, in the first instance, in one Scottish Executive Department. Where an issue cannot be resolved through routine communication, it should then be logged with the Voluntary Issues Unit (VIU). The VIU will inform the relevant Departmental Liaison Officer, who will liaise with the policy officials involved. Officials should liaise directly with the voluntary organisation that has raised the grievance and facilitate meetings or a discussion of the reasons behind the problem. The purpose of this will be to explain the reasons why the Executive took the particular course of action that triggered the grievance and attempt to identify any potential courses of redress. If the issue is resolved to the satisfaction of both parties, the relevant officials will inform the Liaison Officer who will in turn inform the VIU. If the issue is not resolved, this will be logged by the VIU and the information used to inform the monitoring process. Figures will be produced annually to show the number of compliance issues raised regarding implementation of Compact principles and how many have been successfully resolved. This information will be fed back to the relevant Departments and used as part of the Compact monitoring and evaluation system.

4.6.8 Specific proposals are as follows:

Action	Completion date	Outcome
VIU to seek agreement of VIU Steering Group members (senior official in each Scottish Executive Department) to revised terms of reference, which reflect a proactive mainstreaming role.	Autumn 2003	Mainstreaming of voluntary sector issues and improved Executive communication.
Key Compact partners to assess the need/format/ benefits of an Away Day to bring together the voluntary sector, senior politicians, civil servants and senior management from Agencies and NDPBs.	Autumn 2003	Improved voluntary sector and Executive communication.

SCVO Policy Committee role to reflect Compact implementation and raising awareness functions.	Summer 2004	Improved implementation of Compact.
SCVO network of intermediaries role to be refined.	Summer 2004	Improved voluntary sector communication.
VIU to pilot compliance system in one Scottish Executive Department (to be identified in due course).	Winter 2003	Improved voluntary sector and Executive communication.
SCVO and voluntary sector to develop procedures to mirror SE compliance system.	Summer 2004	Improved voluntary sector and Executive communication.
Compact to be standing agenda item for national fora, such as the SE/VS Forum, SCVO Policy Committee and Intermediaries Forum, to ensure that it is effectively promoted.	Ongoing	Improved voluntary sector and Executive communication.

Resources

- 4.7.1 Scottish Ministers and the Executive are working together to promote equality of opportunity and to eliminate deprivation and disadvantage in order to extend opportunities to all individuals, young and old alike. Cross cutting agendas contributing towards this culture change include active citizenship, transparent governance and the Social Justice Strategy for tackling poverty and injustice. The Review Group acknowledged the scale of the challenge in delivering a real culture change in Compact implementation. In order to achieve this, the Review Group suggested that significant commitment of resources by the Executive and the voluntary sector will be needed. To assist this, the Review Group recommended that implementing the Compact should be recognised as a core function both for Executive bodies operating in Scotland and by voluntary organisations in receipt of core funding from the Executive.
- 4.7.2 The Executive is committed to implementing the Scottish Compact. Executive bodies, including Scottish Executive Departments, should ensure that Compact principles are fully applied both in their general interactions with the voluntary sector and in the development of relevant policy and practice. Scottish Executive Departments, Agencies, NDPBs and NHS Boards are responsible for providing the necessary resources to ensure this occurs and for determining how they plan to address Compact principles.
- 4.7.3 In turn, there is an assumption that intermediary organisations should already be using existing resources to similarly meet Compact expectations. It follows from this that the financial resources required to implement the Compact should be reflected within the core funding allocations made by the Executive to intermediary voluntary organisations. The tasks to be undertaken by these intermediary voluntary bodies to promote the Compact should be set out both within the organisation's funding agreement with the Executive and within each organisation's business plan. The

Review Group proposes that it should be for individual intermediary organisations to agree with their funding body how they discharge their Compact responsibilities.

4.7.4 The Review Group proposed that resources, in the broadest sense, might best be focussed on:

- ongoing promotion and implementation of the Scottish Compact and Good Practice Guidance;
- reaching key target audiences at all levels throughout the Executive and local government in Scotland and throughout a large, complex and disparate voluntary sector;
- targeting awareness raising activities at those parts of the voluntary sector/organisations that currently lack awareness of the Compact principles and commitments e.g. smaller organisations; and
- continuous comprehensive monitoring and cyclical review of Compact implementation.

4.7.5 The Review Group recognised that in the early stages of monitoring and evaluation of Compact implementation, there would be additional costs incurred. For this reason, funding has been set aside within the Scottish Executive Development Department specifically for developing the monitoring and evaluation framework in further depth, and for undertaking the initial baseline survey.

4.7.6 Specific proposals designed to achieve this are as follows:

Action	Completion date	Outcome
Compact implementation to be explicitly acknowledged as a core function for Executive bodies and intermediary voluntary sector organisations.	In strategic plans by spring 2005	Improved Compact implementation.
Funding agreements with intermediary voluntary organisations core funded by the Executive to include implementation and promotion of the Compact principles.	Spring 2005	Improved Compact implementation.
Scottish Executive Departments, Agencies and NDPBs and NHS Boards to acknowledge resources required to implement the Compact.	Winter 2003	Improved Compact implementation.

MONITORING AND EVALUATION

- 5.1 Monitoring and evaluation is critical for identifying how effectively the Compact is being implemented and for demonstrating its credibility. It is also important for identifying good practice and gaps regarding Compact implementation.
- 5.2 The need to develop effective monitoring and evaluation processes should be balanced against the desirability of maintaining the central focus of the Compact as something that provides an overarching framework of principles. The process of Compact implementation is one of relationship building, and there is a real danger that progress could be restricted if there is too much emphasis on documentation, process and bureaucracy. If the focus on core principles is lost, then implementation becomes simply a list of actions that may or may not have any impact on moving towards achieving the potential benefits of the Compact.
- 5.3 In addition, it is important that monitoring of the Compact relates as far as possible to existing processes and structures to help ensure that any system is not excessively burdensome.
- 5.4 GEN Consulting was commissioned by the Review Group and the Scottish Executive's Social Research Unit to make recommendations for establishing a Compact baseline and to develop a monitoring and evaluation framework. This work forms the basis for monitoring and evaluating the Compact.
- 5.5 Performance indicators are an essential measurement tool to determine trends and patterns of change, highlight issues and inform opinion. All parties to the Compact acknowledge the need to develop indicators that would be appropriate to all types of relationships between the Executive and the voluntary sector. On the basis of this, the consultants identified eight main areas that monitoring and evaluation should focus upon in order to demonstrate implementation of the Compact principles:
- **awareness** of the Compact;
 - **dissemination** – the extent to which knowledge and awareness of the Compact permeates through an organisation, especially to front-line staff;
 - **usage** – there may be limited impact of the Compact, regardless of the extent to which there is awareness of the Compact, if parties make limited use of it;
 - **usefulness** – the extent to which each party finds the Compact of use in their dealings;
 - **Good Practice Guides** – in terms of the extent to which they have been **used**; and the **impact** that they have had;
 - **mutual understanding** – the extent to which each party has developed a better understanding and awareness of one another;
 - **confidence** – the day-to-day functioning of the relationship; and
 - **trust** – the development of trust through the culmination of confidence.
- 5.6 These areas are intended to capture the essence of the Compact and its implementation. In order to monitor these key areas, the Review Group proposes that the parties to the Compact should collectively:

- develop an implementation strategy with key performance indicators (see previous chapter);
- establish a regular Compact monitoring survey (supplemented by relevant information through the Scottish Executive's Direct Funding Database, Consultation Registration and Evaluation System, and Compliance System);
- establish a more in-depth and comprehensive stakeholder feedback process; and
- improve the collation of contextual information from a range of Executive and voluntary sector sources.

5.7 In addition to, or as part of, the above mechanisms, the Review Group also believes that it is important to ensure some elements of real-time information are collated as part of the ongoing monitoring and evaluation of Compact implementation. This should be considered further as a monitoring and evaluation system is developed.

5.8 Specific proposals are:

Action	Completion date
A regular (18 month) symmetrical survey (essentially asking the same questions of the voluntary sector and the Executive) should be undertaken to monitor implementation of the Compact; based upon a representative sample from the Scottish Executive, it's Agencies, NDPBs and the voluntary sector. The first survey should provide Compact baseline information.	18 month cycle from 2004
A number of direct and indirect monitoring indicators should be derived from the Scottish Executive's Direct Funding Database, the Consultation and Registration Evaluation System, and the Compliance System (the latter two are currently being established).	Winter 2003
The Scottish Executive/Voluntary Sector Forum should meet every 18 months to review Compact implementation across the Executive and voluntary sector, and against the Compact Implementation Strategy.	18 month cycle from 2004
Monitoring evidence to be disseminated widely.	2004
The Survey should be supplemented with the use of interviews, focus groups, real-time information etc, collated every 3 years to capture more comprehensive stakeholder feedback.	2006
Review of Compact implementation progress to be published every 3 years through SPICe, Third Force News, etc.	2006

DELIVERY ARRANGEMENTS

- 6.1 Implementation of the Scottish Compact is a shared responsibility of the Scottish Executive, its Agencies, NDPBs and the voluntary sector, including the main intermediary voluntary organisations.
- 6.2 The Executive and voluntary sector are broadly defined within this report. The term intermediary voluntary organisation is used to describe a voluntary organisation 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. Typically, intermediary organisations represent the collective interest of their members to the Executive and other public sector bodies, provide information, advice and training for the management, staff and volunteers of their member organisations, disseminate information, and provide practical services such as pension schemes.

The Scottish Parliament

- 6.3 The Scottish Parliament endorsed the Scottish Compact in 1999 and the Review Group would encourage them to again endorse the revised Compact and to encourage its effective implementation.
- 6.4 The Review Group proposes that the Scottish Executive/Voluntary Sector Forum should regularly report to the Scottish Parliament on progress in implementing the Compact. The format of these reports should be flexible and could take the form of a publication, Parliamentary statement and/or motion for debate.

Scottish Executive Voluntary Issues Unit (VIU)

- 6.5 The Voluntary Issues Unit will continue to co-ordinate the delivery and implementation of the Scottish Compact in so far as its obligations apply to the Executive. As part of this role, the VIU will continue to develop the principles of working in partnership, based on the mutual understanding of the distinctive values and roles of the Executive and the voluntary sector. In particular, promoting and extending ownership of the Compact throughout the Executive and voluntary sector will be a main focus for VIU.

Scottish Council for Voluntary Organisations (SCVO)

- 6.6 SCVO will use its own representative structures, networks and information channels to promote the Compact throughout the voluntary sector. This will involve a sustained programme of publicity through Third Force News (TFN), Third Force eNews (Tfe)

and other SCVO internet sites. While SCVO cannot commit its member organisations or the intermediary networks with which it works, it will actively seek their support for the implementation of the Compact principles and for the monitoring process.

Local government

6.7 The Review Group noted that all local authorities have made a commitment to working with the voluntary sector. This is illustrated by a variety of local authority documents, on a continuum from policy statements through local Compacts to multi-agency local Compacts. The Convention of Scottish Local Authorities (CoSLA) has supported this work by preparing guidance on local authorities' voluntary sector policy statements and volunteering policy statements in partnership with SCVO and Volunteer Development Scotland respectively. A number of local authorities have developed their own local Compacts and the Review Group is keen to encourage this throughout Scotland.

MEMBERSHIP OF THE COMPACT REVIEW GROUP

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