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Chairs and CPP Managers of Community Planning Partnerships

Cc: CoSLA  
SOLACE  
SCVO  
VDS  
BIG

21 October 2008

Dear Colleague

## **THE FUNDING OF THE VOLUNTEER CENTRES AND COUNCILS FOR VOLUNTARY SERVICE 2008-2011**

1. I wrote on 18 March to Chief Executives of Volunteer Centres (VC) and Councils of Voluntary Service (CVS) outlining changes to our future funding of third sector infrastructure from April 2011 (copy of letter attached).
2. I now write to review progress and to clarify points which have emerged from the considerable discussion which has taken place in the intervening months. Overall, our general impression is of a growing welcome to the opening of a path towards a much better connection for the third sector to Community Planning Partnerships (CPP) and Single Outcome Agreements (SOA). For a good number of organisations this is not new but endorses steps they have already taken. Many areas are now appreciating that working in stronger partnerships is the best way to serve the needs of those they support.
3. Much of this has been discussed in the recent national conferences of CVSs and VCs as well as at many of their AGMs. CPPs have also become involved in local discussions of the changes and are giving a warm reception to more effective connection with the third sector. The pace of change is picking up with many groups of organisations already in advanced discussion about how they might take forward this opportunity. Each area has different needs, faces different challenges and is likely to come to different solutions - and only local discussion can bring these out effectively.
4. The development of the Concordat and the system of SOAs has been considerable and going forward from 2009-10 SOAs will be developed fully by CPPs. In many areas there has been useful input by the third sector to the refinement of SOAs and a growing awareness of the contribution which the third sector can make to the delivery of those outcomes. However, in many areas there is considerable potential to enhance the partnerships between the third sector and the CPP and we continue to work with all parties to build these essential connections. As we do so, we recognise that a large part of the work of the third sector is

done far from the formal arrangements surrounding the CPP. This work is vital and we wish to ensure that the third sector infrastructure is able to continue to support this important work, often done deep within communities.

5. At this stage, we have been asked to set out more detail of the form and funding of the infrastructure we will support in future. We think there are three main components to this: our goal, the form and funding.

## Goal

6. We wish to work with local partners to ensure that in addition to the support the infrastructure provides to local and national third sector bodies working in each area, there is a strong interface between the third sector and the CPP - to enable the SOA to be informed by the knowledge and experience of the third sector; and for the third sector to have a real opportunity to show how it could deliver SOA outcomes.

## Form

7. We have no preconceived ideas on the form of the infrastructure providing that interface; and we believe that decisions on form or structure should be a matter for decision at the local level. While we are keen to support these developments in whatever way is thought locally appropriate, the Scottish Government will not make decisions on the interface.

8. This is a proposal intended to significantly empower the new interface - nevertheless it may be helpful to designers of the new arrangements if we set out some basic parameters or functions and we will work with partners to identify these.

## Funding

9. We cannot anticipate decisions on funding which will emerge from the next Spending Review, although we do expect to continue funding of third sector infrastructure.

10. The model currently under discussion is that we would provide a single pot for each CPP area. The amount in each pot will be determined by available resources and by a formula which can be properly evidenced. Decisions on distribution of funds within the pot would be for the interface locally, and certainly not central or local government. However, we would hope the growing partnership with the CPP would offer some guidance on the priorities to be pursued in each area. Funding will be distributed either directly from the Scottish Government or via an independent agency.

11. This means that the funding and distribution thereof is entirely separate from the detail of the structure of the local infrastructure and interface with the CPP. It may be that some areas decide to go for a coordination arrangement for existing bodies; others might seek to replace existing organisations with new forms, perhaps single bodies. While we expect to provide funding towards whatever form is eventually chosen, organisations which choose to remain outside the new arrangements will no longer be funded.

12. There have been questions about the impact of these changes on the responsibilities of existing national intermediary bodies like SCVO and VDS. While these bodies currently have roles in relation to existing networks each also has wider interests and important contributions to make at national level. We expect SCVO and VDS to continue as key players in delivering on the sector's ambitions and providing support across the sector as needed.

13. There has also been interest in the relationship between these changes and those being funded by the DINC/SVA programme from BIG. The investment by BIG is designed to increase the capacity and capability of the third sector infrastructure, and will contribute to the effectiveness of the infrastructure regardless of form or structure.

### **The Change Process**

14. We are in no doubt of the substantial scale of the changes now in prospect in some areas. A good number of areas have already moved towards the new stronger interface, with some taking the complete step to a single third sector body, unifying all aspects. Although the end point is the end of the current Spending period, there is no reason not to start and complete the process much earlier. A key advantage in early change will be the opportunity to be significantly better engaged in the SOA and CPP, which should be of substantial benefit to those you support in the community.

15. If you feel that you would like to discuss matters further, members of the Implementation Team would be happy to meet you and offer support for engagement with public sector bodies in your area. Fiona Malcolm and I too will be very pleased to assist in any way possible.

**GEOFF PEARSON**