

## **Working with the Voluntary, Community and Faith Sector**



**Joint Interim Strategy**  
**Draft: February 2008**

## Foreword



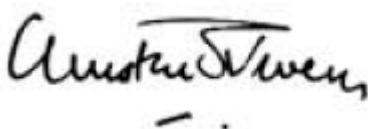
Surrey is a county of over one million residents living in distinctive and diverse communities, where there are different views and changing needs and demands. The Voluntary, Community and Faith Sector plays a critical role in meeting the needs of these communities and in helping build their own resilience.

Surrey is fortunate to have a strong, vibrant and vocal Voluntary, Community and Faith Sector. The sector contains organisations both large and small, paid employees offering a professional service as well as volunteers. This diversity is a strength, engaging local knowledge and a rich mixture of skills, and enabling the sector to reach parts of Surrey's communities that publicly funded organisations can often struggle to reach.

Surrey County Council and Surrey Primary Care Trust are also diverse, providing a very wide range of services. We need a strong Voluntary, Community and Faith sector to help us in our task of making Surrey a better place for all its residents.

We believe that our relationship with Surrey's Voluntary, Community and Faith Sector is a very important one, and that it is in our interests and the interests of Surrey to help strengthen the sector. By working together we can have a much greater impact than if we work separately. This is a relationship that needs to be based on mutual understanding and trust. It needs to be a professional and business-like relationship, with clear objectives and frameworks.

Our aim is to create a partnership strategy for working with the Voluntary, Community and Faith Sector in Surrey that is sustainable and affordable, transparent and equitable, creative and deliverable.



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Executive Member, Safer and Stronger Communities  
Surrey County Council



Mr Douglas Robertson  
Chairman  
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## 1.0 Introduction

Surrey needs a strong Voluntary, Community and Faith sector. The VCFS is able to respond flexibly to rapidly changing local community needs, while the role of volunteers is also critical in ensuring that our communities are resilient and self-sustaining.

VCFS activities support Surrey residents in many different ways, including village halls, antenatal support, care and support for people with disabilities and older people, conservation, preservation, sports clubs, and clubs for young people. They are an essential part of the fabric of community life in Surrey.

For its part the VCSF needs the support and understanding of the public sector to help it thrive and carry out its essential role effectively and with creativity. A strong partnership between public sector organisations and the VCSF, based on mutual understanding and trust, is therefore essential to the well being of Surrey.

This interim strategy aims to help build that partnership. It recognises existing good practice, including the Surrey Compact, and it is the product of a long consultation to identify key concerns and solutions. It sets out principles to guide future work and offers a platform for developing a wider shared approach across the public sector and the VCFS.

The strategy seeks to:

- Improve dialogue and engagement between and through the public sector and VCFS, with excluded and seldom heard groups;
- Contribute to the rich mix of services and activities that the VCFS carries out to help communities to be strong, cohesive and connected;
- Work in partnership to enable innovative and cost-effective delivery of public services in line with the Surrey Strategic Partnership's Vision for Surrey in 2020.

The strategy is for all of the VCFS, including those that are in receipt of funding from public sector partners and those many smaller organisations, social enterprises and volunteers that do not. The strategy looks for ways of supporting their vital work for the people of Surrey.

This is an interim strategy and is not the final word. It records what is being acted on now in response to the key issues of funding, infrastructure, engagement and volunteering. It recognises that the dialogue needs to be extended to include a wider range of public sector partners and that, in order to turn dialogue into really effective joint action, there needs to be a suitable forum that sits within the Surrey Strategic Partnership.

## **2.0 Background**

Last year, Surrey County Council identified a need to develop a strategy for its work with the Voluntary, Community and Faith Sector (VCFS) in response to concerns raised by VCFS partners. It was also recognised that the strategy should take account of national and local priorities and the pressure on Surrey County Council funding, whilst seeking to build capacity in the sector to enable service delivery to the community to be maintained and improved.

A draft document entitled “A strategy for working with the Voluntary and Community Sector” was issued by Surrey County Council for consultation in October 2007. This attracted a widespread response, which has directly influenced this document.

The consultation responses led to the conclusion that a joint partnership strategy, involving other public sector partners as well as the VCFS, would be more appropriate. The intention now therefore is to develop a two-stage approach, by putting in place the necessary interim working arrangements, whilst a partnership strategy is developed by the end of the year. An action plan will be developed to show how the strategy will be implemented.

Surrey Primary Care Trust’s (PCT) response to the consultation expressed a commitment to developing a joint partnership strategy and an acknowledgement of ever closer ties, particularly in relation to service commissioning. An outcome of the consultation therefore was a decision by the PCT to join with the county council in shaping and endorsing this interim strategy. For the purpose of this document, the two organisations will be referred to as ‘the partners’.

This transitional document has been produced to capture the debate thus far and to set out Surrey County Council and Surrey Primary Care Trust’s intentions to work with the VCFS and a wider range of public sector partners, particularly our district and borough council colleagues, to create a joint partnership strategy.

This is therefore an interim strategy and a basis for further dialogue with public sector partners together with the VCFS. This strategy (and its action plan) should represent a journey and will be reviewed regularly to ensure continuous progress. The final strategy will be closely aligned to the Surrey Compact, including the codes of practice.

## **Surrey County Council**

The county council has made considerable efforts over the past 18 months to strengthen working relationships and transactional processes with the VCFS. The strategy was developed over 12 months, and evolved throughout this time as a result of dialogue and consultation. The lengthy and in-depth consultation has also improved awareness and understanding of the VCFS by county council staff, as well as increasing the profile of volunteering.

In parallel to developing the strategy, the county council has taken a number of other actions. Operational guidance for county council staff on matters such as employee volunteering and working with volunteers will be developed and implemented as separate, internal documents.

Surrey County Council became a Compact signatory in November 2006. Since then, the county council has been developing its own guidance in response to the Compact codes of practice, which includes funding guidance and a volunteer toolkit for the council. In addition to the support of elected members, there are now six senior officers, including the Chief Executive, who have taken on the role of Compact Champion to help embed the Compact within the county council. As part of the strategy work, further plans are being developed to support the Surrey Compact.

Surrey County Council is building on the consultation through regular discussions with the CVS Network and VCFS colleagues through the strategic working group (chaired by the Chief Executive of Surrey County Council). These groups have helped to shape the strategy, forming a platform for wider dialogue across the VCFS and public sector.

Over the last year, the county council has brought greater clarity to the way in which it spends taxpayers' money and funds the VCFS (now known to be around £16m in contracts and grants). It has agreed to protect that level of spend in the future and has reviewed payment mechanisms to ensure payments are made on time and offer a greater predictability for the VCFS. This clarity will help the council, with partners, to review funding arrangements, better distinguishing grant funding from contractual arrangements. This will also enable the county council to improve its service delivery monitoring.

Governance arrangements for the Surrey Strategic Partnership have been reviewed, with an explicit role recognised for the VCFS, on the Leadership Group and in Thematic Partnerships (see section 6.4). It is now important to ensure that the VCFS is properly linked to the work of the Surrey Strategic Partnership and that there is an effective forum to influence strategic planning and local delivery.

## **Surrey Primary Care Trust**

Since its inception in October 2006 Surrey PCT has been keen to develop and improve its working relationships with the VCFS. During the last year the PCT has been working with SCC to develop a joint strategy on partnership working with the voluntary, community and faith sector. The PCT will continue with its own internal commissioning processes whilst the partnership strategy is developed. The PCT is continuing to review VCFS organisations that it currently funds and will look to develop joint commissioning models as part of the partnership strategy work. The PCT support the Compact principles and will respond separately to any revised codes.

The PCT has developed its integrated communication strategy, which covers how the PCT will communicate with patients, carers and the public at an individual and community level. It also sets out how the PCT will communicate with partner organisations including the VCFS in the planning and delivery of services that contribute to the health and well being of our population.

The PCT supports the aim to have joint VCFS strategic consultative group with appropriate representation from the whole sector. This Group can work jointly with partners on the development of the VCFS strategy and provide an advisory function for other strategic work programmes for example the Surrey Community Strategy and Local Area Agreement as well as PCT Strategic Change Programmes.

## **What happens next?**

This interim strategy will be further developed through a new partnership group involving VCFS and public sector representatives, under the umbrella of the Surrey Strategic Partnership (see section 6.4). This group will aim to develop a partnership action plan to implement the strategy and to engage a wider range of public sector partners, especially our colleagues in the District and Borough Councils who are also key funders of VCFS organisations.

### **3.0 Guiding Principles**

The strategy will embody the following principles:

- 3.1 Be developed in partnership between Surrey County Council with the VCFS and other key partners, such as the district and borough councils. The aim is a joint strategy for Surrey County Council, the PCT and district and borough councils by the end of 2008.
- 3.2 Support local capacity building and VCFS infrastructure needs as well as service delivery needs, working with the whole sector, not just the organisations that the public sector funds.
- 3.3 Be consistent with the themes in the Surrey Compact by building a trusting relationship and recognising the value that the VCFS brings to Surrey.
- 3.4 Support the principles contained within the ChangeUp programme.
- 3.5 Support the Surrey in 2020 Vision and revised Sustainable Community Strategy.
- 3.6 Reflect central Government guidance, such as how local authorities can engage the VCFS in service planning, commissioning and evaluation.
- 3.7 Reflect the Department of Health (DOH) guidance in relation to working with the VCFS through the PCT Strategic Commissioning Plan, Strategic Change Programmes, Surrey Public Health Improvement Strategy and the integrated Communications Strategy.
- 3.8 Recognise that small, specialist services have a crucial role and should be nurtured.
- 3.9 Recognise that local volunteering should be encouraged and supported.
- 3.10 Demonstrate value for money to taxpayers by encouraging efficiency and collaboration between organisations.
- 3.11 Promote the sharing of knowledge between organisations to facilitate better service planning and delivery.
- 3.12 Build on existing good practice and arrangements already in place in Surrey.
- 3.13 Promote innovation that better meets community needs.
- 3.14 Respect the VCF sector's independence.
- 3.15 Recognise that by acting together purposefully, we can achieve more for our communities.

## 4.0 Funding and Procurement

- 4.1 Funding to the VCFS will be based on the Surrey Compact funding code (currently under review) and in collaboration and dialogue with the VCFS. Surrey County Council's operational funding toolkit will capture the detailed process including a distinction between grants, infrastructure and service contracts as follows:
- a) Grants – one off specific grants of varying value to support organisations to deliver Surrey priorities and are neither b) or c) below.
  - b) Contracts – Fixed term for clearly defined services with clearly defined outputs and outcomes. Otherwise known as Service Level Agreement (SLA).
  - c) Infrastructure – Core funding to ensure a capacity exists to support first tier organisations to deliver services to our communities. (See section 5)
- 4.2 For the transitional period, the PCT will continue its own review of funded organisations and their contractual status.
- 4.3 The partners will continue to develop joint funding and commissioning with other statutory partners, with a clear link to strategic priorities and outcomes.
- 4.4 Where appropriate, the partners will engage the VCFS, including service users and carers, in the commissioning and specification of service needs.
- 4.5 Standard, simple guidelines and templates will be developed, bespoke to the level and complexity of the service to be delivered. These will be available on the partners' websites.
- 4.6 The process by which organisations apply for funding will be made clear, including the use of the websites and VCFS networks.
- 4.7 A transparent approach will be applied to VCFS grant funding decisions. To this end, the creation of grant panels will be assessed.
- 4.8 Service contracts will be subject to competition, where appropriate. The reasons as to when competition is appropriate will be transparent. The introduction of such contracts will be phased (i.e. in a rolling programme) and in accordance with Compact. Information about which areas are subject to competition will be made available and guidance will be provided as part of the tender process.

- 4.9 It is recognised that the VCFS will need to strengthen its skills and capacity in order to respond to a more contractual environment that allows public sector partners to demonstrate value for money to taxpayers. The partners will work in partnership with the VCFS to develop a programme of support over several years for organisations that will go through the tender process, in order to build an understanding and capacity within the sector. This will include clear and simple guidelines, and a rolling programme of training and/or workshops, including addressing the impact of Self-Directed Care.
- 4.10 The partners recognise the potential impact of tendering on small organisations, and more work will be done to address this issue.
- 4.11 The partners will ensure value for money by applying best practice to funding the VCFS and buying in services, with suitable monitoring and performance measures. This includes encouraging joint venture/partnership bids for service contracts where appropriate, though this will not be a condition of tendering.
- 4.12 The VCFS are encouraged to develop their own long-term funding stability through exploring a range of funding options, including Social Enterprise.
- 4.13 Funding levels or changes will be advised no later than December of each year and are subject to finalising service budgets. Any changes in budgetary planning will be discussed with the funded partners and will have a six-month lead in time, including three months dialogue. The Surrey Compact Funding Code states that funding bodies should “give at least three months written notice if there is a possibility that the funding situation will change, or if funding is likely to be withdrawn”.

## 5.0 Infrastructure

- 5.1 The strategy will be consistent with the definition of infrastructure from both the ChangeUp guidance and the Surrey Infrastructure Development Plan (SIDP):

*"Infrastructure is the physical facilities, structures, systems, relationships, people, knowledge and skills that exist to support and develop, co-ordinate, represent and promote front line organisations thus enabling them to deliver their missions more effectively"*

*"Infrastructure organisations, often called 'second tier', intermediary or umbrella organisations, provide support to frontline organisations. They are usually generic (support all frontline organisations within a particular geographical area) or specialist (supporting a particular sub-sector of the VCS or offer a particular area of expertise)"*

- 5.2 The strategy will also be consistent with the conclusions of a 2002 Treasury Review into the role of the VCS in Service Delivery:

*"Capacity Building is about ensuring that Third Sector has the skills, knowledge, structures and resources to realise their full potential. It is a second tier activity that supports front line first tier activity and typically involves removing barriers to involvement and investing to maximise the contributions that Third Sector can make. It is as much about releasing capacity as about new capacity"*

- 5.3 The partners will continue to fund infrastructure organisations to provide this capacity building. They will also continue work with other partners to review and build on the current tripartite arrangements and understandings.
- 5.4 Infrastructure agreements may be up to three years in duration and not subject to competition at this time. These agreements will continue as grants until further notice. The borough-based CVSs will remain tripartite where appropriate and based on the existing memoranda of understanding and agreements, until funding partners agree otherwise. Appropriate performance monitoring arrangements will be adopted.
- 5.5 The partners recognise the diverse roles of local CVSs, specialist organisations and countywide organisations such as Surrey Community Action (SCA). These roles need defining, in partnership with the VCFS, within the strategy.
- 5.6 The partners will work with the infrastructure organisations through the ChangeUp programme to undertake a capacity check to enable a clearer picture to be created of Surrey's needs. This work will inform the future strategy and funding decisions about infrastructure. The strategy will take greater account of the work already undertaken in this area (for example, the Surrey Infrastructure Development Plan), as well as the work planned for the future.

- 5.7 Consistent with the principles of the ChangeUp programme, a key area for the proposed partnership strategy will be to develop the financial sustainability of individual organisations. In the meantime, the infrastructure organisations will continue to be funded in accordance with the existing Memoranda of Understanding and other infrastructure agreements, through grant funding. These agreements will form the basis of new partnering arrangements and will be updated to include the requirements for capacity checks and future sustainability referred to above, as well as clear and appropriate performance monitoring arrangements. The NAVCA standards model will continue to be used as a basis for CVS activity and monitoring. It is not, therefore, the intention to tender these activities at this stage.
- 5.8 As part of its approach to infrastructure, and in partnership with public sector organisations and Volunteer Centres, the strategy will seek to promote and develop volunteering in Surrey.
- 5.9 Funding advice is a core activity of all infrastructure organisations, such as CVSs, as already set out in the existing Memoranda of Understanding. A network of officers representing these organisations, for information sharing and reviewing levels of advice, would be beneficial. It is recognised that there is support to develop countywide funding advice provision. This area of work needs reviewing, in the interest of avoiding duplication.

## 6.0 Engagement

- 6.1 Consultation responses identified a need for a more coherent engagement policy, which addresses how to engage with the whole VCFS in Surrey, not just the large organisations or those funded by the public sector. The strategy should also seek to engage with the VCFS to understand community needs.
- 6.2 There is a number of existing engagement activities, including consultations, representations, communications, collaborations and partnerships. These activities need to be sustained but with better targeting and coordinating. An agreed definition of engagement will be developed in partnership with the VCFS as part of the partnership strategy. This will take account of definitions in the public sector and voluntary sector national guidance.
- 6.3 Surrey County Council has committed to apply the principles outlined in the Surrey “Compact Communication, Consultation and Engagement Code” and has recognised this in its Consultation and Engagement strategy. The PCT’s integrated communication strategy action plan include ensuring that the PCT has ongoing effective methods for engaging with the VCFS as partners in meeting health and social care needs of the population.
- 6.4 There is need for an engagement approach and structure that is supported by all key partners and makes the links between the VCFS, local, regional and national priorities. A consultative partnership will therefore be created, as part of the structure of the Surrey Strategic Partnership (see Annex 1). The composition of the group, and its terms of reference, will be developed in collaboration with the VCFS using an independent facilitator.
- 6.5 The development of LINKs (Local Involvement Networks) should help to better engage the Health & Social Care VCFS groups in both the commissioning and monitoring of services in the future.

## 7.0 Action Plan

Where appropriate, actions will be taken in partnership with representatives from the VCFS, as well as statutory partners.

### **Stage 1 – Transitional, operational work to be completed by April 2008 comprises:**

<b>Action</b>	<b>Lead</b>
7.1 Validate service contracts for April 2008.	Surrey County Council Policy and Public Affairs (PAPA) Finance, Procurement and Project Team
7.2 Rationalise all existing grants into written agreements, where appropriate, by April 2008.	Surrey County Council Finance, PAPA and Procurement
7.3 Set up of SCC Funding Review Group, with key officers from each service.	Surrey County Council Project Team/ PAPA
7.4 Commence rationalisation of appropriate grants to contracts by April 2008 (on a rolling programme) in consultation with statutory and VCFS partners.	Surrey County Council Funding Review Group (PAPA, Finance, Procurement and frontline Services)
7.5 Begin to review existing funding agreements with statutory partners in relation to developing joint funding.	Joint Funding Review Group (Surrey County Council PAPA, Finance, Procurement, frontline Services and PCT Strategy and Contracting)
7.6 Further review the administration of grants with partners, with consideration of a grants panel. Commence by April 2008.	Surrey County Council Project Team/ Policy and Public Affairs (PAPA) and PCT
7.7 Develop rolling programme of support for tendering for organisations, including simple guidance and training (with SCA).	Surrey County Council Procurement (and PCT Contracting for joint tenders)
7.8 The staged tendering of appropriate service contracts from April 2008 on a priority basis and subject to a published schedule. (A minimum lead in time of 6 months will be applied.)	Surrey County Council Procurement
7.9 Extend the term of the existing infrastructure agreements to expire March 31st 2009 (on existing terms and conditions).	Surrey County Council PAPA and PCT

<b>Action</b>	<b>Lead</b>
7.10 Carry out the facilitation work to identify the make up and brief for the VCFS Partnership Consultative and Delivery Group by April 2008, as part of the new arrangements for the Surrey Strategic Partnership.	Surrey County Council PAPA
7.11 Rollout of the Surrey County Council operational action plan, including the volunteer toolkit, updated funding toolkit, updated website, Surrey Compact implementation plan and re-launch of the county council employee volunteering scheme.	Surrey County Council Project Team and PAPA

**Stage 2 - Partnership Strategy to be completed by December 2008 comprises:**

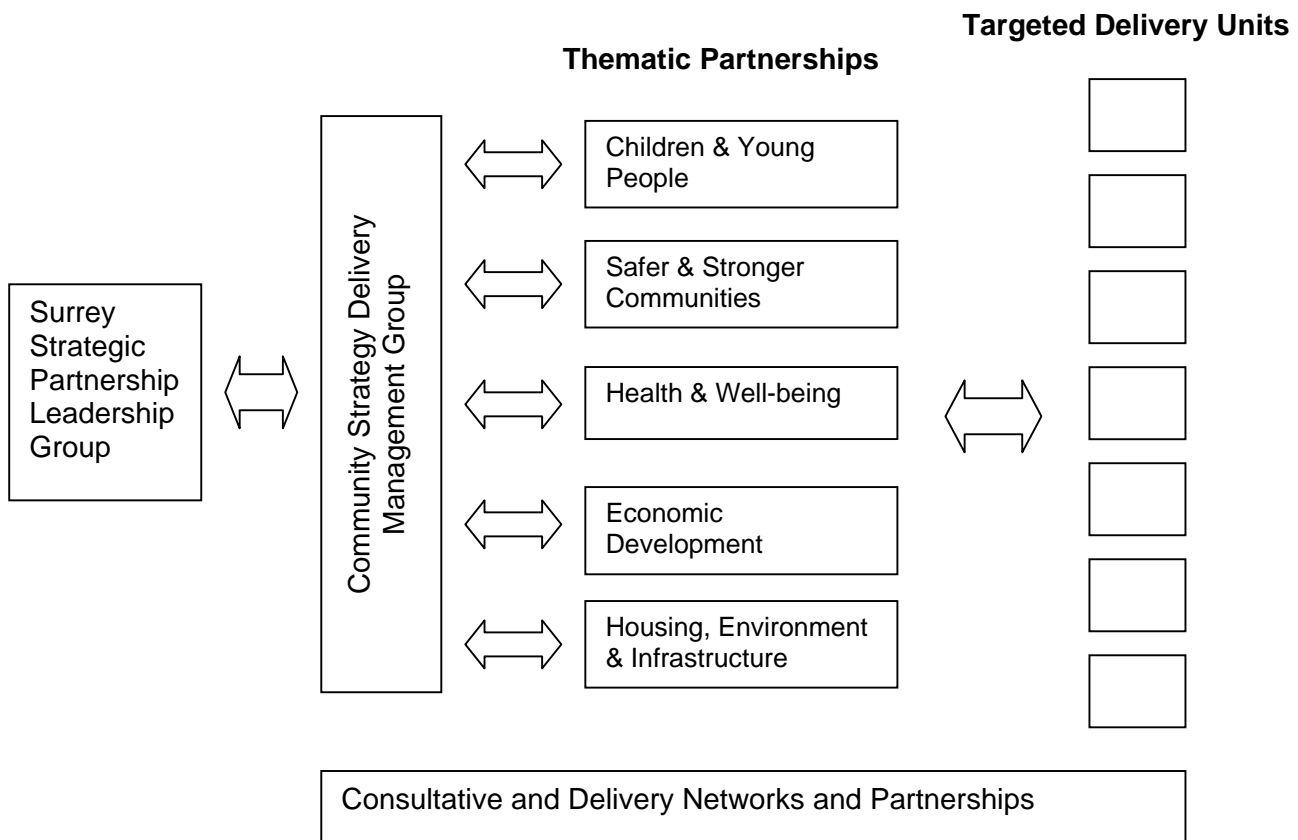
<b>Action</b>	<b>Lead</b>
7.12 Create a VCFS consultative and delivery partnership consistent with the Surrey Strategic Partnership proposals by June 2008. This group will oversee the development work and Strategy as its first piece of work.	Surrey County Council PAPA and PCT Strategy and Contracting
7.13 Develop an agreed approach to joint funding and commissioning with statutory and VCFS partners.	Joint Funding Review Group (Surrey County Council PAPA, Finance, Procurement and frontline Services and PCT Strategy, Contracting and Finance)
7.14 Identify the implications of self-directed care (individual budgets) on VCFS and statutory partners, to be included in partnership strategy.	Surrey County Council Procurement PAPA, Project Team and PCT Strategy, Contracting and Provider Services
7.15 Support and endorse the work of Surrey Compact.	Surrey County Council PAPA and PCT Strategy and Contracting
7.16 Join up and integrate the work of the Compact and ChangeUp into the strategy.	Surrey County Council PAPA and PCT Strategy and Contracting
7.17 Prepare the necessary infrastructure briefs to take account of sustainability and capacity needs. November 2008.	Surrey County Council PAPA and PCT Strategy and Contracting (as part of Surrey Infrastructure Review Group)
7.18 Build a common understanding of links between the Community Strategy, Compact, ChangeUp and good practice in delivering local service needs. This will be by training and improved engagement, both internally and externally.	Surrey County Council PAPA

<b>Action</b>	<b>Lead</b>
7.19 Join up and integrate the work of Leveraging Assets (reviewing how we use council owned buildings to make sure we are getting the best value and using them in the most effective way, to support better service delivery), Community Grants Buildings Scheme (CGBS) and review of support to the VCFS.	Surrey County Council Estates Planning and Management (EPM) and PAPA

**Stage 3 – Operational work to be completed by December 2008 comprises:**

<b>Action</b>	<b>Lead</b>
7.20 Working with the VCFS and key partners to review existing agreements and carry out a capacity check to inform the infrastructure section of the partnership strategy.	Surrey County Council PAPA and PCT Strategy and Contracting (as part of Surrey Infrastructure Review Group)
7.21 Develop a rolling programme of joint funding and an action plan for joint commissioning.	Joint Funding Review Group (Surrey County Council PAPA, Finance, Procurement and frontline Services and PCT Strategy, Contracting and Finance)
7.22 Prepare procurement framework and documentation for service contracts.	Surrey County Council Procurement (and PCT Contracting for joint tenders)
7.23 Provide support for training for the VCFS, in contract procedures.	Surrey County Council Procurement (and PCT Contracting for joint tenders)
7.24 In collaboration with the Surrey Strategic Partnership, produce an agreed consultation and engagement strategy.	Surrey County Council PAPA and PCT Strategy and Communications
7.25 Complete the construction of a central database for administering VCFS funding and assisting with strategic decision making.	Surrey County Council PAPA and Finance with Information Management and Technology (IMT) support
7.26 Tracking of in kind support to VCFS to enable annual reporting at year-end on actual support given to VCFS each year.	Surrey County Council PAPA
7.27 Finalise review of Surrey County Council accommodation and feed into wider review re: support to the VCFS.	Surrey County Council EPM and PAPA

## Annex 1. Agreed Structure of the Surrey Strategic Partnership



# ANNEX 2: FRAMEWORK FOR DEVELOPING A VOLUNTARY, COMMUNITY AND FAITH SECTOR STRATEGY

To increase effectiveness and maximise the number of volunteers, The VCFS Strategy will provide a cohesive interface for effective working relationships with the VCFS supporting the pulling together of the various local, regional and national priorities and the communities needs. The strategy will play a key role in supporting the sector making links between sector infrastructure and regional and strategic delivery plans.

