Civil Society Covenant Framework – Response from NAVCA,

12 December 2024

NAVCA [National Association for Voluntary and Community Action] is the national membership body for local VCSE infrastructure support organisations (LIOs) in England. We provide support, resources and a national voice for our 182 members which, in turn, provide voice, support and development for voluntary and community action within their communities across England. NAVCA members reach around 165,000 of local charities, voluntary groups and social enterprises each year, helping them to thrive and deliver essential services with local communities. We want every local area to be a great place to live and work and are ambitious for local charities and community groups to be at the heart of flourishing and fair communities.

NAVCA very much welcomes Government's recognition that the VCSE sector has been sidelined and under resourced in recent years; that it plays a crucial part in the fabric of our society to meet community needs and enable human flourishing; and the explicit recognition that the VCS can do things that the statutory sector cannot. It has agility, insights, trust and knowledge; it can lever in funding; and it can deliver effective, tailored public services.

But we also need to highlight that the sector is in a difficult place, having been marginalised and taken for granted for too long. It faces real challenges each week stemming from short term, precarious funding; a difficulty recruiting and retaining staff and volunteers on whom it relies to exist; and to meet growing need from the communities it serves. In the last week we have heard of local community groups supporting domestic violence and an arts project, and a local infrastructure organisation all closing. These issues are real and pressing and need to be addressed as a matter of some urgency to enable a covenant to have meaning and impact.

Are the four key principles- recognition, partnership, participation, transparency - the right ones?

The four high level principles provide a starting rather than ending point for the full impact of the covenant to be realised. We recognise this is a long journey not a short term fix, and hope there will be a mechanism to review and keep the covenant fresh over the coming years.

Recognition is essential to ensure a strong and independent civil society, but it goes beyond this to acknowledging and respecting that civil society is both independent of government and has the knowledge, expertise and capability to contribute directly to societal renewal.

There needs to be more widespread and deeper understanding across the statutory sector that the VCS can do things differently and can do things the statutory sector cannot. By working closely together we can achieve greater outcomes for people. Until all parts of government and public service delivery including local government and health systems acknowledge, respect and understand civil society then change will not occur to the extent that is needed. Recognition should be replaced with respect.

Respect requires understanding and this is perhaps the premise which is missing. We see many public servants who do not have sufficient understanding of the VCS, its capabilities and attributes. We would like to see greater permeability so that senior leaders are able to move from the VCS to statutory roles [we see much more movement in the other direction]; that the statutory sector comes into the VCS space as well as inviting the VCS into their space; that statutory leaders are inquisitive and take time to understand the strengths, weaknesses and culture of the VCS. This would enable both sides to work with the strengths and assets of different parts of the system.

Partnerships are most effective when they are a partnership of equals, and where there is understanding and clarity on what each brings to the table. Acknowledging that there is a power imbalance between the VCSE sector and the statutory and public sectors is an essential starting point for moving beyond warm words. Those that are policy and decision makers and / or funders inherently hold most if not all the of power within a relationship. If the VCSE sector is to make the contribution that government wants to see, then the power dynamics have to change by actively seeing the VCSE sector as equal partners who bring experience and knowledge to the table that is not held by local and central government. To do this, partnerships need to be strategic not transactional, with the recognition that there are shared end goals. The VCSE can be seen a cheap provider of public services; or be taken for granted that it will provide those services for free through its charitable funds, rather than a partner with common goals, deep insights, and trusted relationships with communities.

Participation starts with a common language that fosters inclusivity and values what civil society brings to individuals, communities and government. Participation has costs associated with it. Costs include time to develop and bring together knowledge and intelligence, meeting time and importantly preparation time in order to make meaningful and relevant contributions and move beyond a token presence. For example, a single meeting within a health system may have several hundred pages of documents associated with it [ICS boards regularly 300-400 pages]. This in theory requires at least one day of preparation, for perhaps a two hour meeting. No VCSE organisation is fully resourced to commit this amount of time, yet many regularly do, with the costs met either from other charitable sources [a further subsidy to government], reserves or by the costs of lost opportunities to the detriment of beneficiaries. Participation is not free and the real costs for civil society should be covered by central, local government and health systems.

Transparency is important, knowing who to contact and how, in shared information and accurate data. However, transparency is about more than the right information, important though that is, it is about accountability. In order to make a difference for government and

for civil society there has to be mutual accountability so that when problems or disputes arise there are suitable mechanisms to resolve them and to allow for redress. If the Civil Society Covenant is to make a real difference, then it must have accountability – which should be the fourth principle.

What are the enablers of effective partnership and what are the examples of best practice?

Enablers of effective partnership include effective, trusted relationships; consistent accurate communication; early participation of the VCSE sector on an equal basis; adopting a co-design / co-production approach to move away from competition.

- Quality working relationships between elected members and the executive arm of local government and health systems, and civil society ensure that in relationships where time is invested, there is understanding of the strengths on each side, common goals are understood, and outcomes are improved for people and communities.
- Recognise that the tentacles of the VCS are in most places but can be overlooked, especially local community organisations. For example, the VCS role in economic growth feels like it is not recognised, yet charities play a huge role to employ people, develop skills, and incubate local enterprises, especially at the hyperlocal level. A second example is of community based charities who engage people leaving prison, to help them make connections and have a sense of purpose, through participating in volunteering. As this may not be their primary purpose but an outcome of their work, it can be overlooked.
- Clear consistent communication and known roles [named people] for contact and discussion and a desire to find out and be inquisitive from each side.
- Achieving strategic partnership also depends on the early involvement of civil society, a shared understanding of principles, and recognition of its enduring value and resource needs. The VCS is more than a provider of services, it is a route to engage with communities and support them to thrive.
- Using co-design and co-production to design policy and delivery. Too often civil society finds out about a policy being designed for communities or the VCSE long after the process has started. So much is lost by this delay. e.g. the DCMS Community Organisations Cost of Living Fund – although the VCSE sector was consulted through the process, adopting co-design would have reduced the time and effort to bring the scheme to fruition.
- There is some evidence that good practice exists in local government where people understood and kept alive the principles of the previous Compact. The experience of a CEO of a LIO who has worked within several different local authority areas and led two different LIOs, indicates that practice in local authorities was poor where there was either little buy in to the Compact or it was ignored completely. Relationships and partnerships were much more effective within the local authorities that had attempted to adopt and apply the Compact, as it particularly helped address power imbalances. Whether this state of affairs was attributable directly to the Compact or illustrated an inherent understanding and valuing of the VCS by the local authority is unclear,

nonetheless this is a helpful marker of the difference a well crafted government intervention can make.

- It is important that there is no expectation of the VCS to act like a quasi-arm of the state. It is structured fundamentally differently, with many small, grassroots / bottom up organisations driven by changes individuals want to see. There are not the same levers and hierarchies as in the statutory sector – this should be seen as a strength not an inherent weakness. We need to develop ways for two such different systems to work together.
- Central government has low cost levers that it can pull by setting clear expectations for example of health systems and local government in relation to the VCSE and application of the Covenant. Significant cultural change is needed in some places to bring them in line with the best local government and health systems. By setting big expectations, being clear on ways of working, central government can ensure that change is delivered.

These points come together in a working relationship from Durham County Council [a unitary authority]. The CEO of Durham Community Action [DCA] describes:

> some very mature and impactful partnerships facilitated by our local authority. Some work extremely well at engaging and embedding cross-sector voices and action, some less well. The VCSE sit on all of the County Durham Partnership groups in some way, shape or form, and DCA sits on most strategic level groups (this is sometimes a bit too much but finding sector colleagues to share this role as a voice of the sector rather than their own organisation is quite difficult).
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> The principle of working in partnership with communities has been a keystone for Durham County Council for many years. We have strong structures of locally led political representation through the structures set up in the transition to unitary authority. In 2017 DCA led an integrated conference 'Finding Common Ground' to highlight the benefits of system working and more recently Public Health have led on developing 'an approach to wellbeing.' This has culminated in the development of County Durham Together [CDT], which sprang out of some brilliant integrated work throughout the pandemic with colleagues across health, social care and other council services. DCA have just taken on a piece of consultancy work around the development of guidance for Commissioners on funding and the management of relationships with the VCSE.
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> DCA have been feeding in messaging and VCSE perspective throughout the journey, and although nothing is perfect, given the relationships we have developed and the people trying to move the agenda forward internally within council and the public sector, we are convinced that CDT is a good approach to build on, although it still takes some gentle reminders to focus on communication and enabling communities.
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> https://countydurhampartnership.co.uk/county-durham-together-partnership/

A second example of best practice can be found in the London Borough of Bromley. Community Links Bromley [the LIO] hosts the post of Director of Voluntary Sector Collaboration & Partnerships for the South East London ICS. The post is funded for three

years and sits on the Integrated Care Partnership [not the ICB]. As a direct result of this embedded relationship, the post holder has:

- Authored the Charter for partnership with the voluntary, community and social enterprise sector which includes:
    - a commitment to fair and sustainable funding
    - reducing bureaucracy and supporting innovation
    - building supporting infrastructure.
- Additionally, the ICS funds sector representation on the VCSE Alliance for a three year period. This enables the sector to back fill time for attendance at Alliance and Partnership meetings.
- The post has also meant that the sector in SE London is actively involved in shaping and delivering other programmes such as the Health Education England work and the Volunteering for Health Programme.

The Compact in Sandwell Metropolitan Borough is just about still going, after a very high turnover of council officers and politicians. It has been refreshed regularly since its inception which achieves good momentum and then it drops off. It was last renewed in 2020 and needs to be refreshed again. A covenant needs to continually support, champion and challenge relationships and practices to keep it live and useful.
https://www.sandwell.gov.uk/voluntary-community-sector-support/sandwell-compact

Within the Greater Manchester Combined Authority working with Mayor Andy Burnham, the VCSE sector has developed extensive ways of working through the Greater Manchester VCSE Accord. This is a three-way collaboration agreement between the Greater Manchester Combined Authority and the Greater Manchester Health and Social Care Partnership and the GM VCSE Sector represented by the GM VCSE Leadership Group, based in a relationship of mutual trust, working together, and sharing responsibility. The purpose of the Accord is to further develop partnership working to improve outcomes for Greater Manchester's communities and citizens. The first iteration runs from 2021 to 2026 and has an associated implementation plan. See more information via the links below. NAVCA is set up meetings with LIOs working in Manchester if that would be helpful.

https://www.greatermanchester-ca.gov.uk/media/5207/gm-vcse-accord-2021-2026-final-signed-october-2021-for-publication.pdf

https://www.greatermanchester-ca.gov.uk/media/5935/gm-vcse-accord-2021-2026-implementation-plan.pdf

https://www.vcfseleadershipgm.org.uk/

What are the barriers to meaningful partnership and collaboration?

- Taking the VCS for granted. Over recent years there is a sense that the VCS will always be there, will stretch and flex itself to meet need, will provide a safety net. There needs to be reciprocity and understanding.

- The bar for investment in the VCS feels higher than that for other sectors. e.g. in health, investment in significant management and infrastructure costs in hospitals is accepted, but not for the VCS. The investment bar for preventative activity is higher than for a test or drug, or for equipment which is also prevention, and even more so than for treatment of a condition. Prevention is often to do with things which are known [a heathy diet, lifestyle and activity] which relies on connections and relationships in the community to bring about – things which are not valued in and of themselves and certainly not funded.
- The turnover of staff within local government, health systems and central government civil servants, where staff are regularly moved to new roles. Considerable time and effort is spent by staff of civil society organisations making and building relationships, this needs to be repeated when personnel change. There is an added risk where the person who leaves controls or influences the funding. VCSE organisations find themselves relying on personal relationships with individuals who have invested in their understanding of the VCSE to inform their decisions, when they move finances can be precarious.
- When staff move on from government [central or local], health systems other statutory partners there may be limited if any handover, so either the VCSE organisations does not know who to talk to instead or the new staff member may not know anything about the specific working relationship. In most circumstances something as simple as improved communication and a handover process would be effective in addressing these issues. This is basic good practice, yet it rarely happens.
- Departments [central, local government, health systems] work on specific issues, often in a fairly isolated way. Often community organisations are the place multiple programmes or polices are implemented, and where stitching together occurs. Better connections and communication within statutory services would help this, as well as an inquisitiveness about how a policy or programme plays out within a household or community. In the current round of cuts being made to the VCSE by local authorities, some organisations report multiple comparatively small reductions in funding [of 5-10%] taken from multiple grants and contracts by different council departments that are not communicating with each other. This results in a multiplier effect of negative impacts on service users, the withdrawal of the VCSE organisation from delivery, staff redundancies or sometimes the closure of the organisation as it becomes financially unsustainable.
- Unrealistic, short notice asks of the VCSE sector to bring their knowledge and expertise to Government in discussion forums, consultations, roundtable meetings and research, without always a clear impact or benefit to the community they serve. This also includes short notice periods to apply for funding, sometimes less than 10 working days, particularly towards year end. This happens repeatedly regardless of the commissioning organisation. It assumes that VCSE organisations can drop other work in order to participate; and to make a judgement on whether the outcomes will have a direct impact on their activities and beneficiaries. Inevitably costs fall to the organisation, for which they are not reimbursed. It assumes that the work of the statutory organisation is more important.

- The large number of meetings the VCSE sector is expected to attend across health systems, local partnerships, local government and combined authorities. LIOs often carry out this role on behalf of the local VCSE sector, to ensure perspective of small VCSE organisations who do not have capacity to participate is present. Even with multiple people participating / representing this becomes unsustainable when the LIO is not funded to do this work by those benefiting from it, primarily statutory partners and government.
- One LIO reports that it is not only the number of meetings it is expected to attend, but the quality of the meeting. Agendas can be badly planned: (a) too full so that insufficient time is given for discussion and the VCSE sector are not always called on to contribute; (b) items / questions do not connect with the experience of grassroots organisations so opportunities to participate meaningfully are limited and the expertise of the VCSE is lost.
- Jargon, abbreviations and acronyms are not explained, and documents are impenetrable unless the person from the VCSE is already well versed in the language, limiting the benefit of the VCSE organisations participating.

These last three points underline that the VCSE is brought into statutory spaces, and expected to operate on their terms and in their culture, rather than statutory services thinking about how they might go into a VCSE space.

These issues point to systemic issues within government [particularly but not limited to local government] and health systems: poorly planned meetings, with agendas that do not get the best out of civil society participation, large numbers of long papers that are unlikely to be read in full [or even partially] by most if not all people in attendance. This is not an effective way to achieve the change that the country so desperately needs.

How do we ensure this Covenant holds weight and is effective?

- Address the need to engage differently with different sorts of VCS organisation: the private sector is not treated as a homogenous whole and similarly there is a difference between medium / larger VCSE organisations [e.g. with an income above £1M per annum] and small / micro VCSE organisations that may have an income well below £100,000 per annum. These often have few or no paid staff and provide essential community activities and services. Their needs and ability to participate are different – this needs to be part of the covenant. The needs of community grassroots organisations are very different from, and can be in tension with, large scale service delivery charities.
- The VCSE sector is very diverse in many other ways which is where the capacity of the sector to innovate and problem solve comes from. There needs to be enough flexibility within the covenant so that it can include, respond to and harness this diversity.
- Many VCSE organisations report excellent working relationships with specific staff members in local councils and health systems, such as the community development or VCSE leads who understand the sector and what it needs to be able to play to its strengths and contribute to the common good. However, despite these positive relationships if this knowledge and understanding does not percolate upwards to decision makers and allocators of finance then little changes. Conversely, we see places

where senior managers "get it" but are thwarted by the mechanics of procurement. The covenant would benefit from requirements for senior staff and where appropriate elected members to have to pay attention to the VCSE, making use of the knowledge and expertise of more junior staff and the VCSE itself to inform their work. A toolkit or guidance to clarify what can and cannot be done might help decision makers engage.

- When things are not working either for government or civil society then there needs to be a means of redress. For example, opportunity for mediation, extension of call in powers, requirement to take the equalities impact assessments into account. There is also a role here for OFLOG and the LGA's peer review challenges to enable poor performing local authorities to learn from others.
- Where the Compact was applied locally it was often very successful in building relationships and enabling effective working relationships between the VCSE and all parts of statutory sector. However, where it was not used locally, or it was ignored it did not affect change for the better. There has to be an element of compulsion here: local government, health systems and other statutory partners cannot just decide not to apply it or use it, and if they do – when something becomes 'not covenant compliant' then there needs to be a straightforward mechanism to call it out.
- Provide guidance to local authorities and health systems struggling to work with the VCSE sector on how to work in partnership and collaborate, especially at place level but limited to this. There remain myths to be busted which our members and their members are told by staff in the statutory sector, about what they can and cannot do, and how they can work. NAVCA would welcome work with others to develop this guidance.

How do we harness the excellent ability of civil society to innovate and find new solutions to societal problems and how do we support that spirit to spread across the sector?

In many cases the need is not to do something new and innovative, but to recognise, value and fund the thing which works. This might be community development, capacity building, structures to give communities voice. There are parts of our sector at risk through a lack of appreciation, trust and recognition, which could be addressed through an effective covenant.

Many VCSE groups do not associate new initiatives with themselves or see themselves being able to contribute and participate unless they recognise their goals, values and activities within the initiative. The covenant should help to build relationships and partnerships so that smaller and micro VCSE groups – were often the real knowledge and experience lies – can see that it is worth their time and effort to contribute.

The VCSE sector is rarely hierarchical – thinking of it instead as a network or ecosystem where each organisation has its own specific purpose and role, will help unlock the contributions that government is so keen to see.

In Devon a problem has arisen with the set up for the creation of the new Devon & Torbay Combined County Authority [DTCCA]. It has been recognised by senior council and health officers that the VCSE Assembly needs to be involved with the DTCCA and that this requires

funding. However, there is a technical difficulty in that the DTCCA does not have a budget for this currently. There is currently agreement for (unfunded) VCSE representation on the shadow Business Advisory Group, Skills Group and Housing Advisory Groups which are in the process of being established. The Assembly Executive Group is planning to submit a formal business case to DTCCA as soon as it is officially formed to fund our involvement moving forwards. When setting up these new welcome devolved structures, central government can ensure that there is funding available for the VCSE to contribute its knowledge and expertise into the set up of the new Authorities.

How do we make the new relationship a reality, especially in the current economic context?

The covenant as a strategic and visionary piece is much needed currently. However, it will be difficult to launch this without acknowledging the real term impacts across the VCS sector from budget and other funding decisions. Tone and content are important, or it could suggest that government has not listened.

Make the VCS a trusted partner across the whole of government and expect collaboration not competition. A culture shift is needed at all levels to recognise, respect and work with the strengths of the VCS and statutory sectors.

Be clear how the covenant fits into wider policy making and delivery especially public service reform and economic growth. The covenant needs to be embedded in government documents and policy proposals [central, local, health systems etc]. Include an assessment in every submission made for decision within the civil service that takes account of the impact of the policy on the VCS. Alongside this set clear expectations of government at all levels for how it engages: earlier, build common goals, work together. NAVCA would welcome the opportunity to help develop guidance and best practice for this.

The majority of interaction with government by the VCSE sector takes place beyond central government: local councils, NHS structures, police and crime commissioners, local resilience forums etc. This is not simply an invitation to those parts of Government to 'get involved if you want to' but an opportunity to create expectations about how they can actively engage and work with the VCS to better achieve common goals.

Explain how it will apply to the ecosystem of community organisations, in all their guises especially smaller ones, without the power and time to engage with it in depth. A one sized approach to participation will not work for all VCSE organisations. Local Infrastructure Organisations have a vital role to play here as intermediaries, to convene, facilitate and enable engagement with local government and health systems. In partnership with the LGA, NAVCA has prepared a good practice guide for councils on how working with LIOs can be of direct benefit to local councils when working with the VCSE sector.
https://www.local.gov.uk/publications/working-local-infrastructure-organisations-engage-smaller-vcfse-organisations-good

Expect central and local government, health systems and other statutory bodies to fund the VCSE sector to participate and include that expectation in relevant guidance. As set out above participation has a cost associated with it, that is rarely paid for even in part.

A toolkit on how to use the covenant in local government, health systems and other statutory partners would contribute significantly to its uptake and use. NAVCA would welcome working with others to develop this. Contents could include:

- what the covenant is and why it is important
- what difference it will make to all parties
- how it is expected it should be used by government, statutory partners and VCS
- connectivity and fit between local authorities, health systems, other statutory partners and the VCS, particularly in relation to CMAs and further devolution
- exploration of the diversity of the VCS sector, the difference between large scale, national / regional charities delivering services and grassroots organisations serving communities
- points of contact for communication.

This could then be referred to and included in all relevant guidance, for example for ICS, LRFs etc, as well as in specific programmes coming from Government, for example recent funding to support communities impacted by violence over the summer [the MHCLG Community Recovery Fund].

It is essential that the covenant has clear principles and practices that allow accountability between the VCSE sector, central and local government, health systems and other statutory partners. This mutual accountability is more than about dispute resolution or redress but about the ability to identify when things are working well and can then act as a platform to further build relationships and partnerships.