

CONFIDENTIAL

10 DOWNING STREET

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FILE TITLE: VOLUNTARY SECTOR		SERIES HOME AFFAIRS.
PART BEGINS: 6 DECEMBER 2000		PART: 6
PART ENDS: 4 May 2001		CAB ONE:

LABOUR ADMINISTRATION

Part Closed



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Series : HOME AFFAIRS

File Title : Voluntary Sector

Part : 6

Date	From	To	Subject	Class	Secret
13/12/2000	PPS	SOC	Active Community	U	0
18/12/2000	Cab Off	ms/cabinet office	Active community - delivery of national experience corps	C	0
22/12/2000	SOC	PPS	Active Community	C	0
04/01/2001	MS/SO	ms/cabinet office	Ad Hoc Meeting on the active community - Critea for matched fundin	U	0
17/01/2001	PS/HMQ	HS	The Queen's Jubilee Award for Community Service	U	0
26/01/2001	HA/PS	DSS	Winning the Generation Game : Implementing the PIU report on acti	R	0
01/02/2001	DfEE	HA/PS	Criminal Records Bureau - Volunteers	U	0
02/02/2001	PU	PM	Criminal Records Checks: Cost to the Voluntary Sector	R	0
06/02/2001	PPS	DfEE	Community Service: The Time Out Scheme	R	0
07/02/2001	HO	PPS	Community service: the time out scheme	C	0
07/02/2001	PU	Ch.Staff	Community Service - Time out for young people	U	0
09/02/2001	DETR	PPS	Community Service: The Time Out Scheme	U	0
12/02/2001			Financial Times article - Case of Proving public benefit	U	0
12/02/2001	HS	First Min/Scot Asse	The Quenn's Golden Jubilee : Revised Proposal for Community serv	U	0
27/02/2001		PPS	from David Green, British Council, enclosing copy of 'compact, comp	C	0
28/02/2001	MS/DETR	ms/cabinet office	Ad Hoc Ministerial Group on the Active Community	U	0
08/03/2001	PU	PPS	Government and the Voluntary Sector	R	0
09/03/2001	SS/DoH	DPM	Funding Community Groups	U	0
26/03/2001	HMT	HO	Funding for Community Groups : Consultation Document	U	0
29/03/2001	DPM	MS/HO	Funding Community Groups	U	0
05/04/2001	PU	H/PU	email: announcement on funding for regeneration/vol sector	C	0
20/04/2001	PU	PM	Voluntary sector funding	C	0
04/05/2001	EA/PS	DETR	voluntary sector funding	C	0
04/05/2001	CST	DPM	Community empowerment fund	C	0

020 7270 5456



Treasury Chambers, Parliament Street, London, SW1P 3AG

The Rt Hon John Prescott MP
Deputy Prime Minister
DETR
6th Floor, Eland House
Bressenden Place
LONDON SW1E 5DU

4 May 2001

Thank you for copying me your letter of 30th April.

2. I strongly support the need to publish the preliminary Community Empowerment Fund (CEF) guidance quickly. This will give Government offices and other partners the opportunity to get the necessary networks in place so the CEF can be distributed as soon as possible. The speed of this process will be helped by the clear messages in the guidance to build on any existing mechanisms.
3. I agree that this guidance will help demonstrate the Government's genuine commitment to effective community and voluntary sector involvement in neighbourhood renewal. The emphasis on building a clear link between the community network and the LSP is essential if the voice of these sectors is to have an impact.

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C: DN
PU.

020 7270 5456



4. I am content with the proposal that the allocations for years 2 and 3 are provisions. We will want to learn from experience of the first year and make any adjustments where necessary.

5. I am therefore happy for the circulated draft CEF guidance to be published, subject to a few minor changes which my officials have already passed on.

6. I would like my officials to stay involved in drafting future CEF guidance. Any proposed financial mechanisms will need to be simple, not impose unnecessary bureaucratic burdens on the community and voluntary sectors, and offer value for money. These points are also applicable to the forthcoming guidance on Community Chests.

7. One final point is the need for an effective dissemination strategy. We must ensure the messages are filtered to all partners in a consistent manner. Many of the issues about community and voluntary sector involvement are also applicable to areas outside the 88 who will not receive CEF.

8. I am copying this letter to the Prime Minister, Hilary Armstrong, members of the HS committee and to Sir Richard Wilson.

A handwritten signature in black ink, appearing to read 'Andrew Smith'.

ANDREW SMITH

RESTRICTED - POLICY



10 DOWNING STREET
LONDON SW1A 2AA

File
Added to In Box

From the Private Secretary

4 May 2001

Dear Peter

VOLUNTARY SECTOR FUNDING

The Prime Minister is aware of criticisms that the system of regeneration and community funding for voluntary groups is complex and difficult to understand. He believes that we should consider how the system could be made more comprehensible and user-friendly.

The Prime Minister would therefore be grateful if the Regional Co-ordination Unit could lead a study to look at these issues. The Unit will need to consult with the Neighbourhood Renewal Unit, the E-Envoy's office, other government departments and other public bodies with an interest.

It would be helpful if the study could cover the following areas:

- the establishment of a single contact point in each of the regional Government Offices which could give advice and, possibly, receive applications for funding;
- the compilation of a user's guide, perhaps in the form of an alphabetical directory of the funding schemes available, organised by subject and by region;
- a website, accessible through the Government portal, which would enable applicants for funding to navigate the system and get information about it electronically. The possibility of making such a website interactive, facilitating electronic applications should also be examined;
- the introduction of a common application form for all schemes or, if that is not practicable, ensuring that there is as much commonality as possible between application forms for different schemes;

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- a common database of information about community groups, avoiding the need for groups to submit the same information repeatedly and a single accreditation system for such groups;
- the need for any changes in funding arrangements to make the above proposals workable.

The study should cover all the relevant funding schemes operated by Government departments and by non-departmental public bodies in England. This should include lottery funding and also regeneration funding available from the European Union.

The Prime Minister believes that the main focus of the study should be how we can help local and community groups and the voluntary sector better to access the available funding. However, the study should also look at the links with services for business, especially small businesses, consulting the Small Business Service.

The study should take into account other streams of work on-going across Government in this field. In particular, the study should capitalise as much as possible on the work done by the Home Office's Active Community Unit in the development of their document "Funding Community Groups".

The Prime Minister would be grateful if the Regional Co-ordination Unit could report by the end of October. The report should cover any resource implications of the recommendations made.

I am copying this letter to Tom Scholar and Lewis Neal (HMT), Mark Langdale (Cabinet Office), Mike Wardle (DfEE), Bernadette Kelly (DTI), Hilary Jackson (HO), Andrew Slade (MAFF), Heather Rogers (DoH), Fergus Muir (DCMS), Debora Matthews (LCD), Jayne Colquhoun (SO), Simon Morris (WO), Paul Priestly (NIO), and to Richard Abel (Cabinet Office).



SIMON VIRLEY

Peter Unwin
DETR

RESTRICTED - POLICY

SV

(E)

From: Mike Emmerich

Date: 20 April 2001

PRIME MINISTER

su ✓

**Cc: Jeremy Heywood
Simon Virley
David Miliband
Ruth Kennedy
Natalie Acton**

VOLUNTARY SECTOR FUNDING

Issue

1. Voluntary organisations are vital partners in our regeneration programme. But there is a growing concern that the Government's methods of funding these organisations are too diverse and are sending mixed messages, hindering the voluntary sector in carrying out its work. David Blunkett has suggested that unless we act now to rationalise funding streams and simplify application procedures for voluntary organisations, we risk failing entirely to deliver on our regeneration objectives. He wrote to you about this late last year.

Background

2. The issue of funding has long been held by the voluntary sector to be one of its key obstacles. Quite apart from the issue of quantity of funds, the sector complains frequently about the amount and depth of information required to apply for Government grants; the duplication of information when applying for grants from different departments; and the fact that they are not funded to complete these application procedures. In relation to the grants themselves, the sector complains that money is paid in arrears; that it is allocated for one-year periods only; and that it is focused too narrowly on specific projects.
3. There have been a number of attempts to tackle the issue - the Better Regulation Taskforce reported on voluntary sector funding in 1998, and most recently the Home Office produced a consultation document on small grant funding for community groups. However, we are concerned that the underlying issues remain unresolved.

Next steps

4. If you agree, we are minded as a first step to tackle the specific issue of funding for groups involved in regeneration. We intend to commission a

six-month project from the new Regional Co-ordination Unit on funding for voluntary sector groups involved in regeneration (a draft commissioning letter is attached). This study will enable us to analyse the key issues involved in grant funding for a neatly-defined policy area. We will then be able to return to the larger questions surrounding the Government's interface with the voluntary sector with a better understanding of the technical issues surrounding funding.

Longer-term agenda on voluntary sector

5. Aside from the specific issue of funding, we are also concerned that Government's interface with the voluntary sector more generally is poorly co-ordinated. In recent years there has been a positive and welcome move towards more departments developing partnerships and direct funding relationships with voluntary organisations. However, co-ordination of these relationships by the unit responsible - the Active Community Unit - has been weak. The confusion and duplication between departments makes it very difficult for small organisations in particular to navigate their way through Whitehall, which has alienated parts of the sector. We will want to ensure after an election that the reins are firmly held by a unit with clout.
6. Following the RCU study, it may prove sensible to address both funding methods and these wider issues of Government interface with the voluntary sector in the next spending review.

MIKE EMMERICH

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DRAFT LETTER FROM SIMON VIRLEY TO PETER UNWIN

REGENERATION FUNDING

The Prime Minister is aware of criticisms that the system of regional, regeneration and community funding is complex and difficult for the communities which it is intended to benefit to understand or use. He believes that we should consider how the system could be made more comprehensible and more user-friendly.

The Prime Minister would therefore be grateful if the Regional Co-ordination Unit could lead a study ^{to look at these issues} ~~in this area~~, in consultation with the ^{the E-Envoy's office, other government} Neighbourhood Renewal Unit, ~~the~~ departments and other public bodies with an interest, ~~and, as regards the e-Government aspects, in consultation with the E-Envoy.~~ It ~~will~~ ^{would} be helpful if the study could cover the following areas:

- The establishment of a single contact point in each of the Government Offices for the Regions which could give advice and, possibly, receive applications for funding.
- The compilation of a user's guide, perhaps in the form of an alphabetical directory of the funding schemes available, organised by subject and by region.
- A website, accessible through the Government portal, which would enable applicants for funding to navigate the system and get information about it electronically. The possibility of making such a website interactive, facilitating electronic applications should also be examined.

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- 4 -

- The introduction of a common application form for all schemes or, if that is not practicable, ensuring that there is as much commonality as possible between application forms for different schemes.
- A common database of information about community groups, avoiding the need for groups to submit the same information repeatedly and a single accreditation system for such groups.
- The need for any substantive changes in funding schemes at the margin necessary to make the above proposals workable.

The study should if possible cover all regeneration funding schemes operated by Government departments and by non-departmental public bodies. This should include lottery funding and also regeneration funding available from the European Union.

The Prime Minister believes that the main focus of the study should be how we can help local and community groups and the voluntary sector better to access the available funding. However, the study should also look at the links with services for business, especially small businesses, consulting the Small Business Service.

The study should take into account other streams of work on-going across Government in this field. In particular, the study should capitalise as much as possible on the work done by the Home Office's Active Community Unit in the development of their document "Funding Community Groups".

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- 5 -

The Prime Minister would be grateful if the Regional Co-ordination Unit would report by the end of October. Its report should cover the resource implications of its recommendations.

I am copying this letter to Tom Scholar and Lewis Neal (HMT), Mark Langdale (Cabinet Office), Mike Wardle (DfEE), Bernadette Kelly (DTI), Hilary Jackson (HO), Andrew Slade (MAFF), Janet Grauberg (DoH), Fergus Muir (DCMS), Debora Matthews (LCD) and to Richard Abel (Cabinet Office).

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Jere Heywood

1. SV
2. (P)

From: Natalie Acton
Sent: 05 April 2001 18:02
To: 'David Miliband (at home)'; Jeremy Heywood; Ruth Kennedy; Mike Emmerich; Ed Richards
Cc: Mulgan Geoff - PIU
Subject: Announcement on funding for regeneration/vol sector

Mike and I wonder whether there is mileage in a PM announcement on funding for stakeholders in the regeneration agenda. Funding (amounts, application complexity) is perhaps THE key issue which voluntary organisations - and indeed other players in regeneration such as small businesses - complain about vis a vis their relations with Government. A couple of initiatives are coming together which could amount to a decent package on this which, even if unsuitable on its own, could conceivably go alongside the liveability speech.

Funding for community groups

Firstly, the Home Office (ACU) have been working for some time on a project to simplify applications and rationalise funding streams for small grants for community groups. This was something Geoff was interested in last summer - the idea of a single application form for all Government small grants, a unified internet portal for applications, and a single point of contact in each local area (possibly within the GOs) for all government monies. The Home office has now produced a condoc - "Funding Community Groups" - which is yet to be published. It is a reasonable document - recognises the gripes, big and small, which the vol sector has about small grant applications - and is likely to be very welcome among community groups. It consults on:

- a single application form for all small grants;
- proposals for more outreach to link groups and grants;
- proposals for a single grant administrator in each area
- options for the rationalisation of government funding initiatives.

It is ready to go, but is being held back by HMT as GB is keen to publish it alongside his next announcement on children's fund money. However, we wonder whether it could be linked to a PM project which the Private Office is about to commission....

Funding for regeneration

Following (among other things) Blunkett's private letter to the PM before Christmas complaining of a mish-mash of funding sources for groups involved in regeneration, we have been working up the idea of a fairly large project on how to modernise funding for all players in the regeneration field. We have a draft brief to go from Private Office to the Regional Coordination Unit in DETR to take on this work. It will look at similar issues to the ACU's work, but will be addressing larger funds (ACU looks only at grants of <£30k) such as european funding, lottery funding etc, will be more radical (e.g. an interactive internet portal for applying for funds) and will look at larger players such as businesses and national voluntary organisations as well as community groups. It will look at key issues such as proportionality (rationalising the ratio of admin to funds in each application) and payment in arrears, and could potentially make a real difference on the ground. [Geoff - it is being run by Amobe Modu.]

Addressing these issues will be a clear sign to our 'partners' in regeneration that we want to enable them and to remove barriers.

Do people think there is mileage in the PM launching the first doc, and announcing the larger project? Or Ed - is this a possibility for the liveability speech - funding for small groups wanting to improve local areas?

Natalie

(P)



FROM THE DEPUTY PRIME MINISTER

DEPARTMENT OF THE ENVIRONMENT,
TRANSPORT AND THE REGIONS

ELAND HOUSE
BRESSENDEN PLACE
LONDON SW1E 5DU

TEL: 0207 944 3011
FAX: 0207 944 4399

OUR REF: IDC 59/01

DN
C: JJA
R

Paul Boateng Esq MP
Minister of State
Home Office
50 Queen Anne's Gate
London
SW1H 9AT

29 March 2001

See Paul

FUNDING COMMUNITY GROUPS

This letter gives you HS clearance to proceed as proposed in your letter to me of 5 March, subject to the views of colleagues recorded below.

You sought agreement to the publication of a consultation paper on achieving a more integrated and accessible approach to government small grants funding for community groups. You received replies from Chris Smith, David Blunkett, Alan Milburn, Beverley Hughes, Charles Falconer and Andrew Smith.

Charles and Beverley were both content. Chris was also content. However he said that your proposals were also relevant to the National Lottery distributors, who were themselves making considerable efforts to try to reach small community groups. He suggested, therefore, that this consultation exercise provided an ideal opportunity for two way learning. The Government could learn from what already worked for the National Lottery distributors and they could gain an insight into the Government's thinking on ways to rationalise government funding. He said he would be grateful if the National Lottery distributors could be included on the consultation list. Chris noted that you recognised the importance of having readily available information for Government funding

programmes. He believed that the Regional Government Offices were ideally placed to be regional information points for all funding sources and hoped that progress could be made in developing such a role. Finally, he would be grateful if you would clarify that Awards for All, referred to in the table of Government grants programmes, was not a Government scheme but rather a joined up scheme operated by the National Lottery distributors.

Alan was content. However, he did have a concern about the role of the Government Offices for the Regions (GOs) in the administration of the community chests. As the Government sought to strengthen the role of regional structures to support policy development and implementation, he said, it would be helpful to use this paper to signal again the need for GOs to engage with the NHS and Social Care regional offices to ensure a joined-up approach in the regional tier. This would help to ensure that his Department's regions and local health systems supported this approach to rationalising funding to local communities.

David was content. He said he was particularly pleased to see the emphasis in the opening section of the consultation paper on the central contribution of local people to neighbourhood renewal, and the importance that the Government was prepared to take risks to support them. That understanding provided the context and the rationale for the grants the Government provided to communities. This section, he said, could be strengthened still further by a greater focus on the role of social entrepreneurs and activists and his Department's interest in working across Government and with external organisations to explore approaches to social risk capital. The consultation document put forward a number of suggestions for ways to simplify arrangements for administering Government grants. The Government needed to make absolutely sure that any changes it made did not merely streamline processes but really made it easier for local people to access money and support. That was clearly the document's intention, but he was concerned that some of the proposals for rationalisation could make things more difficult. For example, the development of a single application form must not complicate the process for those applying for very small amounts of money because it was geared towards established groups applying for larger amounts. The template his Department was introducing from April for Community Champions was very simple and brief. He suggested you considered using it as a model. He was also not convinced that the Government should separate outreach and development support as the document suggested. He said many organisations were doing an excellent job on the ground by bringing these functions together, providing

continuity of support for community groups and helping them to progress to other funding streams as their needs developed. Other moves towards rationalising funding streams, and in particular the suggestion that we might introduce a "single pot" for Government funding for community groups, needed to be thought through very carefully. There was a danger that the drive for rationalisation might limit the choice for individuals and communities seeking funding and might increasingly focus funding within a limited circle. It could also weaken Departmental control over how initiatives were targeted. The key to getting this right lies, of course, with the consultation process. Local people and community and voluntary sector groups would have strong views on what the barriers were and how the Government could make its funding more effective. The Government needed to make sure that the widest possible range of individuals and organisations had the opportunity to comment on the document. He would like his officials to work with yours on an effective dissemination strategy.

Andrew wrote to you on 19 March. He commented on the need for a stronger message on the requirement for adequate controls to prevent fraud and misuse. He also raised serious concerns about your proposals for distributing community chests. He said he would like to see a clear role for Local Strategic Partnerships. He also noted that his and your officials would need to discuss the drafting of the CCS section. Andrew's officials then wrote to yours on 26 March. They noted that he was now content. However, they said Andrew wanted to stress a few points for future work. The consultation document referred to further guidance on the distribution of Community Chests. This guidance needed to be issued as soon as was feasible, to ensure the Government gave a clear and early steer to the Government Offices. Andrew would be grateful if his officials could be involved in the drafting of the guidance. Andrew would like full consideration of the possibility of using the systems already in place for the National Lottery Charities Board. His officials noted that an early meeting with officials from HMT, DCMS, NRU and ACU would be helpful. The latest draft of the consultation document included the sentence "This geographical spread will be reviewed as the programme progresses". Andrew was aware of Hilary Armstrong's wish to consider extending funding to further areas in future years. He would like to re-emphasise that extending beyond the 88 most deprived areas would require his clearance.

I am copying this letter to the Prime Minister, members of the HS
Committee, and to Sir Richard Wilson.

A handwritten signature in black ink, appearing to read 'John Prescott', written in a cursive style.

JOHN PRESCOTT

020 7270 5456



Treasury Chambers, Parliament Street, London, SW1P 3AG

John Bernthal
PS/Paul Boateng
Home Office
50 Queen Anne's Gate
LONDON SW1H 9AT

26 March 2001

Dear John,

FUNDING FOR COMMUNITY GROUPS: CONSULTATION DOCUMENT

Further to the Chief Secretary's letter of 19 March, officials have now met with those from the NRU, SEU and ACU and the document has been redrafted to address the issues raised. The Chief Secretary is therefore now happy to agree to publication.

2. The Chief Secretary would however like to stress a few points for future work. The consultation document refers to further guidance on the distribution of Community Chests. This guidance needs to be issued as soon as is feasible to ensure we give a clear and early steer to the Government Offices; we obviously want the money to feed through to the local communities at the earliest possible date. He would be grateful if his officials could be involved in the drafting of the guidance.

(P)

~~SH~~
cc: SU
RH
DN
PJ

020 7270 5456



3. As mentioned in his letter the Chief Secretary would like full consideration of the possibility of using the systems already in place for the National Lottery Charities Board. An early meeting with officials from HMT, DCMS, NRU and ACU would be helpful.
4. The latest draft of the consultation document includes the sentence, 'This geographical spread will be reviewed as the programme progresses.' The Chief Secretary is aware of Hilary Armstrong's wish to consider extending funding to further areas in future years. He would like to re-emphasise that extending beyond the 88 most deprived areas would require his clearance.
5. I am copying this to Private Secretaries to Hilary Armstrong, HS members, Sir Richard Wilson and to Ruth Kennedy at No. 10.

*Yours sincerely,
Jean Innes*

JEAN INNES
Private Secretary



Richmond House 79 Whitehall London SW1A 2NS Telephone 0171 210 3000
From the Secretary of State for Health

IMC: 16485

The Rt Hon John Prescott MP
Deputy Prime Minister
Department of the Environment,
Transport and the Regions
Eland House
Bressenden Place
London
SW1E 5DU

9 March 2001

FUNDING COMMUNITY GROUPS

I am writing in reply to the letter signed jointly by Paul Boateng and Hilary Armstrong that seeks my agreement to the publication of the consultation paper "Funding Community Groups".

I welcome the aims of this initiative to reduce the bureaucracy of the present arrangements and to make funding more easily accessible to communities, and I support the commitments set out in the HS Committee letter.

My only concern surrounds the role of the Government Offices of the Regions (GOs) in the administration of the community chests. As we seek to strengthen the role of regional structures to support policy development and implementation, it would be helpful to use this paper to again signal the need for GOs to engage with our NHS and Social Care regional offices to ensure a joined up approach in the regional tier. This will help to ensure that our regions and local health systems support this approach to rationalising funding to local communities.

I am copying this letter to members of HS Committee, Paul Boateng, Hilary Armstrong, Sir Richard Wilson and Ruth Kennedy, No10 policy Unit.

ALAN MILBURN

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(f)

cc. Sonia Ruppel

Do you think we need to discuss departmental

From: Ruth Kennedy
Date: 8 March 2001

JEREMY HEYWOOD

tidy up?

Cc: David Miliband
David North

} tco

GOVERNMENT AND THE VOLUNTARY SECTOR

You asked for an overview of Government's interactions with the voluntary sector, and ACU have provided the attached brief. I think the main conclusions I would draw are:

On the plus side:

- A number of departments recognise the importance of engaging/working with the sector in meeting their own delivery objectives;
- Departments recognise more clearly the need to consult the sector properly in exploring policy developments;
- Many departments are involved with funding a wide range of voluntary activity.

But:

- There is limited ownership of the Voluntary Sector Compact or codes of practice across Government, and little (if any) enforcement by the ACU. The voluntary sector is due to have its second annual review of the compacts with ministers in June, and is likely to seek action on implementation of the agreed codes of practice.
- Because of the above, departments are extremely inconsistent in the way that they run grants programmes. Voluntary organisations struggle with short deadlines for applications, lengthy delays before allocations are made, and frequently-changing goalposts. Smaller organisations, which do not have the resources to carry such timings, are most penalised.
- Funding is incredibly 'silo-ed' within departmental grants programmes; there is no joining up of funding across departments. If your work does not exactly fit into a specific programme, it is unclear where to go for funding, and there is no central source of information. This is particularly a problem for smaller organisations - the system works for those adept at navigating Whitehall.

Some voluntary organisations find themselves with a clear *policy* link to a particular government department, but find this department has no funding

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streams. For example, Mediation UK, whose work links most closely with LCD, had to be funded (in 1999?) in a resource-intensive way out of a special fund brokered by Falconer/Milburn, because there was no obvious funding department. The idea of a multiple-key money chest was pushed in SR2000 – when two or more departments wanted to fund an organisation, this would unlock the chest to provide match-funding - but the bid was unsuccessful.

[This should be an obvious e-government objective – a central portal for information about government grants programmes etc which directs organisations to funds. I am told this idea is still very much ‘on the drawing board’ at the moment, and it is not included in the Home Office e-business strategy.]

- Government infrastructure for volunteering is especially complicated. There is a confusing split between volunteering initiatives led by different departments (eg Millennium Volunteers in DfEE, Opportunities for Volunteers in DoH, and the range of schemes in HO). There have on occasions been political disagreements about the best approach to take (e.g. whether to implement volunteer programmes through existing organisations, set up independent bodies to manage programmes, or retain management within government), all of which have articulated confusing messages about Government intentions to the sector. Cross-departmental co-ordination on matters of volunteering is very ad-hoc.

Unlike Wales and Scotland, we have no national strategy for volunteering in England. Because of this, Government funding for volunteering infrastructure arguably enforces and perpetuates the multiplicity of organisations in the field, and does not encourage joining-up between agencies working to achieve the same goal. There is no national co-ordinating body for volunteering – for example an equivalent to the Giving Campaign chaired by Joel Joffe.

I hope this is helpful. It does strike me that even a small amount of government housekeeping could significantly improve the status quo.



RUTH KENNEDY

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The Home Office

1. The Active Community Unit

The aim of the Unit is to create a step-change in voluntary and community involvement and our target is to make substantial progress towards one million more people being actively involved in their communities by 2004. The Unit has a brief to work across Government to co-ordinate the work of other Departments with regard to the voluntary and community sector.

The ACU provides support to the voluntary and community sectors through strategic grants and grants-in-aid to a range of primarily national voluntary and community organisations working to promote volunteering, enhance the efficiency and effectiveness of the sector and encourage community development. Grants are also given to enable voluntary and community organisations to undertake time limited project work. It is envisaged that a sum of £17.2m will be disbursed in 2000-2001.

ACU is also co-ordinating an interdepartmental initiative in support of voluntary and community organisations not already in receipt of strategic funding whose work addresses the policy interests of three or more Government departments. Four organisations are being supported under these arrangements with cross Government grants from the Home Office, Lord Chancellors Department, and the Departments of Education and Employment and Environment, Transport and the Regions

Objectives of the Unit

Two main objectives of the Unit are to promote increased voluntary and community activity, and to support the development of active communities.

→ 1. Promoting Increased voluntary and community involvement:

a) *By creating increased opportunities.*

For example:

The ACU supports the **National Database of Volunteering Opportunities**, which (www.do-it.org.uk) contains more than 26,000 volunteering opportunities, equating to 260,000 actual vacancies

b) *By making it easier for people to get involved*

For example

- The ACU supports **Timebank**, which was launched in February 2000. Timebank's objectives are to raise awareness, inspire activity and create a new generation of TimeGivers. There have been in excess of 13,000 registrations with Timebank, promising over 2.5 millions hours.

- The ACU's 'Black and minority ethnic volunteering twinning initiative' encouraged mainstream organisations to twin with at least two Black and minority ethnic voluntary and community organisations. The projects aim to: raise the national awareness of current good volunteering practice in Black and minority ethnic communities; improve the level and quality of opportunities for Black and minority ethnic volunteers; increase the involvement of Black and minority ethnic people within mainstream voluntary organisations; to provide Black and minority ethnic organisations access to mainstream and strategic funding.

c) By raising awareness of the importance and potential of voluntary and community activity

For example:

- The ACU is funding five Demonstration Projects in different parts of the country, which aim to devise innovative and exciting ways of encouraging people to get involved in their communities. The projects, in Brighton & Hove, Camden, Halton & Warrington, Luton and North Tyneside are working with key partners and agencies across the regions to stimulate voluntary and community activity.
- The ACU is funding the International Year of the Volunteer England Consortium (IYVEC) to deliver promotional activity in support of the International Year.
- At the ACU's Convention in March last year, the Prime Minister challenged employers to give their employees one day's paid leave per year to volunteer. The Prime Minister announced on 1 March 2000 that all Cabinet Office and No. 10 staff will be able to take a day's paid leave a year for undertaking voluntary activity. Sir Richard Wilson is encouraging all Government Departments and agencies to do the same. A cross Departmental Working Group on Employee Volunteering under the chair of the Active Community Unit has been set up. This Working Group aims to promote employee volunteering and community involvement across the Civil Service.

2. To support the development of active communities:

a) by developing the capacity of local voluntary and community organisations

For example:

- The ACU has been involved in leading the group that drafted the guidance for the Community Empowerment Fund. The CEF will provide resources to support community and voluntary involvement in local strategic partnerships. ?!

- ACU chairs an Inter-Departmental Working Group on **Resourcing Community Capacity Building** which aims to bring greater coherence to Government policy towards community capacity building and the funding of community groups. The working group includes officials from 10 Government Departments and cross-departmental units, a representative from the Local Government Association, and 7 people from a range of constituencies within the voluntary and community sector. The group has so far drawn together a consultation document on Funding Community Groups, currently on HS circulation, and led the work on the development of a Learning and Development Strategy for Neighbourhood Renewal. In the course of this work, ACU commissioned/organised two consultative day seminars for representatives of all sectors.
- ACU is represented, as an observer, on the Community Development Forum, which brings together LGA representatives with representatives of national voluntary organisations with a lead interest in community development.
- In March, ACU's **Community Development Team** is taking the initiative of calling together all the organisations engaged in community development funded by ACU, to discuss ways in which we can work together more strategically with them, and in which they can collaborate more effectively amongst themselves.

b) by strengthening partnership with Government

For example:

- The ACU has the policy lead on developing and implementing the **Compact** and its five Codes of Good Practice (Funding, Consultation & Policy Appraisal, Black and minority ethnic voluntary and community organisations, Community Groups and Volunteering). The Compact sets out the key principles and undertakings which should underpin the relationship between Government and the voluntary and community sector. *Who enforces it? authority?*
- The ACU recognises that the voluntary and community sector needs to develop a regional voice to engage effectively with regional structures such as the Regional Development Agencies (RDAs) and the Regional Chambers. In July 1999 we announced two new grant programmes worth £3 million over three years to develop **regional voluntary and community sector networks**. These resources were allocated equally among the regions and equally between the generalist and the minority ethnic voluntary sector. The aim of the networks is to: unlock further funds for the voluntary sector in each region; advocate effectively for the voluntary sector in each region to ensure that it is consulted and recognised as valuable in different policy areas and across sectors; and increase the effectiveness of the voluntary sector in each region through, for example, any of the following: information, advice, representation, training, publications and development services.

c) *by promoting diversity*

For example:

- At the ACU Convention in March 2000, the Prime Minister challenged the audience to "... commit themselves to achieving a really diverse involvement of people within their organisations that reflects the nation we live in". The aim of the challenge is to get organisations to sign up to diversifying their volunteer, employee and trustee bases over the next five years.

But what is ACU doing about it?

2. Family Policy Unit

The Family Policy Unit encourages greater awareness of the importance of family and parenting issues among voluntary, professional and statutory organisations and by increasing the public profile of these issues. The Unit also aims to increase the support available to families by co-ordinating Government policies and programmes to help families and providing a grant (the Family Support Grant) for voluntary and community organisations working with families.

Family Support Grant

FSG was established in 1998 to provide financial support to voluntary organisations in England to develop and improve services and support for parents in their parenting role.

Originally the Family Support Grant Programme was worth £7 million over a three year period ending 2000/2001. Following the latest spending review there has been an uplift in grant to £4 million per year for the three years beginning April 2001. Grant is given as a result of an annual round in which voluntary organisations can bid for up to 3 years grant funding with a ceiling of £50,000 per year.

The FSG programme makes funding available under three strands:

STRAND A - Funding for national or umbrella organisations in the parenting support and family sector to support the work of organisations delivering front line services, through the provision of information, advice, training, and the publication and dissemination of research.

STRAND B - Grants under this strand fund new work to support parents, parenting and family relationships which is innovative and unique; the development of existing projects or the dissemination nationwide of lessons learnt from such projects or for effective services to be established in new areas.

STRAND C - This strand is decided annually by the Deputy Home Secretary, Paul Boateng. In the three years of Family Support Grant funding has been given to a range of projects aimed at

- a) Support for fathers
- b) Parenting of Teenagers
- c) Parenting in Challenging Circumstances such as parenting of disabled children; parenting by those who are disabled. This theme was chosen in recognition of the need to raise awareness of the various difficulties that can be faced by many parents at particular times, and to encourage mainstream providers to extend their universal services to reach and include parents who do not currently have access to their services or may have difficulties getting them.

(NB: The results of the latest round, including c above are to be announced on 12 March; organisations who have applied are as yet unaware of the outcome)

37 voluntary organisations will receive FSG from April 2001 as a result of the latest bidding round. Additionally, a total of 47 organisations will receive continuation funding for existing projects.

In addition to the open competition Family Policy Unit administers the grant-in-aid to the National Family and Parenting Institute and to Parentline Plus. The NFPI was established as an independent charity and receive £2 million of grant in aid from 1999-2001. This is made up of contributions from the Home Office, Lord Chancellor's Department, DfEE, DSS, DH and the Welsh Assembly for work undertaken in Wales. Parentline Plus currently receives £1 million from the Home Office for the national freephone helpline service they provide. This has enabled Parentline Plus to be able to take up to 100,000 calls per year from parents seeking advice and/or information.

3. Race Equality Unit

The Race Equality Unit is responsible for race relations policy and legislation and helps to promote equal opportunities to other Home Office policy areas and outside agencies. The **Communities Funding Team** of the REU develops policy for, and funds projects to promote, race equality under the new 'Connecting Communities' grant.

Race Equality Grant.

Four programmes, under the collective theme of "Connecting Communities", are funded under the new grant. The four programmes are:

- Community Networks;
- Opportunity Schemes;
- Towards more Representative Services, and

- Positive Images.

The four programmes aim to:

- help create strong, sustainable, credible local community networks, and bring together, wherever possible, faith and other community groups for joint initiatives;
- give women in minority ethnic communities who are severely disadvantaged access to a wide range of educational, training, employment and personal support, and address the racism and other factors that cause the disaffection and disengagement felt by many young men in minority ethnic communities;
- help build trust, respect and confidence between minority ethnic communities and local Home Office service providers such as the police and fire services; and promote these and other Home Office services as worthwhile career opportunities;
- help counteract racist, negative stereotyping of minority ethnic people and to publicise and celebrate the contribution they have and continue to make to British society.

75 projects across England, Scotland and Wales have now been approved until March 2003. Of the 75 projects, 67 are run by voluntary and community organisations.

<u>Total grant approved for these 67 :</u>	FY 2000/01: £1.4m
	FY 2001/02: £4.1m
	FY 2002/03: £3.8m

4. National Asylum Support Service (Immigration and Nationality Department)

One Stop Services/Reception Services

- 1 The Secretary of State is empowered under Part VI (Section 111) of the Immigration & Asylum Act 1999 to pay grants to voluntary organisations for the provision of support to present and former asylum seekers and their dependants.
2. NASS is granting funding a number of voluntary organisations to provide a Reception Service and/or a One Stop Service to newly arrived asylum seekers and newly presenting in-country asylum seekers and their dependants (if any) who are without funds.
- 3 The voluntary organisations responsible for establishing a network of One Stop Services within the dispersal regions are as follows:

The Refugee Council:	London, Wales, North East, Yorkshire, East Anglia and West Midlands, Northern Ireland
Refugee Action:	North West, East Midlands, South Central, and South West
Migrant Helpline:	Kent & Sussex
Scottish Refugee Council:	Scotland
Welsh Refugee Council:	Wales

4. The Refugee Arrivals Project operate only a Reception Service for asylum seekers arriving at London airports - not a full One Stop Service.
5. NIACRO (ASANI) was responsible for providing the Reception Service in Northern Ireland until October 2000. Responsibility for Northern Ireland has now transferred to the Refugee Council who have sub-contracted this work to NICEM.
6. The Refugee Council have recently subcontracted part of their reception services in London to other Refugee Community Organisations – Ethiopian Community in Britain, East London Somali Association, Refugee Advice Centre, South Tamil Welfare Group and Tamil Relief Centre.
7. The Refugee Council have also sub-contracted the OSS function in the north east to North of England Refugee Service (NERS).
8. The terms and conditions governing the grant arrangements are set out in a legally binding Grant Agreement that includes key performance indicators against which NASS can measure the performance of each agency. The agencies are required to collect data on a number of performance indicators which is used to measure the effectiveness and efficiency of the service being provided, and to provide NASS with quarterly reports containing summaries of this data.
9. The grant funding arrangements will continue until 31 March 2002. NASS may opt to competitively tender for any or part of these services after that date.
10. Details of the grant payments made for the period 2000/01 is as follows:

Refugee Council :	£7,276,178
Refugee Action:	£2,262,753
Migrant Helpline:	£2,132,161
Refugee Arrivals Project:	£1,915,151
Scottish Refugee Council:	£561,223
Welsh Refugee Council:	£358,962
Total:	£14,506,428

5. The Prison Service

The Prison Service's contact with the sector is too extensive to give a comprehensive account, but examples below give a flavour:

- Consultations and joint action with national organisations like NACRO, the Prison Reform Trust, the Federation of Family Support Groups, the Howard League, and the New Bridge. Joint action may include jointly written and funded leaflets (eg on the Human Rights Act with the Prison Reform Trust), support for questionnaires, and involvement in policy development.
- Delivery of programmes through voluntary and community organisations, for example in the areas of drugs, education and suicide prevention.
- All prisons have extensive ad hoc involvement of voluntary organisations on matters such as family support, resettlement, alcohol counselling, and make extensive use of individual volunteers.
- All prisons have volunteer Boards of Visitors (watchdogs), and most have funded arrangements for the 1,500 members of the National Association of Prison Visitors to visit prisoners without families.

Statistics

→ A recent survey identified 8,000 volunteers working with the Prison Service. This is probably a large under-estimate. The Prison Service has bid for matched funding in 19 prisons to increase volunteer opportunities by over 1,000 places, at a cost of £750k. There is no central information on the number of voluntary and community groups working in prisons, but typically a prison will have 10-40 voluntary and community groups working within it, most locally based. There are 135 prisons.

Funding

Funding breakdowns are not made by the nature of the provider, but by subject area. There are therefore no comprehensive figures. Including drugs and education, funding will be in the order of several tens of millions of pounds.

Policy initiatives

In November 2000 the Prison Service appointed its first national voluntary sector co-ordinator to develop a comprehensive strategy for its involvement with the voluntary sector at national, regional and local level. It has held a

number of conferences with the voluntary sector on this theme. A number of prisons and Prison Service regions have already employed voluntary sector co-ordinators at their levels.

Other Key Departments

1. Department of Health

The DH relationship with the voluntary sector comprises three main elements:

Policy consultation and appraisal

The voluntary sector's interests cover almost all aspects of health and social care, and its expertise is wide-ranging. The Department, therefore, obtains regular and important input from the sector when policies and programmes are being developed or reviewed.

Consultation is both formal and informal and takes many forms. Increasingly, the Department involves the voluntary sector in working groups, steering groups and expert reference groups to develop new policies and strategies. For example, the voluntary sector was represented on the modernisation action teams that helped to develop the NHS Plan; the National Service Frameworks, e.g. older people's services, are being developed with the help of an expert reference group that includes voluntary organisations representing users and carers.

Many parts of the Department are involved in consultation with the sector at present when there are wide-ranging changes being implemented in the NHS and social care.

Service planning and provision

Voluntary organisations contribute to health and social care as providers of services. Service provision is mainly for the NHS and local authorities but the Department has a vested interest in that relationship being effective. We maintain close links with national organisations involved in local services through their local groups; this helps in planning new initiatives and provides feedback on existing services. DH may also become involved with voluntary sector providers of services such as residential care, adoption services in which we have a regulatory interest.

In addition, the Department itself commissions some services from the voluntary sector. For example, the Department funds and monitors some health promotion work by voluntary organisations such as the National AIDS Trust; is funding some work with cancer charities to provide additional training for community nurses in palliative care; some research is also commissioned from voluntary bodies.

Funding

DH provides around £50m a year to over 1,000 voluntary organisations. The majority of this is awarded through our two main rolling grant programmes. The Section 64 General Scheme (around £22m a year) is aimed at national voluntary organisations working in health and social care. DH policy sections

work closely with voluntary organisations to ensure that grant applications are relevant to the Department's needs and that the money is used effectively. The Opportunities for Volunteering scheme provides support (around £7m a year) for health and social care projects involving volunteers in local communities. The Department has frequent contact with the 17 national voluntary organisations that administer the scheme on its behalf.

2. Department for Education and Employment

Policy Interests

Through our grants and contracts the voluntary sector play a major role in delivering DfEE objectives such as:

- Lifelong Learning
- Promotion of Employment through raising skills (under ESF Objective 3 Funding)
- Welfare to Work
- Promoting community leadership

The wide range of initiatives in which the voluntary and community sector are involved with include:

- early years initiatives such as playgroups, nurseries, Home Start and Sure Start
- partnerships delivering the Connexions Service
- in delivery of Millennium Volunteers projects
- in the Community Champions programme
- in delivery of a wide range of adult and community education
- as training providers for those in the post 16 sector
- in delivery of the Voluntary Sector Option of the New Deal
- playing a major role in implementing the strategy for Neighbourhood Renewal

Many of these initiatives and others involve support for individual volunteers as well as voluntary organizations. An example would be DfEE support for the training and development of Governors in schools.

Financial Support

DfEE financial support to the voluntary sector amounts to hundreds of millions of pounds per year. The exact figure is not currently available. We are about to embark on a mapping exercise to identify all of the ways in which voluntary organizations are funded to help in delivering our objectives and this will also identify the amounts of funding involved.

DfEE is also supporting the voluntary sector 'in kind' by encouraging its staff to volunteer and providing them with paid time off to do so. There are specific voluntary sector projects supported by each of our five Head Office sites, as

well as a wide range of voluntary and community organizations supported by staff on an individual basis.

3. Department for Transport, Environment and the Regions

DETR's wide range of interests (environment, housing, regeneration, local government, transport etc) offers many opportunities for volunteer involvement at local level. This is an overview of how these policy areas can be attractive to volunteers or how they will impact on/encourage volunteer activity in the future.

Of particular interest is DETR's work to **increase public participation in local democracy** (by more openly engaging with those elected to manage local authorities) and to **encourage tenant involvement in the management of housing estates**. Both areas of work will considerably increase opportunities for community involvement (volunteering by another name) in local affairs.

The range of opportunities is diverse - volunteers can give a couple of hours a week of their spare time to helping others or to some activity in which they are keenly interested e.g. local amenity trusts. Other organisations offer more structured volunteering opportunities, ideal for those seeking personal development e.g. a number of Groundwork trusts offer young unemployed people the chance to take part in structured work experience which can hopefully increase their employability.

Modernising Local Government

This work encourages more effective local dialogue between local authorities and the local community - a two-way exchange of views that encourages greater engagement by local authorities with local people.

Social housing

Most volunteering is undertaken either through tenants' and residents' groups on local authority estates (often with local authority support) or on the Management Boards and committees of local Housing Associations. DETR estimates that some 70-80,000 volunteers may be taking part.

In June 1999 the Government launched Tenant Participation Compacts, specifically aimed at increasing the number of tenants involved in local decision-making. The Compact emphasises the need to reach those groups of tenants presently under-represented - especially black and ethnic minority tenants and young tenants. This issue was addressed by a DETR publication "Developing Good Practice in Tenant Participation" published in July 1999 and developed during a subsequent series of regional seminars on implementing the Compacts.

One of the key principles of the Government's strategy on **rough sleeping** is to pursue approaches which help people off the streets and reject those that sustain a street lifestyle. The key elements of the strategy to help people off

the streets are in place and the number of people sleeping rough is falling. Through grant under Sections 180-181 of the Housing Act 1996, DETR supports a number of voluntary organisations working with rough sleepers and the single homeless.

Regeneration

A key part of the Government's policy here is that the regeneration of local areas can only be sustained with the active participation of local communities. DETR supports the participation of local communities in work carried out through its two main regeneration programmes: the Single Regeneration Budget (the management of which was delegated to Regional Development Agencies from 1 April 1999 and by the London Development Agency from 1 April 2000) and the New Deal for Communities. In addition, the land and property programmes of the former English Partnerships, which funded community projects, also transferred to the RDAs from April 1999. European Structural Funds, for which funding comes via the European Community, is also available.

DETR also provide grants to five Housing Action Trusts that were set up to redevelop, refurbish and manage their run-down Council estates and to improve the physical, social and environmental conditions in their areas. HATs take a holistic approach to regeneration and their overall aim is to bring about sustainable community regeneration. Among the groups currently under-represented are refugees, black and ethnic minority residents, residents with disabilities, children and adults from mixed race etc.

The Department also provides grants to voluntary organisations through the Special Grants Programme (SGP) for work aimed at informing or improving the effectiveness of those organisations involved in regeneration activity.

Environment

Similar support is provided for sustainable environmental work through:

- i) the Countryside Agency which advises on the conservation and enhancement of the English countryside; the provision of opportunities for the public to enjoy it; and operates a range of programmes promoting economic and social development in rural areas.
- ii) English Nature whose role is to sustain and enrich the wildlife and natural features of England. It advises Government on all aspects of nature conservation and carries out its work by using volunteers in a number of ways eg as wardens on nature reserves, bat workers etc.
- iii) National Urban Forestry Unit which is being supported by the Special Grants Programme to develop and trial techniques for involving local people in the urban forestry initiatives.

- iv) Environmental Action Fund which, like the SGP, provides grants to voluntary organisations in this case to carry out sustainable environmental projects.
- v) Encams (comprising Tidy Britain Group and Going for Green). This organisation aims to create a demand for, and enable people and organisations to achieve, a quality environment which is sustainable.
- vi) British Waterways which supports waterways restoration. This attracts fairly strong voluntary support but it is not government led or co-ordinated and receives no government grant.

Transport

There is considerable voluntary activity in this field from small volunteer car schemes to multi-vehicle community transport. DETR has commissioned a study into the nature and scale of voluntary transport in England, Scotland and Wales, consulted on the findings and is currently considering these responses. In particular, the Maritime and Coastguard Agency (although supported by DETR) has a corps of some 3,200 auxiliary coastguards who are paid volunteers.

4. Department for International Development

DfID works closely and constructively with the UK voluntary and community sector and other elements of UK civil society. Our relationships are mostly limited to those organisations which also work internationally on the poverty agenda.

2. Civil society has an important role to play in supporting our work on the elimination of poverty in a globalising world. Its voice takes many forms: non-governmental organisations, trade unions, faith, environmental, consumer and community groups. We are working with civil society to help harness its voice for eliminating poverty through achievement of the International Development Targets. In recognition of the extremely valuable role played by civil society in both UK and partner countries, we channel a substantial proportion of our resources through them. In 1999/2000 DfID provided £195 million to civil society groups.

3. DfID's relationships with civil society (including the UK voluntary and community sector) covers a range of activities, including:

- Policy Development - where we commission specialised inputs to help us strengthen or deepen DfID policy. For example, working closely with groups to produce strategic policy documents like Issues Papers, Country Strategy Papers, Target Strategy Papers and both White Papers on International Development.

- Promoting Coherence - where we work to promote consistency and coherence in approaches to international development and poverty reduction across UK Government, international institutions (e.g. the UN and EC) and other donors (nationally and internationally).
- Reactive - where we support pieces of innovative research or methodology development which increases our understanding of means to enable poor people to escape poverty and to realise their human rights.
- Development Awareness and Education - where we support UK organisations' work in development awareness and education in the UK. This includes activities which strengthen public understanding of globalisation and sustainable development, and incorporates a commitment to sustainable development and a global dimension in education.
- Emergency and Disaster Relief - where we support UK organisations in many disaster situations (e.g. over £3.8 million to date in response to the India earthquake) and seek to prioritise our support to those organisations which are already established in the disaster affected country or have experienced local partners, and have the capacity to respond quickly and effectively.
- Project Management - where UK groups manage and deliver some development projects in developing countries, on DFID's behalf.
- Financial Support - where we provide partial support, through a variety of funding mechanisms, to UK groups' activities in international development which contribute to our aim of poverty elimination.

5. The Charity Commission

The Charity Commission is responsible for registering, monitoring and investigating charities in England and Wales. It has the same powers as the Courts to update the constitutions of charities and to authorise particular transactions and activities. It used these powers to help over 4,000 charities in 1999/2000. It also keeps the development of what is charitable up to date within the law.

In England and Wales there are over 186,000 charities which are registered together with around 100,000 which need not or may not register. These charities cover a very wide range of size and activity, from the Wellcome Foundation which spent over £461m in 1998/1999 to small village halls which may spend less than £1,000. The activities of charities range from overseas aid and development by charities such as Oxfam or Save the Children, sheltered housing for the elderly, Scouts and Guide Groups, pre-school playgroups, charities to help those with particular medical conditions and local churches.

By targeting the top third of all registered charities the Commission actively monitors 98% of the income. During 1999/2000 the Commission also carried

out 255 inquiries into alleged abuse or malpractice in charities and directly protected £24.4m.

The Commission provides advice and guidance to help charities make effective use of their resources. Its publications are available in English and Welsh and a number of publications giving a summary of advice are also in eight ethnic minority languages. Many of the Commission's services such as key details from the register of charities and its publications are also available on its website. The annual number of hits on the website is 5m and rising.

6. HM Treasury

The main areas of contact between the Treasury and the voluntary sector are as follows:

Global Policy & Debt

The department is in contact with about 40 non-governmental organisations that work on international policy issues – e.g. Oxfam, Christian Aid, Jubilee 2000, Save the Children – in addition to all the major religions. The main issues concern Third World Debt, but we are also actively engaged on other development policy issues both with them and international financial institutions, in particular the IMF and World Bank. No money is actually provided to these bodies, although events are organised to consult them on policy issues (e.g. the Chancellor's No.11 seminars on debt), and we deal with their campaign inspired correspondence on debt - 300,000 communications in the past year alone.

Enterprise

There has been considerable involvement with the community development finance sector through Sir Ronald Cohen's Social Investment Task Force. After the task force itself last year we are now working to take forward its recommendations. The department recently launched its consultation on the community investment tax credit, and throughout the consultation period we will be talking to a range of people from community development finance.

On the rest of the Cohen recommendations, we are encouraging the community development finance sector to form a single trade association; working with Cohen to set up the first community development venture fund; and encouraging the banks to disclose their individual business lending activities in disadvantaged communities. The charity commission is also coming forward with guidance that will make clear that charities can support social investment in these communities.

Education & Training

With regard to education and training the Chancellor has worked closely with the National Mentoring Network and DfEE in promoting volunteer mentoring in schools. In PBR 2000 we contributed £5m to help the e-Learning Foundation

+ The Spring Campaign?

offer low cost laptops to disadvantaged school pupils, and the department has been involved with voluntary bodies relating to the ICT Learning Centres, the ten Wired Up Communities pilots and Computers Within Reach. There have also been various meetings with NCH and Save the Children in connection with EMAs, and HMT is working with DfEE on a project about DfEE's relations with the voluntary sector to produce some case studies of where HMT rules appear to have been an obstacle to working together.

Childcare, Sure Start and Child Poverty

The Treasury works with various Childcare representative organisations and lobby groups e.g. Daycare Trust, National Childminding Association (NCMA), Kids Club Network (KCN) and Pre-School Learning Alliance (PSLA) to help the formulation of Welfare to Work policies and the National Childcare Strategy.

In addition to dealing with national and local children's services voluntary groups through Sure Start local partnerships, the Treasury also works with many children's and family charities. This allows officials to visit relevant projects/individuals experiencing poverty and government measures on the ground (including tax/benefit support, as well as services).

When HMT developed the local network of the Children's Fund we consulted widely across the voluntary and community sector. But the implementation of the Children's Fund and handing out of money is for another department, Children & Young People's Unit (DFEE) in this case.

Other

The Welfare to Work policy team works with organisations and lobby groups - such as Gingerbread and the National Council for One Parent Families - to help lone parents by providing welfare reform and by running innovative pilots for the New Deal.

The European Preparation team liaises with working groups - which include reps from RNIB, RNID, Mencap and Age Concern - to gain information on communication themes and consumer issues that may be incorporated in a changeover early in the next Parliament.

In terms of transport, housing, regeneration and social exclusion, the Treasury has extensive meetings and contact with the voluntary and community sector - such as the Disabled Drivers Association - as part of the policy development process. However this is chiefly in the context of their roles as lobby groups rather than suppliers of volunteer-based services or resources, and any funding is provided by DETR.

7. The Inland Revenue

Relationship with the voluntary and community sector

The Inland Revenue administers the special tax reliefs for charities and the tax incentives to encourage charitable giving. These were subject to a comprehensive consultation with the charitable sector from 1997 to 1999, resulting in improvements to the system from April 2000. Since that time, the Inland Revenue has continued to liaise with the sector in the promotion of the tax reliefs.

Tax position of charities

The Inland Revenue will normally accept as a charity, any body that is registered with the Charity Commission for England & Wales or is in a category exempted from registration. The same criteria are applied by the Inland Revenue in Scotland and Northern Ireland.

Charities are in general exempt from tax on their trading income where the trade is the primary purpose of the charity, for example, the provision of healthcare services by a hospital in return for payment.

Trades which are not part of the primary purpose of a charity but which, for example, are intended to raise funds, are taxable. However, small levels of such trading income are exempt. In the case of higher levels of such trading, tax can effectively be avoided by carrying out the non-exempt trading in a subsidiary company and gifting the profits back to the charity.

Charities' dealings with the Inland Revenue will therefore be in relation to agreeing any tax liabilities.

Tax incentives to encourage charitable giving

The tax incentives for individuals are Gift Aid, Payroll Giving, and income tax relief for gifts of certain shares, relief from Inheritance Tax and from Capital Gains Tax on gifts of assets. Companies, similarly, get deductions from income or corporation tax in respect of gifts to charity of money, certain shares, trading stock and equipment.

Charities claim tax relief from the Inland Revenue on Gift Aid donations by individuals. The claims will be subject to periodic audit to ensure proper compliance with the tax rules. (None of the other tax incentives involves tax claims by charities.)

Other voluntary organisations

The Inland Revenue has routine dealings with other voluntary sector organisations that are not charities, in relation to any tax liability they may have.

8. HM Customs and Excise

HM C&E does not have a formal policy making or grant giving role with the voluntary and community sector. It does, however support volunteering by its staff.

The Customs and Excise Volunteering Strategy has been developed as an integral part of a number of other key business strategies. In particular, it is linked to the Department's Recruitment and Marketing Strategy, as part of our aim to raise the Department's profile in the wider community, and as a potential employer.

Implementation at a local level will be the responsibility of our network of Human Resource Managers. They will draw up local plans for interchange, recruitment marketing, outreach and diversity, all of which incorporate elements of volunteering activity.

We recognise that the experience gained by individual members of staff from their participation in voluntary and community-based activities provides a valuable means of attaining and refining competencies and skills relevant to our business objectives. We will focus our volunteering activities in those areas where these links are most readily apparent.

9. Lord Chancellor's Department

LCD does not have a formal policy making or grant giving role with the voluntary and community sector. However, the LCD does encourage its staff to volunteer. For example, they are supporting eligible staff (those aged between 16 and 25) to take part in the Princes Trust Volunteer Scheme.

10. Foreign and Commonwealth Office

FCO does not have a formal policy making or grant giving role with the voluntary and community sector. The FCO is supporting the Prime Minister's challenge encouraging employers to support their staff in undertaking voluntary work. The FCO is therefore encouraging staff to give a day's voluntary work in the voluntary and community sector.

11. Department for Social Security

The DSS has no formal policy making or grant giving role with the voluntary and community sector. The DSS currently has 13 members of staff seconded to the voluntary sector, with another 35 placements to be confirmed shortly. Seventy-five members of staff have booked places on the Prince's Trust Volunteers Scheme so far and we are looking to place a further ten team leaders with the scheme, too. And in their own time our staff undertake a wide range of activities such as school governor, magistrate, local councilor, parish councilor, providing services for local organisations, working in

nurseries, day centres, hospitals, residential care homes, and hospices. One particular example is the contribution made by members of staff in Newcastle, who have regularly worked on the switchboard for the Children In Need appeal.

The aim of DSS is to build on this activity and continue to encourage further involvement by DSS staff.

THE DEPARTMENT OF TRADE AND INDUSTRY AND THE VOLUNTARY SECTOR

The DTI's relationship with the voluntary sector comprises of 4 elements:

Funding

DTI Consumer Affairs (CA) Directorate is responsible for the National Association of Citizens Advice Bureaux. This is the national co-ordinating body for the 650 individual Citizens Advice Bureaux in England and Wales. CA provide, from core funding, over £15m per year in funding.

CA funds the Royal Society for the Prevention of Accidents to the tune of £180,000 per year via Grant in Aid.

CA also funds the Child Accident Prevention Trust on individual projects and initiatives, such as their annual child safety week venture.

The British National Space Centre (BNSC) has given a grant of £1500 to the British Rocketry Oral History Programme.

BNSC also supports the British Interplanetary Society, funding their attendance at the International Aeronautical Federation conference.

Employee Volunteering

The DTI promotes The Prince's Trust Volunteers Programme to its young staff (16-25) on an annual basis. Last year the department comfortably exceeded the target set by the Cabinet Office - that departments should aim to send 3% of their staff in the age bracket on the programme

The department has promoted the DfEE trawl for civil servants to become school governors. The response from DTI staff was good. In addition to the trawl for new governors, DfEE asked that we identify any DTI staff who already act as school governors who would be willing to be mentors to new recruits. DTI HQ boasts at least 17 school governors, 8 of whom act as mentors.

The DTI's special leave provisions, as they stand, for voluntary public service give line management the discretion to authorise special leave with pay within prescribed limits for specific types of voluntary public service. In addition to this, special leave may be granted, again at management discretion, for other types of voluntary activity.

A recent survey of DTI staff showed that a good number of DTI staff are actively involved in the community, performing a wide range of tasks from decorating a local nursery to giving talks in schools on particular areas of expertise to assisting at local schools with literacy and numeracy classes.

Policy development and implementation

The Department involves the volunteers in working groups and boards etc. to develop new policies and strategies. For example

Consumer Affairs Directorate (CA) use members of the public (Not strictly speaking volunteers, as a small fee is paid) in focus groups and studies in area such as safety labelling of products, home safety hazards' disabled data and strength data research.

Business people regularly volunteer to participate in the Trade UK Advisory Board and the Trade Partners UK Information Centre Advisory Board. Their role is to represent the views of users and offer advice, and where appropriate, make recommendations about their service.

A section of the DTI Consumer Goods & Services Directorate chairs several groups involved in developing strategy and policy where participants are mainly from the relevant industries; for example: Retail Lifelong Learning Forum; Business Services Sectors Expert Group; Marketing Communications steering group; Commercial Communications shadow expert group.

Service delivery

The Small Business Service (SBS) involves volunteers in the delivery of services to business. SBS have made £1.5m available this year from the Phoenix Fund * for the British Volunteer Mentoring Association for delivery through local Enterprise Agencies and other local partnerships. It is based on a core of volunteers – up to 1,000 – drawn from all sections of the business community, who provide mentoring advice aimed at pre and early start-up businesses and micro businesses, including those in disadvantaged areas and ethnic and minority groups.

* The Phoenix Fund is a £100m fund to encourage entrepreneurship in disadvantaged areas and disadvantaged groups. The main components are the BVMA, a Community Finance initiative and a Development Fund.

Home Countries

1. The Scottish Executive

Importance of Voluntary and Community Sector

1. Voluntary and community groups are in close touch with marginalised groups and are well placed to identify and respond to changing needs. The sector is major service provider, and important for building community capacity. The sector has an interest in helping to develop policy.

Scottish Executive Commitments to the Sector

2. *The Scottish Compact*, the formal agreement between the Executive and the voluntary sector on working in partnership, was endorsed by the Parliament in November 1999.

3. *The Scottish Compact Good Practice Guides* on Funding, Consultation, Partnership Working and Policy Proofing, were published in June 2000, and are being implemented for officials throughout Executive Departments, Agencies, and NDPBs.

4. The Compact implementation is being monitored jointly with the sector and a joint report will be presented to Ministers in June 2001, to allow Ministers to report to Parliament in September 2001.

5. PfGI: *Making it Work Together: A Programme for Government:*

The Executive will seek to ensure that 1000 young people complete the Millennium Volunteers scheme by 2001.

The Executive will work to strengthen the infrastructure of the voluntary sector and of volunteering, as a priority.

6. PfGII: *Working Together for Scotland: A Programme for Government:*

The Executive will strategically review its funding of the voluntary sector.

The Executive will make sure that older people can be fully involved in the Active Communities Initiative by funding volunteering opportunities specifically for them, and will establish a national Forum on Older Volunteering.

7. *Social Justice:*

Milestone 28: increasing the number of people from all communities taking part in voluntary activities.

8. Budget Documents:

Objective: To strengthen the infrastructure of the voluntary sector and to roll out implementation of the Active Communities Strategy.

Targets: Implement fully the new funding arrangements for the network of Councils for Voluntary Service by 31 December 2001; To provide increased volunteering opportunities at local level for young and older people, for people from black and minority ethnic communities and for housebound people; To support measures to promote IT connectivity in the voluntary sector, including the establishment of a web-based portal.

Recent Ministerial Statements on the Voluntary Sector

9. At the Councils for Voluntary Service (CVS) Conference on 4 October 2000, Ministers said they wanted the voluntary sector, the Third Sector, to be the Executive's third social partner alongside the CBI and the Trades Unions.

10. The Executive aims to modernise the legal framework, the financial framework, and the infrastructure for the voluntary sector, in order to enable the social economy in Scotland to reach its full potential.

11. Ministers have announced that funding for voluntary sector infrastructure would grow from around £4million to over £10 million in the Executive's first term in office.

Executive Funding for the Voluntary Sector

12. An increase from £23m to £35m direct grants in 2000-01, including £6m support for infrastructure and central initiatives. A further £270m indirectly e.g. through Scottish Homes, Health Boards, LECs etc. Total direct and indirect funding estimated around £300m.

13. As a result of the recent Spending Review, Ministers announced on 4 October that funding for voluntary sector infrastructure would grow from around £4m to over £10m over the Executive's first term in office. Ministers announced an increase in funding of £1.2m pa (an effective doubling of funding) for the national network of Councils for Voluntary Service. Ministers have announced a strategic review of Executive funding for the voluntary sector, with a view to reducing bureaucracy for the sector, and also a strategic review of Executive funding for the minority ethnic voluntary sector.

Scottish Executive Measures to Support Voluntary Sector

14. **Voluntary Issues Unit** brought into Development Department Social Justice Group and focussed on sector infrastructure and strategic and generic issues. Voluntary Issues Unit Management Board, drawing senior officials from across the Executive, had second meeting on 9 October. Next meeting in February will have representation from the voluntary sector.

FROM THE RT HON HILARY ARMSTRONG MP
MINISTER FOR LOCAL GOVERNMENT AND THE REGIONS



Lord Falconer of Thoroton QC
Cabinet Office
70 Whitehall
London
SW1A 2AS

SV
C. PU

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28 FEB 2001

Dear Ministers

AD HOC MINISTERIAL GROUP ON THE ACTIVE COMMUNITY

I am sorry that I was unable to attend last Monday's meeting of the Ad Hoc Ministerial Group on the Active Community. I have a wider concern about the paper on "Active Community Settlement: Match Funding and the Devolved Administrations" which I wanted to draw to colleagues attention.

As you know, the Deputy Prime Minister and I are particularly concerned that financial arrangements should continue to treat the English Regions and other parts of the UK in an even-handed way; the Barnett formula is of course the agreed framework for achieving this unless and until we decide to change it.

I understand the NAW's concerns that they only received a very small proportion of money from the cross-cutting review on the Active Community, because under the Home Office's comparability ratio most responsibilities are reserved in Wales. However, as the paper makes clear, the Barnett formula was correctly applied in this case. The nature of the Barnett formula means that the NAW will do well in some circumstances and worse in others. In DETR's own area, for example, the NAW gained significantly from HMT's treatment of transport in SR2000. London Underground spending was included in the comparability ratio for the first time. In addition, Wales' transport comparability ratio (to cover devolved transport spending) was not reduced in Year 3, although reserved rail spending will form a significantly higher percentage of DETR's transport spending by Year 3 reflecting 10 Year Plan spending priorities.

I am copying this letter to other members of the Ad Hoc Ministerial Committee on the Active Community and to Sir Richard Wilson.

Yours sincerely,

Tom Weck

HILARY ARMSTRONG

**APPROVED BY THE
MINISTER AND SIGNED
IN HER ABSENCE**



INVESTOR IN PEOPLE

Director-General

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Jeremy Heywood
Principal Private Secretary to the Prime Minister
Prime Minister's Office
10 Downing Street
London
SW1A 2AA

27 February 2001

Dear Jeremy,

(F)

It was good to see you at lunch today and as promised I enclose a copy of the compact that I mentioned which Ken Stowe had been involved in producing.

With best wishes

Yours ever,

David

David Green
Director-General
david.green@britishcouncil.org

COMPACT

getting it right together

Compact on Relations between
Government and the Voluntary and
Community Sector in England





HOME OFFICE

COMPACT

getting it right together

**Compact on Relations between
Government and the Voluntary and
Community Sector in England**

Presented to Parliament
by the Secretary of State for the Home Department
By Command of Her Majesty
November 1998

Cm 4100

Message from the Prime Minister

This Compact between Government and the voluntary and community sector provides a framework which will help guide our relationship at every level. It recognises that Government and the sector fulfil complementary roles in the development and delivery of public policy and services, and that the Government has a role in promoting voluntary and community activity in all areas of our national life.

The work of voluntary and community organisations is central to the Government's mission to make this the Giving Age. They enable individuals to contribute to the development of their communities. By so doing, they promote citizenship, help to re-establish a sense of community and make a crucial contribution to our shared aim of a just and inclusive society. This Compact will strengthen the relationship between Government and the voluntary and community sector and is a document of both practical and symbolic importance.

Tony Blair

The Rt. Hon. Tony Blair MP



Compact on Relations between Government and the Voluntary and Community Sector in England

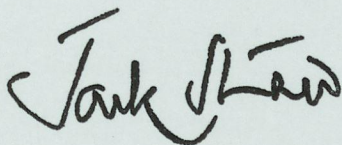
Joint foreword by the Home Secretary and Sir Kenneth Stowe, Chair of the English voluntary and community sector's Working Group on Government Relations

The voluntary and community sector has a vital role in society as the nation's 'third sector', working alongside the state and the market. Through its engagement of volunteers, the services it provides and the support it gives to individuals and groups, its contribution to community and civil life is immense, invaluable and irreplaceable.

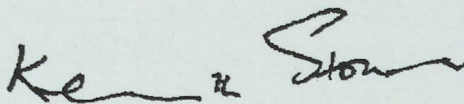
This Compact is aimed at creating a new approach to partnership between Government and the voluntary and community sector. It provides a framework to enable relations to be carried out differently and better than before. Government and voluntary and community organisations share many aspirations - the pursuit of inclusiveness, dedication to public life, and support for the development of healthy communities. The Compact is a starting point for developing our partnership, based on shared values and mutual respect.

The voluntary and community sector's Working Group on Government Relations carried out a major consultation exercise to determine the sector's views on developing the Compact. We are delighted that the Compact embodies the key considerations which emerged and we should like to thank the many thousands of voluntary and community organisations which participated in the process of consultation. We hope that for them and the many beneficiaries and users of the services of the voluntary and community sector the Compact will lead to more effective and fruitful relations with Government.

We shall now carry it forward - developing codes of good practice in key areas and working closely with the Local Government Association and others to encourage the adoption of its principles and undertakings at local level. We look forward to making substantial progress when we make our first annual report to Parliament in 1999.



The Rt. Hon. Jack Straw MP



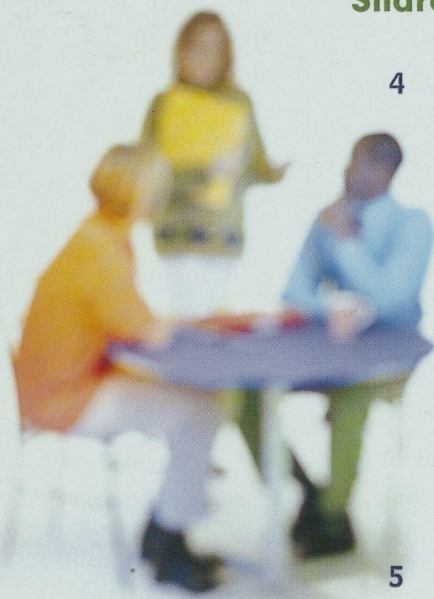
Sir Kenneth Stowe

Status of the Compact

- 1 The Compact in England has been drawn up in partnership following extensive consultation with the voluntary and community sector and Government Departments. The Compact is deliberately not exhaustive but, recognising the diversity of the voluntary and community sector and its activities, should be seen as a general framework and an enabling mechanism to enhance the relationship between Government and the sector.
- 2 The Compact is a memorandum concerning relations between the Government and the voluntary and community sector. It is not a legally binding document. Its authority is derived from its endorsement by Government and by the voluntary and community sector itself through its consultation process. The Compact will initially apply to central Government Departments, including Government Offices for the Regions, and 'Next Steps' Executive Agencies (whilst applying in principle to all 'Next Steps' Executive Agencies, in practice the Compact will only have effect where those agencies have a relationship with the voluntary and community sector). The Compact will apply to the range of organisations in the voluntary and community sector. Annex A describes how the Compact was developed.
- 3 Compacts have been developed in other parts of the United Kingdom. As part of the implementation process, guidance will be prepared to address the issues which arise under the Compact in respect of those Government Departments and 'Next Steps' Executive Agencies which have responsibilities in more than one part of the United Kingdom.

Shared vision

- 4 The Compact arises out of the Deakin Commission Report on the *Future of the Voluntary Sector* and the policy document *Building the Future Together*, prepared by the Government when in Opposition. Both concluded that Government and the voluntary and community sector have a number of complementary functions and shared values and that a Compact to further their understanding and develop their relationship would be highly desirable. The Compact is an expression of the commitment of Government and the voluntary and community sector to work in partnership for the betterment of society and to nurture and support voluntary and community activity. As part of this process, the Compact sets out the key principles and undertakings which should underpin the relationship between Government and the voluntary and community sector in England.
- 5 The underlying philosophy of the Compact is that voluntary and community activity is fundamental to the development of a democratic, socially inclusive society. Voluntary and community groups, as independent, not-for-profit organisations, bring distinctive value to society and fulfil a role that is distinct from both the state and the market. They enable individuals to contribute to public life and the development of their communities by providing the opportunity for voluntary action. In doing so they engage the skills, interests, beliefs and values of individuals and groups. The



Government and the voluntary and community sector recognise and value the vital contribution of volunteers in our society, and the important role of voluntary organisations in helping them to make that contribution.

- 6 Voluntary and community organisations make a major and literally incalculable contribution to the development of society and to the social, cultural, economic and political life of the nation. They act as pathfinders for the involvement of users in the design and delivery of services and often act as advocates for those who otherwise have no voice. In doing so they promote both equality and diversity. They help to alleviate poverty, improve the quality of life and involve the socially excluded. The voluntary and community sector also makes an important direct economic contribution to the nation.
- 7 The Compact recognises that these attributes are a major benefit to society and that Government can play a positive role both in promoting volunteering and in supporting the work of voluntary and community organisations. The scope and nature of activity by voluntary and community organisations is such that whenever Government legislates or regulates it can have an impact on their work, positive or negative. The Compact will help to make that impact positive.

Shared principles

- 8 The shared principles which underpin the Compact are set out below.
 - 8.1 Voluntary action is an essential component of democratic society.
 - 8.2 An independent and diverse voluntary and community sector is fundamental to the well-being of society.
 - 8.3 In the development and delivery of public policy and services, the Government and the voluntary and community sector have distinct but complementary roles.
 - 8.4 There is added value in working in partnership towards common aims and objectives. Meaningful consultation builds relationships, improves policy development and enhances the design and delivery of services and programmes.
 - 8.5 The Government and the voluntary and community sector have different forms of accountability and are answerable to a different range of stakeholders. But common to both is the need for integrity, objectivity, accountability, openness, honesty and leadership.
 - 8.6 Voluntary and community organisations are entitled to campaign within the law in order to advance their aims.
 - 8.7 The Government plays a significant role, among other things, as a funder of some voluntary and community organisations. Funding can be an important element of the



relationship between Government and the voluntary and community sector.

- 8.8** Both Government and the voluntary and community sector acknowledge the importance of promoting equality of opportunity for all people, regardless of race, age, disability, gender, sexual orientation or religion.

Undertakings by Government

- 9*** The undertakings by Government are set out below.

Independence

- 9.1** To recognise and support the independence of the sector, including its right within the law, to campaign, to comment on Government policy, and to challenge that policy, irrespective of any funding relationship that might exist, and to determine and manage its own affairs.

Funding

- 9.2** To take account of the recommendations of the Better Regulation Task Force report on *Access to Government Funding for the Voluntary Sector* (which referred to the need for greater proportionality, targeting, consistency and transparency in Government funding frameworks) and to pay particular regard to the concept of strategic funding, ensuring the continued capacity of voluntary and community organisations to respond to Government initiatives.

- 9.3** To develop in consultation with the sector a code of good practice to address principles of good funding for Government Departments. This will promote:
- (a) the allocation of resources against clear and consistent criteria, including value for money;
 - (b) funding policies which take account of the objectives of voluntary and community organisations and their need to operate efficiently and effectively;
 - (c) common, transparent arrangements for agreeing and evaluating objectives, performance indicators and their associated targets, facilitating prompt payment, reviewing financial support, consulting upon changes to the funding position, and informing voluntary and community organisations about future funding as early as possible, normally before the end of the current grant period; and
 - (d) the value of long-term, multi-year funding, where appropriate, to assist longer term planning and stability.



- 9.4** To recognise the importance of infrastructure to the voluntary and community sector and volunteering and, where appropriate, to support its development at national, regional and local level.

Policy development and consultation

- 9.5** To appraise new policies and procedures, particularly at the developmental stage, so as to identify as far as possible implications for the sector.
- 9.6** Subject to considerations of urgency, sensitivity or confidentiality (for example, in the preparation of advice for Ministers) to consult the sector on issues that are likely to affect it, particularly where Government is proposing new roles and responsibilities for the sector, for example, in the delivery of statutory services. Such consultation should be timely and allow reasonable timescales for response, taking into account the need of organisations to consult their users, beneficiaries and stakeholders.
- 9.7** To take account positively of the specific needs, interests and contributions of those parts of the sector which represent women, minority groups and the socially excluded.
- 9.8** To respect the confidentiality of information provided by the sector, within the constraints of the law and the proper performance of public duties, when given access to it on that basis.
- 9.9** To develop jointly with the sector a code of good practice covering consultation, policy appraisal and implementation. This will draw on central guidance on impact assessment and excellence in consultation developed by the Cabinet Office.

Better Government

- 9.10** To promote effective working relationships, consistency of approach and good practice between Government and the sector, particularly where cross-Departmental issues are concerned.
- 9.11** To adhere to the principles of open government (which seeks to ensure that whenever possible decisions and findings are made public) and good regulation.
- 9.12** To review the operation of the Compact annually in conjunction with the sector.
- 9.13** To promote the adoption of the Compact by other public bodies.



Undertakings by the voluntary and community sector

10 The undertakings by the voluntary and community sector are set out below.

Funding and accountability

- 10.1** To maintain high standards of governance and conduct and meet reporting and accountability obligations to funders and users. Where applicable, to observe the accounting framework for charities.
- 10.2** To respect and be accountable to the law, and in the case of charities observe the appropriate guidance from the Charity Commission, including that on political activities and campaigning.
- 10.3** To develop quality standards appropriate to the organisation.

Policy development and consultation

- 10.4** To ensure that service users, volunteers, members and supporters are informed and consulted, where appropriate, about activities and policy positions when presenting a case to Government or responding to Government consultations, and to communicate accurately the views put to them in the course of such representations.
- 10.5** To respect the confidentiality of Government information, when given access to it on that basis.

Good practice

- 10.6** To promote effective working relationships with Government, other agencies and across the voluntary and community sector.
- 10.7** To involve users, wherever possible, in the development and management of activities and services.
- 10.8** To put in place policies for promoting best practice and equality of opportunity in activities, employment, involvement of volunteers and service provision.
- 10.9** To review the operation of the Compact annually in conjunction with the Government.



Issues relating to community groups and black and minority ethnic organisations

- 11 Although the principles and undertakings contained in the Compact apply across the voluntary and community sector, particular consideration needs to be given to the specific needs, interests and contribution of community groups and Black and minority ethnic voluntary and community organisations.
- 12 **Community groups**, as associations of people who come together to pursue a common cause or interest, often on a mutual basis, are usually run entirely by volunteers for people like themselves. If they have a relationship with Government for the most part it will be with local rather than central Government. However, they may well be affected, directly or indirectly, by Government legislation, regulation and changes in social policy. It is important that the distinctive needs and interests of community groups are taken into account as their perspective and concerns may differ from those of other voluntary organisations. A code of good practice will be developed to facilitate and reflect this.
- 13 Despite their work with a diverse range of groups and communities, many **Black and minority ethnic voluntary and community organisations** feel outside the traditional structures of the voluntary and community sector. The Compact provides a framework for ensuring that support for, and involvement of, these organisations are mainstream issues for both Government and the voluntary and community sector. In particular, resources need to be targeted at Black and minority ethnic infrastructure organisations, whose aim is to increase the effectiveness of the Black and minority ethnic voluntary and community organisations at national, regional and local level. Equally, steps will need to be taken by both Government and the voluntary and community sector to ensure that Black and minority ethnic organisations have the opportunity to be directly involved in partnerships, consultation and decision making. This will help these organisations to develop and realise their potential. These concerns will be addressed through a specific code of good practice which will reflect the distinctive needs and circumstances of Black and minority ethnic voluntary and community organisations.

Resolution of disagreements

- 14 The Compact sets out a general framework for enhancing the relationship between Government and the voluntary and community sector. As far as possible disagreements over the application of that framework should be resolved between the parties. To assist this process, where both parties agree, mediation may be a useful way to try to reach agreement, including seeking the view of a mediator. Where behaviour which contravenes this framework constitutes maladministration, a complaint may be brought to the Parliamentary Commissioner for Administration in the usual way. The Government will, in the light of experience, consider whether there is a need to strengthen the complaints and redress process in relation to the Compact.



Taking the Compact forward

- 15** The Compact, as a framework document, is a starting point not a conclusion. The Government and the voluntary and community sector are committed to working together to develop its application and effectiveness. As part of that process, codes of good practice will be prepared in the areas of funding, consultation and policy appraisal, volunteering, community groups, including those which are faith based, and Black and minority ethnic organisations.
- 16** As part of the process of making the Compact work, there will be an annual meeting between the Government and representatives of the voluntary and community sector to review the operation of the Compact and its development. The report of that meeting will be published and placed in the Library of the Houses of Parliament.
- 17** As noted in paragraph 2, the Compact will initially apply to central Government Departments, including Government Offices for the Regions, and 'Next Steps' Executive Agencies. The Government intends to encourage actively its extension to other public bodies, for example, Non-Departmental Public Bodies, and to local government, who will be invited to adopt and adapt the Compact to suit their relationship with the voluntary and community sector.



Building the Compact

- 1** The impetus for the Compact stems from the recommendations of the Deakin Commission Report on the *Future of the Voluntary Sector* and from the policy document *Building the Future Together*, published by the Government when in Opposition. The Deakin Commission concluded that Government should recognise the legitimacy of the voluntary and community sector's diverse roles and its own responsibility to promote a healthy sector. It proposed a 'concordat' drawn up between representatives of Government and the sector, laying down basic principles for future relations. *Building the Future Together* concluded that a Compact, underpinned by a set of principles, was necessary as the basis for a partnership between Government and the sector.
- 2** A Ministerial Group chaired by a Home Office Minister will oversee the implementation of the Compact within Government. The following Departments are represented on the group: the Home Office, Department for Culture, Media and Sport, Department for Education and Employment, Department of the Environment, Transport and the Regions, Department of Health, Department of Social Security, Scottish Office, Welsh Office and Northern Ireland Office. The Charity Commission has observer status. The aim of the Group is to oversee and monitor the implementation of the Compact; encourage its adoption by other public agencies; promote consistency within Government Departments on voluntary, volunteering and community issues; and promote good communication between the Government and the voluntary and community sector.
- 3** A voluntary and community sector Working Group on Government Relations was set up to consider ways of enhancing relations between the sector and Government in England. It is comprised of representatives from leading voluntary and community sector umbrella bodies, including representatives from community groups and organisations, volunteering organisations, Councils for Voluntary Service, the National Council for Voluntary Organisations and Black and minority ethnic organisations. It is chaired by Sir Kenneth Stowe, Trustee of the Carnegie UK Trust.
- 4** The aim of the voluntary and community sector's Working Group was to examine in detail the nature of the Compact, to consult with other voluntary and community organisations over its proposed content and to liaise with Government. A Reference Group was also set up, with membership drawn from 65 voluntary organisations, to act as a sounding board to the activities of the Working Group before and during discussion with Government. The feedback from the Reference Group was used to prepare a draft consultative document which was then made widely available to the voluntary and community sector for consultation, backed up by a series of seminars and consultation events throughout England. The consultation process was seen by the Working Group as crucial to its standing and acceptability.

- 5 The consultative document was circulated widely across the voluntary and community sector for comment and, as part of a twin track process to develop the Compact, the Government also carried out its own consultation across Departments. The structure and content of the consultative document formed the basis of the Compact drawn up between Government and the voluntary and community sector.

Specific consultation

- 6 The number of community groups is estimated to run into the hundreds of thousands. They include membership bodies where members of the community are able to offer their services to others, campaigning bodies, self-help, leisure and arts groups. The **Community Sector Coalition** carried out a specific consultation among representatives of **community groups** and their national bodies which showed that these groups, while being diffuse, have a particular importance to an independent, democratic and free society. While seeing many areas of common interest with the traditional voluntary sector the consultation identified many areas of divergence due to the different priorities, organisation and ethos of community groups.
- 7 The consultation showed that although much of the work of community groups is at a local level, decisions at a national level can often have an impact on the environment within which community groups work. In particular, it was felt that appropriate procedures and consultation processes, issues of proportionality and capacity building, and the lay management nature of community organisations necessitated specific understanding and recognition within the Compact, and the need for a specific code of good practice. The consultation process revealed that many community groups felt that their particular nature and circumstances required recognition as a separate sector.
- 8 A specific consultation process was also carried out by **Sia**, the national development agency for **Black voluntary and community organisations**. This showed that the black voluntary and community sector is made up of a diverse range of organisations and groups which provide various services and support networks. It was felt, however, that these organisations had encountered a number of barriers to their development and had been hampered by a lack of recognition of their role and potential. Inadequate funding and a perception that other organisations excluded Black voluntary and community organisations from partnerships were of particular concern. Some felt that their aspirations would be best met through a separate Compact between Government and Black voluntary and community organisations. They were keen to be fully engaged in consultation processes with Government and for the Compact to take account of their distinctive needs and circumstances. The findings of the consultation were applicable to the development of the Compact at both national and local level. A report of the consultation is available from **Sia** (Winchester House, 9 Cranmer Road, London SW9 6EJ).



HOME OFFICE



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Helpline: 0171 217 8400

or alternatively:

Working Group on Government Relations
c/o NCVO
Regent's Wharf
8 All Saints Street
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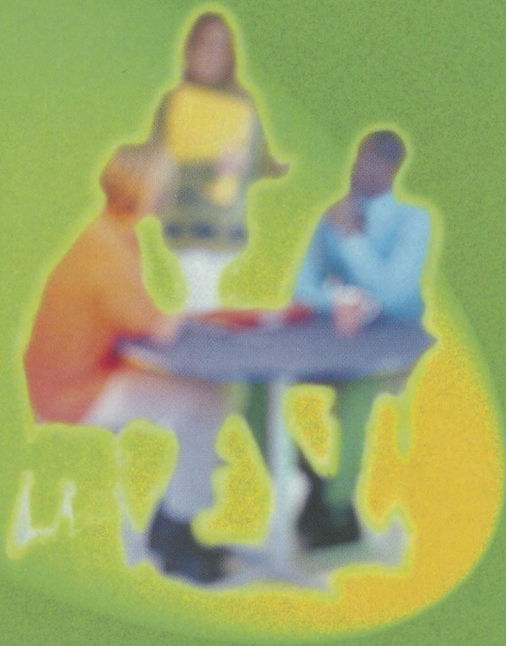
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CHARITY LAW

Case of proving public benefit

Voluntary organisations could face a tougher test of charitable status, says Vicki Bakhshi ¹³

The 400th anniversary of the 1601 Statute of Elizabeth, the foundation of charity law, is being marked by fresh attempts to bring legislation into the modern age, with the publication last week of a consultation paper by the National Council for Voluntary Organisations:

In spite of the age of some of the legislation, the report does not favour radical change, fearing that sweeping aside existing case law would create too much uncertainty. Instead, it concentrates on the need to amend the legislation to provide greater consistency.

However, even the modest legal changes suggested would have wide-ranging consequences.

At present, under case law dating back to the 19th century, an organisation can

qualify as a charity under one of four headings: the relief of poverty, the advancement of education, the promotion of religion, or "other purposes beneficial to the community".

If it falls under one of the first three heads, the organisation is presumed to be of public benefit. Only if it falls under the fourth head must it prove to the Charity Commission that it provides benefit "to a sufficient section of the public".

It is this anomaly that allows private schools, private hospitals and organisations that aid members of only one particular family or employer to claim charitable status, even when access to their services or benefits is limited.

The consultation paper proposes that all organisations should have to demon-

strate that they can pass the public benefit test.

In practice, the reform would mean that private schools would have to show that they provide a wider public benefit, such as access to playing fields or the provision of bursaries.

Similarly, private hospitals would have to argue the case for charitable status based on access to facilities. Religious organisations would be able to claim they provided spiritual and moral support - and probably retain their charitable status under any such reforms, as long as they were accessible to the public.

Organisations that lost charitable status would lose a wide range of tax benefits. There would also be legal issues concerning the use of funds held by such organisations.

The report also considers whether there should be a change in rules on campaigning organisations, such as Amnesty International, which at present are unable to claim charitable status. It argues that from October 2000, when the Human Rights Act was incorporated into UK law, "it is reasonably clear that... promoting human rights here will be charitable".

The position regarding the promotion of human rights overseas is less clear. While the report does not favour a legislative change, it suggests that the Charity Commission review its interpretation of the existing law.

For the public benefit? A consultation document on charity law reform. Available from the NCVO: Tel 020 7713 6161.

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New church schools to boost standards

By Roland Watson
and John O'Leary

1

A NEW network of church schools will play a key role in the drive to increase diversity and raise standards, the Government will announce today.

More than 100 new secondary schools, mainly under the aegis of the Church of England, will help to end the domination of local authority comprehensives.

The first wave is under consideration following an inquiry by Lord Dearing, the former government education troubleshooter. The Church of England is sponsoring two city academies in the Government's flagship programme to replace failing schools.

The remaining schools will open or transfer from local government control over the next five years aided by government concessions on capital

costs. David Blunkett, the Education and Employment Secretary, will reveal a five-year plan to tackle teacher shortages and boost performance, especially in the early years of secondary education.

A national academy for gifted children and increased funding for after-school activities in deprived areas will be other highlights of an extensive agenda for a second term in office.

Today's Green Paper will promise teachers in shortage subjects such as mathematics and science a "golden handcuffs" deal to pay off their student loans over ten years, provided they stay in state schools.

Undergraduates could take teacher-training modules during summer vacations, earning up to £2,000 and speeding their passage into the classroom.

At the heart of the Government's long-term plans, however, are greater choice and competition at secondary level.

Building on Tony Blair's promise to increase the number of specialist schools, Mr Blunkett will herald a new era for church schools, signalling his support for Church of England proposals to establish 100 more secondary schools.

Writing in *The Times* today, Mr Blunkett praises the "good record" of the country's 600 Anglican and Catholic-sponsored schools, saying that parents welcome their ethos.

Praising the "sense of mission" which many specialist schools display, Mr Blunkett promises an end to "dull uniformity" in classrooms.



QUEEN ANNE'S GATE LONDON SW1H 9AT

12 FEB 2001

Henry McLeish Esq MSP
First Minister
Scottish Executive
St Andrew's House
Regent Road
EDINBURGH
EH1 3DG

Dear Henry,

**THE QUEEN'S GOLDEN JUBILEE:
REVISED PROPOSAL FOR COMMUNITY SERVICE AWARD**

Thank you for your letter of 23 January confirming that you are content that there should be an award to mark The Queen's Golden Jubilee along the lines of the proposal set out in my minute of 8 January to Robin Cook.

2. You will have seen by now my minute of 28 January to Robin explaining that I have looked again at the implementation timetable for an award in the light of comments received and concluded that it would be best to defer the launch until 2002 with a view to making the first awards in 2003. This will provide more time properly to develop the scheme and to work up the detail. The two important points you have raised for further consideration - the cost per annum of operating the award scheme and of ensuring that the devolved administrations have a clear role in assessing award nominations - are very much the sort of issues that we will be addressing. As I explained in my minute of 28 January, my officials have already begun to work on the detail and will be consulting colleagues in other departments.

3. I am copying this to the Deputy Prime Minister, the Chancellor of the Exchequer, the Foreign Secretary, the Secretary of State for Education and Employment, the President of the Council, the Secretary of State for Culture, Media and Sport, the Secretary of State for Trade and Industry, the Secretary of State for Northern Ireland, the Secretary of State for Wales, the Secretary of State for Defence, the Secretary of State for Scotland, the Minister of State at

the Cabinet Office, the First Minister and the Deputy First Minister of the Northern Ireland Assembly, the First Minister of the National Assembly for Wales, Sir Robin Janvrin, David North (No. 10) and Sir Richard Wilson.

Yours ever,
Jack.

JACK STRAW

OFFICE OF THE DEPUTY PRIME MINISTER
FROM THE PRIVATE SECRETARY



Jeremy Heywood Esq
Principal Private Secretary
10 Downing Street
LONDON
SW1A 2AA

DEPARTMENT OF THE ENVIRONMENT
TRANSPORT AND THE REGIONS

ELAND HOUSE
BRESSENDEN PLACE
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TEL: 020 7944 3011
FAX: 020 7944 4399
E-Mail: john_prescott@detr.gsi.gov.uk

WEB SITE: www.detr.gov.uk

Handwritten notes in the top right corner: a circled 'P', 'JSH', 'e:DN', and 'PU'.

Dear Jeremy,

- 9 FEB 2001

COMMUNITY SERVICE: THE TIME OUT SCHEME

Thank you for sending to Peter Unwin a copy of your letter of 6 February to Mike Wardle, about the proposal for the Prime Minister to launch a Community Service Scheme.

We welcome this proposal. It would offer excellent opportunities to engage more young people in worthwhile activities, both for their own benefit and for the benefit of the community or environment.

We would welcome the chance to be involved in further work. Our experience from the Environment Task Force - one of the options for young people under the New Deal programme - has taught us a number of lessons about how best to make use of young people's time and energy to produce worthwhile environmental improvements. It would be important to clarify how the resources for the proposal would be found: our resources are fully committed and we could not find any money to contribute.

I am sending copies of this to Tom Scholar (HM Treasury), Hilary Jackson (Home Office) and to Mark Langdale and Richard Abel (Cabinet Office).

*Yours ever,
Nicola Willey*

NICOLA WILLEY
Private Secretary



INVESTOR IN PEOPLE

From: THE PRIVATE SECRETARY



Top-JJM
CCDN
PU

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

Jeremy Heywood
Principal Private Secretary
10 Downing Street

7 February 2001

(8)

Dear Mr Heywood,

COMMUNITY SERVICE: THE TIME OUT SCHEME

My Minister has seen the proposals outlining a new scheme to offer more young people the opportunity to get involved in voluntary activity.

He sees great merits in working through the ideas in more detail. However, he believes that before we make any detailed announcements about the nature of the scheme it will be important to test out and develop the proposals with young people themselves. We have to be able to demonstrate that we are responding to the needs articulated by young people. If we do not involve young people, not only will we undermine our commitments to their involvement in the development of services designed to address their needs, but more importantly we may fail to engage their enthusiasm behind a scheme which could make a huge impact with their support.

The Children and Young People's Unit stands ready to make proposals over how we might best involve young people in examining the proposals.

SABITA SHARMA

Assistant Private Secretary to the Minister for Young People

From: Mike Emmerich
Date: 7 February 2001

JONATHAN POWELL
JEREMY HEYWOOD

Cc David Miliband
Ruth Kennedy

COMMUNITY SERVICE - TIME OUT FOR YOUNG PEOPLE

The purpose of this note is to bring you up to date on where we have got to on this idea.

On the basis of our work today I think you might add the following firmer ideas to the speech:

- that the PM is committed to providing an entitlement to providing community service opportunities to all those young people that want them;
- that he is also committed to making it easier for people to get involved. He could announce that he is to hold a seminar with government and voluntary sector bodies to discuss how we can both simplify the Government's support to the voluntary sector and improve the voluntary sector's efforts at increasing the number of opportunities for volunteering.

Having addressed the shortcomings of current arrangements, the seminar would also address the issue of how the public sector could support the voluntary sector in developing a new programme of community service as described in Geoff's paper.

On incentivisation the PM could say that the Government will be:

- looking at ways of providing financial incentives for young people taking part in the community service (and volunteering?); and,
- exploring ways of accrediting community service/volunteering activity for HE and FE students through their courses.

A copy of the DfEE response to Jeremy's letter is attached along with Home Office comments on the DfEE letter and some suggestions I put to them.

I should add that I have not cleared any of this with the Treasury on the grounds that it does not involve firm spending commitments.

I hope this is helpful.

Mike Emmerich

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file

From: Ruth Kennedy
Date: 2 February 2001

PRIME MINISTER

cc: P/S Lord Falconer
David North
Jeremy Heywood
David Miliband
Liz Lloyd

CRIMINAL RECORDS CHECKS: COST TO THE VOLUNTARY SECTOR

1. We need to decide quite soon on the charges to be levied on criminal records certificates.
2. We are currently committed to charging for these certificates. Jack Straw has proposed subsidising applications so that all certificates would cost around £8 per application, rather than up to £18 were they to be unsubsidised. We should be clear, however, that this will still attract vocal criticism from charities and others, who will argue that it will impose a large cost burden, and is bound to have a negative effect on volunteering and on Government initiatives in this area.
3. Our fear here is that this risks becoming another Food Standards Agency problem. As you will recall, we persisted for a long time then with a commitment to charge industry for the costs of the Agency, only to give way at the last minute. The end result was that we took a lot of flak while we persisted with our initial proposal, and got precious little credit when we (arguably inevitably) gave way at the end.
4. The options available to us now really boil down to:
 - i) charging the voluntary sector in full (up to £18 per certificate, depending on the type of check). No-one now seems to be advocating this in Government;
 - ii) JS's suggestion, which involves some Government subsidy, and a flat rate charge of £8 per certificate. This would provide little comfort for the voluntary sector, who are not aware that the original cost estimate of £10 has risen to £18;
 - iii) taking the costs into account in grant allocations to publicly-funded groups. But this would not cover "deserving" organisations which do not receive public funding. Nor is it very transparent;

RESTRICTED

iv) making all certificates free for volunteers (although GB seems to be worried about this on the grounds that it would "provide free checks for Eton").

5. The cost of providing free certificates for the voluntary sector would be around £15m per annum for the first four years (covering start-up costs of the CRB), and costs would decrease thereafter as CRB profitability increased.

Do you have a view on this? Is it worth the inevitable hassle and criticism to charge volunteers any sum?



RUTH KENNEDY



Rec'd by
1/2

SANCTUARY BUILDINGS GREAT SMITH STREET
WESTMINSTER LONDON SW1P 3BT
TELEPHONE 0870 0012 345
E-mail dfee.ministers@dfee.gov.uk
The Rt Hon DAVID BLUNKETT MP

Mr David North
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

1 February 2001

Dear David

I have seen your letter of 25 January to Hilary Jackson about the Criminal Records Bureau.

My Secretary of State remains concerned that the CRB's fee will deter parents and other volunteers who help in schools (and can make an important contribution to raising standards), place an obstacle in the path of those providing childcare, and present a significant barrier to the long term unemployed seeking work. The fee will affect 1 million people working, and 2 million people volunteering, in schools; 1 million workers and volunteers in childcare; and many of the 2 million long term unemployed who come off benefit and enter work each year. The cost for the education and employment sectors could be as high as £75 million in the first year alone if the fee deters a small number of new volunteers. We have no scope for funding CRB checks out of existing budgets.

My Secretary of State also thinks that CRB fees are likely to neutralise the effect of new money announced by Gordon Brown in January to stimulate volunteering. He thinks it is likely that those on low incomes will be deterred from volunteering and that the National Experience Corps will have difficulty persuading older volunteers to help young families and schools if they have to meet the cost of the CRB check.

My Secretary of State agrees with the Prime Minister that we need to assess the effect of the CRB across the entire public and voluntary sector, and notes that the Department of Health faces similar difficulties with volunteers in health and social services. He agrees that we need a coordinated plan and timetable for handling the voluntary sector but thinks that the plan must extend to all public sector services that will be affected by the CRB.



INVESTOR IN PEOPLE



I am copying this letter to the Private Secretaries to the Deputy Prime Minister, the Home Secretary, the Secretary of State for Health, the Secretary of State for Culture, Media and Sport, the Secretary of State for Trade and Industry, the Secretary of State for Defence, the Secretary of State for Social Security, the Secretary of State for Wales and Lord Falconer and to Richard Abel (Cabinet Office).

Kim Sibley

**KIM SIBLEY
PRIVATE SECRETARY**



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

26 January 2001

Dear Neil

**WINNING THE GENERATION GAME: IMPLEMENTING THE PIU
REPORT ON ACTIVE AGEING**

The Prime Minister was grateful for your Secretary of State's letter of 21 December to the Deputy Prime Minister, enclosing an update on implementation of the PIU report on active ageing.

The Prime Minister was pleased to note the progress that was being made towards implementing the conclusions of the report and also to hear of the good progress being made to improve services to older people more generally.

The Prime Minister would like to keep open the option of publishing a report on the implementation of this report in March. To this end he would welcome a further progress report on implementation from your Secretary of State by the end of February. In the meantime, implementation needs to be taken forward as rapidly as possible in cases where commitments have not yet been met.

There were a number of specific areas in which the Prime Minister was particularly keen to see more progress.

On pensions, conclusions 25 and 28 (on the provision of information to scheme members) do require implementation. So too do conclusions 30 and 31 (which relate to the rules on taking a part pension while staying with the same employer). It is important for the Inland Revenue review to progress rapidly now to a conclusion with a view to an early announcement. The Prime Minister would be grateful for further advice from your Secretary of State on conclusion 32 (raising the minimum age at which pensions are payable from 50 to 55). This should cover the legal issues involved, particularly how Inland Revenue legal advice squares with that available in DSS (which would seem in the past to have reduced accrued pension entitlements without legal challenge on human rights

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- 2 -

grounds). It should also give an assessment of alternative options such as changing the rules for future pension accruals or for those newly joining pension schemes.

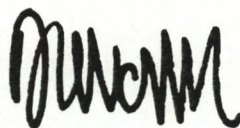
On benefits and conclusion 40 (removing the over-60s exemption from JSA rules), the Prime Minister feels that men aged 60-64 should be encouraged, where possible, to participate in the labour market, but recognises that this measure would add significantly to the claimant count. He would be grateful for further advice on this issue.

The Prime Minister also believes that the Government should set an example as an employer in its treatment of older people, and is therefore keen to see progress made in implementing conclusions 6 -12.

Finally, the PIU report was published as collectively agreed government policy. The Prime Minister believes it is therefore important for your Secretary of State to secure formal collective agreement from relevant Cabinet colleagues should there be individual conclusions in the report that, after further work, your Secretary of State still judges should not be implemented.

I am copying this letter to the Private Secretaries to all Cabinet Ministers and to Richard Abel (Cabinet Office).

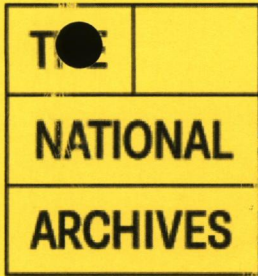
Yours ever



DAVID NORTH

Neil Couling
DSS

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DEPARTMENT/SERIES <i>PREM 49</i>	Date and sign
PIECE/ITEM <i>2033/1</i> (one piece/item number)	
Extract details: <i>Letter dated 17 January 2001</i>	
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Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
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Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
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or Number not used.



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11.12.00
R

SCOTLAND OFFICE

AN OIFIS ALBANNACH

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Ministear na Staite
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Dùn Eideann
EH3 7HW

Lord Falconer of Thoroton QC
Minister of State
Cabinet Office
70 Whitehall
LONDON
SW1A 2AS

4 January 2001

Dear Lord Falconer

**AD HOC MEETING ON THE ACTIVE COMMUNITY, 18 SEPTEMBER 2000 –
CRITERIA FOR MATCHED FUNDING**

I have seen your letter of 5 December to Paul Murphy and Paul Murphy's reply of 14 December. I have also received a letter from you, dated 12 December, inviting me to take part in the Active Community Settlement Breakfast at No 11 on 11 January.

I agree with Paul that the issue about matched funding for devolved projects in Wales, and Northern Ireland, will need to be resolved before the Active Community Settlement is announced on 11 January.

Paul also raised a point about schemes in reserved areas. Like Paul, I disagree with your proposal that where there are schemes in reserved policy areas, they will not be eligible for match funding unless the scheme also operates in England.

The legal position here is straightforward (although I recognise that some of the administrative consequences of devolution are still being thought through). The Scottish Parliament cannot make laws in reserved areas and nor can it confer powers on Scottish Executive Ministers to spend money in these areas. When responsibility for a policy area is reserved, the relevant UK Department has a responsibility which extends throughout the whole of the UK.

In reserved areas, UK Departments are free to promote local solutions or pilot schemes locally, whether in Scotland, or England or elsewhere in the UK (although, clearly, a UK Department operating in a reserved area would need to have good reasons if it decided to operate a policy in one part of the country and not another). If these policy initiatives relate

to volunteering, then Departments should be able to apply for match funding. Devolution does not change this, given that the particular issue here relates to reserved matters.

As Melanie Johnson indicated in her letter of 7 October, where a relevant UK department has a responsibility for the UK, any match funding would need to reflect that department's responsibility for the whole of the country. Melanie also noted that pilot initiatives might operate in Scotland.

My Department stands ready to advise on promoting Scottish interests in reserved areas and UK Departments will wish to consult the Scottish Executive when policies can impinge on devolved matters for which the Executive is responsible. The lead officials in the Scotland Office on volunteering are Simon Stockwell and Lesley Campbell: they can be contacted on 0141 242 5948. Your officials may wish to speak to them about the announcement planned for 11 January.

Finally, I am grateful to you for inviting me to take part in the Breakfast at No. 11 on 11 January. However, I will be unable to attend due to other diary commitments.

I am copying this letter to the Prime Minister, Members of the Ad Hoc Committee on the Active Community and to Sir Richard Wilson.

Yours sincerely

S. Nicholls

BRIAN WILSON
**(Approved by the Minister and
signed in his absence)**



Secretary of the Cabinet and Head of the Home Civil Service

JEREMY HEYWOOD

1/cc. PK
2/Ⓟ

cc/PJ

ACTIVE COMMUNITY

Your minute of 13 December reiterated the importance which the Prime Minister attaches to the active community agenda and suggests that, as 2001 is the International Year of the Volunteer, it would be a good idea for Permanent Secretaries to take more of a lead in promoting volunteering within their departments.

2. I certainly agree with this line and I shall be writing to all colleagues to give a further boost to the volunteering initiative across the Civil Service. I should certainly like to see the Civil Service leading the way in facilitating and encouraging its employees to take part.

3. I was interested to hear about the project you have for No.10 staff to try their hand at volunteering at the school in Hackney. Recently, the PIU ran a one day project under their PIU+1 scheme (which encourages staff in the Unit to expand their learning outside the workplace) to help homeless young people. A team from the Unit helped prepare a property on the Caledonian Road to house the Alone in London (ALS) Cally Road Project. They gained tremendously from the experience, particularly through working together as a team and say it has been a very positive exercise. Sonia Phippard's Central Secretariat team spent a day on a similar project in Peckham.

4. I intend to build on these examples and shall be encouraging Permanent Secretaries to do likewise.

ASL 16LH

pp. **RICHARD WILSON**

22 December 2000



PERNIPAG

СВОХГЕА

From: Lindsay Bell
Economic & Domestic Sec
Cabinet Office
270 0171

To: **Lord Falconer**
Paul Boateng

Cc: Mavis Macdonald
Jeremy Heywood
Suma Chakrabarti
Peter Wardle
Geoff Mulgan
Liz Hutchinson, EDS
Sarah Thomas, EDS
Ruth Kennedy, JSS
Carolyn Sinclair, HO
Georgina Fletcher-Cooke, ACU

18 December 2000

ACTIVE COMMUNITIES – DELIVERY OF NATIONAL EXPERIENCE CORPS

Issue

1. You want the Economic and Domestic Secretariat to take on a more formal secretariat and project management role to support delivery of a National Experience Corps. This note sets out the options we are exploring.

Background

2. Helen Leggett's minute to you of 14 December set out some of the tensions that appear to have emerged in relation to the development of a National Experience Corps. You had a meeting with Carolyn Sinclair this morning to discuss the way forward and decided you would like the Cabinet Office to play a more formal role in providing the Experts Group (set up to advise the Ministerial Committee on what the National Experience Corps should look like) with secretariat and project management support. Lord Falconer has also spoken to Suma Chakrabarti today .

A way forward

3. In partnership with the Active Communities Unit, the first tasks will be to:
 - clarify Ministers' expectations to Experts Group (ideally on Wednesday);
 - consider adding expertise into the Group- e.g. from local government; and
 - consider the remit and terms of reference of the group and agree a plan for delivery and a realistic timetable.

We will work out day to day arrangements with the ACU: we want to help not hinder them.

Health Warning

4. We in EDS will **reprioritise our work to take on the work needed to provide secretariat support** to the Experts Group. But **we lack the expertise or time to provide the project management resource**. Carolyn has been trying to identify an individual to act as project manager for the National Experience Corps for some time, without success. If Ministers are keen for our role to go beyond providing straightforward secretariat support we will need to second someone (perhaps on the basis of two to three days a week) ideally from the Active Communities Unit who is familiar with the issues but not necessarily someone who has been directly involved with the Experts Group to date. Someone (forceful) from the Unit would be our first choice, but otherwise we will need to see if anywhere else in the Cabinet Office can help us. Improvement in project management will be dependent on identifying someone quickly who is able to grasp the issues and dedicate some time to the job.

Next Steps

5. The Experts have been invited to meet you both on 20 December. It makes sense for you to make it clear at the meeting that you see the Cabinet Office playing an expanded role in providing secretariat and project management resources in partnership with the Active Communities Unit, and that the Secretariat and Active Community Unit will be in touch in the very near future to discuss the way forward.
6. We will work towards setting up a team and clarifying reporting lines as quickly as possible and aim to provide you with early advice on the issues identified in paragraph 3 above in partnership with the Active Community Unit.

LINDSAY BELL

file

From: Jeremy Heywood
Date: 13 December 2000

SIR RICHARD WILSON

ACTIVE COMMUNITY

In his speech to the Active Community Convention on 2 March, the Prime Minister indicated that you would be encouraging government departments to give staff paid time off to volunteer. There has been some good progress in implementing this initiative:

- 6 departments have 'signed up to the PM's challenge' on the Business in the Community website (<http://www.corpcommunityinvestment.org.uk/>).
- 11 departments now give staff one day's paid leave per annum to take part in 'informal' volunteering; 3 departments give staff 5 days.
- Many departments allow further days (up to 24 at max) to take part in formal public sector volunteering, such as being a school governor, a magistrate, taking part in reserve forces etc.

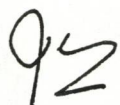
However:

- A number of departments will currently only allow paid time off for voluntary work which either supports departmental business targets, or which is considered 'formal' (in the statutory sector).
- Some departments give prominence to volunteering through internal circulars and staff magazine articles, but not all. Just a handful of departments proactively arrange contacts with local organisations to make volunteering opportunities available to staff.
- Most Permanent Secretaries articulate full support of volunteering by their staff. However only two departments have been able to report that Permanent Secretaries have volunteered their own time.

As the International Year of the Volunteer begins in 2001, it would be a step forward if Permanent Secretaries would themselves take the lead in promoting volunteering within their departments. They could do this by giving time themselves (and by publicising the fact), by encouraging the establishment of departmental links with volunteer organisations, by giving prominence to volunteering within departmental intranets and publications, and by committing resources to the production of thoughtful and creative departmental volunteering strategies in the spring.

Here in No10 we have started an initiative with Clapton Girls School in Hackney. To date more than a dozen staff have helped out at the school's literacy and numeracy summer schools. From the beginning of next year, we will be offering professional training for volunteers who wish to be involved in a mentoring scheme for pupils from Clapton Girls and the neighbouring boys' school. We are also giving more thought to how we can make it easier for No 10 staff to identify volunteering opportunities.

It would give a real boost to the cross-Whitehall initiative if you could remind Permanent Secretaries of the importance the Prime Minister attaches to the active community agenda, make clear that you yourself are committed to the initiative (as I know you are) and re-iterate that the PM has high hopes of the Civil Service leading the way as an employer in facilitating employee participation in volunteering.



JEREMY HEYWOOD