

December 2012

1. Introduction

Compact Voice welcomes the opportunity to respond to the CLG's consultation on data transparency for local authorities. With an increasing emphasis on data sharing and transparency, Compact Voice believes that clarity about how local authorities gather and share information can have a positive impact on partnership activities.

2. About Compact Voice

Compact Voice represents the voluntary and community sector on the Compact. We are cosignatories on the national Compact, and negotiated its content on behalf of the sector, based on the views and opinions of our members.

Compact Voice's activities and output are determined both by our membership and board, which includes representatives from infrastructure organisations such as NAVCA, NCVO, ACEVO, Voice4Change England, Volunteering England and others. A full list of board members is available on the Compact Voice website.

We provide information, training, support and advice on better working in partnership to both sectors nationally and locally, represent the voluntary and community sector's interests to government, and champion the principles of the Compact.

Further information about our work and the resources available, including a number of case studies, can be found on our website: <http://www.compactvoice.org.uk/>

3. About the Compact

The Compact is the agreement between government and the voluntary and community sector (often referred to as civil society). It sets out a way of working that aims to ensure that the Government works effectively in partnership with the voluntary and community sector to achieve common goals and outcomes for the benefit of communities and citizens in England.

It considers areas such as policy and service design and delivery, funding arrangements, promoting equality and strengthening independence. Every government department, as well as Non-Departmental Public Bodies, Arm's Length Bodies and Executive Agencies, are signed up to the Compact. The Office for Civil Society is responsible for making sure that the Government is putting the Compact into practice.

As well as the national Compact, most areas in England also have a Local Compact. Local Compacts share many of their basic principles with the national Compact. Local Compacts will be developed and signed up to by a variety of partners which can include voluntary and community sector organisations, councils, health and social care organisations, police, fire, and housing, amongst others.

By following the ways of working set out in local Compacts, communities have benefited from greater involvement in policy design, improved reach and understanding by local public bodies, better commissioning and procurement, and stronger support for the voluntary and community sector.

The full text of the Compact can be found here:

http://www.compactvoice.org.uk/sites/default/files/the_compact.pdf

The Compact is accompanied by an Accountability and Transparency Guide, which outlines steps to take at a national and local level if Compact principles are not followed. The Guide can be found here:

http://www.compactvoice.org.uk/sites/default/files/the_compact_accountability_guide.pdf

4. Context

In July 2012, Compact Voice submitted three requests under the Freedom of Information Act to 352 local authorities, seeking information on the following topics:

- The extent of spending from local authorities to the voluntary and community sector through grants and contracts, including changes to levels of funding
- The amount of consultation taking place with the voluntary and community sector, particularly around changes to funding
- The length of notice given to funding changes with the voluntary and community sector
- Whether changes to funding had been made disproportionately to the levels of overall budget reduction experienced by local authorities, through changes to income

The findings highlighted some concerns in the way information was both recorded and reported, and how effectively principles contained in the Department for Communities and Local Government's (CLG) Best Value Guidance were being supported.

Our response to this consultation is based upon the findings of this exercise. The full report and responses are available on Compact Voice's website at www.compactvoice.org.uk/foi2012. We would encourage CLG to consider the full data provided in this report, as it contains a number of relevant recommendations.

Despite the legal requirement to do so, nearly a fifth of local authorities did not provide responses to the Freedom of Information requests. In some instances, after the initial request was submitted, we received a message notifying us that the email had not been delivered. In those cases, we identified a second email address which we subsequently submitted a request to. We are confident that all authorities we approached received the request, though did not follow up with those who had failed to respond.

We also identified a huge degree of inconsistency in how requests could be submitted, with some information requests sent to a named individual, some using an online form, and others a dedicated FOI email address. This meant that identifying the best way to submit these requests was very difficult.

Where possible, we tried always to utilise a dedicated FOI email address. However, the form of these email addresses differed significantly between authorities, and included variants such as `informationcompliance@`, `enquiries@`, `customer.services@`, `foi@`, `information_governance@`, amongst many others.

A number of authorities refused to respond to requests on the basis of cost, and while this only comprised 11% of the total local authorities, this is still a troubling amount, as it suggests that important information which could be used to clarify funding and engagement with the voluntary sector is not routinely collected.

An example response is provided below:

The Council's normal position in respect of requests where the time involved in compliance exceeds the 18 hours threshold is to invite the requestor to either pay for the additional work at a subsidised rate of £25.00 per hour, or ask the requestor to scale down the scope of the request.

However, where the resources required to comply with the request will have a detrimental impact on the ability of the council to provide its core services, it will refuse the request. Due to the scale of the work involved in dealing with the requests, the Council considers that it is entitled to refuse the request.

In some instances, we asked for further clarification about the estimated time it would take to gather the relevant information, and received a breakdown of estimated hours. An example is provided below:

Q: c. The number of changes to funding arrangements with the voluntary and community sector (through grants and contracts) from the financial years 2011-12 to 2012-13 issued with less than three months' notice given directly to the affected organisation about the specific changes affecting them.
d. The number of changes to funding arrangements from the financial years 2011-12 to 2012-13 issued with three months or more notice given directly to the affected organisation about the specific changes affecting them
e. The total number of changes to funding arrangements with the voluntary and community sector (through grants and contracts) from the financial years 2011-12 to 2012-13

A: In response to questions c), d) and e) above, please note that this information is not held centrally and would take in excess of 18 hours to collate.'

However, many authorities were able to provide information both on time and in the requested format. This suggests that those which stated their estimated expenditure on retrieving the information would exceed the limits defined in the FOI Act should consider amending how they record and access this type of information.

Unfortunately, not every authority that did respond to the requests provided useful or meaningful information, and many authorities refused to respond to individual questions within the request, again citing cost as the basis for their refusal. Other authorities provided links to online resources which may have been about the voluntary or community sector, or links to budget spreadsheets which did not separate the information into a useable format.

Every effort was made to interpret data in as meaningful a way as possible - but it was not always possible - and clarification was sought in some instances (for example, when a hyphen had been used before a financial amount, we clarified that this did not mean the amount stated was a minus figure).

However, time did not permit us to clarify all of the ambiguous answers received, and in some instances, we have reported unclear or contradictory information as it was provided to us.

A number of authorities responded by seeking clarification about the terminology used. We provided a number of definitions of grants, contracts and what was meant by the term 'voluntary and community sector'. An example of one such exchange is provided below:

Q: I have been asked if you could please define Voluntary sector and Community sector and also VCS.

A: For the purposes of our requests, we are seeking information about non-profit organisations (such as charities, social enterprises, community groups, etc.)

Q: ... your reply includes ,etc'. I have been informed in order to answer your request they would need you to specify your request more clearly.

It was surprising how frequently a council responded seeking such clarification, and in some instances we were informed that the 20 day response limit would be stopped until they had received a response. It may be possible to speculate that in some instances, these delays were tactical. However, it may well be that there also isn't a clearly understood or shared definition of the voluntary sector. An example which illustrates this is below:

The Council does not have any particular way of knowing how much it spends in supporting the voluntary sector each year as it does not record payments to these types of organisations differently from payments it makes to charities or profit orientated organisations. It is not a question that is asked when dealing with third parties and it is not something that is instantly clear.

Given all of this, it was difficult for Compact Voice to ascertain a consistent set of answers to the questions we had hoped this exercise would clarify. For example, we were only able to determine whether disproportionate cuts had been made to the voluntary sector in 141 cases – 40% of authorities asked.

Given that 98 local authorities (28%) either refused or failed to respond, and the remaining third failed to provide information in a way which directly enabled comparison, it is fair to say that Compact Voice remains extremely concerned that local authorities are not able to fully understand and share how they are working in partnership with the sector.

We believe that regulations would help address many of the issues we encountered, particularly as it seems the current code of practice is being ignored by many local authorities across England.

5. Response to the Consultation

Compact Voice believes that the recommendations contained in our report on spending with the voluntary and community sector will help address many of the questions asked by this consultation. These recommendations are restated below, and inform the basis of our response:

1) Local authorities should make data more accessible using agreed and shared terminology, and regular reporting of information relevant to partnership working.

This should be achieved through:

- Using local Compact agreements and groups, local partners should agree a definition of what constitutes the voluntary and community sector, and ensure that this definition is well understood across local statutory partners
- On a regular basis, local authorities should publish or provide information about expenditure and opportunity, clearly differentiating between grants and contract, as well as recipients of funding using agreed definitions of the voluntary and community sector, and developing agreed definitions of grants and contracts
- Utilising Local Compact or similar partnership groups, this information should be shared, collated and totalled on a regular basis as indicator of levels of engagement with the VCS. This should be published at least every six months, and reported in local authorities annual budgets at the end of the year, with clear totals enabling clarity about impact of budget reductions and changes from grants to contracts.

- This information should be provided in an agreed consistent format, which can be edited as necessary, avoiding scans and lengthy summaries.
- As a minimum, the information provided should include single-figure answers to those questions identified in Compact Voice's FOI campaigns, to enable clarity and scrutiny about compliance with principles around engagement and proportionality in funding reduction.
- CLG should support and encourage these activities through additional guidance, working with local authorities and their partners as necessary.

2) When using grant funding as a specific example of support for the voluntary and community sector, it is clear that the Best Value Guidance is not being upheld. Compact Voice urges CLG and the Secretary of State to do more to ensure that this guidance is being enforced.

3) Local authorities to make explicit reference to potential sub-contracting during commissioning and procurement processes, ensuring that the role of the voluntary sector is recognised.

4) CLG needs to do more to enforce the principles contained in the Best Value Guidance, establishing additional compulsion in how it enforces these principles being upheld.

6. Additional Responses

Question 1: What amendments or additions could be made to paragraphs 10 and 11 of the Code to aid compliance?

As stated above, there is an important role for local partnership and Compact groups in receiving and sharing information about spend and engagement with the VCS. We agree with the principles of having a single point of access for information, but ensuring that it is appropriately shared and disseminated when updated, that it is recorded in a useable format (to enable comparison), and that efforts are made to tailor information based on the needs of local communities is of significant importance.

Question 2: What data streams could be added to the Code to aid transparency where services are contracted-out; and help greater access to contract information?

We believe that where successful contracts make explicit reference to sub-contracting with the VCS, or where there is an expectation that such sub-contracting will form part of a service or contracting opportunity, this information should be shared and gathered.

We agree that a consistent definition of the voluntary and community sector should be promoted, as our experience of gathering information relating to spending with this sector was subject to differing interpretations.

Question 3: Are there other data sets which would be useful to the public which could be added to paragraph 12 of the Code? In particular, is there any data that would:

- **Support Small and Medium-sized Enterprises and local businesses**
- **Support the release of surplus Local Authority land and property?**

We believe that in order to determine proportionality, compliance with local Compact principles, and other expectations established by CLG's Best Value Guidance, the following information should be recorded:

- The extent of spending from local authorities to the voluntary and community sector through grants and contracts.
- The changes in funding through grants and contracts to the voluntary sector
- The amount of consultation taking place with the voluntary and community sector, particularly around changes to funding
- The length of notice given to funding changes with the voluntary and community sector
- Whether changes to funding had been made disproportionately to the levels of overall budget reduction experienced by local authorities, through changes to income

Question 4: Is the description of minimum standards and proposed timing to achieve them correct?

We agree that clarity about reporting in a consistent format is necessary. The information we received in response to our Freedom of Information campaign varied significantly in both format – and as a result – usefulness. We suggest that information is updated and shared quarterly.

Question 5: Is the process of what will happen if the Code is to be enforced clear?

No. We do not believe that current requirements are clear on the extent of compulsion and consequence of not publishing information. We recommend clarity about how the code is to be enforced.

Tom Elkins
Manager
Compact Voice
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