

Voluntary Sector Policy

1. An Updated Policy

This is Aberdeenshire Council's policy for maintaining and developing its relationship with the voluntary sector. It replaces the policy agreed in 1997. The new version takes account of comments made when the council consulted in spring 2001 on the success of the old policy. Many comments were favourable, so the policy builds on what was in the original version. The main changes reflect:

- what has happened locally and nationally since 1997
- comments made when the council consulted on the success of the original policy
- the need to follow up the general statements in the policy with an action plan.

2. Introduction

Aberdeenshire Council's statement of aims says:

“we want to maintain and improve the quality of life for everyone in Aberdeenshire...we will work with other organisations to achieve our aims.”

The council wants to work with voluntary organisations to help maintain and improve the quality of life for everyone in Aberdeenshire. It recognises the major part played by the voluntary sector in achieving this. It is committed to improving the positive partnership it has with many voluntary organisations.

Partnership means working together for common aims in a spirit of mutual respect. Voluntary organisations are independent bodies and may express views that do not always agree with the council's. The council accepts that they may not wish to enter into a relationship with it or having done so may wish to withdraw. This policy is mainly for those that do wish to have a relationship. The council hopes that the guidance it contains will be of value to all voluntary organisations.

Key elements in the partnership include:

- building on existing good practice
- a clear understanding of each other's roles, responsibilities and needs
- recognition of each other's strengths and abilities
- shared values and objectives
- recognition of the expertise which exists in the voluntary sector
- working together for the public benefit
- a "one door" approach with each voluntary organisation having a single named point of contact with the council.

The policy is supported by published guidance on a number of subjects, referred to in the policy by "(see *Guidance Note No. x*)". Other actions to help make the policy work are described in the attached action plan and the policy says "(see *Action y in Action Plan*)".

3. Managing and Developing the Relationship between the Council and the Voluntary Sector

This policy defines the general principles and practical steps the council will take to ensure that its partnership with the voluntary sector is positive and improving.

For the council's part, the general responsibility for the policy rests with councillors. They agree and review the policy and take funding decisions. Different committees of the council will take different decisions depending on the type of organisation being supported, what it does, the area it covers, and the amount of money involved. Some decisions may be delegated to officers.

Council officers are responsible for putting the policy into action. They liaise day to day with voluntary organisations and provide support and advice if needed.

In managing and developing its relationship with the voluntary sector the council believes that representative groups have a central role to play. For example, this policy has been drawn up with the active support of Aberdeenshire's:

- three arts forums
- three councils of voluntary service
- environmental forum

- sports council, and
- a representative of the voluntary housing sector.

When discussing matters of general principle and interest, the council prefers to work with local and, if relevant, national representative groupings of voluntary organisations. They are organisations that communicate with and support a range of other similar organisations. In turn, it expects those groupings to be as inclusive as possible of the interests they represent and to seek their members' views on such matters. It urges individual organisations to join representative groupings.

The council also recognises that some voluntary organisations may not be willing or able for various reasons to join such groupings. It will not knowingly exclude them from consideration of matters of general principle and interest.

4. The Roles of the Council and the Voluntary Sector

The council is the democratically elected local authority for Aberdeenshire. It accepts the duty and responsibility of providing civic leadership. With other partners, it has consulted on a community plan for Aberdeenshire and will involve the voluntary sector in developing community planning (*see Action A in Action Plan*). It is funded by the people of Aberdeenshire and Scotland through their taxes and by charges for its services. It provides or ensures that others provide the full range of council services in its area. Some of those it must provide by law, others it chooses to do so.

Voluntary organisations are self-governing and independent with a wholly or mainly voluntary governing body. They do not distribute profits and are run for the public good. Many, but not all, are charities. They are accountable to their members, funding bodies and, more generally, people or groups they serve or represent.

Voluntary organisations range from large national organisations to small local groups in villages or rural areas. Their interests range from social care to the environment, health to the arts, housing to sport. Some provide services to people generally or to particular groups, often on behalf of the council or other public bodies. They face many challenges but can often do things that the council cannot, using sources of funding unavailable to public bodies.

There is no accurate picture of the size or diversity of Aberdeenshire's voluntary sector. Grampian CareData identifies over 1,600 voluntary organisations or groups in Aberdeenshire and some of those are umbrella organisations for other groups. For example, Aberdeenshire Sports

Council recognises 230 clubs in 45 different sports. Public sector support is important to voluntary organisations. But nationally only 26% of voluntary sector income is from the public sector. There are no equivalent local figures. The council will work with the voluntary sector to improve understanding of the size and nature of the sector in Aberdeenshire (*see Action B in Action Plan*).

Voluntary organisations do many things including:

- advocacy
- campaign for change
- communicate with other voluntary organisations and the wider community
- empower people who use local services
- encourage the use of volunteers
- act as independent critics and/or monitoring agencies
- innovate
- provide information, advice and consultancy
- provide services, both statutory and non-statutory
- train people
- act as a voice of the public and of groups with special needs or interests
- act as a watchdog.

Any one voluntary organisation may do a number of these things.

5. Consulting Each Other

Effective arrangements for consultation between the council and the voluntary sector are essential for constructive partnership. Each must inform and involve the other when making major decisions that affect their partnership.

For its part, the council will abide by its statement of aims, consultation strategy and guidance on consulting and involving customers and citizens. In particular (*see Guidance Note No. 1*), it will:

- consult voluntary organisations as early as possible, non-intrusively and sensitively
- consult widely with the voluntary sector on all issues in which they have a common interest, including relevant representative groupings
- explain the purpose of the consultation, inform those consulted of the implications of taking part and of any likely demands on their time
- allow twelve weeks for consultation unless that is impossible (in which case, it will agree a shorter period with those to be consulted or explain why it is impossible)
- consult in ways best suited to the need, for example, by informal discussion, joint working groups, open meetings, or written consultation documents
- take account of views received through consultation and let those responding know how that has been done.

For their part, voluntary organisations working in partnership with the council are expected to:

- respond to requests for their views and comments within the twelve week or other period allowed by the council
- seek the views of their members, and any service users, management committee or governing body
- help the council to ensure effective consultation, for example by notifying the council if they change their address and by keeping mailing lists up to date
- consult as early as possible over matters that may affect the council.

6. Planning

All large organisations need plans that say where they are going and how they are going to get there. The council has a number of plans. It recognises the part the voluntary sector can play in getting those plans right and keeping them on track. For example, some plans directly affect the interests of particular organisations. If the council and a voluntary organisation have a continuing relationship, it is important that the council takes its views into account in its planning. Voluntary organisations can highlight emerging issues and trends that the council should take into account.

The council will consult relevant voluntary organisations when it makes its plans, using the principles set out in section 5. of this policy. It has drawn up a list of plans that explains which organisations will be consulted and when (see *Guidance Note No. 2*). It will also consider how it can take into account consistently the impact of changes of its policies on voluntary organisations (see *Action C in Action Plan*).

In return, the council expects organisations with similar plans that wish to sustain a relationship with the council to consult it if the plans might affect the relationship.

7. Support: General Principles

The council can provide different sorts of support for the voluntary sector:

- general support, by having a policy like this, by lobbying government with or on behalf of voluntary organisations, and by its day to day behaviour
- support in kind
- funding.

The council is entitled to ensure that its support is properly used. It must also be open, and accountable for the support it gives. In doing so, it will behave in proportion to the commitment and risk involved. It will not make excessive demands of an organisation that receives minimal support. But it will make significant requirements of an organisation that receives substantial funding.

The council expects that organisations receiving council support will take appropriate actions to acknowledge publicly help given.

The council will develop guidance on its support to voluntary organisations based on the levels of financial check it makes when it funds external organisations:

- where annual funding is less than £10,000
- where annual funding is between £10,000 and £50,000
- where annual council funding is more than £50,000.

The guidance will be developed for the subjects covered in the following sections on support in kind, financial support, quality and monitoring arrangements.

The following sections of the policy apply to organisations that the council supports. Of course, organisations not supported now may be in the future.

8. Support in Kind

Many voluntary organisations, especially smaller ones, value support in kind as much as or more than direct funding. This can include things like training, using premises for meetings, borrowing equipment, photocopying and professional advice. The council supports such help in principle and already gives much to many voluntary organisations. But it also needs to be open and accountable: giving support in kind may not always fit with this need. It will develop guidance on its support in kind for voluntary organisations (see *Guidance Note No. 3*).

9. Financial Support

All organisations need enough money to provide a high quality service, whatever they do. Because of pressures on the council's own budget, it has not always been able to fund the voluntary sector as much as it would wish. Some of the commitments it makes here will help avoid problems associated with that fact.

In order to safeguard the public money involved, the council will require the following information from voluntary organisations that it funds:

- where annual funding is less than £10,000 – a statement of annual accounts, although this may be unaudited
- where annual funding is between £10,000 and £50,000 – signed accounts, audited by any responsible person, submitted within six months of the end of the organisation's financial year, plus other relevant information, for example performance against pre-defined targets
- where annual funding is more than £50,000 – detailed one year and summary three year business plans provided at least three months before the council's financial year starts; detailed monthly cash flow forecasts for the year of the detailed business plan; quarterly management accounts, submitted within six weeks of the quarter ending; signed accounts, audited by a professionally qualified auditor, submitted within six months of the end of the organisation's financial year; plus other relevant information, for example, performance against pre-defined targets, copies of minutes of the board of directors or trustees meeting.

The council will carry out a number of its own financial checks for each of these three categories of organisation it funds.

The council will also:

- review its grant schemes to simplify them and ensure that decisions are taken as quickly and locally as possible (*see Action D in Action Plan*)
- make funding decisions wherever possible before the beginning of the period concerned
- notify organisations of funding decisions within one month of their being made
- make payment promptly within agreed timescales (the timescales are described in the council's code of practice on "Following the Public Pound")
- indicate its intended level of funding for three years ahead for those organisations with which it has a longer term partnership (there may be specific cases where this is not possible but the council will explain the reasons for this in each case)
- in assessing the other resources available to voluntary organisations and so the level of funding it is willing to offer, take consistent account of the purpose of those resources, including the extent to which they may need to be held for specific projects (*see Guidance Note No. 4*)
- require organisations receiving more than £10,000 a year from the council to enter into a service agreement (the council already does this with a number of voluntary organisations and will ensure that service agreements are applied consistently) (*see Guidance Note No. 5*)
- for each voluntary organisation receiving council funding, abide by the council's code of practice on "Following the Public Pound" (the code describes the information required from organisations funded, the financial checks that the council will carry out, conditions attached to payments, and service agreements)
- ensure that every voluntary organisation it helps to fund has a named council liaison officer to act as a first point of contact and advice on any issue (*see Guidance Note No. 6*)
- review its practice on paying expenses to smaller organisations to enable them to work with the council (*see Guidance Note No. 7*).

In return, a voluntary organisation seeking funding from the council should:

- depending on the level of support sought, adequately outline its objectives and intentions or submit a business plan to the satisfaction of the council (the council will issue guidance on the content of business plans, building on best practice in the voluntary sector) (see *Guidance Note No. 8*).

10. Quality

Improving the quality of what it does is at the heart of the council's statement of aims. It is also responsible for the economic use of funds it provides to other organisations and expects them to have their own commitment to quality.

The council knows that it does not have a monopoly on improving quality. It will work in partnership with organisations it funds to improve the quality of what they both do.

For its part, the council will:

- share information on quality issues with voluntary organisations
- review the quality of support it gives to voluntary organisations generally and individually (*see Action E in Action Plan*)
- accept that it is not always possible to get things right first time every time, and will admit its mistakes and apologise where necessary.

The voluntary sector must recognise that it has similar responsibilities. The council will expect organisations it funds to have arrangements in place to ensure that they address any of the following issues that are relevant to them:

- a clear statement of aims and objectives
- planning and review mechanisms
- clear management arrangements
- good lines of communication
- banking, accounting and audit procedures appropriate for the size and nature of the organisation
- staff/volunteer development programmes
- good employment practices

- effective monitoring and evaluation mechanisms
- co-operation with any necessary quality assurance systems of the council, including inspection, contract monitoring, and monitoring and evaluation exercises
- conforming with any relevant legislation, including company, employment, race relations, equal opportunities, health and safety and data protection laws, and appropriate terms and conditions of employment.

11. Monitoring Arrangements

Monitoring ensures that something that has been agreed is working, and if not gives a chance to put it right. The council will wish to monitor its relationship with voluntary organisations it is funding. In doing so, it will abide by the principles set out in this policy, and will behave in proportion to the commitment and risk involved.

In particular, the council:

- will agree, as part of its consistent application of service agreements, guidance on monitoring voluntary organisations that it funds, building on its code of practice on “Following the Public Pound” (see *Guidance Note No. 5*). This may include information on achievement of targets; income, expenditure and other financial information; future plans; and level and quality of any service provided
- may require access to records of the voluntary organisation relevant to the agreed level of monitoring, subject to any accepted limitations of client confidentiality
- may require the voluntary organisation to take appropriate legal or other advice
- may access, if necessary, the external auditors of the voluntary organisation.

In return, the council accepts that organisations it funds have the right to monitor its performance in managing their relationship and to ask related questions.

12. Reviewing the Policy

The success of this policy and its actions will be reviewed jointly by the council and voluntary sector two years after it has been agreed (see

Action F in Action Plan). It will also be kept under continuing review in the meantime in light of the experience of putting it into action.

ABERDEENSHIRE COUNCIL VOLUNTARY SECTOR POLICY: ACTION PLAN

This action plan includes numbered guidance notes that have yet to be published (Ref. 1 etc.) and other actions to help make the policy work that have not yet been completed (Ref. A etc.)

Ref.	Action	Who will take the Action	Target Date for Completion (month/year)	Output	Comment
The Roles of the Council and the Voluntary Sector					
A.	Agree ways to involve the voluntary sector in developing community planning	Council head of policy	11/02	Action arising from minuted decision of community planning steering group	Council on behalf of the Aberdeenshire Community Planning Partnership (target has been agreed by the Partnership)
B.	Improve understanding of the size and nature of the sector in Aberdeenshire	BRIDGE development officer	3/04	Profile of voluntary sector for input to Action F	
Consulting Each Other					
1.	Develop detailed guidance for council officers on consulting voluntary organisations	Council community learning manager	1/03	Published guidance	

Ref.	Action	Who will take the Action	Target Date for Completion (month/year)	Output	Comment
Planning					
C.	Review how the impact of changes of its policies on voluntary organisations can be taken into account consistently	Council strategic development manager, social work	9/02	Various actions possible	
Support in Kind					
3.	Develop detailed guidance on council support in kind for voluntary organisations	Council community learning manager	6/03	Published guidance	
Financial Support					
D.	Review council grant schemes with the aim of simplifying them and ensuring that decisions are taken as quickly and locally as possible	Council grants and outdoor activities officer, education and recreation	3/03	Documented amendments to schemes	

Ref.	Action	Who will take the Action	Target Date for Completion (month/year)	Output	Comment
5.	Agree guidance on the consistent application by all services of the council of service agreements for voluntary organisations that receive more than £10,000 a year from the council	Council chief accountant	12/02	Published guidance	
8.	Agree and issue guidance on the content of business plans, building on best practice within the voluntary sector	Council chief accountant	12/02	Published guidance	Joint with voluntary sector
Quality					
E.	Review the quality of support the council gives to voluntary organisations generally and individually and take necessary action arising	Council strategic development manager, social work	12/02	Various outputs possible	
Reviewing the Policy					
F.	Formally review the success of the voluntary sector policy and the actions arising	Council head of policy	3/04		Joint with voluntary sector
In addition, two actions to support the successful implementation of the policy do not arise directly from the text					

Ref.	Action	Who will take the Action	Target Date for Completion (month/year)	Output	Comment
G	Arrange and carry out training on implications of policy	Council training manager (core skills team)	Various possible	Training events	To be determined as implications of guidance notes and other actions are reviewed
H	Review council COSLA voluntary network representative	Council head of policy	12/02	Improved communication between council services and between council and COSLA	