

COMMISSION FOR THE COMPACT

Motion for leave to introduce a Bill (Standing Order No.23)

19 May 2009 – 1st reading

beg to move,

That leave be given to bring in a Bill to place the Commission for the Compact on a statutory basis; to confer powers on the Commission; and for connected purposes.

Let me first remind the House what the compact is. It is the national agreement between Government and the voluntary and community sector, aimed at improving their relationship for mutual advantage and community gain. It contains undertakings by both the Government and the sector about how they will conduct relations with each other. The agreement is voluntary and freely entered into, so although both sides are committed to the compact, it is not legally binding, and its undertakings cannot be enforced. The Bill does not change that arrangement.

In 1998, along with the then [Home Office Minister, Paul Boateng](#), and Sir Kenneth Stowe, the compact's author, I had the privilege of formally launching the compact. The compact was a world first, and it has inspired other countries to develop their own. Across Europe, in particular, many have looked to the United Kingdom for guidance, and several countries have established similar agreements. The compact should be hailed as a great achievement. It has clearly set out the Government's commitment to an independent, diverse and thriving voluntary and community sector. It enshrines the sector's right to that independence, including its right, within the law, to campaign, comment on and challenge Government policy. The agreement has also been a driver for change at national and local level, defining what partners can expect from each other, and improving how they work together. That has resulted in better programmes, policies and services for citizens and communities, by setting clear standards for consultation, improving funding processes and providing resources for building the capacity of the third sector.

A milestone in the 10-year history of the compact was the development of local compacts, through which local authorities have worked alongside the sector to develop a compact way of working, making an invaluable difference to the communities that they serve. Just over the river in Lambeth, for example, a local compact turned the campaign to keep Brockwell lido open into a partnership to manage it jointly, allowing a much-loved landmark to survive, and to continue to be a special place for generations to come.

At the national level, the picture has been less clear-cut. There is a perception in the sector that commitment to, and compliance with, the compact in some—but by no means all—areas of government is somewhat patchy. A Home Office consultation in 2005 highlighted a lack of awareness of the compact, and identified a number of barriers to its adoption and implementation, so in April 2007 it was decided to establish the Commission for the Compact to act as a champion of the code and drive a change in behaviour. The compact advocacy programme of the [National Council](#) for Voluntary Organisations and Compact Voice have also played a fundamental role in promoting the compact and its principles, the former by advocating on behalf of individual organisations to ensure that the Government follow the agreed principles, and the latter by raising awareness within the voluntary and community sector, building up a strong network and representing the sector's voice on compact issues to Government.

[In July](#) 2007, the third sector review acknowledged that there was a desire within the sector for better partnership working with all levels of Government. It was concluded that that stronger approach was required to ensure that public bodies consistently adhered to the compact principles. A number of areas have been identified, and are well known, where the 10-year-old compact is being overtaken by developments in policy and practice. Although there has been little or no questioning of the desirability of maintaining a partnership working agreement between Government and the third sector, there is a perception that the compact is out of date, especially in respect of public service delivery.

Looking at the national level, many in the third sector are frustrated that the undoubted political commitment to the compact may not have been translated consistently into Government practice. As a result of that analysis, Sir Bert Massie, as Commissioner for the Compact, was asked by my hon. Friend [Phil Hope](#), then [Minister](#) for the [Third Sector](#), to launch a debate on the future of the compact and the commission. The consultation concluded that the compact agreement should retain its voluntary nature and its values, rather than being replaced with a statutory version, so the Bill does not alter the status or the content of the compact.

However, a [majority](#) also recognised that significantly more needs to be done to ensure proper implementation of the compact. There was strong consensus that the most effective way to do that would be to establish the Commission for the Compact as a permanent, independent statutory body, and to give it a mandate and a limited range of legal powers to secure better implementation. [The Commission](#) for the Compact is a non-departmental public body with the object of promoting and strengthening partnership working between public bodies and voluntary and community organisations. Its sole voting member is the [Minister](#) for the [Cabinet](#) Office. In addition, it has a small board consisting of directors with wide knowledge and experience. The members of the board are not intended specifically to represent central or local government, but they are meant to work independently and impartially in the interests of strengthening partnership working.

To fulfil the role, the commission needs to act independently and be seen to do so, but the current legal structure does not ensure that. The [Minister](#) created the commission, holding 100 per cent. of the membership voting rights himself, as well as full powers over its constitution and existence. In practice, successive Ministers have allowed the commission full operational independence, but there is no guarantee that future Ministers would do the same, in which case both the commission's status and its credibility could be undermined. The commission is not a regulatory body and has no powers beyond those of any private citizen.

With this Bill I propose to place the Commission for the Compact on a statutory basis and confer a very limited range of legal powers to enable it to promote better implementation of the compact. Having the commission established by Parliament, with a constitution and powers determined by Parliament and a duty to report to Parliament, would make a great difference, lifting the commission out of direct Government control and making it inherently and visibly independent.

During the discussions held in the [other place](#) on the Local Democracy, [Economic Development](#) and Construction Bill, Lord Best tabled an [amendment](#) with similar intent to my Bill. However, it was ultimately deemed not to be within the scope of that Bill, despite having cross-party support. In particular, the [Communities and Local Government Minister](#), [Baroness Andrews](#), was very sympathetic to its objectives.

Now is the right moment to introduce the necessary changes. We are at a watershed with the compact. Ten years on, we must ensure that it remains a relevant and helpful tool in improving the relationship between Government and the third sector. The provisions of the Bill propose to convert the commission into a corporation with statutory powers, thus making it accountable to Parliament. The commission would consist of the Commissioner for the Compact and a small number of additional board members appointed by the [Minister](#) for the [Cabinet](#) Office.

The new commission would have a number of functions, mainly to promote and strengthen understanding and use of the compact across all tiers of government and within the voluntary and community sector. Its limited number of new powers and duties will constrain it to act in particular ways. Those would include powers of investigation where there have been inconsistencies with compact principles, access to relevant information, and the ability to impose a duty on others to co-operate with its investigations.

Both the statutory sector and voluntary and community organisations would be included within the commission's remit. Given that the compact is about better partnerships, it is fair and reasonable for the commission's powers to apply to both sides. There are no sanctions included in the Bill, as I believe that those would be outside the spirit of the compact, other than the power of naming and shaming those who are found not to be acting in that spirit.

This is a unique opportunity to make the compact more real and more relevant. It comes at a time when the compact is being scrutinised by the public and the third sectors with a view to agreeing changes. By strengthening the commission, we will finally have the mechanism to remove blocks to compact compliance and spread best practice on working together across government and the third sector. The end result would be not only a compact agreement that is more effective at all levels, but refreshed relationships between all the parties involved.

In practice, the Bill applies only to England. We would be the first country in Europe to take such a landmark step, setting the standard for the way in which relationships between Government and the voluntary and community sector should be conducted. Once again, our Government would be at the forefront in their relations with this ever more important and influential sector. I seek leave to bring in the Bill.

Question put and agreed to.

Ordered,

That [Tom Levitt](#), [Liz Blackman](#), Dr. [Roberta Blackman-Woods](#), Mr. [David Blunkett](#), Mr. [Tim Boswell](#), [Richard Burden](#), Mr. [David Drew](#), Mr. [Robert Ffello](#), Fiona Mactaggart, [Alun Michael](#), [Dan Rogerson](#) and [Andrew Selous](#) present the Bill.

Tom Levitt accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 16 October and to be printed (Bill 99).