

**WARDS AFFECTED:** All Wards

**DECISION TIMETABLE:**Cabinet

Date of Meeting 21<sup>st</sup> January 2008

# **Working Better Together – Leicester Compact**

## **Report of the Director Partnership Performance**

### 1. Purpose of Report

To seek Cabinet endorsement for Leicester City Council as a signature to the Leicester Compact.

## 2. Summary

The Leicester Compact is an agreement between the public sector and the voluntary and community sector to improve their relationship for mutual advantage and community gain.

The Compact (**Appendix A**) has been developed in conjunction with the voluntary and community sector and some of our partners in the public sector, and is the accumulation of over two years work.

The aim is to get most of the public sector that is engaged in commissioning services through the voluntary and community sector in the City signed up to the document, as well as much of the sector it self. This process will begin with with the City Council and Voluntary Action Leicester (VAL) at the proposed launch on 24<sup>th</sup> January 2008.

The Board of VAL agreed in December 2007 to become a signature to the compact and view it as a great opportunity to build on improvements in the relationship between the voluntary and community sector and the public sector.

#### 3. Recommendation

Cabinet is asked to endorse Leicester City Council as a signature to the Leicester Compact.

### 4. Headline Financial and legal Implications

## 4.1 Financial implications

There are no direct financial implications arising from the report. It should be noted however, that the Compact cannot override the legal obligations on the Council when

letting its contracts. The move towards formal commissioning of services through contracting arrangements restricts the Council's discretion to some extent, as there are statutory procedures – within both UK and European law – that must be followed. *Andy Morley, Ext 29 7404* 

### 4.2 **Legal Implications**

The draft compact strengthens the necessity to review "grant aid contracting" (in terms of whether we are in fact purchasing "services" or are supporting, through subsidy, the organisation generally), contracting procedures and contract documentation relating to community-based services. This will promote vfm and a greater focus on service delivery.

However care needs to be taken to place the compact within the procurement process. Any predetermination or practice of a contract award without competition needs to be tested against a risk based approach to procurement. Work is underway in parallel to revise the procurement process and contract documentation relating to community based services.

Some voluntary sector providers may need support to be able to engage in contracting procedures. This approach is welcomed as it strengthens the procurement process itself.

The compact is not a contract but will have legal effect and breach by the Council could be subject to judicial review if the Council is seen as acting unfairly, unreasonably or unlawfully (for example by disregarding a material consideration such as a provision of the Compact).

Legal powers generally – the commitments the Council is making, for example to provide access to training for volunteers etc, are likely to be covered by "well being powers"; however, before using well being powers, the Council must have regard to its Community Strategy. *Joanna Bunting*, 2526450

# 5. Report Author/Officer to contact:

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Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
<b>Executive or Council Decision</b>	Executive (Cabinet)