

Developing the partnership between third sector organisations and regional bodies

Strategy and action plan for NWDA

September 2009

Executive Summary

Introduction

1. SQW Consulting was commissioned to assist Northwest Regional Development Agency (NWDA) and partners in developing the relationship in the Northwest between regional public sector organisations and the third sector. The aim was to recommend how the relationship can be enhanced to enable public sector agencies to:
 - best achieve their aims and objectives as outlined in the Regional Economic Strategy (RES) and the NWDA's Corporate Plan
 - integrate the third sector effectively into the formation and achievement of the new Regional Strategy, RS2010.

Method

2. We reviewed key strategic literature and existing commissioned research on the subject, and then undertook scoping interviews with partners, and a telephone survey of 100 individuals representing the public sector, third sector and third sector infrastructure organisations. Results were debated and actions prioritised at a stakeholder workshop held at NWDA in June 2009; a further discussion was had with a wider stakeholder group at the Northwest Regional Third Sector Conference, held at Old Trafford on July 17th 2009. Results from the different research strands were triangulated, synthesised and developed into recommendations for the NWDA and partners to take forward.

Key findings

Context and rationale

3. The third sector represents a considerable asset to the Northwest. Recent research suggests that there are at least 31,400 third sector organisations in the Northwest,¹ employing at least 64,000 people. Measured by paid employment, the Northwest has the fastest growing regional voluntary and community sector in the UK. Its economic value is equivalent to 2% of regional GVA.²
4. Not only is the third sector equivalent in size to other key economic sectors, but literature and consultation suggests that the third sector can assist in delivering benefits across the full spectrum of public policy areas:

¹ Hoshin (2007) *The Contribution of the Voluntary and Community Sector to the Economy of the North West*, quoted in VSNW (September 2008) *Response to the North West Regional Evidence Base Consultation*. VSNW membership organisations represent a further 19,800 frontline organisations region-wide.

² Source: *UK Voluntary Sector Workforce Almanac 2007*, J. Clark (NCVO: 2007) which uses data from the Labour Force Survey (LFS) conducted by the Office for National Statistics (ONS), quoted in VSNW September 2008, *Response to the North West Regional Evidence Base Consultation*.

- in **economic development**, the third sector can play a role in driving forward the regional economy, addressing economic problems and flowing economic benefits into hard-to-reach communities
 - it can act as a gateway to **business support** or a direct deliverer of support to social enterprise
 - third sector organisations can assist in overcoming barriers to access to **health services** from disadvantaged and marginalised communities; directly provide healthcare services that meet the needs of specific groups; and importantly, work to support preventative care through lifestyle changes and mental and physical wellbeing
 - it has a long track record of successfully delivering **children and young people’s services** and family support
 - **culture and leisure** activities can be provided by the third sector at low cost
 - the third sector can help engage adults and young people from disadvantaged groups in **learning and skills** activities³, and re-engage young people in education
 - through volunteering, training and community development activities, the third sector can help tackle **worklessness** and boost **productivity**
 - third sector **housing** providers are a key element of a mixed economy housing market.
5. As a deliverer of public services, the third sector can help deliver the ‘triple bottom line’: profit contributing to regional GVA, environmental sustainability and social benefits. Moreover, third sector organisations, rooted in the geographic and communities of need they serve, can make a valuable connection between public sector organisations and their local communities.
6. Third sector deliverers have more freedom to innovate than statutory providers, and can be responsive to meet rapidly changing local needs, tailor services to users, and meet the intensive and/or specific needs of small communities of interest. Organisations are often user-led, or engage users in governance structures, leading to services better shaped to user needs and demands. They may engage local people and/or service users as volunteers or as employees, leading to further synergies and greater understanding of their target market.
7. Third sector infrastructure organisations have a key role to play in identifying new markets for third sector services, quality assuring standards, enabling communication and collaboration within the sector, and representing the sector to public and private sector partners.

³ Third sector organisations provide around £20m of the £100m ESF tendered by the LSC in the Northwest, according to estimates.

8. Reflecting the importance of the sector, the research took place against a backdrop of increasing attention being paid to the relationship between the third and public sectors. At national level, the continued development of the Compact approach, and the focus of the Office of the Third Sector on an enhanced role for the third sector in help tackling recession, has resulted in a series of new initiatives. In the Northwest, a Regional Compact was at the time of writing being developed by a Think Tank comprised of stakeholders from public, private and third sectors, and consideration being given to the role of the third sector in the new integrated Regional Strategy, RS2010.

Barriers

9. However, the research uncovered serious barriers preventing the potential benefits from partnership with the third sector at regional level being fully realised in the Northwest. These included:
 - limited resources and capacity of the third sector to engage in policymaking at regional level, or in the complex procurement systems needed to participate in service delivery
 - lack of clear and effective representation of the third sector at regional level, exacerbated by tensions between the different levels of interface between the third and public sectors – national, regional, subregional and local
 - some views within regional public sector bodies of the poor credibility of the third sector and limited understanding of what the sector can offer.

Areas for improvement

10. Following on from the analysis, we developed five areas for improvement:
 - co-ordination, communications and relationships – a role for regional infrastructure in clarifying the existing networks and providing a joined up route for communications within the third sector and between the third and public sectors
 - consultation, networks, groups – a need for wider participation in the regional policy agenda by a wider range of third sector groups and organisations
 - the capacity of the regional third sector – a need for capacity building to improve the offer and expand the potential role in contributing to service delivery
 - commissioning and procurement processes – a need for regional public sector bodies to introduce exemplary commissioning processes to encourage third sector bidding, and for the third sector to form consortia and strengthen its offer
 - leadership and capacity building within regional public sector bodies.
11. During discussions, it was felt that leadership in the public sector at the regional level should be taken by NWDA, GONW and 4NW, but that the regional public sector needs to develop a joined up approach to define what it wants from the third sector. This should include taking a

lead on defining the 'Regional Ask' of the third sector – its role in regional *policy-shaping* – and also leading by example on the commissioning agenda.

Recommendations

12. In defining areas for pragmatic action to improve partnership working, our priorities have been:
 - to be clear what can really happen at/be driven from regional level
 - to look closely at the functional roles required, rather than existing status of partners: who really needs to be where, and doing what
 - to be clear that the need for culture change is considered
 - to pinpoint possible regional infrastructure and strategy development – how can it happen, and where – and if there is strategic investment to support it
 - to clarify when changes need to be *within* either the third or public sector, or where changes need to be made *at the interface between* the third and public sector at regional level.
13. Our recommendations are:

Recommendation 1: NWDA and GONW develop a collaborative approach, defining their proposition for working with the regional third sector

The principles for partnership working are set down in the forthcoming Regional Compact.

Recommendation 2: NWDA uses its strategic position to influence other public sector funders at regional level to support the 'Regional Ask' and adopt good practice

NWDA develops an investment plan based on exemplifying good practice in engaging and supporting the regional third sector.

Recommendation 3: NWDA and GONW commission a regional lead from the third sector to play a representational and brokering role on behalf of the sector. It will review or develop new architecture as appropriate, operating with a service level agreement.

A Service Level Agreement sets out the outputs and outcomes to be delivered by regional infrastructure, including engaging with a wide range of organisations and acting as a broker between the third sector and public sector at regional level.

Recommendation 4: NWDA, GONW and other regional bodies work together to promote procurement and commissioning opportunities for the third sector through training, good practice development and the encouragement of consortium bidding.

Regional public sector bodies work to exemplify sustainable procurement approaches and signpost third sector organisations to sources of capacity building resource.

Recommendation 5: Existing infrastructure organisations work together to map the sector and better demonstrate its capacity and offer to deliver services.

Regional third sector infrastructure bodies work together to develop a map of the third sector offer and communicate this to the regional public sector.

1: Introduction

Introduction

- 1.1 SQW Consulting was commissioned by the Northwest Development Agency (NWDA) in 2009 to undertake research and to propose actions to develop the partnership between third sector organisations and regional bodies.
- 1.2 The aim of the work was to recommend how the relationship can be enhanced to enable regional public sector agencies to:
 - best achieve their aims and objectives as outlined in the Regional Economic Strategy (RES) and the NWDA's Corporate Plan
 - integrate the third sector effectively into the formation and achievement of the Regional Strategy, RS2010.
- 1.3 The objectives of the work were to:
 - identify those bodies and organisations in the third sector that directly relate to public sector agencies in the region
 - provide a clear strategy and Action Plan to develop the relationship between the two sectors
 - advise partners on actions that can assist or hinder in the development of this evolving relationship
 - identify actions that will contribute to the development of the Regional Compact and Action Plan
 - build on the strategy arising out of a previous piece of work by Step Ahead Research
 - identify capacity and resource issues
 - seek support from the major partners
 - provide a basis from which commissioned services from the third sector can be increased
 - ensure that progress can be monitored
 - identify those responsible for any actions.

Method

- 1.4 To ensure that the strategy took full account of existing research and capacity in the region, we began by undertaking a review of relevant literature – both key strategic literature (national and regional policy documents) – and recently commissioned research. We also

undertook a high level review of relevant data pertaining to the third sector in the Northwest. We were guided in the process by a research Steering Group that was established, comprising NWDA, Government Office Northwest (GONW), Voluntary Sector Northwest (VSNW), One Northwest (1NW), Northwest Network (NWN) and NHS Northwest.

- 1.5 We then began an iterative process of consultation, beginning with a series of thirteen scoping consultations undertaken with the key public sector regional bodies and third sector representatives, and asking consultees to co-nominate other key stakeholders to develop a longer list for consultation.
- 1.6 During these consultations we gathered further literature and data, and elicited perspectives on the key challenges encountered in building a relationship between the third and public sectors, and the actions that might be taken to overcome such barriers.
- 1.7 We then carried out a telephone survey of 100 representatives from the third sector, third sector infrastructure bodies, and public sector bodies, to establish priorities in developing the regional conversation between third sector bodies and the public sector, in terms of engagement, policy development and procurement. Respondents were drawn from a database of around 250 contacts, generated by scoping interviews, and a database held by VSNW.
- 1.8 This survey was supplemented by a short case study to test, at local authority level, the routes, connections and barriers to regional influencing of, and by, engagement and procurement staff, and third sector infrastructure organisations.
- 1.9 Following on from this exercise we held a stakeholder workshop to test out the research findings, and to agree and prioritise actions. This was focused on commissioners, the key regional partners and regional infrastructure organisations, to help ensure that recommendations arising matched to the priorities of key influencers in the region. The workshop was held at NWDA on 16th June, 2009. We were also able to draw on the results of a discussion held at the Northwest Third Sector Conference held on 7th July 2009 at Old Trafford. The results are included in the final section, the Action Plan, of this report. A full list of consultees, and attendees at the workshop, is appended at Annex A.

Report structure

- 1.10 The remainder of this report is structured as follows:
 - Section 2 sets the policy context to the strategy in terms of national and regional developments. It then sets out the existing third sector landscape in the Northwest, provides headline figures on the characteristics and activities of the sector at regional level
 - Section 3 introduces the challenges to partnership established in earlier research, and refines our understanding through new survey results identifying barriers to effective partnership, and case study material
 - Section 4 identifies key findings from the research

- Section 5 provides a Strategy and Action Plan based on the potential solutions emerging from the research and prioritised by stakeholders during the workshop
- Annex A provides a full list of consultees
- Annex B maps the existing regional third sector infrastructure and has a glossary of regional public sector bodies.

2: The third sector in the Northwest

Introduction

- 2.1 This section provides the background to the strategy – it details the key regional bodies and their role, discusses the policy drivers influencing the relationship between the third and public sectors at regional level, and gives a breakdown of the third sector by activity and infrastructure.

Rationale for support of, and investment in, third sector activities

- 2.2 The third sector represents a key asset both to the UK, and to the Northwest region. It is equivalent in size to other key economic sectors; and literature and consultation suggests that the third sector can assist in delivering benefits across the full spectrum of public policy areas:

- in **economic development**, the third sector can play a role in driving forward the regional economy, addressing economic problems and flowing economic benefits into hard-to-reach communities
- it can act as a gateway to **business support** or a direct deliverer of support to social enterprise
- third sector organisations can assist in overcoming barriers to access to **health services** from disadvantaged and marginalised communities; directly provide healthcare services that meet the needs of specific groups; and importantly, work to support preventative care through lifestyle changes and mental and physical wellbeing
- it has a long track record of successfully delivering **children and young people's services** and family support
- **culture and leisure** activities can be provided by the third sector at low cost
- the third sector can help engage adults and young people from disadvantaged groups in **learning and skills** activities⁴, and re-engage young people in education
- through volunteering, training and community development activities, the third sector can help tackle **worklessness** and boost **productivity**
- third sector **housing** providers are a key element of a mixed economy housing market.

- 2.3 As a deliverer of public services, the third sector can help deliver the 'triple bottom line': profit contributing to regional GVA, environmental sustainability and social benefits. Moreover, third sector organisations, rooted in the geographic and communities of need they

⁴ Third sector organisations provide around £20m of the £100m ESF tendered by the LSC in the Northwest, according to estimates.

serve, can make a valuable connection between public sector organisations and their local communities.

- 2.4 Third sector deliverers have more freedom to innovate than statutory providers, and can be responsive to meet rapidly changing local needs, tailor services to users, and meet the intensive and/or specific needs of small communities of interest. Organisations are often user-led, or engage users in governance structures, leading to services better shaped to user needs and demands. They may engage local people and/or service users as volunteers or as employees, leading to further synergies and greater understanding of their target market.
- 2.5 Third sector organisations may or may not generate surpluses, but they are usually driven by commitment and passion to a particular cause or group rather than by financial incentive. This can result in high levels of motivation and productivity among leaders, employees and volunteers. Volunteering can help fill gaps in mainstream service funding, but more importantly it can help increase productivity through boosting the skills, confidence and motivation of people inside and outside the paid workforce.

Emerging policy at national and regional level

- 2.6 In recognition of the benefits that engagement with the third sector can bring, recent developments at the level of national Government have sought to embed an approach to greater partnership working and engagement between the third and public sectors.

The National Compact

- 2.7 In 1998, the first national Compact was agreed between government and the third sector to improve their relationship for mutual advantage. The Compact defines what the partners can expect from each other and how they work together, including standards for consultation, funding processes, and resources for building sector capacity.
- 2.8 The Compact enshrined the third sector's right to independence including its right within the law to campaign, comment on and challenge Government policy. Several Codes of Good Practice accompany the Compact, including:
- the Volunteering Code
 - the BME Code
 - the Community Groups Code
 - the Funding and Procurement Code
 - the Consultation and Policy Appraisal Code.⁵

Current Government Action

- 2.9 The Office of the Third Sector (OTS) was established as part of the Cabinet Office in 2006, to lead work across Government, to support the environment for a thriving third sector. A Public

⁵ The Compact (2008) *Making the Compact A Reality*.

Sector Action Plan (2006) was published to help begin to identify and overcome the barriers encountered in greater partnership working between the third and public sectors, and a strategy for increasing the impact of social enterprise – *Scaling the Heights* (2006). Both strategies were refreshed in 2008, and provided a progress update on programmes established at national level to address the key issues, such as Capacity Builders, the Programme for Third Sector Commissioning, and Innovation Exchange.

2.10 2009 has seen the launch of a further set of actions to support third sector working with the public sector, which are of interest to this strategy in terms of their approach:

- In February 2009, OTS pledged to help the third sector to deliver extra help to those that need it most during the economic downturn, via the Targeted Support Fund. This is aimed at local authority areas that are considered most at risk of increasing levels of deprivation as a result of the recession.
- In March, the OTS published 'Working Together – Public services on your side' which said that radical reform and innovation in public services will play a vital role in enabling the country to come out of the recession stronger and fairer. The Minister for the Cabinet Office announced a new Innovators Council made up of creative thinkers from public services, charities and businesses to help drive public service reform. The Council will fast-track ideas generated by frontline staff and citizens to deliver better and more efficient services.
- Environment Secretary Hilary Benn announced the 16 members of the new Third Sector Task Force on climate change, the environment and sustainable development, in May 2009. The aim for the task force is to develop a vision and action plan for wider third sector involvement in these issues and to identify how Government and the third sector can best work together and contribute their expertise, experience and the ability to reach people. This fulfils part of Defra's commitments in the Third Sector Strategy which was launched in November 2008.
- A new guide for Social Return on Investment (SROI) was launched at the government's Social Enterprise Summit in May 2009. The guide will help third sector organisations articulate the added social and environmental value they create and also help underpin the thinking of commissioners and investors in a more standardised way. The guide has been published as part of a project on SROI being taken forward over 2008-2011. The Measuring Social Value project is being run by a consortium led by SROI UK, with New Philanthropy Capital, New Economics Foundation, Charities Evaluation Service and National Council of Voluntary Organisations as members.

2.11 Other national Government bodies also have clear strategies to engage with and support the third sector. For example, the Learning and Skills Council has a Third Sector Strategy, *Working Together*, which sets out its commitment to working in partnership with the third sector, especially in its role as training provider and recognising its strengths in engaging harder to reach groups in learning. In the health arena, the White Paper *Our Health Our Care Our Say* set out a shift towards greater community and preventative provision, involving a

larger role for the third sector, as well as a greater voice given to patients and increasing engagement of communities in design of services.

- 2.12 The policy environment for the third sector in health and social care is of particular importance to the third sector, as many services are targeted to meet needs in this policy area. Of key relevance to the development of partnerships between the Third and the Public Sectors are the introduction of World Class Commissioning and the Darzi Review⁶, amongst other initiatives. The World Class Commissioning approach reflects the change in role for Primary Care Trusts (PCTs) from one where they act both as commissioning organisations and service providers, to discrete commissioning organisations. The implication of this move is that service providers will either externalise from the NHS, or be set up independently to bid for delivery contracts, or equally existing service delivery organisations will join the bidding frame. Social enterprise is one of the key models being promoted by the Department of Health as a vehicle for both spin-outs and independent start-ups or existing delivery organisations.
- 2.13 Major government funding streams are in place to support the third sector infrastructure organisations which exist at national, regional and local levels. Capacity Builders is the national public sector-led support body for third sector infrastructure – it was established as a non-departmental public body to manage the ChangeUp capacity building programme for the third sector, and to work with other funders to develop strategies and influence policy on building the capacity of the third sector.

Regional policy context

- 2.14 At regional level, the policy context is rapidly evolving to respond to these national drivers. Nine regional voluntary sector forums have been established with funding from OTS, with the purpose of promoting the third sector at regional level. In the Northwest, VSNW is the generic regional third sector infrastructure organisation and One North West (1NW) is the infrastructure organisation representing BME third sector organisations.
- 2.15 Two other strands are developing which will be critical to understanding the regional policy context – the development of a Regional Third Sector Compact to match the national Compact agreement between the third sector and Government, established in 1998, and the development of the Regional Strategy in response to the Sub-National Review of Economic Development.

Regional Compact

- 2.16 In the Northwest, development of the Compact is being taken forward by a champions' group involving GONW, VSNW, 1NW and NWDA, with support from The Compact national organisation. Responses have at the time of writing been collected on the draft version of the Northwest Regional Compact, following a consultation period. The Compact is an agreement between Northwest public sector bodies and the third sector that aims to provide a framework for improved partnership and working relationships between the two sectors.

⁶ The NHS Next Stage Review: High Quality Care for All. Lord Darzi, 2008.

- 2.17 Organisations that have committed to the Compact include NWDA, GONW, VSNW, the National Offender Management Service (NOMS), NWN, 4NW, 1NW, NHS Northwest, the Learning and Skills Council (LSC), Jobcentre Plus and Social Enterprise Northwest.
- 2.18 No funding is attached to the Compact; it is a document that sets out dialogue and new ways of working. In the Northwest, the Regional Compact will have a special focus on volunteering and on equalities, reflecting the fact that GONW is the regional Government Office lead on volunteering. The Regional Volunteering Strategy was produced by GONW with the English Volunteers Council and Volunteering Northwest.

Integrated Regional Strategy

- 2.19 Following the Sub-National Review of Economic Development, each region is to produce a new integrated Regional Strategy which will replace the former Regional Spatial Strategy and Regional Economic Strategy. In the Northwest, the Regional Strategy, *RS2010*, will be produced by the NWDA and 4NW. It will encompass issues of economic development, spatial distribution of development sites, transport and housing plans, and wider strategic plans to address social inclusion issues. As with previous Regional Economic Strategies, *RS2010* will require the participation of public, private and third sector organisations to achieve its goals and vision for sustainable communities in the Northwest.
- 2.20 *RS2010* is being taken forward by a Regional Strategy Advisory Group which engages representatives of the third sector alongside 60 other regional partners. VSNW has designed and led events to help co-ordinate third sector inputs to the strategy from the local to sub-regional levels up to the regional level. The new strategy is seen as providing the opportunity to clarify and strengthen the role of the third sector as a partner in delivering the goals of the region, and to ensure that resources are in place to allow actions to be carried out.
- 2.21 Stakeholders within the third sector also see the new strategy as an opportunity to broaden dialogue about those goals, and to widen the definition of success to incorporate more emphasis on environmental and social wellbeing alongside economic prosperity. Health will also be integrated to a greater extent than in past Regional Economic Strategies.

The third sector in the Northwest

- 2.22 As defined by the Office of the Third Sector, the third sector in the UK is made up of organisations that:

“share common characteristics: are non-governmental, value-driven, and principally reinvest any financial surpluses to further social, environmental or cultural objectives. The term encompasses voluntary and community organisations, charities, social enterprises, cooperatives and mutuals both large and small.”

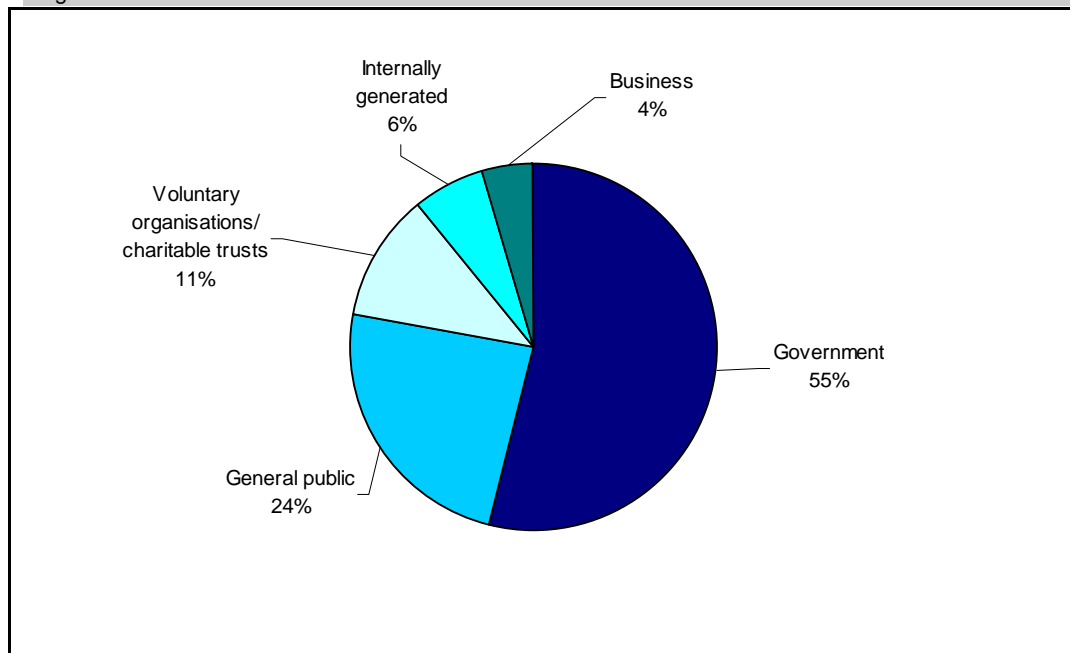
- 2.23 Recent research suggests that there are at least 31,400 third sector organisations in the Northwest,⁷ employing at least 64,000 people, according to VSNW. Measured by paid

⁷ Hoshin (2007) *The Contribution of the Voluntary and Community Sector to the Economy of the North West*, quoted in VSNW (September 2008) *Response to the North West Regional Evidence Base Consultation*. VSNW membership organisations represent a further 19,800 frontline organisations region-wide.

employment, the Northwest has the fastest growing regional voluntary and community sector in the UK.⁸

- 2.24 According to the Hoshin (2007) report to VSNW, there are some 672,000 volunteers who work an average of 10.1 hours per week and 137,000 trustees. It is estimated that the sector provides wages and salaries worth £890m to the region's workforce per annum.
- 2.25 The report found that nearly one-fifth of third sector organisations surveyed did not employ anyone; just over 60% were SMEs with five or fewer employees. Smaller organisations tended to focus on leisure and recreation, arts and culture, and education, research and training.
- 2.26 At the other end of the scale, one percent of organisations had over 500 employees – these were found within education, research and training sectors, with some in welfare and social care and working with community groups.
- 2.27 Figure 2-1 and Figure 2-2 below show the sources of income of third sector organisations in the Northwest, and the areas of the sector's expenditure and activities, respectively. Figure 2-1 in particular illustrates the sector's continued heavy reliance on public sector funding.

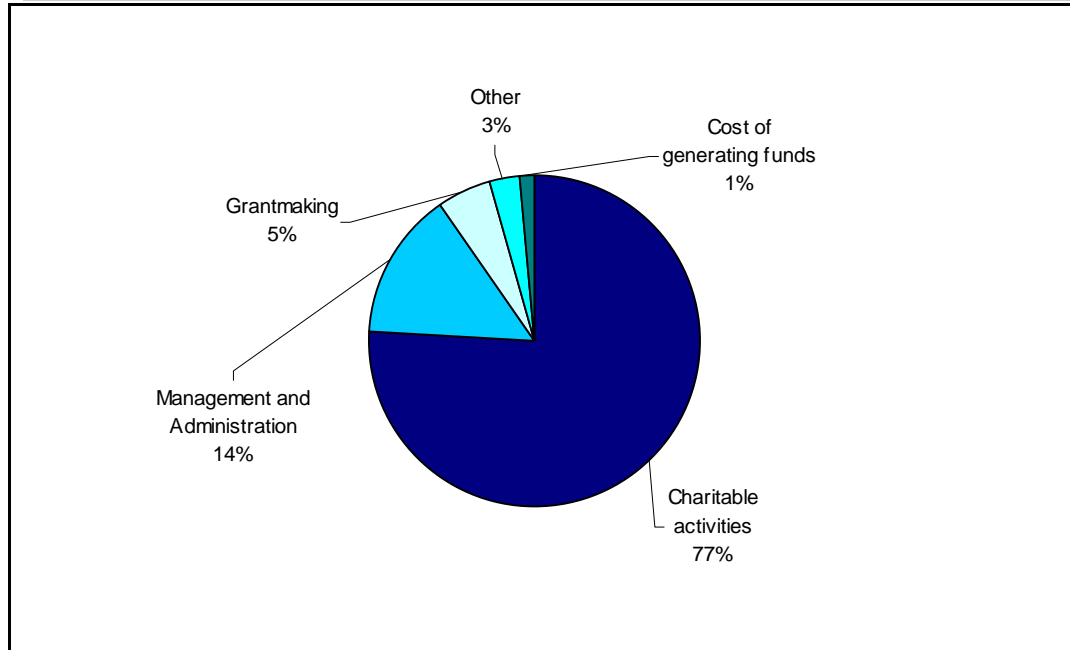
Figure 2-1 : Sources of income – third sector in the Northwest



Source: Hoshin (2007)

⁸ Source: *UK Voluntary Sector Workforce Almanac 2007*, J. Clark (NCVO: 2007) which uses data from the Labour Force Survey (LFS) conducted by the Office for National Statistics (ONS), quoted in VSNW September 2008, *Response to the North West Regional Evidence Base Consultation*.

Figure 2-2 : Expenditure – third sector in the Northwest



Source: Hoshin (2007)

2.28 The Hoshin report (2007) also provided breakdowns of the sector based on the main areas in which organisations operated, their main beneficiary target groups, and the type of service offered. Survey respondents could choose more than one option in each case so results do not sum to 100%. Breakdowns are reproduced in Table 2-1 – the categories do not read across to the Standard Industrial Classification of activity, but the table gives some indication of the scale and diversity of the sector and spread of activities.

Table 2-1 Third sector activity

Number of organisations by main areas of work		Number of organisations by main beneficiaries		Number of organisations by main activities	
Education, Research and Training	2,800	Adults	18,400	Direct Service Provision	11,000
Supporting and working with community groups	2,700	Children and Young people	17,300	Rural Issues	10,600
Arts and Culture	2,600	Older People	9,500	Volunteering	8,700
Welfare	2,600	Families	8,900	Non-Accredited Training	7,100
Service Providers	2,300	Disabled Persons	7,800	Learning and skills/training	7,100
Leisure and Recreation	2,200	Volunteers	6,600	Information	7,000
Health	2,100	Education and lifelong learning	5,400	Advocacy	5,800
Faith	1,500	BME	4,400	Accredited Training	4,800
Advocacy, Research and Information	1,400	Culture and Leisure	4,300	Representation	4,700
Environment	1,400	The Environment	3,500	Village halls/conference centres	4,300

Number of organisations by main areas of work		Number of organisations by main beneficiaries		Number of organisations by main activities	
Housing and Homeless	1,200	Other	3,100	Providing office/meeting accommodation	2,800
Economic and Community Development	1,100	Homeless people	2,900	Grant making to organisations	2,700
Sport	1,100	Health and Wellbeing	2,400	Fund raising for others	2,100
Play and Youth work	1,100	Rural Communities	2,300	Grant making to individuals	1,900
Infrastructure Organisations	1,000	Economic Wellbeing	1,800	Providing living accommodation	1,300
Social Enterprise	800	Businesses	1,100	Providing access to finance	1,300
Community Safety and Social Justice	200	Tenants' groups	1,000	Community transport	800
Animal Welfare	170	Housing Organisations	800	Intermediate Labour markets	600
		Infrastructure	700		
		Overseas Aid	600		
		Research and Development	500		

Source: Hoshin (2007). Includes all sizes of organisations.

- 2.29 Based on a figure of £3bn income from Guidestar, and 87% of reserves not spent, VSNW calculated a figure of £2.47bn GVA contribution for the third sector in the Northwest. VSNW are satisfied this is a reasonable, conservative estimate for the sector's contribution, excluding multiplier effects. **It is equivalent to 2% of regional GVA.**

Role of regional third sector infrastructure organisations

- 2.30 To effectively participate in delivery and in policy shaping, most third sector organisations require sustainable revenue streams, support, and capacity building infrastructure. To address these issues, third sector infrastructure organisations have been developed, some organically grown from within the sector itself; others funded or instituted by the public sector in recognition of the benefits that capacity building can bring.
- 2.31 Capacity building infrastructure has been developed with central government support through the ChangeUp and Capacity Builders programmes. Infrastructure organisations can bring benefits to both third sector organisations and public sector commissioners, for example by:
- identifying and filling the gaps – monitoring the services provided by the third sector in a specific area, and working with new and existing groups to address unmet needs
 - raising standards – through training and advice to secure resources, competence and quality
 - enabling communication and collaboration between groups – to develop ability for bidding partnerships or joint approaches

- providing a voice - representing the diverse views of local groups and organisations to public bodies, and engaging the sector in developing services or plans
- promoting strategic involvement – in strategic forums and through briefing the sector.⁹

Key stakeholders in the partnership between the public and third sectors

- 2.32 A number of key players are already involved in developing the partnership between the two sectors, supplementing the core activity around the development of the Regional Compact. The strategy will need to recognise the broad range of existing partnerships and build on or rationalise these rather than duplicate existing activities. Annex B contains a long list of the key regional public and third sector stakeholders.

Summary

- 2.33 The third sector in the Northwest makes a significant contribution to the economy, and is an important partner to the public sector in tackling deprivation. A positive policy environment exists at national and regional levels, giving a window of opportunity to build stronger working partnerships. It will be important for regional public sector bodies to take action to capitalise on this opportunity and realise the potential benefits for the region.

⁹ National Association for Community and Voluntary Action (NAVCA).

3: Partnership between the third sector and regional bodies: challenges and barriers

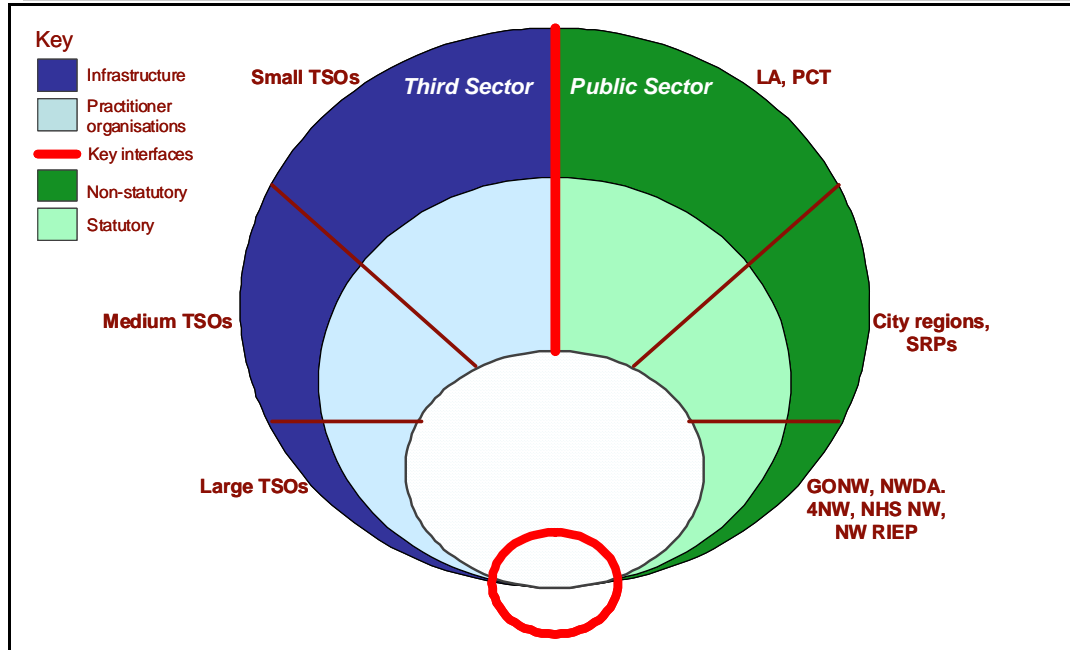
Introduction

- 3.1 There is broad consensus across the third sector and regional bodies, set out in strategic level documents, that greater partnership at regional level would result in positive outcomes for both sectors and for the target beneficiaries of public policy. Existing priorities and policies are well aligned - however work still needs to be done to maximise the benefits that might be achieved.
- 3.2 This section identifies the challenges facing the development of greater joint working at regional level, and describes the barriers that need to be overcome, before later sections explore some possible solutions to these problems. The research focuses in particular on the need to strengthen effective partnership working in service design, procurement, commissioning and delivery. The barriers identified are therefore divided into two categories: those that inhibit involvement of the third sector in *shaping policy* at regional level, and those that prevent greater participation in *service delivery*.

Challenges to successful engagement between the third sector and public sector

- 3.3 In order to establish actions which can be taken to develop partnership working at a regional level, it has been important to establish a model for interaction of the third sector and public agencies, to allow us to explore how the local, sub-regional and regional levels impact on each other, and in what way any regional partnership can be functionally dynamic.
- 3.4 We have developed a model of the interaction (see Figure 3-1 below) which clearly demonstrates the key dynamic that we are concerned with in this study. Whilst the aim of the study is to develop partnership, policy and strategy facilitation at a regional level, the impact of any recommended changes which are made at that regional level needs to be understood in terms of whether it will encourage greater economic benefit and service improvement in service delivery, which is primarily undertaken by third and public sectors at local levels such as local authority or PCT areas.
- 3.5 The model identifies the key segments of the sectors involved in this interaction: in reality, the relationship between the different segments is dynamic, and in our consultations we explored how they currently do, and would wish to, interact to meet their own aims and those of beneficiaries. We have used this approach to test out our thinking in developing actions which can be implemented at the regional level, but are cognisant of, and respond to, local operating environments and priorities.

Figure 3-1: Interaction between the third sector and regional bodies



Source: SQW Consulting

3.6 We tested this model out in application to a local authority area, Sefton. The results are summarised in Table 3-1 below. The key messages were that strong local relationships were operating, giving a cohesive framework for both statutory and third sector bodies. However, a number of problems did exist where support from regional partners was seen as essential: consistency of commissioning practice and assistance with consortium-building; interpretation and dissemination of incoming policy; and the need to co-opt and involve key successful practitioners as well as infrastructure representatives, to take part in policy and service development discussions.

Table 3-1 Interfaces at local and regional levels – Sefton

Sefton MBC had been identified as a local authority area where good practice was developing, policies were in place, and a strong relationship between the local authority, the PCT, the local CVS infrastructure, and third sector organisations delivering public service contracts, were all in play. As part of our research to test out the relative importance of local and regional policy and practice in driving forward positive change, as explored in Figure 3-1, we conducted a mini-case study through interviewing key individuals and organisations. We interviewed commissioning managers from the local authority and PCT, chief executives of their delivery partners from the third sector, and senior CVS staff.

The interviews gave a picture of an area where, to some extent, a regional dialogue was not seen as relevant because of the **strength of local relationships between the third and public sector**:

- joint commissioning from the local authority and PCT brings together a number of policy areas and helps to increase consistency of approaches
- a strong CVS provides most if not all of the infrastructure support wanted by smaller organisations
- some national third sector organisations have a direct relationship with the local authority/PCT and have no need of infrastructure support at local or regional levels
- there is good third sector representation in the Local Strategic Partnership and commissioning groups.

However, other issues pointed up the **need for a regional layer of infrastructure and relationship building**:

- there were concerns over the ability of smaller organisations to compete in a contract culture, shared by commissioners and third sector alike, which have attracted some criticism in the past – to address this there was demand for support from NWDA and other bodies to provide business support to develop consortium approaches, and for NWDA to work with other major commissioners (NHS and Local Authorities) to improve consistency of commissioning and procurement practices
- there was a desire for regional assistance from a regional infrastructure body to third sector organisations to advise and support on approaches and responses to major incoming national policy
- there was a need for identification and bringing forward of good practice and key practitioners to take part in regional discussions, not just the ‘same faces round the table’.

In summary, the case study supports the view that sound local practice can meet the needs of the vast majority of local TSOs delivering, but that local infrastructure organisations are particularly concerned that thematic, policy-based expertise is supported at regional level by infrastructure, and also by identifying and bringing through practitioner knowledge and experience. Support from regional bodies in developing consistent approaches in local bodies to commissioning and procurement would be welcomed.

Source: SQW Consulting

Challenges developed by previous research

3.7 SQW’s research builds on previous work carried out by Step Ahead Research Ltd, published in 2007¹⁰. This research has provided useful background in terms of the issues facing both the third and public sector in establishing effective partnerships to assist in delivering the RES, and identified proposals to address barriers such as:

- lack of public sector understanding of the VCS role
- poor relationship between the two sectors
- lack of a united sector voice
- lack of VCS resources and capacity
- reluctance to collaborate.

3.8 The study set out a framework for engagement with 27 Actions (and further sub-actions), plus a set of overarching recommended joint actions (and further sector-specific actions). Joint actions included:

- establishing a joint NWDA/VCS working Group to define and deliver RES actions 108 and 109
- achieve a shared understanding of the role of the VCS in the regional economic agenda
- implement joint policy and strategy development.

3.9 However, despite this framework, relationships between the third sector and Regional Bodies have continued to develop in an ad hoc way. The ongoing work on the Regional Compact has created an opportunity to re-focus partnership working and to look for a short set of key actions which can be taken to provide a step change in the partnership.

¹⁰ Step Ahead Research Ltd (June 2007) North West Voluntary and Community Sector Regional Strategy for RES Engagement, report to NWDA.

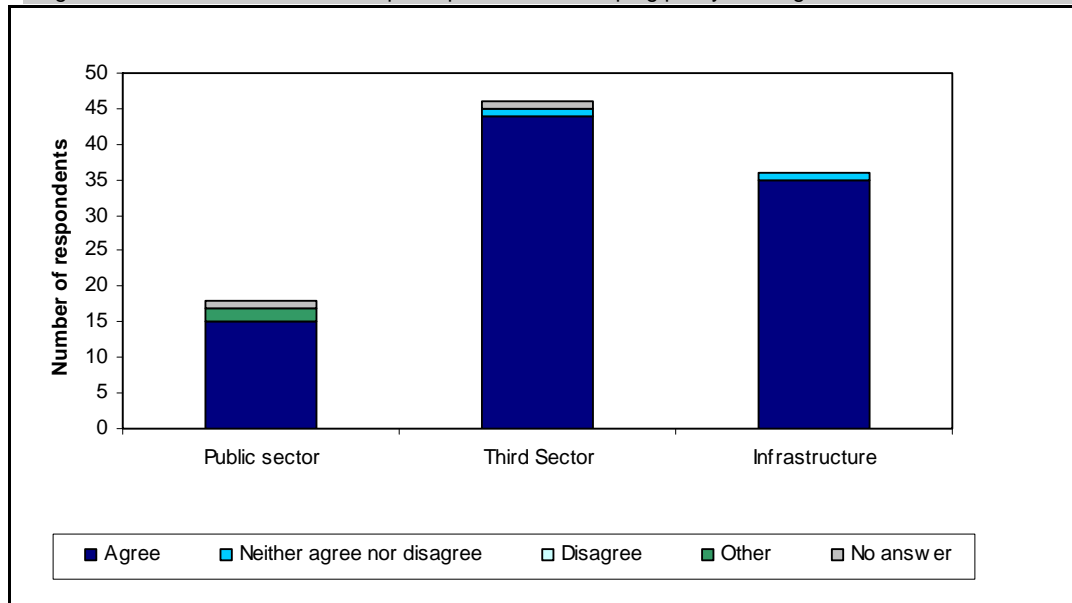
3.10 This research therefore tests out progress in terms of the perceptions of stakeholders, infrastructure bodies, delivery agencies and commissioners, and aims to identify finite steps to drive change. We explore progress by third sector infrastructure organisations in meeting the needs of partners, and in good practice development by public agencies.

Views on the involvement of the third sector

3.11 A broad consensus is emerging at regional level that benefits can be achieved through greater partnership between the third and public sectors. We undertook a telephone survey of 100 individuals representing 93 organisations in the Northwest – 45 third sector organisations, 32 third sector infrastructure organisations, and 16 public sector organisations.

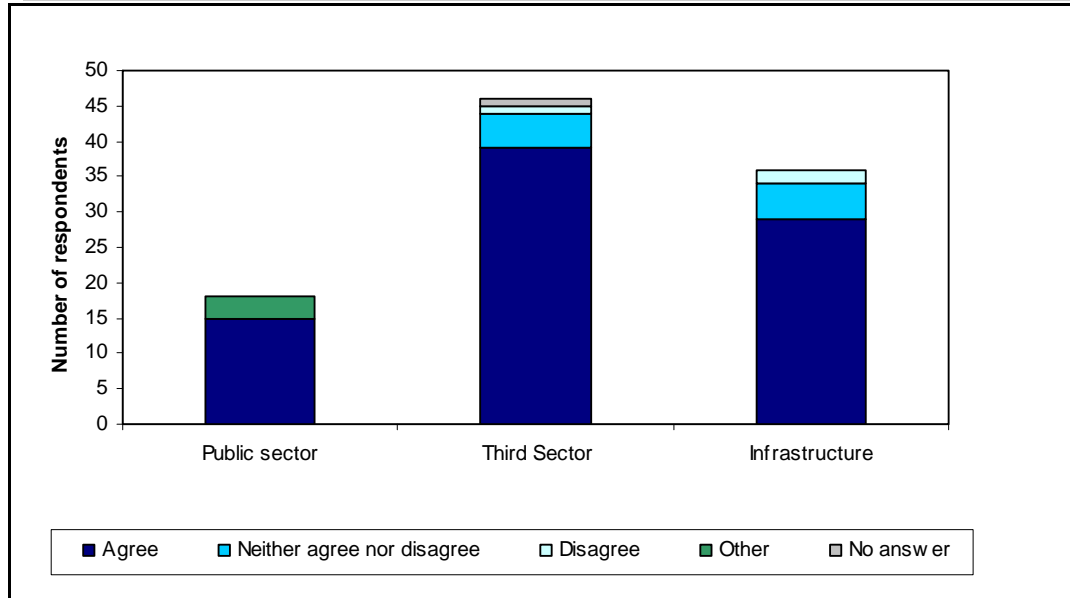
3.12 We asked respondents whether they agreed (a) that the third sector should be more involved in policy shaping at regional level, and (b) that the third sector should be more involved in service delivery. The results are shown in Figure 3-2 and Figure 3-3 below.

Figure 3-2: The third sector should participate more in shaping policy at a regional level



Source: SQW Consulting.

Figure 3-3: The third sector should participate more in service delivery



Source: SQW Consulting

- 3.13 As the figures show, there was very strong support on all sides for a greater role to be given to the third sector at regional level. All third sector infrastructure organisations reviewed in Annex B have an explicit strategic priority related to greater engagement with and influencing of the public sector at regional level. All public sector regional bodies have a clear interest in engaging with the third sector, and recognise the benefits of doing so.
- 3.14 Mainstreaming of the public-third sector relationship has therefore progressed to the stage of explicit statements being incorporated into strategic and statutory literature. Many vehicles have also been established to progress partnership working.
- 3.15 For example, the Third Sector Think Tank was recently established by GONW to influence thinking on the approach to Local Area Agreements (LAAs) and the role the third sector might play. Its membership includes GONW, NWDA, VSNW, INW; two local third sector organisations (Rochdale Centre for Diversity and Age Concern Blackburn); two generic (Voluntary Action Cumbria, Cheshire Community Action) and two thematic (Lancashire Youth Association, Merseyside BME Network) sub-regional level third sector infrastructure organisations. This more interactive forum is an interesting step forward in the region which needs to be fed into broader discussions about how to create flexible models for successful partnership.
- 3.16 However, it became evident during consultations that there is still some degree of market failure – while strategies and mission statements set out a joint commitment to partnership, and individuals express high levels of commitment to greater partnership – on the ground, there remains a disconnect between the two sectors, resulting in lost opportunity to improve outcomes for services, the environment, economy, and communities.
- 3.17 The reasons for this failure – the barriers to greater partnership between the two sectors – are explored in detail below.

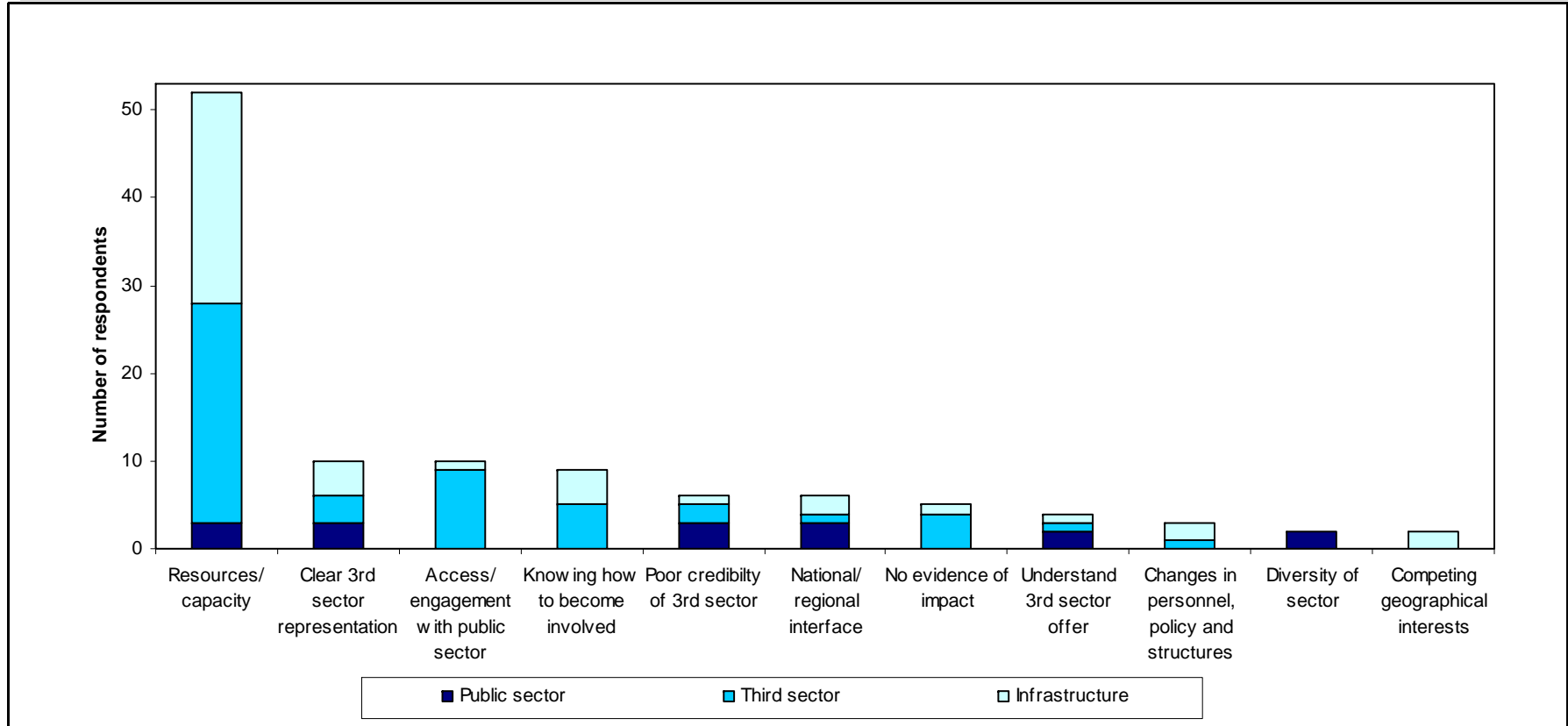
Barriers to engaging the third sector in shaping policy

- 3.18 Figure 3-4 (below) summarises the results from the telephone survey when respondents were probed on the barriers preventing greater involvement in shaping policy at regional level by the third sector in the Northwest.
- 3.19 The limited resources/capacity of the third sector was the most commonly identified barrier preventing the third sector from becoming more involved in shaping policy at regional level. A number of barriers were identified by all three groups of respondents – public sector organisations, third sector organisations and third sector infrastructure organisations:
- resources/capacity of the third sector (52 respondents in total)
 - clear and effective representation of the third sector at regional level (10) – it was also clear that around 10% of third sector and infrastructure respondents felt unable to access or engage with the public sector and did not know where to begin making these links
 - poor credibility of the third sector (6), and, linked to this, poor understanding of what the third sector can offer (4)
 - national/regional interface – conflict between national, regional and sub-regional activity (6).
- 3.20 These are described in greater detail below.

Resources/ capacity

- 3.21 Respondents from all sectors identified the limited resources and capacity of the third sector to engage in policy-shaping at regional level as a key barrier. Capacity constraints were linked to both funding shortages – for example lack of long term funded staff positions to engage in dialogue with the public sector – and skills gaps. Skills gaps were linked specifically to leadership, and also to use of technology – in the discussion on barriers to delivering services, a further skills gap in relation to tendering and contracting was also identified.
- 3.22 Resources and capacity were also inextricably linked together: for example it was commented that lack of funding restricts the ability of third sector and infrastructure organisations to recruit appropriately qualified staff to participate in policy-shaping discussions.
- 3.23 Lack of long term financial support for the sector also inhibits its ability to plan long term and provide consistent representation to public sector bodies interested in engaging.

Figure 3-4: Barriers preventing the third sector from becoming more involved in shaping policy at regional level

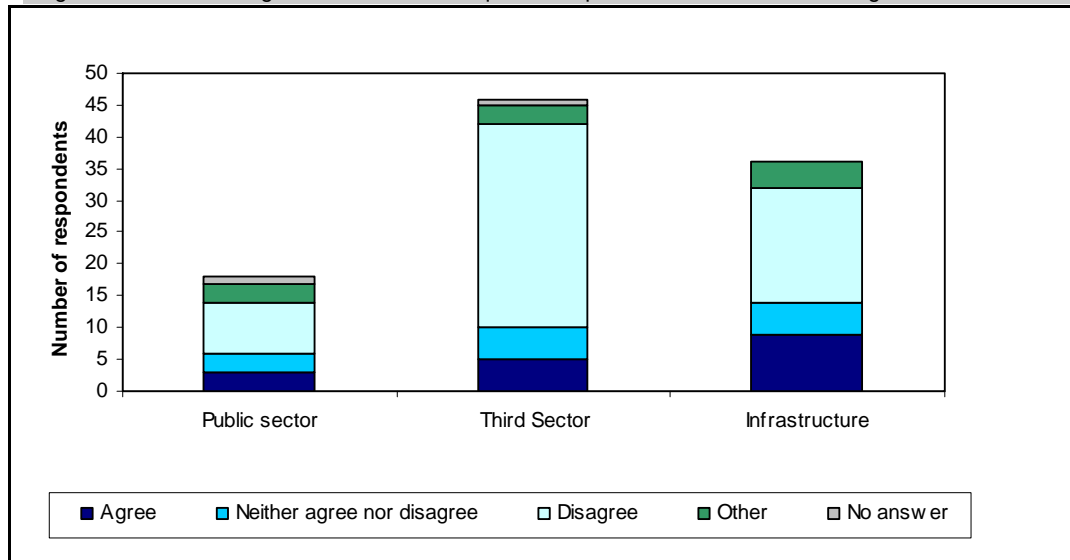


Source: Telephone survey

Representation

- 3.24 Representing the third sector at regional level was acknowledged by all stakeholders to be challenging. The sector is complex and highly diverse, with many sizes and types of organisations. However, the lack of clear representation was identified by a small but significant proportion of respondents to the telephone survey (9%) as a current barrier to increased participation of the third sector in policy-shaping.
- 3.25 The telephone survey also asked respondents whether they agreed with the statement, ‘The existing infrastructure is adequate to represent the third sector at regional level.’ The results are shown in Figure 3-5 below.

Figure 3-5: The existing infrastructure is adequate to represent the third sector at regional level



Source: SQW

- 3.26 As the figure shows, a high proportion of respondents disagreed with the statement, including a high number of infrastructure organisations but a higher proportion of third sector organisations. Comments included:

“Yes and no. The third sector has problems talking with itself and this needs to be solved first...”

“Infrastructure is quite new. It’s difficult for us because we have to get involved in delivery in order to be sustainable (and therefore find it hard when lobbying to those that fund them, so a conflict of interest) – we don’t have the resources to be just a voice”

“Existing infrastructure is INW – set up to do this but funding is too low... Need to negotiate with other public sector organisations e.g. NWDA to access strategic funding to allow INW and NW Network to increase their capacity to deliver. This is the primary issue”

“There is more than one organisation representing different parts of the third sector at the regional level”

“Not enough interface between 4NW/NWDA and third sector – the interface is better between regional organisations and the public/private

sector. There are too many third sector organisations to be able to discern who you should talk to”

“Needs more centralised representation - third sector view comes across from a range of organisations. It needs co-ordination and views need to be represented and taken into account”

“Too much duplication, not sufficient buy-in from the sector. But this is the same for the private sector. The third sector is unfairly singled out as not speaking with one voice. One organisation cannot do all.”

- 3.27 Respondents who felt that the existing infrastructure was not adequate were given the opportunity to suggest solutions to address this problem. This is discussed in greater detail in section 4 below.

Credibility and understanding

- 3.28 A small number of public sector respondents felt that the credibility of the third sector was insufficient for regional public sector organisations to be open to engaging the sector in discussion around policy shaping. Linked to this was the problem of not knowing which infrastructure organisations represented the sector at regional level, or ought to be involved in discussion. Respondents also felt that the case for the benefits of further partnership had yet to be made to all parties – third and public sector organisations at regional, sub-regional and local levels.

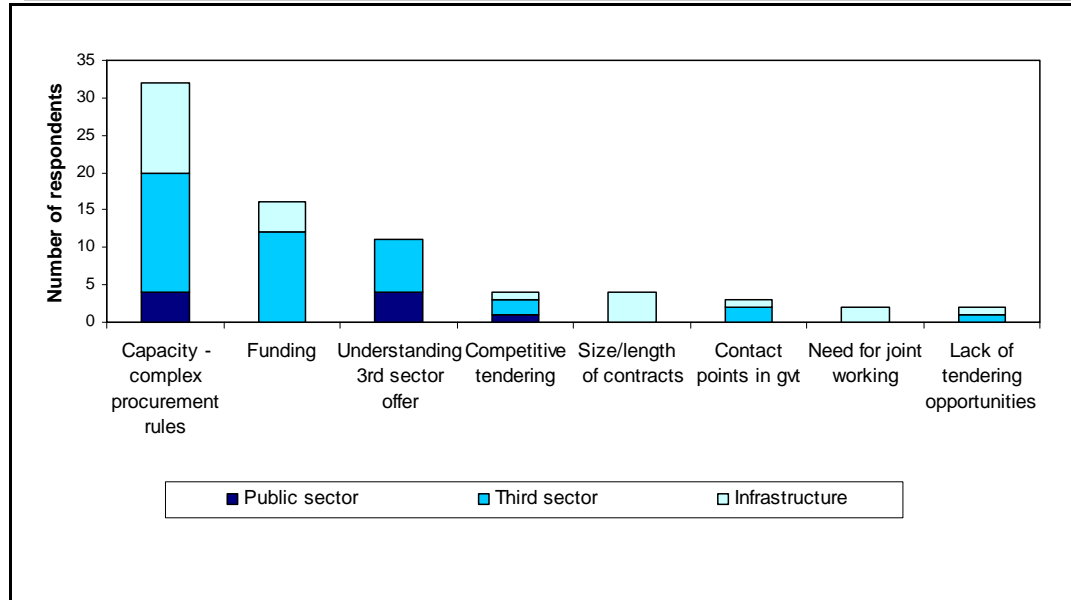
Interface

- 3.29 Again linked to the discussion above around representation, credibility and understanding, several respondents identified an issue around the appropriate geographical level at which to engage. Some larger national third sector organisations for example were used to lobbying nationally at the level of central government, and often worked with local authorities on commissioning, but had no regional voice or interest in developing one. Other very small local organisations saw no need to engage at regional level when their beneficiaries and funders operated locally. There was also a discussion around infrastructure organisations and the flow of governance from neighbourhood level, to local, sub-regional and regional level.

Barriers to greater partnership in service delivery

- 3.30 Figure 3-6 shows the barriers preventing the third sector from becoming more involved in service delivery.

Figure 3-6: Barriers preventing the third sector from becoming more involved in service delivery



Source: Telephone survey

3.31 Barriers identified by all three groups of respondents included: capacity of the third sector to respond to complex procurement rules (32 respondents in total); and competitive tendering (4). Funding was cited by 16 respondents from third sector and infrastructure organisations, whilst a lack of understanding of what the third sector can offer was suggested by 11 third sector and public sector respondents.

3.32 These are discussed in greater detail below.

Procurement and tendering

3.33 Many respondents felt that third sector organisations were disadvantaged in a competitive tendering process because:

- small organisations found it difficult to demonstrate economies of scale or value for money
- the nature of the sector – a diversity of small organisations – meant consortium bids were required and many organisations lacked the capacity, experience or skills to resource winning tenders or to form winning consortia
- moreover the culture within the sector tended more towards competition than collaboration – many third sector organisations feared loss of identity from collaboration
- proposal writing skills gaps existed, linked to the discussion above about wider resource and capacity constraints.

3.34 Because of the diversity of the sector, and the fact that much of the sector is comprised of small organisations, it often lacks the ability to present economies of scale and value for money in offering service provision.

Funding

- 3.35 The structure of third sector financing at regional level was raised again in relation to the third sector's ability to engage in service delivery. Organisations felt they required sustainable finance for core functions such as business development in order to be able to maintain a market presence. Others reported difficulty in robustly costing for service delivery contracts to ensure such overheads could be incorporated into profitable service structures. This point was linked to the discussion which follows, around how public sector commissioners were thought to view third sector contractors.

Understanding the third sector offer

- 3.36 Many third sector, infrastructure and public sector respondents believed that there was a widespread lack of understanding among commissioners about the third sector offer. It should be noted in relation to this discussion that few respondents to the survey were directly involved in commissioning themselves, so these findings reflect perceptions of commissioner attitudes rather than a direct report from commissioners.
- 3.37 Respondents felt that commissioners often have a lack of understanding of social benefit and environmental impact, and of applying techniques such as full cost benefit analysis and social return on investment when taking procurement decisions. Some felt that public sector commissioners were only interested in larger organisations with the capacity to deliver large, long term contracts. Others mentioned that there may be a perception among commissioners that third sector services should be cheaper, regardless of quality offered.
- 3.38 In return, some respondents felt that some third sector organisations lacked awareness and understanding of the need to meet public sector output targets, or had not undertaken sufficient need assessments to demonstrate demand for their services when making bids or funding applications.
- 3.39 Finally, commissioning often happens at local or sub-regional level, leading some respondents to suggest that this was not an appropriate conversation between third sector and public sector bodies at regional level.

Summary

- 3.40 During scoping consultations and the telephone survey, a clear consensus began to emerge around the key barriers preventing greater participation in both policy-shaping and service delivery by the third sector at regional level. In relation to the policy-shaping debate, the key barrier for third sector organisations is capacity and resource – other significant issues include the problem of effective sector representation at regional level. On service delivery, respondents made it clear that the third sector still suffers, or feels it suffers, from disadvantages in open competitive tendering against the private or quasi-public sector and where scoring criteria do not give special recognition to social benefit. Others highlighted the issues faced by third sector deliverers in full cost recovery to ensure core functions are still funded, as well as the ongoing concerns around skills gaps and capacity to respond more generally.

- 3.41 The issue of the effectiveness of the infrastructure itself highlighted a number of embedded issues: complex structures in place confuse both sectors, generating a need to clarify and improve structures, processes and mechanisms – and to improve co-ordination, communications and relationships.
- 3.42 The key actions proposed by interviewees,¹¹ and how these are translated into broader areas of action for public and third sector stakeholders, are the subject of section 4, which follows.

¹¹ A full list of those consulted is included in Annex A.

4: Developing areas for improvement and action

Introduction

- 4.1 In this section we synthesise the messages emerging from the research, and consider good practice from elsewhere, before developing recommendations to lead into the strategy and action plan for NWDA.

Key areas to improve

- 4.2 Survey respondents gave a detailed set of views about potential actions to improve the partnership working at regional level. Synthesising findings, these can be summarised as improvements at regional level to:

- co-ordination, communications and relationships
- consultation, networks, groups
- the capacity of the third sector
- commissioning and procurement processes
- leadership and capacity within the public sector.

- 4.3 These action areas were presented to a range of stakeholders at a workshop held at NWDA on 16 June 2009, for discussion and prioritisation. A similar exercise was also held with a wider group attending the regional VCS Conference, compered by NWDA and GONW on 7th July, where the discussion focused particularly on, firstly, the implications for procurement and commissioning and, secondly, for regional infrastructure. The discussions with stakeholders and conference delegates aligned well with the suggestions and responses generated by the survey. A broad consensus emerged from discussion and can be summarised around the themes identified above.

Improved co-ordination, communications and relationships

- 4.4 Consultees felt that there was a need for regional infrastructure organisations to improve dissemination of key policy messages to frontline organisations. Not all third sector organisations or public sector organisations felt that they fully understood the role of the relevant regional infrastructure bodies and some suggested a need for mapping to identify the key stakeholders, their role at regional level, and the key points of external partnership in the regional and third sector bodies. These specific problems of communication resonated against a wider issue, that despite efforts nationally, regionally and locally in recent years, there is still a lack of understanding of the third sector offer on the part of public sector bodies, and on the other hand, a lack of understanding of public sector needs, targets and policy drivers on the part of third sector organisations.

- 4.5 This situation could be improved by a better functioning third sector infrastructure on the one hand, and a more clearly defined ‘ask’ from the public sector on the other. These suggestions are discussed further in the topic headings below.

Improved consultation, networks and groups

- 4.6 Discussion participants felt that a key problem relating to the current regional infrastructure was to the difficulty in representing the entire regional third sector in consultation exercises or at policy groups. This approach, described as ‘one person trying to sit at every table’, was generally not favoured as an effective route to representation. The issue was exacerbated by the feeling on the part of some third sector groups that they are not represented by the current infrastructure, as well as a need to clarify the respective roles of the different generic, specialist and thematic third sector infrastructure organisations at regional level.
- 4.7 Consultees felt there was a need to widen the membership of existing or new regional infrastructure organisations, and to widen the third sector membership of strategic partnerships, rather than a single third sector organisation being the only public sector interface at regional level. There was also a need to develop the third sector response into different policy areas, for example by being able to broker in thematic experts and leading practitioners from the third sector to handle particular requests from the public sector where necessary. This has been the approach taken in the North East of England, as illustrated in Table 4-1 below.

Table 4-1: Best practice from elsewhere – North East region

Relationship between the RDA and third sector infrastructure

One NorthEast (ONE) has a Board Member who is the CEO of a major social enterprise, and who has been able to raise profile of the third sector across the RDA.¹²

ONE also has a close relationship with VONNE (Voluntary Organisations' Network North East), which it core funds. Additional core funding is provided by OTS. This core funding is then built on to attract project funding and further contracted work. Key areas of VONNE's work are to carry out strategic and catalytic actions, increase co-ordination and alignment, and to improve intelligence and influencing and awareness-raising. It does this through:

- communications and networks
 - communications including newsletters and briefings, and an award-winning website
 - consultations and events, such as consultation on the Sub-National Review, and on bidding for BASIS funding
 - partnership events with bodies such as Trade Unions and ACEVO, Probation services, Care Services Improvement Partnership
 - networks and infrastructure development
 - thematic work, often with seconded staff, on Economic Regeneration, Health and Environment
 - equalities – VONNE hosts the Equalities Coalition for the North East.
- engaging with Statutory Organisations to influence policy and commissioning
 - facilitates and chairs the Third Sector Forum (formerly the Compact Working Group)
 - facilitates meetings with GONE and VCS three times annually

¹² In Yorkshire and Humber region, Yorkshire Forward is also currently recruiting a Board member, in partnership with Government Office, who will be in place from December 2009 for three years, with a specialist remit covering VCS and Social Enterprise. Alongside their generic activities as a Board Member, the individual will have a brief to develop the approach of the RDA to third sector activity. In the East Midlands, an ‘East Midlands Single Platform’ is being developed as a gateway between the public sector and regional infrastructure, based on governance through electoral colleges. Board members will be elected by groups of infrastructure organisations, and 25% of Board places will be reserved for BME members, under proposals being developed at the time of writing.

Relationship between the RDA and third sector infrastructure

- regular meetings with lead Board Member and ONE Economic Inclusion Team, and developing working with the Strategy Director
- meetings with funders to develop an infrastructure funding framework
- work with the REIP, now sitting on two work streams, Collaborative Procurement, and Communities
- increasing the value and quantity of public sector contracts procured by the third sector providers
 - funding through the CSR route – a major foundation has funded training to 15 VCOs on world class commissioning, and piloted mentoring schemes
 - working with the social enterprise infrastructure to pilot a “capabilities database”
- increasing the take-up and involvement in leadership and senior management opportunities
 - through core funding, a VCS Leadership Strategy has been developed, to capacity-build and publicise success and opportunity, linked to an awards event
 - partnered by ACEVO, VONNE is launching a Chief Executive's Forum for the third sector in the North East.

Source: SQW Consulting

4.8 On the public sector side, there was a need to consider existing third sector activity when undertaking consultation exercises so as not to duplicate demand on resources. Specifically, the public sector could use the RS2010 and Compact processes to identify key points for collaborative action. More generally, there was a need for the infrastructure organisations to consult more with members and to disseminate results of consultation on both the public and third sector sides. To better enable infrastructure organisations to undertake this role, some discussion participants argued for pump-prime money to develop new involvement from the third sector.

4.9 There was felt to be a rationale for investing in the third sector to provide a fit-for-purpose infrastructure body at regional level which can act both as a representative body but also as a broker of other practitioner and expert input - and as a vehicle for the public sector to use to consult effectively. Such investment would need to be linked to performance information: ways to measure success might include looking at the size of the sector represented by any body; geographical spread of membership organisations, and the spread of service areas represented. This is discussed further below.

Capacity-building the third sector

4.10 Further to the above discussion, many survey respondents and discussion participants felt there was a need to rationalise the existing regional infrastructure organisations as it was felt there was some duplication, overlap and confusion as to the respective roles of existing organisations.

4.11 To help address this issue, a regional communications strategy would be needed, based on a clear mapping of current infrastructure, and representational mandates, then setting out the preferred lines of dialogue between public and third sectors, including the key individuals and responsibilities. Training and awareness-raising for staff in both the public and third sectors might assist this process, as might mentoring and secondments between the third, public and private sectors at regional level.

4.12 In relation to the private sector, it was commented that the private sector currently has little funding to dedicate philanthropically but it does have surplus workforce capacity – there may be a way the region can tap into this, as free time and consultancy to help support the third

sector, and develop mutually advantageous partnerships, particularly in relation to procurement.

Developing commissioning and procurement

- 4.13 With specific reference to procurement, it was commented during consultation that there was a need to improve third sector understanding of competitive bidding processes. Financial sustainability is a critical issue – there is a need to provide support prior to the bidding process to assist organisations in developing and demonstrating financial sustainability. There may also be scope for successful organisations to provide best practice advice.
- 4.14 However, consultees felt that support for third sector organisations should come within the same framework as support for SME suppliers – the task being ‘to get the third sector to the table’ not ‘a different table.’ Some participants felt that there was a need for a regional coach/mentor role to assist local third sector organisations to bid for local contracts. This might also include access to information and statistics to help bidders demonstrate the need for their service.
- 4.15 Collaboration between third sector organisations or with the private sector can increase capacity to bid and strengthen tenders. ACEVO runs a National Support Service for Income Generation and, at the other end of the partnership, OTS publicises the benefits of third sector delivery to commissioners and in the Northeast a private sector company’s charitable trust fund is sponsoring VCS commissioning pilots. Discussion at conference emphasised the need for commissioners to structure longer term contracts where possible and recognise full cost recovery to help build a more stable third sector market.
- 4.16 Participants also recognised that in relation to the commissioning agenda, there is a balance needed to ensure third sector organisations can generate income but also maintain focus on their original mission – and to ensure that bidding criteria did offer achievable tendering opportunities to those organisations.
- 4.17 NWDA is currently working to develop its approach to *sustainable procurement*, to diversify the supplier base and to encourage more bids from SMEs – including third sector organisations. NWDA will be aiming to make its procurement more transparent as part of this activity and will consider sustainable development and social gains in scoring. This was felt to be a key opportunity to develop the role of third sector providers.

Leadership and capacity-building the public sector

- 4.18 As demonstrated from the survey response, capacity-building suggestions were not limited to the third sector. Respondents suggested scrutiny groups might be established to hold the public sector accountable for its progress in engaging with the third sector at regional level. Policy panels might be another vehicle to establish and share good practice in this arena, following the example of the Third Sector Think Tank convened by GONW.
- 4.19 Third sector organisations also felt there needed to be clearer information and mapping of the key organisational and individual contact points within regional bodies to improve access to engagement and allow them to identify the appropriate routes for both information on

commissioning activities, and wider discussions. On the commissioning front, it was also suggested that commissioners within the public sector may need to be trained or undertake awareness raising work to understand Social Return on Investment (SROI) – this could be linked to the National Training Programme for Commissioners funded by OTS.

- 4.20 During discussions, it was felt that leadership in the public sector at the regional level should be taken jointly by NWDA, GONW 4NW and NHS NW, that the public sector needs to develop a joined up approach to define what it wants from the third sector. This should include taking a lead on defining the ‘Regional Ask’ of the third sector – its role in *policy-shaping* – and also leading by example on the commissioning agenda.

Summary

- 4.21 Guided by the survey results and our case study interviews, we developed a number of areas for improvement. These were considered at a workshop of strategic partners, in terms of key actions that could be taken by the key regional agencies in the context of the Regional Compact partnership; and also by the third sector itself. These are now brought together into a set of recommendations, with some initial consideration of steps towards implementation.

5: Recommendations and suggested actions.

Introduction

- 5.1 As identified in the sections above, the third sector is a critical asset with potential to bring significant social, environmental and economic benefits to the Northwest region. We recommend that regional public sector bodies take action to overcome the identified barriers preventing opportunities being realised, and work to build bridges between the two sectors.
- 5.2 Our recommendations are based upon the results of extensive research and consultation: stakeholder interviews; the telephone survey; best practice from the literature and the contributions; the outputs of a stakeholder workshop session held with high level policymakers from the third sector, infrastructure, and the public sector in the Northwest, coupled with discussion at the regional Public and Third Sector Partnership Conference held by GONW and NWDA. Account has also been taken of other contemporaneous research¹³. The key areas of engagement and procurement and commissioning have been identified as intervention points in Section 4, and some options for implementation discussed. These form the context for the following key recommendations.
- 5.3 In defining areas for pragmatic action to improve partnership working, our priorities have been:
- to be clear what can really happen at/be driven from regional level
 - to look closely at the functional roles required, rather than existing status of partners: who really needs to be where, and doing what
 - to be clear that the need for culture change is considered
 - to pinpoint possible infrastructure and strategy development – how can it happen, and where – and if there is strategic investment to support it
 - to clarify when changes need to be *within* either the third or public sector, or where changes need to be made *at the interface between* the third and public sector.

Recommendations

Collaborative work within the public sector

Recommendation 1: NWDA and GONW develop a collaborative approach, defining their proposition for working with the regional third sector

- The work to develop the Regional Compact process has strengthened existing partnership working and leadership from NWDA and GONW, and they should

¹³ [All Inclusive? Third sector involvement in regional and sub-regional policymaking](#) published by the Institute for Public Policy Research North (ippr north, July 2009)

consider whether opportunities exist to establish leadership or championing roles at Board and senior management levels.

- Mapping of the key individual and organisational contacts in regional bodies should be taken forward, and potentially supported as a virtual group, and put into a direct relationship with any new regional infrastructure established under Recommendation 3 below. An information output should be developed for regional bodies, and then for sub-regional and local bodies, to clarify the public sector ‘Ask’ of the third sector, and the joint approach being taken.
- The commitment to improved partnership working at regional level should be set down in the Regional Compact.

Recommendation 2: NWDA uses its strategic position to influence other public sector funders at regional level to support the ‘Regional Ask’ and adopt good practice.

- Through reviewing existing funding and any opportunities for further investment to support the Recommendations and Action Plan, NWDA can improve the quality and sustainability of the interaction with the third sector, and its potential impact on the regional economy and communities.
- NWDA has a unique position as regional strategic influencer, and consideration should be given to how it can exemplify best practice in its engagement with the third sector, and influence other regional public sector bodies to support the ‘Regional Ask’ and adopt good practice.
- Other regional public sector bodies should consider where possible how to align Capacity Builders, Basis and other funding streams to the ‘Regional Ask’.

Changes to the interface between the third and public sectors at regional level

Recommendation 3: NWDA and GONW commission a regional lead from the third sector to play a representational and brokering role on behalf of the sector. It will review or develop new architecture as appropriate, operating with a service level agreement

5.4 The consensus emerging from the survey and stakeholder work was that there is a need to review and improve the current regional architecture, in light of best practice from elsewhere. Form should follow function when designing such architecture and the key functions of the architecture are:

- **to define the ‘third sector offer’ to regional partners in response to the public sector ask** – what are the advantages of engaging with the third sector when embarking on policy shaping or actions to improve public service delivery? And what is the existing make-up of that sector, its capacity and capability to deliver - and the impact that it does and can make?
- **to act as an effective conduit for consultation and engagement** – providing a route to the diverse third sector that is demonstrably representative and can provide an

access channel for regional public sector bodies when they need to consult on key issues, but also utilising a broad menu of engagement mechanisms to bring in a wide range of views when consultations are opened

- **to provide a gateway to the third sector:** the creation of a panel of key third sector representatives covering a range of thematic and geographical areas, to provide an expert-to-expert voice when required, and avoid the problem of a single third sector representative body trying to represent the whole sector. The panel positions could relate to the organisation of key regional public sector partners – for example a rural lead, a housing lead, five sub-regional leads. The panel could also include existing lead and specialist infrastructure bodies, individual leaders identified through a leadership development programme in partnership with a body such as ACEVO, and a number of other bodies invited to ensure a balance of interests, for example, social enterprises and national charities. Panel positions should be fixed term, rotating positions, and panel members should receive formal induction and terms of reference which entrust and empower the panel representative to act as the third sector voice on their issue, not simply representing their own organisation's interest. Panel representatives could be appointed via an annual Conference.

Recommendation 4: NWDA, GONW and other regional bodies work together to promote procurement and commissioning opportunities for the third sector through training, good practice development and the encouragement of consortium bidding

- Given the clear benefits associated with third sector delivery of services, outlined in detail in section 2 of this report, there is a strong case for increasing commissioning from the third sector, where such delivery can be demonstrated to be best value. Without eroding either the principles of competitive tendering, or the independence and mission of third sector organisations, the consensus from the research was that regional bodies should seek to act as exemplars of commissioning from the third sector, and aim to influence the practice of others to gain greater consistency.
- Actions required to progress this agenda should include capacity building work, assisting third sector organisations with mentoring and coaching, pre-bid support, and encouraging consortia bidding. Much of the required work is already underway but may require a regional joined up response – for example linking Business Link social enterprise support, OTS programmes such as the National Support Service for Income Generation and National Training Programme for Commissioners, as well as the new NWDA sustainable procurement approach. Joint work with other appropriate regional bodies such as NHS NW and NWEIP, to explore influencing the consistency of commissioning practice at regional, sub-regional and local levels, would be an important step forward.

Collaborative work within the third sector

Recommendation 5: Existing infrastructure organisations work together to map the sector and better demonstrate its capacity and offer to deliver services

- In return for support in the procurement and commissioning process, the third sector would need to further develop its understanding of, and response to, the drivers of public sector requirements and the resulting targets for service delivery
- To gain an improved engagement and a more flexible interface with NWDA, GONW and other regional bodies, the sector will need to work closely together to develop consensus and support for the new “gateway” and be guided by the opportunities to provide a variety of individuals and organisations for consultation, service design and improving the commissioning process.

Considerations for implementation – indicative Action Plan

- 5.5 Following consideration of the implementation requirements for the Recommendations, we have developed an integrated indicative Action Plan for NWDA, to address the needs to identify lead and partner agencies, resources and timings – and potential output and outcome indicators to form a positive basis for impact measurement and evaluation.
- 5.6 Actions are tabulated in Table 5-1 below.

Table 5-1: Action Plan for NWDA

Recommendation	Action	Lead agency	Resources required	Timetable	Output indicators	Outcome indicators
1: NWDA and GONW develop a collaborative approach, defining their proposition for working with the regional third sector	1.2 Set down principles for partnership within the Regional Compact	NWDA GONW	Existing budgets Capacity Builders	2009-10	Evidence of consideration in Regional Compact	Service Level Agreement developed under recommendation 3 below.
	2: NWDA uses its strategic position to influence other public sector funders at regional level to support the 'Regional Ask' and adopt good practice.	2.1 Develop an investment plan to support the 'Regional Ask' as an exemplar of partnership working	NWDA	New resources	2010-11	Investment in regional architecture and partnership
3: NWDA and GONW commission a regional lead from the third sector to play a representational and brokering role on behalf of the sector. It will review or develop new architecture as appropriate, operating with a service level agreement	3.1 Develop a Service Level Agreement defining the 'Third Sector Offer' and the 'Public Sector Ask', and through this, commission a single third sector infrastructure organisation to act as the conduit for consultation and to develop and broker input through a network of specialist third sector organisations and individuals across the region.	NWDA GONW	Will require additional revenue funding ESF Train2Gain Capacity Builders	2010-13	Number of membership organisations of successful tenderer, against a baseline Breakdown of membership organisations by sector, size and geography, diversity measured against a baseline	Third sector views are sought and valued in regional policy development, as evidenced by strengthened role in MAAs and RS2010 and wider policy.
	3.2 Commission leadership training for third sector infrastructure and third sector Chief Executives to act effectively in a representative capacity, to enable the organisation to act as a network and broker in thematic leads rather than try to act as a representative body for the whole sector					
4: NWDA, GONW and other regional bodies work together to promote procurement and commissioning opportunities for the third sector through training, good practice development and the encouragement of consortium bidding	4.1 Develop a Supplier Engagement Programme that provides information, support and guidance on tendering procedures.	NWDA NHS Northwest	Revenue funding may be available through NWDA Sustainable Procurement Strategy and National Support Service (Capacity Builders).	2009-11	Number of suppliers engaged/ take-up of BL and other named support agencies	More effective public services as measured by PSA targets, against a baseline.
	4.2 Signpost organisations which require support to Business Link, the National Support Service, Fundingcentral.org and NW Public Service Delivery Network.	ACEVO Business Link	Business Link already has a programme in		Breakdown of suppliers by public, private and third sector – by number and by value of	

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- 4.3 Raise awareness about the benefits of commissioning from the third sector among procurement professionals through promotion of the OTS National Training Programme for Commissioners to the professional bodies and NWEI
- 4.4 Develop good practice models of commissioning that encourage consortia bidding and improve consistency of commissioning processes across the public sector at local level. The model should clarify how third sector capacity at all sizes of TSO can be utilised.
- 4.5 Signpost organisations to b2b mentoring brokers

place to assist social enterprise
NHS Northwest and 5 Counties are undertaking existing activity.

contracts awarded
Additional income generated by beneficiary organisations
Breakdown of suppliers by type of partnership – by number and by value of contracts awarded
Number of b2b mentoring contacts
Proportion of successful third sector bids by organisations having received support, against baseline, or as a proportion of the total

5: Existing infrastructure organisations work together to map the sector and better demonstrate its capacity and offer to deliver services

- 5.1 Develop an analysis of the capacity of the third sector organisations to deliver services

Third sector infrastructure organisations

Existing budgets
Capacity Builders

2009-10

Mapping study

Awareness of third sector offer as measured by survey of regional partners against a baseline

Annex A: Consultees

Table A-2: List of individuals consulted during scoping interviews, telephone survey and stakeholder workshop

Contact	Position	Organisation
Simon Crawshaw	Chief Executive	4NW
Steve Barwick	Director of Strategy	4NW
Jenny Berry	Director (North)	ACEVO
Heather Billington	National Manager	Action for Blind People
Roger Roberts	Chief Executive	Action with Communities in Cumbria (formerly Voluntary Action Cumbria)
Simon Hepburn	Chief Executive	Advisory Centre for Education
Chris Shaw	Chief Executive	Advocacy in Wirral
Janette Stanley	Director	African and Caribbean Mental Health Services
Geraldine Moore	Chief Officer	Age Concern Lancashire
Steve Corcoran	Acting Children's Services Manager	Barnardos
Priscilla Nkwenti	Chief Executive	Black Health Agency
Karen Minnit	Chief Officer	Bolton CVS
Michelle Carrahar	North East Regional Manager	British Association of Settlements & Social Action Centres
Sue Floor	Help Desk Officer	British Dyslexia Association
Carrie Poskitt	Operations Manager for the Northern offices	British Trust for Conservation Volunteers
Marie Brookfield	Chief Officer	Bury Third Sector Development Agency
Andy Yuille	Regional Policy Officer, North West	Campaign to Protect Rural England
Gavin Macgregor	Head of Communications and Development (previously North England Manager)	Carers UK
Rick Walker	Director	Cartwheel Arts
Chris Barrowcliff	Project Officer and Sub-regional Change Up Co-ordinator	Cheshire Community Action
Janelle Fone	Chief Executive	Cheshire Wildlife Trust
Carol Berry	Chief Officer	Chester Voluntary Action
Martin Miller	Diocesan Officer	Church of England
Allyson Whisker	Partnership Development Manager (in charge of three northern regions)	Citizens Advice Bureau
Paul Hardman	Head of Greater Manchester's City Strategy	Commission for Education Development, Employment and Skills

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Contact	Position	Organisation
Denise Partington	Chief Executive	Community Futures
John Wareham	Co-ordinator	Community Network for Manchester
Mark Reedman	Chief Executive	Consortium of Lesbian, Gay, Bisexual and Transgendered Voluntary and Community Organisations
Claire Kerfoot	Development Officer	Contact a Family
Karen Bowen	Chief Officer	Cumbria CVS
Chris Coombes	Locality Manager	Cumbria Learning Links/ Cumbria CVS
Richard Greenwood	Chief Executive	Cumbria Vision
Peter Bullard	Director	Cumbria Wildlife Trust
Lynn Gibbon	Programme Manager	CWEA
Jeff Scales	Regional Development Manager	Development Trust Association
Jim Farrell	-	Elect
Elaine Dunn	Chief Officer	Ellesmere Port & Neston Association of Voluntary & Community Organisations
Jo Whitaker	Group Director	Encams
Catherine May	North West Regional Manager	Equality and Human Rights Commission
Sean Hutton	Community Policy Officer	Federation of Irish Societies
Frank Kennedy	North West Co-ordinator	Friends of the Earth
Prue Yeoman	5 Counties Partnership Co-ordinator	GMCVO
Alex Whinnom	Director	GMCVO
Karen Rigg	Training Development Manager	GMCVO
Jacquie O'Neill	Head of Diversity, Community Cohesions and the Third Sector	GONW
Jane Groves	Third Sector and Empowerment	GONW
Lesley Hunter	Co-ordinator	Greater Manchester Pay and Employment Rights Advice Service
Ben Williams	Head of Regional Development	Groundwork
Nicola Goodwin	Community Development Officer	Halton Borough Council
Diane Walton	Assistant Director – Investment (North West)	Homes and Communities Agency
Lisa Shrimpton	North West Regional Director	Homestart UK
Russell Norman	Chief Executive	Howgill Family Centre
Alison Coupe	Director of New Initiatives	Impact Housing
Cheryl Davies	ESF Manager	Job Centre Plus

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Contact	Position	Organisation
Nick Briggs	Strategy and Business Development Director	Lancashire Economic Partnership
Jonathan Gilbert	Development Manager	Lancashire Learning Consortium Community Interest Company
Anne Selby	Chief Executive	Lancashire Wildlife Trust
Graham Whalley	Chief Officer	Lancashire Youth Association
John Rigby	Chief Officer	L CVS
Chris Baker	Chief Officer	Learning Together Cheshire and Warrington
Paul Martin	Chief Executive	Lesbian & Gay Foundation
Ian Ruff	Skills Development Manager	LSC
Paul Johnston	-	Manchester City Council Adult Social Care
Gary Copitch	Director	Manchester Community Information Network
Peter King	General officer – director	Manchester Disabled People's Access Group
Caroline Downey	Merci Co-ordinator	Merci
Bev Mitchell	Community Coordinator	Mersey Basin Trust
Andy Churchill	Chief Executive	Merseyside Network for Europe
Bev Hemming	Director (North)	National Child Minding Association
John Chapman	-	New Deal Salford
AnnMarie Wrigley	Director and Project Key Worker	New Era Burnley
Sue Henry	Assistant Director of Engagement and Partnerships	NHS North West
Shahnaz Ali	Associate Director of Equality and Partnerships	NHS NW
Emile Pinel	Chief Executive	Northwest Network
Joanne Smith	Development Manager	Nugent Care
John Chapman	Commercial Manager	NWDA
Pernille Kousgaard	Director of Policy	NWDA
Simon Nokes	Director of Strategy and Performance	NWDA
Malcolm Kennedy	Equality and Diversity Policy Manager	NWDA
Evelyn Asante Mensah	Head of Equality	NWDA
Gary Skelley	Manager of Enterprise Support	NWDA
John Chapman	Procurement	NWDA
Paul Harris	Project Director	One North West

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Contact	Position	Organisation
Stephen Smith	Network Manager	Pendle Community Network
Julie Humphrey	Network Coordinator	Preston Community Network
Joan Burrows	Chief Officer	Preston CVS
Melanie Close	Manager	Preston Disability Information Service
Peter Gardener	-	Princes Trust
Jackie Tyler	Regional Director	Princes Trust
Faruk Desai	Chief Executive	Racial Equality Council
Nigel Rose	Area Manager	Refugee Action
Gillian Bishop	Chief Executive	REIP
Helen Wilkinson	Client Services Manager	Relate GMS
John Paton	CEO	Relate Lancashire and Cumbria
Pam Arnold	Director of Services	Relationships Centre
Frances McGuire	Regional Policy Advocate	RSPB
Karen Ellis	Rural Stress Helpline	Rural Stress Information Network
Mike Farrar	Chief Executive	Strategic Health Authority North West
Nick Drew	Policy Adviser	The Compact
Kevin Peacock	Economic Development Manager	The Mersey Partnership
David Marriott	Chief Executive	Together Trust
Graham Woods	Regional Manager - Substance Misuse – North	Turning Point
Toby Blume	Chief Executive	Urban Forum
Janet Maloney	Information, Communication and Research Development Officer	Voluntary Action – Oldham
Simon Richards	Strategic Development Manager (Volunteering Infrastructure)	Volunteering England
Richard Caulfield	Chief Executive	VSNW
Eamonn Greene	Secondee	VSNW
Warren Escadale	Senior Performance Manager	VSNW
Sylvia Sham	Director	Wai Yin Chinese Women's Society
Greg Coyne	Regional Director	Workers Education Association
Stephen Heath	Community Director	YMCA File and Coast

Source: SQW

Annex B: Mapping the existing landscape

B.1 Table C-1 summarises the key public sector stakeholders at regional level, and Table B-2 the existing regional third sector infrastructure bodies.

Table B-1 Key public sector stakeholders at regional level

Organisation	Role and priorities
4NW	<p>4NW is the Regional Leaders' Forum for the region, replacing the former Northwest Regional Assembly. It has responsibility for overseeing housing, planning, transport and economic development in the region and holding NWDA to account. 4NW will also be responsible for signing off the forthcoming Regional Strategy produced in partnership with NWDA.</p> <p>4NW has a board of members including council leaders from each of the five sub-regions, along with seven representatives from the private sector such as Manchester Airport Group, Northwest Universities Association and the Northwest Trades Union Congress. VSNW are the third sector representative.</p>
Government Office Northwest (GONW)	<p>Government Office Northwest is the regional office acting for Government in the Northwest and responsible for ensuring national policies and programmes are delivered effectively at the level of the region and localities.</p> <p>GONW represents all Government departments, including the Department for Communities for Local Government (CLG) and the Office of the Third sector. It aims to engage with a wide range of third sector organisations to assist in delivering regeneration and community cohesion objectives, build capacity in the third sector, and encourage active citizenship. GONW also works with local authorities to help deliver National Indicators, including the Stronger Communities block, NIs 1-7.</p>
Homes and Communities Agency (HCA)	<p>The Homes and Communities Agency (HCA) is the national housing and regeneration agency for England, sponsored by CLG.</p> <p>HCA invests in affordable housing through the National Affordable Housing Programme, commissioning from a mix of developers including Registered Social Landlords.</p>
JobCentre Plus	<p>JobCentre Plus is the Department for Work and Pensions agency supporting people of working age from welfare into work, and helping employers to fill their vacancies. In its bid to ensure customer-focused services, JobCentre Plus commissions large scale programmes designed to tackle worklessness and improve employability. It is committed to increasing the proportion of commissioning of these types of intervention from the third sector, as evidence suggests the third sector is particularly well placed to engage hard to reach groups and move individuals towards the labour market. Models such as the 'Prime Contractor' approach allow consortia of large and small third sector organisations, or of private and third sector organisations, to bid to deliver services.</p>
Learning and Skills Council (LSC)	<p>The Learning and Skills Council is the national organisation charged with improving the skills levels of adults and young people. It has regional offices that commission training provision based on responding to regional and local needs. Third sector training providers are important to the LSC because of the third sector's recognised track record in engaging with and delivering to disadvantaged groups. This strength can help the LSC hit its targets and ensure skills are raised across all sections of the population.</p>
National Offender Management Service (NOMS)	<p>NOMS is the system through which the Ministry of Justice commissions correctional services and interventions designed to reduce re-offending and cut crime. From 2008-10 the service aims to move towards increased joint commissioning from the public, private and third sectors.</p>
NHS Northwest	<p>NHS Northwest is the Strategic Health Authority for the region. Its role is to ensure that local NHS services meet needs and improve the overall health and public health of the Northwest region. This includes ensuring access to health services, and overcoming health inequalities – both areas where working in partnership with the third sector can help overcome barriers to access and engage with disadvantaged groups.</p> <p>The NHS also has a social enterprise programme to support the development of social enterprises around health and social care delivery.</p>
Northwest Development Agency (NWDA)	<p>The Northwest Development Agency is the Regional Development Agency for the Northwest, responsible for stimulating the economic growth and regeneration of the region. The Agency is charged with encouraging business growth and enterprise</p>

Organisation	Role and priorities
	development in the region, including social enterprise. And, through its work on Social Inclusion, NWDA works to remove barriers to economic and social inclusion, and empower communities to participate in regeneration. Engagement of the third sector is viewed as integral to achieving this goal.
Northwest Regional Improvement and Efficiency Partnership (NWIEP)	<p>The Northwest Improvement and Efficiency Partnership provides Northwest local authorities with support on improvement and efficiency, and to benefit their communities. This includes work to help local authorities deliver National Indicators relating to Neighbourhoods and Communities, delivery of which requires local authorities to engage with the third sector on community cohesion, community engagement and neighbourhood management.</p> <p>NWIEP funds Neighbourhoods Northwest, the gateway for support on neighbourhood improvement, and its delivery vehicle is Northwest Together We Can, the good practice network for community empowerment, funded directly from CLG.</p>

Source: Various.

Table B-2 Key third sector infrastructure organisations in the Northwest

Organisation	Role and priorities
5 Counties Partnership	<p>The Five Counties Partnership is made up of the lead bodies of the voluntary sector infrastructure consortia for Greater Manchester, Cumbria, Lancashire, Greater Merseyside and Cheshire. Its coordinator is funded by Capacity Builders.</p> <p>The Partnership aims to develop strategic relationships within and beyond the third sector in the Northwest, respond collectively to policy, undertake joint projects, share information and best practice and collaborate regionally and seek opportunities to draw funds into the sector.</p>
Northwest Environment Link (NWEL)	<p>Northwest Environment Link (NWEL) is a strategic coalition of environmental voluntary sector groups which works across the region. It is represented at 4NW. NWEL is dedicated to ensuring that environmental issues are taken seriously in regional decision making. It has a combined regional membership of over 2 million individuals and its member organisations employ significant numbers, as well as being major landowners.</p> <p>As a voluntary sector grouping they form the environmental network of VSNW.</p>
National Housing Federation North	The National Housing Federation represents independent, not-for-profit housing associations in England and acts as the voice of affordable housing. It aims to support and promote the work that housing associations do and campaign for better housing and neighbourhoods.
Northwest Network	Northwest Network is a network of third sector organisations that aims to provide assistance to the third sector in accessing funding, especially European funding distributed through regional bodies. It is also involved in wider capacity building work within the sector and improving efficiency.
Northwest Forum of Community Empowerment Networks (CEN)	Community Empowerment Networks are the vehicle for linking the community and voluntary sectors with Local Strategic Partnerships. There are 21 Community Empowerment Networks (CENs) in the Northwest - the largest number in any region outside of London. The Forum meets on a quarterly basis to share good practice and support local CENs.
One Northwest (1NW)	<p>One Northwest is the regional network for the black and minority ethnic voluntary and community sector in the Northwest of England. It aims to provide a voice for the BME third sector and influence regional strategy and regional policy makers. It has a membership of over 300 VCS organisations that are either BME led, support the BME third sector, or are third sector organisations that provide services to BME communities.</p> <p>One Northwest is funded through GONW and Northwest Network.</p>
Social Enterprise Northwest (SEnw)	Social Enterprise Northwest is the regional network for social enterprise. It includes representation from sub-regional social enterprise networks and the Development Trust Association (DTA). It aims to build capacity in the sector and raise profile, representing its interests at regional level.
Voluntary Sector Northwest (VSNW)	<p>VSNW is the regional voluntary sector network for the Northwest. Its purpose is to support a connected and influential third sector, including influencing regional strategy and funding on behalf of the sector, and to act as the recognised channel for communication between the third sector, GONW and NWDA.</p> <p>VSNW has membership of 150 organisations, of which:</p>

Organisation	Role and priorities
	<ul style="list-style-type: none">• 40 are general infrastructure organisations such as local CVSs, in turn representing 19,000 third sector organisations across the Northwest• 110 are regional or subregional organisations – both third sector frontline organisations and other infrastructure organisations or networks such as the LGBT Foundation.• VSNW is represented on 4NW, the Leaders' Forum. It is funded by OTS.
Volunteering Northwest	Volunteering Northwest is a regional network of volunteering infrastructure organisations. It aims to support the development of volunteering in the Northwest, campaign on relevant issues, and establish a sustainable infrastructure to support and quality assure volunteering throughout the region.

Source: SQW