

## **Compact Commissioning Implementation Guidance Questions & Answers**

### **What is the Compact?**

It is a voluntary agreement between government and third sector organisations in England. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work together to deliver better outcomes for local people.

### **What is the Compact Code of Good Practice on Funding and Procurement?**

It forms part of the overall Compact. It identifies principles and undertakings that underpin financial relationships between public and third sector organisations. As a result, financial relationships are constructed in such a way that allows outcomes to be maximised.

### **I am a commissioner for a Local Authority/PCT and have never heard of the Compact - how am I involved?**

From 1998, Local Authorities were encouraged by the Government to agree Local Compacts for partnership working with third sector organisations in their areas. All top tier authorities now have Local Compacts. These reflect national Compact principles but can vary to reflect local issues and partnership arrangements. Organisations signed up to a Local Compact have a responsibility to work in line with Compact principles. In many cases, PCTs, as a key local strategic partner, are signatories to Local Compacts.

### **What is the aim of the guidance?**

It has been designed to help commissioners deliver better outcomes. The guidance will help raise awareness of current Compact principles amongst commissioners. It will also help commissioners to work in a way that reflects Compact principles by identifying where and how these principles can be applied to four common stages of commissioning: Analysis, Planning, Sourcing and Monitoring and Review.

### **Who is the guidance for?**

The guidance is primarily for commissioners in national and local public bodies. This includes Government Departments, Non Departmental Public Bodies, Local Authorities and Primary Care Trusts. The guidance will also be of interest to third sector organisations as service providers, advocates of service users or for influencing the design and delivery of services by using their independent voice.

### **I am a commissioner in a Local Authority/ PCT - why should I use the guidance?**

Implementing the principles in the guidance can help you deliver better services and outcomes for communities and local people.

Third sector organisations often have distinctive expertise and experiences; as service providers and advocates of service users. Using this guidance to work with third sector organisations in the analysis and planning stages increases access to this knowledge.

This can result in better designed services, a reduction in the risk of service delivery failure and will help a commissioner's organisation meet its commissioning objectives and wider policy objectives e.g. Local Area Agreements and World Class Commissioning.

The guidance can help minimise the bureaucratic barriers that deter some third sector providers from tendering.

Working in a Compact way can also help build relationships with third sector organisations and help support an independent third sector. The guidance will also help a commissioner's organisation meet its Compact obligations.

The guidance also helps commissioners support wider policy and commissioning requirements. This guidance is a practical tool to help PCT commissioners become World Class Commissioners.

### **Why is the guidance targeted just at national and local public sector commissioners?**

Commissioners play a role in how outcomes are achieved and are subject to many competing pressures. By producing a targeted piece of work for commissioners, we are highlighting where and how Compact principles can be implemented into practice. The guidance is short and accessible; it saves commissioners, and the organisations they represent time and resources deciphering how to work in a Compact way.

### **Why does the guidance seem to focus on a commissioner's relationship with the third sector?**

The guidance can help improve overall commissioning and is equally applicable to relationships with the private sector. However, the Compact is an agreement between the public and third sector, and therefore the guidance reflects Compact principles. Third sector organisations also play a crucial role in delivering high quality public services either through direct service delivery or service design.

### **Why doesn't the guidance cover the role of social benefit in commissioning?**

The guidance is based on current principles. The Commission for the Compact plans to update this guidance and this is an area we are currently looking into.

### **Why doesn't the guidance cover EU procurement?**

The Commission for the Compact is currently developing guidance on how EU procurement rules relate to the Compact. The work, when completed, will link with and support this guidance.

### **Why have you produced the guidance?**

The guidance was produced in response to a request by the then Minister for the Third Sector, Phil Hope MP, to produce commissioning guidance that reflected current Compact principles.

### **Does the guidance replace the current Funding and Procurement Code?**

No. It supplements the existing code.