

<b>TITLE:</b>	<b>Third Sector Review</b>	
<b>LSPE Portfolio Holder: Thematic Partnership: Lead Organisation: Author of Report:</b>	Ruth Stone LSPE MKCVO Ruth Stone 01908 661623	
<b>Addressing LSP Action:</b>	3	Facilitating Participative Communities: supporting people and organisations to be active and enterprising in civic life
	3.3	A vibrant Third Sector – we will give priority to fostering and resourcing our rich and diverse voluntary sector. We recognise the value of volunteering and the vibrancy of our community organisations in the delivery of excellent services
	3.3.1	Providing a strong infrastructure to give effective support to our Third Sector organisations and creative approaches to financial sustainability
<b>Purpose of Report:</b>	<b>To receive the final report and recommendations of the Third Sector Review commissioned by the LSPE in January 2009</b>	
<b>Recommendations:</b>	The LSP is requested to: a. Note the key insights provided in Section 7 of the report b. Discuss and identify recommendations to the Third Sector Review for their action plan.	

**Issues:**

**1. EXECUTIVE SUMMARY**

1.1 In January 2009 the Milton Keynes Local Strategic Partnership Executive (LSPE) commissioned a review of the relationship between the Third Sector (TS) and the Public Sector (PS) in Milton Keynes.

1.2 The objectives of the review were agreed as being to:

- Establish what are the key functions that Milton Keynes needs of its Third Sector
- Assess the strengths and weaknesses of the current Third Sector arrangements in fulfilling those functions and make recommendations for change where necessary.
- Identify and make recommendations for resourcing the core Third Sector infrastructure arrangements necessary to support a thriving Third Sector.
- Explore the Council's commissioning process to identify where, if possible, further efficiencies and effectiveness could be made with regard to commissioning the Third Sector in the partnership arena.
- Establish a district wide definition of the Third Sector and its engagement/ involvement in the Local Strategic Partnership arrangements.

- Explore the use of the Compact as a tool for creating more effective Third Sector arrangements and relationships with Public Sector bodies.
- 1.3 The process was overseen by a cross sector steering group chaired by Ruth Stone, MK LSPE, with the majority of the evidence collected through the establishment of the 'Working Together Commission' membership of which included representatives of GOSE, the Open University, local business and the Third Sector under the independent chairmanship of Andrew Peck (see Section 4 for further details)
  - 1.4 This Report provides an overview of the evidence collected from a range of sources, in a variety of ways between April and November 2009. In Section 5 the evidence has been grouped thematically with a summary of celebratory and challenging issues in Section 6. These then inform the key insights and recommendations in Section 7.
  - 1.5 The recommendations and accompanying action plan (Section 7 & 8) are designed to be challenging but realistic, building on firm foundations and harnessing a shared passion for moving things forward in Milton Keynes. Our aspiration is that by March 2011 Milton Keynes will be in a position to challenge local authorities such as Birmingham for Beacon Council Status<sup>1</sup> as regards its relationship between the Public Sector and the Third Sector.
  - 1.6 The overwhelming majority of the evidence collected demonstrated that the Third Sector is an equal partner in the well-being, growth and development of Milton Keynes; it is an important part of the economy and contributes social, human, economic, physical and cultural capital.
  - 1.7 The Third Sector is not synonymous with just the Voluntary and Community Sector; it also includes Social Enterprises, Community Interest Companies, Co-operatives, Mutuels, faith groups and much more.
  - 1.8 In Milton Keynes Third Sector organisations (TSO's) and groups are independent organisations; value driven, with missions founded upon charitable objectives and a commitment to social justice. They are not agents of the state and do not exist simply to manage public service contracts, although where they do, it is values-based consequently the emerging focus by the Public Sector on outcomes was positively welcomed by many contributors.
  - 1.9 Local TSOs bring considerable benefits to the community in which they are based. There is, for example, evidence of a considerable multiplier effect and added value associated with locally based activities that build social capital and address multiple needs. They also retain resources in the area, helping to build the local social and economic fabric in contrast to the potentially detrimental economic and social impact of 'parachuted-in' services, with the consequent leaching of resources out of the area.
  - 1.10 There was evidence that in Milton Keynes the Public Sector often acts as if the Third Sector is there to deliver the Public Sector agenda with little appreciation that TSOs are independent with their own agenda and have deep roots in communities. This misperception exemplified the strongest theme of the Review; an urgent need to improve communications, share understanding and build relationships.
  - 1.11 In conclusion, voluntary action is by its very nature local; not many people care about a park in another town, but when it is round the corner it matters. The greatest strength that the Third Sector brings is the value of local solutions. There is excellent evidence in Milton Keynes of a thriving Third Sector that is providing the essential glue for developing sustainable communities; to continue their work in the future, to adapt to a

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<sup>1</sup> [www.ncvo-vol.org.uk/psdnetwork](http://www.ncvo-vol.org.uk/psdnetwork)

changing funding environment and respond to the needs of a growing community they need effective support services and an effective working relationship with the Public and Private Sector

## **2. INSIGHTS AND RECOMMENDATIONS**

### **2.1 Talking to the right people at the right time; improving shared intelligence and communications**

To harness the underdeveloped potential of ever more effective Third Sector engagement with the Public Sector that supports the development of diverse, strong communities and enhances the quality of life for MK residents in an effective and efficient way, there needs to be urgent action (by March 2010) to improve shared intelligence and communication. Civil governance structures should welcome a high level of local activity and build capacity for it to be well informed.

The objectives required to achieve this outcome through a campaign of improvement include:

- a) Developing shared understanding of the principles and values underpinning localism and local governance, civic engagement, volunteering, leadership, partnership and accountability
- b) Embedding the agreed understanding within Third Sector and Public Sector organisations
- c) Developing an inter and intra sector communications strategy
- d) Streamlining representational conduits by investing in the development of MKCLIP as a portal for Third Sector engagement
- e) The LSP collectively and individually driving forward development of cross sector community leadership for Milton Keynes including development of outcomes and targets for the benefit of Milton Keynes

### **2.2 Knowledge and simplicity aids accessibility: improving Commissioning**

Better results for end users (be that members of the Wolverton Light Orchestra, CAB clients or members of the Cardiac Group) is the common ground between the Third Sector and Public Sector; focusing on this we recommend that there should be a Milton Keynes wide strategic framework for Intelligent Commissioning agreed and monitored by the LSP.

The objectives required to achieve this outcome include:

- a) An explicit agreement and understanding that commissioning is not synonymous with contracting; its about developing outcomes that will make a difference for the people of Milton Keynes which can be achieved through a mixed economy of funding and support
- b) Adopting and robustly implementing the eight principles of Commissioning<sup>2</sup> (see action plan for details)
- c) Developing an understanding of Social Return on Investment so that it can be incorporated into the development of service specification
- d) Becoming an example of best practice in the practice of intelligent commissioning and effective contracting and delivery

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<sup>2</sup> [www.idea.gov.uk](http://www.idea.gov.uk)

### 2.3 United we stand divided we fall

TSO's in Milton Keynes need to recognise and act upon the maxim; united we stand, divided we fall. In order to work collaboratively for the benefit of MK TSOs need to be supported by Local Infrastructure Organisations (LIOs) e.g MKCVO and the Volunteer Centre, to focus on performance.

The objectives required to achieve this outcome include:

- a) Putting performance improvement on the local agenda
- b) Building the capacity of the local sector to improve their performance be that as contracted service providers, campaigners and influencers or as contributors to their local communities.
- c) Promoting strategic planning and sustainability to include exploration of the opportunities for shared services and social enterprise
- d) Improving monitoring and reporting arrangements, especially by ensuring they are proportionate and include consideration of social return on investment (SROI)
- e) Encouraging the sharing of learning between TSOs, and between TSOs and the Public and Private Sector
- f) Supporting the implementation of appropriate quality assurance systems.

### 3. Background Papers

The attached report: Working Together: Report of an inquiry into the relationship of the Third Sector and Public Service Authorities in Milton Keynes

Appendices and further details of the Review process:  
[www.vcsmk.org.uk/ThirdSectorReview](http://www.vcsmk.org.uk/ThirdSectorReview)