

The Tendring Compact Funding & Procurement Code of Good Practice

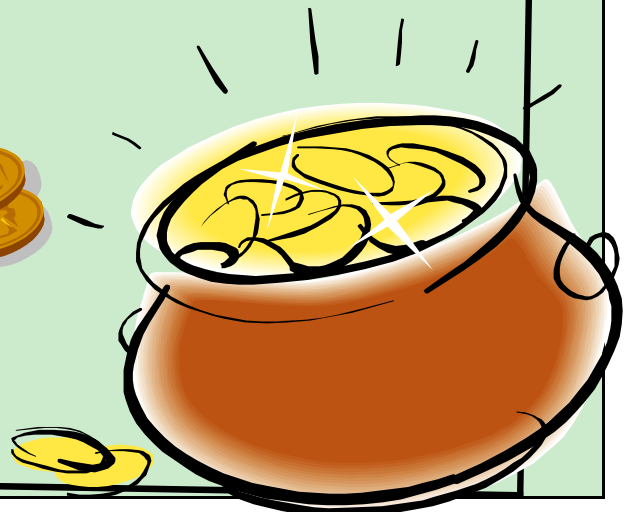
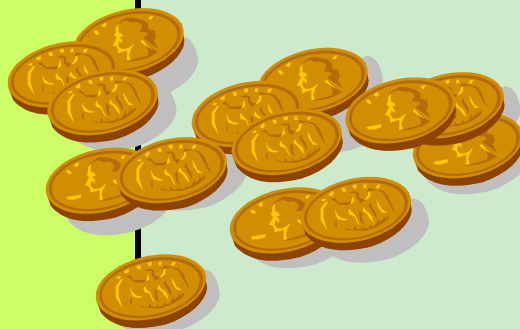
In 2003 the Tendring Compact, which is a guide to relations between the statutory sector and voluntary and community sector, was agreed.

Now the Tendring Compact Action Team is releasing guidance on specific issues that effect both sectors. Funding and Procurement is the second of six code of practice.

This code has been developed by the Tendring Compact Action Team, consulted on by the voluntary and statutory sector and endorsed by the Tendring Local Strategic Partnership.

This code is for you if:

- You are involved in the funding of the voluntary and community sector, whether distributing, applying for or receiving funding;
- You develop and administer programmes where voluntary and community organisations help deliver objectives;
- You are in the voluntary and community sector and apply for or manage external funding and contracts.



The Tending Funding and Procurement Code of Practice aims to...

- Set a framework for the financial relationship between the voluntary and community sector and the statutory sector; and
- Set out undertakings for both, based on what each can expect from each other.

The Code covers how programmes should be designed and delivered but it does not cover what is funded or who should be funded.

Funders in this code are referred to as the statutory sector, however funders can also be voluntary organisations and these organisations should follow the statutory sector undertakings.

Principles of the Financial Relationship

Focus on outcomes

The success of funding applications should be based on the achievement of outcomes.

Simplicity and proportionality

Processes should be as simple as possible and in proportion to the amount of money involved.

Consistency and co-ordination

Funders should endeavour to join-up parts of the funding or procurement process. This will minimise burdens on organisations and help to ensure a focus on delivery.

Timeliness

Allow time for planning, decision making and action so they have real effect.

Transparency and accountability

Provide clear information and policies that allow informed decisions.

Discussion and dialogue

This helps build trust and can identify and overcome problems before they impact on the delivery of outcomes and help learning from previous work.

Empathy

Understanding each other's needs and requirements should help avoid problems and help achieve outcomes.

Undertakings to Ensure Good Practice in Funding and Procurement

Voluntary and Community Sector undertakings

C The voluntary and community sector should contribute constructively to the design of funding programmes and focus their contribution on the needs of service users or beneficiaries;

C When consulted be clear about whom they represent and how they came to their views;

C Voluntary and Community organisations should consider what would happen if or when the financial relationship ends and plan for this at an early stage;

C The sector needs to be aware of opportunities and should seek to understand the time-scales and decision making process;

C Make sure that they are eligible when applying for grants;

C Recognise that there are competing demands for funds and that there may be more organisations applying than money available;

C Recognise that the final decision rests with the funders;

C Be clear about who is financially accountable, this is especially important with joint bids;

C Agree terms of delivery at the outset and be aware of potential risks which they are responsible for;

C Recognise that it is legitimate for funders to ask for public recognition of their funding by funded organisations in appropriate circumstances ;

C Have good systems in place to manage finances and funded projects; and account for them;










C Be honest and transparent in reporting;

C Plan to reduce any potential negative impact on both beneficiaries and organisation if funding ends.










C Ensure effective monitoring and evaluation systems are in place, so as to track performance.

C Organisations should avoid duplication of service as and be an active member of a local network.



-  Provide an opportunity for the voluntary and community sector to contribute to programme designs;
-  Promote funding opportunities widely and consider proactive approaches to encourage organisations to apply or become suppliers;
-  Information and forms should be clear and accessible and include all relevant information so that voluntary and community organisations can make an informed decision about whether to apply;
-  Policies and processes should be clear, transparent and honest;
-  Ensure the process is in proportion to the amount of money available;
-  Ask for information on application forms which is relevant to deciding who will receive funding or be awarded the contract;
-  Discuss risks up-front and agree lines of accountability;
-  Respect the independence and added value of the voluntary and community sector;
-  Recognise it is legitimate for voluntary and community organisations to include the relevant element of overhead costs in their estimates for providing a particular service;

Statutory Sector Undertakings

-  Applicants should be kept informed of the process. Notification of decisions and reasons need to be timely to give adequate notice in advance of the expected date of setting up provision;
-  Conditions must relate to achieving the outcomes. Terms of delivery should be clear from the outset with succinct deadlines and be in proportion to the size of the grant or contract;
-  Make payments in advance of expenditure (where appropriate and necessary) in order to achieve better value for money;
-  Seek to implement longer term funding arrangements where these represent good value for money;
-  Be proportionate in monitoring requirements and focus on outcomes;
-  Whenever possible consider joining-up or standardising monitoring requirements;
-  Give enough notice of the end of grants or contracts. This should be a minimum of three months;
-  Do not encourage duplication of services and wherever possible strengthen effective existing services; and
-  Promote the importance of partnership working.



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