



**Local Democracy, Economic Development and Construction Bill
National Council for Voluntary Organisations Briefing
Lords Committee Stage, 19 January 2009**

Introduction

The [Local Democracy, Economic Development and Construction Bill](#) had its second reading in the House of Lords on 17 December. It will be entering a Grand Committee of the House of Lords on 19 January for more detailed scrutiny.

The purpose of the Local Democracy, Economic Development and Construction Bill (the Bill) is to enhance local democracy and empower communities by allowing Government to meet key commitments made in the 2008 White Paper 'Communities in Control: Real People, Real Power'.

Overview

In summary we support:

- the new duty to promote democracy and the duty to involve – it is important that statutory bodies value the knowledge held by local VCS organisations and take a holistic approach to consultation;
- the new powers to strengthen overview and scrutiny functions and the duty on local authorities to respond to petitions; and
- the duty on local authorities to prepare local economic assessments in partnership with statutory partners – we hope that the guidance issued will reflect the necessity of involving the VCS – as a sector with an annual income of £31 billion and an employer of over 611,000 people in the UK economy.
- Further details of these positions can be found [here](#).

We also hope to see proposals brought forward at a later stage to establish the Commission for the Compact as a statutory body, with a limited range of legal powers. We are supported by Compact Voice and NAVCA in this.

Next steps

- 1. NCVO is asking Peers to speak in support of an amendment at a later stage to establish the Commission for the Compact as a statutory body, with a limited range of legal powers.**
- 2. NCVO is asking Peers to welcome the aspects of the Bill which recognise the role of the VCS in encouraging participation in local areas, bonding social capital and strengthening communities.**

Further details overleaf.

Further information:

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Statutory Provisions for a Commission for the Compact

NCVO, Compact Voice and NAVCA support the establishment of the Commission for the Compact as a statutory body, with a clear mandate and a limited range of legal powers.

We believe that any amendment brought forward on this subject should:

- place the Commission for the Compact on a statutory basis, and made accountable to Parliament. The Commission would consist of the Commissioner for the Compact and a small number of additional board members – appointed by the Minister for the Cabinet Office;
- enable the Commission for the Compact to promote and strengthen partnership working between statutory bodies and voluntary and community organisations through the operation of, and in accordance with, the Compact;
- enable a limited number of new powers and duties to be given to the Commission including powers of investigation where there have been breaches of Compact agreements, access to relevant information and the ability to impose a duty on others to co-operate with its investigations;
- include both the statutory sector and voluntary and community organisations within the Commission's remit. Given that the Compact is about better partnerships, it is fair and reasonable for the Commission's powers apply to both sides; and
- entrust the Commission for the Compact with the role of promoting the understanding and use of the Compact across all tiers of government and with the voluntary and community sector; carrying out research into the practices and benefits of partnership working.

Background information

The Compact is a voluntary partnership agreement between the Government and the voluntary and community sector (VCS) which sets out principles for how the two sectors work together. In 2007 the Commission for the Compact was launched to oversee the operation of the Compact, from an independent position equidistant from Government, both central and local, and the voluntary and community organisations.

On 22 July 2008, the Commission for the Compact began a consultation on the future of the Compact. Over the following three months NCVO undertook informal debates with its members and engaged in a number of discussions with the Commission and other stakeholders. The consultation showed that there was strong support for measures to place the Commission for the Compact on a statutory basis, and give it the mandate and appropriate powers to secure better implementation of the Compact.

About Us

The National Council for Voluntary Organisations (NCVO) www.ncvo-vol.org.uk is the umbrella body for the voluntary sector in England, with sister councils in Wales, Scotland and Northern Ireland. NCVO has over 6,700 members, ranging from large national bodies to community groups, volunteer centres, and development agencies working at a local level. With over 280,000 staff and over 13 million volunteers working for our members, we represent and support almost half the voluntary sector workforce.

NAVCA (the National Association for Voluntary and Community Action) is the national voice of local third sector infrastructure in England. Its members work with 164,000 local third sector groups and organisations that provide community services, regenerate neighbourhoods, promote volunteering and tackle discrimination in partnership with local public bodies. NAVCA members support local voluntary and community action in nearly every district, unitary, London borough and metropolitan authority areas in England.

Compact Voice is the independent body representing the voluntary and community sector in taking forward the Compact. Compact Voice exists to help voluntary sectors get the most out of the Compact, offering practical help and guidance on how to get the Compact working for each organisation, and giving voice to the sector's views on the Compact to national government, local government and other stakeholders.