



A more equal Wales: strengthening social partnership white paper

A RESPONSE FROM WCVA

1. Wales Council for Voluntary Action (WCVA) is the national membership organisation for the third sector in Wales. Our vision is for a future where the third sector and volunteering thrive across Wales, improving wellbeing for all. Our mission is to be a catalyst for positive change by connecting, enabling and influencing.
2. WCVA works with the Third Sector Partnership Council (TSPC) networks, representing 26 categories of third sector interest, the 19 county voluntary councils (CVCs) and other development agencies, to provide a support structure for the third sector in Wales.
3. We are pleased to have the opportunity to respond to Welsh Government's consultation on the strengthening social partnership White Paper. We thank those organisations and individuals who have contributed evidence to our response.
4. A note on the timing: engaging with the sector over the Christmas and New Year period is very difficult and we would appreciate it if this could either be avoided in future or, if not, if such consultations could be launched earlier to give extra time for engagement.

REPRESENTATION

5. "An inclusive Welsh economy in which everyone can thrive and no-one is left behind" is an admirable vision, and one that WCVA would certainly support, but we have strong reservations about this Bill being able to help achieve that.

6. We are surprised by the statement that the planned Social Partnership Council, which will implement the Bill, will comprise “membership drawn from representatives of key public and private employers, trade unions and government”. We would like to ask why the voluntary sector is not included here? We strongly advise the wording of this statement is amended to include voluntary sector employers to ensure a voice for the voluntary sector workforce of approximately 100,000. Any proper coproductive implementation of this Bill would involve the third sector from the start. Strengthening social partnership arrangements will support Welsh Government ambitions to deliver a more equal Wales only if the third sector is directly engaged and involved in the development. There are well-established mechanisms for voluntary sector representation.
7. As shown on the [Third Sector Data Hub](#), the sector in Wales accounts for over 8% of employment in the country – approximately 100,000 employees. Over 48,500 of those work in health and social care, often having close links to the public sector.
8. This is a workforce that works directly with those most affected by cuts to services and benefit reform – those, in other words, at most risk of “being left behind” - including BME individuals and migrants, who will be seemingly without a voice at the Social Partnership Council. These groups, where they are in employment, are less likely to be represented by Trade Unions, with the TUC noting that non-white workers account for just 9% of UK Trade Union membership. And as the consultation document notes, less than a third of workers in Wales are Trade Union members. There is a legitimate concern that the majority of individuals will not be represented effectively at the Social Partnership Council, rendering it much less inclusive than it aims to be.
9. Fair work must also mean secure work. However, the current cycle of one-year funding commitments means that organisations funded by public sector grants face major challenges in providing secure employment for members of staff. To effectively deliver secure work in the voluntary sector, and therefore a more prosperous and healthy Wales, the cycles and limitations of one-year budgets needs fundamental review. Charities have the opportunity to ring-fence funds within their accounts and carry over monies to be spent over different financial years. The charity accounting standards require robust audit trails that are clear and transparent and available to be reviewed by any funder. The Funding and Compliance Sub-Committee as part of the Third Sector Scheme, and the Grants Centre of Excellence within Welsh Government would be able to advise on this.
10. For the voluntary sector to fully play its part on the Council, it must be supported and resourced effectively.

11. This Bill must also work with other existing legislation and partnership arrangements. There appears to be significant overlap with the Social Services and Wellbeing Act around social equality and improving public services.
12. We would like further consideration of how Regional Partnership Boards, Public Service Boards and National Commissioning Boards are expected to interact with the Social Partnership Council. The White Paper doesn't account for the current work of these Boards.
13. It would be useful to understand the experience of the Council for Economic Development and the Workforce Partnership Council in terms of issues discussed, action taken and any barriers faced. It would also be useful to know the outcome of the recent review of partnership structures to see if any particular gap the Bill is intended to fill was identified.

ENFORCEMENT

14. The document says that “compliance measures could apply a financial penalty on public bodies that do not adhere to agreements reached at the Social Partnership Council”. This is to ensure commitments made within the new framework set out by the Bill are upheld. However, it is unclear if third sector organisations contracted by these public bodies are also expected to be aware of and compliant with these agreements and if they, in turn, could be penalised if they are not.
15. This also raises questions as to the sector's status as genuine partners in delivery of services or if public bodies will simply see them as ‘providers’. If bodies genuinely fear being penalised, they are less likely to seek a collaborative partnership, and the loss of total control that brings, and may become much more prescriptive in what they expect during the procurement period.
16. If a public body is penalised financially, how does Welsh Government intend to mitigate the risk of said body cutting services to communities in order to make up the deficit in its accounts, thereby potentially increasing social and economic inequality rather than reducing it?

PROCUREMENT

17. The Bill, if enacted, would be strengthened if contracting authorities and bodies were required to consider community benefits on a contract by contract basis.

18. Bodies will be asked to produce a procurement strategy, based on statutory guidance from Welsh Government. However, there is no indication in the consultation documents that community benefits will necessarily form part of the requirements for said strategies. It is critical that bodies are required to consider community benefit and social value within these strategies.
19. It is essential that the voluntary sector, as likely service partners, is involved in the development of these procurement strategies. Service users must also be involved. Coproduction is vital.
20. Bodies are asked to consider the Welsh Government-endorsed [National Principles for Public Engagement in Wales](#) as they develop their strategies.
21. The impact assessment of the Bill states that “some businesses” – a term we assume is intended to cover the voluntary sector also – “may be discouraged from engaging in Welsh Government procurement opportunities and there are risks to those organisations in adopting particular terms and conditions for staff working on the contract. These will depend on the particular terms which are likely to have been considered by all sectors through the Social Partnership Council.” But, as already stated, the Social Partnership Council, if launched in its planned form, will most likely not have considered all sectors as not all sectors will be represented on it. Any withdrawal from procurement processes by voluntary sector health and social care providers would be particularly impactful and without doubt harmful to the vision of integrated health and social care set out in A Healthier Wales.
22. Requirements on procurement professionals have changed substantially in the wake of the Wellbeing of Future Generations Act and the Social Services and Wellbeing Wales Act and this Bill proposes further change. A programme of procurement workforce development and CPD is essential to enable procurement professionals to lead and adapt to change.
23. On costs: If 22 Local Authorities, eight Health Boards / Trusts and other agencies each develop their own mechanisms this is likely to cost more than if there is a One Welsh Public Service mechanism developed. We appreciate this could be a more complicated piece of work in its design, but we believe it is likely to have a better outcome and impact in practice. We recommend that any action is done ‘Once for Wales’ and would again reference the established structures of the Third Sector Scheme and Third Sector Partnership Council to enable the third sector to be involved and contribute to this agenda.

CONCLUSION

24. Ultimately, this White Paper appears to boil the concept of 'social partnership' down to 'fair work', and while fair work is undoubtedly a key ingredient of true social partnership, it is not the only element. This Bill is primarily about the workforce and we would suggest retitling it with that in mind.

25. WCVA will be pleased to discuss these or any other points relating to this consultation response with officials, committees or Ministers if requested.

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