Directorate for Communities, Social Security and Equalities



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Dear CEO

# **REVIEW OF THIRD SECTOR INTERFACES AND VOLUNTARY ACTION SCOTLAND**

I am writing to set out the Scottish Government's response to the review of the Third Sector Interfaces (TSIs) and Voluntary Action Scotland (VAS) and to outline our ambitions for future working. This follows the discussion held on the morning of 19<sup>th</sup> December between myself and the Executive and Board of VAS, and the subsequent wider engagement event held with the TSIs.

# Context: the rationale for change

The independent review of the TSIs and VAS was commissioned in 2016 against a backdrop of wider strategic changes that impact upon local delivery. The report of that review was published in December 2016 and its findings are important in providing a snapshot of the network at a particular point in time and in evidencing the breadth of issues and opportunities.

The report did not, and was not asked to, reflect more deeply on future strategy in the context of continuing and emerging challenges and pressures that the TSIs will have a role in helping to address. In the period since the independent review commenced, reported and was subsequently consulted upon, the scale and pace of change has continued. We have therefore considered the recommendations of the independent report alongside thinking on wider socio-economic, strategic and policy developments that will have a direct bearing on the nature of any local third sector infrastructure. Our proposals for the future of the TSIs takes account of this on-going period of change - both around local and national decision making and in the context of a growing movement among civil society that decisions are best made locally and communities need to be given the power to support them to improve outcomes in a way that is right for them.

Our vision for the future of TSIs and for the third sector in Scotland is ambitious and far reaching. We want TSIs to be recognised in their local communities and nationally as key agents of change who can play a vital role in the process of democratic renewal –



strengthening local decision making and governance, supporting communities to act on their priorities and supporting and generating new ideas for positive change to flourish.

# <u>Response</u>

# (i) We will cease our funding to VAS in September 2018

VAS is currently funded until September 2018. As part of our proposed future approach, we have confirmed that we will not be funding VAS beyond that date. Our overall resource allocation to support TSIs and the network is not being reduced.

We will retain the resource currently supporting VAS for the TSI network, to create flexibility to respond to ambition and collaborative approaches, and to continue to support network support, knowledge and practice sharing. Our priority is supporting TSIs to deliver against an ambitious vision that puts you at the heart of local decision making and ensures that you can support and respond to the needs of local communities.

We will work closely with the TSIs to scope and finalise the criteria for this resource by July 2018.

#### (ii) We will re-define our vision statement for the network

We want to see a lively, vibrant, flourishing third sector across Scotland. We want to ensure local needs can be heard and that the third sector has a voice in local planning and decision making.

The principal recommendation of the independent report, and of the paper VAS developed since then, points to the need for a redefining of our vision for TSIs as strategic partners, driving the delivery of local outcomes that should be co-produced at a local level and respond to priorities.

We will therefore develop a clear, future focused statement, within the framework of the emerging new national outcomes, setting out what we expect from you and your organisations in return for our funding. This will remove the explicit reference to the four functions but will continue to reflect the strategic leadership and brokerage role that you are building within community planning; the development and improvement support role with local community and voluntary organisations; support for social enterprise and the role for your organisations in supporting community participation and action under the CES Act.

We will develop a draft of this statement in January 2018 and share with the TSIs with a view to finalising by March 2018 in order to help inform planning for the next business year.

# (iii) We will establish a closer and more direct working relationship between the TSIs and the Scottish Government

The independent review and our subsequent discussions with TSIs, intermediaries and colleagues across the Scottish Government point to a need for a closer relationship between the Scottish Government and individual TSI organisations.

We will work more pro-actively across the Scottish Government to provide the TSIs with a strategic link to relevant policy areas and to broker a stronger and clearer role for TSIs in both shaping and implementing national priorities, including e.g. digital participation, health and social care, early years interventions and community empowerment.



We will engage directly with your organisations, Boards and communities as early as possible in 2018 in order to begin to build relationships and support our own understanding of the challenges and opportunities faced both within individual areas and across the network. We will also work with you to explore and develop options for building more effective reporting structures between the TSIs and the Scottish Government.

The local governance review, and the focus on strengthening local decision making and democratic governance in ways that support communities to act on their priorities and support new ideas for positive change to flourish, provides important context for our future relationship with the third sector locally. This also provides a specific mechanism for us to better realise the role of TSIs in delivering local outcomes and we will continue to work closely with colleagues leading this work to ensure our work is mutually supportive.

#### (iv) We will explore options for longer term change

The changes as outlined above are aimed at strengthening the network and your individual and collective relationships with local and national decision makers. In taking this forward, we are also mindful that there are longer term issues that warrant consideration in the context of the wider process of change, particularly relating to TSI funding allocations and arrangements.

We want to work with you to explore these issues in more detail over the coming months. We would welcome your views on this approach – both in terms of defining what we might want to consider and in terms of how you wish to engage with that work. Any changes to the resourcing framework, or to the nature of our funding arrangement, will need to be explored, managed and implemented over a longer term timeframe. We therefore want to work closely with all of you now to properly scope what this will involve and the approach to progressing further change.

We will start this process in the New Year and work with TSIs and wider stakeholders to shape the scope and timescale for this work.

#### Conclusion

We want the TSIs to be forces for change within your communities, supporting and driving a lively, flourishing third sector that has a vital role to play in progressing national outcomes and realising Ministers' ambitions for people and communities across Scotland.

We look forward to working with all of you and with your teams on this exciting and important agenda.

With kind regards,

# **Helen Webster**

Head of Volunteering, Charity Law and Third Sector Infrastructure Equalities, Human Rights and Third Sector Division, Scottish Government

