

# A Charter for Strengthening Relations Between Paid Staff and Volunteers: WCVA & Wales TUC

## **DRAFT for Consultation – June 2010**

This Charter sets out the key principles on which volunteering is organised and how good relations between paid staff and volunteers are built. It has been developed jointly by Wales Council for Voluntary Action (WCVA) and Wales Trades Union Congress (Wales TUC).

Paid work is any activity that is undertaken at the direction of an employer and is financially compensable.

Volunteering is freely undertaken and not for financial gain; it involves the commitment of time and energy for the benefit of society and the community.

Its starting point is that volunteering plays an essential role in the economic and social fabric of Wales. It is estimated that some 1.1 million people volunteer within an organisation each year, contributing around £1.6bn to the Welsh economy (WCVA Statistical Resource 2010). Volunteering helps build social capital and community cohesion and plays an important role in the delivery of key public services. Volunteering is also good for the volunteer: it helps improve health and wellbeing and provides opportunities for individuals to acquire skills and knowledge that can enhance career development or employment prospects. This Charter demonstrates the value and importance that both organisations place on voluntary activity and the time, skills and commitment given by volunteers. "

This Charter recognises that voluntary action and trade unionism share common values. Both are founded on the principles of mutuality and reciprocity, leading to positive changes in the workplace and community. The trade union movement itself is built on the involvement and engagement of volunteers.

WCVA and Wales TUC acknowledge that on the whole, relations between paid staff and volunteers are harmonious and mutually rewarding. They can, however, be enhanced by good procedures, clarity of respective roles, mutual trust and support.

This Charter sets out the key principles to help underpin good relations in the workplace.

These principles should be used as a guide by individual organisations to develop more detailed policies and procedures that reflect local needs and circumstances. This should be done, wherever possible, between local union representatives, employers and volunteering managers.

## Charter principles

- All volunteering is undertaken by choice, and all individuals should have the right to volunteer, or indeed not to volunteer
- While volunteers should not normally receive or expect financial rewards for their activities, they should receive reasonable out of pocket expenses
- The involvement of volunteers should complement and supplement the work of paid staff, and should not be used to displace paid staff or undercut their pay and conditions of service
- The added value of volunteers should be highlighted as part of commissioning or grant making process but their involvement should not be used to reduce contract costs
- Effective structures should be put in place to support and develop volunteers and the activities they undertake, and these should be fully considered and costed when services are planned and developed
- Volunteers and paid staff should be provided with opportunities to contribute to the development of volunteering policies and procedures
- Volunteers, like paid staff, should be able to carry out their duties in safe, secure and healthy environments that are free from harassment, intimidation, bullying, violence and discrimination
- All paid workers and volunteers should have access to appropriate training and development
- There should be recognised machinery for the resolution of any problems between organisations and volunteers or between paid staff and volunteers.
- In the interests of harmonious relations between volunteers and paid staff, volunteers should not be used to undertake the work of paid staff during industrial disputes

This Charter stands between WCVA and Wales TUC as a statement of principles and good practice. It is also a model for use by individual unions, volunteer involving organisations in the public, third and private sectors and other bodies in discussions around the involvement of volunteers

## Notes for the Consultation

This Charter is based on a charter recently produced in England between Volunteering England and the TUC. WCVA and Wales TUC is committed to developing something similar which will be of use in Wales, since:

- The economic climate of recession leads to suspicion about anything that might threaten jobs – including volunteers.
- Voluntary organisations are increasingly involved in contracting arrangements with statutory bodies. The involvement of volunteers needs to be seen as reliable and professionally managed

It is an important time, therefore seek to strengthen relationships and understanding between volunteers and paid staff in the workforce.

As a starting point, we have simply changed names and statistics to those relevant to Wales. It is envisaged that the final document may look substantially different in style and content.

We are seeking responses and input from trade unions and volunteer involving organisations in Wales with a view to drafting a Charter for Wales in September 2010, to be published early in 2011.

Responses are sought to the following questions:

- 1 Does the charter cover issues that are relevant in Wales? Is there anything missing or that is superfluous?
- 2 How could the language or style of the document be improved to reflect the culture in Wales
- 3 Are you aware of any individual experiences which illustrate well the development of clear roles and good working relationships between volunteers and paid staff – to serve as positive case examples. If so, please describe and give contact details
- 4 Is there anyone else you feel that should be approached for their response to this consultation? If so, please give contact details
5. Any other comments?

Please send responses, by the end of August if possible, to Fiona Liddell [fliddell@wcva.org.uk](mailto:fliddell@wcva.org.uk) 029 2043 1730

## Communities Investment Fund

Phase one of Communities Investment Fund (CIF) operated between March 2006 and December 2008. The loan investments created in this phase are now being actively managed by WCVA. WCVA is now completing its negotiations with WEFO for a second phase and we hope to be operating in the Autumn of 2010.

The first phase of CIF provided loans of up to £250,000 and grants, normally up to £20,000, to third sector organisations - charities, community groups, voluntary organisations and other forms of social enterprise.

Loans were available for a range of purposes, asset development and to fund revenue costs, or working capital. Grants were also available to develop the capacity of applicants to take on loan commitments by funding robust business planning, feasibility studies, marketing support, training and so on. Grants were given pre-loan to get applicants investment ready and post-loan to develop skills and capacity. Loan investments were made on flexible terms - for instance, extended interest and capital repayment free periods - allowing time to develop capacity and trading or quasi-trading activities, such as public sector service level agreements. This “patient capital” approach makes CIF distinct from other social enterprise lenders active in Wales.

CIF was a Communities First Support Network project, developed and managed through a partnership between the Development Trusts Association Wales (“DTAW”), Wales Cooperative Centre (“WCC”) and Wales Council for Voluntary Action (“WCVA”) as the operational partner. CIF during this first phase, was active only in Communities First, Objective1 areas, however it achieved the following:

- Handled over 200 enquiries and reviewed in excess of £12m of potential investment proposals from 131 different organisations
- Of which, £2.89m of loan facilities and £430K of business development grants to 44 social enterprises were offered
- Of which, £2.7m of loan facilities and £420K of business development grants were successfully drawn by 42 social enterprises
- Created a recognised “brand” for seed-corn investment within the third sector in Wales
- Made a significant contribution towards changing the mindset within social enterprises in Wales towards a more sustainable, business-like model
- Established from scratch, systems, processes and procedures for developing and managing an investment fund of this nature

As stated previously WCVA are working with WEFO to extend the Fund both geographically and financially, creating a pan-Wales, sustainable, seed-corn, and social enterprise investment fund providing risk capital to develop the third sector within communities across Wales. £3m over three years is sought from Convergence funding to create a new fund of £6m. The mission statement of CIF is to create, implement and deliver a loan and grant fund to assist community groups and organisations to purchase and develop assets

and improve business capacity in order to increase their sustainability and capacity to generate earned income. This remains the clear mission of the new proposal.

The main objectives of the fund are

- Promote an enterprise culture within community groups encouraging them to seek self-determination and sustainability by developing social enterprises
- Develop an investment culture in the sector with less dependency on short-term grants and more emphasis on earned income to promote sustainable enterprises
- Promote an investment culture by acting in a similar way to venture capitalists within the private sector, acting as an investor rather than an arms-length funder, sharing risk with investees and working together to ensure success
- Develop more business-like relationships within the voluntary and community sector and between the third sector and the public and private sectors
- Achieve the sustainability of CIF itself through successful management of both the CIF1 and CIF2 loan books, repayment of investments and leveraging in additional funds by demonstrating that this is an effective way of investing in the sector, at the same time creating a legacy fund which is self-financing and not dependent on continued public funding
- Increase the capacity of the sector to deliver tangible, significant social returns on investment by ensuring the other objectives are achieved

WAG has identified development of social enterprise in Wales as a priority for delivery of economic growth and social justice through the Social Enterprise Action Plan 2009 and the Department for Social Justice & Local Government has agreed £1m of funding to support CIF.

WAG Third Sector Unit has identified CIF as a key vehicle for developing public service delivery through the third sector by encouraging third sector organisations to seek investment from the Fund in order to build their capacity to deliver public sector services, an aim identified within the original CIF business plan. It is proposed that this will be delivered through CIF under the branding of “Invest To Serve” (“I2S”). CIF will invest a total of £6m in loans and grants over the next three years (2010 to 2013). £4m of this investment will be in I2S activity and £2m in the more general social enterprise development investment already referred to earlier in this section.