



Llywodraeth Cymru
Welsh Government

Third Sector Scheme Wales



“ The Welsh Government is committed to recognising and promoting the Third Sector. The Welsh Government values the Third Sector for the contribution which the Sector makes to the long-term economic, social, environmental and cultural well-being of Wales, its people and communities. ”



Western Beacons Mountain Rescue Volunteers in training.

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Mae'r ddogfen yma hefyd ar gael yn Gymraeg. / This document is also available in Welsh.

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Foreword

The Welsh Government has always recognised the contribution the third sector makes to the communities and people of Wales. It is vital that the third sector in Wales remains vibrant and diverse. I am therefore pleased to present the Third Sector Scheme Annual Report 2018 to 2019 setting out the Welsh Government's actions to support the sector.

Whilst the focus of the report is on highlighting our joint achievements. I would like to thank those working in the sector for the incredible work they do.

We live in challenging times, with people feeling a real sense of disempowerment. Austerity has completely changed the world that we and our partners, including the third sector, live and work in.

The role of the third sector has become more important than ever. Here in Wales we have a strong and independent third sector that is critical because it provides some of the key building blocks which allow our communities to function and thrive.

Our investment through Third Sector Support Wales, continues to enable the Wales Council for Voluntary Action and the 19 County Voluntary Councils across Wales to deliver, and improve, the key infrastructure which supports the sector. In particular, the continuing development of crucial digital systems that organisations across the sector need, both to find volunteers and funding in order to become more resilient and deliver services in their communities.

These systems now need time to bed in, but they are already beginning to bear fruit and the Third Sector Support Wales Impact report for 2018-19 produced by WCVA demonstrates this.

During the year, one of the biggest challenges we all faced was the uncertainty over our relationship with Europe. Whatever form it takes, continuing uncertainty will cause disruption in Wales. The third sector is already facing an increasing demand for services at a time when the funding environment is changing. We need, more than ever, for good partnership working between the public, private and third sector, including Trust and Foundations, in order achieve our shared ambitions for our communities in Wales.

The Welsh Government's Integrated Care Fund is one such example of the third sector being involved in the development and delivery of services. It shows how the sector can help transform public services to meet present and future demand and can play a pivotal role in the provision of solutions to the challenges Wales faces.

Looking forward, climate change is an increasingly important issue for society and governments. This is an area where the voluntary sector and volunteers will have an increasing role to play. It is also why I am looking forward to working with the Third Sector Partnership Council to identify ways the sector can contribute.

The ability to coordinate joint working on our shared ambitions demonstrates the importance of the Third Sector Partnership Council and why I am committed to maintaining its status as a crucial part of our Third Sector Scheme. I am also keen that we continue to work with the sector to find ways to improve how the scheme works.

As always, I am continually amazed and inspired by what is being achieved by third sector organisations and volunteers, and I look forward to working closely with our third sector partners to help us create the Wales we want.



A handwritten signature in black ink that reads "Jane Hutt".

Jane Hutt MS

Deputy Minister and Chief Whip

View from the Sector

Wales Council for Voluntary Action (WCVA)

As evidenced by this report, the voluntary sector in Wales does so much to improve the lives of individuals and communities across the whole of the country. Health and social care services take some of the strain away from primary care; environmental groups help enhance the towns and cities in addition to the rural areas we live in; and advice and advocacy organisations aid some of our most vulnerable people with assistance on areas from debt to loneliness. These are just a few examples of the impact the voluntary sector has. Everything it does makes a vital difference.

However, leaving the European Union will almost inevitably lead to a period of upheaval and uncertainty, impacting both people across the country and the voluntary sector itself. Therefore, it's more important than ever for the sector to be supported to carry on its work, through this period of uncertainty and beyond, to ensure that any negative impacts are reduced as much as possible.

WCVA is the national membership body for voluntary organisations in Wales and our purpose is to enable voluntary organisations to make a bigger difference together. This means working in partnership – with our members, with the wider voluntary sector, with the voluntary sector infrastructure of County Voluntary Councils, with public bodies and with decision-makers at all levels – to ensure that volunteers and voluntary organisations are as able as possible to meet the needs of communities in Wales, both now and in the future.

All of this is facilitated by the Third Sector Scheme, which sets out Welsh Government's commitment and support for the voluntary sector. The scheme gives the sector opportunities to engage with and influence Welsh Ministers and civil servants to help the sector create real, positive change in Wales. WCVA plays an integral role in the administration of the scheme to ensure that our voluntary sector colleagues have the chance to make their voices heard by decision-makers, including at our biannual sector meetings with each Minister and Deputy Minister. A thriving and sustainable voluntary sector benefits us all. We look forward to continuing to work with our partners to ensure this is possible.



Peter Davies CBE
Chair, WCVA



Ruth Marks MBE
Chief Executive
Officer, WCVA

1. Purpose and background / The Third Sector Scheme

1.1 What is the third sector?

The third sector spans virtually every facet of human interest. It includes community organisations, self-help groups, voluntary organisations, charities, faith-based organisations, social enterprises, community businesses, housing associations, co-operatives and mutual organisations to name only a few.

The third sector comes in a range of institutional forms, including registered and unregistered charities, Companies Limited

by Guarantee (which may also be Registered Charities), Community Interest Companies, Industrial and Provident Societies and unincorporated associations. Each organisation has its own aims, distinctive culture, set of values and way of doing things, but they all share some important characteristics in common, which are shown below.

The third sector spans virtually every facet of human interest. They all share some important characteristics in common, being:

Independent, non-governmental bodies; established voluntarily by citizens who choose to organise.



'Value-driven' and motivated by the desire to further social, cultural or environmental objectives, rather than simply to make a profit.



Committed to reinvesting their surpluses to further their social, cultural or environmental objectives.



We remain convinced of the case for viewing bodies with these characteristics as a distinctive "sector".

Active Across Wales.

32,000

Voluntary Organisations

£1.258bn

Estimated income to the third sector in Wales in 2018-19

938,000

Volunteers

1.2 The Third Sector Scheme

The Third Sector Scheme is made under Section 74 of the Government of Wales Act 2006. This legislation requires Welsh Ministers to make a Scheme, which is a statement of Welsh Ministers’ intent to support and promote, in the exercise of their functions as Welsh Ministers, the interests of relevant voluntary organisations.

This annual report for 2018-19 shows how proposals set out in the Third Sector Scheme were implemented in that financial year.

The text of the legislation can be found at the link below:

www.legislation.gov.uk/ukpga/2006/32/section/74

The Third Sector Scheme is designed to deliver a partnership between the Welsh Government and the third sector which is intended to help us to develop and support processes which will ultimately lead to:

- **Stronger, more resilient, communities** – the way most people make a voluntary contribution to the vibrancy and regeneration of their communities, provide care and help build people’s confidence and skills; and the opportunities the third sector creates for employment and local enterprise;
- **Better policy** – the knowledge and expertise the third sector offers through its front-line experience to help shape policies, procedures and services;
- **Better public services** – the innovative and transforming role the third sector can play in making public services reach more people and become more sensitive to their needs.

The Third Sector Scheme	
<p>Sharing views and information</p> 	<p>Joint planning and design</p> 
<p>Monitoring and evaluating programmes and schemes</p> 	<p>Ensure funding across policy areas</p> 
<p>A shared interest in the way wider public services interact with the third sector</p> 	<p>Cross cutting themes of the scheme:</p> <ul style="list-style-type: none"> • Tackling Poverty • Sustainable Development • Equalities • Welsh Language.

1.3 Engagement between Welsh Government and the Third Sector

All Cabinet Members, Deputy Ministers and officials are expected to promote the interests of the third sector in their work and decision making. The Third Sector Scheme commits the Welsh Government to:

- maintain arrangements for meaningful engagement and consultation with the third sector
- maintain arrangements for supporting communities and volunteers
- maintain arrangements for supporting structures that allow the third sector to flourish, and
- seek to adhere to the Code of Practice for Funding the Third Sector (contained as an Annex to the Scheme).

It covers arrangements for consultation, working in partnership with the sector and also funding.

A link to the Scheme can be found here: gov.wales/sites/default/files/publications/2019-01/third-sector-scheme-2014.pdf

These arrangements continue to be supported by the Wales Council for Voluntary Action and the Welsh Government.



Preventive Conservation Volunteers helping to clean some paintings.

2. What happened in 2018-19?

The Scheme sets out the formal arrangements for engagement across 5 areas:

2.1 Dialogue and Cooperation

This activity involved agreeing practical arrangements, dialogue and exchange of information. One good example of where this

has worked in practice, and delivered positive outcomes for stakeholders during this reporting period is the Integrated Care Fund:

Case Study

Integrated Care Fund (ICF) and third sector

The Integrated Care Fund (ICF) aims to drive and enable integrated and collaborative working between social services, health, housing and the third and independent sectors. Across all the seven regions in Wales the ICF funds projects and services that are delivering seamless health and social care to people, focussing on prevention and early intervention and helping people to live their lives their own way. The fund supports older people with complex needs, and long term conditions, including dementia, people with learning disabilities, children with complex needs; and carers, including young carers and more recently children in care or at risk of coming into care (from 2019-20).

The third sector is a key strategic partner in the development and delivery of these ICF programmes and projects. A good example of how this collaborative approach is creating better local service delivery can be seen in Ceredigion where ICF funding is being used to fund the third sector Community Resource Team. The project was set up to enable the safe and timely discharge of patients from hospital and clients from care homes. The approach taken was one of a co-operative team consisting of Age Cymru, Citizens Advice Bureau, Care and Repair and British Red Cross. The service enabled one referral with the team determining what services were required and who best could deliver. The team supports patients/clients for up to six weeks, delivering interventions that promote wellbeing, enabling people to be more resilient and maintain their independence.

2.2 Third Sector Partnership Council (TSPC)

The Third Sector Partnership Council helps the Welsh Government to work with third sector organisations to develop better policies and services. During the reporting period the TSPC was chaired by the Minister responsible for the Third Sector Scheme (Alun Davies, Cabinet Secretary for Local Government and Public Services and Jane Hutt, Deputy Minister and Chief Whip). The Council included representatives of third sector networks who work across 25 areas of third sector activity along with the Chief Executive Officer of Wales Council Voluntary Action (see Annex A).

During 2018-19 the TSPC and the Welsh Government worked together to identify ways to improve the implementation of the Third Sector Scheme.

Minutes from the TSPC meetings are published on Welsh Government's website at: gov.wales/third-sector-partnership-council

A 'Key Findings' document was drafted by the TSPC in January 2018 and developed into an agenda item for discussion at the TSPC called 'Refreshing the mechanisms of engagement'. The report identified 12 different themes (including digital, connecting Welsh Government to communities, impact of the scheme), with a total of 52 suggestions for improvement. Welsh Government officials worked closely with the WCVA to respond to these key findings and identified six priority areas for shared action. These areas included:

- Developing a Third Sector Scheme Impact Framework – to better communicate the value and effectiveness of the Scheme
- Improve understanding of the third sector and civil servants on how to navigate the engagement mechanisms established under the Scheme
- Review and improve the Welsh Government's internal infrastructure for engaging with the third sector

- Review and revise the formal 'Framework for Engagement' between Welsh Ministers and the third sector.
- Improve the breadth and openness of third sector participation, making better use of digital.
- A more effective Funding and Compliance Sub-Committee of the TSPS so that it enables third sector organisations to raise key issues of compliance against the Code of Practice for Funding the Third Sector.

This work has been captured in the *'Improving engagement with the Welsh Government and the Third Sector shared improved plan 2018-2021'* jointly agreed by Welsh Government and TSPC, which will guide our activity during this government term.

2.3 Ministerial Meetings

Wales rightly has an international reputation as a country where access to policy makers and Ministers is such that it promotes good governance. The third sector meets with each Welsh Government Minister to discuss issues relevant to their.

Ministerial meetings complement day-to-day engagement between Welsh Government officials and third sector representatives with meetings which focus on strategic policy issues that affect more than one part of the third sector.

In 2018-19 there were eight meetings between Welsh Ministers and third sector organisations under the auspices of the Third Sector Scheme, an example of topics which were discussed included:

- Climate Change
- Withdrawal from the European Union

- Foundational Economy
- New Curriculum

Further, Welsh Ministers engaged with third sector organisations in many different ways outside these formal meetings – including visits to organisations, attending events and conferences, and via direct correspondence or meetings with individual groups or organisations to hear more specifically about issues which affected them. In March 2019 both the First Minister and the Deputy Minister and Chief Whip attended the third sector's Gofod 3 event, visiting stands, speaking to delegates and giving keynote speeches.

Records of these ministerial meetings can be found on the Welsh Government website at: gov.wales/node/9279/latest-external-org-content

2.4 Consultations

Welsh Ministers have committed to procedures for consultation on policy changes and new policy developments which affect the third sector including:

- opportunities for continuing discussion between third sector, volunteering interests and Welsh Government to foster early understanding and involvement in policy development
- consultation arrangements that normally allow adequate time for wider consultation with networks and service users
- supporting the role of umbrella bodies and intermediaries in facilitating consultation
- feedback to respondents on the replies to and outcomes of the consultation
- opportunities for the sector to continue to be involved at the implementation and evaluation stages of the policy.

There were 85 consultations published between 1 April 2018 and 31 March 2019. Details can be found on the Welsh Government website here:

gov.wales/consultations?keywords=&field_consultation_status=2&All_=All&published_after=&published_before=&page=0

An example of a consultations carried out in 2018-19 where the third sector was able to contribute and influence policy development was the consultation regarding the **Regulation and Inspection of Social Care (Wales) A Act 2016 (Phase 3 implementation – Regulated Advocacy Services)**.

This consultation, which ran from 24 May to 16 August 2018, sought views on the draft Regulated Advocacy Services (Service Providers and Responsible Individuals) (Wales) Regulations 2019, which in summary.

Of the 21 responses received from the public, private and third sectors, 11 responses were from individual third sector organisations – representing 52.4% of the total respondents.

You can view this consultation at the following link gov.wales/sites/default/files/consultations/2018-08/consultation-document-advocacy.pdf with the related response document at gov.wales/sites/default/files/consultations/2019-02/summary-of-responses.pdf

Following the consultation, the Welsh Government commissioned a Working Group, including representatives from the third sector, to consider the response and to make recommendations to Welsh Ministers.

The Regulated Advocacy Services (Service Providers and Responsible Individuals) (Wales) Regulations 2019 came into force on 29 April 2019, with the relevant statutory guidance published in April 2019. A copy of the guidance can be access here: gov.wales/guidance-regulated-advocacy-services.

2.5 Policy Development

Under the Third Sector Scheme the Welsh Government is committed to ensuring that it takes into consideration at a formative stage the implications for the third sector of any new policies or changes. This engagement with the sector is key to informing policy development and helping to shape services to meet the needs of people in Wales. An example of this engagement and the benefits it can bring in practice to Welsh communities is the Right to Independent Living Framework and Action Plan.

Case Study

Right to Independent Living Framework and Action Plan

The Welsh Government's new framework – Action on Disability: The Right to Independent Living was launched by the Deputy Minister and Chief Whip on the 18 September 2019.

There have been many developments affecting disabled people in Wales since the previous framework was published in 2013, so in 2017 a series of meetings and engagement events were held with disabled people, disability organisations, service providers and other stakeholders, including many Welsh Government departments, to review the original framework and to consider the way forward.

Following consultation in October 2018 (See Section 2.4 above), Welsh Government officials worked closely with disability stakeholder organisations to strengthen the framework and action plan.

Officials also worked with the Independent Living Steering Group, which was established to oversee the review of the framework, ensuring the views expressed through engagement were taken into consideration.

The Independent Living Steering Group was made up of a number of stakeholders representing a variety of third sector organisations including Mencap,

Learning Disability Wales, Whizz Kidz, Children in Wales, Leonard Cheshire, Wales Council for Deaf People, MIND, Tai Pawb, RNIB, Guide Dogs Cymry, Wales Council of the Blind, All Wales People First, Action on Hearing Loss and the Dewis Centre for Independent Living. The Steering Group was chaired by the Chief Executive of Disability Wales.

The remit of the Steering Group was to provide expert guidance and support to the Welsh Government on developing the priorities for future action identified by stakeholders, to be published in the refreshed Independent Living Action Plan for Wales.

The new Action Plan set out a wide range of actions underway across Welsh Government to tackle some of the key barriers identified by disabled people themselves including transport, employment, housing and access to buildings and places. The action plan was designed to be kept up to date to reflect changing circumstances and new developments.

A copy of Action on Disability: the Right to Independent Living can be found here: gov.wales/action-disability-right-independent-living-framework-and-action-plan

3. Welsh Government funding and support for the third sector



Rhyl Mens Sheds – volunteering to support improved mental health, enhance their skills and support others into employment.

Welsh Government, through its core funding of Third Sector Support Wales (TSSW) a partnership comprising the Wales Council for Voluntary Action (WCVA) and the 19 County Voluntary Councils (CVCs) across Wales, supported a Third Sector Infrastructure which during 2018-19 represented, promoted, supported and was accountable to the third sector at all levels.

This support was focused around 4 key pillars of activity; Volunteering, Good Governance, sustainable funding and engagement and influencing with public service partners.

A new development in 2018-19 saw TSSW publishing a **TSSW Impact Report**. This highlighted the second year of TSSW's ambitious change programme that was centred on improving the impact they had as a partnership in supporting the third sector in Wales to thrive.

The report, which provided data and case studies to show the impact of Welsh Government and TSSW support around the 4 key pillars, is published at thirdsectorsupport.wales/wp-content/uploads/2019/11/Impact-report-2018-19.pdf

This table shows some of the high level impacts being delivered by TSSW with Welsh Government support:

Third Sector Support Wales (TSSW) supports voluntary organisations, volunteers and volunteering at local, regional and national levels.

4,175 Volunteers placed in 2018-19

222,928 sheets on running and managing organisations downloaded from TSSW websites

33,722 enquiries on good practice in managing volunteers responded to by TSSW

£7,487,493 Distributed grants to Third Sector from Welsh Government and others

693 training and learning events arranged, with **8,445** participants

For more information on TSSW you can visit their website at: <http://thirdsectorsupport.wales/>



CREST – a community co-operative helping disabled and unemployed people increase their skills and gain employment – either within the co-operative or to move on to sustainable employment within the community.

3.1 Funding provided from Welsh Government to support TSSW in 2018-19

Allocations	
Core funding to County Voluntary Councils and Wales Council for Voluntary Action TSSW – See table below for individual County allocations	£4,464,695
Volunteering Wales Fund	£1,271,112
Third Sector Safeguarding Support	£114,500
Third Sector Change Fund	£81,500
Partnership Capacity Fund – grants to TSPC networks	£87,545
TOTAL	£6,019,352

Breakdown of Core Funding Allocations for WCVA and individual Country Voluntary Councils.

Region	CVC	Core	Region
Betsi Cadwaladr (North Wales)	Conwy	£152,481	£960,880
	Denbighshire	£151,771	
	Flintshire	£156,530	
	Gwynedd	£199,089	
	Isle of Anglesey	£148,573	
	Wrexham	£152,435	
Hywel Dda (West Wales)	Carmarthenshire	£172,217	£480,667
	Ceredigion	£154,316	
	Pembrokeshire	£154,134	
Powys	Powys	£315,957	£315,957
ABMU	Bridgend	£150,074	£497,428
	Neath Port Talbot	£152,193	
	Swansea	£195,161	
Cardiff & Vale	Cardiff	£185,539	£350,270
	Vale of Glamorgan	£164,731	
Cwm Taf	Merthyr Tydfil	£144,824	£326,084
	Rhondda Cynon Taff	£181,260	
Gwent	Gwent	£583,797	£747,296
	Torfaen	£163,499	
Sub-total CVCs		£3,678,582	£3,678,582
WCVA		£786,113	
Total		£4,464,695	

3.2 Other Support for the third sector:

TSSW funding was not the only funding provided to third sector organisations across Wales. The Welsh Government provided support, core funding and project funding to many other third sector organisations.

In many cases these funds related to specialist areas of work and the funding was agreed by the appropriate Welsh Government Minister.

In 2018-19 the Welsh Government awarded £337 Million in direct funding to the third sector.

This did not include procurement expenditure or indirect payments made to third sector organisations where the Welsh Government provided funding to another organisation, for example a local authority, which may have subsequently funded third sector organisations.

The Welsh Government's **Managing Welsh Public Money** sets out the framework and principles which must be applied by the Welsh Government, its sponsored bodies,

the NHS in Wales, its commissioners, the Education Workforce Council, Estyn and the Welsh Government's subsidiary bodies. Further detail can be found at: gov.wales/docs/caecd/publications/160201-managing-money-en.pdf

The Welsh Government's **Code of Practice for Funding the Third Sector** (the Code) governs how the Welsh Government and its agents should approach funding of the third sector.

The Code sets out the types of funding the Welsh Government provides, the principles upon which funding decisions should be based, and the terms and arrangements under which funding should be offered. gov.wales/topics/people-andcommunities/communities/voluntarysector/publications/third-sectorsche/?lang=en

No breaches of the Code were reported during this reporting period.



Chris and Pat at Barry Beavers Swimming Club. Barry Beavers is a place where people of all ages can come to learn swimming therapy in a safe and happy environment.

4. Further Information

For information on Welsh Government support for the third sector, visit: gov.wales/topics/people-andcommunities/communities/voluntarysector/?lang=en

Third Sector Support Wales Impact Report 2018-19
thirdsectorsupport.wales/wp-content/uploads/2019/11/Impact-report-2018-19.pdf

For information about volunteering, please go to www.volunteering-wales.net

or visit your local County Voluntary Council or Volunteer Centre.
www.wcva-ids.org.uk/

Alternatively contact the Third Sector Unit at thirdsectorqueries@gov.wales

For information on other grant programmes, please contact Wales Council for Voluntary Action (WCVA) on 0300 1110124 or visit their website at www.wcva.org.uk

For further information on Third Sector Support Wales, visit their website at thirdsectorsupport.wales/



Carmarthenshire People First, an organisation run for and by adults with learning disabilities, scooped the award for the health, social care and wellbeing award at the Third Sector Awards Cymru.

Annex A (Table of TSPC Areas of Interest and Network leads)

Area of Interest	Network
Advice and Advocacy	Independent Advice Providers Forum
Animal Welfare	Animal Welfare Network for Wales
Arts, Culture and Heritage	Voluntary Arts Wales
Asylum Seekers and Refugees	Welsh Refugee Council
Children and Families	Children in Wales
Community	Building Communities Trust
Community Justice	Community Justice Cymru
Disability	Wales Disability Reference Group
Education and Training	Adult Learning Wales
Employment	Siawns Teg
Environment	Wales Environment Link
Ethnic Minorities	BAME Alliance
Gender	Women's Equality Network Wales
Health, Social Care & Wellbeing	Health, Social Care, Wellbeing and Sport Planning Group
Housing	Homes for All Cymru
Local and Regional Intermediaries	CVC Cymru
International	Welsh Centre for International Affairs
Older People	Age Cymru
Religion	Interfaith Council for Wales
Sexuality	Stonewall Cymru
Social Enterprise	Social Enterprise Network
Sport and Recreation	Welsh Sports Association
Volunteering	Volunteering Wales Network
Welsh Language	Mentrau Iaith Cymru
Youth	Council for Wales Voluntary Youth Services