Voice4Change England

Proposals to introduce a Community Right to Challenge

Consultation Response

Submitted to Communities and Local Government Department

May 2011



Voice4Change England response to the Community Right to Challenge consultation

1 About Voice4Change England

1.1 Voice4Change England (V4CE) is the national membership organisation championing the voice of the BME voluntary, community and social enterprise sector (BME VCS). We are a leading voice to inform the formulation of public policy and to influence practice that has a direct effect on the development, delivery and impact of BME voluntary, community organisations and social enterprises (VCOs). We support the sector to build its capacity and secure resources so it can increase its ability to meet the needs of disadvantaged communities. By engaging and consulting with a wide range of organisations at the national, regional and local level, we provide an informed, authentic voice of the BME VCS. We aim to develop a mutual understanding between the BME VCS and government to ensure policies are responsive to BME communities' needs and aspirations.

2 About the BME VCS

2.1 The BME VCS plays a key role in tackling race inequalities through a range of activities including: cultural, social and economic support programmes for younger, older and disabled people; advocacy and advice on legal issues, immigration, race equality and equal opportunity in employment issues; health services including support programmes on mental health issues and to help communities access mainstream health provision; welfare and economic support services; supplementary schools education and training; and day care community centres. According to research conducted for the Joseph Rowntree Foundation¹, BME organisations meet the needs of BME communities 'to a much greater extent than the voluntary sector as a whole.' They are able to reach communities that others cannot and do not reach and combine creativity, flexibility and commitment to meet the changing needs of BME communities. They also play an active role in advocating changes in the policy and practice of generic service providers.

3 Summary of the response and key recommendations

- 3.1 V4CE welcomes the Community Right to Challenge initiative, and the Government's commitment to considering social value when deliberating Expressions of Interest and within any procurement exercise triggered. However we urge Government to be cautious when considering value for money as part of an Expression of Interest. An emphasis on value for money will lead to loss of funding for BME VCOs who are unable to achieve economies of scale but who deliver to parts of the community that others cannot reach.
- 3.2 Relevant authorities should use the Community Right to Challenge as an opportunity to address disadvantage and inequality persistently suffered by

¹ Mcleod M, Owen D & Khamis C., 2001, Black and Minority Ethnic Voluntary and Community Organisations: their role and future development in England and Wales, Policy Study Institute for Joseph Rowntree Foundation.

communities in local areas. It can do this by ensuring it complies with and implements the public sector equality duty under the Single Equality Act 2010 as well as recognising that inequality persists.

- 3.3In order for the Community Right to Challenge power to be implemented effectively, measures and balances should be put in place to remove barriers faced by small voluntary and community sector organisations which prevent them from engaging and competing in commissioning processes.
- 3.4Government must from the outset clarify the scope and process of the Community Right to Challenge power. To whom the powers apply to and to what timescales relevant authorities should be complying with when considering Expressions of Interests, are key issues which Government should spell out from the beginning to enable effective implementation.

Key Recommendations

3.5 In our response we have provided 14 recommendations which we urge Government to consider and implement. Here is a summary of those recommendations:

Recommendation 1: The VCO which is eventually awarded the contract for delivering the service must boast some independence from the relevant authority in order for the service to be delivered to better meet local needs.

Recommendation 3: Relevant authorities must not use value for money as the overriding factor for awarding a contract to deliver a service. Social value should prevail as the decisive factor.

Recommendation 4: Relevant authorities should carry out an equality analysis, as part of the public sector equality duty under the Single Equality Act 2010, subsequent to accepting an Expression of Interest and prior to beginning the procurement exercise.

Recommendation 5: Relevant authorities to put in place mechanisms to remove barriers which prevent BME VCOs from effectively competing in commissioning and procurement processes.

Recommendation 7: Central Government should provide a strong steer on commissioning frameworks, legal obligations, and expected objectives on equality and human rights issues, so as to provide consistency at a local level.

Recommendation 9: Recognise the role of specialist infrastructure and the BME VCS in engaging and providing support on the Community Right to Challenge powers to diverse communities and 'below the radar' community groups, and in ensuring that equity and fairness is embedded throughout its processes.

Recommendation 11: Government should invest in the Compact to ensure fairness and equilibrium in commissioning relationships between the VCS and relevant authorities.

Recommendation 13: Government should work closely with the BME VCS to implement the actions set out in its Equality Strategy to ensure that the Community Right to Challenge power is implemented in a way that combats inequality.

Recommendation 14: Government and local relevant authorities must apply the public sector equality duty in the implementation of the Community Right to Challenge.

4 Methodology for the Response

- 4.1 Our response draws on evidence from previous consultation exercises V4CE has carried out including to inform our response to:
 - The Government Spending Review (Sep 2010);
 - CLG Localism Inquiry (Oct 2010);
 - Joint Cabinet Office-BIS Task Force on cutting red tape (Sep 2010);
 - Compact Renewal 2010 (Oct 2010);
 - OCS Supporting a Stronger Civil Society (Jan 2011);
 - OCS Green Paper on Modernising Commissioning (Jan 2011);
 - Public Administration Select Committee inquiry into the Big Society².
- 4.2 In addition we have used findings from our **Shared vision for the future of the BME VCS**³. This included over 100 online survey respondents as well as thirteen in depth interviews with leaders in the BME VCS.
- 4.3 We have also drawn on intelligence from our members collated from a focus group in the North West looking at the impact of public spending cuts.

5 Structure of the Response

5.1 In our response we have focused our attention under key headings: Scope and Process; Support and Guidance; Equality through the Community Right to Challenge; and Understanding the role of BME VCOs in delivering public services. Under each section we have provided key recommendations which we urge Government to consider. Where appropriate and for ease of analysis we have drawn out the key related questions set out in the consultation document.

6 Scope and Process

- 6.1 Government must ensure that the scope of the Community Right to Challenge powers is outlined clearly in the regulations and guidance from the outset to ensure that its implementation is well-defined.
- 6.2 For example paragraph 1.11 of the consultation paper states that the Community Right to Challenge only applies to delivery of services on *behalf* of the relevant authority, and not independent of the relevant authority.

² Voice4Change England's policy responses are available at our website www.voice4change-england.co.uk

³ V4CE, September 2010, <u>Shared vision for the future of the BME VCS</u>.

However in many instances an Expression of Interest will be submitted by a VCO, and presumably accepted by a relevant authority where that authority concedes that a VCO would be able to run the same service in an improved and more efficient way. V4CE suggests that any eventual award of contract must not apply over stringent conditions which would prevent VCOs from delivering the service in a better way to which it was originally delivered by the relevant authority. The awarded VCO must boast some independence from the relevant authority in order for the service to be delivered to better meet local needs. To not have such independence would undermine the notion upon which the Community Right to Challenge power will be introduced – to shift power to citizens and communities.

Consultation question 4: Should the current definition of relevant authority under the Community Right to Challenge be enlarged in future to apply to other bodies carrying out a function of a public nature? If yes, to which bodies?

6.3 Government must be wary of enlarging the definition of relevant authority to other bodies carrying out a function of a public nature. This runs the risk of opening the floodgates to challenge. The Public Bodies Bill currently going through Parliament will enable non-departmental public bodies' and their functions to be taken over by charities or the private sector. Thus charities and private sector bodies would be carrying out public functions. Would this deem them a relevant authority under the Localism Bill? On the other hand it would be a way of ensuring that such bodies are held accountable for service delivery. The Localism Bill should either clearly list all relevant authorities in the legislation or clearly define to which bodies the legislation applies, for example to all bodies carrying out a public function.

Consultation question 5: Should regulations specify a minimum period during which relevant authorities must consider Expression of Interest? If yes, what should this be?

Consultation question 9 and 10: Should regulations specify a <u>minimum</u> period and a <u>maximum</u> period during which a relevant authority must reach a decision on an Expression of Interest? If yes, what should this be?

6.4 There are two scenarios which Government must consider when determining timeframes for considering and reaching decisions on Expressions of Interest:

Where a service is already being delivered by a provider and the contract is due to expire

6.4.1 V4CE agrees that relevant authorities should specify a minimum period during which it must consider an Expression of Interest, however only where that service is already being delivered by a provider and the contract is coming to an end. The relevant authority should aim to put in place timeframes which would allow for the fluent continuation of the service without having to stop its delivery.

In such instances the relevant authority should invite Expressions of Interest a minimum of 6 months prior to the contract expiring and allow for 8 weeks for Expressions of Interests to be submitted. This allows for adequate notification, for relevant bodies to submit a well informed Expression of Interest and for relevant authorities to consider Expressions of Interest within the 12 week period (see below), as well as a procurement exercise to be triggered and a new contract to be awarded without having to bring the service to a halt.

Where an existing service delivery contract is coming to an end, and the relevant authority accepts an Expression of Interest, V4CE advises a **minimum of 12 weeks** prior to the end of the contract within which the relevant authority is to have carried out a procurement exercise and have awarded a new contract to a provider.

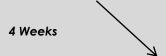
The example below provides a timeline using the above timeframes for when a relevant authority should invite and consider Expressions of Interests in the instance where a service already being delivered by a provider is coming to an end:

Service X is due to come to an end on 31 September 2011.

31 March 2011: Relevant authority invites submissions of Expressions of Interest



30 May 2011: Expressions of Interests no longer accepted. Relevant authority begins decision making process.



30 June 2011: Deadline for making a decision on an Expression of Interest. Relevant authority begins procurement exercise, where it has accepted an Expression of Interest.



30 September 2011: Deadline for relevant authority to have awarded a contract to a new provider.

Where a relevant body feels it can better run a service, but the current providers contract is not yet due to expire

6.4.2 There will be instances where a party feels it can better run a service then the current provider and it wants to raise a challenge at any time.

In these circumstances relevant bodies should be able to submit an Expression of Interest at any time unless a period has been specified by the relevant authority.

In such instances there should be a requirement for the relevant authority to reach a decision on the Expression of Interest within four weeks of it being received.

Consultation question 7: Do you agree with the proposed information to be included in an Expression of Interest?

- 6.5 V4CE agrees with the majority of criteria listed to be included in an Expression of Interest and welcomes the consideration of social value.
- 6.6 However we urge Government to be cautious when considering value for money as part of an Expression of Interest. An emphasis on value for money will lead to loss of funding for BME VCOs who are unable to achieve economies of scale but who deliver to parts of the community that others cannot reach.

Consultation question 11: Do you agree with the listed grounds whereby an Expression of Interest may be rejected? [See consultation paper page 31]

6.7 At paragraph 7.3, page 31 of the consultation paper the first ground upon which a relevant authority may reject an Expression of Interest is where the relevant body is not capable of providing or being involved in providing the relevant service. However where the relevant body has provided good reason in its Expression of Interest for why the relevant authority is failing to deliver the service in a way which meets local need, this should still trigger a procurement exercise.

The commissioning process

- 6.8 Accepting an Expression of Interest will trigger a procurement exercise relating to the provision of the service. V4CE urges relevant authorities to carry out an equality analysis, as part of the public sector equality duty under the Single Equality Act 2010, subsequent to accepting an Expression of Interest and prior to beginning the procurement exercise. Such an analysis would allow for assessment of needs and gaps in local areas as well as the type of organisation that would be best to deliver the service. This is particularly relevant in areas of high ethnic minority population and disadvantage.
- 6.9 Whilst some BME VCOs have successfully secured contracts, for many the barriers created by commissioning and procurement processes have prevented them from effectively competing. For instance, research by Shared Intelligence⁴ into procurement and commissioning found that BME VCOs shared many challenges with other small organisations. However it also found

⁴ Shared Intelligence, 2008, <u>Evaluation of the National Programme for Third Sector Commissioning: Consultation with BME Third Sector Organisations</u>.

distinct concerns including: limited understanding of the BME VCS and the communities it works with; institutional racism; perceived lack of trust amongst commissioners of BME VCOs; and lack of engagement with the early stages of the commissioning process. Thus any future programme of training public service commissioners should encompass a robust equality and diversity segment which provides focus on existing inequalities and the role of the BME VCS, as well as relationship building with diverse groups.

6.10 Other key areas identified in our Shared Vision for the Future of the BME VCS research⁵ include:

Commissioning and Procurement Barriers and challenges

- Funding and capacity: the administrative, financial and reporting requirements of contracts can be too onerous for small organisations. Cash flow problems are created where contacts provide payment in arrears and the move to payment by results is likely to create huge challenges especially when working with vulnerable communities.
- Consortia bidding: Bidding in consortia can be a successful way for BME VCOs to bid for larger contracts. However, many BME VCOs have reported playing a marginal role in consortia arrangements and feel they were included only as an equality tick box, receiving little of the resources that enter the consortia.
- Value for money: Whilst value for money is important it is also important for social return on investment to be considered. The emphasis on value for money could lead to loss of funding for BME VCOs who are unable to achieve economies of scale but who deliver to parts of the community that others cannot reach.
- **Prescriptive contracts**: some tenders can be too prescriptive preventing VCOs responding to user needs.
- 6.11 V4CE additionally responded to the Joint Cabinet Office-BIS Task Force on cutting red tape in September 2010. We were asked to identify five burdens that restrict the operation and running of small organisations. In summary these were:
 - (a) Tendering for contracts and fundraising applications are becoming more and more complex as well as cash flow problems due to lack of reserves;
 - **(b) Evaluation and monitoring** small BME VCOs do not have the funds to invest in quality assurance systems to assess performance and income; there is a lack of feedback from commissioners for unsuccessful candidates;
 - (c) Barriers to organisational development;
 - (d) Funders and policy makers need to support small BME VCOs to evidence need;
 - (e) Support in building collaborations and partnerships.

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⁵ V4CE, September 2010, <u>Shared vision for the future of the BME VCS</u>.

Key recommendations for the scope and process of the Community Right to Challenge power:

Recommendation 1: The VCO which is eventually awarded the contract for delivering the service must boast some independence from the relevant authority in order for the service to be delivered to better meet local needs.

Recommendation 2: The Localism Bill should either clearly list all relevant authorities in the legislation or clearly define to which bodies the legislation applies, for example to all bodies carrying out a public function.

Recommendation 3: Relevant authorities must not use value for money as the overriding factor for awarding a contract to deliver a service. Social value should prevail as the decisive factor.

Recommendation 4: Relevant authorities should carry out an equality analysis, as part of the public sector equality duty under the Single Equality Act 2010, subsequent to accepting an Expression of Interest and prior to beginning the procurement exercise.

Recommendation 5: Relevant authorities to put in place mechanisms to remove barriers which prevent BME VCOs from effectively competing in commissioning and procurement processes.

Recommendation 6: Training for commissioners should encompass a robust equality and diversity segment which provides focus on existing inequalities and the role of the BME VCS, as well as relationship building with diverse groups.

7 Support and Guidance

7.1 V4CE embraces the Government's commitment to opening up public service delivery to new providers. The BME VCS is already a key deliverer in a number of public service areas, as well as delivering in new areas (e.g. unemployment counselling and job skills training) and this should continue through the implementation of the Community Right to Challenge to ensure equal treatment and equal opportunity⁶ as well as progressing towards economic stability.

Robust guidance

7.2 To ensure the Community Right to Challenge is successfully implemented there needs to be checks and balances in place for all VCOs to have equality of opportunity when it comes to public services. Respondents to our Shared vision for the future of the BME VCS research⁷ were concerned that without a strong

⁶ As equality is defined at page 6 of the Government Equality Strategy (HM Government, December 2010, The Equality Strategy – Building a Fairer Britain).

⁷ V4CE, September 2010, <u>Shared vision for the future of the BME VCS</u>.

steer from national Government on commissioning frameworks, legal obligations, and expected objectives on equality and human rights issues, the response at a local level would be varied, creating a postcode lottery for BME communities. This is already a concern in such areas as Northampton where Northampton Borough Council has failed to fund BME VCOs in the local area since 2008/098. Compare this to Wolverhampton where the local authority and the local VCS have used the Compact to negotiate the ring-fencing of funds for the VCS, which also includes provision for the BME VCS. These examples provide a stimulus for central Government to play an active role in promoting good practice in this area and to create an overarching framework for relevant authorities to adopt to ensure consistency across local areas.

7.3 Our view is supported by the Institute for Public Policy Research (IPPR) which states in its discussion paper9that "what is more important is for central government to set a broad framework of national minimum outcomes and then to allow local decision-makers to design and deliver services which are more tailored to their own local needs".

Resourcing the VCS

- 7.4 In regards the Community Right to Challenge and asset-based services, there is some risk that funding communities to organise services themselves could exacerbate inequality. Those with money, expertise and resources are better equipped to use their assets to organise themselves more effectively than those that do not, and this could lead to a redirecting of public money to affluent areas and away from where they are needed most. On the other hand, initiatives that put power and resources into the hands of deprived or otherwise marginalised communities to organise themselves can be a powerful antidote to disaffection and alienation. The VCS and the public sector both have key roles to play in providing the support, expertise and resources to bridge this asset gap, to ensure devolution of power is implemented in a socially just way. They can only do this if they are provided with the resources to do so.
- 7.5 Government must also recognise the fundamental role that specialist infrastructure organisations play in supporting BME VCOs to access information, advice and support on public service delivery. It is important to note that for many small locally based BME VCOs, the provider of information, advice and support matters. In other words who provides information and advice and how they approach and respond to BME VCOs is crucial. Specialist BME infrastructure organisations are able to provide a culturally sensitive approach that is responsive to the distinct needs of many BME VCOs. We have found that capacity building is not a generic skill that can be rolled out to meet the needs of all organisations. BME VCOs face specific challenges and capacity building needs and may experience specific impacts of the challenges that

⁸ In December 2010, a coalition of BME VCOs operating in Northamptonshire submitted a statement to Northampton Borough Council's Overview and Scrutiny Committee calling for a review of previous commissioning frameworks and for a recognition of the value and need for resourcing of the BME VCS. To see the full statement visit http://www.facebook.com/topic.php?uid=132292036784083&topic=250.

⁹ ipprnorth, November 2010, Five Foundations of Real Localism.

face other small organisations. As Government has recognised with its drive towards localism, a one size fits all approach will not meet the needs of all communities. Similarly different frontline organisations will require different support provided in different ways. This is why an effective programme of support for the Community Right to Challenge powers will include a range of delivery methods including face to face support and a range of providers including specialist infrastructure organisations at different spatial levels.

Engagement support

- 7.6 Engagement at a community level becomes more and more difficult when considering the 'below the radar' community sector. It is important that Government consider this in encouraging community engagement and participation in taking the Right to Challenge initiative forward, and in ensuring that equity and fairness is embedded throughout its processes. IPPR comments that there are a number of barriers to citizen participation including lack of confidence, time and skills as well as the way the state is organised and operates, for example rules and red tape. IPPR recommends a number of ways of unlocking citizen participation, which V4CE feels the BME VCS can have a big hand in facilitating to ensure the wide breadth of BME and disadvantaged communities are involved in the Community Right to Challenge and similar initiatives:
 - (a) Asking people to come forward;
 - (b) Letting people know what opportunities are available;
 - (c) Setting up systems to coordinate time and skills within the community;
 - (d) Rewarding contributions;
 - (e) Commissioning for participation (e.g. Camden Council looks for opportunities for co-production when it commissions services);
 - (f) Challenging professional roles and attitudes; and
 - (g) Training.¹⁰

Collaborations, partnerships and consortia

- 7.7 V4CE pictures better collaboration between the VCS, private sector and public sector as well as investment in meaningful partnership and consortia, and the Community Right to Challenge power is a channel through which this can be achieved. We welcome Government's intent to encourage relevant authorities to consider Expressions of Interests which propose to deliver services in partnership¹¹.
- 7.8 Better collaboration between BME VCOs with generic VCOs that are committed to equality can help the BME VCS to: reduce costs, for instance through sharing back office facilitates; be more efficient in running services; and offer communities wider services; allow wider communities to benefit from services. It is important however to recognise that resourcing is required to facilitate and support collaboration and to ensure organisations are confident of their new relationship(s).

¹⁰ IPPR, 2010, Capable Communities: Towards Citizen-Powered Public Services.

¹¹ Communities and Local Government, 2011, Proposals to introduce a Community Right to Challenge: Consultation paper (page 26, para 5.6)

7.9 There is also much value in BME VCOs partnering with other BME VCOs to deliver services. However their remain barriers which prevent such organisations from competing in commissioning processes as partners be it cultural differences, differentiating missions, different service users or issues with governance. Again resources need to be made available in order to overcome such barriers and to facilitate the collaboration. One participant at V4CE's focus group in the North West suggested a model whereby the commissioning body administers additional funds, for example an extra 10%, for a lead organisation within the partnership to claim as a management fee. Resources are shared equally amongst partners and the additional 10% would be used to facilitate and manage the partnership, monitor and evaluate the contract, to resource the reporting requirements, to respond to changing user needs, as well as overcome any barriers faced.

The Compact

- 7.10 Relationships between statutory partners and BME VCOs in local areas are patchy and often overlooked as is highlighted by the example of the borough of Northampton at paragraph 6.2 above. It is important that the Compact is used as a tool to better relationships between the two sectors. This will enable more inclusive, balanced and effective implementation of the Community Right to Challenge.
- 7.11 Many BME VCOs remain unaware of the Compact and how to implement it. Respondents to our *Shared Vision for the Future of the BME VCS* research¹² felt that Government, including commissioners in public authorities, needed to improve their awareness and implementation of the Compact, to ensure fairness and equilibrium in commissioning relationships. V4CE supports the renewed national Compact and the supplementing accountability measures. This must now be filtered down to a local level and local Compacts where the majority of VCOs operate. Government must invest in implementing the Compact in order for this to be achieved. It should work with organisations such as Compact Voice and V4CE which actively promote the Compact at a local level.
- 7.12 Government and relevant authorities at a local level should also seriously consider the implementation of commitment 4.2 of the national Compact which reads:
 - 4.2 Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end funding. Assess the need to re-allocate funds to another organisation serving the same group.

In commissioning existing services to groups through the Community Right to Challenge power, where that service has been previously delivered by a BME VCO to specific communities, relevant authorities should actively invite and seriously consider tender applications from VCOs which serve the same communities. This would allow for the sustainability of specific services

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¹² V4CE, September 2010, <u>Shared vision for the future of the BME VCS</u>.

provided to specific communities, for example a BME VCO providing advice on domestic violence to Black women. Such an approach contributes to the social value consideration when allocating services.

Community organisers programme

7.13 The Government should use the Community organisers programme as a route to raise awareness and providing training to communities on the implementation of the Community Right to Challenge. This will enable communities to work with VCOs to submit Expressions of Interests and compete in commissioning processes.

Key recommendations for providing support and guidance on the Community Right to Challenge power:

Recommendation 7: Central Government should provide a strong steer on commissioning frameworks, legal obligations, and expected objectives on equality and human rights issues, so as to provide consistency at a local level.

Recommendation 8: Central Government to resource the local public sector and VCS to bridge any asset gaps which may stem from the implementation of the Community Right to Challenge power, and to ensure it is implemented in a way that advances equality.

Recommendation 9: Recognise the role of specialist infrastructure and the BME VCS in engaging and providing support on the Community Right to Challenge powers to diverse communities and 'below the radar' community groups, and in ensuring that equity and fairness is embedded throughout its processes.

Recommendation 10: Resource the VCS to form partnerships, collaborations and consortia to submit Expressions of Interests and deliver services jointly.

Recommendation 11: Government should invest in the Compact to ensure fairness and equilibrium in commissioning relationships between the VCS and relevant authorities.

Recommendation 12: Government should use the Community organisers programme as a route to raise awareness and providing training to communities on the implementation of the Community Right to Challenge.

8 Equality through the Community Right to Challenge

8.1 The Community Right to Challenge should present an opportunity for Government to promote the Big 'Inclusive' Society¹³ as well as to promote equality and foster good relations between communities.

¹³ Voice4Change England is calling on Government to ensure that the Big Society is more inclusive. In our <u>response to the Public Administration Select Committee inquiry</u> into the Government's proposal for the 'Big Society' we call for key measures to be put in place to promote inclusivity including fostering involvement of BME communities; recognising the role of specialist infrastructure; fairer funding and commissioning processes; valuing specialist public service delivery; and increased accountability.

- 8.2 In its Equality Strategy, Government recognises the need to change cultures and attitudes if inequality is to be combated. V4CE is adamant that commissioning services to the BME VCS can help achieve this as its key role in tackling race inequality and its intimate interactions with service users from BME and disadvantaged communities places it in a strong position to deliver on this.
- 8.3 V4CE welcomes Government's commitment and objective within the proposals to consider the social value based on social, environmental and economic impact in a proposed Expression of Interest. We urge Government to follow through with its commitment to allocate resources to those most in need, to address disadvantage and to achieve maximum impact¹⁴. If Government is to be successful in doing this it must ensure equality is an integral part of the Community Right to Challenge powers by: recognising that inequality still persists amongst BME and disadvantaged communities; and implementing its duties within law. We address each in turn:

(a) Recognising the persistence of inequality

With a ever growing diverse population, driven by both strong migration as well as indigenous growth the need for specific services such as those exemplified at paragraph 5.3 above, are more prevalently required. According to the Office for National Statistics 2009 'Experimental Statistics' from mid 2006 to mid 2007 the number of people belonging to BME groups is on the rise. To highlight a few communities, the Pakistani community has grown from 861,000 in 2006 to 905,700; the Bangladeshi community from 338,300 to 353,900; and the Black Caribbean community from 594,700 to 599,700¹⁵.

As the population grows inequality becomes harder to combat. Although outcomes for some ethnic minorities in some areas of housing, education and employment have seen improvements others have seen limited progress and BME communities still face high levels of deprivation, disadvantage and discrimination. The Government's Equality Strategy¹6 provides some statistics underpinned by such research as the EHRC Triennial Review and from the Office of National Statistics. V4CE welcomes the Equality Strategy and the recognition that inequality persists. We invite Government to work closely with the BME VCS to implement the actions set out in the strategy. The ability of BME VCOs to tackle inequality and be more effective in meeting the needs of the VCS as a whole is endorsed by research conducted for the Joseph Rowntree Foundation¹7.

¹⁴ Office for Civil Society, 2010, Supporting a Stronger Civil Society (p7).

¹⁵ Office for National Statistics, Crown Copyright (2009), EE5: Components of population change by ethnic group, mid-2006 to mid-2007, (experimental statistics).

¹⁶ HM Government, December 2010, The Equality Strategy – Building a Fairer Britain.

¹⁷ Mcleod M, Owen D & Khamis C., 2001, Black and Minority Ethnic Voluntary and Community Organisations: their role and future development in England and Wales, Policy Study Institute for Joseph Rowntree Foundation.

(b) Implementation of equalities legislation

The public sector equality duty (PSED)¹⁸ enacted through the Single Equality Act 2010 came in to force on 5 April 2011. The PSED requires public authorities, in the exercise of its functions, to have due regard to the need to:

- i. Eliminate discrimination, harassment, victimization and any other conduct that is prohibited under the Act;
- ii. Advance equality of opportunity between persons who share a protected characteristic and those who do not;
- iii. Foster good relations between persons who share a protected characteristic and those who do not.

V4CE urges Government and local authorities to be mindful of the PSED in the implementation of the Community Right to Challenge. The power presents the opportunity for relevant authorities to promote and meet the PSED especially in areas of high BME population, inequality and deprivation. We urge relevant authorities to be proactive in the implementation of the PSED by for example, carrying out an equality analysis and publishing the data, after an Expression of Interest has been submitted and prior to carrying out any procurement exercise. At paragraph 5.10 above we explain the implications of carrying out such an assessment.

The legal review of the BME Compact Code¹⁹ identified that not only do opportunities exist in equality law to create and deliver community (BME) specific services but that sometimes a requirement arises in equality law to create and deliver community (BME) specific services²⁰. **This requirement continues by way of Section 158 of the Equality Act 2010 which creates provision for a person to take positive action to minimise the disadvantage suffered by groups who share a protected characteristics.** This could be by way of allocating service provision to those specialist VCOs which have an expertise in the needs of specific groups, for example a VCO which caters for BME women.

Key recommendations for providing support and guidance on the Community Right to Challenge power:

Recommendation 13: Government should work closely with the BME VCS to implement the actions set out in its Equality Strategy to ensure that the Community Right to Challenge power is implemented in a way that combats inequality.

Recommendation 14: Government and local relevant authorities must apply the public sector equality duty in the implementation of the Community Right to Challenge.

¹⁸ Section 149, Single Equality Act 2010

¹⁹ Monaghan, K, 2008, <u>An Independent Legal Analysis of the Compact Code of Good Practice on Relations with 'BME' Voluntary and Community Organisations</u>, for the Commission for the Compact.

²⁰ Section 35, Race Relations Act 1976

9 Understanding the role of BME VCOs in delivering public services

- 9.1 It is important that Government in the development of the Community Right to Challenge power and any accompanying statutory or non-statutory guidance recognise the role of BME VCOs in delivering public services for the benefits of disadvantaged communities. This will be of great importance both when considering an Expression of Interest from a BME VCO as well as when considering tender applications from representatives within the BME VCS.
- 9.2 Devolution of local decision making and the incentive to empower communities to deliver local services provide a good opportunity to identify and meet the needs of different BME communities. Despite this recent years have seen a general trend to 'mainstream' equality, and even overlook equality in more recent months, and move away from self-determination and empowerment of BME VCOs where marginalised communities come together and develop their own solutions to the discrimination they face. Instead preference is being given to large generic service providers as they are assumed to meet the needs of all communities with a standard provision of services. This has been particularly seen through commissioning and procurement which has marginalised BME VCOs in favour of large generic service providers. The removal of Voice4Change England and all other equality led organisations from the Office for Civil Society Strategic Partners Programme, in place of large mainstream VCOs demonstrates this drift.
- 9.3 BME VCOs and social enterprises play a critical role in ensuring disadvantaged BME communities can access public services both through direct service delivery as well as enabling BME communities to be involved in the shaping and development of both specific and mainstream services.
- 9.4 BME-specific services, such as those delivered by Southall Black Sisters²¹ and the Asian People's Disability Alliance²², have been designed in response to the failure of mainstream services to meet the needs of BME communities. They provide services that are in touch with services users, flexible to changing needs and reach people that others label 'hard to reach'. Their approach combines creativity, flexibility, commitment to service provision and an understanding of direct experiences of discrimination. Our case study report²³ found that specialist services: meet local needs; empower users; create bridging social capital; and contribute to social cohesion.
- 9.5 BME VCOs provide a range of roles and carry out various functions in various public service areas:
 - Cultural, social and economic support for younger, older and disabled people;
 - Advocacy and advice on legal issues, immigration, race equality, cross equality issues, and equality of opportunity in employment issues;

²¹ For more information about Southall Black Sisters visit <u>www.southallblacksisters.org.uk</u>.

²² For more information about Asian People's Disability Alliance visit <u>www.apda.org.uk</u>.

²³ V4CE, 2008, <u>Discussion Paper 3: Evidencing the value of the BME Third Sector</u>.

- Health services including support programmes on mental health issues and to help communities in accessing mainstream health provision;
- Welfare and economic support services;
- Supplementary schools education and training;
- Opportunities to learn and practice ethnic arts and cultural education;
- Day care community centres;
- Language support and adult literacy skills.

Highlighted above is the role of the BME VCS in delivering specific services to BME communities. However this does not absolve the need to recognise the vital role which it plays in the delivery of generic services. Often a false dichotomy is drawn between generic or specialist services. In reality both are needed to meet the needs of disadvantaged communities. We know that many generic services do not adequately meet the needs of diverse communities. BME VCOs have a key role to play by advocating for BME communities and transferring knowledge and good practice to generic service providers. This has been evidenced through larger generic providers seeking the help of small organisations in effectively identifying and meeting the needs of local communities.

10 Comments on the response

We would be happy to discuss our response further with the Department for Communities and Local Government.

Please contact Ravi Chauhan, BME Compact Officer, Voice4Change England at ravi@voice4change-england.co.uk or on 0207 843 6124 to discuss the response in detail.

For more information about Voice4Change England's activities, please visit www.voice4change-england.co.uk.

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