

Voice4Change England paper on the BME Compact Code and the future of the Compact

1 About Voice4Change England

- 1.1 Voice4Change England is a national body dedicated to strengthening the Black and Minority Ethnic (BME) Third Sector as a positive force for change and which aims to provide a co-ordinated policy voice for BME groups and organisations. V4CE is a partnership of national BME organisations and BME regional networks which has a reach of over 6000 BME organisations. We have successfully acquired a place where our responses to government policies objectively represent the concerns of the BME Third Sector. We aim to continue developing this mutual understanding between the BME-led third sector and government to ensure policies are responsive to BME communities' needs and aspirations.
- 1.2 Voice4Change England's origin is based on its partnership forged from the BME sub-group on Compact. This response is therefore informed by the practitioner understanding of the Compact Principles and it's Codes of Good Practice in relation to the BME Third Sector.

2 Purpose of this paper

- 2.1 **This paper provides a critique of the current BME Compact Code of Practice (BME Code henceforth) and makes recommendations on how it can be strengthened from a BME infrastructure perspective.** It builds on our submission to the wider Compact debate (see **Annex 1**) and additionally draws on:
 - the BME Code legal review;
 - consultation events on the BME Code held with the Commission for the Compact (Leicester (with MENTER), 7th November 2008; Manchester, 24th November 2008; London (with BTEG), 28th November 2008; Bristol (led by BSWN and BDA), 22nd January 2009);
 - Voice4Change England's West Midlands Policy Roadshow with the West Midlands Race Equality Advisory Board on the Compact including a consultation session on the BME Code(16th December 2008); and
 - Voice4Change England Partnership Council meeting, 16th December 2008.
- 2.2 The wider Compact debate focused on the 'big questions' around the Compact such as whether it should have a statutory basis rather than the details of the individual Codes. Alongside this the Commission for the Compact have been specifically reviewing the BME Code through both a legal review and consultation with the third sector. **We decided to respond to both the Compact Debate and the review of the BME Code as we feel it is essential that both the BME Code and overall Compact are relevant to and meet the needs of the BME third sector.** There will necessarily be some duplication between this paper and our response to the Compact debate,

but this paper will focus more on the details of the Code and on the process of rewriting the Compact following Bert Massie's recommendations announced on 2nd December 2008.

3 Recommendations

Our key recommendations for the BME Code are set out below. The remainder of the paper provides further information and evidence to support these. Please also see our recommendations on the Compact Debate (**Annex 1**).

- **Recommendation 1:** the Commission for the Compact should demonstrate good practice and ensure that the process of rewriting the Compact is Compact compliant.
- **Recommendation 2:** the Commission for the Compact should conduct a Race Equality Impact Assessment on any proposed changes to assess the likely impacts of any changes to the Compact and its commitments on the BME third sector.
- **Recommendation 3:** the Commission for the Compact should continue to work with Voice4Change England in revising the Compact particularly when looking at BME and wider equalities aspects.
- **Recommendation 4:** The Commission for the Compact should be transparent in all its processes in reviewing the Compact and provide clarity on timescales, opportunities to feed in and the roles of different actors.
- **Recommendation 5:** the Commission for the Compact should clarify how it will work with Compact Voice in reviewing the Compact.
- **Recommendation 6:** The BME Code should remain as a distinct section whether as a single document or as part of one document. It should not be 'mainstreamed' or integrated into a single equalities code.
- **Recommendation 7:** Equalities more broadly should underpin the entire Compact including the BME section.
- **Recommendation 8:** The principles and commitments in the existing BME Code should be clearer and stronger in future iterations of the Compact. They should be updated to reflect the current policy and legislative environment and to better meet the needs of BME third sector organisations.
- **Recommendation 9:** The BME Code should be updated to: better comply with equality law; emphasise the opportunities and requirements in equality law to create and deliver community (BME) specific services; and tackle multiple discrimination.

- **Recommendation 10:** Alongside changes to the BME Code itself there should awareness raising and capacity building in using the BME Code in the BME third sector and with its statutory partners.
- **Recommendation 11:** The revised BME Code needs to be accompanied by an implementation plan with clear, measurable targets.

4 Process

4.1 In its response to the Compact debate the Commission for the Compact stated that it 'believes it is well placed to lead a rewrite of the Compact'. We understand that this will take place during 2009 with the aim of delivering a rewritten Compact in Compact week 2009. The Commission has reassured 'both public and third sector bodies that the process of rewriting would be consultative of all parties while being conducted as economically as possible'. To achieve this successfully the Commission must ensure:

4.1.1 **Compact compliance: the Commission for the Compact should demonstrate good practice and ensure that the process is Compact compliant.** In particular we ask that they take note of the Government commitment in the BME Code to 'build as appropriate, consultation with the BME voluntary and community sector into plans for policy development from the pre-consultation stage through to implementation, with the aim that implications for BME communities and race equality are examined and considered' (3.2) and Section 5 on Consultation, Participation and Representation which includes: recognising the diversity of the BME sector; considering the barriers that BME organisations may face preventing effective involvement in consultation processes; and the importance of maintaining links with specialist organisations.

We would also like to stress the importance of engaging with local, subregional, regional and national BME infrastructure to inform the consultation and to reach BME frontline organisations given that 'many BME voluntary and community organisations continue to be excluded from the traditional structures of the voluntary and community sector' (BME Code: 2.2).

4.1.2 **Race equality Impact Assessment: the Commission for the Compact should conduct a Race Equality Impact Assessment** to assess the likely impacts of proposed changes to the Compact on the BME third sector.

4.1.3 **Voice4Change England role:** Voice4Change England has played a leading role in engaging BME third sector organisations in the review of the Compact and we were pleased to be specifically referred to in the Commission's Compact debate report. We have consulted our partners, raised awareness of the debate through our website and newsletter, held an event and supported the Commission to hold four

consultation events. As a generic policy voice for the BME third sector we believe we are well placed to continue to play a leading role in the review of the Compact and will continue to promote awareness in the BME third sector. We understand that the Commission will be consulting 'experts' prior to public consultation on the rewritten Compact. **We would like to offer the support and involvement of Voice4Change England particularly looking at BME and wider equalities aspects.**

4.1.4 Transparency: We understand that the review of the Compact is still in its planning stages and that the Commission of the Compact is waiting for approval for its recommendations from the Minister. **However it is important that from the outset that the process for rewriting the Compact is clear on timescales, opportunities to feed in and the roles of different actors. We would particularly like clarification on how the Commission will work with Compact Voice as the third sector voice on the Compact.**

5 The importance of the BME Code

5.1 In our submission to the Compact debate we called for the BME Compact Code to remain as a distinct section of the Compact whether as a single document or as part of one document. **Our partners strongly feel that the BME code should not be 'mainstreamed' or integrated into a single equalities code and that the distinct challenges leading to the BME Code's establishment remain in today's environment.**

5.2 To avoid duplication with our Compact debate submission (**Annex 1**) the reasons for retaining a BME Code are not described in full but summarised as:

5.2.1 **Tackling racism, inequality and exclusion:** Although outcomes for *some* ethnic minorities in areas such as housing, education and employment have seen improvements others have seen limited progress and BME communities still face high levels of deprivation and discrimination. Our research¹ found that BME third sector organisations are concerned that there has been a lack of progress on issues of 'race' equality and that race was 'perceived to be being diluted by the wider frame of reference emerging with a single equalities agenda'.

5.2.2 **Valuing the BME third sector:** The BME third sector is currently undervalued and although Government have withdrawn their draft Cohesion Guidance for Funders which set out 'single group funding as the exception' questions have been raised over the value of the contribution of so called 'single groups' including BME groups.

¹ Bridge the Gap: What is known about the BME Third Sector in England', (2007) Voice4Change England, unpublished work. Findings of the full report can be found at www.voice4change-england.co.uk.

5.2.3 **Consultation, participation and representation:** The BME third sector can offer expertise throughout the policy and consultation process but faces several barriers to effective engagement including limited capacity in terms of income, staffing and time. The BME Code recognises that ‘many BME voluntary and community organisations continue to be excluded from the traditional structures of the voluntary and community sector. This often results in exclusion from engagement with Government’.

5.2.4 **Funding and other support:** The BME third sector has been historically underfunded compared to the mainstream third sector and is facing a series of funding challenges including a gradual reduction in government grant funding for its services and activities and marginalisation in the commissioning and procurement agenda. There is also a risk that BME Third Sector organisations will be further marginalised during the current recession. Although potentially short term this has the potential to make it more difficult to achieve equality in the future.

5.2.5 **A multidimensional sector:** The BME third sector is not homogenous and different BME third sector organisations have different expertise. Race is a cross-cutting issue that cuts across different equality strands.

5.2.6 **Evidence of use:** 26 of the 27 BME groups who have approached the Compact Advocacy Programme since 2003 have included possible breaches relevant to the BME Code.

5.3 The Commission’s response to the Compact Debate highlighted that there was considerable support to mainstream the BME Code/undertakings into the other Codes of practice and/or to create an Equalities code but recognised the significant opposition from Voice4Change England and our concern that if a Single Equalities Code is created, equalities will be treated homogeneously, without recognition of specific issues and concerns facing different equalities strands.

5.4 We welcome the Commission’s recognition of our concern and their commitment to ensuring the revised Compact meets the needs of BME third sector organisations. **At the BME Code consultation events we found further support for retaining the BME Code as a distinct section of the Compact.** It was felt that there is not a level playing field for BME organisations even amongst other equality organisations and that race equality is still a struggle (for more detailed reasons for retaining the BME Code see 4.2). However **equalities were seen to be a key part of the Compact and our partners have concluded that whilst a BME Code or section should remain equalities should underpin the entire Compact documentation.** This is consistent with the Commission for the Compact’s event report² which found ‘there was a consensus that the Compact should be extended to provide protection (to whatever degree) for

² Commission for the Compact, 2009, BME and equalities issues in the Compact: a report of events held in November 2008 and January 2009.

other equalities strands...but this should not be done at the expense of having specific provisions for the BME third sector'. One suggestion of how to do this was to have a BME Code and Equalities and Diversity Code of practice though others felt that the Compact could become too long if there were too many Codes.

- 5.5 The Commission's response to the Compact debate cited strong support for consolidation of the Compact into a single document (85%) and in principle **we are happy for the move towards a single document if there is evidence that this will make it easier to use both the third sector and Government.** We agree that it is important to update the Compact including the BME Code to ensure they are up to date and reflect recent developments. We also agree that the repetition of principles throughout the Codes is unnecessary and think that the commitments in the BME Code should be clearer and stronger.
- 5.6 **However we are concerned that a narrow move towards a single document with a simplified BME section or the removal of the BME section altogether could lead to a dilution of the existing principles. This would be in opposition to findings in the Commission's event report³ that 'it was clear that there was strong opposition to any 'dilution' of the basic principles of the BME Code' and to the recommendations from the legal review to strengthen the Code's compliance with equality law.**
- 5.7 **In rewriting the Compact it is essential that principles and commitments in the existing BME Code are not diluted but strengthened.** To achieve this it will be important to think imaginatively, for example, a shorter simpler single document may need supporting detailed guidance for third sector organisations and public authorities to use when looking at specific issues as part of an overall Compact way of working.

6 Legal review of the BME Code

- 6.1 We welcome the legal review of the BME Code commissioned by the Commission for the Compact and are keen that its findings are shared widely in the BME third sector. In our response to the Compact debate we outlined that on initial analysis we felt three clear changes were required to the BME Code as identified in the review:
- **Compliance with equality law:** ensuring that the BME Code gives appropriate emphasis to equality law.
 - **Specialist groups:** That the BME Code should clearly emphasise: the opportunities that exist in equality law to create and deliver community (BME) specific services; the requirement that sometimes arises in equality law to create and deliver community (BME) specific services; and the recognition that BME targeted services may promote equality and good relations and community cohesion.

³ *Ibid.*

- **Intersectional/multiple forms of discrimination:** The BME Code should address multiple forms of discrimination.

6.2 Our initial analysis has been supported at the BME Code consultation events. Delegates at the West Midlands Roadshow identified that there should be a strengthened relationship between public law and the Compact and that the relationship of the Code with other legislative frameworks should be clearly described, particularly that explicit linkages with equalities public duties are made e.g. how the Compact/Code could be used together with the provisions of the RRA(2) Act to influence/engage with public authorities.

7 Strengthening the principles

7.1 Through the consultation events, our policy roadshow and discussions with our Partners, Voice4Change England has examined the current principles of the BME Code looking at which principles need strengthening and whether any need to be added.

7.2 Although the current BME Code makes a number of strong commitments it was felt that many of these have not been met and at times were not clear enough or easily measurable. **Future BME principles needed to be clearer and linked to an implementation and monitoring framework.**

7.3 The Commission for the Compact's event report⁴ details specific comments on each of the Compact's principles. Rather than duplicate this information we have added additional comments from our West Midlands policy roadshow and the consultation events in **Annex 2**. The following provides our key conclusions for what a revised BME Code should look like based on this evidence. **This does not provide a comprehensive or exclusive list of what should or should not be in the Compact but highlights the key concerns emerging from the BME third sector around each of the current BME Code principles.**

7.3.1 Tackling racism, inequality and exclusion:

Tackling racism, inequality and exclusion should remain a key element of the BME Code but needs to be strengthened and updated in line with changes in legislation. In particular it should:

- Be used as a tool to tackle racism with practical and measurable commitments.
- Better reference and link to the current legislative framework such as the RRA(2) and forthcoming Single Equality Duty – this will give the Compact more 'teeth' as well as ensure it complies with equalities law.
- Highlight the requirement to conduct Race Equality Impact Assessments.

⁴ *ibid*

- Recognise the positive contribution of specialist groups (see 6.2.3).
- Recognise the diversity of the BME third sector.

7.3.2 **Consultation:**

The Compact should continue to promote inclusive consultation with BME third sector organisations. There was concern that on the one hand BME third sector organisations are left out of consultations and on the other hand that they could feel 'overconsulted' through consultation processes that were not meaningful. The BME Code should:

- Require consultations relevant to the BME third sector to be well publicised to BME groups including BME infrastructure organisations.
- Require a full list of public consultations relevant to BME third sector organisations to be available from one source.
- Require consulting bodies to clearly feedback consultation findings and next steps to respondents.
- Require resources to be set aside for consultation with BME third sector organisations in recognition of low capacity and funding levels.
- Prevent consultation fatigue by ensuring consultations are meaningful and joining up consultation on similar issues where possible.
- Ensure BME third sector organisations are engaged in decision-making processes from the outset and beyond responding to consultations.
- Provide good practice examples of how to involve BME third sector organisations in consultation.
- Recognise the diversity of the BME sector.

7.3.3 **Funding and other support:**

The BME should continue to recognise funding support for the BME third sector as critical reflecting recent changes in the funding environment against a background of historic underfunding. The BME Code should:

- Recognise the value in funding the BME third sector (see 6.2.2).
- Require transparency and accessibility in commissioning, procurement and subcontracting and recognise the specific difficulties BME third sector organisations have in engaging with this agenda.
- Recognise the value of grants as an essential part of the funding mix for BME third sector organisations.
- Recognise that although some BME third sector organisations work with specific communities others provide broader provision.
- Advise against blanket required income levels for funding to prevent exclusion of BME groups.
- Require resources to be made available to support BME organisations to take part in consortia bidding.

- Recognise the value of funding specialist BME third sector organisations to meet the needs of specific communities (see 6.2.3).
- Address the needs of BME third sector organisations falling between funding priorities because they tackle multiple disadvantage.
- Better link with the Funding Code.
- Ensure monitoring and reporting is proportionate – this could link to the Office of the Third Sector's principles of proportionate monitoring and reporting.
- Promote the right for BME third sector organisations to challenge the policies of funders without fear of their funding being removed.

7.3.4 **Local Relationships**

The BME Code should continue to have a role in ensuring BME third sector organisations are engaged in local decision making and needs to be updated to reflect the current environment. It should:

- Require local Compacts and their associated steering groups to engage and represent the full range of BME third sector organisations.
- Be updated to reflect and make links to structures such as LSPs and LAAs.
- Require BME representation on local partnership bodies such as LSPs.
- Require local partnership bodies such as LSPs to provide transparent processes and clear mechanisms for BME third sector organisations to influence decision making.
- Require local partnership bodies to build in resources to enable BME third sector representation in recognition of the sector's low capacity.
- Recognise the diversity of the BME sector and that the sector is not homogenous and cuts across different equality strands
- Fund strong equality infrastructure.

7.3.5 **Capacity building:**

The BME third sector has continuing capacity issues and the BME Code should outline proactive measures to address these including:

- Recognising the current limited capacity of the BME third sector.
- Requiring investment in BME third sector infrastructure at all levels.
- Requiring a sustainable capacity building resource base to be developed for the BME third sector. This is particularly required in the areas of: governance; performance management; partnership working; networking; training of leaders; training; and support.
- Requiring investment in partnership working to ensure BME organisations are ready and able to collaborate and join together to bid and win contracts.

7.3.6 **Volunteering:**

- Review the Code's definition of volunteering and how this applies to volunteers in the BME third sector.
- Promote better links between generalist volunteering infrastructure organisations and BME third sector organisations that promote volunteering.

7.4 Overarching factors

In addition to the above the following cross-cutting themes have emerged.

7.4.1 Infrastructure: The BME Code needs to stimulate awareness of the role of BME infrastructure and create awareness that where BME infrastructure is not in place BME groups may not be represented as they are not always engaged with traditional third sector infrastructure. There needs to be a commitment to investing in sustainable BME infrastructure.

7.4.2 Relationship between the BME and mainstream third sector:

The BME Code should promote partnership working between the BME and mainstream third sector 'sometimes it's a three-way relationship'. This would need to be considered carefully with mainstream third sector organisations, particularly infrastructure. Suggestions from the consultation events on how to do this included:

- Generic infrastructure should ensure the needs and issues of BME communities are considered particularly where BME infrastructure is weak or non-existent.
- The skills and knowledge of people in mainstream infrastructure should be developed in order to help them to work effectively with BME organisations.
- Generic infrastructure should recognise the need for BME infrastructure.
- Raise awareness amongst mainstream third sector organisations of how the Compact can help to tackle racism, inequality and exclusion.

7.4.3 Role of the BME third sector:

The BME Code should recognise the value of the BME third sector and recognise its role in tackling disadvantage and inequality. This should be linked to equality law legislation (see 5.1 Single Group Funding)

8 Making the BME Code work

8.1 As stated in our response to the Compact debate our partners feel strongly that in its current form the Compact does not adequately serve the needs of or empower BME VCOs. The consultation events have provided further evidence to support this.

8.2 Awareness

'Much of voluntary sector does not use Compact or does not know about it'
(delegate at West Midlands Policy Roadshow)

There is a lack of awareness of the Compact and BME Code and how to use it both amongst BME VCOs and in local authorities. In addition some BME third sector organisations have identified that there is more recognition of the overall Compact than the BME Compact Code.

8.3 Lack of awareness is partly due to the Compact not being a priority (perhaps due to a perceived 'lack of teeth') and partly due to lack of promotion. Without accompanying promotion any changes in content and form to the Compact are likely to have a limited impact. **Resources need to be made available to create further awareness of the Compact and BME infrastructure should be engaged in this process.**

8.4 There is also a need for the BME Code to be better interlinked with other areas of the Compact and better linked to external policy making frameworks such as LSPs and LAAs.

8.5 Delegates at the Voice4Change England West Midlands Roadshow made the following suggestions to improve awareness of the Compact:

- Develop the role of regional / national third sector organisations in facilitating information dissemination.
- Compact bulletins.
- Showing how to use practically at a local level.
- Providing case studies with contact details.
- A route map to link national, regional and local Champions.
- Promoting common understanding of the roles of organisations.
- Executive summary with diagrams.
- Use as training for policy procurement officers.
- Consider ways to embed it into the practice of organisations.
- Simple and understandable version.
- Easy to read 'communities' version.
- It was felt that stronger networks were needed to help grass roots BME organisations engage with the Compact effectively.

8.6 Capacity

Lack of capacity (time, staff and resources) in the VCS also results in low awareness and use of the Compact and the BME Code. One group at the Voice4Change England West Midlands Roadshow commented that most BME organisations are run mainly by volunteers, they don't have the time/skills to take up extra work, they are busy delivering services. Another local BME infrastructure organisation at a consultation event found that a funder was potentially in breach of the Compact relating to the timings of the grant payment: 'I knew all about the Compact etc but we literally did not have the

time or capacity to be able to address this even though we knew there was a breach'. In some instances BME VCOs were able to take part in the development of local Compacts but had no capacity to support its implementation.

8.7 Implementation

For the BME Code as well as the national Compact and local Compacts to be effective they need to have delivery plans with implementation targets and regular monitoring: 'most local compacts do not have a delivery plan or resources to develop this so it makes it difficult to point to a local breach as we don't know what is being monitored but do not have a plan to evaluate against!' (BME local infrastructure organisation).

The Voice4Change England West Midlands Roadshow also identified that there were issues around the levels of compliance. It was felt that different Government departments were at different levels of Compact compliance and that local authorities / service providers were not being honest about their use of the BME Code.

8.8 Good practice

Some good practice examples were identified at the West Midlands Roadshow including that:

- it had been used by someone in the public sector as justification for doing Equality Impact Assessments;
- it had been used as a training tool for policy procurement officers;
- some BME organisations had used it in disputes;
- it had been used to raise awareness locally of the BME sector.

9 Conclusion

We welcome the Commission for the Compact's commitment to involving BME third sector organisations in the review of the Compact and giving Voice4Change England the opportunity to feed in, both through supporting the consultation events and in the submission of this paper. We would like to stress the importance of ensuring that consultation on the Compact and the BME Code with BME third sector organisations is meaningful. Many BME third sector organisations were involved in developing the BME Code in 2001 and given the lack of progress on many of its commitments are unsurprisingly doubtful that any positive change will result from the review of the Compact:

'What difference will all this make and has anything really changed?'

Bristol event delegate

We challenge the Commission for the Compact maintain their commitment to meeting the needs of BME third sector organisations and by working with

sector ensure that the revised Compact is a practical living tool for BME third sector organisations.

Annex 1

V4CE Response to the Compact Debate

1 About Voice4Change England

- 1.1 Voice4Change England is a national body dedicated to strengthening the Black and Minority Ethnic (BME) Third Sector as a positive force for change and which aims to provide a co-ordinated policy voice for BME groups and organisations. V4CE is a partnership of national, regional and sub regional infrastructure organisations and initiatives. We have successfully acquired a place where our responses to government policies objectively represent the concerns of the BME Third Sector. We aim to continue developing this mutual understanding between the BME-led third sector and government to ensure policies are responsive to BME communities' needs and aspirations.
- 1.2 V4CE's origin is based on its Partnership forged from the BME sub-group on Compact. This response is therefore informed by the practitioner understanding of the Compact Principles and it's Codes of Good Practice in relation to the BME Third Sector as well as by the wealth of experience and representational strength of the Partners who between them **represent over 5700 BME third sector organisations across England. This response is also informed by the 30 delegates attending the BME Code Consultation event held by the Commission for the Compact in Leicester on 7th November 2008.**
- 1.3 V4CE welcomes the opportunity to take part in the Commission for the Compact's Compact debate. We are also taking part in the Commission's consultation on the review of the BME Code and will send a separate submission on this following the BME Compact Code consultation events that the Commission is organising with our support. We look forward to hearing the Commission's recommendations on 2nd December 2008 and would like to stress the importance of **conducting an Equalities Impact Assessment on any proposed changes.**

2 Preliminary questions concerning Local Compacts:

- 2.1 Local Compacts are often more relevant to BME voluntary and community organisations (VCOs) than the national Compact as most are small locally-based organisations. **Our partners have found that most Local Compacts are not meaningful and do little to develop good working relationships between local government and BME VCOs. Accordingly, it is felt that any changes to the Compact at a national level would have a limited impact on local Compacts as they currently stand.**
- 2.2 One way to address this would be by using the national Compact to set the standard for local Compacts. Our partners suggested that the Compact should have a similar framework to Race Relations legislation where a set of both standard and voluntary requirements are used to form local Compacts.

This would ensure that VCOs and local government across England have a good understanding of what to expect from their relationship, and would also be able to tailor their requirements to suit local circumstances.

- 2.3 Clarity is needed over what Compacts are needed for and when they should be used. In some areas our partners have worked with local and regional Compacts as well as the national Compact which at times can be confusing.
- 2.4 If changes to Local Compacts are planned either directly or indirectly through changes to the national Compact an impact assessment should be carried out, on what this will mean for local Compacts and the partners that use them, in the planning stages to inform the final changes.

Section A

3 Key Question A - What sort of agreement should the Compact be in future?

- 3.1 **Our partners feel strongly that in its current form the Compact does not adequately serve the needs of or empower BME VCOs and that changes are needed to 'give it teeth'. In particular, we feel that the Compact currently has a limited role in dispute resolution between the government and BME VCOs where there has been a Compact breach.**
- 3.2 Although the Compact does not currently have statutory footing, some VCOs have successfully used public law remedies to challenge Compact breaches and recent case law has demonstrated that the Compact is 'more than a wish list - a commitment of intent'.⁵ However our partners identified that BME VCOs struggle to use public law remedies⁶ due to their complexity and a lack of specialist knowledge of public law.
- 3.3 Revisions to the Compact may help remedy this issue. For instance, in the legal review of the BME Compact code, Karon Monaghan has recommended strengthening the public law references in the BME Compact code to include, for example:
 - Appropriate emphasis to the prohibition on (direct and indirect) discrimination by public authorities.
 - Appropriate emphasis to the duties on Government (central and local) to undertake equality impact assessments on existing and propose policies.
 - Appropriate emphasis to the requirement that sometimes arises in equality law to create and delivery community (BME) specific services.

If such references to public law are incorporated this may raise awareness by both Government and VCOs of the obligations that exist under public law for

⁵ Berry v Cumbria County Council, 2007 (see [Press release](#))

⁶ A notable exception is the [Southall Black Sisters](#) case (Kaur and Shah v Ealing Borough Council, 2008)

public bodies, including those delivering services on behalf of the Government. However, inclusion in the Compact Code alone is unlikely to significantly increase the ability of BME VCOs to challenge Compact breaches using public law remedies, if there is a continued lack of capacity, understanding and awareness.

- 3.4 In its discussion paper the Commission outlines 3 different options for making the Compact statutory:
- a. Distilling the Compact into a set of statutory obligations.
 - b. Requiring the government and the sector to “have regard to” the Compact.
 - c. Requiring the government by statute to make a scheme setting out how it proposes to promote the interests of third sector organisations (The Welsh Model).

The first option would require legal obligations and penalties on the Government, the VCS or both. The Compact is fundamentally about strengthening relationships between the two sectors and to achieve this we believe that requirements would have to apply to both parties. However, the BME VCS is at a disadvantage to public sector bodies who would have access to lawyers, resources and in house specialists that most BME VCOs would not have. The BME VCS would have limited capacity and knowledge to take on a set of legal obligations, and as many already struggle with a lack of funding, are unlikely to be able to meet the costs of legal expenses. This would make the first option unworkable in practice. **We would also be concerned if making the Compact statutory were to result in a reduction or weakening in the current Compact principles, particularly in relation to the BME Code.**

In making it statutory there is also a danger that the Compact could be reduced to a set of checks and balances in law to make one party a victim and the other a culprit. This would ultimately be detrimental to a longer term vision of a strengthened partnership working between government and VCOs to best meet the needs of the communities they serve. We favour a preventative approach where a Compact way of working allows partners see in advance their commonalities and differences to enable mutual benefit in partnership working.

- 3.5 A combination of options b and c requiring both public and the third sectors to ‘have regard to’ the Compact principles and the ‘Welsh Model’ respectively may be a possible way forward. However to make a fully informed decision on this we feel **that more research is needed into why the Compact is not used by BME VCOs** and more details are needed on the proposed legal forms and evidence of how the options are likely to impact on the BME VCS.

Section B

4 Key Question B - How could the form and content of the Compact be enhanced to make it fit for the future?

- 4.1 Any proposed revision of the Compact principles and its Codes needs to be substantiated with evidence. For example, the Legal Review of the BME Code has presented substantive evidence that the BME Code needs revising in light of the existing and upcoming public law on equalities and race relations. This is important to ensure that the solution matches the problem: as stated in the Compact Voice framing paper on the Compact debate 'if the problem is that people do not want to read the Codes, then simplifying them might be a solution. If the problem is that they are out of date and they do not adequately deal with the issues, then simplifying them will not solve the problem. If the problem centres on Compact implementation then a complete revision will not help'.⁷
- 4.2 **In view of this, in principle we are happy for the Compact to be consolidated into one single document if there is evidence that this will make it simpler and easier to use for both VCOs and Government.**
- 4.3 **However, our partners were unanimous in calling for the BME Compact Code to remain as a distinct section whether as a single document or as part of one document. The BME code should not be 'mainstreamed' or integrated into a single equalities code. The BME code was established due to distinct challenges for the BME sector and these remain in today's environment.**

26 of the 27 BME groups who have approached the Compact Advocacy Programme since 2003 have included possible breaches relevant to the BME Code, demonstrating the importance of the Code in highlighting breaches specific to BME VCOs. There is concern that if a Single Equalities Code is created, equalities will be treated homogeneously, without recognition of specific issues and concerns facing different equalities strands.

To demonstrate the continuing need for a separate BME Code it is useful to revisit some of the key commitments in the current BME Code and to apply them to today's environment:

- **Recognising the important role of the BME VCS**

The BME Code recognises that the BME VCS has an important and continuing role in helping the Government to achieve its objectives. It states that 'as independent, not-for-profit organisations run by, for and located within BME communities, the sector brings distinctive value to society. In particular it enables BME individuals to contribute to public life and supports the development of active thriving communities by providing opportunities for voluntary and community action.'

Despite this it is currently felt that the BME VCS is undervalued. Recent proposals from Government in Cohesion Guidance for Funders set out the

⁷ [Compact Voice framing paper on the Compact debate](#), 2007

'single group funding as exception' proposal. This undermines the principle of equality and questions the right of communities to form associations and organisations based on the principles of mutuality and self help. **Removing the BME Code (or section of the overall Compact) will further damage the BME sector, sending a message that the sector's contribution to civil society is not valued.** The Code should also give emphasis to the new role BME VCOs are playing in supporting emerging migrant communities.

- **Consultation, participation and representation**

The establishment of a BME code was significant as it focused attention on how the government should work with the BME sector. It highlights that whilst the BME VCS can offer expertise throughout the policy and consultation process, it faces several barriers to effective engagement. For example, very limited capacity in terms of income, staffing and time means the VCOs may require support to fully engage. **It is important that the BME code remains to ensure that local authorities and other Government bodies, are aware of how they can successfully work with the BME VCS.**

The BME Code also recognises that 'many BME voluntary and community organisations continue to be excluded from the traditional structures of the voluntary and community sector. This often results in exclusion from engagement with Government'. These issues continue to be of concern for the BME VCS and result in exclusion from policy process at a local, regional and national level, for example:

- Engagement of the BME third sector in Local Strategic Partnerships (LSPs) can best be described as 'patchy', based on research conducted by BTEG (2006) which found that only one third (32%) of the Neighbourhood Renewal Fund LSPs had a place on their board for one or more BME representatives.
- Recent changes in how local authorities will measure their performance through Comprehensive Area Agreements risk marginalising BME VCOs. For instance, the National Survey of Third Sector Organisations that will provide the data for measuring National Indicator 7 will not include many BME VCOs as many are unregistered organisations and will appear 'under the radar'.⁸
- Research by JRF found that 'respondents felt that mainstream voluntary sector organisations were not in a position to represent the interests of BME communities either in general or in the development of local compacts'.⁹

The withdrawal of funding for the OTS Regional Infrastructure Programme ends March 2009 and limited funding at a national level will further reduce the capacity of the BME VCS to engage in policy.

⁸ [V4CE consultation response to the Audit Commission's proposals on CAA, 2008](#)

⁹ Joseph Rowntree Foundation, 2002, [Black and minority ethnic organisations' experience of local compacts](#)

- **Funding and other support**

The BME Code recognises that 'funding for the BME VCS, whether from existing or new sources has been significantly below that of similar organisations in the mainstream VCS.' 19 of the 27 BME groups who have approached the Compact Advocacy Programme since 2003 have included possible breaches relevant to the funding code.

The BME VCS have seen the gradual reduction in government grant funding for its services and activities. Black Training and Enterprise Group (BTEG) has recently experienced considerable reduction in its programme due to limited central government funding and likewise the Confederation of Indian Organisations [CIO] has had to severely curtail its activities due to absence of strategic funding from government departments. Funding for regional strategic partners is also due to end in March 2009. As yet there has been no consultation with the BME VCS about the termination of funding or compliance with Compact recommendations on considering alternative organisations within the BME sector where strategic grants are withdrawn or to 'undertaking a joint review where withdrawal of funding has occurred'. In addition BME VCOs as small organisations are marginalised by the growing procurement agenda.

Proposals in the Cohesion Guidance to Funders for 'single group funding as exception' worsen the situation as they undermine the principle of equality and question the right of communities to form associations and organisations based on the principles of mutuality and self help. The current BME Code recognises that the 'main strength and value of the BME sector lies in its support and delivery of services to BME communities'. To ensure BME targeted services continue the BME Code should be strengthened to include the legal review's recommendations around giving emphasis to the requirement that sometimes arises in equality law to create and deliver BME specific services. This will give public authorities more clarity on the role of specific services and has the potential to improve the funding situation for BME VCOs.

The current BME Code also recognises that as well as delivering BME specific services, 'as the sector grows it will become increasingly important to view the sector as a potential provider of generalist services'. This view was endorsed by delegates at a consultation event on the BME Code.¹⁰

The current funding crisis for the BME VCS outlined above, demonstrates that now more than ever a BME Code is needed to: increase understanding of the role of BME VCOs; outline key funding challenges for VCOs; to ensure good practice in funding; and to ensure that BME communities continue to receive relevant services and support.

- **Tackling racism, inequality and exclusion**

¹⁰ BME Code Consultation event held by the Commission for the Compact in Leicester on 7th November 2008

According to research conducted for the Joseph Rowntree Foundation (JRF), BME organisations form a ‘distinct sector within the wider VCS because of their origins and their propensity to deal with issues of social exclusion with a racial discrimination’.¹¹ The current BME Code highlights that ‘the negative outcomes of social exclusion are disproportionately represented within BME communities’. It recognises that initiatives are needed which target BME communities and that BME VCOs are well placed to make such targeted interventions more effective.

Although outcomes for some ethnic minorities in areas such as housing, education and employment have seen improvements, Table A demonstrates that BME communities are still facing high levels of deprivation and discrimination in modern Britain. BME communities can also experience an ‘ethnic penalty’. For example JRF¹² found that: ‘when the contribution of individual characteristics (such as fewer qualifications) to employment disadvantage is analysed, there are some unexplained outcomes. For example, Black Africans have very high rates of higher education qualifications, but also suffer from high rates of unemployment and poor occupational outcomes. This ‘ethnic penalty’ includes the effects of discrimination’.

V4CE’s research found that BME VCOs were concerned that there has been a lack of progress on issues of ‘race’ equality and that race was ‘perceived to be being diluted by the wider frame of reference emerging with a single equalities agenda’.

Table A	
Indicator	Evidence
Crime	<p>In 2004/05 people from a Mixed ethnic group were more likely than those from White backgrounds to have been the victim of a crime (29 and 24% respectively).¹³</p> <p>Black people were over-represented at every stage of the criminal justice system:</p> <ul style="list-style-type: none"> • In 2004/05, Black people were six times more likely than White people to be stopped and searched under section 1 Police and Criminal Evidence Act (1984). • In 2004/05, the arrest rate for Black people was 3.4 times that for White people, a similar figure to 2003/04. <p>In June 2005, for every thousand Black people in the population, 7.1 were in prison. This rate was around five times higher than the</p>

¹¹ Mcleod M, Owne D & Khamis C., “Black and Minority Ethnic Voluntary and Community Organisations: their role and future development in England and Wales” (2001), Policy Study Institute for Joseph Rowntree Foundation.

¹² Joseph Rowntree Foundation, 2007, [Poverty and Ethnicity in the UK](#)

¹³ CLG, 2007, [Improving Opportunity, Strengthening Society: Two years on - A progress report \(Annex\)](#)

	rate for White (1.4 per thousand) and Asian people (1.5 per thousand). ¹⁴
Education	<p>Although between 2005 and 2006, most groups showed an improvement in the proportions of pupils achieving the equivalent of five or more A*-C GCSEs, Gypsy/Roma and Traveller of Irish Heritage pupils had the lowest levels of achievement at GCSE level in 2006 and the achievements of Black Caribbean and Other Black background pupils were also relatively low, (30% and 31% respectively).¹⁵</p> <p>In 2006, Pakistani, Black Caribbean, Bangladeshi, Black African and Mixed White/Black Caribbean pupils all performed below the national average in English tests across Key Stages 1 to 3.¹⁶</p>
Employment	<p>In 2005/06, the employment rate gap between minority ethnic men and White men was 10 percentage points.¹⁷</p> <p>Men from minority ethnic groups were more than twice as likely as their White counterparts to be unemployed in 2005/06 (12% compared with 5%) and the past year has seen rising unemployment rates in most groups.¹⁸</p> <p>Bangladeshi and Pakistani women had the lowest employment rates (23% and 25%) and highest economic inactivity rates (72% and 68%).¹⁹</p>
Housing	<p>Between 1996/97 and 2005/06, rates of overcrowding were higher for minority ethnic households than for White households. Overcrowding rates were highest for Bangladeshi households and lowest for White households (27% and 2% respectively in 2005/06).²⁰</p>
Health	<p>Babies of mothers born in Pakistan and the Caribbean (as well as parts of Africa) have higher infant mortality rates than the average for all babies born in England and Wales.²¹</p>
Attitudes	<p>Recent years have witnessed a hardening of some attitudes towards immigrants and ethnic minorities over the last few years.²²</p> <p>Personal experiences of discrimination remained relatively static between 2002 and 2005 (12% of the general public as a whole, and 38% of ethnic minorities, experienced racial prejudice or discrimination in 2005, compared with 14% and 39% respectively in</p>

¹⁴ *Ibid*

¹⁵ *Ibid*

¹⁶ *Ibid*

¹⁷ *Ibid*

¹⁸ *Ibid*

¹⁹ *Ibid*

²⁰ *Ibid*

²¹ *Ibid*

²² Ipsos Mori for the CRE, 2007, [Race Relations 2006: A research study](#)

	2002) and this was also reflected in the National Citizenship Survey findings from 2001 to 2005. ²³
Poverty	<p>There are stark differences in poverty rates according to ethnic group. Risks for poverty are higher for Bangladeshis, Pakistanis and Black Africans, but are also above average for Caribbean, Indian and Chinese people. Muslims face much higher poverty risks than other religious groups.²⁴</p> <p>59% of the Pakistani/Bangladeshi population and 37% of the Black or Black British population lived in low-income households, compared with 19% of the White population.²⁵</p> <p>The high rates of child poverty in some groups are of particular concern, both for their present welfare and their future opportunities. Over half of Pakistani, Bangladeshi and Black African children are growing up in poverty.²⁶</p>
Representation	<p>Turnout at the 2005 general election seems to have been lower among Black and ethnic minority citizens than among White Britons. Turnout was higher among those from the main Asian national-origin groups (i.e. Indian, Pakistani and Bangladeshi) than among the main Black groups (African and Caribbean). Lower still, however, was turnout among the Mixed-race group and "others".²⁷</p> <p>There were 15 MPs elected at the 2005 general election from an ethnic minority.²⁸</p>

- **A multidimensional sector**

Often the BME third sector is seen as a single entity. This is misleading and can further disadvantage communities. For example, a local BME and disability VCO found it difficult to raise funds as a BME organisation and as a disability as in each instance it was assumed that they could not provide the specialist services required. **The BME Code needs to recognise that different BME VCOs have different expertise and areas of interest just as the generic VCS is multi dimensional in its scope. Race is a cross-cutting issue that cuts across different equality strands.**

4.4 **In retaining a BME code issues for the BME VCS should not be sidelined into one section only but should inform and link with the Compact as a whole.**

4.5 There have been calls from the VCS for a revised Compact to include guidance on commissioning, subcontracting, asset transfer and community premises to reflect the current operating environment for VCOs. Whilst we

²³ *ibid*

²⁴ Joseph Rowntree Foundation, 2007, *Poverty and Ethnicity in the UK*

²⁵ Home Office, 2006, [Race Equality in Public Services](#), Statistical Annex

²⁶ Joseph Rowntree Foundation, 2007, *Poverty and Ethnicity in the UK*

²⁷ Mori for the Electoral Commission, 2005, [Black and Minority Ethnic Survey](#)

²⁸ [UK parliament website](#), accessed 9th November 2008,

have no objection to the inclusion of these themes, we also wish to make clear that many new developments, such as asset transfer, have not benefited the BME VCS and in some cases have been detrimental.

- 4.6 The discussion document suggests that the Compact could be broadened to include the 'third sector' as opposed to just the VCS (as defined by government). **In principle we do not object to opening out the Compact to include other types of organisation. However we are concerned about the administrative impact this would have and need to know more about how the Commission would manage this and define included groups before confirming our position.**

Section C

5 Key Question C - How could the Commission for the Compact change to ensure better implementation of the Compact?

- 5.1 As stated in paragraph 3.1 to benefit the BME VCS changes need to be made to 'give the Compact teeth'. For example, one of our partners referred a Compact breach to the Compact Advocacy team half a year ago, yet despite their efforts the issue has still not been resolved.
- 5.2 We are open to the possibility of the Commission having some legal powers in order to achieve this. However, **we would like legal advice on the practicalities and limitations of establishing a body in law over something that is not legal in nature. We would also support a review of the different players currently involved in the Compact (Commission for the Compact, Compact Voice, Compact Advocacy) to clarify roles and responsibilities.**
- 5.3 It is also essential that small VCOs are able to benefit from any legal powers given to the Commission as well as larger ones. Many BME VCOs are small in terms of income, staff and capacity, but play an essential role in supporting the needs of BME communities. Due to the limitations of its own capacity the Commission would only be able to take on a limited number of cases. In selecting the cases the depth and breadth of the VCS should be represented and the limited capacity of many small VCOs recognised. Based on an income analysis NCVO's Civil Society Almanac (2007) warns that the 'concentration of resources is still heavily skewed towards the largest charities.'²⁹ In taking on cases the Commission should not exacerbate this trend.

6 Review of the BME legal code

- 6.1 We understand that the initial Compact recommendations will inform the broad view of the Compact rather than the details of specific Codes. V4CE are engaged in the review of the BME code and will feed in a more detailed

²⁹ 'Civil Society Organisations in the UK' by National Council for Voluntary Organisations (2007), page 23.

response on this following the three consultation events we are holding jointly with the Commission for the Compact in November 2008. However, given that some of the broad recommendations may fundamentally affect the BME Code, for example if the Compact is shortened, we feel it necessary to outline some key issues at this stage.

6.2 Based on the findings of Karon Monaghan's legal review of **the BME code it is clear that the BME Code needs to be strengthened. The BME VCS must be consulted to inform the detail of this.** However on initial analysis we have found three clear changes are required:

- **Compliance with equality law:** Although the review found that 'the existing Code is not on its face inconsistent with domestic, regional and international equality law' it makes several recommendations to ensure that the Code gives appropriate emphasis to this law.
- **Single group funding:** The Legal Review of the BME Code provides strong evidence that supports the case for the need of specialist services for BME communities and this has been further endorsed in recent case law by Lord Justice Moses: 'There is no dichotomy between the promotion of equality and cohesion and the provision of specialist services to an ethnic minority.'³⁰ The legal review finds that the current BME Code:
 - Fails to give appropriate emphasis to the opportunities that exist in equality law to create and deliver community (BME) specific services.
 - Fails to give appropriate emphasis to the requirement that sometimes arises in equality law to create and deliver community (BME) specific services.
 - Fails to give appropriate emphasis to the recognition that BME targeted services may promote equality and good relations and community cohesion.

A revised BME Compact code needs to give sufficient weight to the value of BME specific services particularly in light of proposals in the Cohesion Guidance to Funders for 'single group funding as exception'. These proposals have confused both the VCS and funders over what can and should be funded and does not adequately explain the value and legal requirement for BME specific services in certain situations. The fact that 4 of the 27 BME groups who have approached the Compact Advocacy Programme since 2003 have included concerns around single group funding and the recent high profile Southall Black Sisters case³¹ shows that this is a very real issue for BME VCOs.

- **Intersectional/multiple forms of discrimination:** The legal review finds that the current BME Compact code 'fails to address intersectional/multiple forms of discrimination'. For example, the review cites that in the U.K. Pakistani and

³⁰ Case of Southall Black Sisters August 2008

³¹ [Southall Black Sisters case](#) (Kaur and Shah v Ealing Borough Council, 2008)

Bangladeshi women are at very high risk of disadvantage in the work place experiencing a more significant pay gap³² than other women and higher levels of unemployment, placing them in a different position to other women. Current equality law is difficult for those suffering intersectional discrimination to negotiate. The planned Single Equalities Act may go some way to addressing this, but it should also be recognised within a revised BME Compact Code.

7 Awareness and implementation of the Compact

- 7.1 Our partners have identified a lack of awareness of the Compact and how to use it both amongst BME VCOs and in local authorities. In addition, research by JRF has also found that few BME VCOs were aware of local Compact development; only one had heard of the national BME code of practice and most felt that they had not been involved properly in local Compact discussion. They did not feel engaged as full partners in local Compact development work.³³
- 7.2 Lack of awareness is partly due to the Compact not being a priority (perhaps due to a perceived 'lack of teeth'). Without accompanying promotion any changes in content and form to the Compact are likely to have a limited impact. Delegates at the BME Compact Code event³⁴ also highlighted the importance of links being made between the Compact and other policies and process (i.e. LSPs and LAAs). **Resources need to be made available create further awareness of the Compact and that BME infrastructure are engaged in this process.** V4CE is currently in the second stage of a BIG Lottery BASIS Bid which if successful would include partial funding for a BME Compact Officer. We would welcome the opportunity to continue working with the Commission and Compact Voice to increase awareness of the Compact in the BME VCS.
- 7.3 Lack of capacity (time, staff and resources) in the VCS also results in low awareness and use of the Compact. For example, one local BME infrastructure organisations found that a funder was potentially in breach of the Compact relating to the timings of the grant payment: 'I knew all about the Compact etc but we literally did not have the time or capacity to be able to address this even though we knew there was a breach'. In some instances BME VCOs were able to take part in the development of local Compacts but had no capacity to support its implementation.
- 7.4 Our partners felt that for both the national Compact and local Compacts to be **effective they need to have delivery plans with implementation targets and regular monitoring**: 'most local compacts do not have a delivery plan or resources to develop this so it makes it difficult to point to a local breach as

³² "Fairness and Freedom: The Final Report of the Equalities Review" (2007), 66, 68-9.

³³ Joseph Rowntree Foundation, 2002, [Black and minority ethnic organisations' experience of local compacts](#)

³⁴ BME Code Consultation event held by the Commission for the Compact in Leicester on 7th November 2008

we don't know what is being monitored but do not have a plan to evaluate against!' (BME local infrastructure organisation). For example, in Leicestershire the Leicestershire Ethnic Minority Partnership worked for over 1 year to develop a BME code and also took the initiative to produce a draft implementation plan for it. The BME code itself was recommended for approval following consultation but the implementation plan was taken out of the documentation as there is no delivery plan for the Compact itself! Despite a BME organisation taking a proactive to their local Compact, delivery has still been limited due to failures with the county Compact.

8 Key Recommendations

- 8.1 An Equalities Impact Assessment should be conducted on any proposed changes to the Compact.
- 8.2 In its current form the Compact does not adequately serve the needs of or empower BME VCOs and that changes are needed to 'give it teeth'. Most Local Compacts are not meaningful and do little to develop good working relationships between local government and BME VCOs.
- 8.3 Although giving the Compact legal status could give the Compact 'teeth' BME VCOs are unlikely to be able to meet any legal requirements and we would be concerned if a legal Compact meant a reduction or weakening in the current Compact principles.
- 8.4 We are happy for the Compact to be consolidated into one single document if there is evidence that this will make it simpler and easier to use for both VCOs and Government.
- 8.5 The BME Compact Code should remain as a distinct section whether as a single document or as part of one document. It should not be 'mainstreamed' or integrated into a single equalities code. Distinct challenges face the BME sector, particularly around: their role; engagement in policy and decision making; access to funding; and tackling racism and inequality. The Compact should recognise that race is a cross-cutting issue that cuts across different equality strands.
- 8.6 The BME Code needs to be better linked with and inform other sections of the Compact.
- 8.7 We are open to the possibility of the Commission having some legal powers but would like legal advice on the practicalities and limitations of establishing a body in law over something that is not legal in nature.
- 8.8 We support a review of the different players currently involved in the Compact (Commission for the Compact, Compact Voice, and Compact Advocacy) to clarify roles and responsibilities.

- 8.9 In the first instance it is clear that the BME Code should be strengthened based on the findings of the legal review to better reflect issues of: compliance with equality law; single group funding; and intersectional discrimination. V4CE will submit a more detailed analysis of the legal review following the Commission's consultation events on the review of the BME Code.
- 8.10 Capacity and resources are needed to ensure increased awareness, implementation and monitoring of the Compact. Without this any changes to the Compact itself will have a limited impact. V4CE is currently in the second stage of a BIG Lottery BASIS Bid which if successful would include partial funding for a BME Compact Officer. We would welcome the opportunity to continue working with the Commission and Compact Voice to increase awareness of the Compact in the BME VCS.

Annex 2: Commentary on Commission for the Compact's report on the November BME Code consultation events

Key to consultation events:

Leicester event: BME Code and equalities consultation event with Commission for the Compact, Voice4Change England and MENTER on 7th November 2008.

Manchester event: BME Code and equalities consultation event with Commission for the Compact and Voice4Change England on 24th November 2008.

London event: BME Code and equalities consultation event with Commission for the Compact, Voice4Change England and BTEG on 28th November 2008.

Bristol event: BME Code and equalities consultation event with Black South West Network, Black Development Agency, Commission for the Compact and Voice4Change England on 22nd January 2009.

West Midlands event: Voice4Change England West Midlands Policy Roadshow on the Compact including a consultation session on the BME Code held on 16th December 2008.

Tackling racism, inequality and exclusion		
What is the relationship like now?	Response category	Voice4Change England additional notes from consultation events attended
	Awareness / Capacity	Delegates raised particular concerns around the lack of awareness of council officers and commented on their absence from the consultation meeting. They also perceived difficulties in changing attitudes and behaviour to achieve race equality particularly around institutional racism (Bristol event).
	Enforcement / Monitoring	Delegates raised concerns that public services are not meeting statutory legal obligations and that they need to take the Compact more seriously. Some felt the Compact itself needed to be given legal status (Bristol event).
	Mainstreaming	There should be a duty on infrastructure organisations of accountability to grassroots groups (Leicester event). There need to be generic competencies that general organisations

		need to comply with when bidding for funds to work with BME communities and that these competencies should be set by BME sector (West Midlands event).
What needs to be improved?	Conceptual Basis	Lack of clarity between BME Compact and general Compact (Bristol event).
	Practical Tools and Structures	Linking the Compact to Audit Commission inspections to improve implementation (Bristol event). Better links to the LSP (Leicester event). Delegates suggested the Code should become part of the induction policies of public sector organisations and promoted through use of local medium such as radio (Bristol event).
Promoting inclusive consultation		
What is the relationship like now?	Awareness / Capacity	Delegates wanted more information on how the Compact could be used practically (West Midlands event). Delegates identified a lack of resources put into consultation by public bodies. However it was recognised that there is a capacity issues in the statutory sector to engage properly – e.g. one small local authority has 1 person working 2 hours a week to manage a consultant (Bristol event). Several barriers to consultation for BME TSOs were identified including: travel costs; lack of notice; difficulties of engaging small communities (London event).
What needs to be improved?	Conceptual Basis	
	Awareness / Capacity	Delegates suggested using a central hub to publicise all relevant consultations. They cited http://www.gloshub.org.uk/consultations.html as a good practice example) (London event). Delegates felt that there needed to be development of a fully costed

		action plan for consultation (Bristol event).
	Updating the Compact	Delegates felt that updates needed to reflect new arrangements around LAAs and LSPs (Leicester event).
	Enforcement / Monitoring	Delegates felt the BME Code should be better linked to the Consultation Code and to National Indicator 6 (West Midlands).
	Additional	Delegates suggested that there was sometimes consultation fatigue in the BME third sector: 'The BME community is overburdened with consultation, without necessarily seeing results (or even feedback) – there has been "engagement" but no tangible outcome' (Bristol event) Feedback and visible responses to consultation were seen as key ways to overcome this (Bristol and Leicester event).
Achieving Fair Funding		
What is the relationship like now?	Conceptual Basis	
	Awareness / Capacity	The additionality of the BME third sector needs to be recognised (Leicester event). There is a need to build in provisions for sustainability and reinforce key organisations against failure. (Bristol event) Some organisations fall between the gaps, for example a BME disability third sector organisation struggled to get funding as it was not recognised as a disability specialist or as a BME specialist. (Leicester event)
	Power / Exclusion	Funding of strong equality infrastructure was seen as important (Bristol event). The commissioning process was seen to favour large organisations and to be too technical for BME TSOs who lacked the capacity, knowledge and skill set to engage with it (Leicester event).
What needs to be improved?	Conceptual Basis Awareness / Capacity	The Code needed to be updated to reflect capital investment, the commissioning and procurement agenda and the threat of reduced funding from local authorities. (Leicester event)

		<p>Not enough subcontracting (Leicester event).</p> <p>Clarification over 'single group funding' i.e. the opportunities that exist in equality law to fund specialist groups (Manchester event).</p>
	Implementation	Better links between the BME Code and the Funding Code (Manchester event).
Local Relations And Partnership		
What is the relationship like now?	Awareness / Capacity	<p>Targeted funding is not available to enable adequate BME representation on partnerships (Bristol event).</p> <p>Some groups [small BME groups] need a lot of time and support (Manchester event).</p> <p>Time consuming, resource intensive to engage in local partnerships (Manchester event)</p>
	Structures	<p>BME issues are often not a main priority for senior figures on the partnership (Bristol event).</p> <p>Closed networks – always CEOs of generic infrastructure (Manchester event).</p> <p>There is a 3 way relationship between BME TSOs, mainstream TSOs and statutory partners (West Midlands event).</p>
How could it be improved?	Conceptual basis	Statement on how the Code will relate to change in legislation (West Midlands event).
	Structures	Direct communication with BME TSOs is needed (Manchester event).
Building Capacity		
		Training needs are not being met (Bristol event).
What needs to be improved?	Conceptual Basis	Training and support for grass-roots organisations is a key function of infrastructure – must be delivered by people who understand the specific needs of BME grass-roots organisations (Bristol event).

	Funding and resources	Need to bring in available capacity from other sectors, e.g. businesses and the public sector, to support BME infrastructure (Bristol event).
The Compact and Equalities		
	Extending the Compact to include equalities	<p>It's not a level playing field – other groups i.e. LGBT have very strong lobbying (London event).</p> <p>Other equalities groups have greater power and resources (London event).</p> <p>We're not ready for mainstreaming (London event).</p> <p>Need to support BME communities to support community cohesion (London event).</p> <p>BME groups have a specific role to play – especially with increasing diversity – to ensure civil society support (London event).</p> <p>Real danger that all equalities need to be treated the same. Doesn't think Compact does take account of inequality. It is not just the 7 strands. But shouldn't level down. BME code needs to be strong on BME specific issues (Leicester event)</p>
	Structuring a revised Compact	<p>Length if too many different Codes (London event).</p> <p>BME Code and Equalities and Diversity Code of practice (London event).</p> <p>BME Code needed – but explanation of where fits into wider equalities agenda (London event).</p> <p>Other Codes need to recognise inequalities (Leicester event).</p>