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23rd December 2009.

Campbell Robb,
Director General,
Office of the Third Sector,
35 Great Smith Street,
London SW1P 3BQ.

Dear Campbell,

Re: Voice4Change England contribution to Government Action Plan.

Voice4Change England welcomes the opportunity to input into the Government Action Plan of support for the Third Sector in response to the economic situation. Whilst our recommendations to Government have a general application, our particular focus is on the BME Third Sector to ensure that the needs of diverse communities continue to be met.

Our recommendations to the Action Plan are informed by discussions involving V4CE Partners, along with involvement in the NCVO Recession Summit on 24th November and the OTS Strategic Partners meeting on 15th December.

Many V4CE Partners have recognised that the battle for survival is nothing new for BME Third Sector organisations. We have been historically under-funded and are therefore disadvantaged in relation to the generic Third Sector to respond to the extra demands of the economic downturn. A lack of resources already hinders the capacity of BME Third Sector organisations to meet the full range of needs of BME communities. Any further adverse impact on this position as a result of the recession is likely to lead to the loss of vitally needed support to people often marginalised and discriminated against in our society. Therefore, the Government Action Plan must address the needs of the BME Third Sector from the perspective that it has long been in a crisis situation in terms of seeking adequate funding and ensuring survival.

Context

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'.¹ The BME Compact 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 JRF² 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 research³ found that BME VCOs 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'.

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).⁴</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 rate for White (1.4 per thousand) and Asian people (1.5 per thousand).⁵</p>
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</p>

¹ McLeod M, Owne 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.

² Joseph Rowntree Foundation, 2007, [Poverty and Ethnicity in the UK](#)

³ 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

⁴ CLG, 2007, [Improving Opportunity, Strengthening Society: Two years on - A progress report \(Annex\)](#)

⁵ *Ibid*



	<p>level in 2006 and the achievements of Black Caribbean and Other Black background pupils were also relatively low, (30% and 31% respectively).⁶</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 3.⁷</p>
Employment	<p>In 2005/06, the employment rate gap between minority ethnic men and White men was 10 percentage points.⁸</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.⁹</p> <p>Bangladeshi and Pakistani women had the lowest employment rates (23% and 25%) and highest economic inactivity rates (72% and 68%).¹⁰</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).¹¹</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.¹²</p>
Attitudes	<p>Recent years have witnessed a hardening of some attitudes towards immigrants and ethnic minorities over the last few years.¹³</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 2002) and this was also reflected in the National Citizenship Survey findings from 2001 to 2005.¹⁴</p>
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,</p>

⁶ *ibid*

⁷ *ibid*

⁸ *ibid*

⁹ *ibid*

¹⁰ *ibid*

¹¹ *ibid*

¹² *ibid*

¹³ Ipsos Mori for the CRE, 2007, [Race Relations 2006: A research study](#)

¹⁴ *ibid*



	<p>Indian and Chinese people. Muslims face much higher poverty risks than other religious groups.¹⁵</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.¹⁶</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.¹⁷</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”.¹⁸</p> <p>There were 15 MPs elected at the 2005 general election from an ethnic minority.¹⁹</p>

Comments on the themes

Our comments largely follow the themes and issues raised at the NCVO summit.

Meeting demand for public services particularly in deprived areas

As previously noted there is already a deficiency in the provision of public services to BME communities. Along with continuing levels of discrimination and deprivation this means that BME and deprived communities are likely to be hit hardest by the recession. Substantial action is required to both improve the engagement with services and also to meet extra demand. This could take the form of providing ring-fenced funding for services that meet the needs of BME communities as the Government needs to be pro-active in ensure we get the support required. We propose that an investment vehicle be created to channel funding to programmes that are responsive to local needs around employment, housing, and social care and health.

Addressing potential income issues through local and national level funding and maximising charitable giving

Lack of funding is already a limiting factor for BME Third Sector organisations. Therefore, it is vital that monies due on contracts are paid in time, if not in advance, to help with cash flow. Where these contracts are with non-statutory bodies then the

¹⁵ Joseph Rowntree Foundation, 2007, *Poverty and Ethnicity in the UK*

¹⁶ Home Office, 2006, [Race Equality in Public Services](#), Statistical Annex

¹⁷ Joseph Rowntree Foundation, 2007, *Poverty and Ethnicity in the UK*

¹⁸ Mori for the Electoral Commission, 2005, [Black and Minority Ethnic Survey](#)

¹⁹ [UK parliament website](#), accessed 9th November 2008,



government should consider under-writing the monies owed to provide guarantee on future income. A possible source of funding is for the government to expand the identified use of proceeds from dormant bank accounts to address the present situation.

We would also like to stress the importance of Government maintaining its commitment to a Compact way of working throughout the economic downturn. At this time it is particularly important that Government should uphold commitments such as 7.6 of the Funding and Procurement Code to give voluntary and community organisations a minimum of 3 months notice at the end of grants or contracts and of 6.6 in the BME Code that Government adopts a flexible and supportive approach to BME organisations experiencing organisational difficulties.

Modernisation of the sector to cope with financial pressures.

We are keen to explore the potential benefits for BME Third Sector organisations to share back office facilities to save costs and be more efficient in running services. Such collaboration would be a positive and progressive move in strengthening the BME Third Sector, both in terms of policy development and service delivery. However, resourcing is important to facilitate and support collaboration and to ensure organisations are confident of their new relationship(s). Key to this will be help in reaching legal agreement on what will be delivered and required to make real the working arrangements. Support can be provided by local and regional statutory bodies to encourage organisations to consider how they can better work together and to provide technical assistance to facilitate any collaboration.

Building social capital (volunteering, for example) and tackling worklessness

Volunteering is not fully developed within the BME Third Sector and the Government needs to help the sector by creating an environment where we can fully exploit the opportunities that might arise in the recession. For example, if skilled workers are wanting to improve their re-employment options by volunteering for BME Third Sector organisations then the Government should acknowledge that it is a positive social activity and ensure that welfare policies support rather than prevent this happening.

We would like to see specific measures introduced to support BME women to gain training to support them in getting jobs. This support must recognise their needs around childcare and their role in the family. The training opportunities should look beyond traditional employment and provide advice on home working and starting social enterprises.

Advice and counselling

In circumstances of reduced income, increased debt, and stress it is essential that there are services that people can approach for advice and counselling. Finding these services can be difficult for BME communities. However good practice examples exist such as the Bristol-based Bright Project that was established in response to reports of inequality in accessing advice on legal rights. The Project is targeted at helping BME communities get increased access to legal and benefits advice. We recommend that the Government consider how services like this can be established nationally to



ensure that BME communities are getting the best advice available. Further details can be found on their website www.brightproject.org.uk/

We would like to see Regional Action Plans below the level of the national plan to ensure that regional circumstances and needs are taken into account in delivering the action plan. People's lives will more be affected by the local application of any Action Plan than the national framework. Therefore, it is crucial that local people are involved in the devising and implementation of the Action Plan in their communities to make the activities responsive to communities needs. An element of this regional perspective should be that there is a responsibility to monitor the effectiveness of the plan in supporting BME Third Sector organisations working in BME communities.

There also needs to be an assessment of the overall Government Action Plan and we request that a Race Equality Impact Assessment be conducted.

Recommendations

We list our various recommendations for action the Government can take below:

1. Ring-fenced funding for services that meet the needs of BME communities.
2. An investment vehicle to channel funding to programmes that are responsive to local needs around employment, housing, social care and health of BME communities.
3. Government to under-write monies owed to Third Sector organisations by non-statutory bodies for services supporting the delivery of state services.
4. The Government to expand the identified use of proceeds from dormant bank accounts.
5. Local and regional statutory support to advise on the benefits of collaborative working and then help with agreements creating joint working arrangements.
6. Targeted support for BME Third Sector to gain from volunteering.
7. Targeted training to support BME women into employment.
8. Assessment of the services available for BME communities to access advice and counselling services.
9. Regional Action Plans to ensure that regional circumstances in delivering the action plan are taken into account.
10. Monitoring of the effectiveness of the Action Plan in supporting BME communities.



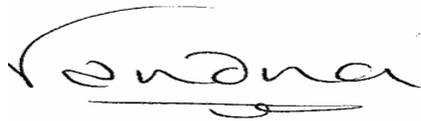
11. A Race Equality Impact Assessment must be conducted on the Government Action Plan.

12. Government maintains a commitment to a Compact way of working throughout the economic downturn.

We hope that the Government recognises that without a strong thriving BME Third Sector it will lose the partner organisations necessary to deliver many of its programmes and the expertise of people able to assist in its development of race and equalities policies. Such an outcome would exacerbate existing inequalities and undermine moves to achieving social justice for all in our diverse society.

We are happy to provide further information on the above matters and welcome the opportunity to meet to discuss them. Please contact me on 020-7843 6130 or vandna@voice4change-england.co.uk

Yours sincerely,



Vandna Gohil
Director,
Voice4Change England.

cc Helen Stephenson, OTS Third Sector Support Team.