

Voice4Change England
Open public services white paper
Consultation Response
Submitted to Cabinet Office
September 2011



Voice4Change England response to the open public services white paper

About Voice4Change England

Voice4Change England (V4CE) is a national advocate for the Black and Minority Ethnic voluntary and community sector (BME VCS). BME voluntary and community organisations (BME VCOs) are a crucial part of civil society that have emerged from and work for BME communities. By supporting the BME VCS we aim to improve the life outcomes for BME and other disadvantaged communities. As the only national membership organisation dedicated to the BME VCS we speak up to policymakers on the issues that matter to the sector; bring the sector together to share good practice; and develop the sector to better meet the needs of communities.

About the BME VCS

The BME-led VCS plays a crucial role in tackling race inequalities. Through a range of activities including cultural, social and economic support programmes; advocacy and advice on legal issues; health services; supplementary schools; and day care community centres, the BME VCS empowers communities to design solutions; build social cohesion; tackle race inequalities and discrimination; identify and respond to needs; and to be heard by policymakers. BME VCOs reach communities that others cannot and do not reach. They combine creativity, flexibility and commitment to meet the changing needs of BME communities. They also play an active role in advocating for changes in the policy and practice of generic service providers.

Further information

If you would like to discuss our response further or if you have any questions please contact Jemma Grieve Combes, Senior Policy and Parliamentary Officer, Voice4Change England at jemma@voice4change-england.co.uk or on 020 7843 6129.

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

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Key recommendations

- **Accountability:** Government should ensure checks and balances are in place to ensure a minimum standard for equality and human rights objectives. There needs to be a national steer whilst allowing local authorities to be responsive to local needs. Equality Impact Assessments should be applied to changes in policy and practice, and Government at all levels should comply with equality and Compact duties in public service design and delivery.
- **Capacity building communities:** Government should ensure that aspirations to engage local people in decision making have resources for

implementation and monitoring. Equality and diversity should be built into engagement mechanisms and there should be checks and balances to ensure that the BME voice is not marginalised.

- **Value of specialist service delivery:** Government should recognise the value of and legal opportunity to deliver BME specific services and support their continued role at a national and local Government level.
- **Opening up contracts to small providers:** Commissioners should Invest in building meaningful consortia and partnerships where organisations have identified this as an appropriate course of action. When taking on consortia ensure that the role of each consortia member is clearly defined and reward a track record of successful working with the breadth of the VCS. They should also open up opportunities for smaller providers by breaking large contracts into smaller contracts or including subclauses allowing prime contractors to work with small providers.
- **Supporting the VCS:** Local authorities should review the availability of diverse services in their area and market-shape and pump-prime services where this will ensure the needs of communities are met. This should include putting in programmes of support to allow organisation, including BME social enterprise, s to transition to new ways of providing services, to diversify their offer and change their systems and procedures. Where possible Local Authorities should work with local BME infrastructure organisations to provide this support to the BME VCS.
- **Payment system:** Payments should be made in advance and the appropriateness of payment by results assessed when the needs of vulnerable communities are being addressed.
- **Social return on investment:** Public sector contracts should include criteria for social return on investment as well as value for money and allow for flexibility in how contracts are delivered so that community needs can best be met.

Methodology for the Response

Our response draws on previous consultation responses V4CE has submitted including:

- The Comprehensive Spending Review (2010)
- CLG Select Committee inquiry into Localism (2010)
- Modernising Commissioning (2011)

We have used evidence including:

- Responses to Voice4Change England's Open Public Services questions from Hooner Kelah, Mainstream Partnership Organisation, PRENO and Bedfordshire Social Enterprise Network.
- Findings from our *Shared vision for the future of the BME VCS*¹ research. This included over 100 online survey respondents as well as thirteen in depth interviews with leaders in the BME VCS.
- A focus group in the North West with BME VCOs looking at the impact of public spending cuts (November 2010).

¹ Voice4Change England, 2010, A Shared Vision for the future of the BME VCS.

Structure of the response

We have responded in the structure set out in the consultation document: individual services; neighbourhood services; commissioned services; and diversity of providers. We have addressed the most relevant questions in each area, though there is necessarily some duplication, especially on issues of accountability.

Section 1: Individual services

Question: How best, in individual services and on a case-by-case basis, can we ensure that people have greater choice between diverse, quality providers?

Question: Consistent with the Government's fiscal plans, what further opportunities exist to target funding to help the poorest, promote social mobility and provide fair access to public services?

Ability to exercise choice

Mechanisms to allow individuals to choose the best services available will only succeed if people are aware of them and able to use them. Some have found that shifts to personalisation have failed to meet the needs of the individual due to the difficulty in shifting from a 'one size fits all' approach in statutory services and the lack of resource made available to VCS providers.

Amongst BME communities there has historically been a low take up of personalised budgets and other mechanisms intended to put people in control of their own services. Research has identified a number of reasons for this. For example, BILD² found that BME communities with learning disabilities experienced: concerns and anxieties about professionals entering homes; complicated written information; lack of understanding of culture; and lack of appropriate service provision. The Joseph Rowntree Foundation identified that poor knowledge of services and entitlements amongst BME communities meant that many gave up trying to get a service³. Respondents to Voice4Change England on the Open Public Services White Paper also identified barriers including language, lack of awareness and understanding, accessibility of information, knowledge of impact on other benefits, and management of personal budgets causing accelerated stress.

Recommendation 1: we support Government's intention that frameworks for choice in different individual service areas will consider fair access to services as a key requirement. This should include a requirement to carry out Equality Impact Assessments in changes to service provision and to identify and tackle barriers to using mechanisms such as personal budgets as well as in accessing services.

Building diverse markets

² Butterworth, S., 2010, Excellence in BME Advocacy Services, for BILD. Available online at: <http://www.bild.org.uk/humanrights/past/Past%20project%20report%208.2010.pdf> (Accessed 29 September 2011)

³ Joseph Rowntree Foundation, 2011, Response to the Department of Health consultation Liberating the NHS: Greater choice and control. Available online: <http://www.jrf.org.uk/sites/files/jrf/librating-NHS-greater-choice-control.pdf> (Accessed 29 September 2011)

The ability to exercise choice is obviously limited by the diversity of the market. Currently, disadvantaged BME communities experience gaps in appropriate service provision. This is a particular issue outside of cities with large BME populations and in rural areas. For example, a participant at our North West focus group stated that due to lack of local provision in Cheshire, they had to signpost individuals to the SEVA project in Manchester. The project, which focuses on mental health and BME communities, is however facing closure due to cuts from the NHS. The loss of such a service would leave a gap in provision for BME service users who rely on SEVA to meet both cultural and sensitivity needs. SEVA is not alone in facing spending cuts. In 2010, CEMVO found that 45 per cent of 173 BME VCOs surveyed had suffered cuts by local authority and other funders⁴. Since then, many more organisations have been affected. There is a risk that as Government is seeking to increase choice, the diversity of the market will decrease.

See section 4 on how to increase diversity of the market.

Question: How can we ensure that people are aware of, and can exercise, their right to choice effectively in specific services, through choice champions, choice prompts, data and a possible new role for Ombudsmen?

Question: What is the appropriate role for elected and unelected office-holders in championing individuals' ability to exercise choice and ensure accountability from service providers?

Advocacy, information and support will be essential to ensure that diverse communities can access appropriate support. However, the source of the support and the way it is provided is important. For example, taking the field of health and social care, Richardson and Fulton⁵ argue that 'advocacy services can play an enabling or bridging role in facilitating access for vulnerable groups' but that 'barriers exist which can prevent individuals from BME communities from gaining equitable access to advocacy services and, hence, from gaining equitable access to health and social care'. They recommend that a cultural competency framework is applied to advocacy services.

BME VCOs are well placed to ensure that diverse communities can exercise their right to choice effectively. They can support service uptake by making sure that communities are aware of their options and are able to use them. They can tackle service failure by acting as an advocate for service users, for example, where users have taken on unwanted responsibilities or need a route to redress.

⁴ Craig, G., Adamson, S., Beebeejaun, Y., Cole, B., Dadze-Arthur, A., Murtuja, B. and Osdipe, O. 2010, Building Capacity in Black and Minority Ethnic Organisations: An evaluation of The National Capacity-Building Programme of the Council of Ethnic Minority Voluntary Sector Organisations, for CEMVO. Available at: http://www.cemvo.org.uk/download/NCBP_Evaluation_Executive_Summary_new.pdf (Accessed: 29 September 2011)

⁵ Richardson K. and Fulton, R., 2010, Towards Culturally Competent Advocacy: meeting the needs of diverse communities, for BILD. Available online at: <http://www.bild.org.uk/humanrights/past/cultural%20competency%20paper.pdf> (Accessed 29 September 2011)

And they can influence appropriate service design by using their experience and user research to inform the policies and activities of providers to better develop their programmes.

Whilst the use of Ombudsmen can add gravitas when a route to redress is needed, our experience of VCOs dealing with Ombudsmen is that the response to queries and complaints is very slow and rarely leads to recourse for a challenging organisation.

Recommendation 2: Government should explore the establishment of local bodies or specialist units within local authorities which are solely dedicated to ensuring that service providers are held accountable for any failings. Such bodies should include diverse VCS representation to ensure equal and fair representation.

Recommendation 3: Members from BME communities should be encouraged to stand for elected bodies. Where BME communities are under-represented, elected bodies should make better links with BME communities and the organisations that represent them.

Recommendation 4: Local authorities should provide training and information to local BME VCOs on changes to public service delivery so they are better able to support communities and service users.

Availability of data is important. We have been concerned about the removal of key data sources on equality such as the requirement to monitor ethnicity in stop and search. We support Government's proposals that key data about public services including user satisfaction and equality should be collected from all providers from all sectors and placed in the public domain. Data alone is however not enough. Local and central Government should use the evidence available to ensure public service provision is fair and to identify proactive steps where communities are not receiving appropriate services.

Recommendation 5: Government should take forward its plans to ensure that key data about public services including user satisfaction and equality will be collected from all providers from all sectors and placed in the public domain. We would be happy to work with Government to ensure that the right data is collected.

Question: How can we ensure that our approach to opening public services protects and enhances accountability rather than dispersing it?

In our joint response with Urban Forum to the CLG select committee we welcomed the shift in focus to outcomes from the point of view of the service user, and targeting of resources to meet local needs. We recommended that a new framework for performance management needs to be in place where service providers are answerable to local citizens and service users, rather than to national government; that safeguards against service failure and against discrimination; and where citizens have a clear understanding of what they can expect, and

what to do when things go wrong. Monitoring of standards to assure quality should be done through involvement of service users, residents and peer review. The VCS has a role to play in this to involve service users in evaluating services.

We are pleased that Government recognises in the White Paper that the central state has an essential role to play in overseeing core standards and entitlements. In our 2010 publication, *A shared vision for the future of the BME VCS*, we recommended that central Government should ensure checks and balances are in place to ensure a minimum standard for equality and human rights objectives. We recommended that there needs to be a national steer whilst allowing local authorities to be responsive to local needs.

There is a risk that in opening up services to a range of providers from all sectors, local and national Government will be seen to be 'contracting out' of its requirements under the Public Sector Equality Duty. Therefore it must be made clear which party would be held accountable under the Public Sector Equality Duty in sub-contracting arrangements. There is also some uncertainty as to whether Neighbourhood councils are covered by the Public Sector Equality Duty, despite their proposed increased role in carrying out public functions.

Recommendation 6: contracts for service provision should make clear which party would be held accountable under the Public Sector Equality Duty in sub-contracting arrangements.

Recommendation 7: Government should provide clarity that Neighbourhood councils are covered by the Public Sector Equality Duty.

We are pleased that Government have recognised the risk that new providers deal only with 'easy' cases and that providers will only be permitted to select client groups where it explicitly advantages the disadvantaged and that there will be targeted funding to help the poorest, promote social mobility and provide fair access. To avoid confusion over the legal ability and at times need to provide community specific services we recommend that monitoring arrangements include explicit understanding that equalities legislation sometimes requires the development of BME-specific services, and other services specific to minorities.

Recommendation 8: In its role of overseeing core standards and entitlements, central Government should ensure checks and balances are in place to guarantee a minimum standard for equality and human rights objectives, and that Equality Impact Assessments are conducted on all proposed policy changes.

Recommendation 9: monitoring arrangements for public service delivery agents should include an explicit understanding that equalities legislation sometimes requires the development of BME-specific services, and other services specific to minorities.

Section 2: Neighbourhood services

Question: How do we ensure appropriate accountability for services run by communities to ensure that those not involved directly are not disadvantaged?

There is a risk that measures to allow communities to own, run or govern services could exacerbate inequality, as those with the resources, time, skills and confidence are better placed to take advantage of new opportunities. However, with the right support in place, initiatives that put power and resources into the hands of deprived or otherwise marginalised communities can be a powerful antidote to disaffection and alienation.

In developing improved systems of local governance, we need to learn the lessons from the past. BME communities have been seriously under-represented on Local Strategic Partnerships (LSPs) and other decision making tables. Research conducted by BTEG⁶ found that only one third (32%) of the Neighbourhood Renewal Fund LSPs had a place on their board for one or more BME representatives. Lack of representation is particularly acute for minority groups in rural areas and suburbs and for Gypsies and Travellers.

Our Shared Vision research⁷ identified that barriers to representation for BME communities and the organisations that represent them included, inflexible processes that do not recognise the need to do things differently, for example, by actively outreaching to BME communities or ensuring meetings are accessible. And that many BME VCOs do not have a history of representation at a local level and are assumed to be represented by generic organisations. Personal barriers may also exist for BME community representatives including discrimination and scrutiny levels, lack of a support group, media pressures, and negative responses in challenging the status quo i.e. hostility from the BNP.

If decision-making is to be devolved to all communities, the mechanisms by which this happens must be more representative, and more importantly we need to develop and stimulate participation linked to these structures that involve all sections of the community. 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.

IPPR recommends a number of ways of unlocking citizen participation including:

- (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.
- (g) Training.⁸

⁶ BME representation in LSPs (BTEG and Urban Forum 2006, for CRE, now EHRC).

⁷ Voice4Change England, 2010, A Shared Vision for the future of the BME VCS.

⁸ IPPR, 2010, Capable Communities: Towards Citizen-Powered Public Services.

Recommendation 10: Government should ensure that aspirations to engage local people in decision making have resources for implementation and monitoring. Neighbourhood Councils should be proactive in seeking BME representation and use legislation to create policies or programmes to support people. This could include making structures more accessible via mentoring, expenses payable and outreach to BME VCOs to bring them on board. Equality and diversity should be built into engagement mechanisms and there should be checks and balances to ensure that the BME voice is not marginalised.

Section 3: Commissioned services

Question: How can we ensure that commissioners and providers are best held to account?

As mentioned earlier, there is a risk that in opening up services to range of providers from all sectors, local and national Government will be seen to be 'contracting out' of its requirements under the Public Sector Equality Duty. Therefore it must be made clear which party would be held accountable under the Public Sector Equality Duty in sub-contracting arrangements.

We also welcomed Government's recognition of the risk that new providers deal only with 'easy' cases and that providers will only be permitted to select client groups where it explicitly advantages the disadvantaged. To avoid confusion over the legal ability and at times need to provide community specific services we recommend that monitoring arrangements include explicit understanding that equalities legislation sometimes requires the development of BME-specific services, and other services specific to minorities .

See recommendation 9: monitoring arrangements for public service delivery agents should include an explicit understanding that equalities legislation sometimes requires the development of BME-specific services, and other services specific to minorities.

Recommendation 11: Local authorities should provide annual reports on how they have met the public sector equality duty as is required under the The Equality Act 2010 (Specific Duties) Regulations 2011.

Recommendation 12: Local authorities should publish an online database on which organisations have been awarded public sector contracts, the amount awarded and length of contract.

Question: What new skills and training will commissioners need?

To be successful in providing fair access to services Government needs to ensure that public service commissioners and procurement officers receive appropriate training on equality and human rights issues and legislation, and on equality-led voluntary and community organisations. The National Programme for Third Sector Commissioners successfully ran equality training days as part of its wider work. We

recommend that similar events are run targeted at both commissioners and others involved in the commissioning process such as procurement officers. To ensure staff can put into practice the knowledge and training they have on equality, senior management also need understanding of the importance of equality and how it needs to be embedded into public service design and delivery.

Recommendation 13: A programme of equality training days for commissioners and procurement officers should be rolled out using the knowledge and lessons learned from the National Programme for Third Sector Commissioners.

Section 4: Increasing the diversity of providers

Question: How do we ensure a true level playing field between providers in different sectors?

Question: How should government regularly review the barriers to entry and exit for providers?

Safeguarding of specialist service provision

BME specific services such as those delivered by Southall Black Sisters and the Asian People's Disability Alliance have developed in response to the failure of generic services to meet the needs of BME communities. They provide services sensitive to cultural, religious and linguistic needs that generic services often overlook and reach communities that other providers label 'hard to reach'. Our case study report⁹ found that specialist services: meet local needs; empower users; create bridging social capital; and contribute to social cohesion.

'The cultural sensitivity, understanding and flexibility is not always available through other agencies. Because the organisation is needs-led, the client/customer always feels their needs come before the running of the service i.e. we fit in with them wherever possible!'

Participant at V4CE Cohesion Guidance for Funders consultation event, Manchester, March 08.

Often a false dichotomy is drawn between generic or specialist services. In reality both are needed to meet the needs of disadvantaged BME communities. It is important that race equality is embedded in generic services and that good practice and innovation from the BME VCS is mainstreamed into wider public service delivery. At the same time specialist services need to be supported to reach the needs of the communities others do not reach and to develop innovative solutions to meet their needs.

Government has recognised the importance of BME and other specialist organisations to represent and support disadvantaged communities and to promote social and community cohesion. For example, Compact commitment 5.1 requires public bodies to:

⁹ V4CE, 2008, [Discussion Paper 3: Evidencing the value of the BME Third Sector](#).

Work with Civil Society Organisations that represent, support or provide services to people specifically protected by legislation and other under-represented and disadvantaged groups. Understand the specific needs of these groups by actively seeking the views of service users and clients. Take these views into account, including assessing impact, when designing and implementing policies, programmes and services.

Compact commitment 5.2 further requires public bodies to:

Acknowledge that organisations representing specific disadvantaged or under-represented group(s) can help promote social and community cohesion and should have equal access to state funding.¹⁰

Despite this recognition, in recent years, BME VCOs and the BME ISOs that serve them have come under intense scrutiny to justify why their specialist services are needed.

Government has placed emphasis on the delivery of services coming from SMEs and social enterprises. New research by the TSRC has found that Government policies risk alienating BME communities further. Despite a fast emerging wealth of BME social enterprises, they are still not being properly recognised as key delivery agents. They are still not enjoying many of the development and opportunities accessed by the wider social enterprise sector. BME social enterprises are very well placed to build social cohesion, provide public services and deliver to groups that the mainstream cannot.

Recommendation 14: Government should recognise the value of and legal opportunity to deliver BME specific services and support their continued role at a national and local Government level.

Recommendation 15: Government should ensure that the pressures of spending cuts do not lead to a false choice between generic or specialist services but that the role of both is supported.

Recommendation 16: Government should support the BME social enterprise sector to access: investment; private sector expertise to build their capacity; and better information and support services to allow them to grow. We also endorse IPPR North's recommendation that local authorities should provide 'seed corn' grant funding in order to support organisations become 'enterprise-ready'.

Creating a level playing field: Commissioning and procurement

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 Intelligence¹¹ into

¹⁰ HM Government. (2010). *The Compact* (Commitment 1.3). London: Cabinet Office.

¹¹ Shared Intelligence, 2008, Evaluation of the National Programme for Third Sector Commissioning: Consultation with BME Third Sector Organisations

procurement and commissioning found that BME VCOs shared many challenges with other small organisations. However it also found 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. To create a level playing field for BME VCOs, several steps can be taken.

Recommendation 17: Public sector contracts should include criteria for social return on investment as well as value for money and allow for flexibility in how contracts are delivered so that community needs can best be met.

Recommendation 18: Government should ensure equality and Compact duties are an integral part of commissioning and procurement processes.

Recommendation 19: Commissioners should open up opportunities for smaller providers by breaking large contracts into smaller contracts or including subclauses allowing prime contractors to work with small providers.

Recommendation 20: Commissioners should invest in support for BME VCOs and social enterprises to compete in commissioning and procurement processes. Market building can be important to ensure that the needs of all communities are met. This could include ensuring organisations are contract ready by providing or funding support on, packaging and costing services, organisational policies, financial and management structures, IT structures, and risk management.

Recommendation 21: Payments should be made in advance and the appropriateness of payment by results assessed when the needs of vulnerable communities are being addressed.

Recommendation 22: Commissioners should ensure that information about commissioning opportunities is circulated to small voluntary and community organisations well in advance of the deadline to allow organisations with time and capacity constraints to bid.

Recommendation 23: Local authorities should support local BME infrastructure organisations to upskill BME VCOs to ensure they are contract ready.

For more detailed information on leveling the playing field for BME VCOs in commissioning please see our response to Modernising Commissioning (2011): http://www.voice4change-england.co.uk/webfm_send/38

Collaboration

Bidding in consortia and other forms of collaboration can be a successful way for BME VCOs to bid for larger contracts where they feel this will benefit their beneficiaries. 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.

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. Voice4Change England will shortly start a 2 year piece of work on how to build fair and equitable partnerships between BME and generic VCOs. We would be happy to share the findings of our work to share good practice and innovation.

Recommendation 24: Public authorities should invest in building meaningful consortia and partnerships where organisations have identified this as an appropriate course of action but should not seek to drive this agenda. When taking on consortia, authorities should ensure that the role of each consortia member is clearly defined and reward a track record of successful working with the breadth of the VCS.

Creating a level playing field: individual services

BME voluntary and community organisations are skilled at providing services tailored to the needs of individuals. Services have developed where mainstream services have failed to meet the needs of diverse communities, and provide an approach that is sensitive to cultural, religious and linguistic needs. There is however a risk that the pace of change on individual services may leave BME VCOs behind. A lack of capacity in organisations, particularly around ICT, finance systems and staffing, may limit the ability of BME VCOs to engage in new ways of providing individual services without additional funding. It can also be difficult to maintain funds for core staff to work core hours within the flexibility of personal budgets.

Recommendation 25: Local authorities should review the availability of diverse services in their locality and market-shape and pump-prime services where this will ensure the needs of communities are met. This should include putting in programmes of support to allow organisations to transition to new ways of providing services, to diversify their offer and change their systems and procedures. Where possible Local Authorities should work with local BME infrastructure organisations to provide this support to the BME VCS.

Recommendation 26: Local authorities should ensure information about changes to public services and the opportunities for voluntary and community organisations reaches the diversity of the VCS.

Recommendation 27: we agree that barriers to entry and exit for providers should be regularly reviewed. This should include a specific consideration of small equality-led providers. Any review should include listening exercises with local organisations, evaluation of application processes, and a breakdown of the types of organisation's winning contracts.