

**BTEG NATIONAL CONFERENCE
NOVEMBER 2007**

CONFERENCE SUMMARY

FOCUSING ON THE FRONTLINE



BTEG would like to thank Capacitybuilders and the six national hubs for supporting the conference.

We would also like to thank everyone who attended the conference. We hope that you will use this report to help improve the support provided to BME frontline organisations.

If you would like to comment on any of the issues raised in this report please contact:

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1. Background to the conference

1.1 Central Government Policy in Context

The BTEG conference, *Focusing on the Frontline* was held in November 2007, in partnership with Capacitybuilders and the six national hubs. It sought to highlight and address some of the key policy messages from central government on the future role of the third sector and focus attention on the support needs of black and minority ethnic (BME) frontline organisations. The conference brought together policy makers and BME third sector organisations in order to gain a clearer picture of future investment in the sector, to find out how BME third sector organisations might benefit from the investment and whether the sector as a whole feels confident about its future in relation to funding and access to public sector contracts.

2 Key messages from the conference

2.1 Third Sector Funding

Targeted local grants have benefited frontline organisations for a long time but this vital resource is quickly disappearing from the grasp of BME groups. The Government's drive for the sector to deliver public services has led to the demise of local authority grants and the increase in public sector contracts. Yet, BME frontline organisations play an important role in delivering services that meet the needs of BME communities, providing a supportive environment for settlement and integration.

2.2 Delivering Public Services

There is a cultural shift taking place from grant giving to commissioning. Third sector organisations will need to move from grant dependency to raising income. The Government is increasingly looking to the third sector to learn more about delivering public services to meet the needs of local people and the sector has a role to play in informing central and local government. The Government also recognises that for voluntary and community organizations (VCOs) to take full advantage of contract opportunities, full cost recovery is a necessity.

2.3 BME Participation in Local Policy

Now more than ever BME people need to be involved in local decision making and to lobby government to ensure policies are inclusive of BME communities. Local authorities need to provide greater opportunities for more people from BME communities to become involved in the local political process. At the same time, BME communities need to take greater responsibility for civic participation. The BME third sector has to be involved in the struggle for social justice. It must be a part of the strategic processes, which exist at a local level in order to shape and influence local policy and local services for BME people.

2.4 Community Cohesion

The community cohesion agenda has become a dominant issue within Britain and within British politics. How people from diverse backgrounds connect with each other, living side by side is a matter that the Government is keen to address. In June 2006, the Commission on Integration and Cohesion Report recommended that funding given to community groups based on a particular single identity such as ethnicity or religion be made the exception rather than the rule. For the BME sector this could have a devastating effect.

Many BME groups exist for that very purpose – to provide support services to a particular group based on ethnicity and/or religion, whether it is a Muslim women's centre or an African cultural group. Both examples can provide tailored support that meets the cultural needs of its people, yet the Commission believes this may hinder integration and harbour separation. The BME sector needs to be aware of policy changes such as these, which will inevitably impact on the funding made available from a local to a national level.

2.5 Capacity building BME VCOs

Information & Communications Technology (ICT)

Capacitybuilders recognises that some organisations need support with ICT in relation to organisation performance and is working towards addressing this through the new funding streams that will provide ICT support to frontline groups.

Governance

Some funders are requesting that organisations start working towards meeting the Governance Code of Practice. The Governance Hub research found that 40 local authorities are adopting the criteria of the code to assess the performance of an organisation when it applies for funding. Organisations need to assess their trustee board regularly to see how effective they are at meeting their duties.

Performance

Funders are increasingly adopting the outcomes approach to ensure that the services they fund bring about change in people's lives. Organisations need to consider whether they believe that the services they want to provide meet the strategic outcomes of the funder before applying for funding. If the organisation believes they are able to meet the funder's outcomes they still need to consider if they have the skills, processes and systems in place that will meet the requirements of the funder.

Finance

Research carried out by the Finance Hub has found that funding is becoming more complex with competition for funds intensifying, and more charities setting up with less money available. The third sector is becoming increasingly polarised with the largest charities taking the greatest amount of third sector funding. Competition is also increasing from public and private sector providers. The need to form partnerships and consortia has become necessary to have a better chance of gaining funding and winning contracts.

Workforce

One in five calls to the Workforce Hub helpdesk are about employment issues, namely human resource and workforce development. VCOs continue to experience recruitment problems especially in the areas of youth work and social care. These positions are hard to fill due to skill shortages. Small organisations, in particular, need highly skilled staff who can undertake a variety of roles due to the lack of funding to employ a range of staff/personnel.

Volunteering

Organisations should offer volunteers skills to help them develop and move on to their career path or more permanent roles. There should be standards and systems in place within the organisation to support volunteers. More work needs to be done by VCOs in terms of advertising and recruiting volunteers and in highlighting the importance of volunteering in small organisations.

3. Recommendations

3.1 The BME sector needs to be on top of the policy agenda by engaging with local strategic partnerships (LSPs) and local area agreement processes. Deciding on which local priorities should be tackled through the local community strategy is absolutely necessary. LSPs are accountable to government offices and should also be accountable to the local community with regards to how public money is spent. BME communities have a right to be a part of those processes, which decide where and how public funding is directed at a local level. The voice of BME communities has to be strengthened and this can be achieved through increased participation. Local authorities should have an LSP coordinator that can provide information about the strategic partnership and its engagement with the third sector and provide copies of the community strategy.

LSPs need to ensure that there is proportionate representation of BME people on their main board, sub committees and theme groups. Widening access to participation can be achieved by finding ways to engage with BME communities at the grassroots level. LSPs should also be setting BME targets and providing elements of capacity building support to ensure there is meaningful participation from elected BME representatives.

3.2 The third sector should lobby local authorities to ensure that ring-fenced grants to deliver local services are made available. Lobbying local authorities is far more effective if done in partnership or through a network or forum. It also helps to be armed with evidence of good examples of outcomes achieved for local people due to the services provided.

3.3 Local authorities should consider the impact of grant reduction on the sector and the BME community as a whole. Most small organisations lack the capacity to deliver public sector contracts due to burdensome bureaucracy. Local grants give small organisations the flexibility to be innovative without being tied to strict contract rules.

3.4 Where BME organisations want to be involved in the delivery of public sector contracts, opportunities will increase if they form consortia to deliver a specific service. Local councils for voluntary services should be able to provide information on local partnerships, consortia, forums and networks that are relevant to specific sectors or refer to other infrastructure organisations that can provide information. You can find your local CVS on the National Council for Voluntary Action (NAVCA) website at www.navca.org.uk.

3.5 VCOs needs to learn how to cost services to ensure a good return for delivering public services. Full cost recovery will ensure that costs such as heating, lighting and project management are taken into account when considering the full cost of delivering a service. Contact your local CVS or NVCO to find out if there are courses on how to write a full cost recovery application.

3.6 The current climate of reduced funding will mean that many BME organisations will face even greater difficulties. Organisations want to improve and strengthen their capacity to deliver effective services but the sector needs to engage with the structures that exist within the mainstream, taking advantage of opportunities. This can be done through seeking out support services to assist in development. Capacitybuilders funds infrastructure organisations such as local CVSs to deliver

quality services to frontline organisations. BME organisations should ensure that services provided are meeting their needs. If a gap in support is identified this should be brought to the attention of the providers of support services.

- 3.7** BME organisations should ensure that the needs of the people they serve are being addressed through sector specific funding. For example, if you are delivering health or employment services to BME communities, are those needs being addressed through local authority or Jobcentre Plus commissioned services? If not, are those needs being voiced to the VCS representative on the LSP? Information should also be provided on what infrastructure support is being provided to strengthen sector specific services.

4. Central Government Policy in Context

- 4.1** Since 1997 several important government reviews have led to a greater recognition of the third sector as a valuable contributor to society and the economy, and as a key partner in striving to achieve social justice. The validity of the sector has brought about changes in government policy and funding for the sector and greater opportunities for the sector to deliver public services.
- 4.2** One of the main policy shifts that has taken place is the strengthened role of strategic partnerships at a local level, giving local authorities greater responsibility in making the decisions that directly impact on the lives of local communities. By 2003 most local strategic partnerships (LSPs) were established and in 2006 the Government White Paper *Strong and Prosperous Communities*⁽¹⁾ further detailed the vision of local government and its potential to connect with local communities. The document championed LSPs new role in bringing together the public, private and third sectors together to tackle local priorities. The Government has made it clear that more emphasis will be placed on local people as citizens who will have a role to play in engaging with local authorities to ensure their voices are heard when it comes to tackling local issues. The empowerment of local communities is at the heart of the Government's strategy to ensure all people believe they are indeed citizens of Britain.
- 4.3** Local Area Agreements (LAAs) are three-yearly mandatory agreements between central and local government, which were introduced in 2005. These agreements are about improving local services for local people. By coming together in partnership, the public, private and voluntary sectors can decide on the local priorities, which need to be tackled and find solutions to local issues to improve the area. Through the LSP, local authorities and partners have been given greater flexibility to make decisions on which public services they want delivered and how they will be delivered. From June 2008, the new mandatory LAAs will see LSPs given even greater flexibility to decide on the targets they want to tackle in the local area. The Government's drive for the third sector to play an increased role in local partnerships and to deliver public services through the LAA has also brought to the fore the capacity of VCOs to bid and win public sector contracts.
- 4.4** In 2007, the Third Sector Review⁽²⁾ looked in detail at the future role of the third sector in tackling the social, economic and environmental challenges over the next decade. The review informed the 2007 comprehensive spending review ⁽³⁾ which set out the Government's spending plans until 2010/11. In real terms, the Government will invest £500 million through the Office of the Third Sector to help the sector thrive. The report also set out the Government's commitment to

strengthen the capacity of the sector through bodies like Capacitybuilders to ensure that frontline organisations and communities benefit.

- 4.5** Since the inception of Capacitybuilders in 2004 and the development of the national hubs, there has been an extensive amount of information and resources such as training workshops, tools, guides and research studies to help improve the effectiveness of the sector. In 2006, Capacitybuilders conducted a review of its services to help plan its strategy for supporting the sector over the next seven years. Key messages from *Destination 2014*⁽⁴⁾ included the need for Capacitybuilders to strengthen its leadership role for the sector, influence funders and government to invest in the sector and improve communication to the sector about the national support services.
- 4.6** In June 2007, the Commission for Integration and Cohesion published a report entitled *Our Shared Future*.⁽⁵⁾ The report looked at the future of Britain and the challenges that face diverse communities living together. In addressing ways in which tensions can be resolved and a shared vision developed at a local level, the Commission recommends solutions that focus on a common purpose and the equal rights of people regardless of the individual's background. The Commission stated four key principles which strengthen the values of integration and cohesion:
1. Having a shared future based on values which bind people together rather than separate them.
 2. Greater emphasis on the rights of individuals and communities as citizens.
 3. Mutual respect between individuals and groups
 4. Delivering social justice as a means of promoting equality and fairness.

Following publication of the report, some of the recommendations have been strongly criticised by the BME third sector, particularly in relation to single group funding and what this could mean for the future of organisations providing services based on ethnic grouping.

A Full conference report is available for download on the BTEG website at www.bteg.co.uk

Reference and Further Reading

1. Strong and Prosperous Communities – The Local Government White Paper; Department for Communities and Local Government; October 2006
2. The future Role of the third sector in social and economic regeneration; final report; Cabinet Office; July 2007
www.communities.gov.uk
3. Comprehensive Spending Review 2007; HM Treasury
www.hm-treasury.gov.uk/spending_review
4. Destination 2014 – Changeup Delivery Strategy; July 2007, Capacitybuilders
www.changeup.org.uk/developments/destination2014
5. Our Shared Future
Commission on Integration and Cohesion; June 2007
www.integrationandcohesion.org.uk
6. www.financebhub.org.uk
7. www.governancehub.org.uk
8. www.ictHub.org.uk
9. www.workforcehub.org.uk
10. www.volunteeringhub.org.uk