



CabinetOffice
Office of the **Third Sector**

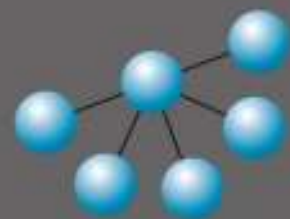


Evaluation of the National Programme for Third Sector Commissioning

Consultation with BME Third Sector Organisations



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Introduction

1. Shared Intelligence (Si) has been commissioned to carry out an evaluation of the National Programme for Third Sector Commissioning.
2. A baseline survey was sent to a wide range of third sector organisations (TSOs) but findings could not be analysed by ethnicity. Discussion of initial baseline findings with stakeholders showed that this was likely to be important, so additional research was organised with TSOs working with Black and Minority Ethnic (BME) communities in order to supplement the baseline.¹ Voice4Change England – a national policy body dedicated to strengthening the BME third sector – was instrumental in helping to set this up.
3. In a focus group, we explored BME TSOs’ current experiences of commissioning and whether any additional barriers or difficulties exist around their involvement in commissioning. The report should not be used to generalise across all BME TSOs; rather, it gives a sense of the kinds of additional difficulties BME TSOs face, and perceive to be facing, in becoming more involved in commissioning.
4. This report therefore stands alongside the full report, which is available on the IDeA Knowledge website².

Some common challenges

5. The BME TSOs highlighted some challenges and barriers that were similar to those experienced by other TSOs, particularly smaller ones. They expressed similar concerns about the pace of change around commissioning and the need for additional support/grants for TSOs who are not yet ready for this change.
6. In line with many other TSOs who contributed to the research, procurement processes were described as difficult to negotiate and too bureaucratic, with commissioners often unclear about what they want and need from the process. They also echoed concerns about the difficulties associated with calculating full cost recovery and the likelihood of being under cut if tendering for full costs. This also linked to a perception that commissioners

‘Every time we have a commissioning event in our borough, everyone thinks they’re going to give all the money to the big players. They [commissioners] talk about full cost recovery but we’d be too expensive if we did that, and the big players would undercut us.’

Focus group participant, BME TSO

¹ Eight people representing BME third sector organisations participated in a focus group. The organisations represented a range of different sectors, English regions and client groups, and included umbrella organisations as well as organisations supporting communities directly.

² <http://www.idea.gov.uk/idk/aio/8024335>

often prefer to work with the 'big players', preferring not to put much effort into encouraging and working with smaller organisations.

7. Competitive tender was also questioned by BME TSOs, who were not convinced that it was the best way of finding organisations who would best meet the needs of BME communities, arguing that a different set of skills are needed to successfully bid for and win public sector contracts than to successfully engage and support BME communities.
8. However, in addition to confirming some of the views held by other TSOs who contributed to the research, the consultation with BME TSOs highlighted some specific issues and barriers to their involvement in commissioning, which are covered below.

A limited understanding of the sector

9. BME TSOs thought that commissioners often showed a limited understanding of the diverse needs of their local communities – and by extension, the potential value of working with BME TSOs in helping to meet these needs.

'Commissioners don't comprehend the different groups. There is no one else who can deliver these services as well as the people from those communities.'

Focus group participant, BME TSO

10. In addition to this, there was perceived often to be a misunderstanding of the BME third sector, which is often regarded as one homogeneous group. Consultees pointed out that this view does not take into account the range of BME communities the sector is supporting and their differing needs, - or the differences in size, sector and the extent to which the organisations themselves are linked into existing networks. As in the third sector more widely, there are variations between levels of skills in different BME TSOs, particularly relating to their involvement in commissioning and procurement processes.
11. This has implications for the level of support and training required to encourage greater involvement. Some consultees in the focus group felt, for example, that when training was offered to them, it tended to be aimed at organisations that had no experience of commissioning - which wasn't appropriate for all. Nevertheless, others within the focus group had little experience or understanding of commissioning and procurement, and did feel that basic training was needed. This underlined the point about the need to understand and appreciate diversity in the BME third sector.

Diversity among commissioners

12. Consultees felt that the lack of understanding of the BME third sector and BME communities more generally could sometimes be compounded if there is a lack of diversity among commissioners and senior managers. BME TSOs

explained that BME commissioners were often more willing to listen to them and engage with them, and see the value of diversifying their provider base to meet a wider range of needs.

'Commissioners who have been most willing and supporting have been BME commissioners.'

Focus group participant, BME TSO

13. Some of the BME TSOs felt that because of these difficulties, some commissioners held prejudiced and stereotypical views of BME organisations in general. There was a feeling among other TSOs that institutional racism was sometimes present within public sector organisations.

'When we put in a partnership bid [with other BME TSOs], commissioners asked us if we fight! They ended up contracting with four organisations separately.'

Focus group participant, BME TSO

14. Participants also perceived a lack of trust among commissioners of BME TSOs, feeling that commissioners often put more effort into monitoring their organisations than other TSOs or private sector providers. It was suggested that commissioners were more concerned about robustness of governance arrangements within BME TSOs than amongst other TSOs and that failing to meet governance standards could rule out organisations that could otherwise provide a good service.

'They put more energy into monitoring us than other organisations. We had four visits in three months once, but they stopped when I told them they were treating us unequally.'

Focus group participant, BME TSO

Additional difficulties around accessing contracts

15. The research found that the difficulties around the procurement process experienced by many other TSOs can be compounded by language issues. Where English is not a person's first language, completing forms and responding to tender documents can be even more difficult.

'The process that it takes to move someone from a position of vulnerability to a position where they are empowered cannot be costed.'

Focus group participant, BME TSO

16. Moreover, BME TSOs said that the output-based framework used by many commissioners can have cost and resource implications for them, since many BME TSOs are working with particularly vulnerable and disadvantaged communities who subsequently require more time and effort to engage and support. This means that BME TSOs often end up doing a lot of extra work which they do not get paid for. This links to the point above about full cost recovery and also the limited understanding among commissioners of the needs of different communities and what is required to support and engage them.

17. There were also concerns raised about contracting processes that precluded 'single group funding' - in other words, requiring funded organisations to work with all potential clients rather than focusing on specific target groups. Some participants reported widening their focus or target groups in order to respond to this, but felt that it could make them less effective in meeting the needs of those they were set up to help. It was also perceived that commissioners question the ability of BME TSOs to deliver services to both BME and White communities, but do not question White organisations about this.

'Larger organisations hold the contracts and come to us for expertise - but there's no guarantee we'll get a percentage of the sub-contracts. Sometimes we've been expected to *volunteer* to help deliver!'

Focus group participant, BME TSO

18. BME TSOs participating in the group recognised that a solution to some of the problems experienced would be to build partnerships and consortia when tendering for public sector contracts. However, like other TSOs, they emphasised the fact that it takes time to build these kinds of relationships.

19. There was also an additional concern that BME organisations are sometimes included in partnerships and consortia simply to boost the lead agency's capacity to meet diversity requirements and tick the box, often with no intention to involve them in any great depth. This links to a concern raised by other small TSOs in relation to consortia and prime contracting arrangements.

'There is a danger of BME organisations being used in these partnerships. We were involved in a bid with a big organisation before, where they were going to get £50,000 and we were going to get £3,000. We didn't get it and I was very relieved.'

Focus group participant, BME TSO

Early stages: identifying needs and priorities

20. The research highlighted the fact that many BME TSOs felt that they were not well linked in with the early stages of the commissioning process. They tended to feel that larger TSOs who had a more established presence in the area were the ones who would get involved. It was also felt that the TSOs that were engaged in early stages of commissioning were not always representative of the sector or of the diversity of local communities.

'There is not enough engagement with BME organisations [around LAAs]. It is being done to BME communities without their understanding of what it is and what is happening... There is a lack of or no representation on LSPs, and even when it is there, it is likely to be a tick box exercise and not necessarily about encouraging participation.'

Focus group participant, BME TSO

21. This meant that BME TSOs were often not aware of and not involved in Local Area Agreements (LAAs) and had little representation on Local Strategic Partnerships (LSPs) and/or their theme groups. Within the focus group, there

were widely varying levels of knowledge about the LAA process. This was seen as a very important issue, given the amount of decisions now being taken at a local level. Participants also emphasised the fact that, like other TSOs who contributed to the research, even when they are consulted, they feel it is usually only to tick the box.

22. The BME TSOs also felt that they were often viewed as argumentative and/or aggressive, usually if they were arguing for a service that does not already fit with commissioners' plans. This is a particularly frustrating challenge for BME TSOs, who often feel they are campaigning for the needs of local BME communities.

What needs to be done?

23. The BME TSOs who participated in the research reported a lack of BME support organisations who could provide help, advice and training for BME TSOs on the move towards commissioning. This is particularly important since it was felt that BME TSOs need grants and capacity building support before they will be ready to make this move.
24. Given the particular needs of these groups highlighted above, this would appear to be a real gap. The steering group and Board might want to think about how the Programme can encourage commissioners to provide this support locally.
25. However, as highlighted above, the different skills levels and experience within the sector needs to be taken into account so that training and support is aimed at different levels. One participant suggested this might be on a star system, ranging from introductory to advanced.
26. In addition to this, it was felt that some groups or areas are often not heard because they do not have anyone who can campaign for them on their behalf. The BME TSOs therefore thought there might be some value in having regional champions or commissioning advisors who could work with BME TSOs in their region to ensure these organisations and the needs of BME communities are considered within the commissioning process.
27. Although much of the discussion focused on challenges, there were also some positive stories of engagement with commissioners and several of the TSOs were delivering services under contract. Where commissioning was seen as successful, it was because commissioners understood the sector, were interested in meeting clients' needs and recognised BME TSOs' expertise in identifying needs

'There is a difference between tendering on an off-chance, which we do sometimes, and working in partnership with local commissioners to provide services for what they need... organisations like ours do better when we come up against an engaged commissioner who will sit down and discuss it with us.'

Focus group participant, BME TSO

and responding to them. Openness and genuine engagement on behalf of commissioners was felt to be an important pre-requisite for working together successfully.

28. Given the challenges around the lack of understanding of many commissioners of the needs of different BME communities and of the BME third sector itself, it was suggested that the importance of this and ways of increasing knowledge should be included in the Programme, as well as the value of involving BME TSOs early on in the commissioning to support the process of identifying needs and priorities. It should also include greater awareness of what is required of public authorities under the Race Equality Duty.

'I think the commissioners need to be trained. Very often we have found they don't understand the culture and this is where a lot of the conflicts are arising.'

Focus group participant, BME TSO

29. In order to alleviate any disadvantages within the procurement process, commissioners should also be made more aware of the difficulties some BME TSOs may experience, including language needs and barriers. Making instructions and forms clear and simple would benefit all TSOs.

'Public sector organisations have a duty to promote race relations - I'm not sure they know what this means.'

Focus group participant, BME TSO

30. Finally, BME TSOs who participated in the research would like to see more recognition of the importance of BME TSOs from the Office of the Third Sector. They felt that greater emphasis could be placed on the value they bring and why it should be a fundamental part of the training commissioners receive.