The role and future development of black and minority ethnic organisations

Recent years have seen a growing interest in the role of black and minority ethnic-led voluntary and community organisations. This reflects the increased policy recognition of the voluntary and community sector in general, the impact of the Macpherson Report, which placed the issues of racial discrimination on the national agenda, and increased lobbying by black and minority ethnic umbrella organisations. However, there has been little investigation to date of the role that these organisations play. This mapping exercise, covering England and Wales, is the first large-scale study of the sector. The study found:

f Around 5,500 black and minority ethnic voluntary and community organisations currently operate in England and Wales.

f They provide a varied range of services to minority ethnic communities, particularly to people with significant social and economic needs. They tend to serve, mainly but not exclusively, particular minority ethnic communities, sometimes on a neighbourhood basis, but more commonly on a town or borough basis.

f The survey results challenge the common perception of these organisations as being small, informal bodies living a hand-to-mouth existence. Almost 90 per cent of respondent organisations had a formal legal status and just over half had an annual income of between £50,000 and £250,000.

f The survey also suggests that organisations have staying power - more than 60 per cent had been in existence for ten years or more. Income for almost half the organisations responding had been rising over the past five years. Nearly a quarter owned their premises.

f Nevertheless, the organisations surveyed were concerned about their sustainability, particularly in connection with a lack of access to core funding activities and lack of official recognition.

f Interviews with people from black and minority ethnic communities suggest that there is also a low level of awareness of the work being carried out by minority-led organisations.

f Mainstream funders' policies with respect to these organisations vary greatly. Few have an explicit policy for supporting them on an on-going basis, but some are beginning to recognise that this needs to be done. There is a marked lack, however, of a 'joining-up' of approaches to capacity building at the local level.

Background

There has been an increasing interest in the role of black and minority ethnic-led voluntary and community organisations as a result of:

- growing recognition of the role of the voluntary and community sector in general;
- lobbying by black and minority ethnic umbrella organisations which emphasised the key role these organisations played in their communities and called for their inclusion in the Voluntary Sector Compact established by the Government;
- the placing of issues of racial discrimination on the national agenda by the Macpherson Report on the death of Stephen Lawrence.

The term 'black and minority ethnic' is used here to mean 'visible' (non-white) minorities and 'black and minority ethnic organisations' are defined as organisations primarily led by and serving people from black and minority ethnic communities.

This research is believed to be the first attempt at a large-scale survey of such organisations in England and Wales. It involved a national postal survey, supplemented with two case studies in Birmingham and Brent which involved more detailed surveys of local organisations, their potential users and mainstream funders.

A profile of black and minority ethnic organisations

It is estimated (on the basis of the survey data) that there are as many as 5,500 black and minority ethnic voluntary and community organisations currently operating in England and Wales. Not all of these are based in inner cities - many are based in provincial towns and cities where significant numbers of people of minority ethnic origin live.

These organisations provide a wide range of services to minority ethnic communities, in the main to people with significant social and economic needs. Limited comparative data suggests that they do so to a much greater extent than the voluntary sector as a whole. In addition, they often play an active role in advocating change in the policy and practice on the part of mainstream service providers.

Services include education and training, health support, welfare and legal advice and advocacy, day care facilities, housing and accommodation, cultural, sports and other leisure activities. Their beneficiaries tend to be people on low incomes, unemployed people, refugees and people with disabilities or health concerns. These organisations are therefore an important resource in the efforts to tackle social exclusion and deprivation.

These organisations tend to serve, mainly but not exclusively, particular minority ethnic communities, sometimes on a neighbourhood basis, but most often on a town or local authority basis. This reflects the fact that many originate from the network of cultural, religious, economic and kinship ties that bind black and minority ethnic communities together. Neighbourhood renewal initiatives will need to bear in mind the tendency of black and minority ethnic organisations to cover a geographical area which is larger than a specific neighbourhood.

The survey results illustrate the immense diversity of these organisations. The full report analyses differences by a range of characteristics, including ethnic group, size of organisation and legal status. The report concludes that black and minority ethnic organisations do tend to comprise a distinct sector within the wider voluntary and community sector because of their origins and their propensity to deal with issues of social exclusion with a racial dimension.

A challenge to common perceptions

The survey results challenge the common perception of the black and minority ethnic voluntary sector as consisting solely of small, informal organisations living a hand-to-mouth existence. Less than 15 per cent of respondent organisations had no formal legal status. Whilst many had an annual income of less than £10,000, just over half had an income of between £50,000 and £250,000. A small number - including black-led housing associations - had an annual income level of over £500,000.

Excluding these larger organisations - which obtained most of their income from trading, investment and rent - local authority grants were the most important source of income, followed by grants from the National Lottery, charities and trusts and members' contributions.

Income for almost half the responding organisations had been rising over the past five years, suggesting that they are financially sustainable as long as there are no cutbacks from their main source of income. Nearly a quarter owned their premises; this is a perceived indicator of independence and sustainability and this high proportion is perhaps surprising.

These income levels mean that the organisations surveyed were not insignificant employers with 80 per cent in the £50,000 to £250,000 band employing four or more workers. They also had an average of

twelve volunteers providing seven hours each per week.

More than 60 per cent of those organisations surveyed had been in existence for more than ten years, a further indication of their staying power.

Development constraints and sustainability

Despite this, the organisations surveyed were worried about their ability to develop and about threats to their sustainability. Lack of easily accessible funding followed by lack of funding geared to the specific services provided were the two most commonly cited constraints to growth and development. Difficulty in securing core funding was a particular concern. Lack of official recognition was also perceived as an important constraint, particularly by informal organisations.

The case studies revealed further concerns about the growth of the 'contract culture', the growth in paperwork associated with securing funding and a feeling of exclusion from the partnerships and alliances which now form the basis of much bidding for funds.

Furthermore, there was a recognition that there were changes – particularly between generations - within black and minority ethnic communities themselves that would put pressure on organisations to adapt to new circumstances.

The survey asked organisations to state their perceived capacity building needs. Help with grant applications, general fund raising and sponsorship were clear priorities, followed by help with developing project or business plans. Help with recruiting and training volunteers was ranked third.

Awareness within communities

Interviews with members of the public (from minority ethnic groups) in Handsworth and Brent indicated that awareness of non-religious organisations was low in these communities (religious organisations fell outside the remit of this study). Less than thirty per cent of those interviewed were able to name a black or minority ethnic voluntary or community organisation.

Of those people who did know of these organisations, roughly half expressed doubts as to their efficiency and effectiveness, although this was often seen as being due to a lack of resources. A significant minority, however, saw better management as being necessary for sustainability, as was the need to "improve their image". Respondents who were aware of organisations suggested that they should "move away from the back streets" and locate themselves where they were easily accessible to the greatest number of people. Others, apparently surprised to hear of organisations operating locally, suggested that they should "advertise themselves more".

Mainstream agencies

Mainstream funders' policies vary greatly with very few having a specific policy for black and minority ethnic-led organisations although more are developing policies for communities, partly in response to the Stephen Lawrence Inquiry. To some extent, this reflects a lack of policy with regard to the voluntary sector as a whole but it also reflects a lack of knowledge of the role of black and minority ethnic-led organisations in their communities.

Although black and minority ethnic religious organisations were not formally included in the survey, the research results highlight their importance in providing non-religious services to communities. When asked about voluntary and community services, many residents surveyed clearly connected such work with religious bodies, or organisations closely associated with them. This has important implications for the flexibility required in operating grant programmes aimed at tackling social exclusion.

There is also a marked lack of a 'joining-up' of approaches to black and minority ethnic organisations at a local level. It can also adversely affect the sustainability of some organisations, for example, where no agency takes responsibility for supplying core funding. The survey showed that many organisations provide services across a number of policy areas - this needs to be reflected in the support provided to them by mainstream agencies.

At the same time, there are examples of good practice amongst mainstream funders that helped organisations to develop and become sustainable which could be replicated on a wider scale. For example, white-led housing associations in both Brent and Birmingham have provided shelter to black-led housing associations whilst they developed their capital base and skills.

About the study

The study was conducted by the Centre for Research in Ethnic Relations at Warwick University and CSR Partnership, a Birmingham-based regeneration consultancy.

The sampling frame for the postal survey was created by compiling a database of 4,000 groups

through contacts with local authorities, community relations councils, minority ethnic groups themselves and other bodies. One thousand black and minority ethnic organisations were selected at random from this database and sent a questionnaire. Two hundred replied, a typical response rate for a postal survey of this type.

Case studies were conducted in the Soho and Handsworth areas of Birmingham and the Stonebridge and Alperton areas of Brent, London. Organisations in the two case study areas were interviewed in greater depth, together with a survey of 300 black and minority ethnic residents and semi-structured interviews with 50 mainstream agencies and funders.

How to get further information

The full report, **Black and minority ethnic voluntary and community organisations: Their role and future development in England and Wales** by Mike McLeod, David Owen and Chris Khamis, is published for the Foundation by the Policy Studies Institute (price £15.95, ISBN 0 85374 778 4).