

## Black voluntary and community sector funding, civic engagement and capacity-building

The Black voluntary and community sector has a strong tradition of trying to ensure that minority communities can enjoy full citizenship rights and have equal opportunity to participate in British society. This study, by the 1990 Trust in Leicester and London, examined how Black and Minority Ethnic organisations and potential funders regarded funding and its impact on the sector. Karen Chouhan and colleagues found that:

-  Small voluntary organisations, particularly Black and Minority Ethnic groups, find it difficult to access funding, particularly core funding, and that the pursuit of grants takes up a disproportionate amount of time.
-  Black and Minority Ethnic organisations perceive that they are treated unfairly by some funders, through over-scrutiny, stereotyping and inaccurate perceptions of the way in which they work.
-  This was exacerbated by a lack of awareness of challenges facing the sector, particularly with regard to organisational capacity.
-  The Black voluntary and community sector plays an important role in capacity-building, civic engagement and social inclusion of Black and Minority Ethnic communities. This was not recognised by many funders, which focus primarily on service delivery; it has important implications for the building of social and civic capital.
-  Partnerships were considered to be beneficial, but often the strategic opportunity was lost to statutory agencies that used partnerships in a tokenistic manner.
-  More positively, many funders were now engaging in outreach and consultation with Black and Minority Ethnic communities and, as a result, were changing practices.
-  Some funders do not gather or maintain data in an accessible way on their funding distribution, by race and ethnicity.

## Background

The perceptions of Black voluntary and community sector groups, funders, and other stakeholders have rarely been investigated and taken into account in the shaping of funding regimes. This particularly applies with regard to the impact of funding practices on the capacity of the sector to meet their aims and objectives and to contribute to social inclusion and civic engagement.

## The project

With this in mind, this research sought to concentrate on:

- the impact of the sector on civic engagement and social inclusion, including capacity building for individuals;
- the degree to which local Black organisations perceive discrimination in funding and in developing working relations with mainstream service deliverers; and
- how funders relate to and understand the Black voluntary and community sector.

## Access to funding

Many Black voluntary and community organisations reported that the pursuit of grants, particularly core funding, takes up a disproportionate amount of their time. Project funding was much easier to find than core funding for rent, administration and key officers. Even where organisations calculated and included overheads, it required many projects to be ongoing to receive enough for the core. Application processes to the different funders were reported as being so cumbersome, complex, and differentiated that it was difficult for groups, especially smaller ones, submitting several applications per year, to cope with the volume of work required.

Groups were aware that changing political environments affected the fluctuations in funding and caused a 'flavour of the month' syndrome. This was an important consideration, as previous research has shown that two-thirds of the funding for the sector comes from central or local government or other statutory bodies. Only about one-third comes from trusts, charities or other sources. Thus the susceptibility of the sector to political initiatives increases the risk factor for survival.

Many of the groups interviewed had little knowledge about funding sources other than a limited list of the usual big names. They were often unsure of how to use fundraisers, and to know which ones delivered and were trustworthy.

**"Capacity building should be recognised as crucial to the real support of the Black voluntary sector. Funders, particularly those providing public sector support, have exhaustive requirements and**

**assessment procedures. To date, in our case the risk in developing the project financially is heavily reliant on the community organisation submitting the request, with limited resources provided to enable the requirements to be met. This is a severe disadvantage to organisations like ours which originate from and represent inner city disadvantaged and socially excluded communities. We have persevered because of our belief that unless we have the courage to take the risk and continue, nothing will change."**

**(Representative of an inner city Black and voluntary sector organisation)**

## Equal treatment

Most of the groups questioned felt that discrimination plays a role in accessing the funding and the types of organisation likely to be supported. Many groups reported that funders placed too much emphasis on Black groups not being discriminatory and considered that the funders had insufficient understanding of the principles and philosophy of self-organisation for minority groups. In particular, they commented that while the principles of equal treatment had long been understood by the sector, and indeed was why they were now organising, they were often expected to demonstrate standards of equality of representation and inclusiveness beyond what they perceived to be the case for the funders themselves and of many other 'white'-led organisations. The long-accepted principles of women-only organisations had not been translated into an acceptance of Black-led organisations.

Accountability, monitoring and evaluation systems, besides being complex and differentiated, were also perceived to be unfair. Black groups felt that they are overly scrutinised by funders as a result of assumptions based on a belief that Black voluntary and community sector groups are administratively inefficient and financially unprofessional. Accountability also seemed to be a one-way street, with the relevant authority able to evaluate the community group but not vice versa.

In this context, many funders were unaware of the main organisational, managerial, and administrative challenges and issues facing the sector. Several funder respondents cited groups' lack of management and organisational infrastructure as a barrier to offers of funding.

**"We were asked what guarantees we could offer for proper financial management, as another African Caribbean group in our area had fallen down on this. We felt that because of the 'sins' of one Black group, others were unduly scrutinised as if we are all the same. Many white groups must also falter, but are others compared to them? It would have been fine if the question had stopped at quality assurance and**

proper financial and monitoring systems, that we understand, but to put it into the framework of another African group highlighted the funders' propensity not to distinguish between one Black group and another."

(A representative of an African Caribbean community group)

### Civic engagement and social inclusion

Without the Black voluntary and community sector, many individuals would not have made the move into other areas of civic engagement in Britain. For example, getting experience as management committee members is often seen as an important springboard in encouraging community participation.

The sector often provides innovative and inclusive projects and schemes and reaches people who would otherwise remain on the margins of society. This has important implications for building social and civic capital and for recognising that the sector is vital for local empowerment and regeneration.

The benefits of a strong sector were felt to be:

- a stronger voice in policy development;
- strengthened relationships with other agencies;
- effective consultation;
- community development and capacity building; and
- offering a unique understanding of what is required.

Black voluntary and community groups wanted it to be recognised by government and funders that a strong and empowered sector benefits all communities and that it is a critical vehicle for social inclusion and civic engagement.

"The majority of people from the refugee community came into the UK as a result of civil war in their country. Their qualifications are not recognised and they are unable to find jobs in their own areas of expertise. Prominent men and women are now doing menial jobs to survive. Getting involved in the Black voluntary and community sector can raise self-esteem, let you know you are not alone and help others back into mainstream society, and be a positive influence on life chances."

(A Black women's group in Tower Hamlets)

### Partnerships

Most Black voluntary and community groups recognised the increasing necessity and benefits of partnership approaches to funding and of providing adequate services. However, some felt that partnerships with local authorities or other statutory bodies could compromise the independent nature of their organisation. It was perceived that some local authorities and other bodies only wanted partnerships at a superficial level that did not involve a place at the decision-making table. Often, therefore, the strategic

opportunity was lost to statutory agencies that used partnerships in a tokenistic manner, working with organisations only on superficial matters or to be able to say they worked in partnership but without equitable arrangements or decision-making powers. In attending multi-agency partnership arenas, the smaller organisations struggled to be as well prepared for the meetings as the public authority representatives, and also found that they often had to spend a great deal of time 'educating' the other partners about the issues of race and racism before they felt comfortable enough to work together on delivery plans. Local politics and the issue of trust often acted as a barrier to getting effective action.

### Improved practice of funders

In the survey of funders conducted by the project, a core of public authorities and other funders was beginning to take a more progressive and enlightened view of support to the Black voluntary and community sector. For example, some respondents argued the need to go beyond simple tolerance and advocated the progressive stance of 'valuing difference'. Many respondents stated that they were heavily invested in consultation with the sector. Some respondents had their staff pay visits to applicants from Black and Minority Ethnic communities. This means of interacting and connecting registers highly with Black and Minority Ethnic communities. It gives community groups an opportunity to 'show off' their efforts, staff, the people they work with and their community.

Some funders held conferences, seminars, training sessions, and even focus groups specifically targeted at the sector. Several said that they have changed their policies after consultative engagements in an effort to be more responsive to the sector's needs and that more strategic and service-specific plans are now in place as a result of feedback.

It was also encouraging that some funding bodies emphasised that they felt it important to take the lead or help to build multi-ethnic consortium projects concerned with issues of racism and equality, both short- and long-range in outlook. Some respondents also provided non-monetary support, such as interpretation and translation services, technical assistance, staff training, capacity building, free training around tax effectiveness, access to research information, pro bono consultancy, management and development training, presentations, community liaisons and participation in community events.

However, many of the funders surveyed did not provide any information on how they consulted or engaged with the sector.

### Data collection

Several of the funding bodies and authorities which did not return the questionnaire explained that they could not complete the forms because they did not

have data on race and ethnicity within their funding programmes. Assurances were given that this would soon change, particularly as a result of the Race Relations (Amendment) Act 2000, which has specific requirements for monitoring policies for any racially differentiated impact. The fact that they have not gathered or maintained in an accessible way data on funding distribution, analysed by race and ethnicity, makes it difficult to get a true picture of whether there is real support for or discrimination against the sector.

### Conclusions and recommendations

It is apparent that the perceptions from funders and from the Black voluntary and community sector about funding do not match, particularly in relation to capacity-building, civic engagement and social inclusion. The researchers suggest that:

- Long-term strategies and vision for the development of the Black voluntary and community sector be developed. With sustained development and ample investment in capacity-building and working in clear and equitable partnerships, they suggest that the sector is the best vehicle for encouraging the social inclusion and civic engagement of Black communities.
- A collaborative effort to establish a site or institution to provide free or low-cost capacity-building training to the sector would go a long way to address the concerns expressed by many stakeholders. It would also be useful to have a list of experienced fundraisers and experts that could be tiered - into those who come with track records, references and successful outcomes and those who are newer on the circuit but have good credentials.
- Funders should be encouraged to keep adequate, accessible, and transparent data on race and ethnicity. It is difficult to conduct the type of research and make suggestions to improve the effectiveness of the sector without this information. The Race Relations (Amendment) Act will help where public authorities are concerned, but will depend on a degree of understanding and implementation. For funders not covered by the Act and its statutory order, the researchers suggest that it would be helpful if they adopted the suggested measures to provide a framework for the delivery of race equality.
- There should also be rapid development, particularly across government departments, of more consistent methods for funding applications, monitoring and evaluation. Access to data on successful and rejected applications should go hand

in hand with this, to provide transparency regarding equitable treatment.

### About the project

The study concentrated on Leicester and London because of the high proportion and range of Black and minority ethnic communities and the level of voluntary and community sector activity (there are more than 3000 Black non-government organisations in London and approximately 700 in Leicester). Six areas were targeted in Leicester and eight boroughs in London. A total of 57 organisations participated in the research via focus groups and individual interviews. In addition, questionnaires were sent to civic and public bodies, funders and other stakeholders involved with the Black voluntary and community sector. Thirty groups returned the questionnaire, including several borough councils, police and ambulance services, a fire and emergency planning authority, a learning and skills council, a health authority, and several charitable trusts. A key feature of the study was that local people were trained as project researchers and undertook most of the fieldwork.

### How to get further information

The full report, **Black voluntary and community sector funding: Its impact on civic engagement and capacity building** by Karen Chouhan and Clarence Lusane, is published by the Joseph Rowntree Foundation (ISBN 1 85935 170 0, price £13.95).