

THE EXECUTIVE

7 DECEMBER 2004

REPORT OF DIRECTOR OF CORPORATE STRATEGY

REVIEW OF THE RACE EQUALITY COUNCIL (REC) AND ETHNIC MINORITY PARTNERSHIP (EMPA)	FOR DECISION
<p><i>This review was requested by TMT and its findings to be reported to the Executive.</i></p> <p>Summary</p> <p>This report conveys the findings of a review of the REC and EMPA, conducted jointly by the Council's Community Development Manager and Corporate Equalities and Diversity Adviser, to examine options for the future development and funding of these key voluntary aided organisations.</p> <p>The report covers the following areas:</p> <ul style="list-style-type: none">• The views and concerns of both organisations• The main findings of the review (in terms of focus, governance, reputation, added value and external matters)• The possible funding options• Finances• Conclusions <p>The report emphasises the necessity of effecting planned change in order to avoid serious dislocation, damage to community relations and distancing the Council from key BME communities. Following the review and extensive consultation with TMT, the Race Equality Council (REC), the Ethnic Minority Partnership Agency (EMPA) and the Council for Voluntary Service (CVS) it is recommended that (Option 2) be adopted. This option recommends that EMPA should be merged into a reconstituted CVS and there should be closer coordination with the REC on joint activities, projects and use of resources.</p> <p>The review team's recommendation is that option 2 is the best long term option of the three outlined the report. The report contains the responses of stakeholder organisations to the proposals arising from the review.</p> <p>Recommendations</p> <p>That the Executive agrees the report, on the basis of pursuing option 2 and that an action plan, with time-scales, is developed for implementation.</p> <p>Reason</p> <p>To advise the Executive of the findings of a review of the Race Equality Council (REC) and the Ethnic Minority Council (EMPA) and make recommendation with regard to the future development and funding of both organisations.</p>	

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1. Introduction

- 1.1 The Council's Community Development Manager and Corporate Equalities & Diversity Adviser were jointly charged with the task of conducting a review of the borough's two main funded BME umbrella groups, the REC and EMPA.
- 1.2 The purpose of the review was to make recommendations to TMT and the Executive as to how we can most effectively support the delivery of high quality services to the BME communities in Barking & Dagenham.

2. The Process

- 2.1 As part of the review process we have:
 - Assembled and analysed both organisation's business plans and other key strategic documentation, including their respective Mission Statements
 - Examined both organisation's funding applications
 - Circulated a list of key strategic question that we asked both organisations to respond to
 - Convened individual meetings with the Chief Officers of both organisations
 - Convened a joint meeting with both Chief Officers
 - Convened separate consultation meetings with REC, EMPA and CVS to discuss the findings of the review
- 2.2 As a result of this process, the Review team has reached a number of conclusions regarding the future funding of these organisations and the wider development of the BME voluntary sector in the borough.

3. The Initial Views and Concerns of Each Organisation

3.1 REC

The REC put forward the case that both organisations should continue to be funded by the borough. It was argued that there is inevitable overlap between the work of the organisations and that the BME communities should have a choice concerning which of the two agencies they preferred to go to.

Pushed on the issue of the REC's high level of casework, the Chief Officer of the REC denied that her organisation had a special remit in this area and asserted that they maintained a significant 'street level' community development and outreach role.

3.2 EMPA

EMPA restated that they wished to establish a Partnership Agreement with the Council. A major imperative was the fact that the organisation's current lottery funding was due to end this year.

The Review Team raised the issue of the extremely high accommodation costs (£30,000 per annum) that the Council were currently funding. EMPA acknowledged that the organisation's current accommodation costs were too high and agreed to relocate to more reasonable and appropriate offices.

4. Main Findings

4.1 The main findings of the Review can be summarised as follows:

4.1.1 Focus

- Both organisations have developed connections and networks with different BME communities
- EMPA tend to have strong links with the African and Afro-caribbean communities, whilst the REC have a particular remit with the more newly arrived communities

4.1.2 Function

- Both organisations have a community development/outreach role, but the REC also carries out a major casework function (500 cases per annum)
- EMPA has no major casework role and tends to sign post clients to other advice agencies

4.1.3 Governance

- There is no united voice for the BME communities in Barking & Dagenham
- EMPA have made good progress in making its Management Committee more representative of the BME communities and in terms of gender balance
- The REC Management Committee is long established and is balanced in terms of gender and BME Communities
- There was little evidence of joint project work, planning or co-operation, formal or informal
- There was no evidence of rationalisation and best use of resources

4.1.4 Reputation

- EMPA had a very professional image with the major agencies, but outputs need to be improved and more clearly defined
- From our experience of working with the REC, it would appear that the organisation has a good reputation in the community, but had something of a reputation problem with the major agencies including the Council.

4.1.5 Added Value

- The work of the REC had been absolutely vital to the Council in developing and consulting on its statutory Race Equality Scheme
- The casework role of the REC is important, because it has developed to meet a need which is not being met locally by other agencies (i.e. the absence of the Law Centre)
- EMPA has developed a good working relationship with some BME groups and has supported them in making external funding applications

4.1.6 External Matters for Consideration

- Any decision to cease funding to one of the organisations needs to be considered very carefully in terms of its impact locally with BME communities
- The REC has been successful in securing Home Office monies under the Connecting Communities funding regime. The CRE is being merged in to a new Equalities Commission and it is unclear, at this time, whether the new Commission will fund local organisations.

5. **Possible Funding Options**

5.1 The Review Team identified the following three options:

Option 1

Continue to fund both organisations and give them parity. Establish a line of demarcation between the organisations and fund accordingly. This could be EMPA - Community development & representation and REC – Case work and representation. This option would also require both organisations to rationalise and co-ordinate their activities, projects and use of resources.

Option 2

EMPA is merged in to a reconstituted CVS. This would mean EMPA being a unit within the framework of CVS. EMPA's funding to be included in the CVS grant award. REC continues to deliver existing services but there is a requirement for closer co-ordination between REC and EMPA on joint activities, projects and use of resources.

Option 3

Rationalise existing services within one of the organisations and, at some juncture, cease to support the other.

6. **Finances**

6.1 The Executive have agreed grant applications from REC and EMPA for the following amounts for the current year, 2004/05:

REC	£57,000	
EMPA	£41,000	(£30,000 accommodation costs & £11,000 to pick up shortfall at the cessation of Lottery funding)

6.2 The review recommendation is that Option 2 be adopted and implemented as soon as practicable. This option will effect a long term assimilation of EMPA in to the structure of the CVS. In the shorter term, both EMPA and REC will be asked to address the issues identified by the Review. This includes the following:

- Addressing the recommendations arising from the review that pertain to each organisation and them both jointly
- Much closer co-ordination of work and resources
- Aligning work to the Council and Partnership's strategic objectives, with SMART targets and specific outcomes
- EMPA moving to more suitable accommodation

In particular, it will be stipulated to EMPA that they must relocate to different offices and any award made will automatically be inclusive of the £30,000 accommodation costs, whilst they remain in their current office accommodation.

The grants budget for 2005/6 will be under considerable pressure. It is unclear; as yet what level each organisation will receive next year. A recommendation will be made to Members as part of the overall grant allocation process in March 2005.

7. **Feed back from Stakeholder Consultation**

The following verbal responses have been received as follows:

REC

The REC gave in principle support for option 2

EMPA

EMPA gave in principle support for option 2

CVS

The CVS at this stage does not wish to support any option but saw the merits of the proposed new relationship with EMPA. However, in looking at option 2 they stipulated the following points:

- The CVS do not want be seen to interfere in the internal management structures of other organisations
- They require a commitment that in effecting the changes, both in terms of individual casework and developing networks and partnerships, this work with BME and emerging communities is not down graded nor resources cut

8. Conclusion

- 8.1 The Review Teams view is that option 3 should not be pursued. To cease funding for one of the organisations would cause serious dislocation, damage community relations and potentially distance the Council from key local BME communities.
- 8.2 Grants are awarded annually, therefore any recommendation to increase the grant allocation for these organisations, will have to be considered in the overall context of priorities and financial pressure year on year.
- 8.3 Similarly, option 1 should be rejected. The final view of the Review Team is that the best long-term option would be via option 2, assimilating EMPA in to the structure of the CVS and promoting greater cooperation between EMPA and the REC on areas of joint work.
- 8.4 In agreeing the report, officers should meet with stakeholder organisations to draw up an action plan for implementing option 2 within a viable time-scale. A further progress report will be submitted to the Executive in six months and, in the interim, the action plan will be monitored by the Review Team.
- 8.5 An additional, issue that has emerged from the Review, that requires further detailed examination, is the heavy advice caseload currently being delivered by the REC and the degree to which this needs to be planned and co-ordinated with other advice agencies such as the Cabx service.

9. Consultation

Consultation has taken place with; -
TMT
Director of Corporate Strategy John Tatam
Head of Policy Naomi Goldberg
Executive member Councillor H Collins

Background papers

- REC and EMPA Business plan and Mission statement