

# Building a different kind of state

A speech by Ed Miliband MP, Minister for the Third Sector,  
to the Donald Chesworth Educational Trust

Toynbee Hall, London

14 June 2007

Checked against delivery

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Can I start by saying what an honour it is to be giving the Donald Chesworth Memorial Lecture. It is an honour for me because of the extraordinary commitment shown by Donald Chesworth to the cause of social justice.

Indeed, reading about Donald's life, it is amazing how to see how decade by decade, he covered the spectrum of activities that the third sector undertakes in our society. Of course, the "third sector" is not a term Donald Chesworth would have recognised but for me it does capture a shared sense of social purpose that unites the voluntary and community groups, charities and social enterprises that come under its umbrella – and Donald was part of all of these. As his obituary in The Independent said, he had a "gift of friendship across all barriers – of age, of class, of political allegiance, of race and of religion".

It is a pleasure to speak in his honour tonight, and I hope to do justice to his legacy.

## **The argument**

Today, I want to argue that to keep true to Donald Chesworth's values of fairness and equality, we need a different kind of state: one that does more to give individuals a say in decisions that affect them, and does more to adapt itself to each individual's needs.

In a speech I made earlier this year, I described it as a state where communities and the users of public services are in control. Gordon Brown recently called in a similar vein for the "servant state".

I want to talk tonight about how we need a different kind of state in three different ways:

Different in terms of public services – engaging the user in a more equal relationship.

Different in its interaction with communities – with a more participatory form of democracy.

And different in its relationship to social change – allowing full voice to the campaigns and representations of social movements.

Why is this needed?

Above all, because of our values. If we are serious egalitarians, then we need public services that embody respect for the individual.

In communities, real social change comes not from Whitehall, or even simply from local government institutions – important though they are – but by engaging and mobilising local communities.

And in the campaign for a more just society, government must recognise that it cannot make it happen on its own.

In advancing this argument, we can draw on a rich seam of progressive thought. In the 1960s, arguments for these kinds of changes were being made by the “New Left”.

Preparing for this lecture, I was looking back almost fifty years to some commentary in 1961 about a Labour Party document, Signposts to the Sixties. I found a very critical commentary in the New Left Review, which complained that some sections had been cut, including one which said:

“Many of our social institutions, particularly those for the sick, the old, and the handicapped, will not fill our democratic needs until their whole attitude is more humane, until they recognise they are dealing with people with a right to their individuality, and not just the ‘cases’, ‘precedents’ and the like.”

Since the 60s, this need has become even more acute. The deference of the past is being superseded across our society and we should welcome that. The welfare state was founded in an age, as Douglas Jay wrote, in which people thought “the gentleman in Whitehall really does know better what is good for people than the people know themselves”. In fact, he was talking about specific cases, and his general argument was actually the opposite, but it does capture something about the spirit of the age.

People's expectations are now higher. And there is something else that has changed: thanks to technology, people are increasingly used to being able to contribute themselves and play their part.

I think the third sector is central to this vision of a different kind of state, and that's what I want to look at tonight.

### **Three examples**

#### **Public services**

Let me start by looking at public services.

The question is, how do we make sure that our belief in equality is reflected in the *way* services are delivered, as well as *what* services are available?

As I suggested, the state needs to better recognise that people using public services bring with them resources and individuality.

The sociologist Richard Sennett made a similar point recently in a book Respect In An World of Inequality. Drawing on his own experiences growing up on a Chicago housing estate, he says that without the welfare state his family would have been 'sunk'; but he also faults it for not making sufficient allowance for the autonomy of the individual: "The history of welfare bureaucracy is one in which precisely this element of autonomy was excluded....The homeless teenager was not treated as possessing a certain expertise about homelessness."

Since Signposts to the Sixties and Sennett's upbringing, many of our public services have learnt these lessons very well. From health workers to personal advisers in job centres, every day millions of dedicated public servants, with a strong ethic of care and a respect for individuals, give individual attention to the people they help.

But the 'respect' for individuals that Sennett discusses is not always able to express itself. I had an incident in my surgery recently where a housing estate was being knocked down, and the reason people were unhappy was not simply the fact it was being knocked down but that nobody informed the tenants about what was happening.

In public services, the new kind of state is now more important not just because of the different spirit of the age but also because we face far more complex challenges. Whereas fifty years ago the welfare state was often in the business of coping with common challenges such as basic education, healthcare and housing, today the focus in addition needs to be on drug rehabilitation, services

for children with special needs, the re-integration of ex-offenders, the multiple problems facing the homeless.

So how do we achieve services that live up to the standard people should expect?

The first step has to be decent funding. A central imperative of the last decade has been to increase levels of investment in public services, to safeguard universal services. This has been done and there have been significant improvements in many areas.

And as well as funding, we need better local accountability and more empowered users.

I think it also has implications, though, for the third sector. It helps us to marry the two ideals of services both universal to all, and services personal to each, must involve deeper and better partnerships between the third sector and the state.

Not all third sector organisations will be involved – many won't, and that's fine. But in my view, the genius of the third sector is to show us how public services for some of the most excluded people in our society can be delivered in a way which shows this respect, and understands the contribution the individual can make to addressing their own condition.

There is nowhere better to talk about this than at Toynbee Hall. Let me just mention three examples.

The "Aspire" programme helps young people aged 14-16 who are having problems at school, helping them gain skills and ambition through an informal curriculum of outdoor pursuits, arts and citizenship work.

Toynbee Hall's "Safe Exit" programme helps people to try and escape from prostitution. After someone has been arrested for loitering or soliciting, it helps them identify and access the help they need, such as health care, treatment for addiction, or counselling.

And Toynbee Hall's "Dheesha" programme helps Bangladeshi women access free legal advice and other services – and the Director was telling me earlier that it is increasingly delivering debt advice services in other London boroughs.

In different ways, these programmes illustrate the way the third sector can have the flexibility and trust to reach out to individuals.

Where does this lead us?

It explains why we are promoting partnerships between the third sector and the state.

The truth is that we need more evidence in this area than we have, but we know some reasons why the third sector is often good at engaging users. These organisations tend to be smaller than large state or private organisations providing similar services. Partly as a consequence, there can be more autonomy for frontline staff, and sometimes the organisations are made up of people who themselves had experienced life on the other side of the relationship.

This leads me to believe that the third sector can play a role in improving our public services, sometimes by delivering services.

But equally as importantly, it can improve them by helping redesign services provided in the public sector, by enabling the public sector to learn lessons about how its structures can better ensure the kind of respect and relationships we would all want to see.

I think the biggest lesson I draw is about the autonomy of frontline workers. It's about giving them more latitude to innovate and respond to users' individual needs.

Where this emphatically does not lead us to is cut-price solutions. We need to be uncompromising in upholding the need for the state as funder of public services. We must avoid seeing the third sector as a replacement for state funding for services. When we look around Britain at its social challenges we see many challenges government funding. The third sector recognises more than anyone the need for the stable funding base that only government can ensure.

## **Communities**

The second area I want to look at is how the state must be different in its relationship with communities – more direct and participative, particularly at a local level.

This is important not just because in an age when deference has declined, people want more of a say. It is important because communities are likely to be more successful socially and economically when power is dispersed and there is transparent accountability.

Strengthening the ability of communities to bring about change takes a sense of togetherness, of social solidarity. A sense that a problem for my neighbour, or my fellow parent, or my fellow service user, is also a problem for me. But to survive, this sense of togetherness needs to be constantly refreshed by shared activities – and this is something that modern social trends can make more difficult.

In the constituency I represent, Doncaster North, I see this very clearly. Once, the mines brought different ages and groups together. Now, there are far fewer shared spaces that unite young people and old people, and there is a risk of ignorance leading to indifference.

As a government, I think we have underestimated the extent to which shared public spaces can create this greater sense of community. The interesting thing about Sure Start is not just that it provides better services for parents and young children, but it is a site at which community is rebuilt.

I think the truth is that we need to see community being built in more public facilities, like Sure Start, local schools, local health centres, local libraries.

But building community cannot rely on public institutions alone.

The third sector has an essential role to play in bringing different groups together: through very small community groups, through volunteering, through cultural and sporting organisations.

But to make local civil society strong requires support. Relatively small amounts of money – up to a few hundred pounds – can make a huge difference to whether voluntary and community groups can function.

That is why grants are so important and why we have announced a new £80 million fund to give small grants to community organisations.

As well as grants, community action works best when the community has a long-term stake.

This must mean better engagement in the local democratic process, which is why recent innovations that empower communities from the bottom up are so important – including the new Community Call for Action, which will enable people to enhance public scrutiny of Local Authorities and other public bodies to account.

The third sector too can play its part in this. It represents an important way in which we can devolve power, not just to local authorities but to neighbourhoods as well.

There is a growing movement, which we are trying to encourage, of community organisations who want to own and control facilities and buildings within neighbourhoods to facilitate change.

Why should this matter to us? Because in the best cases, they provide a place in which community is built, and they give people a much greater control over what happens in their area.

In the Thornton area of Hull, 5,000 people had no GP, almost no affordable childcare, and little public space. A new community-owned building, The Octagon has provided a community space in the heart of the estate. It has also given local people a focus and a stake, and it has kick-started a whole range of other improvements, including a GP, a Children's Centre, and integrated local authority services.

We should be honest about the tensions that community ownership creates. Councillors I meet across the country can worry about the takeover of buildings which they think should be in public hands, and the skills and accountability of those given control over the facilities.

These are understandable fears but the notion of community ownership is exciting because it is about a participatory form of politics in which people do not have things done to them, but can create and make change happen themselves. And it can still be accountable: the development trust that runs The Octagon has a board where eight out of 11 members are elected from the local community.

And as a recent government report on community assets has shown, if there are proper safeguards on accountability and a proper commitment to skills of people running the facilities, the fears that exist can be dealt with.

The third sector, with the support it needs from local and central government, can provide the spaces and activities which give our communities shape, character and strength.

### **The progressive coalition**

This brings me to the final area I want to look at: social change, and the need for a democracy which hears all voices and ensures the capacity for the most excluded to be heard.

How does social change happen? We have seen lots of important changes over the past ten years, which have helped create the beginnings of a progressive consensus on many issues which ten years ago were very contentious. It's fragile, and some apparent political agreement is probably a matter of positioning rather than belief, but things have undoubtedly moved. Today, it would be seen as outlandish to say poverty can't be tackled by government, public services don't matter, discrimination on grounds of race, disability or sexual orientation is acceptable, and that we should ignore the need to help developing countries.

I would honestly acknowledge that there are other areas where we have not established a progressive consensus, or moved the centre of gravity enough: on the need to take action in our own lives to tackle climate change, on child poverty in Britain, on inequality.

The question is, why has it happened? I believe it has been achieved through a combination of a progressive government with a door open to change, and a third sector which has campaigned and advocated for it.

Think about changes in attitudes to homosexuality: they wouldn't have happened without Stonewall. Think about changes in attitudes to disability: they wouldn't have happened without Scope. Or attitudes to debt relief: they wouldn't have happened without Make Poverty History.

Here at Toynbee, the birthplace of the Child Poverty Action Group, you have shown yourself the importance of campaigning.

Of course, changing social attitudes are often important not just as a precondition to policy, but as an end in itself: because norms are more subtle and flexible, they can bring about changes beyond the law.

Take low pay. Government can set the minimum wage, but above that a fair wage depends on circumstances, the balance of power in the workplace and social attitudes. The trade unions play a central role in ensuring fairness in the workplaces, but increasingly their work is being complemented by citizens' organisations demanding fair wages, especially for those not covered by unions.

So London Citizens, for example, have mobilised churches, citizen groups and individuals to campaign for a living wage in London, often targeting individual employers to secure fair pay for cleaners.

Or take conditions for workers in developing countries. International rules can set minimum standards – around child protection, for example – but there are new actors fighting inequality. Social enterprises are part of the third sector, and are businesses formed for a social purpose. By pioneering Fair Trade, they have introduced an ethical as well as a market competition: CaféDirect is now the sixth biggest coffee supplier in Britain, and other major brands have introduced their own Fair Trade labels.

In all these cases, campaigning by the third sector changes the attitudes in society, not only to allow progressive legislation but to push for change beyond legislation. This has brought pressure for a fairer society in a whole range of areas, from low carbon use, to gender equality, to race relations. And I would argue that that kind of pressure is increasingly at the heart of modern progressive politics.

So I believe we need to be absolutely clear that charities are able to campaign to further their charitable purpose. We need politicians, whether they are local or national, to understand and celebrate and respect the third sector's right to campaign.

There has been progress in recent months. The Charity Commission recently revised its guidance so that charities are “in no doubt about this point. Campaigning, advocacy and political activities are all legitimate and valuable activities for charities to undertake.”

### **Does the third sector need a progressive government?**

So those are three ways I think a new kind of state is needed for the progressive vision, and how in each case the third sector is central – for public services that engage people as individuals; for communities that are more empowered and cohesive; and for a democracy that is more open to campaigning by charities, and the concerns of the groups they tend to represent.

I would like to end by posing one other question: does it work the other way? Does it make a difference to the third sector if there is a progressive government or not in Britain?

This is a particularly appropriate question to ask given that all sides are now seeking to love and praise the third sector. I ask the question cautiously, but I hope legitimately, because I do think there are differences in philosophy which are worth exploring.

Take Sure Start, to which I referred earlier. Sure Start is a success partly because it involves local parents, giving them a voice and a place to meet. But could it have come into being without the state spreading knowledge about how to do it, and spending the money to make it possible? No. The state had to take active steps to empower local people.

Or take the standards of services that are provided. I think services need to give more control to users, including by enabling the third sector to shape and deliver services. But this must not be an excuse to cut services. It is also the case that empowering the third sector to campaign may lead to bigger demands that the state must adjudicate between.

But put simply, if your ideology always leads you to advocate a smaller state, you may end up not only sacrificing important partnerships between the government and the third sector, but also discouraging all kinds of organizations from having giving a voice to the most disadvantaged. If you want to roll back the state, why would you empower charities to campaign for the kind of change that will sometimes increase demands on government?

This perhaps explains the experience of the third sector in the 80s and 90s. Twenty, even ten years ago, there was a fundamental questioning of the right of voluntary organisations to campaign – by the Charity Commission and the government.

Has this changed permanently? I fear it would be too easy to take this for granted.

Civitas, a think-tank, recently produced a document calling for charities to be divided into four types. The only ones that would keep the title of “charity” would be those that “do not lobby [or] campaign”.

Of course, many in the voluntary sector complain about the nature of their relationships with the state – and that is something we are seeking to change through cultural change at local and national level. But ask most voluntary organisations, “is the answer less government funding or a government that doesn’t respond to their concerns?”, and they would resoundingly say no.

In short, I think the voluntary sector needs a different kind of state and a progressive state, not a minimal one. It needs one that understands the need to put our money where our mouth is, that supports campaigning, and has a natural sympathy to the causes of those most excluded from political debate.

### **Conclusion**

Let me end by saying I hope this approach that I’ve described can be seen in what I have been trying to do over the last year – from work on public services to help for small community organisations trying to acquire assets, to our work to help charities campaign, and the passing of the Charities Act.

And I think, and I hope, we will see more of this philosophy under the new government of Gordon Brown.

Understanding that we need public services that are more plural, more personal, but still universal.

Helping strengthen the local third sector, including through a commitment to community ownership.

Embracing a broad not a narrow view of the sector, able to campaign in a robust and full-throated way.

This is an egalitarian vision. It is a different kind of state, and one that can help us meet our progressive vision. To return to where I started, I hope it is an approach of which Donald Chesworth would have approved. His is a rich legacy and a set of footsteps that I have been honoured to follow in tonight.

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*Minor edits have been made to this speech in line with civil service guidelines.*