



CHECK AGAINST DELIVERY

Speech at the ACEVO Annual Conference Dinner, 27 November 2008

Transcript of a speech by Kevin Brennan MP, Minister for the Third Sector at the ACEVO annual conference dinner, 27 November 2008

Thank you, Stephen [Bubb, Chief Executive, ACEVO] and good evening. It's a real pleasure to be here this evening.

I feel incredibly fortunate to have been asked by the Prime Minister to do one of the best jobs in Government, albeit also one of the busiest!

And I've found that there are plenty of people with advice for me on how I should do my job – that's a good thing! It's important to know if people have a complaint, but actually although there are concerns raised with me, there does seem to be a consensus that the sector has grown and thrived with our support in recent years.

Economic context

Normally, at an event like this, I'd keep away from a heavy discussion of policy – we're in the middle of dinner, after all.

But this isn't a 'normal' time and I think you would want me to say something to try to set the context for the challenges we are all going to face.

It is not an exaggeration to say we're at a crossroads in world history; a point that constitutes a seismic shift of greater significance than many of us have seen in our lifetimes, even those of us who have lived through several previous recessions.

Now is a time where a global economic downturn is affecting all aspects of our lives. I sense there is some fear that the immediate and urgent will supplant the long-term and important, and that some areas, like the Third Sector, will lose some of Government's attention as we focus on seeing Britain safely through difficult times.

This fear is understandable at a time when government has to act to prevent financial meltdown and the sector knows that even more people will depend on its services.

But I want to make it absolutely clear: the Third Sector is more important to us in government now than ever, and our support will continue and develop even further as we seek to meet the great challenges we face.

If we want, as we do, to modernise our public services, we can't do it without your help.

If we want, as we do, to strengthen our communities, we cannot do it without your help.

If we want, as we do, to build a fairer Britain, where every individual has the real opportunity to contribute positively and fulfil their potential – we cannot do it without your help

Government work and support/PBR

I was heartened by the resolve and maturity of the sector at the NCVO Summit last Monday, and I will reiterate what I said there: a flourishing Third Sector is a major priority – for the Government and for me, personally. That’s why I announced on Monday that I will produce an action plan early in the New Year, so we can make sure that everything that can be done by Government, centrally and locally, is being done – and so that we are certain that we are using our resources to ensure that the sector is able to meet the needs of communities, clients and beneficiaries at a time where your services will be more important than ever. We will be working closely with the sector and colleagues across Government to develop the plan.

This week we also had the Pre-Budget Report which brought significant measures which will benefit the sector.

Social enterprises and other third sector organisations, as any other businesses, will be able to access:

The Small Business Finance Scheme, a new temporary guarantee scheme to enable up to £1 billion of new Government supported lending by banks:

The £50 million fund to convert businesses' debt into equity or quasi-equity

and a £25 million regional loan transition fund.

All these schemes could mean many millions of pounds of support to social enterprises.

The temporary reduction in the VAT rate to 15 per cent from 1 December to 1 January 2010 will directly benefit charities and other third sector organisations.

Again, it is impossible to produce a precise figure, but this could translate into an annual reduction of around £12.5 million for charities.

And the Chancellor yesterday announced £15 million of new funding for free debt advice, available to everyone, regardless of circumstances, across the country. Citizens Advice is to receive £10 million and the Money Advice Trust's National Debtline will receive close to £6 million (£5.85 million). The money will enable

some 320 branches of Citizen's Advice Bureaus to open an extra five hours a week, while the National Debtline will be able to recruit 45-50 new advisers during 2009.

So immediate action which will benefit the Third Sector, and we have a commitment to produce an Action Plan in the New Year, following consultation with the sector, which has already started. It is a very different position to previous recessions where the sector and Government were in direct opposition to each other – now there is clearly a shared agenda, that we need to support communities and individuals through this period.

Praise for the Third Sector

Albert Einstein, when he did start talking, once said: 'It is every man's obligation to put back into the world at least the equivalent of what he takes out of it'. I want to thank everyone in this room for putting back more than you take, and it's my great pleasure and privilege to work alongside many of you. I thank you for all you do to help some of the most vulnerable in society, and for all that you are going to do in the coming downturn.

The Third Sector's tangible contribution is substantial: helping the most vulnerable, campaigning, offering guidance and advice to citizens, business and Government. But there's also the contribution you make to society, to help create a culture that's more caring, where we are all a little more willing to help one another, to be more considerate, compassionate and giving of our time. We are now in a time when the innovation, the ingenuity, and the imagination of the Third Sector, combined with the wherewithal to act, and with what Martin Luther King called, 'the fierce urgency of now' will have its greatest impact.

One of the effects of the banking crisis and its consequences may be a cultural shift in priorities. This is the time when responsible consumerism and the 'triple bottom line' of social, environmental and financial responsibility can come to the fore.

Economic recessions are painful and can inflict great damage on people and communities, but when they are supported by government and a vibrant, thriving Third Sector, driven by values of responsibility, we can help people through the tough times together.

Thanks

Before I close, I want to thank ACEVO. You are key strategic partners and play a valuable role in presenting the case of the sector. Stephen in particular has been one of our most...*tenacious* and constructive partners during this time and he has done a vigorous job representing the needs of all of you, in a robust and responsible way.

You are also great innovators, leading on sector research, and our collaborations with you have been very helpful. And this is a time for innovation and an unrelenting focus on doing what is right for our beneficiaries, clients and constituents, not for institutions, organisations and bureaucracies. Our only vested interests should be our common goal to do good.

You are also developing your presence in the regions and we look forward to working with Jenny Berry as she leads ACEVO North.

Already we are seeing interesting research come out of your activities there, and I look forward to its formal presentation at the York Conference on 26th February, which I will attend.

And, since I'm speaking of collaboration and advice, I would also like to thank ACEVO, NCVO, the Charities Aid Foundation, the Charity Finance Directors Group and the Charity Commission for responding so quickly and providing invaluable information about the impact of the financial crisis on the sector.

And finally, a word of thanks to our sponsors, Royal Bank of Scotland, for their support. Perhaps I should thank myself since we are about to take a 60% stake in RBS!

Conclusion

Thank you once again – and I look forward to us working together to meet the challenges we jointly face and to grasping the opportunities we jointly have at this momentous time.

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