

Speech by Liam Byrne MP, Chief Secretary to the Treasury, to The Guardian Social Enterprise Conference on 19th November 2009

'Britain's New Coalition for Change'

Check against delivery

It's an enormous privilege to talk to you today.

And it's an enormous privilege to welcome you to my home town.

Birmingham has long been a place where people have come together to achieve more than they could ever achieve alone.

And that is what I want to take as my theme for this morning.

Here is the place where popular causes gave birth to public services which changed the quality of life, the wealth, the fairness of this country, beyond measure.

Here a generation of politicians like Chamberlain extolled a new civic gospel that delivered new services – from gas to water to houses to arts.

Here philanthropists like the Cadburys pioneered, in Bourneville, new designs for communities that inspired the town planning movement.

Here, political movements – like the National Education League, headquartered in the city, were founded to campaign for free education.

Here, you will not be surprised to learn is the place that has taught me more than anywhere else about politics and public services; and community action and change.

So today I'd like to say a few words about how our public services and community action must come together in a new coalition to change our country for the better in the century ahead.

The challenge

We all know we meet at a time of challenge.

This has been a tough year for our country.

But the force of government has blunted the force of the recession.

Thankfully, unemployment and repossessions are much lower than in recessions of the past.

Now we are coming up for air, we can begin to put the year behind us;

As this decade draws to a close, our minds must turn to the questions of the years to come. How we recover from the storm, and prepare for the future.

Of course, that will take tough choices.

We must pay down the deficit by half over 4 years, to help make sure interest rates stay low.

Make smart strategic investments in the things that will help us grow

And crucially lock in the transformation made to our public services.

- The crime is down by a third
- The exam results are now 50% better for 16 year olds
- The time it takes to get into a hospital now down to just 4.5 weeks.

This didn't happen by accident and our investment in making this change possible has given us a storehouse of strength on which to draw in the decade ahead.

That's why I believe that the next decade could be the best decade for public services making a difference.

But only if we stay focused on the ends we're trying to deliver; and constantly modernise the means.

And only if we recognise how changes – in the power of people; the strength of our frontline, and the vitality of civic life – offer us the chance to change the shape, size, and strength – of our government.

The simple truth is that people today are far more powerful than a decade ago.

More are in work. We've had higher income growth per head than any other country in the G7.

People have lost their deference and got used to choice.

New technology has transformed their networks and abilities and sheer access to information about the world around them and the people who serve them.

That means people power – and popular pressure – is far better placed to drive the improvement of frontline public services in the decade ahead than in the past.

By exercising their choice to different providers and by exercising their voice to say

what they think.

When we came to office, it was the Government that had to do a lot of pushing things forward.

We did it by setting targets. In 1998 we set 600 of them. But in the years to come we have to accelerate the shift of power from Whitehall to people.

By replacing targets enforced from the top, with rights exercised by people.

And in the Queen's Speech yesterday we set out how, through new pupil and parent guarantees, the Government is committing for the first time a series of specific entitlements for all and providing a means of redress if expectations are not met.

We don't believe public services should be a gamble.

We think they should be a guarantee.

Today's frontline

Second, look at today's front-line.

It is far more powerful than in the past. We have 240,000 more police officers, teachers, doctors and nurses who are at least 24% better paid.

It is a serious force to be reckoned with.

Our front-line has never been as well equipped to innovate and join services together in a way that delivers a better service and costs less money.

That means the frontline today is more than able to bring back together public services once divided between a myriad of agencies – to serve the whole needs of the person standing in front of them.

Steve Bundred once said to me that the real place that innovation lives is in the grey space between agencies. He's right. It does.

It is why experiments like Total Place are looking at how front-line public servants – like the teachers I met at Platt Bridge in Wigan two weeks ago – are able to weave services – like childcare, children's health, adult learning, schooling, after work care into a seamless web of support where you can't see the joins anymore.

Civic society

But the third force we harness is the strength of civil society.

I passionately believe that strong societies are fair societies – and fair societies have strong states.

If you're in any doubt just look at the evidence of the last decade.

The number of charities has grown by nearly 40%

Charitable giving is up dramatically

Levels of trust in communities are high.

This is a strength on which we can draw in the years ahead.

State and society together can do more than either one alone.

But it demands we think – and act – locally with a renewed sense of purpose.

It demands that we think about the services we offer in the new fabric of community institutions that we have built in the last 10 years – Sure Starts, neighbourhood police teams, the new infrastructure of schools, primary care centres:

How do centres of local services become centres of local society.

It demands we explore thoroughly, not in a cursory way, the potential for mobilising communities to help deliver aspects of public service; whether it is through mentoring kids after school, offering community service to teenagers, or expanding peer to peer support in health, probation or counter-addiction services, like the extraordinary Expert Patient Programme.

It demands we do more on the national stage to raise our moral voice – about the responsibilities of good citizenship and parenting.

It demands that we ask communities to co-design and help shape the billions of pounds worth of bricks and mortar going into new homes, new town centres and primary care centres, new schools and nurseries, and not simply parachute in designs from on high.

It demands we do more in local communities to support, mentor, inspire the change-makers who want to make a difference to what is going on outside their front-door, but do not know where to start.

It demands new civic institutions like a social investment bank. Civic innovations like a social impact bond. Civic opportunities like community service for youngsters.

In other words it demands a constant exercise in imagination in every aspect of our work in government and out on the streets of our communities, to put community life first.

Supporting the third sector through national policy

So, our vision for a smarter state will include ideas about accelerating transfer of assets to community organisations;

Our next steps on a social investment bank;

New proposals championed by John Denham for a new Index of Civic Health to show every place where community life is strong and where it could be stronger.

New proposals for the free flow of data – information, data, maps – as the Prime Minister announced this week.

It's good for social innovation – one of the most powerful forces of change we can harness in the years to come.

Driving change at the local level

But the real progress over the next decade won't be on the national stage – it'll be local.

Three years ago, I realised that I wasn't going to be able to lead the regeneration of my community in Hodge Hill unless we created a new vanguard of civic activists and social entrepreneurs.

People like Basharat Dad, Tim Evans, Masood Yassin and Masood Ajaib.

Now, I can see this team making a difference.

These are the people who've taught me that centres of local services can be centres of local society.

In a community like mine, government isn't the end of society – it's the beginning; the spark; the catalyst; the critical partner; the hub.

Take the example of the Headteacher of St Benedicts School in Bordesley Green.

Who recruited outreach workers to work with volunteers in the Bengali community. These volunteers taught English to parents of Bengali children who were struggling with literacy. After a year, this coalition put Bengali boys top of the class for literacy

Or the police officers in the toughest part of Glebe Farm, where anti social behaviour was ruining community life.

Who helped organise local businesses, targeted the 6 or 7 troublemakers causing most disruption; and along with local youth workers and the neighbourhood church, came up with activities to keep the scores of hangers on, off the streets and away from the gang-leaders.

Reducing ASB by the way, by 40%; after years of traditional policing unable to get it under control.

Or the new plan in my constituency devised by PCSOs, to prevent Muslim teenage boys at risk of exclusion from school, getting mixed up with extremists.

They too have built a community coalition – with local schools, the Salaam

Foundation and the East Side Boxing Club – to use boxing as a way of giving these young men leadership skills and a positive sense of discipline that can help them make the right choices in their lives.

It will work and I'm behind it 100%.

All these examples from Hodge Hill tell you that the marriage of public servants – the government – the state – and local society can make a difference.

But one without the other is never quite enough.

This is a simple idea that can help remake communities.

And so to accelerate this debate, I am publishing a think piece that we recently commissioned from the Young Foundation called “Public Services and Civil Society Working Together”.

At the heart of the report are three key ways this new relationship blossoms.

First, by involving the people who use services in designing and delivering services.

It's an idea revolutionised by web technologies

Websites such as fixmystreet.org and NHS Choices are receiving feedback on local services in volumes never experienced before.

And Web 2.0 offers us the chance to go a stage further by offering a community the chance to pass real time comment.

Consider Lovelewisham.org, which encourages residents to report graffiti and fly tipping for quick removal – the website has led to an 8% decrease in graffiti and a 30% drop in complaints.

Or indeed my own RubbishTV; videos I make of rubbish in Hodge Hill that needs clearing up.

Mobilising people

Second, public servants can mobilise people to help each another.

Through peer support and volunteering, millions of dedicated and passionate citizens share their valuable skills – they act as role models, mentors, and sources of advice to support people they live and work alongside, who may have gone through similar experiences to themselves.

There are few examples as good as the Expert Patient Programme; a peer support network with thousands of participants across the country working with fellow citizens to share experiences, provide advice on managing long term health conditions and feed information into the re-design of public services.

Commissioning

Third, civic society can actually help deliver public services.

Investment in local social enterprise, be it through business advice, grants or tax breaks has grown significantly over the last 10 years.

There are now 62,000 social enterprises in the UK employing over 800,000 people.

Turning Point is one of my favourite examples, to which I was introduced by Victor Adebawale.

A social enterprise specialising in the delivery of health and social care services.

Their Right Steps model for preventing and treating the early symptoms of depression and anxiety has received 1300 referrals in Kingston since January.

The model combines clinical expertise with community-based services to help prevent people's mental health deteriorating before it starts to affect their employment, relationships, and self-esteem.

Hyper-local involvement

The best of these services put the accent on hyper-local involvement, around a street, a park, a school.

That way forward gives residents the chance to work from their own experiences – and take heart from a difference they can see outside their front door.

It's an approach that opens a flow of insights and energy that sparks innovation and dynamism that is quite simply priceless.

So I'll be exploring the radical options in today's report with a view to putting them, where I can, into action.

Ideas like giving each locality a community entrepreneur to act as a local link between civil society and public services.

An idea inspired by the Young Foundation's Social Entrepreneur in residence working with my own BEN Primary Care Trust.

A social entrepreneur that has sourced and helped develop three social enterprises in four months.

Or ideas like Pledge Banks that reward communities that come together to make a tangible difference to the quality of life in their area.

Let me ask you, if this action reduces the pressure on local services, could we improve their community assets and amenities in recognition of the savings their action led to?

Or ideas like a ‘Charter for Peer Support’ for unconstituted peer groups who are meeting a community need, to have some rights maybe to meeting in a local health centre or schools.

Or expanding timebanking.

Or a small incentives programme.

Or linking people up with others in their community to ‘swap’ their skills and time.

These are all ideas that can make a difference.

Confronting the pessimists

This is why I am at heart an optimist about the decade to come.

Because I see the potential created by a decade of investment. Because I see the ideas. Because I see the energy. Because I see in a community like ours, the difference that can be made in this new world.

Others simply offer us an age of gloom; an age of austerity; and with it a false choice between the state and society.

They say that government is too big and ineffective.

They say civil society is too weak and ineffective.

They say the state crowds out society; that one must roll backwards and let the others step forwards.

They say rolling back government is the right way to combat poverty.

This is simply incredulous.

Proposals by some to cut £100 million from the Cabinet Office budget from April 2009 would mean the end of the Office of the Third Sector, with:

- Cancellation of grants to over 5000 small local charities across the country
- Cancellation of approximately 400,000 volunteering opportunities
- And cancellation of funding to some of the umbrella organisations

In fact, the state is not crowding out society – it’s crowding it in.

In June 2009, 76% of people felt they belonged strongly to their neighbourhood – an increase of 6% from 2003.

Giving is up.

Volunteering is up.

There have never been more social enterprises; nor has the sector ever had so much money – with public funding in all its guises now representing over £12 billion per annum – more than doubled since 1997.

The simple truth is that the world's most equal societies have strong states – Sweden and Denmark, which have the lowest levels of inequality in the OECD, also have the largest states.

It is a struggle to identify a country in the world with a strong society and a weak state.

Conclusion

I want to finish on a final lesson from Birmingham's history.

A century ago was a big year for a city.

It was the year we embarked on the final march to double our size and become Britain's second city.

Yet in the future, the greatness of cities like ours will not be judged by the reach of the city's frontiers.

But by the strength of the city's fabric.

The world around us is not slowing down.

It is speeding up. And the new forces at work in the world are challenging the kind of shared values that glued together the communities of the past.

The things that hold us together – the quintessence of community spirit – are everywhere and at all times, under pressure.

Yet we mustn't as a country descend into nostalgia.

Because we have mastered this challenge before.

When this city was created, people from all walks of life were thrown together in a new mix.

But the city's reaction wasn't reactionary. We didn't say as Robert Putnam once put it, this is all too scary; let's go back to the form.

We saw a revolution in civic inventiveness. Those great pioneers I mentioned – Cadbury, Chamberlain, the campaigners like George Dixon who founded the national education league – they saw new public services as a way to glue us together.

In a common purpose. In a common endeavour. In an alliance in which each of us could do far more, than we could ever hope to achieve marching alone.

That is the opportunity of the future.

It is the potential of a new coalition of public servants and civic activists.

It is a coalition that change this country for the better. One community at a time.

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