

Child Poverty Speech, Newcastle

Friday, 8 June 2007

Introduction

Thanks for inviting me here today. I've looked forward to this event and being here with you today as the issue of child poverty is extremely important both to the region and also to me personally.

As someone who has lived here all my life, it is with pride that I look at the progress we have achieved in recent times – in areas such as job creation, rising living standards, and regeneration. And I also share the frustration that we haven't been able to move faster to eliminate the remaining social and economic problems that persist in the North East.

But let's be realistic about the scale of our ambition and what we have achieved so far. As you know, government in 1999 set out our goal to end child poverty by 2020, halving it by 2010. *No government in history* has demonstrated this scale of ambition for its children. At the time commentators, frontline workers and academics alike were staggered by the scale of the challenge we had set ourselves.

So it is with some frustration that I have witnessed so much of the public debate in recent times become dominated by the targets themselves – how they are defined and whether we are off course.

But the essential truth remains – we are as committed to ending child poverty today as we always have been. I am far from complacent, but we should remind ourselves of what our bold pledge actually means – to end child poverty for good. To make sure that no child should ever suffer deprivation or grow up with their life-chances limited by their parent's income or background.

The North East

I want us to recapture that original sense of ambition again - here in the North East.

We have a whole range of unique challenges and problems in this region when it comes to poverty and social exclusion. This is bound up in the changes and fractures that were experienced throughout the 20th century and especially during the 1980's.

The result is that this region is second only to London when it comes to the number of children living in relative poverty. We also have the highest numbers of benefit claimants in the country; the highest numbers of households where someone has a limiting long-term illness, and the highest numbers of workless households with children.

These sobering facts underline the challenges we face. They are no surprise to us here, and are a clear result of the shameful neglect the North-East suffered in the 1980's and 90's when unemployment doubled, poverty tripled nationally and sent us plummeting to the bottom of the European league. Communities here were left broken as traditional forms of work and identity were destroyed, unemployment rocketed and a culture of dependence and despair prevailed.

But as we have seen, change can happen – we can fix this. There have been a lot of improvements in last ten years, both here in the North East and across the nation.

Nationally we have got 2.5 million more people in employment and lifted 600,000 children out of relative poverty through policies like the minimum wage, tax credits, and sure start. And the recent budget announced a billion pounds extra for the child tax credit, which will lift a further 200,000 children out of poverty.

And we can see this reflected locally. When I first became an MP in 1987, unemployment stood at 25% of my constituency. Now it is between 4 and 5%. Child poverty in the North East has been reduced by 17% - that's 50,000 children. Unemployment is down by 40% and as much as two-thirds for young people. We should be proud of a clear regional economic strategy, well performing local authorities, LSPs and local area agreements. We are starting to see a good network of children's services directors and lots of joined up activity on the ground.

Challenges remain:

But challenges remain.

We still need to tackle a poverty of aspiration that is passed down through generations. Left unchecked, this can lead to reliance on benefits and dependency becoming a way of life and people thinking that the world of work is beyond their capacity. Those caught in this vicious cycle, see no value in education and training, no future or opportunity, and are bogged down by contact with government agencies rather than empowered and supported by them.

Our educational services are essential to tackling the low aspirations of some of our region's youngsters. Standards of attainment have risen in the North East, however we can't accept underachievement among any of today's youth if we are to truly break the patterns of inter-generational deprivation we have witnessed in the past.

And we need to tackle the kind of multiple, complex and inter-related barriers that families face. The support that people need to get themselves out of poverty is more than financial. If you look at our area, the impact of the minimum wage and tax credits is higher than anywhere else in the country. But the problems some people face such as

parenting worklessness and poor health, are entrenched and have been passed down from one generation to the next.

And while unemployment is down, we need to work towards encouraging more investment and new businesses and industries to the region to tackle it even more strongly. We need to equip people for the new global economy where jobs are rarely for life, and new skills are needed all the time. This is particularly true in this area, where many traditional industries are gone and will never return. We have got to improve peoples' skills, and have a renewed drive on education, particularly post 16.

Government can't do it all

But government can't do it all. For too long we have relied on the public sector for supporting local people. We need to work to stimulate the private sector and particularly encourage voluntary and charitable organisations. We also need to embrace the huge potential for social enterprise in this region.

My vision is not one of farming out statutory services arbitrarily, or of abrogating the state's responsibilities in the area of social and community development. That is why I am keen to stress the potential for partnership between the state and third sector. As an active and responsible partner, the state has the potential to nurture and support innovation and best-practice within the third sector for the benefit of service users. Let us not forget who these service users often are – people with complex and multiple needs who will only fulfil their potential if they are offered highly tailored and holistic responses to their needs.

Only yesterday I spent some time volunteering for a charity that offers support and training to youngsters with special needs. They also have

case workers working on seemingly intractable cases. But because of their success and innovation, they have developed a trusting relationship with the LA's and are actually receiving referrals from statutory services in some of the most challenging cases. The point is that innovation should be encouraged and supported in whatever sector it is found.

I realise that this is not a view shared by everyone, but I am also a keen advocate of social enterprise. Enterprise is the lifeblood of every modern society, and enterprise with the primary goal of social development is a welcome advancement. In many sections of our community, social enterprise is adding a new source of innovation to tackling society's challenges. It is not all about money either – it is about applying entrepreneurial flare and ingenuity to tough, gritty, social problems – like homelessness, youngsters without qualifications or work, or even feeding children in areas of deprivation before school (Magic Breakfast).

I fear that the North East is in danger of missing out on the potential offered by social enterprise and I would welcome a renewed drive to welcome their potential contribution to tackling child poverty and supporting fledgling enterprises in the region.

Next Steps:

So where do we go from here?

We are making good progress on child poverty but I assure you I am not complacent. If we are going to truly put an end to child poverty then we are going to have to look holistically at the wider causes and drivers of poverty in a family. Children's services cannot be expected to do this alone, it will also involve other partners including adult services.

Tackling these problems is also not simply a question of money. This is just as well, as expansions in mainstream budgets on the scale seen in

previous spending reviews are unlikely in the foreseeable future. In this light, I believe that we in the North East will need to seriously address the following 4 points in order to accelerate or progress and drive support down to those most in need:

- Firstly, early intervention. I first made this point in the Social Exclusion Action Plan last year – and I'm pleased to notice the principal of early intervention now seeping through to almost every major policy branch of government, from crime to education. But nowhere is it more important than in tackling social exclusion. People presenting to A&E for the first time with drug related conditions cannot be allowed to continue until full blown addiction has taken hold before support is offered. Likewise, a young mother exhibiting signs of exclusion should not have to wait until the child is born, or indeed has an accident, until support is offered – for this reason we are rolling out ten pilot projects of a scheme that has been running in the States for 30 years, called Nurse Family Partnership. By targeting vulnerable pregnant women with intensive and tailored support from pre-birth until the child reaches two, the mother and child's life chances are literally transformed. Early intervention is a principal that every commissioning authority and policy director in the North East should take to heart – for the wellbeing of our people and also the potential for considerable downstream savings that will bring.

- Secondly, better identification, targeting, and personalisation. A one-size-fits all approach to universal services means that all too often the most excluded miss out. Targeted services that are focused on the individual and their specific needs will have far more effective outcomes and are more likely to engage the individual. And we should not be afraid of conditionality – individual packages with a balance of rights and responsibilities can actually help solve problems rather than indulge them as can too often be the case.
- Greater partnership working and data sharing. We ask a lot of people who are struggling with complex problems when multiple agencies approach them with silo mentalities – asking for the same information several times with complex and often competing interests. We need to build on what we have learnt from Every Child Matters and apply it across the board, encouraging greater communication and interaction of services which result in more effective practice and the capacity for better identification and earlier intervention.
- And finally - using what we know works. There are lots of well evidenced programmes that we know are making a difference and tackling the problems of child poverty. We need to be far more focused and ruthless in making sure we spend money on programmes that we know will be effective. That often means commissioning from new and different sources with proven track records.

This conference:

So finally my thoughts on what this means for us today.

This is a real opportunity for us to make the north-east a national pioneering area for a new approach to tackle child poverty.

I want us all to get behind this so that it can gather a real momentum in the area. Let's make it a local priority for partners in all sectors, and get our folk out there behind it to make it a real campaign like Make Poverty History.

I don't want us to look back on today as a talking shop. I want it to be the first steps towards a real culture change, real action and real ambition. This is a clarion call.