

# **Launch of *Making Assets Work:* *The Quirk Review***

Transcript of a speech given by  
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Can I start by thanking John Speyer for hosting us at the fantastic Burton Street Project. Let me also thank Barry, Andrew and Stephen for what is a very impressive piece of work. It is also thanks partly to the work of people like Steve Wyler of the Development Trust Association who has led this agenda for so long.

I think Ruth set out extremely eloquently the context of the report and some of the key recommendations. I just want to say three things. First, something about the vision, and how I see this community asset and community ownership agenda; second, something about the way we make it happen; and then third, something about the challenges for the third sector.

## **The vision**

In terms of the vision I'm quite influenced by a visit I did early on when I became minister, to something called The Octagon in Hull, who are represented here today. This is an area of Hull which before The Octagon arrived had something like 5,000 houses that didn't have a GP. It had extremely poor services. It was an extremely neglected and depressed area. And what really struck me going to visit was that the fact of having a community asset, the fact of having a building, was something that kick-started a massive change in the area.

The question is, why did it kick-start that change? I think it is partly about the financial stability and the financial base that community ownership can give third sector organisations. But it is also that it brings people together, with good public or voluntary sector spaces where people can gather. And when you bring people together, things start to happen. That's a rather basic way of looking at it but I think it's incredibly important.

That part-financial, part-social effect of community ownership seems to me the core part of this – and it was very much something I learnt when I was at the DTA conference talking to the people there. In my area, an ex-mining area, there used to be a whole set of institutions to pull people together, centred around the pit. Those institutions don't exist any more. So the reason why I think this agenda is exciting is it offers local people a chance to take power for themselves to change an area, financially and in terms of the social base it can build.

So that, for me, is the vision of why this is important.

### **Making it happen**

Secondly, how do we make it happen? It is a cliché now to talk about partnership but that is the key to what we have to do. Barry's report shows that local authorities by and large have the power to make this happen. He has shown in Lewisham how you can build a thriving third sector, and I think it's very important that we now have Barry, who is going to be a champion for this agenda, as someone with real credibility in the local government world.

As Ruth said, this is partly about spreading best practice and showing there are not the barriers that people think there are. It is also about empowering people from the bottom up. There is the little-known 'PROD power', which is last resort that community organisations can use to go to the Secretary of State. And I know the report also talks about the Comprehensive Area Assessment and other means of making change happen.

Our contribution in the Office of the Third Sector is to try and incentivise the process. That's the reason for the £30 million fund. We're currently out to consultation on this fund, and I hope people will contribute to that consultation. I think we've so far received a great sense of enthusiasm about what this fund can actually achieve – it has probably already been spent a number of times over.

The other thing that we draw from this, and we'll make sure this happens when the Big Lottery Fund administers the fund, is that there must be a real premium to having proper partnerships between the local authority and third sector organisations. And the central terms of the fund will be to make sure that when assets are transferred over, they are transferred over in a good state, not a bad state, and in proper condition. The last thing local community organisations want is to have an asset transferred to them in a dilapidated state.

### **Challenges for the third sector**

Thirdly, let me say something about the challenge for the third sector. I want to mention three challenges which I think are important – and I think they are things that the third sector can show that it can do.

The first one is about accountability. I'm very struck by the people on the board in Hull. I think I'm right in saying that eight of the 11 people on the board are elected representatives from the local area. That isn't appropriate in every community project but I do think that that kind of example shows that there are different forms of accountability. Local government provides an important part of the accountability of services to local people, but community organisations can also have that democratic accountability. That is very important partly because it knocks down one of the arguments of people who are more suspicious of this agenda.

Secondly, there is an issue around the skills to administer and make a project happen and manage assets. I think we need to be honest about this that there is a real challenge to owning and managing a building. I'm glad to say that we are making available today another half million pounds to the Community Alliance, so that they can continue the work that they are doing on training people in community asset management. So, again, I think this is a challenge that the third sector itself is thinking about.

And then the third thing is about sustainability. That too will be something that we place a premium on in the administration of the £30 million fund: showing that a project actually can be sustainable. Again, that does come back partly to partnership. It does come back to local authorities also being willing to find a way of, for example, renting out part of a building. It is happening in my area, so some community assets provide a certain stream of income to fund a community organisation.

So I think there are challenges here for the third sector and I think it's essential for us to be open and honest about these challenges, because they can be met but it requires big effort on the part of the sector and government.

### **Culture change**

The final thing I would say, if I could just echo what Ruth said, is that the thing I've learned most of all in this job over the last year is that the biggest challenge we face in the relationship between government and local third sector organisations is the challenge of culture change.

It's the challenge of building the idea that actually there isn't a rivalry between good, strong, empowered local government and good, strong third sector organisations. Of course there will be conflict. Of course there will be disagreement. But, actually, both are necessary to build the kind of communities we want to see.

I think the great thing about Barry's report is it shows in quite a lot of detail, as will our response, that all around the country this is happening, including in Sheffield. I think it's a fantastic thing that Barry has done for us. I am really pleased he will

remain involved in this project and be reporting back in a year's time on how this project is going. With the report launched today, it offers us a chance to see a massive growth in community ownership in the coming years.