

SPEECH BY THE CHIEF SECRETARY TO THE TREASURY, PAUL BOATENG MP, ATTLEE LECTURE

1. It is a great honour to have been asked to give this year's Attlee Lecture. And I do bring the greetings of the Chancellor to the Foundation and the gathered company.

2. I want to talk this evening about civic society – about the central part which the voluntary and community sector has to play in nourishing and energizing civic life in Britain, and about the duty that government has to support and encourage voluntary action and voluntary giving.

3. We have in this country a long tradition of social activism – of people coming together freely to improve the lives of those around them. The Foundling Hospitals of the eighteenth century; community leaders like Samuel Barnett and Colonel William Booth, who built new communities of solidarity amid the degradation and despair that all too often characterised the Industrial Revolution; and the post-war pioneering approach of groups such as SANE and Mind, highlighting courageously the at that time scandalous neglect of those living with mental illness and their carers. A job of work that still has to be done today, even as we as a society begin to make progress in supporting those living with mental illness.

4. It is a tradition that energizes our society today, with volunteering a part of life in cities and countryside. The giving of money and time is, as Clement Attlee noted,

“not confined to any one class, nor is it the preserve of dull and respectable people.”

That will be a comfort to us all. We are not dull just because we give our money and time.

Some voluntary work involves organizations with long and cherished histories, such as the Women's Institute, and many faith groups; some, though, involve groups which have come together on an ad hoc basis only recently – getting together in front-rooms and Church halls - because they see an urgent, contemporary need and a chance to serve.

- the Jubilee 2000 campaign to free the poorest countries from the burden of debt began in just this way, coming together as faith groups at the grass roots level;

- in my own constituency, the Bears Youth Challenge, founded by a group of dedicated and far-seeing black men in northwest London. Having come together to form BYC, these men recognise their responsibilities; they knew what it is to be black in North London; they came through it and are now taking responsibility. So, having been through it all themselves, they now support schools youth clubs in our community, working with disaffected young people.

5. And, conspicuously, the work of the Attlee Foundation itself, spearheading innovative and practical projects such as the Youth and Community Development Centre in Spitalfields, and the Tickets Please scheme, making a valued difference to families by enabling them to visit members in hospital or rehabilitative care. A worthy tribute to a man who discovered his vocation for politics through working with a boys' charity in Stepney and who argued throughout his life for greater recognition of what community organizations can achieve.

6. Indeed it was on this site, as Secretary of Toynbee Hall, that Attlee worked to develop a deeper engagement between universities and the institutions representing the working class, giving his time to bring opportunity and aspiration to others.

7. Every year half the adult population – half of our number - undertake some voluntary work, totalling more than 4 billion hours. Surveys show that people choose to do service work for others because they believe they can provide something which cannot be provided by the state, something which reveals an aspect of; a face of a caring society they believe in.

8. I believe in what I shall call the voluntary impulse – the instinct that drives so many people, from all backgrounds, to give freely of their time and money. I believe that this does have a clear ethical basis. It springs from a belief that, as Joseph Addison said, “Man is by nature a sociable animal”, and that the gift relationship is part of the very foundation of human societies.

9. I want to suggest that from these underlying principles flows the essence of a fair society, where opportunity and responsibility are intertwined and reflect one another. And with that comes the acknowledgement:

- that our responsibilities go beyond the merely personal, extending to our neighbours and all those who are affected by the decisions we make.

- And that we cannot simply leave it up to the state to fulfil the duties of care that we as citizens owe to others.

10. Some say that civic life has been eclipsed by the consumer society, has lost out to global markets, has been broken down in the age of digital entertainment and mass communication. They portray a Britain as a nation reduced to millions of atomised individuals, disembedded from the networks and solidarities that once defined social existence.

11. It is true that many of the traditional organisations and associations that arose in the nineteenth century or before faded in the twentieth century. But as some fall, others rise, and with that same voluntary impulse behind them. From the playgroup and child care movement to Age Concern and other organisations of the third age, we can define a Britain of thousands and thousands of centres of energy and initiative, local neighbourhood civic associations, credit unions, charitable and voluntary organisations, that together embody an ideal of civic society.

12. Tonight, I want to describe how the role of the state has evolved and is evolving, and how the voluntary and community sector too has changed. I would like to set out some of the challenges facing us in practical terms, as we seek to make new relationships work. And I would like to touch on some of the innovative proposals being implemented as a result of last year’s cross-cutting review of the role of the voluntary and community sector in service delivery.

13. Of course, our understanding of the duties of individuals, communities and the state has changed over time, and in post-war Britain the pendulum swung back and forth in the debate over the welfare state itself. With left and right in a tug of war over the responsibilities of individuals and the state, the potential contribution of civic society was, in the process, all but overlooked. Something that would have disappointed Attlee, and the other founding mothers and fathers of post-war Britain whose political roots lay in voluntary sector activism.

14. Before the changes brought about by the 1945 Labour Government, the government’s remit strayed little beyond defence, and law and order - Britain was essentially a night-watch state. Philanthropists and social reformers did much, but could not eliminate the squalor, ill health and lack of life chances for many. Against such a background, few would disagree about the benefits and the enormous revolution that came from the creation of the welfare state and the National Health Service, replacing an untidy patchwork of local municipal voluntary provision and providing comprehensive services at a scale and of a nature previously unknown. Millions found themselves

empowered by the state acting on behalf of the community, taking the shame out of need, and exercising their rights education, basic social security, employment, and health care for the first time.

15. These were their entitlements. That is what was their due. No one should underestimate how revolutionary this was. I myself – brought up in North London, born in Tottenham – experienced this revolution. As a result, my maternal grandparents could be sure that their first grandson would grow up with straight legs and limbs, not suffering from rickets. This was a society that reflected the post-war consensus that Attlee presided over, ensuring that every child should get cod liver oil and orange juice in medicine bottles – many of us here tonight are old enough to remember that. So this was not by accident; it was a collective view that children should be guaranteed to grow up with straight limbs and that publicly funded actions should be taken to ensure – through an effective public health intervention – that this was so.

16. But unintentionally, particularly as the welfare state expanded in size over the following decades, it grew to become a substitute for communities. There was a sense in which that individual initiative was stifled in the process; the vision Bevan and Attlee had was a willingness to deliver collective services, but never an intention to stifle the voluntary impulse or replace services.

17. But that did happen. And gradually this built up into a widespread anti-state and anti-collectivist sentiment, to which the Conservative Party under Margaret Thatcher gave expression, reaching a shrill apotheosis in her notorious remark that “There is no such thing as society”. Markets, untrammelled and unregulated were to “rule OK”.

18. In this perspective there was a role for charity, but it was not the partnership we are seeking now, in which government and charities work together to do more. Acts of individual giving and philanthropy were to become in a sense a means of privatisation. Charities were to be obliged to take over as the state withdrew. There was envisaged a rolling-back or withering away of the state where individuals in need would be thrown back to dependency on individual acts of giving and philanthropy.

19. And on top of this, when voluntary organizations were used to provide services, the 1980s and 1990s saw the relationship constricted by unhelpful contract financing arrangements, with the parameters of the relationship drawn up in Whitehall without consultation, passing off responsibilities to charities but at the same time stifling their greatest strengths – innovation and independence.

20. So if the 1970s saw Britain going beyond the limits of acceptable “big government” – if there was a stifling effect through a particular brand of municipal socialism; a Town hall and a Whitehall approach that belittled individual philanthropy and individuals drive to come together, recognising their rights and responsibilities - by the 1990s, the practical limits of a market free-for-all had become apparent, as people saw services the community had traditionally taken for granted coming under threat.

21. And then you saw another shift in opinion – out of the left’s overemphasis on government and the right’s over-zealous faith in markets everywhere and anywhere, a more balanced approach has emerged, and one which values a strong and effective civic society thriving alongside markets and the public sector; one in which the two were not set against each other, but were in a sense complementary.

22. But it is not the state alone that has changed. The world of philanthropy too has undergone a transformation. A generation or two ago, the very word “charity” called up the image of lunches,

chequebooks, Lady Bountiful and blue rinses – not that I have anything against blue rinses. My mum and some of her best friends had blue rinses – but I do not like to see charities characterised and stereotyped in this way; charities seen as something worthy but faintly patronising – something one did to other people less fortunate than oneself.

23. Charities position themselves differently today. Today that notion has been dispelled by what social activists have achieved, what is being done today at grassroots level:

- I remember working with Lord Rix – chair of Mencap – as a Parliamentary under-secretary. We recognised the importance of developing some of Mencap’s members with learning difficulties to serve on Partnership Boards alongside carers and other stakeholders. I could not but see, in talking to Brian, that there is a gaping hole in the NHS service left by not seeing how those with learning difficulties can engage in management not in a tokenistic way but in a genuine way;
- Community Links in Newham, a network based in the community providing a holistic service, helping parents, those seeking work, ensuring families are informed about and claim the benefits and tax credits to which they are entitled. And in the process helping the volunteer advisers qualify as solicitors.

24. There is so much we need to learn from charities such as those.

Partnership in practice

25. Today a state which has reconceptualized its role in advancing equality and opportunity faces a voluntary and community sector that is, more than ever, empowered by the knowledge that committed citizens can bring about change themselves.

26. A new encounter between state and civic society that draws inspiration from Clement Attlee’s deep engagement in both. In the 1920s he made a study of social activism – although the language has changed, his conclusions remain as valid today as when he called for, (and these were the words he chose) :

“co-operation of voluntary organisations with the state whereby more flexibility is obtained, for there is room for experiment in new methods, and the devoted services of those interested in the work are secured.”

That was Clement Attlee’s vision – a practical vision.

27. What we set out to achieve today has to reflect Attlee’s insight. The new relationship we are building is based on a new understanding of the rights and responsibilities of the citizen and the reach and role of government. It involves a credible and radical view of responsible citizenship, and a new perspective on the state as an enabling state. It is only by creating a new and mutually supportive partnership, stretching from the individual and family to the community and state, that we can build a Britain where there is security and opportunity, not just for the privileged few, but for all.

28. As part of this partnership, we want to create a framework, so that those voluntary and community organizations that wish to deliver high quality public services are able to do so effectively. I know that it has been a long-term ambition on the part of many such organizations to have a greater involvement in the design, planning and delivery of services. And we had to make that possible – this Government is committed to doing so.

29. Other organizations will choose to serve the community in other equally valid ways, beyond statutory services – and we in Government will continue working with them through a host of initiatives, from corporate giving to the excellent work of the Social Investment Task Force in sharing expertise and promoting innovation.

30. As we involve more voluntary and community organizations in public service delivery, we should be prepared, to ask ourselves some tough questions, to face up to some difficult problems. I would like to mention four of those challenges this evening:

- Firstly, how to devolve power to the local level;
- Secondly, how to reflect the need to have a careful, intelligent debate about the respective roles of the public and private sector;
- Thirdly, how to ensure the independence of the voluntary and community sector – it is absolutely vital that this independence is maintained and secured;
- Fourthly and finally, how we can address some of the obstacles, especially in development funding, which community organizations face.

Devolution of power

31. Firstly, the question of how to devolve power and strengthen local institutions – something that is not always easy for government, and sometimes humbling too, because it obliges us to recognise our limitations in government vis-à-vis the strengths of local and indeed voluntary action. It is never easy to hand over power and it is never easy to recognise that skills and expertise exist at the grass roots and that Whitehall does not have a monopoly on wisdom and insight. So although we do have insight, this is not unique and we must recognise the strengths and roles of communities - strengths like the specialised knowledge many voluntary and community organisations have, and the trust with which they are regarded by the groups they serve.

32. So, after many decades when it was assumed that the man in Whitehall knew best, we are now acknowledging that voluntary and community groups have unique advantages – local knowledge, and closeness to communities that are often marginalized and sometimes distrustful – sometimes rightly so - of the state, whether it be municipal or national.

33. The devolution of power goes beyond regional and local devolution of government. It involves devolving power from government even further to local communities and neighbourhoods. Power once taken by the state from powerful or privileged interests in the interest of democracy must, for the same interest, be handed back from the state to communities.

Role of public and voluntary sector

34. Secondly, we need a serious and careful debate about the scope of voluntary and community sector involvement – about what the state should do and what voluntary and community organisations can do. As we move forward with extending opportunity, it is clear that there are some steps the state is best placed to take. We should recognise that and not in any sense apologise for it, but there are other steps too for which community and voluntary organizations may be better equipped – and where action through the voluntary sector offers the best approach, we need to debate forms of resourcing and help from central and local government will be most effective in bringing about the changes we seek.

35. Part of this approach is recognizing the distinction between public interest and state ownership. We can demand that a service be promoted and encouraged by government without insisting that government is best at managing each and every aspect of that service.

36. To take one example – child poverty. Even in an excellent school, children from different backgrounds often benefit unequally from the educational opportunities that are provided by the state. Genuine equality of opportunity requires us to look beyond the educational system itself. When we ask what are the causes of social exclusion, what perpetuates a culture of low expectations, we find the causes are often of a sort that the state is not very well placed to tackle directly. What is needed for genuinely equal access may well be interventions of a sort that the voluntary and community sector and individual acts of generosity are in fact better placed to make.

37. That has been our experience in mentoring, where there is a shortage of role models to help make effective family and school-based interventions. That is our experience in business where individuals giving of their time as business role models can show what works in promoting and developing entrepreneurship.

38. We can see that that there is no necessary conflict between central or local government acting as the direct provider, and an area of supplementary, focussed help, which is building bridges to opportunity for those excluded. The two forms of action are wholly consistent means to the same end: what matters to users is not which sector does what, but the outcome of equality and opportunity.

39. That is something Government has had to learn. Voluntary and community organisations have a track record of being on the scene delivering help before Government has even acknowledged the problem. That was the case with the Carer's Association, for example, and I can remember that the very first reception the Prime Minister and Cherie Booth held at Number 10 was for carers to recognise their groundbreaking work.

Independence of the VCS

40. The third tough question I want to mention concerns the independence of the voluntary and community sector.

41. As more and more voluntary and community organizations get involved in service delivery, and enter into financial arrangements with Government, we must also ask how their independence from Government can best be protected. The independence of the voluntary and community sector is key to its dynamism. Take for example the mother caring for a child suffering from schizophrenia, for whom statutory services have not provided for. And what about the 8 year old caring for his epileptic mother, who is having a fit – a child, who knows what to do and how to handle a fit but whose teachers do not know that mum is epileptic and wonder why he does not do his homework or why he is often late. In the past, Government did not wake up to challenges like these – the voluntary sector taught us this in often difficult and challenging ways. That is why voluntary and community organisations must not lose their independence.

42. It is very encouraging that organisations that are delivering public services – organisations such as Dr Barnardo's which is involved with the SureStart programme – continue to campaign on a range of issues and draw attention to where more action is needed.

43. Overall, I believe that involvement in public service delivery will strengthen, not weaken, the sector's ability to influence the policy agenda. Our experience of public sector reform has taught us that policymaking needs to be grounded in the realities of delivering services at the frontline. Being

involved in implementation will enhance the sector's ability to make an incisive contribution to social policy, based in direct experience of what users need.

Need for capacity building

44. The fourth, very tough, question involves facing up to the capacity needs of voluntary and community organizations, and the obstacles they face. Because alongside the sector's real strengths – its grassroots connections, its freedom to innovate, its closeness to those we need to serve – community organizations do face barriers which impede their work.

45. Last year I had the challenge and the privilege of chairing a cross-cutting review at the Chancellor's instigation to explore how central and local government and the voluntary sector can work together to address these obstacles and deliver world class public services.

46. One particular barrier has been the short termism characteristic of all too much Government funding to voluntary and community organisations. Grant funding of charities can unintentionally foster grant dependency. Sometimes renewable one-year contracts have had the perverse effect of encouraging organizations to divert resources away from frontline services and into bidding to retain contracts. And this can create an awful, competitive culture – competing for funding from the state and nurturing the view that the voluntary sector is used because they are cheap. We have to recognise this.

47. There is a need, too, for voluntary organizations to equip themselves with infrastructure, including IT, to support their activities, and to enhance the skills of staff and volunteers, to ensure that their dedication has the social impact it deserves.

48. In the Government, we do not want organizations that want to get involved in public service delivery and make a difference to be excluded through shortfalls in capacity. In last year's Spending Review we put our money where our mouth is and backed up the new partnership with significant new investment of resources - £188m was allocated to implement the conclusions of the review.

49. Last month we published a consultation document on how a new fund – the futurebuilders fund, worth £125 million over 3 years - to be set up in order to help those voluntary and community organizations at the frontline who want to be involved in delivering better public services to build capacity.

50. We want also to ensure that we actually use Futurebuilders as a good case study of how we want the new partnership with the voluntary sector to work. Voluntary and Community groups, and their representatives in the Compact Working Group, have been in the driving seat, and many of the key features of the fund have been shaped by their priorities. Now that representatives of the sector have prepared the proposals, we are asking the whole of the voluntary sector to have its say, through the consultation document we have published.

51. We will also soon be publishing a consultation document on proposals for uses of the £25m Parenting Fund, which again aims to assist voluntary and community organisations in the provision of parenting support, recognising that when it comes to parenting advice and support, the voluntary sector does it so much better and in a non-stigmatising way compared to the state sector.

52. Looking still further into the future, the last Budget announced that, building on and supporting the cross cutting review, we will be conducting a study on engaging the voluntary and community sector, preparing the ground for the next Spending Review.

Promoting the giving of money and time

53. But our agenda is about more than an effective relationship to deliver public services – it has to be about the voluntary impulse itself, and about how Government should recognize and promote people’s desire to contribute of their wealth, abilities and time to others.

54. We have simplified the rules and magnified the returns, with tax relief for all donations – large or small, regular or one-off, and not only cash but also shares. So today for every pound a taxpayer donates, the government contributes to that charity an extra 28 pence.

55. And by pledging through Payroll Giving, employees can make those donations automatically and conveniently, with significant tax advantages. We have abolished the ceiling on how much employees can give from their payroll, and extended a special supplement on all payroll donations so that for every pound contributed, the government will give up to 50 pence in tax relief.

56. Incentives to encourage individual giving are the start – but there is also an opportunity for companies to make a difference. And as I bring my remarks to a close, I want to stress how important the corporate sector is in all of this. In America, around 1 per cent of corporate profits are donated to charity – but only 0.2 per cent in Britain. We have simplified the rules so that businesses get full tax relief on any gifts to charity – no tax and no paperwork. Now we want to work with the private sector to create more routes for corporate generosity, and support the creation of business foundations that can make a sustained impact in an area of the company’s choosing.

57. To many voluntary and community organizations, time is worth even more than money. So expanding volunteering opportunities for all age groups and creating networks that match those who can give help to those who need it.

58. For the first time, the Treasury has set Government departments targets to encourage volunteering. And this year we are piloting the UK’s first full-time volunteering initiative to have government sponsorship. The Young Volunteer Challenge will help 1,200 young people from disadvantaged communities to contribute, offsetting the costs of volunteering against the other options open to young people at their stage with a weekly allowance and a lump sum which they can then subsequently put towards the costs of further or higher education.

59. This is a challenging time for the voluntary and community sector.

Concluding message

60. The context is fitting: last week was the week of the volunteer. It is three years since the Prime Minister launched his Challenge: a challenge to companies, to their employees – to all of us to look for ways to give of our abilities, and time, in our hectic lives. Last December we announced the corporate challenge focusing on increasing corporate giving and support for volunteering. We have seen some progress, but still not enough.

61. Our vision centres on creating the right framework in which civic society organizations can flourish and be strong and independent. It is about recognising that the power of civic society does not come from centralising Government but from the potential of millions of people coming together in their own communities, energized by a sense of compassion and responsibility, and a knowledge that their commitment is changing people’s lives.

62. There was a wonderful teacher who lived at the time of our Lord – a Rabbi Hillel, whose message remains with me in my work on rebuilding and regenerating:

“If I am not for myself, then who will be for me? And if I am only for myself, then what am I?”

So yes, individuals should take responsibility for their own lives, but should also recognise that our shared humanity means a shared responsibility to make things work and to improve our lot – recognising the realities of self-reliance, but also of inter-dependence. Rabbi Hillel went on to say “And if not now, when?” – a focus on action inspired by a vision that through our actions life can get better.

63. It is this vision that inspired Clement Attlee – it shines through his life and work and is reflected in a poem he wrote while working in East London:

“In Limehouse, in Limehouse, before the break of day,
I hear the feet of many men who go upon their way.
Who wander through the city,
The grey and cruel city,
Through streets that have no pity,
The streets where men decay.
In Limehouse, in Limehouse, by night as well as day
I hear the feet of children that go to work or play,
Of children born to sorrow,
The workers of tomorrow,
How shall they work tomorrow,
Who get no bread today?
In Limehouse, in Limehouse, today and every day
I see the weary mothers who sweat their souls away:
Poor, tired mothers trying
To hush the feeble crying
Of little babies dying
For want of bread today.
In Limehouse, in Limehouse, I’m dreaming of the day
When evil times shall perish and be driven clean away.
When father, child and mother
Shall live and love each other
And brother help his brother
In happy work and play”.

64. Attlee’s vision remains with us as a source of inspiration and hope.