

Third Sector

24.10.07

Miss Anne McIntosh

What his policy objectives are in relation to the third sector; and if he will make a statement. [159746]

Edward Miliband

The third sector review published in July set out a vision for how the Government can work in partnership with the sector to support its work in four key areas: building stronger communities, transforming public services, creating social enterprise and speaking up for the people they represent. The office of the third sector is financing that with over £500 million of investment and by working with Government Departments to make it happen.

Miss McIntosh

I am grateful for that answer, but I do not know whether it amounts to policy objectives. I hope that the Minister will join me in congratulating many in the voluntary sector on whom the Government are completely dependent, particularly in respect of delivering their care programme. I am thinking of the Leonard Cheshire homes in my constituency, which do a fantastic job for disabled young people. Will the Minister promise that the Government will not stand in the way of the voluntary sector, but work with it to enable it to continue to deliver the excellent work that it does?

Edward Miliband

I definitely join the hon. Lady in paying tribute to the work of Leonard Cheshire all around the country as well as in her constituency. The third sector review, which has been widely welcomed, including by Leonard Cheshire, is aimed precisely to create the right environment for the third sector, in recognition of the inspiration that it provides. The Government can help the third sector by providing the right conditions, having the right funding in place and, in particular, providing stability of funding, which is crucial for organisations around the country.

Mr. Andy Slaughter

My right hon. Friend will know from his visits to Hammersmith and Fulham that we have a very active third sector, as I was reminded last Friday when I visited our volunteer centre. Under the energetic leadership of Marion Schumann, it is now the biggest in London. What can my right hon. Friend do, however, about the local Tory council? From 1 October it has imposed swingeing cuts on advice to the black, minority and ethnic sector, and from next April it promises cuts in the voluntary sector of up to 26 per cent.

Edward Miliband

My hon. Friend makes his point in a very eloquent way. I very much enjoyed an Adjournment debate a few months back in which we discussed the situation in Hammersmith and Fulham. The Government can do some things and we are strengthening the framework for local government so that it has better relations with the third sector. The truth is, however, that the ultimate sanction is to vote them out.

Mr. Henry Bellingham

How much lottery money will be diverted from the third sector towards the 2012 Olympics?

Edward Miliband

The Big Lottery Fund is the primary source of funding for third sector organisations. They campaigned to protect it, and we are protecting all the money going to that sector. The Big Lottery Fund has made that clear and I hope that the hon. Gentleman will welcome it.

Andrew Gwynne

The third sector in Tameside in Stockport is increasingly taking over responsibility for providing public services, often using one-off grants or other forms of external funding. **What efforts are being made to ensure that sustainable funding regimes are put in place for such organisations, so that community groups can plan with more certainty for the future?**

Edward Miliband

My hon. Friend makes an important point about what happens to third sector organisations. I had the privilege of visiting third sector organisations in Stockport, his neighbouring constituency, where I saw their good work. It is precisely **through new objectives that measure the performance of local government in relation to third sector organisations that we hope to make a difference to the stability of funding provided.**

John Bercow

I hope that the right hon. Gentleman will salute and champion the role of the third sector in the delivery of aid to some of the poorest and most disadvantaged children on the planet. This is not a request for public funding: will the Minister simply pay tribute to the extremely important work undertaken by the Schools for Africa project, which is engaged in mobilising the enthusiasm and voluntary initiative of thousands of schoolchildren across the country, in enabling the provision of decent-quality books and equipment to children in the developing world whose opportunities are few and far between?

Edward Miliband

Let me pay tribute to the hon. Gentleman for his long-standing championing of the need for the right amounts of overseas development assistance. I think that he would join me in suggesting that it is extremely good that we are on the way to the 0.7 per cent. target, which is an extraordinary achievement for this country. I also want to pay tribute to the voluntary work done to support aid organisations. The non-governmental organisation overseas aid sector distinguishes itself by speaking up for changes in the law and policy, and by campaigning in relation to the developing world, and we also very much want to protect that.

Tom Levitt

My right hon. Friend might not be aware that I was on the management committee of my local citizens advice bureau in the early 1990s, when the CAB and other organisations were condemned by Conservative Ministers for behaving in ways that were deemed to be political. There was an assumption that those organisations could not campaign to get the law changed. Does my right hon. Friend agree that that was political correctness gone mad? **Does he also agree that this Government's policy towards the third sector should involve no such restriction on campaigning?**

Edward Miliband

My hon. Friend has a distinguished record in championing the rights of the third sector. I did not know about his history of involvement in his local CAB, but he makes a profoundly important point. We had an illuminating debate on the matter last Thursday. While **the third sector review champions the right of voluntary organisations to speak up, campaign, draw on their experience and say how they want policy to change, it is becoming**

increasingly clear to third sector organisations around the country that the Conservative party has great doubts about that.

Norman Baker

The Minister has correctly said that the growth of the third sector, which is welcome, must not replace adequate funding of public services by Government. At the Lewes Victoria hospital in my constituency, however, the league of friends increasingly spends money not on fripperies but on essential medical equipment. **What steps is the Minister taking to ensure that the third sector does not engage in work that the public sector should do, and that we do not effectively have postcode funding based on the strength of the third sector?**

Edward Miliband

I do not know about the local example raised by the hon. Gentleman. I point out to him, however, that the health service budget has increased in the past 10 years from about £30 billion to more than £100 billion. Historically, volunteers have played an important role in relation to the health service, without, as far as possible, substituting for what paid members of staff do. At a local London hospital I had the privilege of meeting volunteers who add to what paid staff can do, and I agree with him that that must be the objective.

Greg Clark

In the third sector review published in July the Government stated that they could

“see no objection—legal or other—to a charity pursuing”

its purposes

“wholly or mainly through political activities”.

In last Thursday’s debate I asked the Minister if it was his view that a charity should be allowed to devote 100 per cent. of its resources to campaigning politically, to which he replied:

“No, that is not my view.”—[*Official Report*, 18 October 2007; Vol. 464, c. 989.]

Will the Minister therefore clarify what is the view of the Government? Should a charity be allowed to pursue its purposes wholly through political activities—yes or no?

Edward Miliband

In this, we are guided by the Charity Commission. If the hon. Gentleman had done his homework, he would have read the April 2007 Charity Commission document on the matter. Question 11 asks about a small charity that might for a temporary period devote all its resources to campaigning. The Charity Commission view is that that is all right, and that is my view, too. However, it goes on to say that if in the long term that becomes the sole activity of an organisation, then that is not acceptable. It is becoming increasingly clear that while we want to protect the independent voice of charities, the Opposition want to go back to the 1980s—

Mr. Speaker

Order. I call Mr. Taylor.

David Taylor

If the voluntary sector is to be more successful in bidding for public services, is it not the case that it must improve its bidding, its marketing of itself and demonstrate its track record, and also that it must have more robust forms of governance and clearer lines of accountability to its stakeholders? What are the Government doing to enable it to capacity build in those regards, so that it can have a better track record in winning public service contracts?

Edward Miliband

Again, my hon. Friend makes an important point. The investment that we are making through Capacitybuilders in this spending review is precisely about building up the capacity of third sector organisations, so that they have the skills to be able to supply public services and fulfil contracts. Also, the Futurebuilders programme is investing in public services. The third sector accepts its responsibility to demonstrate the accountability my hon. Friend talks about, and to have the necessary skills and expertise.

Sir Nicholas Winterton

Is the Minister not aware that the voluntary sector in this country is often assisted financially by local authorities, and that that is money well spent? Is he not further aware that many local authorities—not least Cheshire county council and Macclesfield borough council in my constituency—are under-resourced and do not have the opportunity or ability to help voluntary organisations such as the Crossroads association in Macclesfield, of which I am patron? They want to do more, but they do not have the money. Will the Government ensure that local authorities are adequately resourced?

Edward Miliband

The hon. Gentleman is a long-serving and distinguished Member of this House, but it sounds as if he is making a request that goes beyond my remit: that we should spend a lot more public money on local authorities. I shall pass on his thoughts to the Chancellor of the Exchequer, but I point out to him that how much local authorities prioritise the work that they do with the third sector is a matter for their discretion. Many local authorities have a distinguished record, and I urge others to follow their example.