

The Enabling State in the North of England

Key issues raised at our Newcastle *Enabling State* roundtable on 29 January 2013 at Malmaison Hotel, Newcastle

The UK and the Republic of Ireland have experienced huge improvements in wellbeing in the last 100 years, however a number of complex social problems persist. Could a new relationship between the state and individuals hold the key to solving these difficult social problems?

The Carnegie UK Trust believes we are at the beginning of a fundamental shift toward more empowered citizens and communities and a more enabling state. With the help of Carnegie Fellow Sir John Elvidge we are engaging with key stakeholders across the UK and Republic of Ireland to better understand this movement and what this would mean for public service delivery. We will be looking for opportunities for shared learning as we go.

This report summarises the issues raised at our roundtable discussion on the Enabling State at Malmaison Hotel in Newcastle. Roundtable discussions were also held in Cardiff, Belfast, Dublin, Dunfermline and London during December 2012 – February 2013.

We hope you find the report of interest and we would be pleased to hear your views. Please contact Jenny Brotchie, Policy Officer at jenny@carnegieuk.org or on 01383 749757. You can find our discussion paper [here](#).



1. Context

Holding an Enabling State roundtable in the North of England is significant in itself. In choosing to hold separate roundtables in London and the North, the Carnegie UK Trust has recognised that ‘the state’ is understood very differently between the centre and the periphery in England. The institutions of the state are dense in London – the home of central government, the London Mayor and the London Assembly – in comparison with the North where local government has been steadily eroded of powers over several decades, regional assemblies were rejected in the North East and subsequently regional development agencies and other regional offices have been abolished. For many in the North, far from being enabling, the state is a distant and centralising force.

Any notion of ‘the North’ is problematic too. In part this is due to the absence of any boundaries or institutions that can shape or define the term. Whilst the term holds meaning over against ‘the South’, local and regional identities tend to predominate. Even in the North East, which adopts the term ‘North’ more readily, it is usually used to mean the ‘North East’ rather than any wider geography.

These questions of identity and institutions are part of a wider debate about Englishness which at present is being brought into sharp relief by the forthcoming referendum on Scottish independence. Irrespective of the outcome, the so-called West Lothian question and ideas about an English Parliament seem to be growing in relevance, as does the idea of Englishness. Any rethinking about the relationship between state and society must be acutely aware of these important dynamics and how they impact on people’s perceptions of public service and being ‘enabled’.

At the local level though, many of the themes identified in the Enabling State discussion paper have resonance with government initiatives



The discussion was chaired by Jennifer Wallace, Carnegie UK Trust (far left) with Sir John Elvidge to her right

in England over the past two decades during which there has been something of a journey as regards the relationship between state and society – not least in relation to neighbourhood renewal. Whilst community involvement was a feature of Single Regeneration Budget schemes, the notion that communities should be more effective participants in regenerating their own neighbourhoods came to the fore through the National Strategy for Neighbourhood Renewal in 2001 which put heavy emphasis on ‘community engagement’. This was taken a further step forward through the Community Empowerment White Paper in 2008 which attempted to embed concepts such as participatory budgeting, co-production and the community ownership of public assets.

These policies – together with some aspects of public service reform under New Labour – provided an important basis upon which the Coalition Government could introduce the notion of Big Society and communities doing more for themselves. The Coalition government has also sought to advance changes in the relationship between state and society through its ‘open public services’ and ‘localism’ agendas. Sadly though, such policies have been accompanied by a programme of severe public spending cuts, targeted in particular at local government, falling disproportionately in the North where public spending has been perceived to be higher, and with a growing impact on frontline services. For many, localism and Big Society have become synonymous with a government abdicating its

responsibility for local service provision in the name of austerity and the privatisation of public services.

As is clear from this context, to speak of an enabling state in the Northern context is problematic. Whilst few would doubt the need for a changing relationship between state and society, there is a cynicism and weariness about the possibility of change in places that feel stripped of any genuine autonomy by government centralisation and years of austerity.

But in such a context, the idea of empowerment becomes all the more compelling. Could it be that an enabling state is one which properly decentralises and devolves many central functions and affords the North – indeed England more generally – a greater range of powers and freedoms like those exercised in the devolved nations? Could it be that a communitarian vision could refresh the public appetite for greater involvement in particular public services such as education and health? The answers remain to be seen. But reflecting on the discussion paper and roundtable, the rest of this paper explores those factors that might make an enabling state in the North more or less likely.



Discussion at the roundtable

2. Key Themes

Three key themes emerged from the Newcastle roundtable:

- Who delivers?
- The lack of leadership, vision and strategic planning
- The contested role of the community sector

The issues covered within these themes are expanded upon in sections 2.1-2.3.

2.1 Who delivers?

For a number of participants in the roundtable, the critical question concerning the enabling state was ‘who delivers’? New public management (NPM) was seen to focus on the ‘delivery state’ and has been well known for the mantra ‘what matters is what works’ and there was a strong sense that even if NPM was to be superseded, a pragmatic emphasis on delivery remained key to unlocking the enabling state.

There was an unspoken assumption that state institutions should no longer be the sole delivery agents of public services although examples were cited where local councils were taking an innovative approach to service delivery, themselves providing a ‘core’ function but working closely with local communities to deliver ‘additional’ local projects.

There were strong advocates for a greater role for the voluntary and community sector in this regard, citing the fact that such organisations were generally smarter at delivering bespoke, locally sensitive services underpinned by clear values and altruistic motivations. There was also the sense that voluntary organisations were more adept at addressing the causes rather than the symptoms of key social issues. It was felt that the USA was better at recognising the potential of the third sector but that Whitehall still felt that voluntary organisations were patchy and a risky option.

Others spoke of the role of businesses – particularly local businesses – in delivering public services. The Greggs ‘Breakfast Club’ was given as good example. Local philanthropy and ‘patient capital’ were seen to be key to more empowered communities but there was concern that indigenous local businesses had declined and local business people were less involved in local democracy than had been the case in the past. Vaux was cited as an example of a business with strong local attachment and active involvement in training and nurturing the local population.

Larger businesses were perceived to be more concerned about shareholder interests and the City of London rather than the local communities in which they operate and to this end the privatisation of public service provision was broadly felt to be negative. An example of one company was given where it had reduced its regional presence from 4000 locally-based staff to just one regional manager.

With a diminishing role for the state in direct service delivery and a greater focus on the role of the voluntary and private sectors, procurement processes had to be right. Public procurement and the ‘Open Public Services’ agenda were heavily criticised. The reality is that public sector contracts are only open to big private sector or third sector organisations and too much commissioning takes place nationally rather than locally. Most small local business and community and voluntary

organisations do not have the capacity to bid for or enter into public service contracts. Procurers attach too large a weighting to price, they tend to be risk averse – particularly as regards rules on state aid – and attach too little value to local knowledge and technical ability.

One of the problems may be a lack of knowledge and understanding about how to measure social value. A number of participants were aware of individual projects attempting to find a better way to measure social value. Research into social accounting at Newcastle University was given as an example. It was felt however, that public sector commissioners tended to be sceptical about such approaches. One participant noted that there had been no guidance published alongside the Public Services (Social Value) Act 2012 to properly define social value and that there was still some way to go in developing a good understanding of social outcomes.

Perhaps the most compelling arguments though were for a mix or ‘blend’ of service providers, recognising the strengths and weaknesses of each. One participant identified a mode or ‘logic’ that determined different sectors’ approaches to resource distribution and service provision. The state was felt to be essentially bureaucratic with the benefits of technical and managerial expertise in allocating resources. The private sector is essentially competitive, effective in improving price and efficiency in some areas of service delivery where this can be helpful such as personal services. The voluntary and community sectors are largely associative, sharing resources and linking people more holistically to sources of support. And there was a role too for friends and family in meeting one another’s basic needs based around a logic of reciprocity and love.

The idea in the discussion paper that there was some kind of ‘hierarchy of preference’ with people always choosing friends and family to meet their (service) needs came under some scrutiny. It was felt that it underestimated the ability of public service professionals to care and the desires of individuals to



preserve their dignity and protect their families and friends from the burdens of certain types of care. Instead, it was suggested that an enabling state needed to become more adept at recognising and promoting the complementarity of different forms of service provision and the logics and values that underpin each. In particular, the local and personal knowledge held by communities and individuals needed to be better combined with the managerial and expert knowledge held by the public service professional from whatever sector.

2.2 Who has the power?

Whilst there was a lively debate about delivery, many participants sought a more penetrating discussion about power and leadership, for without understanding about who controls the state and its resources, matters of delivery and resource distribution will never be properly challenged.

One participant argued that the idea of an ‘enabling state’ suggested that power continued to lie with the state rather than the individual or community and for this reason an ‘empowered community’ was probably a more helpful term. The notion of ‘self-actualisation’ seems important here. Unless people feel able to address their own needs or engage with public service providers then any notion of an enabling state lacked potency. This does not necessarily require money. One person argued that it was insufficient for people to feel ‘free from’ the state, they needed to feel ‘free to’ shape it – to have power over it.

In this regard it was felt government was weak, particularly in relation to dealing with difference. The state could be good at providing homogenous services, ‘free from’ too much bureaucracy, but not at enabling diverse communities to be ‘free to’ access services which meet their individual needs. This was particularly true in the English context where an over-centralised state was increasingly at odds with the needs of local communities. It was felt that the discussion paper implied an enabling state would necessarily be more localist but this was not

explicit. In particular, it did not spell out any role for local government and local democracy and this was considered a flaw in the argument.

But concerns were raised about the risks of greater localism. Some participants spoke about the dangers of ‘postcode lotteries’ and whilst it was recognised that these already existed across many services – sometimes as a result of centralised delivery – they should not be exacerbated. It was felt that the Coalition Government’s approach to localism tended to favour those with the ‘sharpest elbows’ and was essentially populist and majoritarian in its approach. This had dangerous implications for minority groups and those living with disadvantage. It was pointed out that even middle class people tended to have complex lives and lacked time to get involved in too much local decision-making and service delivery.

But for many the ‘power problem’ was more fundamental. There was a strong feeling that people’s lack of engagement with local service delivery was symptomatic of a much deeper sense of political alienation and lack of voice. For the North of England in particular, it was felt that the left no longer represented people’s concerns and that neither the unions nor the Labour Party were particularly ‘enabling’ institutions in the way they once were. They too had been captured by elite interests.

There was also concern about a lack of local leadership from both the business and the political community. Some felt that many Northern leaders had given in to a ‘narrative of despair’ in the present circumstances that does not serve their people well. The lack of political voice and lack of local leadership were seen as the primary reasons why there had been so little resistance to the austerity measures that were having such an impact on the region. There was an urgent need for more enabling political institutions and the Scottish Nationalist Party was identified on a number of occasions as being an example of a more effective approach but questions remained as to whether it could be replicated in England or at a regional level.

Another concern in relation to power was a sense of inter-generational injustice. One participant suggested that those who were now pensioners had prospered very well within the welfare state through things like free healthcare, education and university tuition and that they continued to receive disproportionate public benefits through protections to pensions, winter fuel allowance, free travel and so on. If the state was to be perceived as valuable to younger generations and there was an expectation that young people should somehow ‘contribute’ more effectively to the public good then such benefits needed to be better shared.

2.3 Whose values?

A theme that emerged throughout the roundtable was that of ‘values’. At an individual level, it was recognised that a more empowering and relational state held inherent value for individuals, not least those who did not have paid employment. Notions of community participation were important for those without paid work in affirming the contribution they can make in their communities and demonstrating their value ‘beyond money’.

Values were given as an explanation as to why the third sector was seen as a key contributor to an enabling state – ‘shared values’ were felt to be an explanation as to why third sector staff could be more effective at delivering services, although others argued that ‘public sector values’

and professionalism did not eschew a care for the individual. However, the state needs to have a clear vision about what kind of society it is trying to build and give its staff the power to work toward that vision. Many felt that current public sector values are skewed in favour of the bottom line and minimising risk. One contributor asked whether it was possible for the state to demonstrate ‘love’. Some felt that it was more difficult for large organisations with big managerial systems to be caring. One participant gave the example of a housing association that had had to stop delivering a number of the services it had originally set out to provide after becoming more closely associated with state and adopting some of the top-down managerial practices of the larger organisation.

So what are the kind of values that might underpin a more enabling state? Beveridge talked about the Welfare State addressing five evils: Want, Disease, Ignorance, Squalor and Idleness. Perhaps the enabling state might be addressed more positively towards five values: Trust, Care, Welcome, Innovation and Hope. When applied to family services, drug and alcohol support, probation, health or housing, for example, each of these values can shed fresh light on the ways in which the service is currently provided and the opportunities that might exist for a more relational approach to service design and delivery.



3. What does an Enabling State mean in the North of England?

The discussion paper and roundtable brought out strong emotions and concern in the North. It would be difficult to underestimate the sense of antipathy towards the current government in Westminster and the deep cynicism that runs deeper about the Whitehall machine. Not a great context for a discussion about an enabling state and an indication of the quite fundamental power shift that might need to take place before a more meaningful conversation about reforming public services can happen in the North.

But that is not to say that the community spirit of self-determination – so often noted as a hallmark of Northern identity – and the importance of individual empowerment or ‘self-actualisation’ is by any means dead. Voluntary and community sector groups are chomping at

the bit to be able to compete on a level playing field to bring values-driven service provision to local communities both as advocates and delivery agencies and to demonstrate the significant social outcomes that might be derived as a result. Local government longs for the autonomy it once had to shape that sense of place and economy according to local needs and strengths. And whilst there is little enthusiasm for big private sector contracts commissioned by the central state, the scope for local business collaboration and a ‘blended’ approach to local service delivery is apparent. It is through these local, intermediary bodies that individual choices, personalisation, social capital and co-production are most likely to flourish and it is these that should be the focus of decentralisation and a truly enabling state.

4. Next Steps

Our engagement with stakeholders in each jurisdiction is now complete. We are now carrying out an extensive literature review and seeking out practical examples of an enabling state in action.

Our findings will inform our final enabling state project outputs which we expect to publish in summer 2013.

You can keep up to date with our progress by visiting our enabling state [project page](#) and by following @CarnegieUKTrust, #enablingstate on Twitter.

To sign up to our Enabling State newsletter please get in touch with Jenny Brotchie, Policy Officer at jenny@carnegieuk.org.

Newcastle Roundtable Attendees

Dan Brophy, Entrust
 David Corner, National Audit Office
 Jo Curry, Voluntary Organisations Network North East (VONNE)
 Georgina Fletcher, Regional Refugee Forum North East
 Simon Hanson, Federation of Small Businesses
 Dan Jackson, South Tyneside Metropolitan Borough Council
 Sam Palombella, Groundwork North East
 Mark Shucksmith, School of Architecture, Planning and Landscape
 Tom Smyth, Department for Business, Innovation and Skills
 Peter Walls, Gentoo Group Ltd
 Ray Ward, Carillion Energy Services
 Sally Young, Newcastle Council for Voluntary Service
 Jennifer Wallace, Carnegie UK Trust
 Sir John Elvidge, Carnegie Fellow
 Ed Cox, Carnegie Advisor in the North of England
 Jenny Brotchie, Carnegie UK Trust

The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work. The Carnegie UK Trust was established by Scots-American philanthropist Andrew Carnegie in 1913 and we are delighted to be celebrating our centenary in 2013. Please see our website for further information on our centenary plans.

Andrew Carnegie House
Pittencrieff Street
Dunfermline
KY12 8AW

Tel: +44 (0)1383 721445
Fax: +44 (0)1383 749799
Email: info@carnegieuk.org
www.carnegieuktrust.org.uk

Written by Ed Cox, Carnegie Advisor in the North of England

July 2013



Carnegie United Kingdom Trust
Scottish charity SC 012799 operating in the UK and Ireland
Incorporated by Royal Charter 1917