



Left
Behind
Neighbourhoods

Session 4 briefing: Communities in control - capacity, confidence, cash

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This briefing provides members of the APPG for 'left behind' neighbourhoods with an overview of work on community power and control. Drawing on the latest research, it explores how communities can play a bigger role in local decision-making, and how this can improve social and economic outcomes for residents.

At a glance

Recent research by amongst others New Local (2020), Localis (2020), Power to Change (2020) and Locality (2020), together with Danny Kruger's (2020) report to government 'Levelling up our communities: proposals for a new social covenant', mark a turning point in the debate around community power. Together they contain a range of innovative ideas for reform of policy and practice, and concrete proposals to provide communities with the confidence, capacity – and crucially, access to cash – to enable them to take control of their own destinies.

We know that 'left behind' communities particularly want to take more control of the local decisions that affect them. Recent polling from Survation (2020) reveals that a clear majority (54 per cent) believe that local people should take the decisions if a new fund to invest in their neighbourhood was established - with an additional 17 per cent saying local community organisations and charities should lead.

However, despite a stated commitment by central and local government to trust communities and give them more power and control locally, particularly since the pandemic and the impressive community mobilisation it prompted, and, despite there being a strong case for it, outside of some pioneering examples, such as Wigan Council, the public sector has been relatively slow to respond. This raises the question, how can we both support and encourage the change we want to see?

Shifting the balance

Both recent Survation (2020) polling and the DCMS Community Life Survey (2020) highlight that, when asked who should have a stake in local decision-making, a majority believe that local people should have more direct power and control. This reveals a growing public appetite for involvement in the decisions which affect local areas. A wide range of approaches and initiatives are increasing the 'participation and organisation of everyday people in the governance of...a community for the mutual benefit of all' (Localis, 2020:12).

However, local and central government often focus on weak forms of community participation. As a consequence, projects and programmes can often leave communities feeling 'done to', eroding traditions of self-help and community organisation. Arnstein's (1969) 'ladder of participation' is designed to illustrate that meaningful participation requires direct citizen involvement in decision-making. The 'ladder' has eight ascending 'rungs': each representing increasing levels of citizen power and control. The most common forms of consultation and involvement (often in the form of citizens juries, assemblies, and co-design of local services) are relatively low down this ladder (Localis, 2020:14).

A genuine transfer of decision-making power and resources to communities requires a paradigm shift, one that puts trust in individuals and communities and gives them the support to enact change over the long-term. New Local's (2019:25) research highlights that what it terms the existing State-Market Paradigm is hierarchical and transactional. It risks stigmatising and disempowering those receiving services. A shift of the dial towards a Community Paradigm would 'place the design and delivery of public services in the hands of the communities they serve' (New Local, 2019:7). This would foreground the latent skills, capabilities and resources which exist in communities, supporting residents to build confidence and capacity to be involved in local decision-making around what is needed to create the conditions for meaningful and transformational collective change in their area.

What neighbourhoods are 'left behind'?

There are 225 'left behind' neighbourhoods in England, home to just under 2.4 million people, or 4.3% of the population. They range from post-industrial areas and housing estates on the edge of towns and cities in the north and Midlands to southern coastal communities. Suffering from a combination of social and economic deprivation, poor connectivity (physical and digital), low levels of civic engagement, and a lack of community spaces and places in which to meet - what we've termed 'social infrastructure' - these neighbourhoods rank in the top 10% of both the *Index of Multiple Deprivation* (IMD) and the *Community Needs Index* (CNI).

Making the case

There is a large body of work arguing for community decision-making as the most equitable and effective form of local democracy. Community power is a theme running through Ostrom's (1990) Nobel-prize winning work on common governance. New Local (2020) distilled three arguments from Ostrom's scholarship to inform policy and practice:

- communities are capable of managing their own resources, and often do so more sustainably than external agencies
- democracy is most meaningful at the hyper-local level; (the larger the scale of politics, the harder it is for people to participate)
- community power has the potential to resolve the monolithic, inflexible systems currently in place; confident communities will design systems better adapted for their local context

Similarly, Rajan (2019) suggests that the three pillars – State, Market and Community – must work together to create a balanced society. He emphasises that with the ability to operate alongside the state and market as equal partners, communities play an important role in improving economic growth, strengthening resilience and developing systems that are more responsive to changing circumstances (Rajan, 2019).

The economic literature also calls for changes in approach to address spatial inequalities. It argues for a deeper understanding of the social and economic inequalities experienced by people in different local contexts (OECD, 2019: 5). Echoing the need for a dial shift, it posits that we cannot look to the redistributive policies popular in both previous State and Market-based paradigms. It is necessary, instead, to look for policy solutions at the community-level, ones that “combine people-based with place-based approaches and empower local stakeholders to take greater control of their future” (Rodriguez-Pose, 2018).

Some initiatives trialling a radical devolution of power to the local level have demonstrated the positive change that can be achieved. The evaluation of the Big Local programme - which has provided £1m to each of 150 resident-led partnerships to spend over 10-15 years to improve their areas describes the significant benefits for individuals, groups and organisations and charts wider community change as a result of the funding and support offered through the programme (TSRC, 2020). Other smaller scale programmes have also shown that giving residents power over decision-making is a key driver in creating a lasting impact in an area. Analysis by Ipsos MORI (2015) of the Cabinet Office’s Community Organisers Programme, which was run by Locality, found that where the programme worked in partnership with residents to achieve their own goals, it was able to start generating sustainable social and economic impact. This was because residents felt ownership over the project outcomes, taking pride in the changes taking place, and increased in their confidence and capacity during the process of decision-making (ibid: 10).

A growing body of evidence indicates that giving communities control over a budget to improve their neighbourhoods reaps significant benefits in local economic development, improving prospects for young people, environmental sustainability and health and wellbeing (Local Trust, forthcoming 2021).¹ The data for health and wellbeing is particularly striking. Higher levels of community control have been found to result in improved health outcomes, lower levels of stress and anxiety and higher engagement in health-promoting behaviours. For example, Wigan Council’s ‘citizen-led’ approach to public health and ‘asset based’ working has seen healthy life expectancy increase significantly in the borough (The King’s Fund, 2019).

Government measures to support community power

Over the last twenty years, successive governments have introduced a variety of measures to give residents greater control over local issues.

The early 2000s saw government encourage and support specific local partnership projects. The 2000 Local Government Act established Local Strategic Partnerships designed to bring together representatives from all sectors to address local issues (Localis, 2020). This enabled communities to input on particular problems but did not give them real power to drive change. In 2001, the New Deal for Communities (NDC), which invested £1.7bn into 39 deprived neighbourhoods across the

¹ Local Trust and Community Wealth Fund Alliance (CWFA) (2021) forthcoming report, *Trust in the Neighbourhood*.

UK, set up community partnership boards to oversee development activity (CLG, 2010). By the end, 44% of residents had been involved in NDC activity “at some point” (CLG, 2010), although the legacy of the project was hindered by the fact that insufficient attention was given to sustainability and projects stopped once funding ceased (CLG, 2010).

In the late 2000s and 2010s, government introduced a raft of measures supporting local people to take action in their areas. For example, the 2007 Local Government and Public Involvement in Health Act allowed communities to establish new parish councils to provide communities with hyperlocal representative governance (Localis, 2020). Whilst, in 2011, the Localism Act established three new permissive community rights: the Community Right to Build, the Community Right to Bid, and the Community Right to Challenge. The latter two provided community groups with the power to take direct control of services and assets.

However, taking control of an asset, or running a local service requires a significant amount of resident capacity that is often not present in the most deprived communities. In addition, despite 75% of these assets being characterised as in a “good” financial state in 2018 (PtC, 2019), they often become financial liabilities for communities (Local Trust, 2019).

Notably, no initiative handing genuine power to residents with the necessary levels of support to improve both their social and economic prospects has operated in all ‘left behind’ areas across the country.

Case study: the Wigan Deal

There are now a number of examples of local authorities and other organisations taking the initiative to transform the power balance between communities and the state. That 21 councils now support the Community Wealth Fund is testament to a growing commitment to community power in local government, and the development of a more facilitative model, giving local people a greater say in local governance and in some instances more power and responsibility.

One leading example is Wigan Council, which in 2011, began to implement “the Deal”. This represents a fundamental shift in how the authority operates, looking to trust local communities and co-produce solutions to Wigan’s problems. It has saved the council £115m to date (Wigan, 2020). One key innovation has been The Deal for Communities Investment Fund. With £10m invested in community groups between 2013-2018, an initial review found that, in the first four years, every £1 invested generated £1.63 social value for Wigan (Kings Fund, 2019).

Current proposals

Danny Kruger MP's landmark report for government outlining the case for a ‘new social covenant’ built on the pillars of power, people and place, provides a comprehensive overview of why change is needed. It identifies that “what is missing in our current model is community power: the role of local people, acting spontaneously or through enduring institutions, to design and deliver the kind of neighbourhood they want to be part of”. Predicated on levelling up by creating a new social model that requires “a great transfer of power and wealth to our communities” (Kruger 2020), it

suggests that government policy and practice should be guided by the four principles of public purpose, subsidiarity and inclusion, strengths-based approaches and social infrastructure.

Many of its recommendations seek to embed and accelerate the move towards a community paradigm, from strengthening social value commissioning, to better enabling social enterprise and community organisations to provide services and improve outcomes, to greater support for volunteers and volunteering and rebooting the network of local community infrastructure organisations. Three proposals in particular are designed to underpin community power:

- A Community Power Act would “affirm the right of ordinary people to effect meaningful change in their own neighbourhoods”. In addition to a “general obligation on public agencies to take deliberate steps to involve and empower communities” it should include two specific measures: a Community Right to Serve, enshrining the rights of communities to a voice in the design and delivery of public goods and services; and Community Improvement Districts, tailored to support flexible and innovative community-led models of local social and economic policy, alongside new mechanisms such as ‘pop-up parishes’.
- A Community Right to Buy would build on the current ‘Right to Bid’, giving community organisations the right of first refusal on any public assets coming to market. The report argues it should be supported by an expansion in the scope and scale of the proposed Community Ownership Fund
- A Levelling Up Communities Fund - a new national endowment from dormant assets designed to provide “perpetual investment in long-term, transformational, community-led projects in left-behind’ areas”. In order to have the greatest impact, “the process of making spending decisions – or the projects which are actually funded – [should] empower communities as much as possible”. This proposal is inspired by, and closely resembles, the Community Wealth Fund, supported by the APPG as a means of investing in the building of community confidence and capacity in ‘left behind’ neighbourhoods.

About the APPG for ‘left behind’ neighbourhoods

The All-Party Parliamentary Group for 'left behind' neighbourhoods is a cross party group of MPs and Peers. It is committed to improving social and economic outcomes for residents living in ‘left behind’ neighbourhoods, through the development and advocacy of hyper-local initiatives and policies. The group will look at ways to support and rebuild these communities following the disproportionate impact of COVID-19, to ensure they are stronger and more resilient in the future.

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