Left
Behind
Neighbourhoods

Session 7 briefing: taking ownership, taking control?

Community assets in 'left behind' neighbourhoods

June 2021

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Local Trust

This briefing provides an overview of community assets and ownership in 'left behind' neighbourhoods. Informed by the latest OCSI data dive commissioned for the APPG, it reveals that these neighbourhoods have some of the lowest numbers of civic and social assets in the country. It also explores the benefits that community asset ownership could bring to residents in England's 225 'left behind' neighbourhoods, and how they could be better supported to take full advantage of local assets in the future.

At a glance

The latest data dive (OCSI, 2021) shows that 'left behind' neighbourhoods have:

- lower density of community spaces, cultural, educational, leisure and green assets than other deprived areas and the national average
- half the likelihood than the England average of having a registered charity in their local area
- fewer grants per 10,000 population than other deprived areas and the England average, and lower numbers of grant funding per head (including COVID-specific charitable grant funding)
- lower levels of civic engagement and participation than other deprived areas and nationally

What are community assets?

Community assets encompass a wide range of local places and spaces, from multi-purpose 'hubs', social clubs, libraries and green spaces to community businesses like local shops and cafés (IVAR, no date). Most community assets can be identified with regards to two key roles that they play in building a strong local neighbourhood: a 'functional role', through hosting and delivering activities, services and resources; and a 'social role', providing a public space for residents to get together, develop social bonds, and form support networks (Ambition for Ageing, 2019). The Localism Act furthermore defines 'an Asset of Community Value' (ACV) as any building or piece of land of importance to the community, providing local social benefits.

How are community assets owned and acquired?

Community asset ownership refers to a community-based group or organisations' freehold or leasehold interest in an asset. The most common way assets are acquired is through 'community asset transfer' (CAT). This is the transfer of the ownership, and or management, of an asset from its public sector owner to a community organisation for less than market value, to secure social, economic or environmental returns (Power to Change, 2017). There are several legal options for CATs, but primarily these are long-term leasehold arrangements at a 'peppercorn' rent (Locality, 2020). Other routes to ownership can be by the Community Right to Bid; local charitable gifting, and acquisition as part of a (social) enterprising approach adopted by a community group.

The state of community assets nationwide

A recent study by Locality (2018) makes for bleak reading: it finds that over 4,000 public places and spaces are sold every year. A high proportion never re-open; organisations are closed and facilities boarded up. The number of pubs and libraries has been in sharp decline, with over 25 per cent of pubs closing their doors since 2001 and the number of libraries dropped nearly 30 per cent from 2001 to 2018 (Onward, 2020), whilst 70 per cent of youth services closed between 2010 and 2016 (YMCA, 2020).

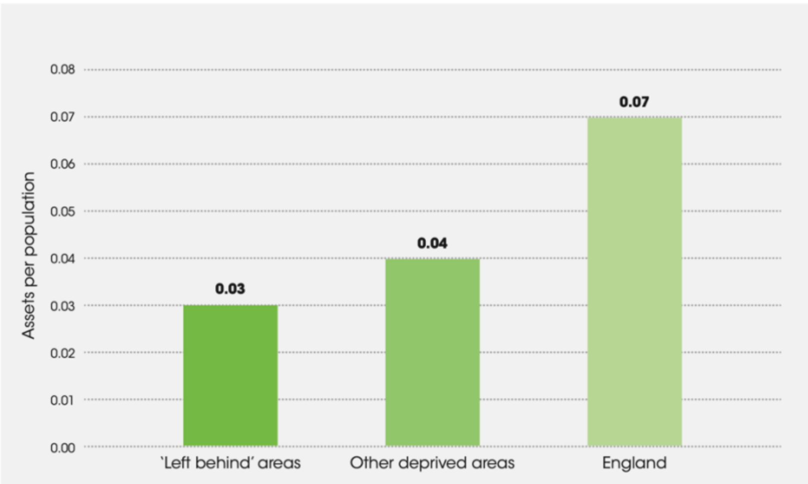
The closure of community assets has been compounded by the COVID-19 pandemic. Research from UK Active (2020) has shown that more than half of public leisure facilities in England are at risk of closure, and 400 gyms, pools and community facilities have already shut. Community hubs have also been impacted. A report by Community Matters in January 2021 highlights that a significant proportion of community buildings are facing a 'potential crisis' right across the country.

The state of community assets in the 'left behind' neighbourhoods

'Left behind' neighbourhoods face an acute challenge, as they already have the lowest levels of community assets in the country. A recent data dive from OCSI (2021) highlights that 'left behind' neighbourhoods have a lower density of civic and community assets than other deprived areas and England. Seventy-three per cent of 'left behind' neighbourhoods have less community space assets in their local neighbourhoods per person than the national average - this includes village halls, social clubs, community centres and places of worship where local people can meet, make connections and organise social activity, at little to no cost.

Seventy-seven per cent of 'left behind' neighbourhoods also have less sport and leisure assets per person than the England average and 76% have a lower density of green space than nationally. In terms of local amenities and commercial spaces, 'left behind' neighbourhoods also have a lower density of local shops than on average and eight 'left behind' neighbourhoods have no shops in their neighbourhood or within 1km of the local area.

Assets of community value per population



Heritage index 2020

What benefits could community assets bring to 'left behind' neighbourhoods?

Boost community capacity

Asset ownership strengthens the skills and capacity of a community. Research by Locality (2018) found that the process of acquiring and managing assets allows emergent community groups to develop capacity and governance, so that they grow to become community anchor organisations. Asset ownership also provides a way of securing financial independence (IVAR 2015). Local Trust's research into community hubs found that asset ownership is associated with a level of income three-times higher than those who do not own the building they operate from (Local Trust, 2019). Greater control of the building enables communities to secure a long-term source of revenue, strengthen the balance sheet and provide collateral for investment (Local Trust, 2019).

Strengthen the local economy

Community assets can strengthen and diversify the local economy. Power to Change's most recent overview of the community business market (of which community hubs and village halls make up the highest share) highlighted that the pre-pandemic total income was estimated at £973 million, with £870 million in assets (PtC, 2020).

Community assets are also key to revitalising local high streets. Research from LSE shows that the presence of well-resourced and accessible community assets is important draw to the high street. Benefits include increased footfall; a boost in local spending; a greater number of local jobs; and improved support for the growth of small and community businesses (LSE, 2017).

In addition, community assets provide essential financial and economic services. Research from Power to Change points to skills and employability activities, which often focus supporting those most disadvantaged from the labour market (PtC, 2020); roughly 20 per cent of employees across the community businesses surveyed had previously been out of work and looking for a job, and a high proportion had received valuable skills development and training opportunities – 65 per cent of employees and nearly 30 per cent of volunteers.

Build more responsive public services

Community ownership 'helps to ensure communities can directly control services in their neighbourhoods' (Locality, 2018). Locality (2018) found that the main motivator behind communities taking on assets is to ensure they are not lost, as local authorities have been increasingly encouraged to see them off to plug funding gaps (Locality, 2018). This puts a vast array of activities and services at risk. Community asset ownership offers a solution and gives communities better control over the activities and services that matter to them. And through developing services that are small-scale and local, they gain greater traction and achieve better outcomes (New Local, 2021). This is an important part of transition to a community power model of public service delivery – as discussed in the APPG's fourth evidence session (December 2020)

Foster civic pride

Community-owned assets also build pride and confidence, making residents feel like they have a meaningful stake and a voice in the future development of the community (Improvement Service, 2014). Research on the foundational economy confirms the contribution local social and civic assets make to people's sense of wellbeing and quality of life. They were found to give residents a strong sense of pride in the place where they lived and provided them develop meaningful social connections with neighbours and local people. (Foundational Economy Collective, 2019).

Current approaches

In recent years, significant policy shifts indicate growing interest in community asset ownership. The 2007 Quirk Review found that the benefits frequently outweighed any risks, proposing that the approach become mainstream. This did not find a major expression in policy until the Localism Act of 2011, which brought new opportunities for community asset ownership, including:

Assets of Community Value: communities and parish councils can nominate buildings or land for listing by the local authority as an ACV. They must demonstrate that the asset furthers their community's social interests and is likely to do so in the future.

A Community Right to Bid*:* the community can 'pause' the sale of an ACV, and is given six months to find the funds to do so. The owner is not required to accept this bid – it is not a 'right to buy'.

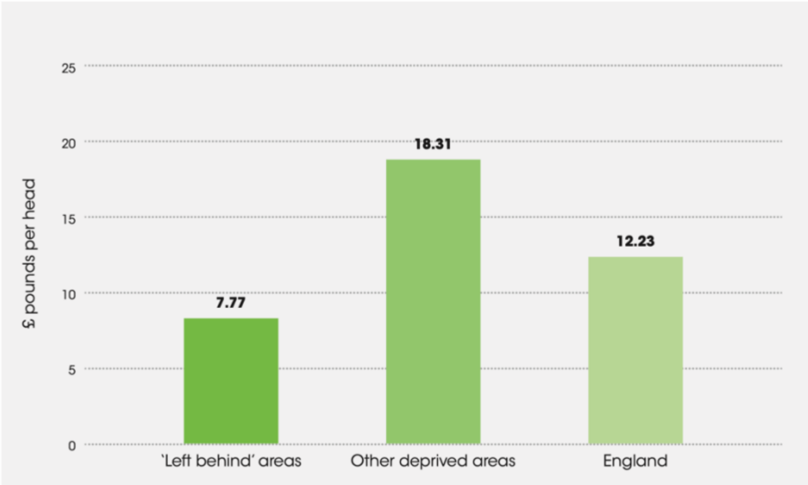
More recently, the Government has stated that strengthening community owned assets is an important part of the COVID-19 recovery. The 2021 Budget announced a **Community Ownership Fund**. This will enable local groups to bid for up to £250,000 funding to help them take on local community assets at risk of being lost, to run as community businesses. Places like pubs, sports clubs, theatres and post office buildings are all eligible, with a prospectus expected imminently.

What prevents 'left behind' neighbourhoods from owning community assets?

Asset transfers and community ownership often require significant pre-existing levels of social capital and community confidence, capacity, skills and experience to maximise their chances of success. These stem from having a strong community and civic sector – something research has shown that 'left behind' neighbourhoods lack. 'Left behind' neighbourhoods are less than half as likely to have a registered charity in their local area than the average across England, and are also less likely to have other third sector organisations – such as co-operative societies and mutuals – than the national average. Without well-resourced community organisations and networks, particularly those able to adopt a business planning and social enterprise approach and which can successfully attract start-up investment, areas face significant barriers to taking on local assets.

In addition, low levels of social infrastructure have meant that 'left behind' neighbourhoods have failed to receive their fair share of charitable grant funding (OCSI, 2021), which is lower than the national average and significantly lower than other deprived areas. This serves to hinder attempts to embark on an asset-owning approach to 'level up' and supporting improved local outcomes.

Grant funding in pounds per head



Source: 360 Giving Grant Nav data to May 2021

What can be done to better support community asset ownership in 'left behind' neighbourhoods?

This briefing illustrates the importance of targeted, long-term support for ‘left behind’ neighbourhoods to build community capacity to ensure that they can reap the benefits from community asset ownership. As they are starting from an asset base much lower than similarly deprived neighbourhoods and the England average, with less experience of community asset ownership, they require direct investment to enable them to take advantage of current and future schemes. This should involve foundational investment in the social infrastructure of these places, which will help overcome a lack of experience, confidence and capacity, and build on the real interest of residents in ‘left behind’ neighbourhoods to take on local assets to transform local services and activities and to best meet the needs of the local community.

Case study: Scotlands and Bushbury Hill Big Local

In October 2014, residents in Scotlands and Bushbury Hill heard news about the planned closure of their local community centre. The Big Local partnership quickly got to work to develop a successful plan to take it over from Wolverhampton City Council.

The Big Local partnership spent £180,000 on acquiring and renovating the community centre. They set up a social enterprise, Big Venture Ltd, to run the centre in a sustainable way. The Big Venture Centre was opened in 2017 and is now fully self-sustaining.

The work to establish a successful social enterprise has increased the knowledge and skills of many residents. The centre provides access to services such as employment support groups, working closely with Access to Business, as well as hosting Wolverhampton Credit Union. Additionally, the community café is a popular local spot for residents to get together and support one another.

Case study: Levenshulme Inspire

Levenshulme Inspire was formed in 2000 in south Manchester when local people came together to take on and transform a local church building. It is now a thriving community centre, café and social business hub. Inspire is community-led, with residents on all three of their boards and a team of 15 staff who all live in the area or nearby.

Truly the centre of the community, the centre hosts events, classes and activities which benefit people of the surrounding area and offer creativity, enterprise and fun. Above all, it aims to bring residents together to learn from one another, working particularly with older people, refugees and migrants, and people with mental health problems.

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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.