

# The Local Economy, Resident-led Community Improvement and Philanthropists

Debbie Ladds ([www.localtrust.org.uk](http://www.localtrust.org.uk))

In 2014 *Local Trust* commissioned research focusing on the effects of public spending cuts and welfare reform including: poverty among people in work, reduced benefit entitlement and housing hardship.

**T**he research found that the challenge of getting people involved in community activity, keeping them involved, and widening the numbers involved is sharpened where welfare and other reforms are biting.

People's capacity to join in may be affected by personal hardship; difficult times may have knocked their confidence; or there may be real or perceived prejudices against people who are out of work or going through other kinds of difficulty. However, early indications are that a focus on the local economy and local employment opportunities may draw in residents experiencing hardship and also make a contribution to tackling these issues in the communities where they live.

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A community and resident-led approach to creating lasting change:

- develops the skills and confidence of the people involved and enables them to work with others to the benefit of their community
- builds on the opportunities and assets available in each community
- creates lasting, long term solutions

Underlying our resident-led approach is a belief that residents have a capacity and desire to drive change, and can achieve lasting and positive results when supported by those they trust and respect thereby building skills, confidence, networks, relationships and expertise in their community.

## Sticky Money and Leaky Buckets - money flowing in, money flowing out, and how to plug the leaks!

*Local Trust* has a focus on 'sticky money and leaky buckets' to help the 150 *Big Local* areas we support develop their local economies and help to address poverty and inequality. Understanding how and why money sticks and circulates in some places and not others are important ways of helping communities take control. A number of *Big Local* areas are choosing to focus on improving the local economy as a key part of making their area an even better place to live.

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*Big Local* areas hope to create new opportunities for enterprise and employment to help money 'stick' in the area and contribute to lasting change. We use the idea of leaky buckets to get people talking about how money flows through (or leaks out) of areas. This idea comes from *The New Economics Foundation*. The amount of money flowing through every town, city and village is more than most of us can imagine. Around £1,500 billion (or £1.5 trillion) flows through the UK every year. But *Big Local* areas tend to benefit less than other areas from the money flowing through them because much of it leaks out as quickly as it enters.

We share knowledge about why money sticks more in some communities than others and how *Big Local* can be used to change this. At events we've handed out



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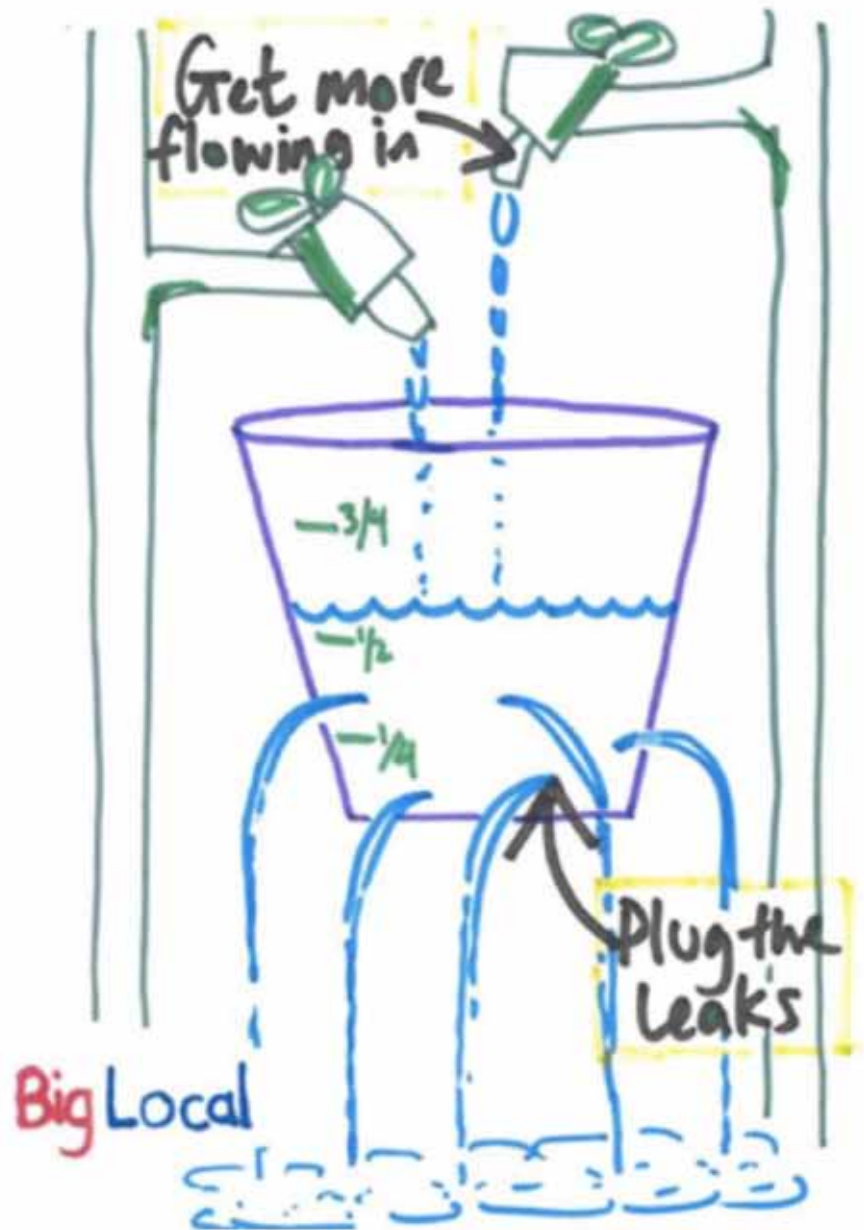
drawings of leaky buckets and asked people to think about how money flows in, where it leaks out, and how the leaks can be plugged in their communities. These discussions help people understand more about their local economy. Leaky buckets generate discussions about the wages people bring home from their employers, the takings brought in by local businesses, money spent on new construction, and people buying property. It also gets everyone thinking about ways money leaks out – residents spending their wages paying landlords who live elsewhere, paying bills to national utility companies, spending money in shops which are part of large national or global chains. And then the discussion turns to plugging the leaks – having more shops and businesses which are owned by people locally, drawing people from outside to come in and spend money in the area, helping local traders win more business and bringing money in; lending and borrowing on a more local level; bringing in investment to support local activities. The discussions also help people in *Big Local* areas to think about relationships they can build with local businesses and the influence businesses and traders have in the community and how more funding can be drawn into the community from a variety of sources.

### Examples of Community Enterprise

We are working with *UnLtd* to help some *Big Local* areas develop their local economy focus and explore ways of supporting enterprise and social entrepreneurs. For example:

In Clubmoor, Liverpool, the *Big Local* partnership has been working with *UnLtd* to develop better support for local social entrepreneurs. We understand that good support takes many forms, and have been working to build on a solid base of one to one mentoring and coaching. This year we developed a local support network offering local social entrepreneurs a place where they can share problems, offer solutions and collaborate. It also offers emerging entrepreneurs a supportive environment – a place where yes is the answer. The *The Big Local* partnership has been on a social enterprise study visit which showed them a range of enterprises sharing the same building who are doing good through business and helping ex-prisoners into work, supporting families in crisis, redirecting waste from landfill and benefitting their community. Many of these issues affect Clubmoor as well so the visit helped them to think about new ways to use their *Big Local* money and ways to approach their issues.

Bountagu *Big Local* in London and *UnLtd* are running an enterprise club twice a month to bring together 15-20 residents to develop their own individual community ventures. Each session is



dedicated to a different topic with time for one-on-one coaching at the end. A number of enterprise club members have now received awards, for child care, after school clubs, language and integration support for the Somali community, pro-bono legal advice for local people and youth work, there is also a local partner tasked with finding and supporting emerging social entrepreneurs in the area.

Whitley Bay *Big Local* in Tyne and Wear has been working with *UnLtd* to develop a more joined up approach to improving their area. Together with local stakeholders they are supporting several hundred pupils from the local school to work with social entrepreneurs in the area as well as developing their

own individual ideas based around social enterprise. In addition, a social enterprise network has been set up amongst award winners, workshops around local economy issues have been delivered and opportunities to make connections outside of Whitley Bay are being explored.

### The Difference We Make

We have recently published the evaluation of the early years of *Big Local*. The evaluators report that 88% of those surveyed said they felt confident their *Big Local* would achieve its goals in the longer term, with many strongly connecting this to a belief that the change would be lasting because *Big Local* is taking its time, it is more focussed on what is needed, it is being led by residents so there is more investment in sustaining it and a sense of ownership is developing that will increase levels of engagement and bring a level of respect for the things being done.

Overall, those most actively involved in making *Big Local* happen report a 'buzz', an excitement, a change of mood in parts of the community, a sense of hope and optimism, a sense that the community isn't any longer a 'forgotten' one. The evaluation report provides a fascinating insight into the first few years of *Big Local* and how people in communities come together to start to make a difference to the things that matter most to them.



*Debbie Ladds is the chief executive of Local Trust; the charity responsible for Big Local – a 15 year, £200 million resident-led lottery programme providing funding and support to 150 small communities throughout England to help residents make their areas even better places to live.*

*A fellow of the Chartered Institute of Personnel and Development, a fellow of the Royal Society of Arts and a member of the Chartered Management Institute, Debbie has a background in the voluntary and community sector, particularly with community development, youth and disability charities.*

*Prior to joining Local Trust, Debbie was the Deputy Chief Executive at the Community Development Foundation where she developed and delivered a range of government grant programmes. Before that Debbie was the director of children's services at Whizz-Kidz and responsible for providing customised mobility equipment and training to disabled young people throughout the UK.*

*Her earlier career was spent with the Scout Association where as assistant director she had responsibility for the England wide staff team that trained and supported thousands of volunteer managers to provide quality Scouting and increase youth and adult membership. Debbie also developed and co-ordinated the diversity strategy for UK Scouting.*

*In her spare time Debbie has held a range of volunteer and trustee roles including with Elfrida Rathbone Camden, Scouting, Whizz-Kidz, and Health Projects Abroad.*