



Department for
Communities and
Local Government



Community Economic Development

Lessons from two years' action research



Preface

This report is intended to appeal to those interested in understanding more about Community Economic Development (CED). This may include those embarking on developing CED activities in their own communities; policy makers at local or national level keen to build a CED approach into mainstream economic development strategy; or simply those interested in understanding how communities can drive economic development from the ground up.

This report itself serves as an account of our learning, beginning with an analysis of the CED approach itself, based on the Partnership's work in delivering the programme. Following this, it provides an assessment and discussion of the interventions and models used by areas on the programme, what their key themes were and what worked well.

Case studies provide an illustration of some of the activities, outputs, and wider outcomes achieved over the course of the programme.

“We welcome Co-operatives UK’s report on the Community Economic Development programme. It highlights the work that has been done by Co-operatives UK and their partners over this two-year period and demonstrates the engagement and interest of communities across England in developing ideas to stimulate growth in disadvantaged areas. We are very grateful to everyone who has been involved in making this programme a success.” Department for Communities and Local Government (DCLG)

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Executive Summary

This report summarises the lessons learned from a two year nationwide action research programme of Community Economic Development (CED). It will be of practical interest to communities thinking about their local economies and policymakers tasked with fostering a more inclusive economy, locally and nationally.

The political and economic context

A number of complex trends in the economic and political agenda are changing the way we think about economic development – from desires for inclusive economic growth, increased productivity and decent work to calls for more 'control' in local areas and the reduction in inequality. None of this is simple or points to one solution, but it has led in part to the revival of an alternative approach to economic development in the UK, one that puts people and place in the driving seat, rather than focusing simply on inward investment or GVA growth.

What is community economic development?

Community economic development, or CED, has been little-used in the UK in recent decades, but is not a new concept and has been practiced particularly in Canada and the US. CED describes a process of economic development within a specific geographic area, to make the economy in that area work well for that community. The process is led by people living, working and running businesses in that area.

- **The overall focus is the economy.** CED is about re-shaping the underlying economic system in a place, rather than working on improving people's capacity to live well within the existing environment – it creates new economic opportunities for local people rather than coping strategies
- **The economy is a means to an end, not an end in itself.** Rather than emphasising economic growth as the end goal of local economic development, CED is interested in economic development which generates human wellbeing, within environmental limits, at a community level. For more disadvantaged communities there is often a strong focus on creating and crucially keeping more wealth locally
- **It is led by the community.** In CED, the power to drive change rests within the community of residents, local businesses, local service providers, community groups and voluntary sector organisations with a direct stake in the economic health of that area

Two years of community economic development

CED was re-introduced to the UK in 2015 through this programme. Over the last two years we have led a practical programme of support for communities to develop and implement their own local economy plans. This report describes the process and learning from the programme, which provided 71 communities across England with a combination of grant funding and expert support to create a vision for their local economy and plan to make that vision a reality.

Examples of CED communities include:

- **Eastbourne Fisherman's CIC.** A group of fishermen who came together to purchase and develop land in order to create a fishermen's quay.
- **Heart of Hastings.** Local people using a co-op model to own and control commercial property for local economic benefit
- **Collyhurst Big Local.** Seeking to disrupt top-down regeneration, gain control and unlock more opportunities for local people, focusing on local entrepreneurship and social enterprise

Three recommendations

Extend time and resources

Community involvement and economic development both take time and effort. Programmes to support and invest in CED activity are therefore likely to be able to deliver deeper and more sustained impact if communities are given longer timeframes and greater resources.

Increase legitimacy of CED plans

The current economic and political context is not particularly conducive to the outcomes that CED plans sought to deliver. In particular, many communities struggled to establish effective relationships with stakeholders who held power or mandate – for example, Local Economic Partnerships (LEPs), planning departments or procurement teams. CED should be embedded within wider policy processes such as Neighbourhood Planning and LEP planning and could be given a statutory footing similar to neighbourhood plans.

Widen measures of economic success

Communities faced challenges in attempting to embed and get higher level buy-in for plans to develop activities which would deliver a set of economic, social and environmental outcomes which simply do not align with the standard measures of economic success which still shape how LEPs, local authorities and city evidence economic development. While there is a clear discourse around 'inclusive growth' and wellbeing, for CED plans to cut through a shift is needed in what is measured and at what level.

Three points of learning

Through this action research we have developed a better understanding both of how to identify positive economic outcomes from a community perspective and what processes lead to good quality CED.

The most successful programmes took one of two approaches, or a combination of both

- Asset-led regeneration, where the projects and economic vision centred on communities owning and developing physical assets in a way that builds new value, and redirects new and existing value much more effectively towards the economic outcomes valued by the community.
- Building on existing local plans to deliver wider benefits, where the projects and vision centred on connecting local economic priorities to broader economic plans in a proactive way, often seeking to transform existing processes that have not previously been working for a community.

Demand is growing

The CED programme was oversubscribed in both years with increased interest over time, demonstrating that a growing number of community-led groups are looking for meaningful ways to solve and take ownership of their local economic challenges. Many of them are ready to do it. CED has proven to be a helpful framework to support communities wishing to take control of their economic future and shape a more sustainable local.

From consultation to control

CED is a helpful framework to support communities in driving sustainable economic regeneration and, crucially, an effective way for community participation to move from 'consultation' towards 'partnership' and 'control' – increasing the quality, impact and meaningfulness of community participation in an area's economy.

1 Introduction

The Community Economic Development (CED) Programme was a £1.455m Department for Communities and Local Government (DCLG) funded initiative which ran from April 2015 to May 2017. The programme aimed to take a real step forward in understanding how communities can engage with and start to resolve their own economic issues, through developing partnerships and working with a range of stakeholders including private, community and voluntary sectors.

The project was led by Co-operatives UK, working with partners Locality, New Economics Foundation (NEF), Responsible Finance (formerly Community Development Finance Association), Centre for Local Economic Strategies (CLES) and the Community Development Foundation (CDF) – referred to in this report as “the Partnership”.

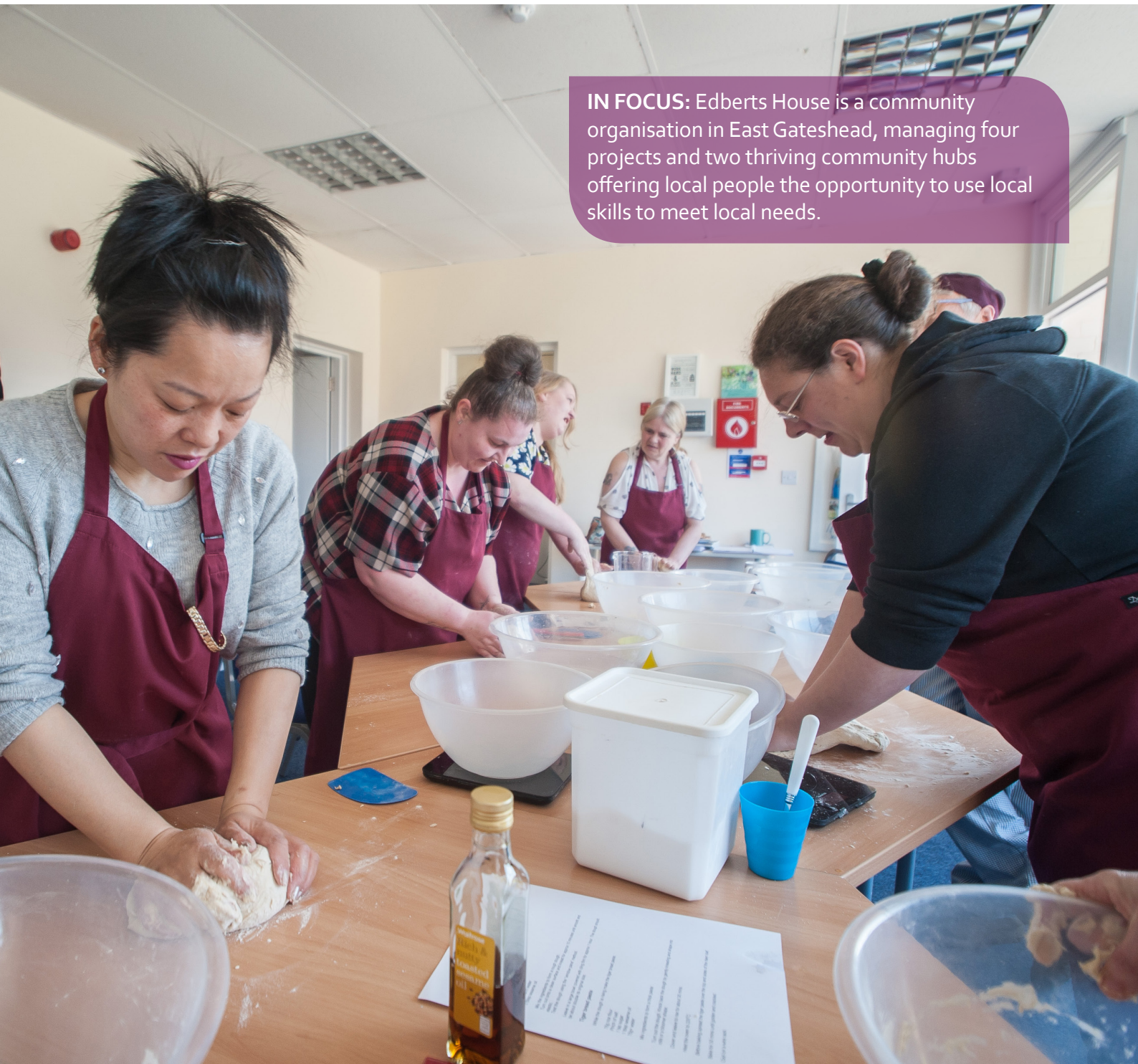
It offered a blend of grant and technical support to 71 selected communities across England, to help them produce a well-supported, dynamic and deliverable local economic plan. Alongside this, the programme supported nine communities who participated in the programme in year one to help them ensure their plans become a reality:

- All communities were allocated an experienced adviser who acted as the main point of contact, providing guidance and support through each stage of the programme
- A grant of up to £5,000 was available to communities to support the development of their CED plan. This grant could be used to fund various activities including further consultation within their community, accessing professional support to develop technical aspects of the plan, or support to produce the plan
- In combination with the grant, the programme partners provided up to four days of additional specialist technical assistance to each community, to help them write their plan.
- Advisers helped groups determine what technical support they would receive through the CED programme. Based on the wide variety of delivery partners involved in the programme, we were able to provide a wide range of technical support, from business planning to facilitation support
- The nine groups supported over both years had the option to draw down a further £5,000 grant, or receive the equivalent value in additional technical support

Communities also benefited from attending learning events at the start and end of the programme. A suite of learning tools and products were produced in the first year of the programme. These resources and the opportunity to network with other Community Rights programme participants were facilitated by the wider MyCommunity online portal.

A total of 69 groups completed the CED programme. Of these 59 (86%) produced good quality CED plans designed to help residents, local business and public sector organisations map out how to achieve real economic change in their local area as a final output. Submission of an Implementation Report was the outcome of the nine areas who continued their participation into the second year of the programme.

IN FOCUS: Edberts House is a community organisation in East Gateshead, managing four projects and two thriving community hubs offering local people the opportunity to use local skills to meet local needs.



2 Methodology

This report builds on the interim CED report submitted in 2016 to provide a final review of the two-year programme. From the interim report, we provide an overview of CED as a process, as well as a clear definition of, and how we should understand, CED in a UK-context. Information has been taken from the existing literature, alongside the learning from the programme itself. Much of this content is an extract of a more extensive report produced by New Economic Foundation which outlines the findings of a literature review of the evidence regarding the constraints, enablers and outcomes of CED.

To analyse the effectiveness of the models developed and set out in the CED plans, we focused on a subset of the plans that showed most promising signs of implementation and impact (reviewing the 29 rated as strongest, from across both year cohorts). This has enabled us to suggest a framework to understand the key characteristics and drivers we believe reflect the most important learnings that the programme has generated. We have focussed distinctly on the kinds of economic development that promise the most positive impact for communities, and the kinds of processes which appear to function best at generating good quality community led economic development.

We have compiled direct feedback from the groups involved in the programme through an online survey, which was open for a four-week period between May and June 2017. We had 38 responses out of 68 participants, which represents a 48.5% response rate. Although we would have hoped for a higher response rate, some groups' feedback, which only took part in the first year, had already been captured by a survey conducted for the interim report. The findings from both surveys provide a useful indication of the effectiveness of the support provided by the programme, as well as the CED process itself.

For the final conclusions we have also been able to build on learnings from recent research conducted by NEF on challenges and opportunities for local economic regeneration, and in particular in the context of coastal communities, in the UK.

3 Context

This section sets the context for the CED Programme in which a review of the existing literature is presented, alongside our own work to define CED – based on the experience of delivering the programme.

Working towards a definition

CED is not a new concept, especially when you look internationally in which approaches in Canada and the USA are more developed than in the United Kingdom (UK). The CED programme itself marks an attempt to better understand its application in the UK. From the outset, the Partnership recognised the value in drawing on existing literature and resources internationally, alongside learning from programme activities to help build evidence here in the UK.

A key dimension of the CED programme was to understand how CED theory applies in practice within a UK context. With this, the Partnership produced its own definition of CED, based on first-hand experiences of working with the beneficiary groups.

'Community economic development' or 'CED' describes a process of economic development within a specific geographic area, to make the economy in that area work well for that community. The process is led by people living, working and running businesses in that area.

As an approach, it tackles environmental, social and economic issues as interconnected, and also recognises the importance of connections between the local, regional and national layers of the economy. It builds on the knowledge, experience and resources in that community, to identify and maximise the local economic opportunities available.

This description covers a range of activities that many pioneering communities around the UK have been developing for many years. Yet it is a relatively new term and concept to emerge into more mainstream usage, compared to the United States and Canada, where the term has historically been more widely used.

What are the most important principles?

Within our use of CED we emphasise three important attributes:

- **The overall focus is the economy.** CED is all about re-shaping the underlying economic system in a place, rather than working on improving people's capacity to live well within the existing environment
- **The economy is a means to an end, not an end in itself.** Rather than emphasising economic growth as the end goal of local economic development, a CED approach is interested economic development which generates human wellbeing within environmental limits, at a community level
- **It is led by the community.** In CED, the power to drive the change rests within the community of residents, local businesses, local service providers, community groups and voluntary sector organisations with a direct stake in the economic health of that area

How does it differ to more traditional notions of economic development?

If we are trying to shape our local economy, we need clarity over what kinds of things we think it should deliver; how it should function; and who should benefit from it.

The current mainstream view of the economy tends to focus on 'growth' or 'profit' as the end goal of the economy, with resources - labour, capital, raw materials etc - feeding into the system. There is an assumption that along the way, people will access some of that growth or profit, to spend on the things they need to live well - homes, food, and other necessities, services or leisure activities. Usually measures of economic growth take into account the costs of investing in capital or labour, but won't take into account the costs to society or the environment which the economic system causes. These costs or damages are treated as problems that sit separately to the economy.

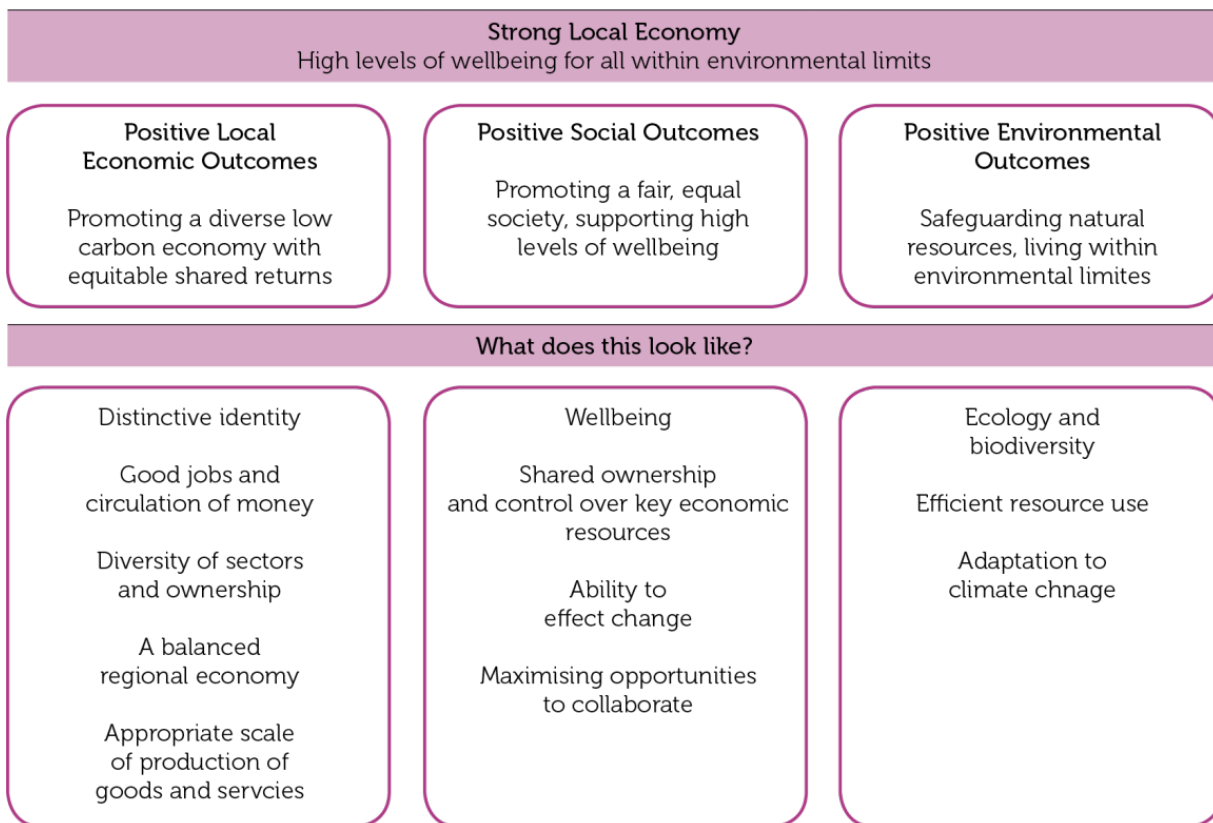
In fact, the economy is a system whose end goal is, after all, human wellbeing - within environmental limits. This economic system might need to produce profit or growth as a way of achieving that end goal. But growth is not the end goal. The environment has natural limits on what resources are available to use, and so shape what it is possible to do within the economic system. It is not a cost external to economic activity.

That view of the economy in general shifts our understanding of what the top priorities are. CED as an approach takes that view as the starting point, and uses the knowledge, priorities and assets of place based groups of people to work out what precise economic structures and systems will work best in a given place, within a given community.

What is a strong local economy?

A strong local economy supports positive social, environmental and economic outcomes. These three areas are referred to as a 'triple bottom line' against which we'd want to make sure our local economic system is delivering. This table gives a few examples of the kinds of outcomes you might look for across this triple bottom line, in a strong local economy.

Figure One: Outcomes of 'triple-bottom-line' approach



A strong local economic system needs to support all of these outcomes. It is also important to keep in mind that this 'triple bottom line' is not just about adding in some environmental and social outcomes to sit alongside a set of economic outcomes that revolve around growth. For a local economy to be considered 'strong' in this vision, the system needs to work well to deliver three types of economic outcomes alongside the social and environmental ones:

1. People in this local economy need to be doing well, financially through the incomes they earn, the kinds of jobs they access, or the amount of profit they are getting from the economic activity and the assets in their own local community.
2. The make-up of local businesses and non-profit organisations needs to be resilient, diverse and well connected – businesses buying from each other, a range of different sectors, and a range of different scales of businesses for example, rather than a big mono-culture that makes the community vulnerable to external economic shocks.
3. This local economy needs to work efficiently at generating wealth and benefit from the money passing

through it. This means that money invested locally circulates round as many businesses and people in the local area as possible and does not flow straight out of the local economy. It means that local supply chains are strong and sustainable and link up as many local organisations and businesses as possible.

How does it differ to other types of community development?

Broadly speaking, 'community development' refers to work focused on strengthening the capacity of communities to function well. 'Community organising' typically refers to work supporting communities to build their power to drive change, and hold decision-makers to account. And 'community economic development' focuses on that last aspect – working to shift the underlying economic system that communities live within.

Many of the tools and concepts from the world of community development and community organising are hugely useful when undertaking community economic development. These terms are often used interchangeably, and in different contexts can refer to different things. But it's quite helpful to pin down what each term refers to in the UK context at least.

To positively transform the ability of people and communities to flourish there are a number of starting points you can take:

- Building people's capacity to cope well in the system
- Building the community's capacity to function well as a community
- Increasing the community's power to make things happen
- Reshaping the economic system to make it better serve people's (and their communities') interest in the first place

How does CED create this kind of local economy?

Why should a partnership of community-based organisations and businesses lead the development of this kind of economy? Why not the relevant public authorities on their own? Or a large scale regional business association?

The essential idea behind CED is that those people most able to shape the local economy in a way that best benefits the various groups of people in that community, are, well, those people themselves. Another essential premise of CED is that it is a process led not just by one group or sector, but by a partnership of the right people and groups. Who those are will depend on the type of community area, the scale, and the existing context, but is likely to include:

- Residents, or representative groups of residents
- Local businesses or groupings of businesses
- Voluntary and community sector organisations working in the area
- Major 'anchor institutions' – either businesses, or schools, or hospitals, or other key institutions that play a significant role in the local economy
- The local authority

What is the end goal?

The community economic development process must start with a shared vision across these different groups about what the local economy should look and feel like. This vision needs to answer these questions:

- What would a strong local economy look like in our area?
- What are the current strengths of our local economy?
- If we have existing ideas for community-led projects, how would these projects strengthen the local economy?

Are there any best practice examples of this kind of programme?

For those seeking to develop a CED approach in their area, there are a wealth of tools and resources available. The CED programme has collated some of these in the online resource bank available at www.responsiblefinance.org.uk/ced-resource-bank



IN FOCUS: Buzz Lockleaze is a locally born social enterprise working with the community to enhance employability opportunities, enterprise activity, and access to improved health and wellbeing through healthy food provision.

4 The Programme

Fundamentally, the Partnership recognises three underlying considerations that were kept at the forefront of our project design and planning processes.

Projects and strategy

Some communities get interested in the CED approach because they have a specific project, or set of activities, they are developing. For example, a community hub, or a project to support young people into employment, or a community energy scheme – which they sense could potentially have a significant impact on their local economy. They have a clear set of activities and want to build on these to figure out how that fits into a wider economic strategy for their area, and how their project can have the most impact on the local economy.

Other communities feel drawn to the CED idea because they can see their area would benefit from community led stimulation to the economy. Perhaps because it is an area of significant need, but also perhaps because it's a place with lots of opportunities to tap into – or a bit of both. They have a clear sense of the overall outcomes they'd like to see happen, but need to drill down into how that vision could be realised through concrete projects or activities.

The place to get to, from both starting points, is:

A strong vision and strategy for the local economy, collectively generated by partners from within the community and with buy-in from key stakeholders, backed up by real, rooted and achievable practical projects and activities which will play a part in transforming the local economy

Wider economic and political context

Being driven by the community itself is a central part of a CED process. But unless the community engages deeply and early with the wider economic and political context around them, the changes they make risk staying small scale, and superficial. Local economies are intrinsically connected with the regional, national and even international levels of the economy. Small and local businesses will always be affected by how the global market is doing. Local authorities will always be under budgetary pressures. Much of our banking, shopping, utilities, cultural consumption is rooted in global structures.

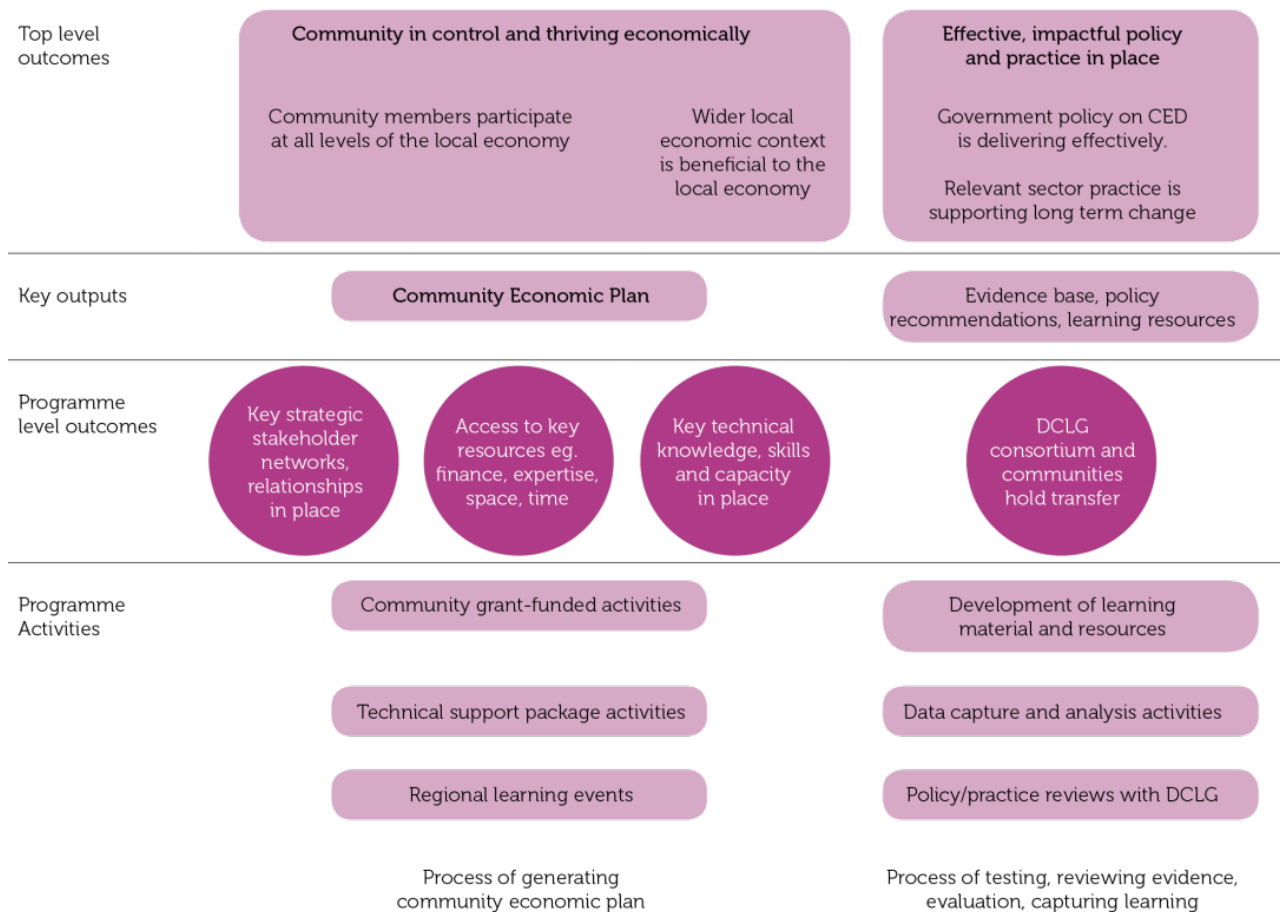
So a good CED approach takes into consideration how the local economy connects with the world around it, and looks for opportunities to tap into the 'mainstream' economic plans, strategies and opportunities that shape the wider economy around the community.

Asset based approach

The 'asset based' approach is well researched, developed and used. It is based on the idea of taking stock of the resources and opportunities present in a community and building strategies or projects based on these. Used widely in community development, this perspective is useful for economic development. Understanding the resources, skills, purchasing power and other opportunities that the community has to offer, can inform the development of the economic strategy.

The figure below presents the overarching delivery model for the CED programme which was designed at the outset. Crucially, it sets out the activities within a 'theory of change' structure, highlighting how these activities were intended to generate valuable outputs and outcomes associated with CED.

Figure two – CED Theory of Change



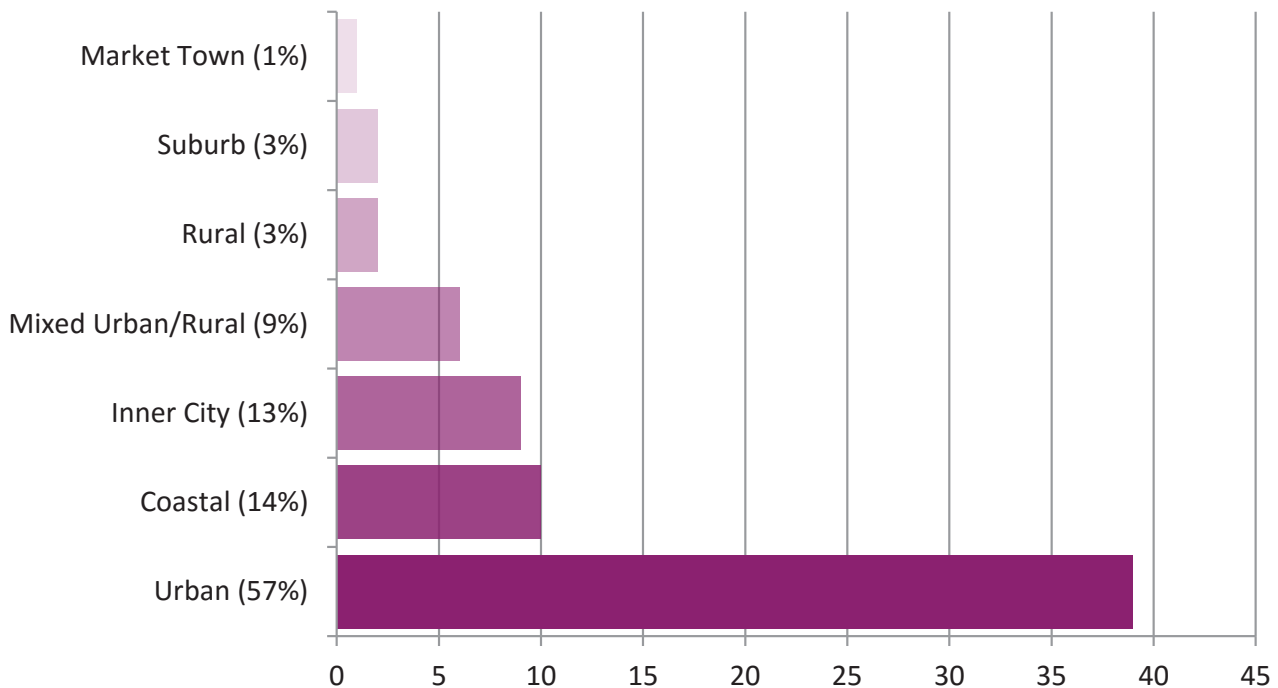
5 The Communities

Each participating area included at least one ward in the 20% most deprived in England based on the Indices of Multiple Deprivation. The programme achieved a good spread of applications across regions which ensured that a suitable regional mix could be achieved.

Of the 69 areas that completed the programme, The North West, South West and London had the highest number of groups which reflected the number of applications. Similarly, the West Midlands and the Eastern regions saw the least number of applications and accordingly the least number of groups join the programme.

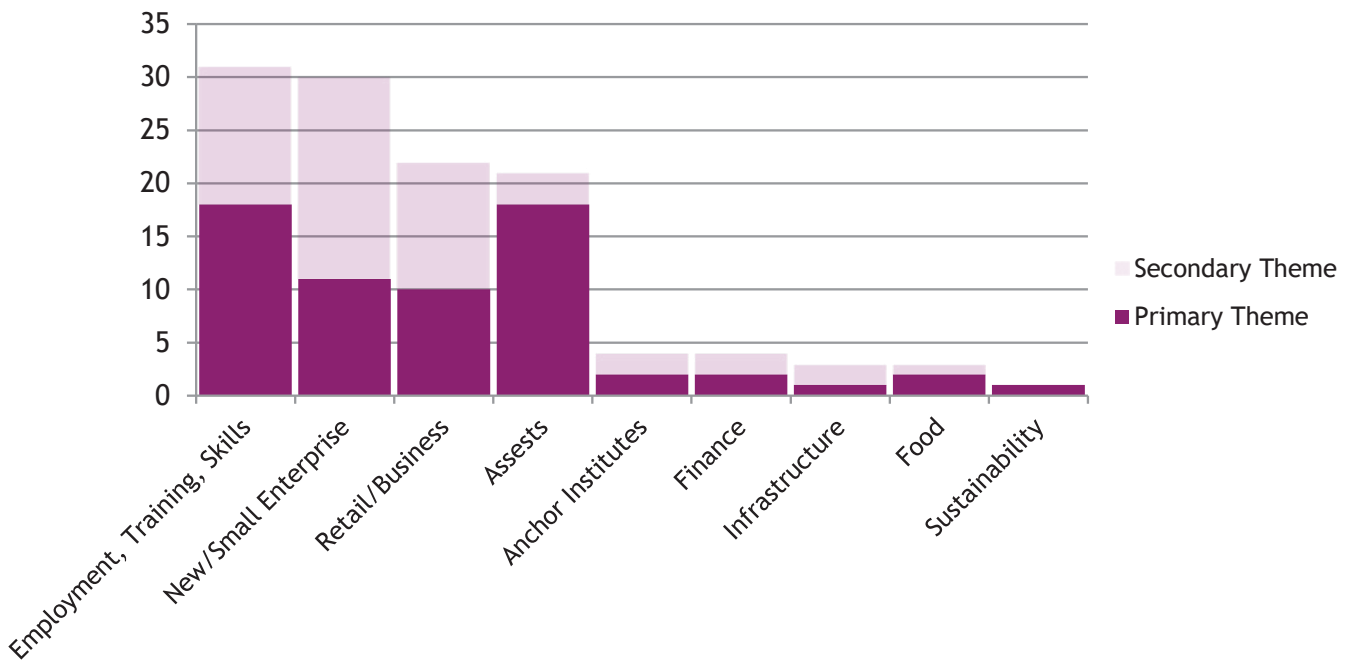
In terms of location context, the majority of groups were based in urban areas which reflected applications. This was largely due to the nature of the groups which the Partnership organisations engage with, but may also reflect the fact that the conditions for CED, as set out in the previous section, are more evident in urban areas. That said, 30% of groups involved in the programme did not characterise themselves as 'urban' or 'inner city'.

Figure three – Participating Group Context



Each group was assigned a primary and secondary theme at the start of the programme. 13% of areas considered themselves in the early stages of development, 55% developed and the final 32% as established. 58% of groups stated they had a project as their starting point, the remaining 48% focussing on changing the system within their areas. Employment, training and skills (26%) and creation of new/ small businesses (25%) were the most prevalent themes, development of local retail (18%) and assets (17.5%) were also a key consideration for groups at the outset.

Figure four - Participating Groups Themes



6 Programme Delivery

Programme delivery followed an eight step process.

Activity one: Recruitment and selection of CED groups

Recruiting groups to the programme was undertaken through two approaches:

- A targeted approach utilised existing partner networks and pipeline to directly reach 65 communities that met the essential eligibility criteria.
- Potential communities outside of existing networks were reached via MyCommunity gateway site

The Partnership also encouraged all 41 groups with approved plans from year one to apply for implementation support as part of the programme's second year. In total we received over 150 high quality applications from eligible groups wishing to participate in the CED programme. These were assessed and scored based on the criteria framework below.

Assessment framework:

- Relevance: Is there a clear relevance to the overall objective of the CED?
- Community engagement: Are the Local Leadership Team leading the group representative of their community and do they have plans for wider community engagement?
- Area context: Nature of the proposed area – for example, proposals from neighbourhoods which are more highly deprived should be given higher priority
- Capacity: Existing progress/capacity to progress – taking account of progress already made towards elements that will form their CED Plan, other resources committed by partners, commitment from senior leadership within key partners and, leverage of additional funding
- Leadership: Does the Local Leadership Team appear credible and have a track record of working together?

From this a final cohort of 71 communities was selected taking account of geographic coverage, planned activities and their state of readiness.

A more in-depth analysis of a sample of participating groups is explored later in the report. The breakdown against region and geography which informed the selection process, is set out in figures five and six.

Figure five – Participating Groups Regions

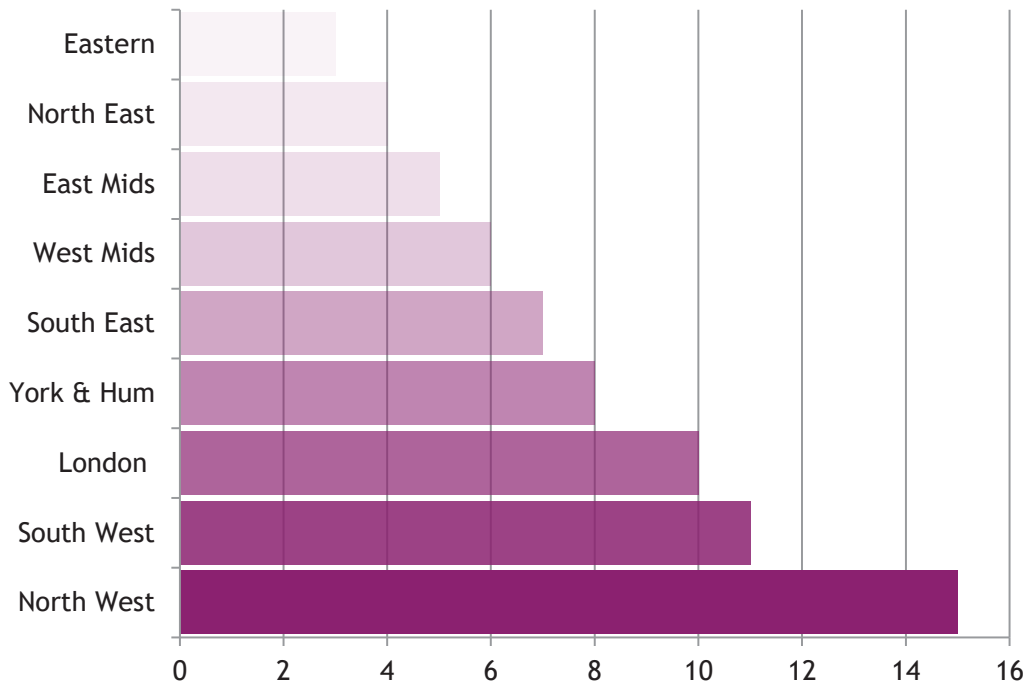
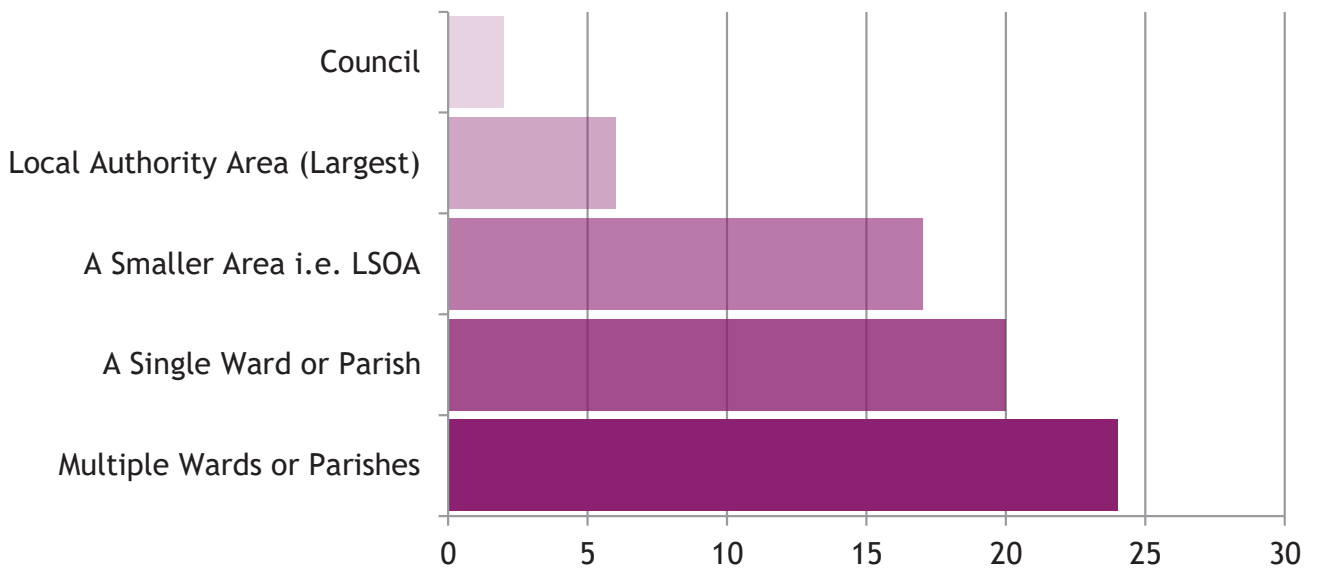


Figure six – Participating Groups Geography



Activity two: Adviser support

All communities were allocated an experienced Community Economic Development Advisor who acted as the main point of contact, providing guidance and support through each stage of the programme to help groups to complete their final CED plan.

In total, 30 advisers were recruited through the Partnership's provider networks, based on their skill, experience, competencies and to ensure geographic coverage. Advisers were fully inducted including attending a dedicated training event. Fourteen advisers were selected to support the second year cohort. Each adviser was allocated up to three groups, with a set amount of contact time (six days) per group. This time included provision to produce reports and attend regional induction events.

Advisors initially worked with their allocated CED group to build support for their community's involvement, pulling together a local leadership team of representatives from the community, local businesses and the public sector. As part of this they facilitated a scoping workshop to explore possibilities, identify priorities and potential activities that would form the basis of the CED plan. In particular, it was used as the main session to identify how the technical and grant support could be used to help develop their initial idea and the advisers supported the group to successfully apply for the technical and grant support through an online application form.

Activity three: Location profiles

To assist with this process, each area was provided with a bespoke Location profile (based on data from a dedicated statistics platform called Place Analytics). This provided an overview of key socio-economic indicators, comprising:

- Demographics – age, ethnicity breakdowns
- Social indicators – IMD data
- Labour market – unemployment
- Businesses – business formation, key sectors
- Skills and qualifications
- Environment – land use

Activity four: Learning events

Participating groups were invited to attend an induction learning event at the beginning of each year. The Partnership delivered a total of six of these across the programme (four in year one, two in year two). Groups were introduced to the programme and the CED framework; were able to meet one another; and were introduced to their respective advisors. These events also provided an opportunity to learn more about the support available including the technical support packages and grants.

There were 209 participants at these events with all but five of the 71 CED participating organisations attending, including 30 CED Advisers and representatives from all five CED partners.

A total of 164 people attended four further 'wrap-up' learning events towards the end of each year of the programme (two per year). These events provided a range of practical workshops to support groups to progress their final plans, as well as sessions on forward-looking topics to think about life beyond the programme.

Activity five: Needs analysis workshop

Advisors facilitated a Needs Analysis workshop with each of their groups to develop their understanding and approach and clarify the change the CED plan is seeking to support. Groups were able to generate, refine, test and select ideas based on desirability, feasibility and viability. They also considered key stakeholders and how the CED plan fits with other local strategies.

It was recognised that each community had a slightly different starting point, with some proposing detailed projects but needing support to place these ideas within a wider vision and understanding of their local economy, whilst others having a clear sense of the economic needs and perhaps opportunities in their community but needed support to pin down their vision and proposals.

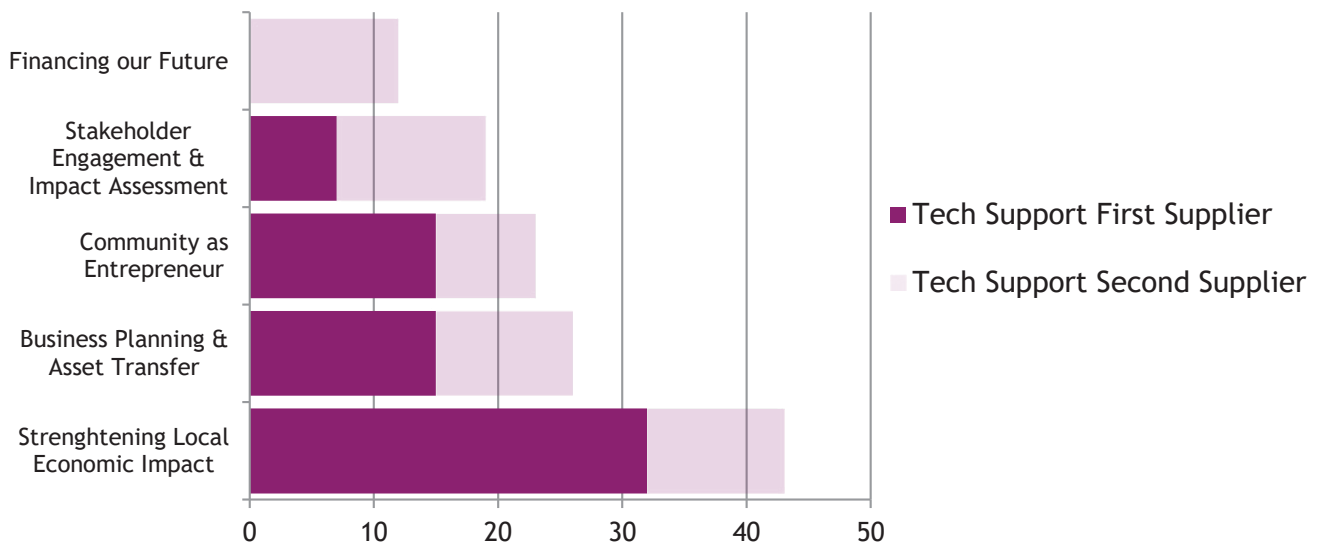
Advisors were encouraged to draw on their own experience and tools and resources to select exercises that were appropriate for the community they were working with to take them through the process. They could also use a range of tools and templates provided through the programme including a Source book of illustrative examples with relevant examples to stretch thinking.

Activity six: Technical support

In addition to support from the advisor, groups could also receive a number of days of technical support from one or two of the partner organisations running the programme. Areas participating in year one were offered up to six days of technical support. This was reduced to four days in year two to accommodate an increase in adviser time (from four to six days per area). There were four technical support packages available to groups in year one, and five in year two. These were designed to meet the specific needs of the group. Technical support packages:

1. Community as Entrepreneur - Co-operatives UK
2. Financing our Future – Responsible Finance/Community Development Finance Association (CDFA)
3. Strengthening Local Economic Impact – New Economics Foundation (NEF)
4. Business Planning and Asset Transfer – Locality
5. Stakeholder engagement and impact assessment – Centre for Local Economic Strategies (CLES)

Figure seven – Technical support uptake



Unsurprisingly, given the aims of the programme, the most requested technical support package was Strengthening Local Economic Impact delivered by NEF. Only one area requested the Financing our Future technical support option. This was indicative of a more niche area around access to repayable finance.

Activity seven: Grant support

Groups applied for grants of up to £5,000 to support the further development of their CED Plan, based on the key activities identified in the scoping session and needs analysis workshop.

Grant funding use varied but was utilised to support the following activity:

- Wider engagement activity with the community (including associated costs such as venue hire, publicity materials, printing, reasonable travel expenses, childcare, refreshments)
- Public engagement and consultation on the plan
- Additional local specialist support such as architectural advice for a building being considered for asset transfer
- In-depth local research e.g. training local residents to act as researchers, preparing questionnaires or surveys or other support needed
- Additional technical support from one or more of the technical support providers

Applications were assessed against agreed criteria and due diligence was provided by the grant management partner, Groundwork UK.

Activity eight: CED plans

From the outset of the programme, groups were given clear guidance and direction on the primary output of the programme – the CED plan. In particular, the Partnership produced a guidance document “What makes a good CED Plan”, which set out a framework for the final CED plan, based around six sections, set out in the table below and which was developed out as a more substantial learning material.

Figure eight: Proposed framework for CED plans

Context	<ul style="list-style-type: none"> •Geographic area •Location Profile
Outcomes	<ul style="list-style-type: none"> •Social, economic, environmental •Short, Medium, Long term •How activities relate to outcomes
Engagement	<ul style="list-style-type: none"> •Overview of engagement process •Planned continuation
Planned Activities	<ul style="list-style-type: none"> •Description of activities •Rationale •Who responsible
Resources	<ul style="list-style-type: none"> •Human, Environmental, Financial
Timetable	<ul style="list-style-type: none"> •Implementation Timeline •Milestones

Groups submitted an interim CED plan towards the end of the programme, which covered the first three sections as set out in the framework: context, outcomes and engagement. Outline plans were reviewed by the Partnership and groups were able to incorporate feedback in their final plan.

7 Themes, Challenges and Successes

The CED plans produced through the programme covered a very wide range of scope of ambition, types of project activity proposed, scale of resources needed and secured, and specific aims and objectives for transformation. The programme was designed to support each area to identify its own unique journey through these questions, and so it was always anticipated that the plans would demonstrate this variety. This does, however, place some constraints on the degree to which the economic transformation content and potential of the plans can be analysed as 'like for like'. Whilst their quality was assessed within the programme based on their structure, coherence and evidence of good processes of production, what is arguably more interesting but more difficult to tease out is the comparative effectiveness of the proposed activities at generating a common set of economic outcomes.

Given this, this next section provides an analysis of the effectiveness of the models developed and set out in the CED plans by focussing on a subset of the plans that showed most promising signs of implementation and impact (reviewing the 29 rated as strongest, from across both year cohorts). This has enabled us to suggest a framework to understand the key characteristics and drivers we believe reflect the most important learnings that the programme has generated. We have focussed distinctly on the kinds of economic development that promise the most positive impact for communities, and the kinds of processes which appear to function best at generating good quality community led economic development.

This section looks first at models and drivers, and then at what this tells us about content and process – and the key barriers and challenges to achieving quality and impact in both. Following this, our concluding section offers a succinct analysis of what this review of both content and process tells us are the most vital steps necessary for developing and growing good quality community led economic development in the UK.

Models and drivers

Each CED partnership participating in the programme represented a unique community and wider context. Broadly speaking, though, among the range of motivations expressed by partnerships entering the programme in both years, it was possible from the outset to identify two distinct groupings in the starting points that formed the basis of The Partnerships' motivation for wanting to engage with the local economy:

1. Groups who approached the programme with a clear sense that the economic context needed transforming, and some understanding of the themes and possibilities, and needed support to work out from this basis what a concrete set of activities or projects might be that would help them achieve their aims.
2. Groups who approached the programme with a clear ambition to deliver a set of activities or projects, and a requirement for support to turn this concrete and perhaps relatively narrow focus into something which would actually impact meaningfully on the wider local economy, based on a well thought through set of aims and objectives for that wider context beyond the immediate success of the project or activity itself.

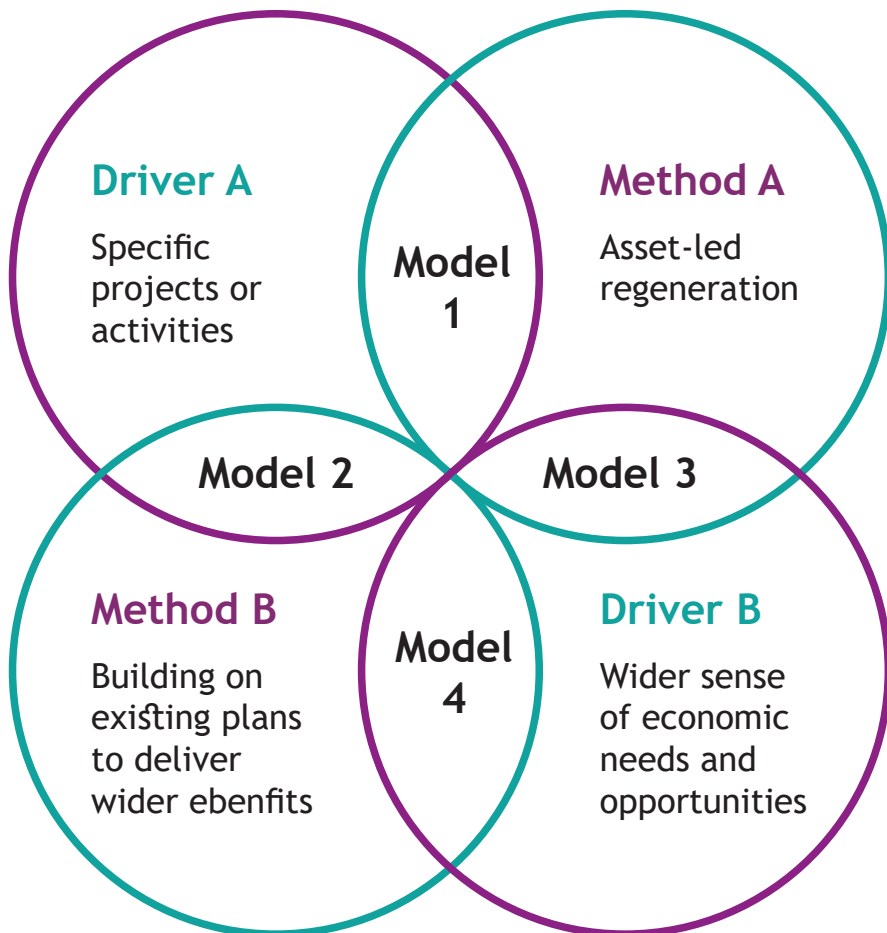
The programme sought to bring both kinds of groups ultimately to the same endpoint: a plan which set out a clear vision for the wider local economy, with distinct and achievable concrete projects or activities developed which could contribute to achieving that broader vision clearly.

In analysing the plans, it is possible to set this categorisation of 'drivers' alongside a categorisation into two broad 'methods' of implementation, which emerged as two equally clear alternative approaches within the most well developed plans.

1. **Asset-led regeneration**, where the projects and economic vision centred on developing physical assets in a way that builds new value, and redirects new and existing value much more effectively towards the economic outcomes valued by the community
2. **Building on existing local plans to deliver wider benefits**, where the projects and economic vision centred on connecting community priorities to broader economic plans and visions in a proactive way, often seeking transformation or new development of economic development plans that have not previously been working for a community

What this provides is four clear models which we can identify as common across several CED partnerships, as shown in the diagram below.

Figure nine – CED Models and drivers



Models one and two

CED plans applying models one and two belong to the grouping of partnerships who approached the CED programme with a specific existing or planned project, or set of activities which they felt could potentially have a significant impact on their local economy. Examples include a community hub, a recent asset transfer of a building, a project to support young people into employment, or a community energy scheme.

The CED process, in this case, has helped them identify how these projects, or activities, fit into a wider economic strategy for their area, and how they can have the most impact on the local economy. The main element of the CED plan they needed support with therefore, was developing the set of outcomes they would like to see happen, to build a strong vision and strategy for the local economy, which could better support their practical projects and activities.

Model one: Delivering a specific project, or activities, through asset-led regeneration

Case study - Bognor Pier Trust CIC

The Bognor Pier Trust CIC had a clear mission at the beginning of the programme – to take Bognor Regis Pier into community ownership to safeguard a cherished town asset and heritage, and increase the potential of tourism and related jobs. They have clear plans to do this and the pier is in desperate need of repair and development. Having not succeeded with an attempt to take ownership of the pier, they revisited and developed the outcomes they are trying to deliver. From this process, their CED plan became a mix of Model 1 and 2, in which they looked more widely at the seafront, the marine environment, and their local weather as assets they can build on, but also at immediate opportunities from nearby developments, which they could engage with and make the most of.

“The CED programme has made the Trust think more strategically about the longer-term options for the regeneration of the town and seafront, which is very positive. Very helpful from the learning events to better understand the role of environmental impact. The CED process was crucial to this. The input from NEF participation in the strategy development held focus the group on the long-term issue of access on the beach for visitors and children as part of the seaside experience. The town is recognised as having the highest hours of sunshine on the southeast. The town has a growing solar farm industry and a theme of Bognor Regis having the potential to be carbon neutral was developed. Bognor Pier Trust C.I.C”

Model two: Delivering a specific project, or activities, by building on existing local plans

Case study: Urban Vision North Staffordshire

Urban Vision North Staffordshire's "original core reason behind the CED plan was determining a future for the dominant Grade Two listed former town hall building that sits in the heart of the town centre." Through the CED process they explored more fully the needs and opportunities for the development of the town centre more widely.

"Currently the High Street is a traditional shopping street with one-way traffic south to north, and bus-only traffic in the opposite direction. However there is a proposal from the City Council to reopen the street to two-way traffic to encourage more visitors into the town and to reduce the weight of traffic on the ring-road past the Jasper Square and Alexandra Park retail development. In the online survey undertaken for this CED plan, this proposal was poorly received so this needs to be carefully considered as the High Street pavements are narrow and if the road becomes busy it could become an unsafe environment for shoppers. Urban Vision North Staffordshire" (from their CED plan)

Their plan expanded on their original focus of a project for the Town Hall building to propose alternatives to the City Council for the remodelling and diversification of the High Street and Tower Square.

Models three and four

CED plans applying models three and four approached the CED programme because they felt their area would benefit from community-led stimulation to the economy, either because it is an area of significant need or a place with lots of opportunities to tap into. They have a good understanding of local economic needs and are, therefore, more likely to have a clear sense of the overall outcomes they would like to see happen, or the change they would like to see as a result of their intervention.

The CED process, in this case, has helped them drill down into how that vision could be realised through concrete projects or activities.

Model three: Tackling wider economic needs or opportunities, through asset-led regeneration



Case study: Eastbourne Fisherman's CIC

Eastbourne Fisherman's CIC was set up to fill a gap in local economic development, which the community felt did not take into account the needs of the local small-scale fishing industry. The group set to purchase and develop the land by the Waterfront in Sovereign Harbour to create a Fishermen's Quay.

Securing this local asset, building on the local fisheries, and fishing heritage, they want to ensure the survival and sustainability of the local fishing and tourism industries.

Model four: Tackling wider economic needs or opportunities, by building on existing local plans



Case study: Regather in Sheffield

For Regather, the CED process opened up discussions with the local authority and helped shape the agenda to take advantage of new opportunities including the proposal to develop an independent Food Partnership for Sheffield. Working towards the Sustainable Food Cities award criteria, Regather now plays a pivotal role in achieving the strategic aim to “increase local food production initiatives” identified within the new Sheffield City Region Vision, launched February 2017. Regather is currently co-lead in this new policy/strategy framework for the development of urban agriculture and a wider sustainable food system for the city.

“Being able to demonstrate that we have developed a clear plan has helped us to articulate the economic case; it’s given the work integrity and has been useful in opening discussions with agencies.” Gareth Roberts, Regather

The plans which showed the most concrete proposals, clearest indication of existing or likely funding/ financing, clearest indication of how projects and wider vision would link, and most convincing evidence of strong stakeholder engagement with business, public sector and community, all fell into one or a combination of these models. We believe that the learning from this is:

- It is crucial for a successful community-led economic plan to have a reliable, consistent underlying element that acts as a leverage point, a guarantor, a reason for others to buy in and trust the process, and most importantly, a clear promise of economic potential. This is most effectively provided by either an asset – which in itself provides a certain amount of economic power – or alternatively, a very strong alignment between the community's objectives and the objectives and plans of more economically powerful groups such as a council, LEP or larger business grouping. Concrete projects and wider economic visions can focus on either of these two core elements, but in order for a CED plan to function well as a driving force for activity, it requires both elements to be equally strong
- Groups who initially come together around a project, and groups who initially come together around an economic vision, are equally capable of building up the other 'half' of their CED plan, with the right support

What it is not possible to judge at this stage is the quantitative impacts that each model, if delivered well, can have on specific economic outcomes in an area, and whether the different models vary in how successful they each are in achieving the outcomes the community is pursuing – along a triple bottom line framework. This would only be possible to analyse through a longitudinal study of the implementation of the plans over a five to 10 year period.

8 Key Learnings

The CED programme set out at the start to achieve two specific goals in relation to communities participating, within its theory of change:

“Wider local economic context is beneficial to local community” and “Community members participate at all levels of the economy”.

Essentially, these two outcomes relate to the content and purpose of plans - generating different types of outcomes from the local economy - and the process of writing and implementing plans – shifting the way in which communities participate in developing the local economy.

Reviewing both the final plans submitted, using the framework outlined above, and reviewing the feedback collected throughout and at the end of the programme from groups and CED advisors through surveys and learning events, we are able to draw out some key learnings on both of these aspects.

1. The content and purpose of their plans. A successful CED plan should be aimed at re-shaping the underlying economic system in a place, intervening in the local economy in a way that helps it generate a better balance of social, economic and environmental outcomes. In order to make that happen, plans need to demonstrate two things:

- A strong set of ‘triple-bottom-line’ outcomes
- A clear strategy to rebalance power locally and achieve greater community control (this involves having a understanding of local power structures; and how those might act as a barrier or enabler to achieve their objectives)

Most groups welcomed and were quite comfortable with using this ‘triple-bottom-line’ approach in their plans. Many achieved a strong set of outcomes. However, groups were less able, for a number of reasons, to tackle the dynamics of local power structures. Some of these reasons include the potential negative effects to their plans, or to local engagement, of confronting powerful stakeholders locally; and the lack of resources or appropriate time to, adequately, develop knowledge and evidence of how the local economy operates, who owns or controls key assets, and how local development is led, and shaped.

2. The process of writing and implementing their plans: A successful CED process requires a high level of engagement from a wide range of stakeholders. This demands sufficient time, capacity and resources to draw together diverse people and allow enough time for them to generate, reflect on, and design, a vision and project ideas. For many groups, this was not straightforward to achieve in the limited time and resources available through the programme, given the already limited capacity for many participating organisations. Nonetheless, feedback collected from the surveys and learning events suggested that compared to other processes which groups had experienced that sought to build on community engagement, the CED process was better set up to engage people effectively and meaningfully in designing the local economy than other approaches. The process was felt to move beyond mere consultation, and the combination of strategic vision creation and concrete, visible projects and plans, was crucial to stimulating and sustaining engagement. It is useful to note, though, that not all

groups felt this worked well for them on the programme, with many citing the timeframes, and limited financial support, as barriers to realising this aspect of the programme fully. Further detailed discussion of this is presented in the interim CED report.

Taking into account the challenges and barriers that groups currently encounter in developing and successfully delivering their CED plans, we found that:

- Most groups have tried to deliver their objectives by making the most of the opportunities available within the existing plans and investment in an area. This is clear from a review of all plans
- Some groups have tried to challenge what is already happening, and shape it differently or do something new to counter act it

Collyhurst Big Local, Manchester. This CED partnership entered the programme as a Big Local Area, with a clear idea of the needs in their community, and some suggestions for projects that might tackle these. The process of the CED work in the first year moved the group quite noticeably from an analysis of need and an attempt to devise small scale projects to address that, to a much more systemic analysis of the drivers of those needs and the barriers to systemic solutions that were presented by the way in which local council regeneration planning was being done on their estate. Whilst they had to accept that the current regeneration plans were already underway and could not be changed, they significantly shifted their ambitions for change and began to work with the local council to re-shape how subsequent scheduled regeneration plans could better serve the community's desired economic outcomes, in a way that would create new opportunities and remove barriers to the kinds of economic activity the community was keen to develop. This CED plan is a good example of how tackling and shifting local plans forms the basis of transformational activity.

Safe Regeneration, Liverpool. This CED partnership from the outset entered the CED programme with ambitions to push beyond the project work they were already delivering on their business incubation hub, and seize opportunities to radically expand their impact and activities in a way which would begin to spill over into the wider economy around them. Ranging from taking on ownership of a derelict pub on the outskirts of the land they already owned through asset transfer, to transform this into two projects – a homeless transition hostel, and a gastro pub downstairs; to connecting with the Canal and River Trust to plug in their work on their own site, to the regeneration of the canal towpath which borders it, to start generating more footfall but also then make the most of this for the local economy – this partnership's plan is a good example of how asset led projects can drive transformational change.

Heart of Hastings CLT, Hastings. This CED partnership, similarly to Safe Regeneration, is characterised by the partnership's ability to build on one successful set of activities in one sector, to develop other ambitious activities in other sectors. In their case, a project revolving around community ownership of commercial properties in the centre of Hastings, as a way of securing the future of business sectors (artists, independents) at risk of being driven out by gentrification, was joined by a radical project to run an 'Organisation Workshop' programme with extremely economically deprived communities in another part of Hastings, focussing on another CLT (Community Land Trust) project requiring new build on a brownfield site in the heart of that community. This CED plan is a good example of how assets can be used not just to drive an economic development agenda, but also to grow a portfolio of quite diverse projects which have an impact and a vision beyond the life of the asset itself.

3. A small number of groups tried to deliver something more transformational (e.g. redesign the way services are delivered, transfer power/ownership).

Island and Bays of Barrow and Furness CCT's CED plan was hoping to challenge the proposed model by the Local Plan for the development of a site in a health poor area. In the process, they wanted to generate evidence and demonstrate how, as opposed to the mainstream economic drivers, investment in green space could be an economically viable plan in the current economic climate. A central pillar to their success was meaningful community engagement, which demonstrated how the CED ambition and plans spoke directly to the community needs.

"The work has developed from on the ground community voice and the [CED] plan has formed a focus and help shaped that." "During the process of the CED plan development it has become clear that Central Seed is achievable by 2020 through stakeholder support. The community team leading the CED has now secured significant funding to develop, resource and deliver a three year community engagement programme focused on the engagement of Barrow's urban communities with their, to date, surrounding, inaccessible landscapes." **Island and Bays of Barrow and Furness CCT**

9 Conclusions

- What are the main conclusions that can be drawn about the programme based on what has been presented here? And what is the key evidence that backs these findings up?
- What are the implications of these findings for future work in this area?
- Who should take note of these findings?

The interest and participation in the CED programme demonstrate how a growing number of community-led groups are looking for meaningful ways to engage with, and solve, their local economic challenges. Many of them are ready to do it. From groups at an early stage of organising locally, to those already established, CED has proven to be a helpful framework to support communities wishing to take control of their economic future (i.e. move up the ladder of community engagement), and to help them shape a more sustainable local economy (i.e. new models of regeneration to deliver 'triple-bottom-line' outcomes). But, even a strong and well-devised CED plan does not exist in isolation; it sits within a wider context.

This wider context, unfortunately, poses substantial barriers to its success. After an analysis of CED plans from years one and two, and building on existing knowledge and research into local economic development by NEF, we suggest there are three broad learnings to take from the programme, and in turn three key recommendations for policy makers in how to foster the outcomes of CED more effectively.

Community-led economic development should be encouraged and supported because communities want to and can play a key role in shaping more sustainable economies.

The CED programme was oversubscribed in both years, receiving a total of 185 applications, and experienced growing interest; 60% of applicants were successful in year one, but only 36% were accepted onto the programme in year two.

Some communities are of course more developed than others in terms of local organising, partnership building, fundraising, resources, expertise, and having a local vision and ideas to deliver local economic development. Therefore, they are more ready to lead and deliver successful plans. However, even the least organised community groups are uniquely placed to understand local needs. All groups involved in the CED programme welcomed the opportunity to take real control of their economic future.

“Fishermen have never occupied a particularly powerful position when it comes to local decision-making.” “We need CED as previous development strategies have not delivered the changes needed for the local fishing fleet and the community it supports. Fishermen need to be better able to plan for the future and contribute to the area they live and work in. A well-connected local economy can deliver positive outcomes on many levels, and fill the gaps where previous development strategies have failed to be inclusive, connected or locally supported.” **Eastbourne Fisherman’s CIC**

Groups displayed a range of exciting ideas and innovative approaches to build on existing development, or rethink the local area, in order to meet local needs. The success of a local economy depends on this local perspective of how the local economy is and can function.

There was a real focus on working in partnership. Local groups not only understand the need to work in partnership, but that is also usually a well-established culture of community-led activities. Used to working with limited resources, community groups rely on different people and local interests coming together to succeed with their activities.

CED is a helpful framework to support communities in driving sustainable economic regeneration; and a good vehicle to support community participation to move beyond ‘consultation’ or ‘placation’, towards ‘partnership’ and ‘control’ – i.e. to increase the quality, impact and meaningfulness of community participation within an area’s economy.

“The CED process has been a great way to examine our local economy, understand some of the issues and come up with viable plans to tackle them. As the process is quite planned, this means we end up with a well-evidenced plan that can really help conversations with stakeholders going forward.” **New Wortley Community Association**

All groups who responded to our surveys considered CED a helpful framework. By focusing on economic development beyond just delivering a single outcome (e.g., economic growth), CED allows communities to explore the range of things and issues they value or are interested in their local area.

From that starting point, they are more able to rethink the local economic system so that it delivers the things they care about. Groups all reported the benefit of this more holistic framework and the need to demonstrate social, economic and environmental outcomes through their plans:

- **For groups at an early stage**, it allows them to shape how they develop local engagement, and ideas, within a wide and sustainable framework. For example, Eastbourne Fisherman’s CIC stated

in their plan, “our CED plan will ensure that the outcomes and added value from the infrastructure development is as locally connected as possible and that the benefits are retained locally, empowering the fishing community to become the beating heart of Sovereign Harbour.” And in answering the survey at the end of the programme, they wrote, “the CED plan has enabled us to get EBC [Eastbourne Borough Council] to re-write their coastal strategy and plan to include local fishermen.”

- **For groups at a developed stage**, it supports them in focusing, or expanding, on their existing idea and plans, ensuring wider local benefits are explored. For example, Portland Community Partnership stated, “the CED process was somewhat helpful in helping us derive greater benefits from other local activities or stakeholders, through working with the Health bodies around keeping an island provision.”
- **For groups at an advanced stage**, it validates their plans by meeting bottom up with top down guidance – in a traditional context, they might not have been able to prioritise certain social or environmental outcomes. For example, Island and Bays of Barrow and Furness CCT stated, “the natural environment has been the focus of all the work we have been doing, so although it has not essentially brought anything new it has confirmed and supported the work we are doing.”

CED alone can only do so much. In order for CED plans to be successful, the wider context on which they sit must be fit for purpose.

Working in partnership requires a long-term commitment and approach to building relationships and developing a local vision and plans. The incentives and funding for this are not generally in place to support this way of working. Communities on the programme all showed clear evidence of undertaking this anyway, but most reported that they felt it was a struggle and often too dependent on a very committed individual with the time/resources to dedicate to the task. Some of the issues communities reported were simply related to capacity – not having the time available to invest in building relationships across different and more powerful stakeholder bases.

But a very strong theme throughout the feedback from groups was the difficulty of establishing relationships with stakeholders who had more power or mandate – for example, a LEP or council team. This was enhanced by a perceived discrepancy between the interest and focus of such actors, and the broader socio-economic and environmental outcomes which communities tended to be pursuing. Even where groups were able to establish themselves as a trusted and respected community voice within statutory, or indeed larger scale private sector groupings, who they felt had more power over how the economy is planned and developed in their area, this discrepancy between the activities that generate traditional economic measures of success (increasing GVA value, for example) and the activities which would generate the community’s desired economic outcomes (for example, higher wage levels, or stronger local supply chains) was a repeated challenge for many areas in attempting to realise their plans. The structures and processes which have been developed by council or larger scale private sector actors were also felt to be part of this problem:

“The way that the local authority packages and procures services cuts across community interest – there is no community base and it is difficult to access procurement opportunities. Start-up enterprises can be stifled by existing council structures and frameworks.” Regather

Timeframes, as already mentioned, were cited by many groups as a barrier to success: pulling together a CED plan in a matter of a few months necessarily limited the scope and ambition many were able to bring to bear on the process. A longer term process may well generate greater impact.

The CED programme was designed already to address many of these challenges, but focussed, inherently, on building capacity of communities to tackle and navigate these barriers. But for most plans to have a chance of succeeding and for success to become something more tangible and normalised, it seems clear that there are further changes to wider contextual issues which are required as well – not least an increased understanding of CED itself within other sectors.

10 Recommendations

- **Providing more adequate resources and timeframes**

Whether this is provided through central government, local government, local business investment, or national or local trust fund support, it is clear that further programmes to support and invest in CED activity are likely to be able to deliver deeper and more sustained impact if the process can be applied by a community with longer timeframes and greater resources. We found that the Big Local partnerships who undertook the CED programme were particularly well placed to maximise its impact on their activities, because they were operating within a longer term timeframe of community engagement and stakeholder relationship building (over 10 years) and had an existing community resource in terms of their Big Local fund. Therefore the CED process enabled them to make real, implementable plans based on solid, in depth community engagement, in a way some other groups simply were not able to do. The more successful plans succeeded in leveraging greater amounts of funding and investment for implementation, and a development of this CED programme could look at building an implementation and investment stage onto the planning stage to convene and coordinate resources to be directed to groups to implement plans.

- **Establishing alternative measures of local economic success**

Quite simply, CED communities faced a challenge in trying to embed and get higher level buy-in – and investment / support – for plans to develop activities which would deliver a set of economic, social and environmental outcomes which simply do not align with the standard measures of economic success which still shape how LEPs, local authorities, city region growth deal areas, etc. are encouraged to approach and evidence economic development. In the two years of the CED programme, much has developed and progressed in national and local discourse, understanding the need for 'inclusive' approaches to growth, and for a wider range of economic measure to drive different kinds of economic development activities to build local prosperity and resilience. But for CED plans and processes to really cut through, something must shift in the way that central and local measurement of success is designed and delivered.

● Increasing the legitimacy and power of community-led plans

CED plans could be a powerful tool for change, but can only perform this function if they are embedded within wider strategies and plans. At the least, they must sit alongside other plans and strategies which drive economic development, rather than being understood as an 'optional extra'.

A number of practical options could be explored to embed CED concepts more powerfully within existing frameworks. For example:

- The CED framework and process could be useful to strengthening neighbourhood planning, or even be formally embedded in it as good practice. Neighbourhood planning already has a legitimacy and statutory mandate
- The CED framework and process could also be woven into LEP planning processes more formally
- CED plans themselves could be introduced as having a statutory footing similar to neighbourhood plans

Learning specifically from the content and process elements of what the CED plans generated, is that:

- The most successful plans combine a focus on wider vision with realisable concrete project activity
- The most successful plans require either a strong basis in asset-based development, or a strong connection and alignment with wider economic plans and strategies, to leverage support and resources
- The current wider economic and political context is not particularly conducive to the outcomes that CED plans sought to deliver, and while groups had some success in transforming the context locally (through stakeholder engagement and buy-in, or building on existing opportunities creatively) it would be useful in developing the CED approach further to look at how the wider context that sits around community led economic planning could be enhanced and strengthened to provide a more fertile ground for this process

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