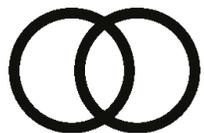


Community wealth building

Stuart MacDonald, Associate Director
David Burch, Senior Researcher

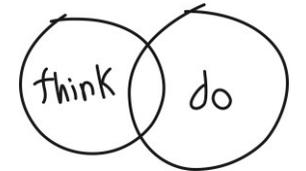


CLES
the national organisation
for local economies



@CLEStinkdo

About CLES



- The **national organisation** for **local economies**
- Progressive economics for people, planet and place
- Thinking *and doing*, to achieve social justice and effective public services

Today's briefing session

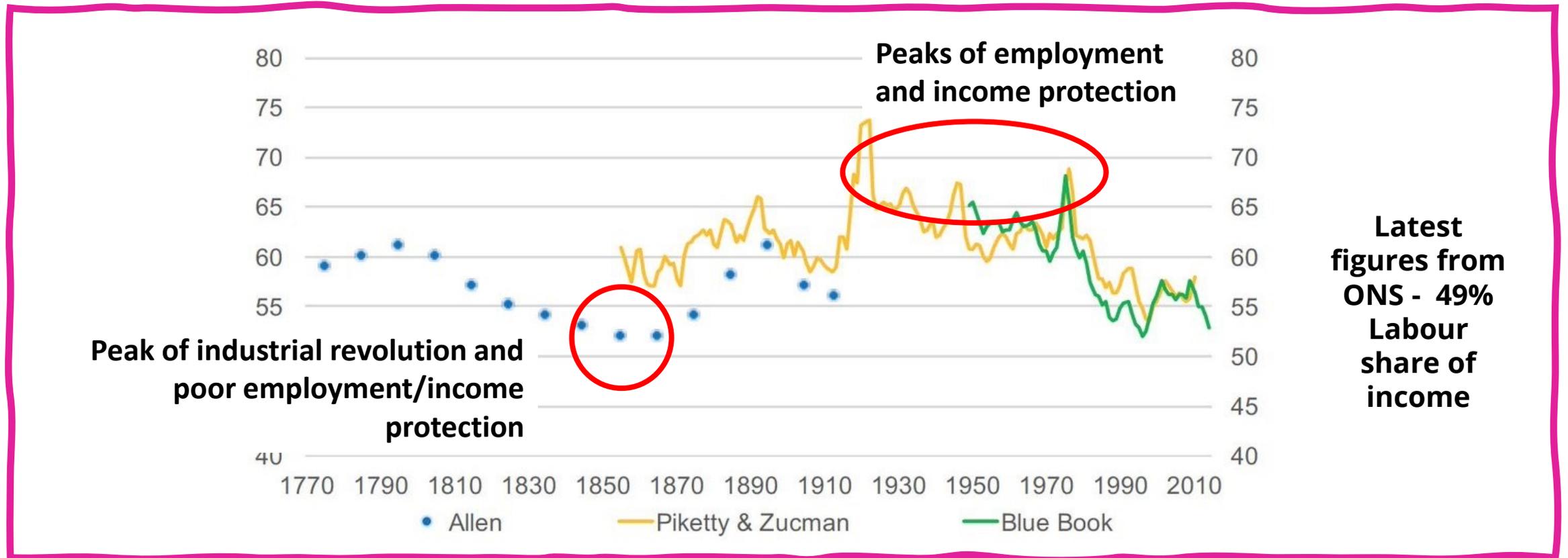
- **Introduction to Community Wealth Building**
- **Community Wealth Building around the UK**

- 
- **Introduction to Community Wealth Building**

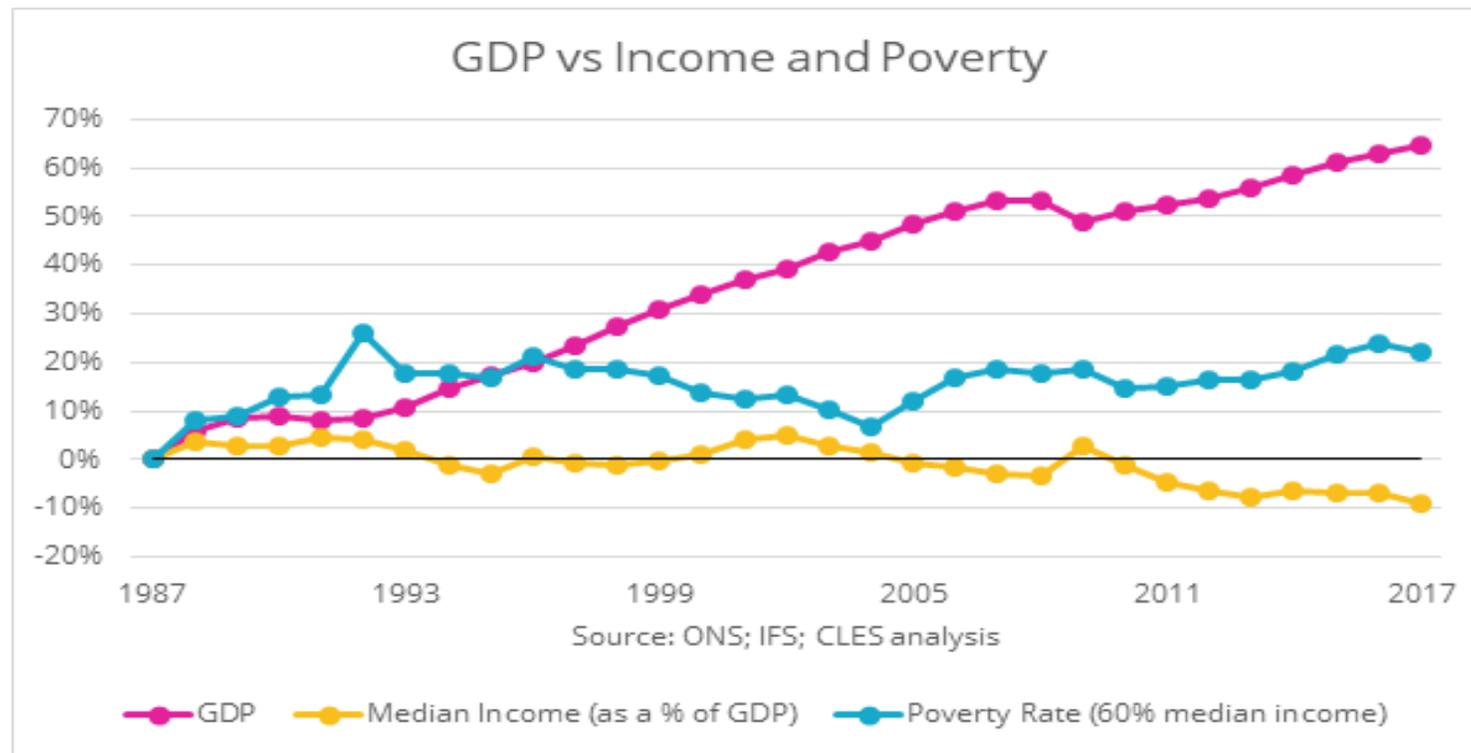
Our economic model faces challenges



The labour share of income is in long term decline



We need a inclusive economy



This is not just semantics...

Inclusive Growth

- Economic model is fine, but need to connect more people to growth
- Marketisation and private values, can sit within and alongside public sector to advance inclusion
- Extraction of wealth seen as inevitable but need to slow for inclusion

Inclusive Economy

- Economic model is flawed, as it creates unacceptable inequality. Should serve inclusive social goals.
- Restoration of public values within public sector market, is a route to greater inclusion
- Extracted wealth needs to be curbed and made more locally generative

A new economic model is emerging



Community Wealth Building

‘Community wealth building is a people-centred approach to local economic development, which looks to increase the flow of wealth back into local economies and places, by given more control to local people and business’ (CLEs, 2020)

- It is a maturing of economic development, with a core focus growing social and environmental benefits into all economic activity.
- Traditionally, we have focussed on **redistribution** after wealth is created
- CWB involves thinking through **pre-distribution** during and before wealth is created

Anchor Institutions

- Institutional economics > Thorstein Veblen
- “Sticky capital”:
Financial, economic
intellectual, social,
human- capital

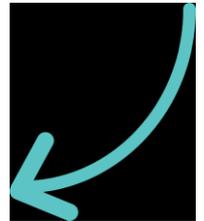


A word cloud of anchor institutions in pink text. The words are arranged in a roughly rectangular shape, with 'Local government' being the largest and most central. Other prominent words include 'Universities', 'Hospitals', 'Housing associations', 'Regional government', 'Business', 'Colleges', 'Police', 'Fire', and 'Health centres'.

Business
Colleges
Police
Fire
Health centres
Universities
Local government
Hospitals
Housing associations
Regional government

Pillars of Community wealth building

1. Anchor commissioning and procurement
2. Socially productive use of land and property
3. Fair employment and just labour markets
4. Making financial power work for local places
5. Grow local & community ownership of the economy



Democratising the economy

OWNING THE ECONOMY

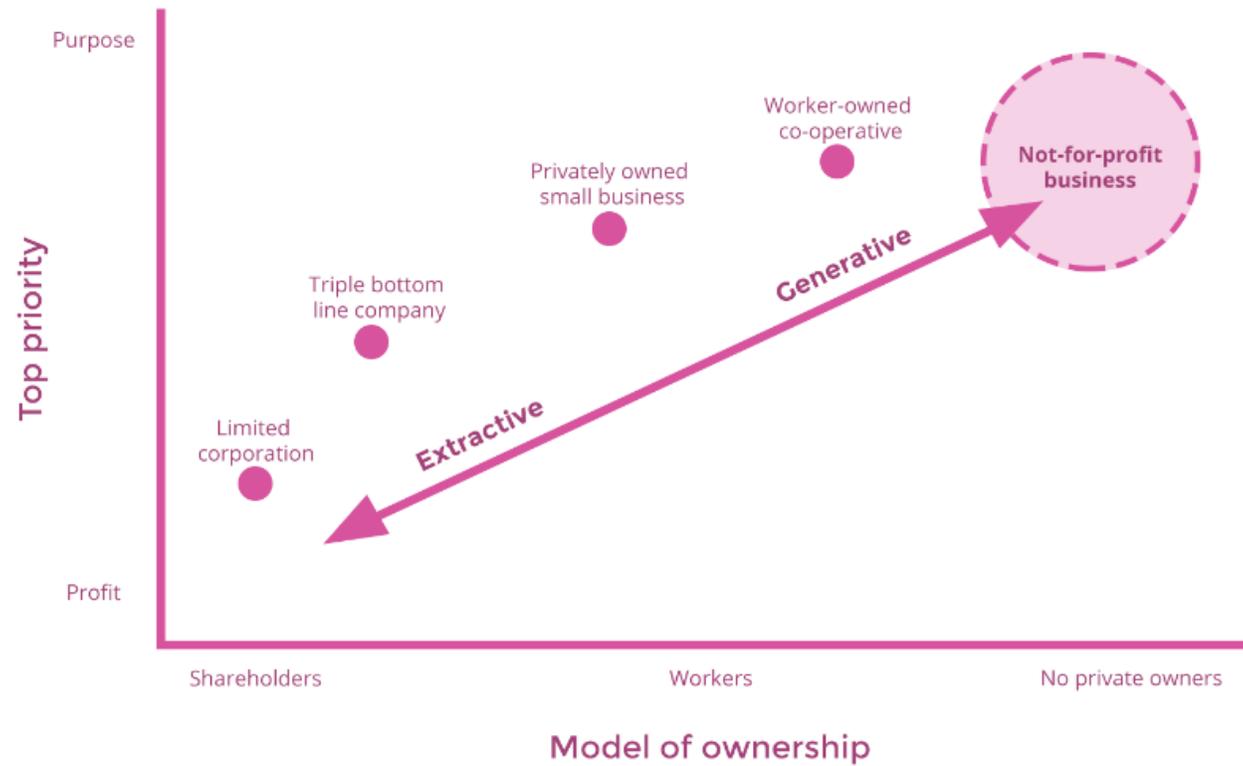


Own the future

A guide for new local economies

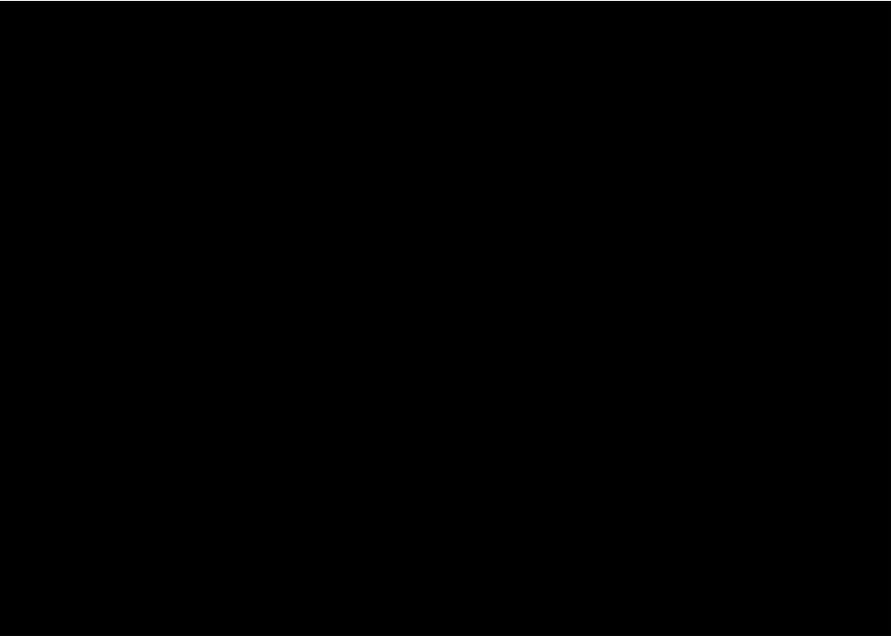


Building a generative economy



- **Community Wealth Building around the UK**

Community wealth building: practice



Belfast
Birmingham
Brighton & Hove
Bury
Darlington
Dudley
Gateshead
Hartlepool
Islington
Kirklees
Lancaster
Leeds
Lewes
Lewisham

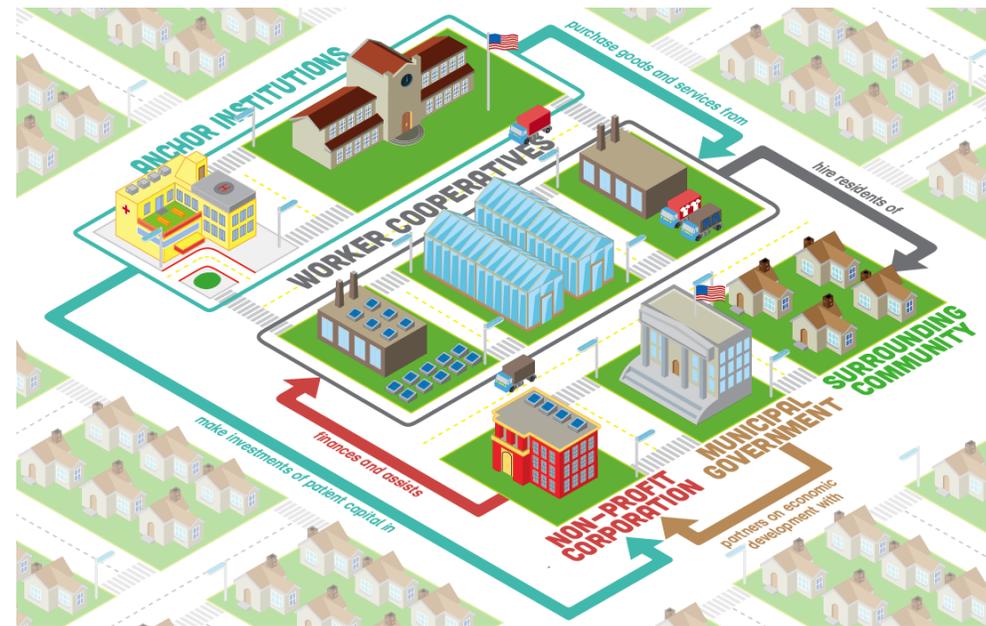


Manchester
Newham
North Ayrshire
North East Lincs
Oldham
Preston
Rochdale
Salford
Southampton
Sunderland
Swindon
Wakefield
Wigan
Wirral

'Preston Model'

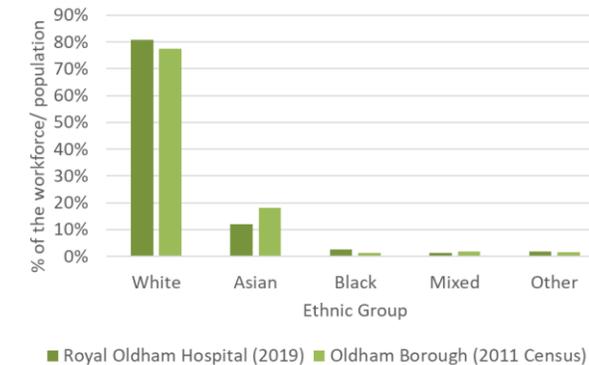
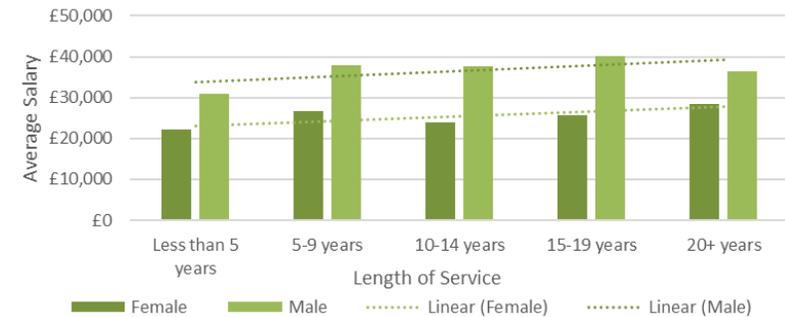


- Preston Practitioners Procurement Group
 - £70m more for city economy
 - £200m more for regional economy
 - Created 1,600 more jobs
 - 4,000 more people being paid the real living wage
- Food co-op and tech co-ops supported by anchors
- Using local pension funds to invest in local area
- Local at municipal energy/bank
- Preston has moved up deprivation index
- Most improved place to live in UK



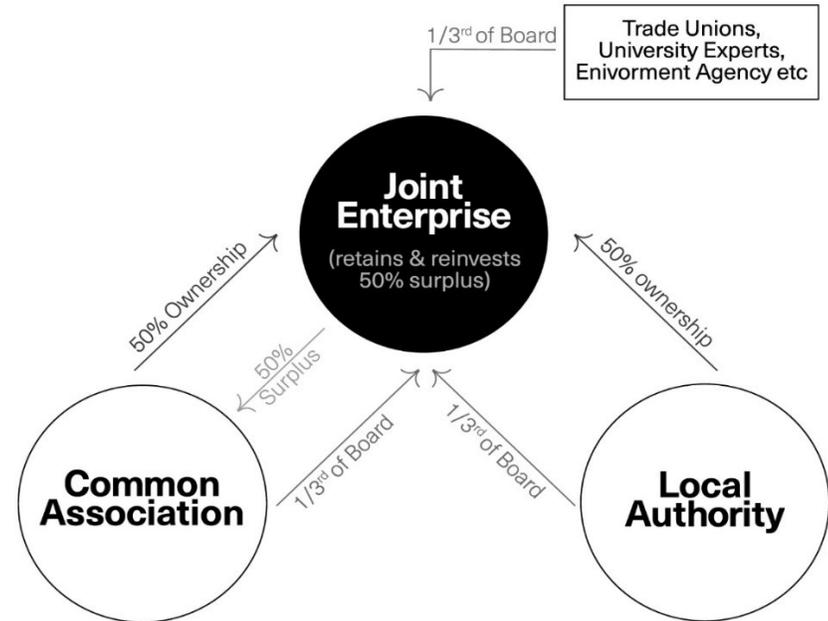
Workforce mapping

- In 2019 we worked with three anchor institutions in Oldham, analysing a total workforce of 4,600 staff (5% of the labour market)
- Findings included:
 - A 'glass ceiling' of salaries for local employees
 - Gap between ethnic makeup of area and workforce
- Anchors working together on identified issues (i.e., local employees having insufficient skills to progress to higher paid roles)
- Collective review of recruitment processes and internal development/progression routes
- Pilot projects between the College & Hospital



Wirral Public-Common Partnership

- Innovation in land and property assets in the Wirral. Developing a 'Public-Common Partnership'
 - Council enters into the joint management of municipally-held assets with local cooperatives, social businesses and community groups.
 - Supporting a transition to a low carbon economy
 - Assets for a foundational economy
- Looking to build on the innovative ways of working that came out the COVID-19 crisis
 - How have our space requirements changed?
 - Repurposing science label to manufacture hand sanitiser
- Consideration of what is an asset. Just land and property? Or.. Intellectual property (Uni), surplus capacity in relevant teaching classes (Hospital)



Birmingham Anchor Network

- Birmingham Anchor Network – seven of the City’s largest institutions, a combined workforce of over 50,000 people and budget of over £5bn
- Community Wealth Builder in Residence
- Action Plan for response to the impact of Covid-19 on the Birmingham economy
 - Hospitality to Health
 - Procurement working group
- Expanding into Sandwell and Wolverhampton, with Dudley and Walsall in discussion.

Birmingham has the UK’s first “community wealth builder in residence”

