

Forging a good local society

Tackling Poverty Through a Local Economic Re-

Executive summary

“We must create a new local anti-poverty deal - something which is more **local**, more **bespoke**, more **collaborative**, more **innovative** and more **progressive** in the face of poverty.”

- Neil McInroy, Chief Executive, CLES

Webb Memorial Trust

Established in 1944 as a memorial to Beatrice Webb



Why we need a new local poverty deal

The UK lacks a concerted approach to tackling poverty and disadvantage. Moreover, there is little appetite for greater use of redistributive models and re-mobilisation of the national welfare state or targeted social policy. We are left with an assumed - but woefully inadequate - rising economic tide and trickle down to address poverty.

Forging a Good Local Society offers a prospectus for a local good society, one that asserts that we can achieve economic and social success, and that to do either we need both.

This work calls for an acceleration of devolution - heralding a more socially active set of local policies and actions.

At the centre is an appreciation that addressing poverty and creating a good society are not just downstream outcomes of economic success, but rather active upstream inputs into a successful economy.



Understanding why poverty endures

Poverty is maintained through a set of strategic policy choices that underpin, perpetuate and sustain poverty. These include:

- Demoralised public values
- Economic inequality that affects all places
- Can't see the poverty: the failings of place-blind policy
- Too much boomgoggling: the poor often don't benefit
- Narrow set of local economic development policies
- The poor became a 'them', rather than an 'us'.
- Shifting the goal posts: changing the measurement, not the poverty
- Legislative frame has been weakened

COUNTER ATTACK: The good local economy

The backdrop of theoretical and policy drivers that sustain poverty calls for a fundamental counter attack upon poverty. This has three core elements:

1 BUILDING A GOOD LOCAL ECONOMY THAT DEVELOPS EMPATHY.

An economy must be empathic and serve to improve the social condition, in which wealth creation is not just about private gain, but is also about the development of human and social life and a decent standard of living for all. Effective markets generate both social and economic freedoms and opportunities. Key to this is to recognize that welfare and the wider social investment is not just a cost to the public purse, but an economic investment in human potential and productivity.

2 BUILDING SOCIAL INNOVATION: ENHANCEMENT OF LOCAL AGENCY.

Social innovation is about finding new ways in which people and communities organise themselves to meet needs such as poverty. As such a new range of new local based innovations straddling new collaborations across social, public and commercial sectors is key. This is often beyond the ken of national statecraft.

3 BUILDING A GOOD LOCAL SOCIETY: A NEW LOCAL SOCIAL CONTRACT.

With devolution, Local government is and should increasingly be seen as an active enabler, encouraging and inspiring innovative collaboration and crossover between social, public and commercial networks. Building new-poverty reducing local social contracts.

7 AGENDAS FOR A GOOD LOCAL SOCIETY

- 1 PLACE: Advancing the power of relationships**
Build deeper public, social and commercial relationships with new innovations in tackling poverty through opportunities presented by increasing the devolution of powers from the nation state to local places.
- 2 COLLABORATION: Building local assets and ownership**
Expand growth of new experiments in institutional forms that have deeper roots in the wealth of place; these include, cooperatives, local authority owned enterprises, such as community energy companies, and employee-owned businesses.
- 3 ANCHOR INSTITUTIONS: Supporting local people and places**
Support institutions with an important presence in a place, such as local authorities and NHS trusts, to use their resources and general operations to support wider place and citizen needs through a deeper consideration of their role as local suppliers and producers, as employers - recruiting locally, and as incubators - supporting start-up businesses and community organisations.
- 4 BUSINESS: Acting as citizens and wealth creators**
Move emphasis away from corporate social responsibility (CSR) towards a situation where social activity of business is no longer a 'bolt-on', but incorporated as a set of empathic corporate attitudes and approaches.
- 5 CITIZENS: Building social networks and reciprocity**
Develop and invest in social capital, social networks and the co-production of services with local people to support alleviation of poverty.
- 6 WORK: Developing local skills and employment strategies**
Determine the design and delivery of employment support provision at a local level.
- 7 WEALTH & LOCAL SUPPLY CHAINS: Locking in wealth**
Use progressive public procurement to bring wider benefits to communities, beyond service provision. These benefits can include, direct spend in areas of deprivation, creation of jobs and apprenticeships, development and sustainability of small business and social enterprise.