

An introduction to community wealth building

Charlie Murphy

Researcher

CLÉ

Associate Director

(Chief Economist)



@CLEStinkdo



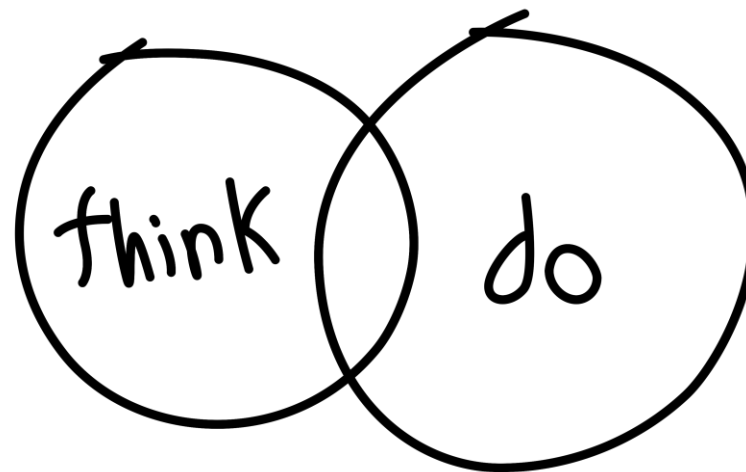
Plan for today

- Introductions
- Community wealth building – the theory and the practice:
 - What problems does CWB seek to tackle?
 - What is CWB? Principles, actors and intention
 - The pillars
 - Examples from around the UK and beyond
- Advancing CWB in your place/sector
- Wrap up



About CLES

- The **အိမ်ထောင်စုအဖွဲ့အစည်း** for **ပတ်ဝန်းကျင်**
အကျိုးစီးပွား
- Progressive economics for people, planet and place
- Thinking *and doing*, to achieve social justice and effective public services





Introductions

Your name

Where you work/your role

How familiar you are with community wealth building (1-10)



The case for community wealth building

What is it?

What problem does it seek to tackle?



What is community wealth building?

- Community wealth building is a **YÛÛÛÁÁÉ ÁÛÛÛÁÁÛ**
ÉÁÛÛÁÁÉ ÉÁÛÛÁÁÉ ÉÁÛÛÁÁÉ
- A set of guiding principles to help us build a more inclusive economy.
- It seeks to change the way that our economies have come to function by aiming to retain more wealth and opportunity for the benefit of local people.



Our current economic model is built on wealth generation and extraction





Our current economic model is failing



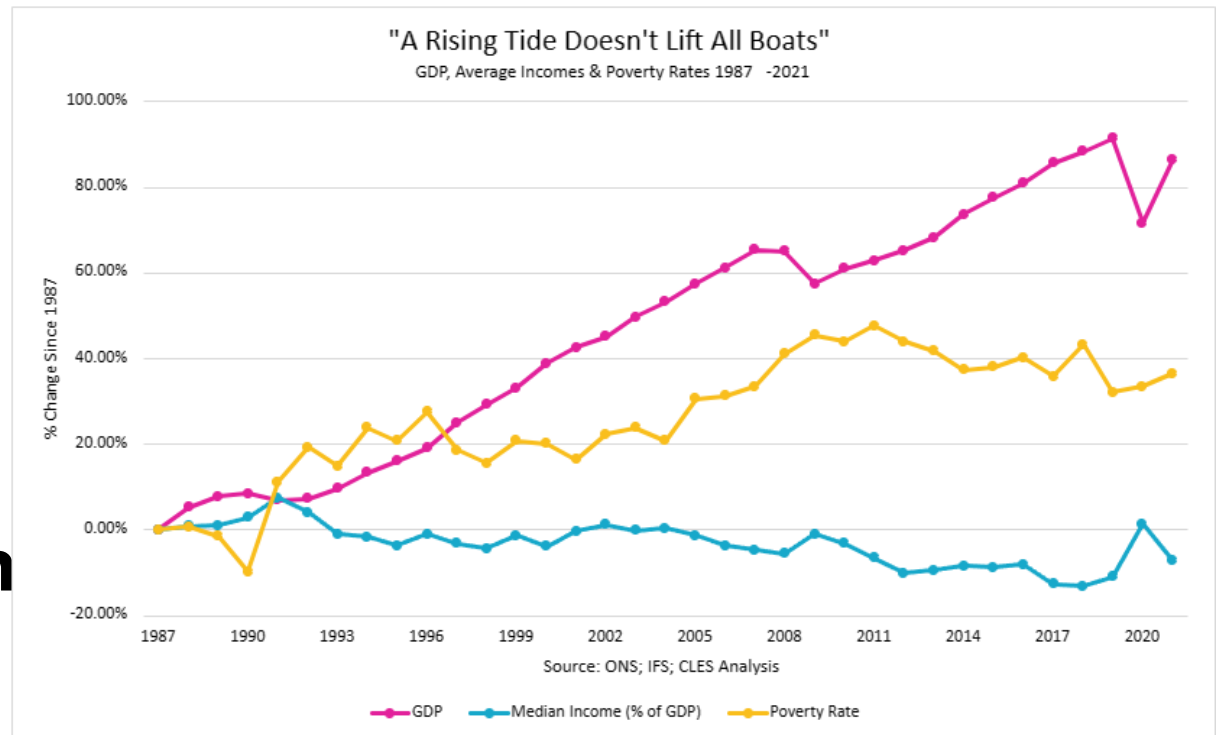


Our growth is exclusive

It's not a given that even if your economy grows (as measured by GDP) that all people will benefit.

While GDP has increased, incomes have fallen and poverty rates have climbed.

This means that **ကျွန်ုပ်တို့၏ ဂီဒပီသည် မြင့်တက်လာခဲ့သော်လည်း အများစုက ငွေကြေးနည်းပါးလာခဲ့ပြီး နိုင်ငံတော်၏ ဂီဒပီ၏ အများစုကို အချို့သော အဖွဲ့အစည်းများသာ ရရှိခဲ့ပါသည်။**





The power of anchor institutions

- Local government
- The NHS
- Universities and colleges
- Housing associations
- Large private businesses...?





Vision and purpose





The pillars of community wealth building



Ī ūŋꞤ ūꞤ ūꞤ ūꞤ ūꞤ
 dāÉ ūŋꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ



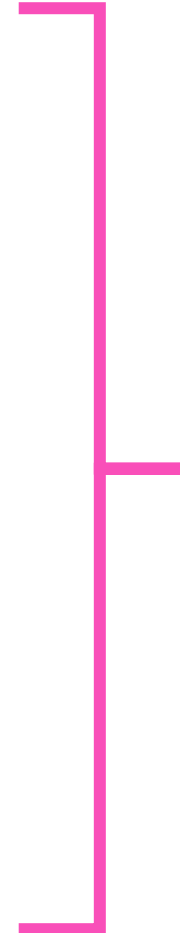
È ĀŋꞤ ūꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ ūꞤ



HĀŋꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ ūꞤ



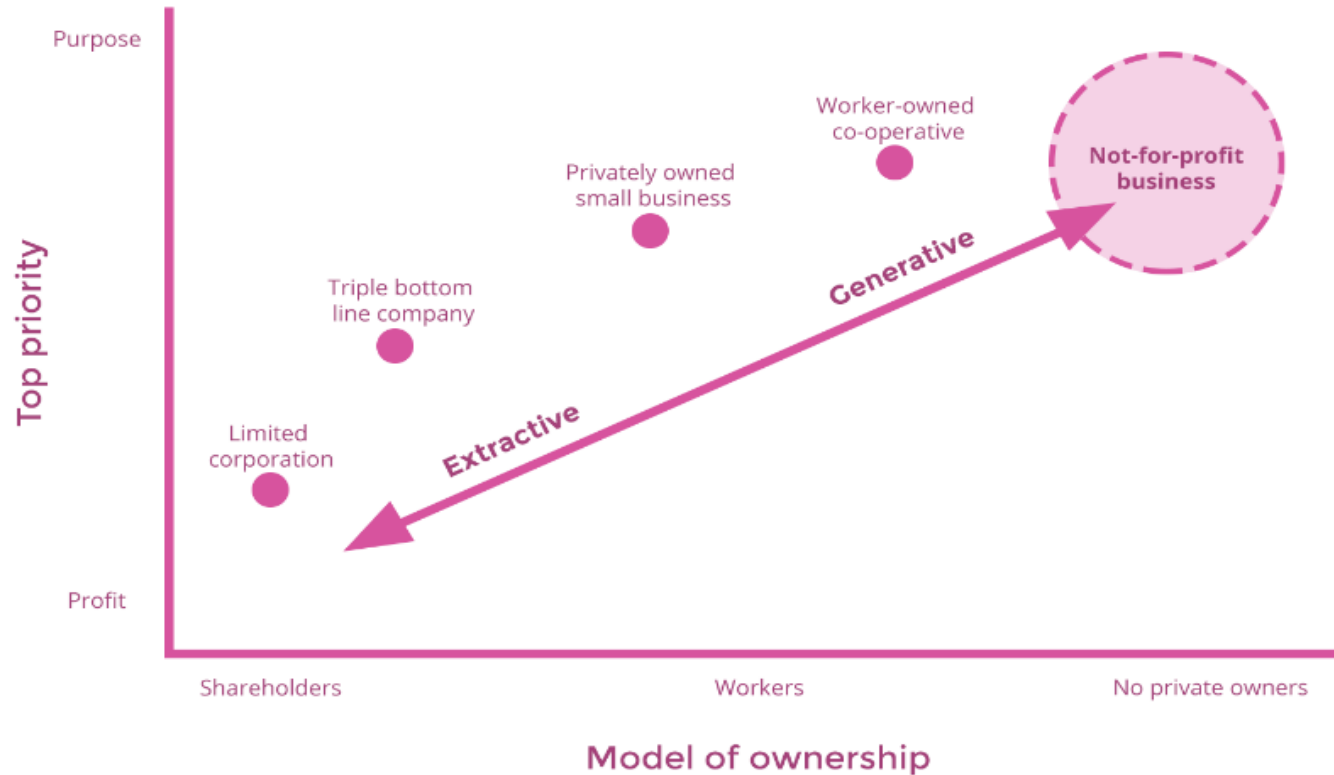
ĀŋꞤ ūꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ



HĀŋꞤ ūꞤ ūꞤ ūꞤ ūꞤ
 ūꞤ ūꞤ ūꞤ ūꞤ



Plural and democratic ownership of economy



Hinton, J and Maclurcan, D. (2016). "How on Earth: Flourishing in a Not for Profit World by 2050"



Progressive procurement

Context

- Cost is often the dominant determining factor in who gets contracts.
- Many anchor institutions spend large percentages outside their local area, and with businesses which are not socially generative.

Solution

- Anchor institutions can use their procurement processes to create dense local supply chains and support businesses which are more likely to employ locally and recirculate wealth.





Socially productive use of land & property

Context

- Ownership of land is concentrated in the hands of the few
- The least wealthy 30% have no net property wealth at all

Solution

- Assets are owned and managed in ways which ensure that they generate wealth for local citizens
- Community Land Trusts and Public-Common Partnerships





Making financial power work for local places

Context

- The UK banking sector is orientated to global markets rather than local investment
- Access to credit is the life blood of many small businesses but there has been a stagnation of lending

Solution

- Measures that channel investment to local communities while still delivering a steady financial return for investors, include: Local pension funds, credit unions, CDFIs, community shares and community municipal investments





Fair employment and just labour markets

Context

- The rise of in-work poverty and zero hour contracts
- Wages in the UK falling whilst inflation increases during a cost-of-living crisis

Solution

- Anchor institutions have a defining effect on the prospects of local people. Recruitment from lower income areas, paying the Living Wage and building progression routes all improve local economies.





Questions?



Community wealth building in practice

Ἀδειάρεζᾶ

Developing and growing local enterprise

Ἀζήτην γῆν γῆν ἔμῃ ἐμῃ ἐμῇ ἐμῇ ἐμῇ

- A result of Covid and the need to administer business support grants, many councils now have increased intelligence about the nature of their local SMEs
- In Fife, Luton and Carmarthenshire, they are using this intelligence to target their own procurement expenditure towards growing and diversifying their local SME base
- These councils are using this to socialize these businesses





Community wealth building in practice

Accelerating the potential of Local Net Zero Strategies

Accelerating the potential of Local Net Zero Strategies

Community Municipal Investments (CMIs) are being used by councils across the country to deliver net zero projects

- **Community Municipal Investments (CMIs)** are being used by councils across the country to deliver net zero projects
- CMI's are community bond and share offers offered to the public who can invest from as little as £5 and get a regular return on investment
- The bonds are becoming increasingly popular with successful share offers in, West Berkshire, Islington, Hackney and the Cotswolds, Warrington



Community Wealth Building

ÁÐAÆÆÇÁ

Vacant properties in Town Centre

Ǻ. Ǻİ ĞEĬ ĬË ÕË ÆæÆÛÆ ĬdÆÆÆAdŪ&Æá

- Tired of buildings lying empty, neglected and falling further into disrepair - owned by landlords with little interest in the good of the town - residents wanted a means by which they could take back control. To be able to act in the best interests of the community
- Creation of a community benefit society following extensive discussions with communities who wanted to bring empty properties back into housing and enterprise
- They now own six buildings and are currently in process of building a number of flats to bring back more town centre living



İ ŪŦǺŪ ŪŪŪŦŦŦ d&Æ
ŪŦǺŪ ŦŪË ŦæÆæ



Community wealth building in practice

Climate crisis and rising energy costs

Climate crisis and rising energy costs

A programme with two low-income communities in Oldham which puts residents at the heart of decision making and aims to transform the ownership of energy in the borough

- A programme with two low-income communities in Oldham which puts residents at the heart of decision making and aims to transform the ownership of energy in the borough
- Involves three pilot projects:
 - Upgrade local buildings and create low carbon homes
 - Develop an EV and e-bikes local mobility project
 - Install new renewable energy generation for the borough



Oldham Energy Community
Ownership Project



Community wealth building in practice

Hywel Dda

NHS organisations with large budgets,
health inequalities growing

Hywel Dda University Health Board

- Health spending has the potential to be a core economic driver in local economies
- Hywel Dda University Health Board (HDUHB) are exploring how a progressive health board can maximise the impact of its spending power for wellbeing in Wales
- HDUHB is developing a whole local health board approach to spending, collaborating with other anchors on areas such as food procurement



Hywel Dda University Health Board



Community wealth building in practice

Supply teachers

Supply teachers on low-pay, zero-hour contracts, and schools paying over the odds to agencies

Supply teachers in the North-East

- 88% of supply teachers work in private supply chain agencies
- Falling pay, eroding of job security and pension rights
- Group of supply teachers in the North-East working together with the Combined Authority and local trade unions to create a supply teacher co-operative



Community wealth building in practice



Community wealth building in practice

High unemployment, low skills and anchors with high vacancies

High levels of unemployment, low skills and anchors with high vacancies

Employment solution for NHS

- An employment solution set up through covid to help recently redundant hospitality workers move into an NHS job
- Now expanded to match unemployed Birmingham residents with entry-level roles
- A piece of community wealth building infrastructure



Community wealth building infrastructure



Questions?



Break

5 mins



Discussion

Which of these examples resonated with you?

How would these examples translate to your place/organisation?

20 mins



What next?

What will you do on Monday?

10 mins



Get in touch



0161 236 7036



charliemurphy@cles.org.uk
leahmillthorne@cles.org.uk



@CLEStinkdo



www.cles.org.uk

