



Community Business in 2030

How could entrepreneurial communities
contribute to a thriving economy and
civil society?





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Foreword

I am delighted to welcome the findings of this inquiry into the future of community business. I would like to extend my personal thanks to the team at Forum for the Future and Goldsmiths University, as well as to Steve Wyler and those at Cooperatives UK, Locality, the Plunkett Foundation and Social Enterprises UK who also supported this project. Together they have produced a work of great insight that draws on the wisdom of leaders within the sector, as well as those beyond, who care about it and its future potential.

This inquiry seeks to answer the question: how could community business contribute to a thriving economy and civil society? It tells us that community businesses feel excited for their future, and believe they are part of a different, more inclusive approach to running local economies. It does not shy away from the real pressures and changes affecting our communities, but boldly articulates how community businesses can play a bigger role in shaping local communities and putting power back in their hands. The enterprises featured exhibit the variety and vibrancy of the organisations pointing us towards a possible future. To realise this future, sketched out below is a map to get us to where community businesses want to be, around which all those who support and believe in community business can coalesce.

It is interesting that many participants preferred to talk about 'community enterprise' rather than 'community business', which is reflected in the pages that follow. At Power to Change we

prefer the term 'community business', which has its origins in the birth of the modern movement in 1980s Scotland. But whatever language is used, it is clear there is growing interest in social action that is locally rooted, community-led and trading for community benefit. This timely report gives us a glimpse of how this movement might develop in the years to come.

With the challenges facing the country over the next decade, there is an urgent need to find a better way to support local communities. At Power to Change, we believe that local people themselves hold the key. We have a vision of better places through community business and a mission to provide the necessary support, financial and otherwise, to make change happen. If you share our vision, and are stimulated by the ideas in this report, please get in touch. We look forward to working with you and all those who want to see community business thrive.

Vidhya Alakeson

CEO
Power to Change Trust





Executive summary

Imagine it is 2030...

Entrepreneurial communities across the country have proven that there's a radically more inclusive and democratic way to run local economies. They own assets for the long-term benefit of the community; they share their power with others; they create more spaces for people to come together; and they put people – not profit – first.


All across the country, community enterprises are transforming lives and contributing to bigger shifts in society. They are driving a renewal in the importance of place and redefining meaningful work; they are working with local people to enable greater local self-sufficiency and affordability in diverse areas, from food to housing; and they are playing a critical role in renewing the natural world. Through all of this, community enterprises are enabling people to act on and impact global issues, at the local level – making the big challenges of a fast-changing world seem at the same time less intimidating, and less abstract.

This has happened as a result of eight big shifts:

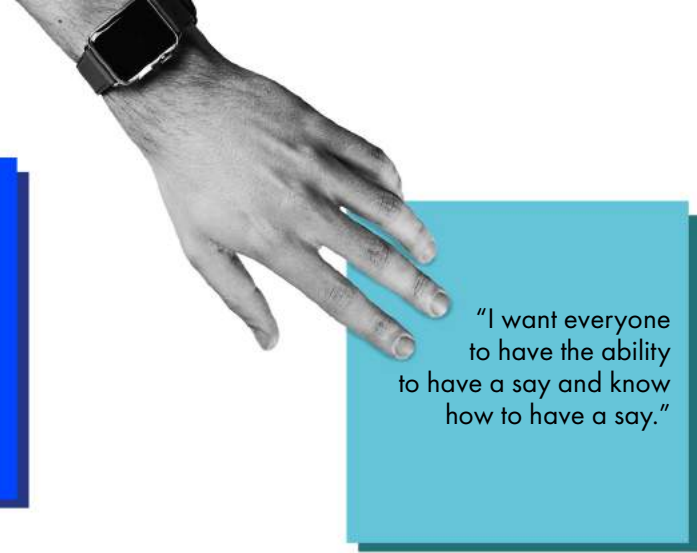
- 1.** The community enterprise movement has led a national story of change, demonstrating positive impact with a strong collective voice.
- 2.** Community enterprises have developed a collective sense of purpose, strengthened and mobilised through deep peer-to-peer networks.
- 3.** Community enterprises have built financial independence and power through a wider range of compatible funders and a greater proportion of income being earned income.
- 4.** Community enterprises and local people together have built the skills and capacity to thrive.
- 5.** There has been a massive increase in asset transfer – from pubs to hubs – putting assets permanently in community hands.
- 6.** Strategic advice and support has become available whenever and wherever it is needed by community enterprises to start, grow and replicate.
- 7.** A clear and consistent policy consensus for localism has created the conditions for community enterprise to thrive.
- 8.** Underlying economic, social and cultural shifts have supported the growth of positive citizen and social action.

We hope this represents the collective aspirations of people seeking to improve their communities through community enterprise. Throughout this project, we have worked with more than 40 community enterprises across the country, through workshops, interviews and online surveys.

We spoke to more than 20 experts who are either active in the field, or have a perspective on external trends and changes impacting the movement – from government agencies and think tanks, to NGOs and regional/sectoral umbrella groups. We have been awed by both the commitment and the extraordinary ambitions of the people and organisations we have spoken to, and we hope this is reflected in this vision for the future.




"It's about creating the society we want to create. It's about our vision for the future – how can we build the community that we aspire to live in?"




"I want everyone to have the ability to have a say and know how to have a say."




"There's a growing recognition that individual agency is going to be more important with less of a state to rely on. If we want to create a better place, individual citizens need to be able to play their part and be enabled to do that."



"I want to see thriving, high quality service, and ethics and transparency in governance. Best in business. Best in class. Not the stuff left over that 'proper' business can't do or won't do."




"As soon as the question: 'why don't we run it ourselves?' is mentioned, people should have the resources and understanding to do it, and know of shining examples in every town and village."



"In a place like this people just suffer because the power's somewhere else. And it shouldn't be like that. There's an assumption that people aren't valuable enough to be given a say. That's what we're trying to change."



"It's about bringing power back to our community and then holding onto it."



"I want to see the leadership of do-it-yourself, deeply democratic community regeneration."



Introduction

As a result of conversations last year with Power to Change and others who are leading in this space, we embarked upon a project to explore what a future healthy, vibrant and sustainable community enterprise movement might look like in 2030 – a vision created with, and for, entrepreneurial communities.

We have been working with community enterprises and a consortium of partner organisations: Co-operatives UK, Locality, Plunkett Foundation, Social Enterprise UK, Goldsmiths University, and independent expert Steve Wyler. We are hugely grateful for the energy and support they have given throughout the project to create the vision and roadmap presented here.

This work has taken place concurrently and in close collaboration with the Civil Society Futures independent inquiry, a national conversation about how English civil society can flourish in a fast-changing world. The Inquiry has involved over 1,500 people from across England through conversations, meetings and workshops.

The Inquiry calls for a genuine and radical power shift towards people and communities, a revolution in the accountability of civil society activity, deeper and more meaningful connections between people within and between organisations and communities, and an ongoing commitment to building trust with the people and communities we work with.

We think that this document shows that community enterprise could play a significant role in delivering these important changes needed across civil society. It puts power and assets in community hands, it works transparently and deepens relationships between people in places, and it can contribute to better social, economic and environmental outcomes.

We believe that community enterprise can be a powerful tool for communities to steer and transform our collective futures. We hope this vision helps provide a clear end-goal as we move towards 2030, with some practical suggestions for the route to get there.



Forum for the Future
Project Convenor



How is community enterprise different?

We use the term 'community enterprise' throughout this visioning document, rather than 'community business' or 'community-based social enterprise'.

The term broadly reflects the traditional definition of community business used by Power to Change – initiatives that are locally-rooted, trading for the benefit of the community, accountable to the local community, and with broad community impact.

However, feedback that we received throughout this visioning work suggests that while 'business' may be seen to suggest a particular organisational form, 'enterprise' is an approach, used by many types of organisation to create impact and support their activities.

Community enterprises are rooted in distinctive values – participation, self-help, solidarity, transparency, caring, and enjoyment. Diverse in nature, they are generating solutions across many sectors through a range of business models including co-operatives, social enterprises, and others.

Constantly listening, learning and adapting to respond to local needs, they are co-operative and collaborative – sharing learning through peer-to-peer networks and building momentum for economic democracy at the local level.

Community enterprise has a long history, from mediaeval guilds and friendly societies to philanthropic model communities.

Centralisation and nationalisation in the first half of the 20th century incorporated many community enterprise-like activities, but others also flourished in the context of the social changes in the post-war period. Neoliberalism and more recently austerity have both provided opportunities and placed restrictions on the advancement of community enterprise.

Power to Change estimates there are nearly 6,600-7,000 organisations that fit its definition of a community businesses operating in the UK, with a total market income estimated at £1.2 billion in 2017. These organisations have 35,500 reported paid staff and work with around 119,500 volunteers.

Community enterprises operate across a wide range of sub-sectors, from community energy to community shops and co-operative pubs, and are supported by a range of local and national infrastructure organisations.

In the context of rapid social, political and technological change today, community enterprise is emerging as a potential solution to many endemic and systemic problems. The following section explores this context in some detail.



The changing context

Future challenges and opportunities for communities

Our vision for community enterprise is ambitious. But the world of 2030 will be very different from today.

Which changes will be most important, posing the greatest challenges or bringing the greatest opportunities for community enterprise? What, then, are the implications for realising our vision?

The trends presented here are based on what community entrepreneurs told us about their hopes and fears for the future; a literature review by Goldsmiths University, commissioned as part of this project; and Forum for the Future's ongoing monitoring of future trends via The Futures Centre.

These trends are not predictions – nobody can predict the future – but they can help us think about likely changes, possible futures, and ways of doing things now that will help create the future we want to see.

The trends, explained in more detail on the following pages, are:

- 1. Social fragmentation**
- 2. Social precariousness**
- 3. Environmental pressures**
- 4. Economic restructuring**
- 5. The decline of traditional organisations**
- 6. Changing places**
- 7. Global volatility**
- 8. A growing social economy**





Social fragmentation

Society is fragmenting. Raised in the age of individualism, millennials will reach middle-age with an independent, more fluid mindset to life and work. The internet and social media allow individuals to connect with others, anywhere, who share their identities and beliefs – but often at the expense of ‘in real life’ interactions. The people we spoke to as part of the visioning work expressed concern that this will fuel further social and political polarisation, while increasing loneliness and isolation, in some cases leading to more radicalisation.

- ‘The optimism of youth’ constitutes a well-known truism – yet, across the country, only 31% think they will be happier than their parents’ generation.
- More than 9 million people in Britain often or always feel lonely, prompting the appointment of a new Minister for Loneliness. Loneliness increases the likelihood of mortality by 26%.



Personal precariousness

Communities will continue to struggle against a backdrop of a lack of affordable housing, growing poverty, and rising personal debt. People told us that they expect inequalities of income and wealth to keep growing, as corporations and institutions consolidate their power elsewhere. This is likely to be compounded by continuing austerity and retreat of the state, with increasingly strained health and social care systems, and a growing mental health crisis.

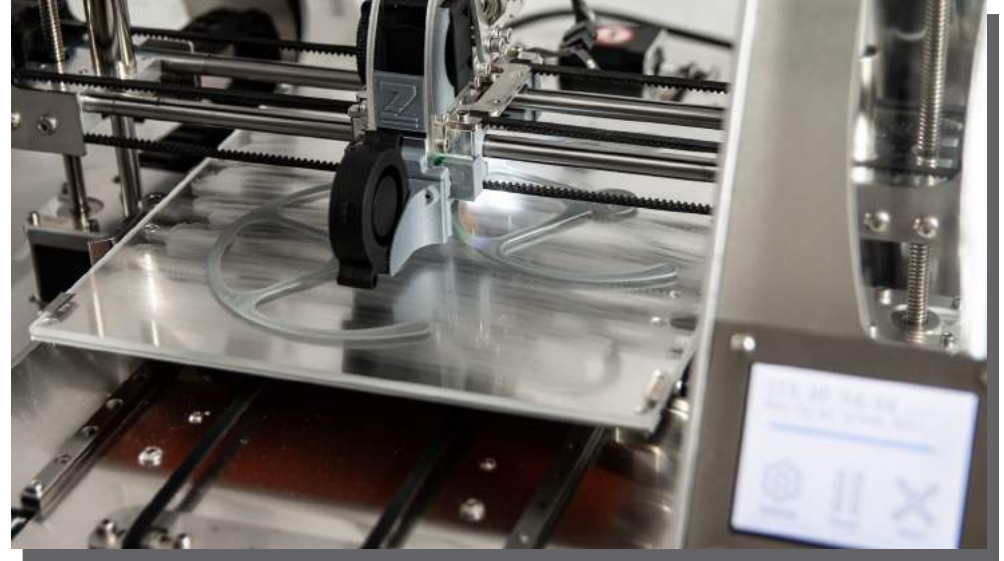
- Unsecured personal debt is increasing beyond levels seen before the financial crash of 2007 and could reach 47% of income by 2021.
- Local authorities in England are dealing with a scheduled 77% cut in central government funding by 2020.



Environmental pressures

Society will be faced with the consequences of a long-term lack of environmental stewardship: a changing climate, depleting natural assets, persistent pollution, and biodiversity loss – leading to rising costs of essentials such as food, and disruption to communities through more frequent extreme weather. However, increased costs and tighter regulation will spur innovation, as citizens and organisations strive to do more with less.

- Seventeen of the 18 warmest years in the 136-year record all have occurred since 2001 and the 2016 land surface temperature in the Arctic was 2.0°C above the 1981-2010 average.
- About half the world's coral reefs have died in the past 30 years and wildlife numbers have more than halved since 1970, and the level of diversity is shrinking further due to climate change and other forms of human activity.
- There are currently more than 200 community energy organisations in the UK, with over 30,000 members and 1,700 volunteers.



Economic restructuring

The economy is set to fundamentally restructure. Automation, 3D printing, online retail and the gig economy will change the face of business and work. As traditional jobs disappear, new opportunities will emerge, but probably not at the same rate. Workers will need to continuously upskill and reskill throughout their lives. It is likely to be increasingly normal for people to have not only multiple employers, but multiple careers over their working lives.

- Artificial intelligence and machine learning are being applied right across the economy, and are one of four focus areas for the UK's industrial strategy. UK GDP is projected to be up to 10.3% higher in 2030 as a result of AI – the equivalent of an additional £232bn – making it one of the biggest commercial opportunities in today's fast-changing economy.
- It is predicted that by the mid-2030s up to 30% of jobs will be at risk of automation.



The decline of traditional organisations

The boundaries between sectors will continue to blur, as more public services are outsourced to private companies, businesses seek to demonstrate their social value and responsibility, and NGOs adopt more business-like structures and strategies. As traditional models of organising become less prominent, networks – across geographies and sectors – look set to emerge as the modern organising principle. Big data will help to fuel economies built on digital platforms.

- The UK government spent £734bn in 2014-15, a 17.3% decrease since 2010. Of this total figure, 31% (£242bn) was spent on contracts for goods and services.
- Facebook and Google are predicted to own 71% of the UK online advertising market by 2020, highlighting the centralising power of the modern platform economy.



Changing places

The purpose and appeal of different places will continue to evolve. A post-Brexit UK is likely to be even more politically and socially divided along geographical lines. As power and wealth continue to consolidate in major cities, those cities will forge ahead in areas such as mobility and resource efficiency, but continue to struggle with high living costs. Smaller cities and towns are likely to see a hollowing-out of their high streets and retail parks – yet these empty spaces could create opportunities for land and property to be used in other, less commercial ways.

- Online accounted for around 17% of UK retail in 2017 and high streets are already being affected, with major brands going bust and units left empty.
- Location came to the fore in the 2017 general election as a major determinant of voting behaviour. Politically as well as economically, remote, rural, coastal and post-industrial regions are diverging from the English 'core'.



Global volatility

The people we spoke to foresaw increased geopolitical fragility, with weakened multilateral institutions creating a power vacuum in global governance, as co-operation shifts to the regional and bilateral levels. Frequent humanitarian crises and an increase in displacement and migration are likely to be met with a rise in nationalist movements – but in some places, political responses that re-emphasise social inclusion and economic equality.

- 86% of respondents to the Survey on the Global Agenda say that there is a leadership crisis in governance in the world today. Trust in government remains low in 2018, at just 36%.
- In 2017 the world had 65 million displaced people – more than ever before. The World Bank reported in 2018 that countries needed to prepare for over 100 million internally displaced people due to the effects of climate change.

A growing social economy

As an economic system that prioritises short-term profits over people reaches its limits, we are likely to see continued growth and evolution in the social economy – including, but not limited to, community enterprise. A growing number of organisations will use business-like forms as a means to achieving social and environmental impact, at the local, national and global levels. It was felt that as technology decentralises power and provides fresh ideas to support and finance, citizens will continue to discover a more socially conscious, do-it-ourselves mindset.

- There are an estimated 471,000 social enterprises in the UK. Of these, 25% are less than 3 years old, and 47% grew their turnover in the last 12 months, compared to 34% of SMEs.
- Since 2009, almost 120,000 people have invested over £100m to support 350 community businesses throughout the UK.



Vision for 2030

Imagine it is 2030...

Entrepreneurial communities across the country have proven that there's a radically more inclusive and democratic way to run local economies. They have done this by:

Owning assets – having transferred land, assets and resources into community hands for the long-term benefit of those communities.



October Books (Southampton)

October Books – a radical bookshop co-operative which seeks to promote a fair and equal society – raised funding from a range of sources, including crowdfunding, to buy a vacant former bank. The ground floor will host the bookshop; the first floor will be sold to a local homelessness charity.

Sharing power – collective ownership and decision-making, and increased visibility of local issues, have enabled communities to decide their own direction.



Enterprise Credit Union (Liverpool, Knowsley & St Helens)

At the ECU financial co-operative, members are in control – electing the volunteer Board of Directors, and approving any changes to the governing rules. Any financial surplus is returned to members or reinvested in ECU services.

Creating more spaces for people to come together – they have provided opportunities for communities to meet face-to-face and create solutions to shared challenges and goals.



Greenslate Community Farm (Wigan)

Greenslate Community Farm keeps pushing its boundaries from a farm, café and day care service to a hub where anyone in the community can present ideas for development into community enterprises. Proposals are presented to the Board, which is elected by Greenslate's members.

Putting people first – they have focused on the needs of local people and remained accountable to them, rather than increase profits for disconnected, faraway investors.



BS3 Community Development (Bristol)

BS3 Community Development in Bristol is putting children and old people first through dementia support groups, Ofsted-outstanding childcare, social day clubs and Qigong classes, to name just a few.

Imagine it is 2030...

In every community in the country, community enterprises are transforming local lives and contributing to bigger shifts in society. They are:

Driving a renewal in the importance of place – by creating, retaining and distributing wealth locally, building local relationships and improving local services.



Onion Collective (Watchet)

Onion Collective CIC was recently awarded full planning permission for a cultural and enterprise development at East Quay in Watchet, to include workshop space, studios, a gallery, a restaurant and accommodation pods.

Redefining meaningful work – enabling people to realise their potential and purpose, through quality jobs and by enhancing local skills.



Goodwin Development Trust (Hull)

GDT's 200-strong workforce supports young and disadvantaged people to find work, provides affordable housing and care, and distributes surplus food to those in need.

Enabling greater local self-sufficiency and affordability – in areas such as food and housing, through local co-ownership and co-production.



Knowle West Media Centre (Bristol)

KWMC's We Can Make project is a housing initiative working with residents, artists, academics, designers, architects and policymakers to prototype sustainable, affordable housing. Homes are built to local needs using local assets, with construction of the first home in 2017.

Renewing the natural world – protecting and restoring communities' local ecologies, and operating in a sustainable way.



Sacred Earth (Sussex)

Sacred Earth is a biodynamic community-owned land project which produces and sells biochar – a charcoal made from heating agricultural waste, which sequesters carbon and enhances soil.

Imagine it is 2030...

Community enterprise is a widely accepted model, found in urban and rural areas all over the country. It has:

Become an **established part of the community** – making up the majority of local trade in some communities, and being followed, not swallowed, by mainstream business.

Provided opportunities for **people to impact global issues, locally** – by making the challenges of a complex, fast-changing world feel relevant, real and actionable.



HCT Group (London et al.)

With a turnover of over £60m, a fleet of 730 vehicles and 1,500 employees, HCT establishes local governance whenever it starts operating in a new community, and reinvest its profits in that locality.

Greater Manchester Community Renewables (Manchester)

GMCR raises funds to install solar panels on schools and community buildings. It has generated over 125,000kWh of clean electricity, preventing more than 40 tonnes of CO2 emissions.

As a result, wellbeing metrics in at least 10 community enterprise 'hotspots' across England will have radically improved by 2030. In these areas, community enterprise forms part of a reinvigorated local life, where it and other local initiatives are supporting each other to thrive. Community enterprise is recognised as the best of social enterprise – local by default.

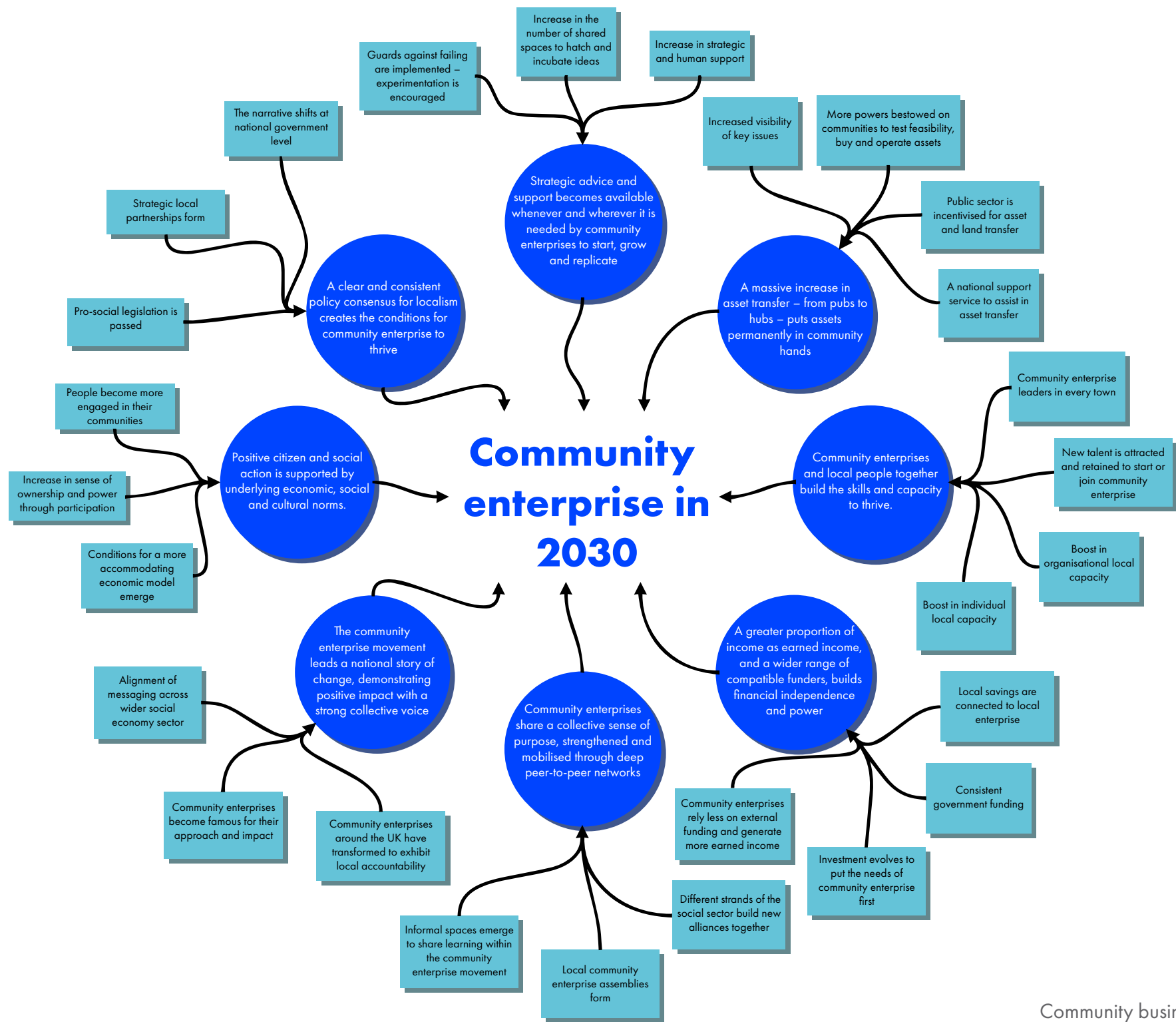




How might we get there?

Overleaf we have mapped out suggestions of how to get to the imagined vision of community enterprise in 2030.

Read on to explore each section in more detail.



Working together, the social economy sector could identify opportunities for greater consistency in messaging about the potential to effect change. Efforts would be combined to engage political leaders, media partners, academics and the wider civil society.

Alignment of messaging across wider social economy sector

Community enterprises become famous for their approach and impact

A concerted effort to build a strong evidence base would help demonstrate positive impact and the role of community enterprise in creating change. It has been suggested that 'storytellers-in-residence' be recruited in every community, to raise awareness of the model and its success. A shared platform could be created to share stories at the national level.

The community enterprise movement leads a national story of change, demonstrating positive impact with a strong collective voice

Community enterprises around the UK have transformed to exhibit local accountability

As exemplars of inclusive governance, community enterprises should implement new tools and approaches that embed democratic decision making and accountability in the local community. These might include real life events, or online decision-making tools such as Loomio.

Community enterprises share a collective sense of purpose, strengthened and mobilised through deep peer-to-peer networks

Informal spaces emerge to share learning within the community enterprise movement

Investing in peer-to-peer exchange would enable community enterprises to pool knowledge and gather evidence of their impact. Developing ways of working that allow for cross-pollination of ideas would help drive creativity and effectiveness. National conferences like the Locality Convention, local meetups and regional events allow cross-pollination, as do social media.

Local community enterprise assemblies form

Local assemblies would enable community enterprises to co-ordinate efforts in designing interventions to address local problems, and create a shared vision of what they want to achieve locally. These assemblies could bring together different sub-sectors, from social care to energy, and be nested within national or even global networks.

Different strands of the social sector build new alliances together

Closer relationships with other social economy players, at different geographical scales – regional or national social enterprise, or the social investment movement – would help nurture a supportive environment within which community enterprise can flourish. Infrastructure organisations could play a leading role in orchestrating this.

A greater proportion of income as earned income, and a wider range of compatible funders, builds financial independence and power

Local ethical banks – owned, run and accountable to the community – will actively seek investment opportunities to benefit local people. A surge in community share schemes would further help to channel local money into community enterprise.

Local savings are connected to local enterprise

Central government provides consistent funding to support the community enterprise movement, with clear criteria and support structures in place to help applicants. More funding is directed towards supportive infrastructure rather than direct subsidy, to help create the conditions in which community enterprise can thrive.

Consistent government funding

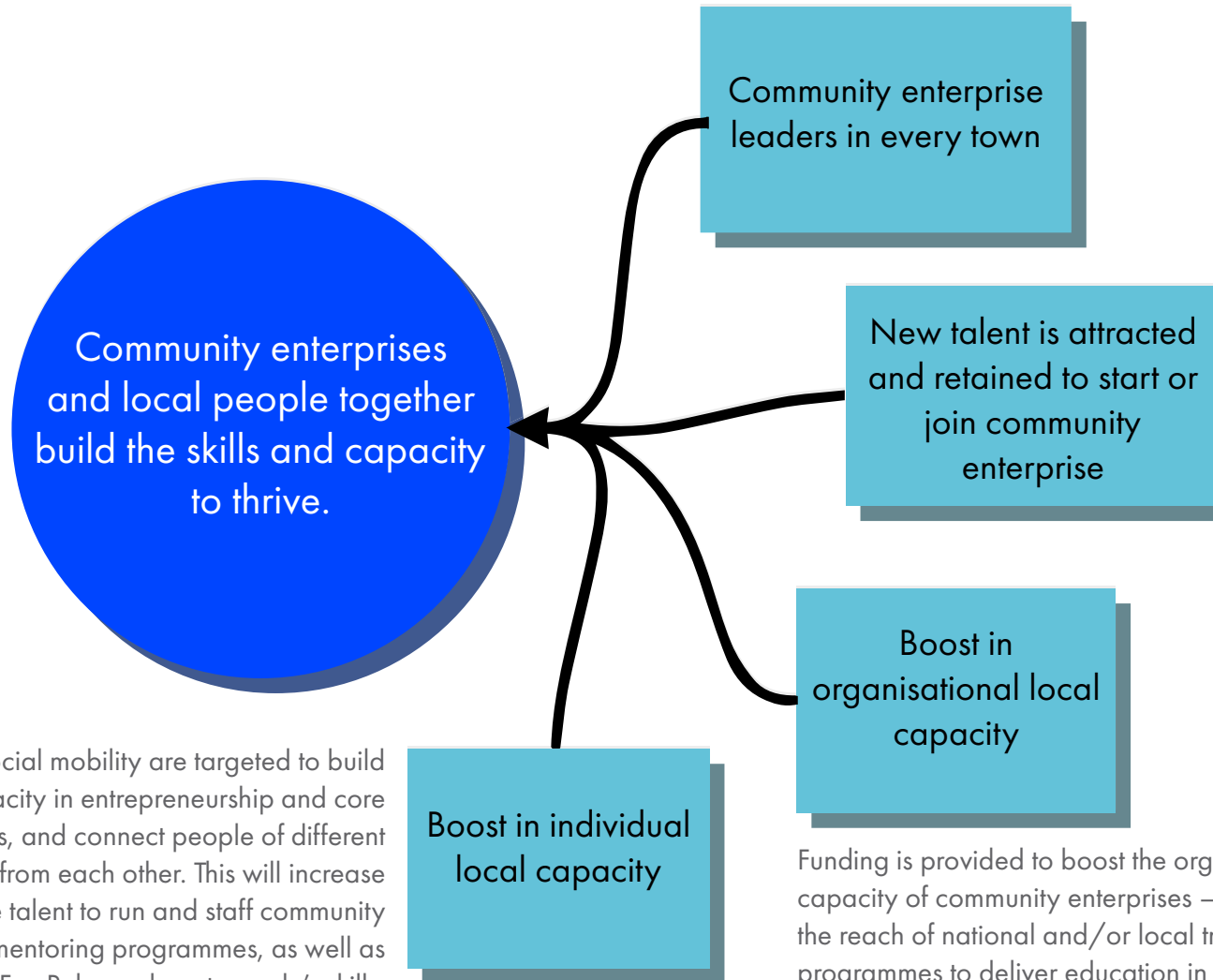
Investment evolves to put the needs of community enterprise first

A range of capital is available at different stages of the journey, including prudential lending and patient capital, allowing for lower rates of return in the early years. Alternative forms of investment, such as the brokerage of pension funds, are further explored to increase funding. The administrative burden on community enterprises seeking funding is reduced.

Business models are identified and created which loosen the reliance of community enterprise on politically-determined external support. Funders could incentivise income generation through match funding, which matches traded income pound-for-pound.

Community enterprises rely less on external funding and generate more earned income

Through leadership development schemes and accreditations, community enterprise leaders gain recognition locally and throughout the country. Wellbeing programmes provide the emotional, psychological or other support to ensure that workers and leaders are motivated to stay and grow with the movement.



Social economy education is integrated into school curricula, and opportunities advertised through local welfare-to-work providers and at university recruitment fairs. Young people are drawn to working in the sector by the mission and values exhibited by community enterprise, and a more attractive volunteer proposition.

Areas of low social mobility are targeted to build individual capacity in entrepreneurship and core business skills, and connect people of different capabilities to learn from each other. This will increase the pool of available talent to run and staff community enterprises. Local mentoring programmes, as well as activities like Fun Palaces, boost people's skills.

Funding is provided to boost the organisational capacity of community enterprises – increasing the reach of national and/or local training programmes to deliver education in management systems, legal compliance and digital tools.

Communities are awarded more revenue-based funding for feasibility studies, and more capital and grant funding to purchase and refurbish assets. A community asset holding agency could be created to purchase assets on behalf of communities, giving the latter more time to secure funding and develop their business models. The CORE LLP is trialling this by buying solar farms and keeping them for local communities to own and manage once they have the skills.

Campaigns exposing council sell-offs and sharing positive stories about the impacts of asset transfer – aligned across the social economy sector – would increase the visibility of issues relating to community ownership, and increases support for asset transfer. Campaigns like Locality’s Save our Spaces could help keep asset transfer into community hands top of mind.

Increased visibility of key issues

More powers bestowed on communities to test feasibility, buy and operate assets

Public sector is incentivised for asset and land transfer

A national support service to assist in asset transfer

A massive increase in asset transfer – from pubs to hubs – puts assets permanently in community hands

Central and local government purposefully create enabling policies for asset transfer and community ownership, including a strengthened Community Right to Bid. Free-to-use support, promotion and advice services could be provided to public sector bodies to help incentivise asset transfer.

Assistance is provided to community enterprises for asset transfer, from guidance on prudential lending to legal and strategic advice through the transfer process. A national support service would need to be scoped by a number of actors, and funding sought.

Shared spaces are critical in enabling people to coalesce around local issues. Access to affordable co-working space in every town would provide much needed space to meet, seed ideas and build momentum to push those ideas forward. Meanwhile spaces such as derelict shops on high streets could become temporary enterprise hubs.

Strategic support helps build community enterprise expertise and capacity in areas such as governance, legal compliance, finance and marketing. Responding well to in-person advice, community enterprises would benefit from informal channels of support. More pro-bono support from companies, like Thomson Reuters existing Trustlaw legal advice service, would enable this.

Guards against failing are implemented – experimentation is encouraged

Increase in the number of shared spaces to hatch and incubate ideas

Increase in strategic and human support

Strategic advice and support becomes available whenever and wherever it is needed by community enterprises to start, grow and replicate

Policies and programmes that provide safety nets for failure would enable creativity and experimentation to flourish even more. Examples might include underwriting financial risk, or creating a support squad that helps community enterprises when they are in trouble. Building the resilience of communities is also essential to deal with failure and tackle it through new enterprise ideas.

Community enterprises have a strong voice, and are important delivery partners, in local partnerships for development and improvement. These partnerships would bring together local authorities, public service providers and the private sector – potentially as re-imagined Local Enterprise Partnerships, with a greater community focus. Existing partnerships should include community enterprises.

Strategic local partnerships form

Pro-social legislation is passed

The narrative shifts at national government level

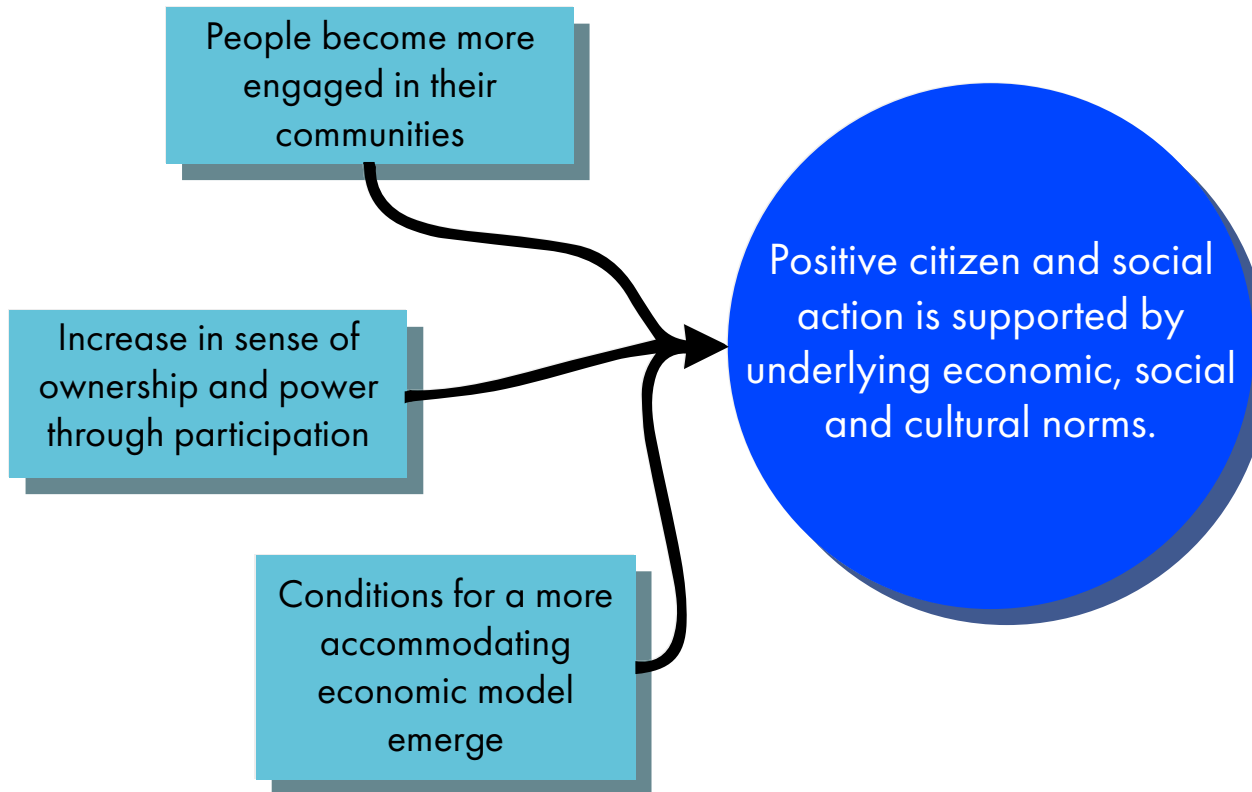
Vocal backing in Parliament shifts the narrative towards localism. Central government starts to move away from large contracts with centralised corporations and encourages a cultural shift among civil servants towards understanding citizens as active participants in the co-creation of services. The Localism commission holds government to account to make sure the Localism Act doesn't wane.

A clear and consistent policy consensus for localism creates the conditions for community enterprise to thrive

Legislation to encourage social outcomes in business and support the social sector could include improving the rate of Community Investment Tax Relief, and favouring or incentivising development by Community Land Trusts. In public procurement, the Social Value Act could be improved to favour bidding organisations whose governance and legal form are explicitly geared towards prioritising social outcomes.

A mixture of interventions designed to increase face-to-face engagement within and between communities, like The Big Lunch or Social Saturday. In addition, educational programmes and campaigns help people understand the issues facing their community, leading to greater involvement in – and commitment to – local initiatives, including community enterprise.

Participation is borne out of sense of agency, built and maintained through sustained involvement that puts local citizens at the centre of how change happens at the local level. Community enterprise is one enabler of this; others might include participatory budgeting and more effective community consultation by local authorities. Neighbourhood Plans are a way of developing a shared vision for your place and influencing local authorities.



There is a shift towards a more sustainable economic model, where businesses are incentivised to protect and enhance non-financial (human, social, environmental) capital, for example through pricing externalities. This in turn creates the conditions where people are able to devote more time to their local community – as could other specific measures such as increasing the minimum wage or introducing a Universal Basic Income. The Living Wage Foundation was started by community organisers in 2001 and in 2018 over 4,700 UK employers pay the living wage.



What can you do?

In the pages that follow, we outline the potential roles of eight key stakeholder groups in delivering the eight big shifts – drawing on insight and suggestions gathered throughout this visioning work.

1 Community enterprises

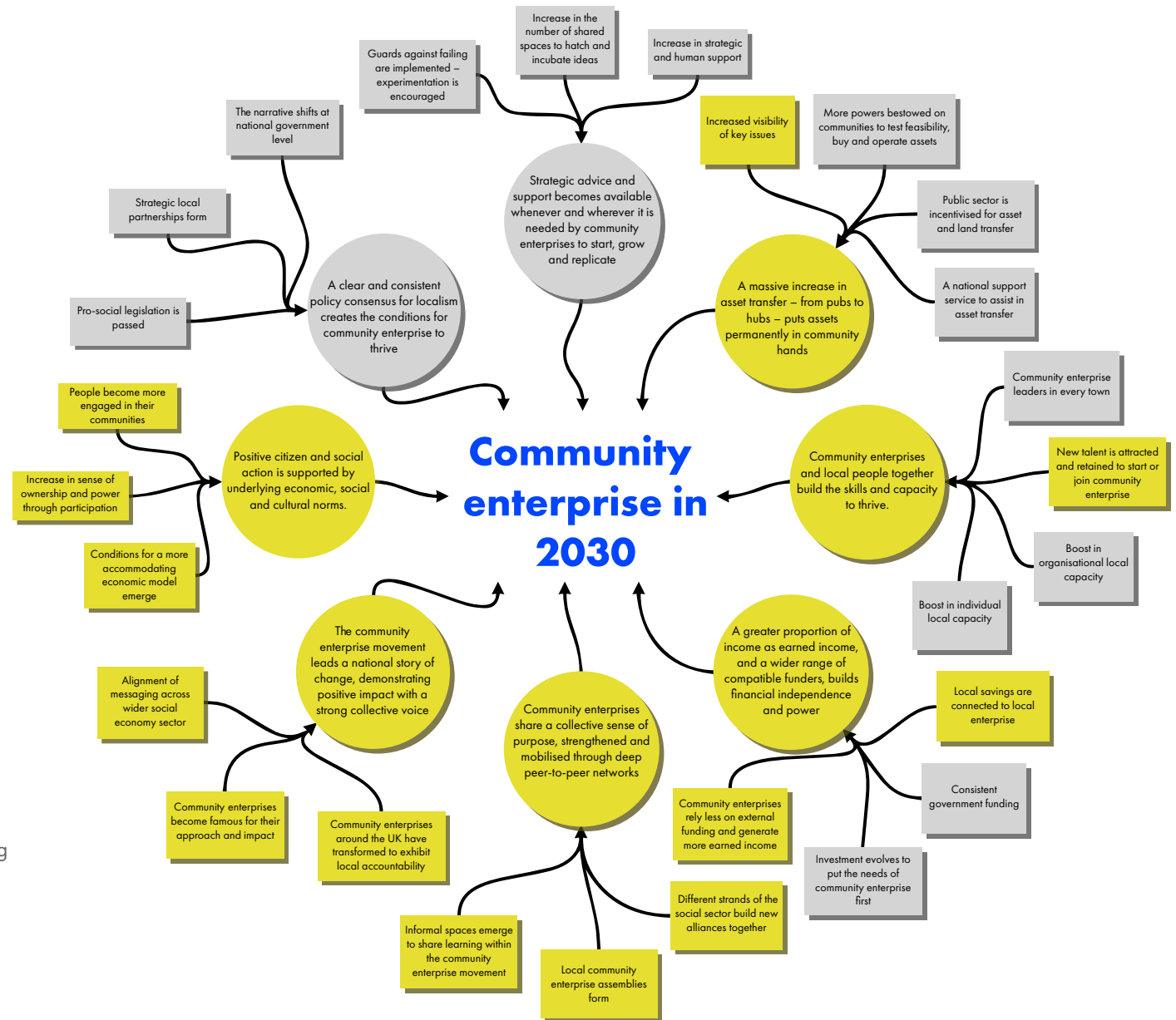
Community enterprises will shape and drive their own destiny.

They take many forms, including co-ops, social enterprises, mutuals, community land trusts, and others. As set out earlier in this document, we hope that by 2030, community enterprises will have proven that there's a radically more inclusive and democratic way to run local economies – owning assets, sharing power, creating more spaces for people to come together, and putting people first.

To do this, we believe that community enterprises will need to embrace new models, governance tools and ways of working which emphasise the role of local citizens and build participation. This will require a people-centred approach that is exemplary of flexibility and care towards employees, volunteers and customers/service users. It might mean looking to community finance first, when seeking to secure assets and seed funding.

Community enterprises will play a central role in defining and communicating their purpose and impact. Leveraging the trust they command in communities, they should spread the word among local residents, for example by producing user-generated content or holding events. Joining local or national platforms will enable organisations to participate in a national story of change, and provide access to tools to strengthen their management, capture their impact, and more.

Community enterprises can be even more impactful together. By joining forces with each other and other stakeholders at the local level, they can ensure that community development and local decision-making are geared towards the needs of the community members, which they understand so well. By coming together with other organisations in their specific field (e.g. community finance, social care) they will amplify and enhance their potential for transformative change.



2 Infrastructure organisations



Infrastructure organisations can support, connect and advocate for community enterprise.

Reflecting the diversity of community enterprise, these umbrella groups vary in size and scope. They may operate at the national, regional or local level. Some support community action in general, using enterprise as an approach where appropriate, while others focus on specific forms, such as social enterprise or co-operatives. Many specific sub-sectors – like energy, housing or transport – are supported by dedicated infrastructure organisations or associations.

Infrastructure organisations already play an important role providing training and advice to members, or connecting them to external providers. In the future, their services will need to continue to evolve in line with the skills and competencies that community enterprises need to thrive – from training in governance and management, to new digital and marketing skills.

Infrastructure organisations are vital in bringing community enterprises together to share insights and learning. This could be strengthened through investing in and facilitating open spaces, both in real life and online, to facilitate interactions both within and beyond the movement. They can also help to develop thinking around important questions and dilemmas – like how to scale impact, while maintaining the local scale and connections that make community enterprises unique.

Critically, infrastructure organisations are uniquely positioned to advocate for, and bring resources into, the movement. By combining and aligning communication efforts they can create a strong narrative about the role of community enterprise; by developing frameworks and tools to capture their impacts, they can build a strong evidence base to support that. Umbrella bodies can help to attract more people into the sector, for example by increasing their presence at recruitment fairs.

Finally, infrastructure organisations can influence the other stakeholder groups cited in this section to mobilise their resources in support of community enterprise – for example, influencing policy through research, advising public sector agencies and contractors, or engaging finance.

Community enterprises



Atmos Totnes

(Totnes)

Atmos Totnes has a Community Right to Build Order for the re-development of an old milk processing factory as a vibrant, mixed-use community owned development. Over 4,500 contributions led to the designs, which were then voted on through local referendum.



Green Elephant Cooperative

(Lancaster)

Green Elephant runs Halton Mill, an eco-renovated community owned space combining private offices and studios with co-working, wellbeing classes, a makerspace, meeting rooms, performances and much more. It aims to be open and responsive to what people ask for, working closely with other local community centres to create a supportive working community.

Infrastructure organisations



RIO

(Plymouth)

The Real Ideas Organisation is a social enterprise which also helps other organisations and communities to develop their own social enterprise ventures – through training, business planning and strategy advice, as well as individual support for skills development and education.



Locality

(National)

Locality works with communities to unlock their power to create a fairer society. It is the national network helping community organisations to be strong and successful through providing specialist support, facilitating peer-learning and campaigning on behalf of more than 600 members that support over 400,000 people every week.

3 Funders

Funders can help secure community enterprises' long-term viability and ability to effect change.

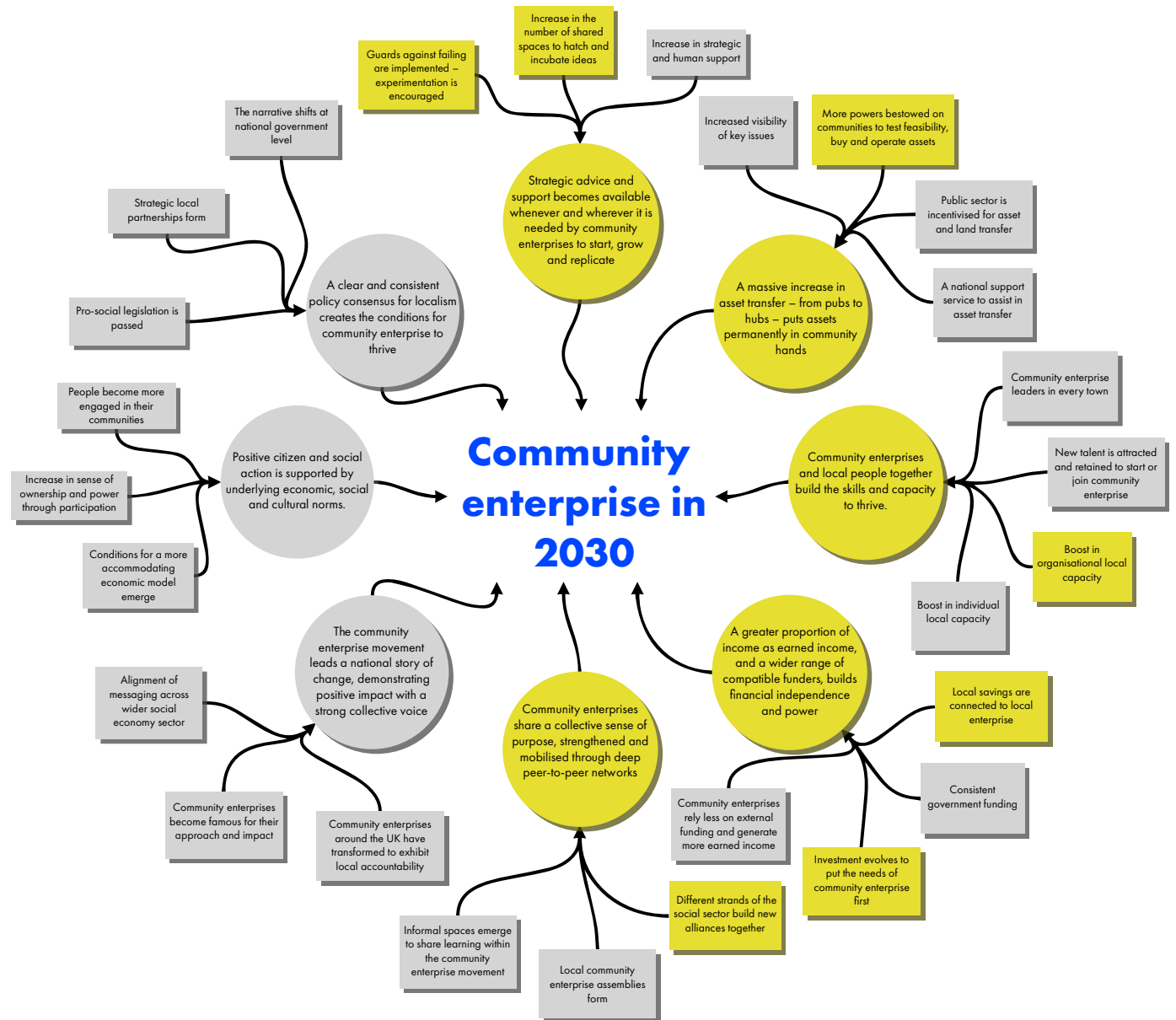
Funding to support community enterprise comes from a wide range of sources – central and local government; public or philanthropic funds and their agencies (e.g. Big Lottery Fund, Architectural Heritage Fund); and financial institutions, including building societies, credit unions and other forms of co-operative finance. Citizens may invest too, either directly or through financial vehicles.

Funding bodies clearly have an important role in building community enterprises' financial independence and power. As noted previously, providing consistent funding, with clear criteria and support, will continue to help organisations establish and grow – as will tailoring funding to the specific needs of community enterprise, and reducing administrative burdens. Match funding for earned income could help shift business models toward the latter.

It was noted that more funding for supportive infrastructure would help to create the conditions for community enterprise to thrive. Indeed, many of the infrastructure organisations referred to in the previous section are also sources of, or conduits for, grant and revenue funding for community enterprise. They and other funders can help to ensure that grantees are more than the sum of their parts, by helping to nurture relationships within and across the movement.

Funders can provide strategic services that enhance community enterprises' financial health and resilience, such as advice on asset transfer or community share schemes. They could also help scope the potential to attract investment from other sources, such as pension funds.

Financial institutions that are not yet supporting community enterprise have a role in increasing the amount and range of funding available. Ethical banks – particularly those that are locally owned and run – would be a natural fit to channel money into community enterprise.



4 Central government



By central government we mean Cabinet ministers, Whitehall departments, and their various executive agencies – covering a wide range of public policy and service remits, from energy to education and health; from civil society to economic policy and business regulation.

The government plays a vital role in funding and nurturing community enterprise, both directly and through supportive infrastructure. As outlined elsewhere in this vision and roadmap, a number of improvements have been suggested to make that more effective. It must be recognised that a vibrant civil society cannot flourish without proper and consistent support.

Support will be needed at the policy level, too – for localism in general, and more specifically community enterprise. That might mean creating a more favourable environment for mechanisms like asset transfer, the Community Right to Bid, or setting up renewable energy. Local authorities will need sufficient funding for genuine community engagement and participation.

The outsourcing of risk in public service delivery to large private sector providers is considered a major barrier to increasing the involvement of community enterprise in delivering services that are embedded in communities, and tailored to their specific needs. Ministers should encourage civil servants to view citizens as active participants in the creation of services.

Politicians, with their high public profile, can raise the profile of community enterprise by backing it vocally in the media and Parliament. They can increase visibility of the social economy and different types of social business by encouraging schools and universities to integrate it into their curricula.

Finally, and perhaps most importantly, central government can exert significant influence over the context within which both social and mainstream businesses operate. It could provide tax breaks and incentives for community enterprise, while cracking down on corporate tax avoidance that starves public agencies of funds. It could require employment practices that deliver greater work-life balance, or raise the minimum wage, so that people have more time to invest in their communities. It could reform markets to incentivise more responsible and sustainable business behaviour.

Funders



Good Finance

(National)

In 2016, representatives from social enterprises, charity and social investment sectors came together to launch Good Finance, a website to help demystify social investment for community enterprises.

Leeds Community Homes

(Leeds)

Local people raised £360,000 in community shares to build the first 16 of 1,000 affordable homes in Leeds, with a £100,000 match-fund by Power to Change. Each shareholder has an equal stake in the business, with a one member one vote system.

Central government



Open Doors Project

(National)

The government has launched the Open Doors project, linking landlords with vacant retail units with community groups offering vital services to young and old, and enabling enterprise.



Community Housing Fund

(National)

A £163 million government fund is supporting community-led groups across England to deliver new affordable homes.

5

Local government

Local government can shift the local context to create opportunities for community enterprise

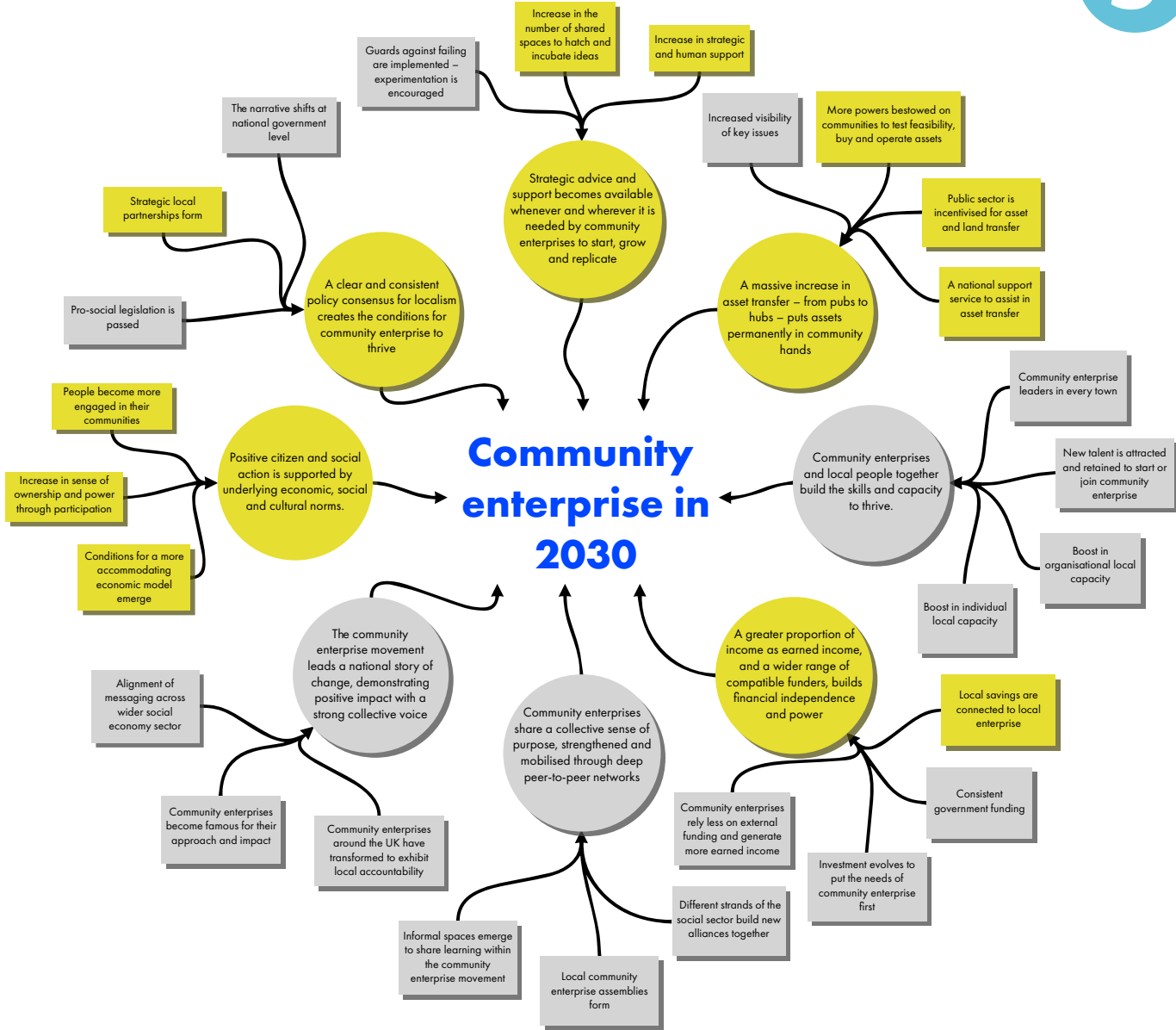
Local authorities wield significant power and influence in England, both as policy-makers and service commissioners. As well as unitary, county and district/borough councils, we refer here to regional government and combined authorities, such as those in London, Manchester and Liverpool.

Local government should lead the advancement of genuine local involvement and distribution of power, for example through creating neighbourhood-based governance models, supporting local and participatory budgeting, and engaging communities on the issues that affect them most.

They can ensure that sufficient spaces exist for people and organisations to come together to discuss and develop responses to community challenges – either through the direct provision of premises, subsidy, or encouraging private asset holders to provide space. This might be supplemented by social cohesion programmes, to help build trust across different groups.

With their wealth of local knowledge, community enterprises could be invited to participate in local partnerships for development and improvement, such as reformed or re-imagined Local Economic Partnerships. In town centres and other places with high numbers of vacant units, community enterprise zones could be created, to help build critical mass.

Local government can be a driving force for the development of a much more local, social economy, of which community enterprise forms an important part. It could do this, for example, by implementing local procurement, including the contracting out of social services, or by transferring assets to communities, rather than into private hands.



6 Citizens

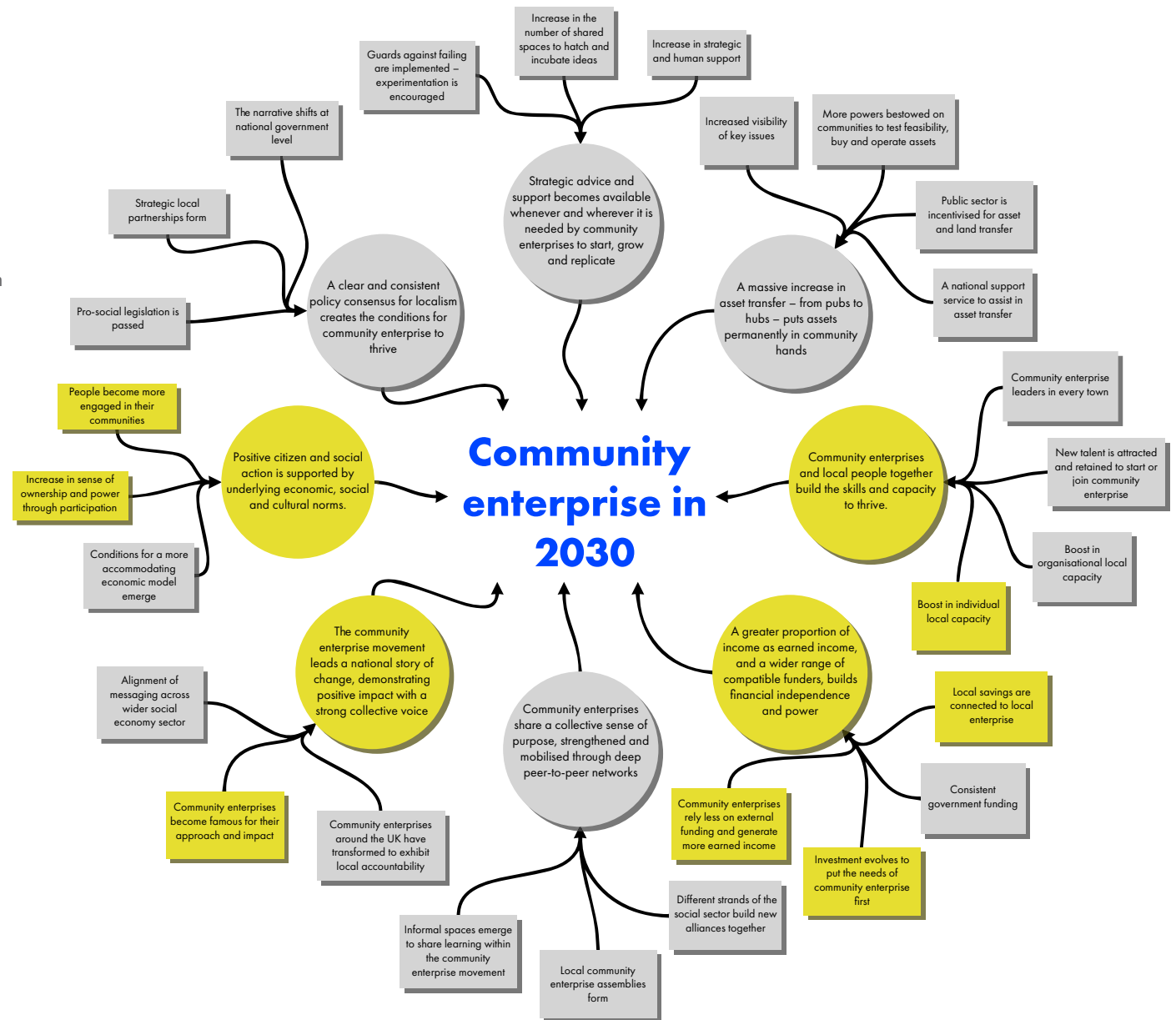
Last – but certainly not least – citizens will play a vital role in creating a thriving community enterprise movement.

Citizens can assist in the development and growth of the movement by participating in it directly – as users of products and services, from groceries to energy; from community media subscriptions to community finance. They can participate as employees or volunteers, by attending events, or by investing in community enterprise, for example through community shares.

Citizens can help get even more people involved in community business by spreading the word about their work and impact, including sharing their views and stories on social media.

Individuals play an important role in creating the conditions for community enterprise to thrive by encouraging active citizenship and demanding local accountability. This is often done simply by meeting neighbours, attending community events, volunteering locally and engaging people in power.

Citizens can also influence the wider socio-economic context through the choices they make as consumers, particularly when it comes to savings and investments. By choosing banks, investment funds or pension providers that are managed in line with recognised ethical or sustainability standards, they can support the social economy and other forms of responsible business.



Local government



Oldham Food Network

(Oldham)

The community-led Food Network in Oldham brings together residents, communities and other organisations to work co-operatively to improve fair access to fresh, local, affordable healthy food. Its partnership with Oldham council has led to the subsequent launch of a £135k Food Enterprise Fund targeted at community groups who want to generate an income through food and growing.



Plymouth Energy Community

(Plymouth)

Plymouth City Council supported the start-up of Plymouth Energy Community to create local solutions to fuel poverty and carbon emissions. Ongoing collaboration allows shared-expertise agreements, joint energy efficiency advice and retrofit schemes, finance packages and provision of host sites for solar.

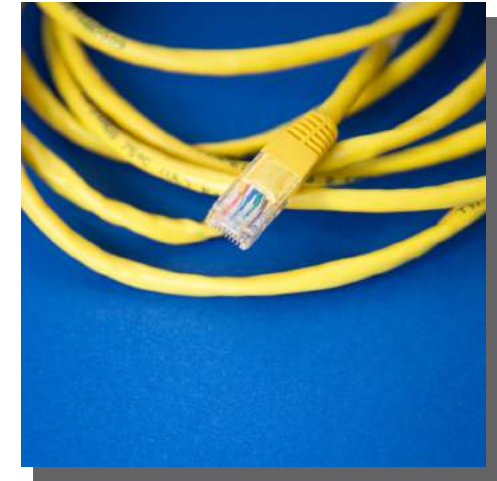
Citizens



The Bevy

(Brighton)

The Bevy is the first community-owned estate pub in the UK. It was funded by over 700 shareholders and re-built and decorated by an army of volunteers, with financial support from trusts, charities and grants. It's now a hub for a lunch club for older people, a training kitchen, and all sorts of community clubs and activities.



Broadband for the Rural North (B4RN)

(Lancashire)

B4RN is a non-profit fibre optic broadband network. When a new community wishes to be connected, B4RN asks it to raise investment, then with the help of local volunteers and landowners, establishes new routes to serve them. B4RN has raised £5.6m in shares from a growing network of 2,225 member-shareholders and has over 5,000 customers.

7 Mainstream business

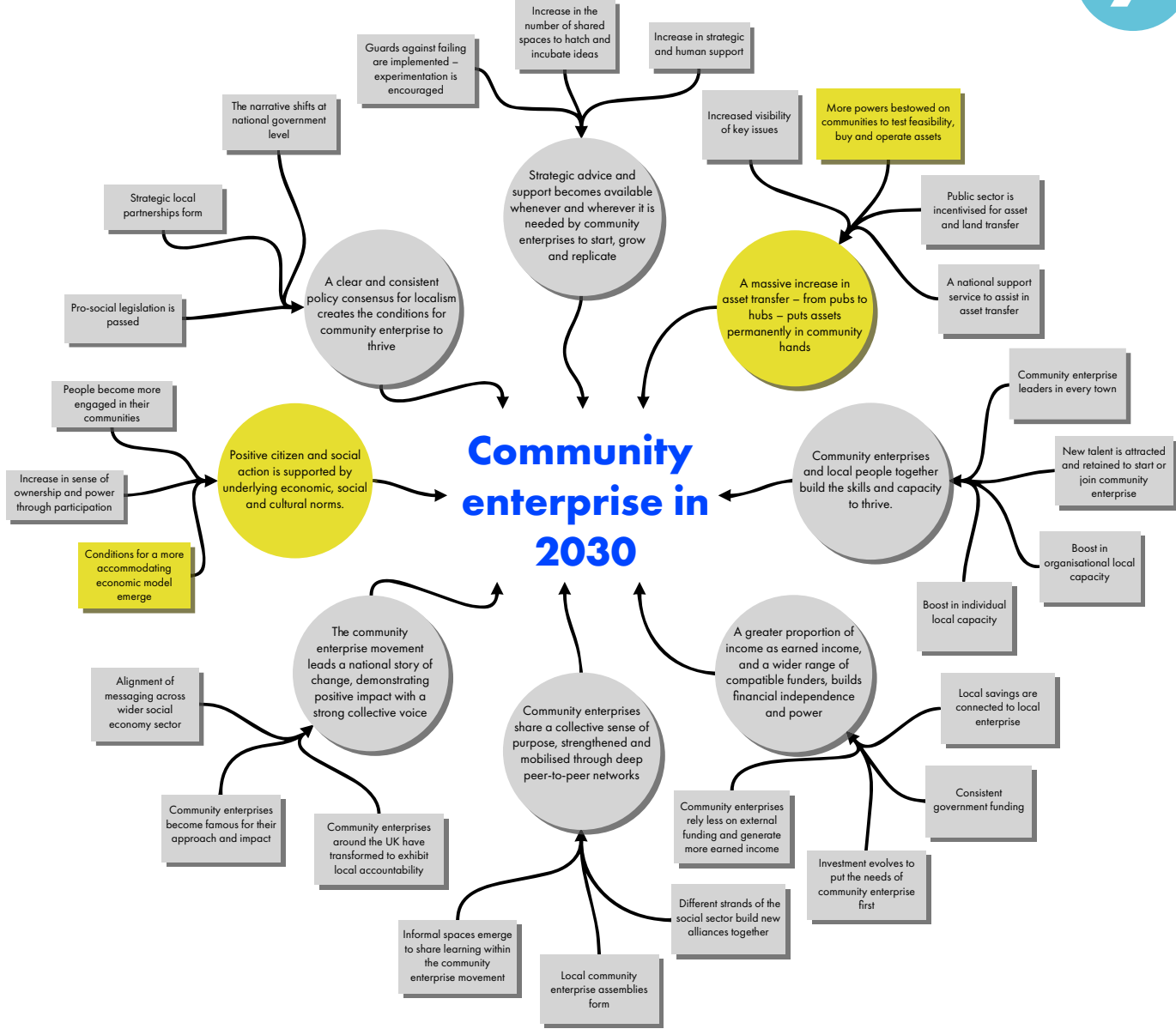
By mainstream business we are typically referring to large corporations. However, this group could also include small and medium-sized enterprises, which are often locally-based.

Mainstream business is an important enabler of (or barrier to) the socio-economic conditions that will allow community enterprise to flourish. It can fulfil this by conducting business in a way that builds human and social capital, including employment practices that give workers the free time to be active citizens, business models that support local economies, and fair tax practices.

Mainstream businesses can support the role of community enterprises by valuing their role as local partners – participating in local partnerships in a way that enables all to contribute effectively, and in the case of landlords and property owners, making vacant units available at reduced rent, or allowing the use of quasi-public spaces for community events.

Where corporations are seeking to deliver public services in collaboration with community enterprises, they should approach the latter as partners, not sub-contractors. The aim should be to build long-term, mutually beneficial relationships – rather than negotiating one-off transactions that minimise the cost of delivering the contract.

Finally, mainstream business could be positively influenced by community enterprise to help deliver the wider vision of a fair and just society. This could involve adopting governance and decision-making structures which facilitate responsible and sustainable behaviours – such as B Corporation status, integrated reporting, or adopting a ‘net positive’ strategy.



8 Power to Change

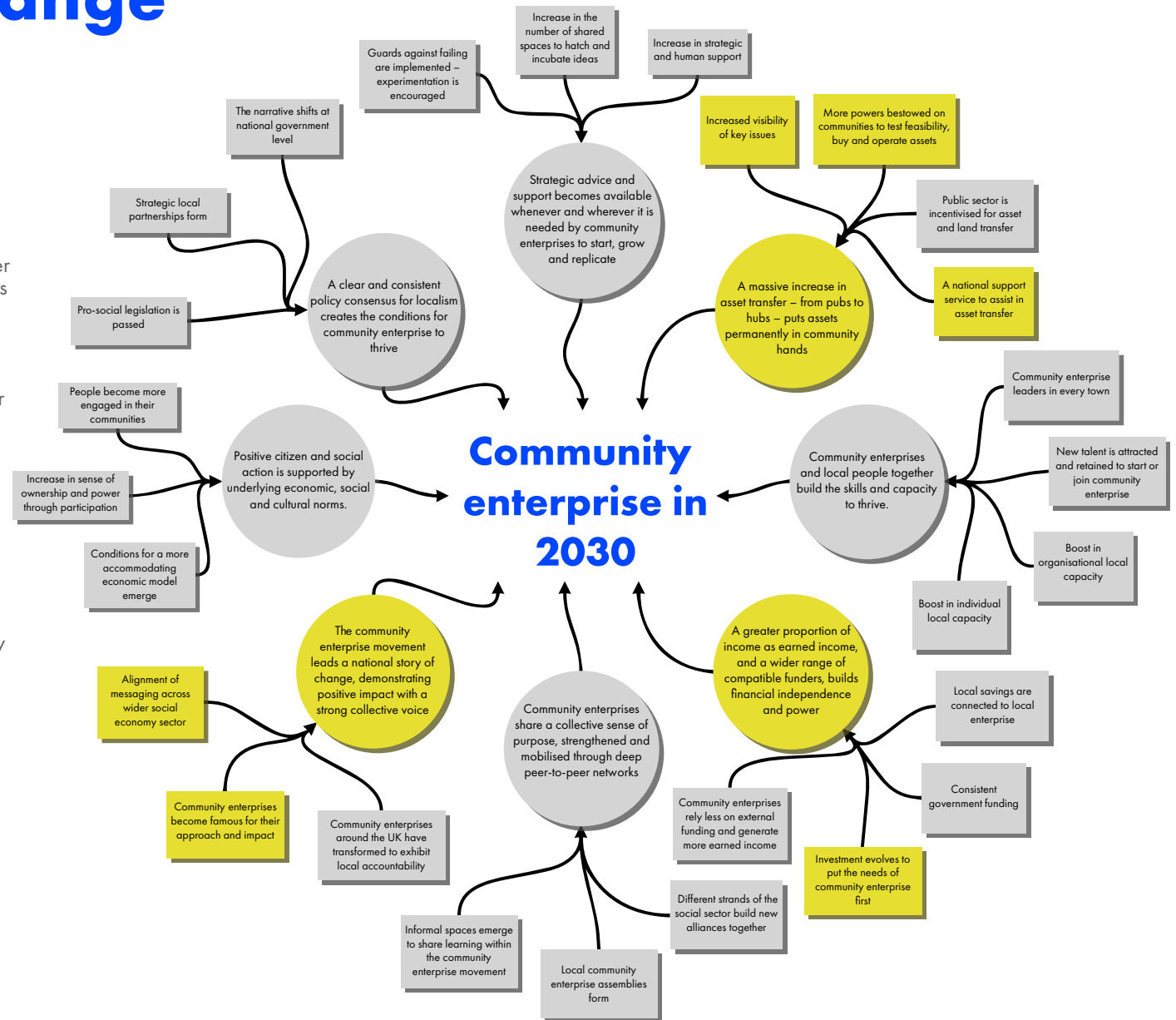
Power to Change plays a central and defining role in the community enterprise landscape.

As one of the biggest funders of community-based enterprise, and with a designated lifetime within which to spend their funds, Power to Change holds influence over how community enterprises frame their identity, how they get support and what type of support they get, and who gets funding. Although Power to Change overlaps with the roles of infrastructure organisations and funders, there are a few areas in which Power to Change was highlighted to be particularly important in influencing the future of community enterprise.

Going forward, Power to Change was noted to have particular influence in how the image of 'community business' develops and how the stories of community enterprises can be woven into a wider story of change within the social economy. Part of this could be through convening a platform, owned and run by community enterprises, through which they can share their stories, create a social network and promote their businesses.

There is the potential for Power to Change to support the transfer of assets, potentially through the creation of a community assets holding company, similar to that of Esmee Fairbairn Foundation's land purchase facility, but for community enterprise and infrastructure organisations.

There is also the opportunity for Power to Change to influence funding considerably, especially through providing a range of capital for different stages of the community enterprise journey, and reducing further the administrative burden for community enterprises in the application process.





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