

E3M

# Growing the New Economy



co-operative and social enterprise place-based innovation

## Convention Report

E3M and Partners

Oldham, 12 February 2020

### E3M PARTNERS:



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# Introduction

Imagine an economy built on the principles of social enterprise and co-operation. Of mutual support, community wealth-building and sustainability. An economy which values wellbeing and the environment as much as economic wealth. An economy which serves everyone, not only a select few.

That economy is neither a figment of the imagination, nor a utopian political fantasy. It already exists, sustaining and sustained by millions of jobs and hundreds of thousands of organisations.

It contributes billions of pounds to the UK's economy. And it does so while making society better: today, tomorrow and for our descendants.

But it could do even more. The new economy has strong roots in fertile soil. The UK's purpose-driven organisations have a rich history and already operate with depth and breadth, creating enormous positive impacts for society.

Growing the New Economy took place in February 2020, just six weeks before the UK was locked down in response to the Covid-19 pandemic. Since then we have seen unprecedented changes to our way of life and previously unimaginable intervention by Government to support companies, employees and the self-employed through the economic shock caused by measures to protect the NHS and save lives.

We have also seen a massive response from communities working in solidarity to provide support to the vulnerable, behaviours that put into practice the values behind the new economy.

When we reach the time to rebuild from this crisis I believe we will see a call from the public for a new normal, more closely aligned to the principles of a new economy. An economy where people working to support the vulnerable are valued, and co-operatives, social enterprises and community businesses have a much greater role in creating wealth and opportunity in our communities and providing local services.

Moreover, we are coming into a time where there will be greater challenge on the public purse than we have ever seen before. Public authorities and decision makers will be looking for alternative structures to meet the needs of their constituents.

This report shares learning from Growing the New Economy, which brought together some of the key organisations, innovators and leaders in this field.

We hope the energy and ideas that came out of the convention can catalyse a new approach to local economic development and the way we provide services to local communities.

**Jonathan Bland**, *Social Business International and E3M*



*Jonathan Bland, Social Business International and E3M*

# Our Sincere Thanks

Growing the New Economy could not have taken place without the support and partnership of the following organisations – we very much appreciate their support. Thank you.

**E3M PARTNERS:** Stone King, Zurich Municipal, Buzzacott, The Change Coefficient

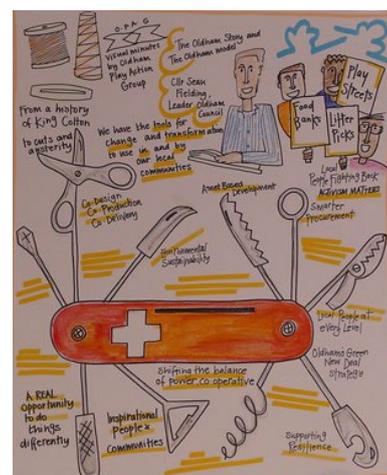
**EVENT SUPPORTERS:** The Connect Fund, The Co-op Group, Power to Change, Oldham Council

**PARTNERS:** CLES, Community Leisure UK, Co-operative Councils' Innovation Network, Co-operatives UK, Key Fund, Locality, Social Enterprise UK.

## Executive Summary

- **WHAT:** Growing the New Economy brought participants from all over the UK – and beyond – to Oldham in February 2020. They discussed examples of social enterprise and co-operative innovation, learning about projects which have already enabled better outcomes for people and places, and explored practical ideas to scale-up the New Economy.
- **WHY:** We're at a critical point, addressing the challenges of the climate emergency, inequalities, pressure on public authorities and now recovery from the impact of Covid-19. But the new economy is made of problem solvers, tackling social and environmental issues.
- **WHO:** Encompassing co-operatives, social enterprises and community-owned businesses, the new economy employs over two million people. It sells products and services to the public, and contracts with a wide range of public institutions to deliver public services. Profits are used to support purpose: social objectives, reinvestment into communities and to develop and strengthen new economy businesses.
- Participants explored funding mechanisms for **long-term transformations** of places; **developing** social enterprise and co-operative **ecosystems**; building **community wealth**; **public benefit partnerships** and social sourcing instead of insourcing or private outsourcing.
- Growing the New Economy was a **UNIQUE MOMENT OF LEARNING** and a **SPRINGBOARD FOR A MOVEMENT**.

Participants discussed **specific actions** which government, local authorities and other public sector bodies, funders, the new economy itself, and we as individuals can all take to **grow the new economy**.



The essential points of learning are:

# Key Actions To Grow The New Economy

## Social enterprises and co-operatives:

- **Describe** how and why social enterprises and co-operatives **benefit the public**. Do this frequently, clearly and without jargon.
- **Tell ten people** outside of the social enterprise and co-operative world about those benefits. Don't assume people already know.
- **Harness the opportunities offered by social investment** for finance and support to develop and sustain your enterprise.
- **Talk with commissioners**. Share the positive outcomes of Innovation Partnerships.
- **Do business together**. Buy from others in the new economy. Ask your suppliers to.
- Work with others to **build place-specific ecosystems** and develop their capacity.
- Hold ourselves to the **highest possible standards** of quality, service delivery, ethics and transparency.

## Local authorities and other public sector organisations:

- **Build wealth locally:** spend money in the local economy, encouraging your partners and supply chain to do the same.
- **Grow the size of the social economy:** support employee-owned businesses, social enterprises, co-operatives and other forms of community ownership.
- **Maximise social value** by engaging with purpose-driven suppliers.
- **Harness** the transformative power of co-operatives and social enterprises in **co-designing and delivering** services.
- **Use the progressive measures** in public procurement regulations (eg Innovation Partnerships) to design and deliver services with purpose-aligned organisations.
- **Take a place-based approach to economic development:** harnessing local assets and building on the skills of the local community to enable the local economy to grow.

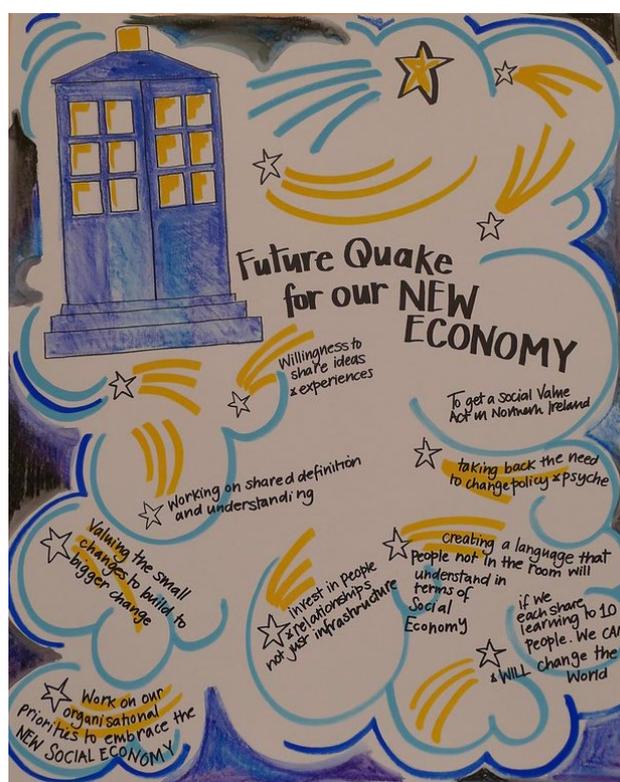
- **Work in partnership:** share best practice with other local authorities through the Co-operative Councils' Innovation Network.
- Combined Authorities and Local Economic Partnerships: **put social enterprises and co-operatives at the heart of ambitions to achieve inclusive growth.** Your local industrial strategies should pay particular attention to the new economy's ability to provide good quality jobs and to act as place-based anchor institutions.

### Funders:

- Work more **collaboratively with other funders** – not only on co-funding projects, but to learn from one another and other funders' experiences within places.
- Work more **closely with the places and organisations** you fund.
- **Social investment** should be fit for purpose including, where appropriate, blended finance (loans at viable interest rates, grants, etc).
- **Support investees** to unlock additional investment through crowdfunding and matched funds.
- **Involve investees** and locally-based community organisations in your funding decisions.
- Use this knowledge and learning to **adapt and develop** the funding you offer.
- Think in **10 or 15 year** horizons.

### Everyone:

- **Be bold and ambitious** about how to achieve better outcomes for people, places and society.
- Continue **meeting with and learning** from others.
- **Collaborate** and enter into partnerships more often, casting egos aside.



# Growing The New Economy - The Event

***“Real practical knowledge about what works –  
and some of the things that don’t work.”***

Jonathan Bland  
*Social Business International*

Over 250 people from all over England, Wales, Scotland and Northern Ireland came to Oldham in February 2020.

They came from local authorities, health and other local public institutions, social enterprises, co-operatives and community enterprises, funders and investors, grassroots community organisations and government departments.

Their discussions covered ideas and projects which have already worked. They explored how co-operatives and social enterprises can unlock innovation in the delivery of services with better outcomes for people and places.

And they shaped a path towards place-based, local growth powered by co-operative and social enterprises: viable alternatives to the traditional economic models and policies that have failed to serve people and communities in so many parts of the UK.

Unlike events broadcasting one-way messages, Growing the New Economy was a convention, not a conference. It included plenaries, panel discussions with questions and answers, table-based group work, interactive breakout sessions and table discussions.

Well over 70 participants presented ideas, projects, their biggest challenges and how these have been addressed. Even more questioned panellists and workshop facilitators.

The day included time and space for participants to meet other organisations and people working in and supporting the new economy.

The whole event wrapped up with input from all participants about their key priorities to develop the new economy and the specific actions to enable this.



# Why Do We Need A New Economy?

***“We have huge, longstanding, interconnected problems around a failing economy.”***

Neil McInroy

Chief Executive, CLES (the national organisation for local economies)  
at Growing the New Economy.

Growing the New Economy (GTNE) took place at a time when many in the UK and worldwide are affected by insecure employment, public services stretched beyond breaking points, and communities left behind by economic booms – or ravaged by underinvestment.

Markets have indisputably enabled numerous positive outcomes for the world’s population. But when markets have failed they have squeezed citizens and removed opportunities. Traditional business models in which directors must maximise shareholder value have resulted in ever more creative approaches by many corporate entities to minimise contributions to the societies they depend on and are funded by.

We cannot continue with an approach which has failed so many. **Oldham Council leader, Councillor Sean Fielding (right)** told Growing the New Economy participants:

*‘The old ways of thinking about economics no longer work here, like focusing purely on the choices that maximize revenue in the short term and driving efficiency by squeezing as much as you can out of people at the lowest possible cost. We must do something different.’*

Oldham’s story is ‘like that of so many places around the country,’ said Fielding. ‘Several generations had secure and consistent work close to home, a sense of identity and strong social networks. Even as these jobs started to go, there was a safety net.’ Deindustrialisation then decimated communities – but they are now fighting back.

A key lesson from Oldham’s history has been how over-reliance on just one sector or one type of employment ‘leaves you incredibly vulnerable when change happens,’ according to **Carolyn Wilkins (right)**, the Council’s chief executive.

She said the consequences of more than a decade in which external investment has concentrated on physical rather than social infrastructure will be faced for years to come, and ‘a reliance on manufacturing, the public sector and the retail sector certainly impacted on Oldham... we need more plurality and diversity in our economy.’



Towns like Oldham are not alone; during GTNE's introductory panel **Neil McInroy** pointed out how 'all areas suffer. This idea of the North-South divide: inequality knows no compass points,' highlighting how one in four children live in poverty in both Oldham and London.

He went on to lament economic divides and social divisions: *'this is an ill health and poverty producing economy. It's failing because it's based on fossil fuels. It's failing because growth and wealth is extracted from our communities, and because all the social pain that this failing model creates is putting huge pressure on public services.'*

Our society doesn't only depend on public services, it pays for them to be delivered. And after the high-profile collapse of Carillion, which held numerous outsourced contracts, more and more people have become frustrated when they hear of public sector contracts awarded to companies they don't believe to be acting fairly.

It's not realistic to expect local authorities, whose core funding from the Government has been cut by nearly £16 billion from 2010-2020, to deliver all services in house. By 2025 local services will face a £7.8 billion funding gap, according to the Local Government Association.

By necessity, local authorities have explored new ways to deliver services including working with partners whose mission is also for public benefit.

Public benefit partnerships are a purpose-driven approach to deliver public contracts. Social enterprises and co-operatives are aligned with local authorities' values. All can work together to achieve a high quality of service delivery and meet the needs of their communities.

These partnerships are a clear alternative to private outsourcing and in-house delivery. They deliver social value, as Growing the New Economy delegates heard. And people care about who delivers their services. A YouGov poll in 2019 showed that people trust social enterprises more than private enterprises to deliver outsourced public services and believe they do so with more expertise, efficiency and value for money. Almost nine out of ten people who expressed a preference wanted outsourced services delivered by social enterprises, not private enterprises.



***"It's absolutely clear that at this point in our national story the social economy has a critical role to play. We have a critical role to heal the divides. We have a critical role to meet needs in communities starved of resources. We have a critical role to help equip communities."***

Ed Mayo  
Co-operatives UK

# What Is The New Economy?

***“The question isn’t whether we have a new economy, it’s whether we have a movement capable of making change.”***

Lord Victor Adebowale  
Social Enterprise UK

The new economy has been built by problem solvers. Social enterprises, community-owned businesses and co-operatives use the power of business to tackle market failures and address critical social and environmental issues, while earning their income and offering choice to customers and clients.

They operate across an extensive range of business sectors. They provide food, housing, energy, holidays, leisure, goods and services to the public. They contract with local and central government, with the NHS, and with a wide range of public institutions to deliver public services with a “profit for a purpose” model. They re-invest their profits to support their social objectives, into communities and to develop their businesses.

They are worth over £60bn to the economy and employ over two million people, and many mature social enterprises already operate at scale.



Adebowale told Growing the New Economy, ‘social enterprises are the largest contributors to the tax take. Social enterprises and co-operatives are the fastest growing form of business. The question isn’t whether we have a new economy, it’s whether we have a movement capable of making change.’

## Case Study: PossAbilities Community Interest Company

PossAbilities provides a portfolio of services for vulnerable people, primarily people with learning disabilities, people with dementia and young people leaving care. It has been rated ‘Outstanding’ by the Care Quality Commission (CQC) on two occasions – a rating only achieved by 2% of health and social care providers.

Formerly the Adult Social Care Provider within Rochdale MBC, PossAbilities was one of the first hundred social enterprises to be formed by spinning-out services which had formerly been run by public sector bodies. Since the spin out in 2014 the company has tripled in size. It now turns over around £12m and employs over 600 people.

PossAbilities’ chief executive, **Rachel Law**, participated in a Growing the New Economy workshop describing their partnership for public benefit with Rochdale Council. **More about public benefit partnerships and social sourcing on page 15.**

## Case Study: Suma

The largest equal pay worker co-operative in Europe, Suma delivers responsibly sourced products across the UK and to more than 40 countries. Founded in 1977, it turns over more than £50m per year and its employees – nearly 200 co-owners – set the direction of the business. All have an equal say, are paid the same wage and do a range of jobs each week.

One of around 7,000 co-operatives in the UK and three million worldwide, Suma is the winner of a Queen's Award for Enterprise. It offers tours for business studies students to demonstrate that fairness, transparency and sustainability can go hand in hand with commercial success.

Suma member (and Company Secretary) **Ross Hodgson** participated in Growing the New Economy's workshop about expanding employee and worker ownership through start-ups and conversion. Suma is backing the Employee Ownership Association (EOA) and Co-operatives UK One Million Owners campaign which champions the voluntary expansion of employee and worker ownership in the UK.

## Case Study: The Big Life group

The Big Life group is in the business of changing lives, creating opportunities for people who have the least. It was born from a frustration in the early 1990s that services for poor people had the longest waiting lists, the worst quality buildings and the least care.

The group, which turns over around £20m and has 500 staff, runs schools, nurseries, children's centres and family support services. These deliver not only education and childcare but support the whole family from birth onwards, offering volunteering, training, work and programmes to develop health and wellbeing.

Its wide range of health and wellbeing services (and community centres) help people improve their physical and mental health, and understand everything affecting their wellbeing.

Big Life's skills, training and employment services help people look at everything that will enable them to find and stay in a job – from family, relationships and money issues, to health and skills.

Big Issue North and The Big Issue North Trust are also part of The Big Life group. The Trust, a registered charity, raises funds to provide a range of support for Big Issue North vendors, including support accessing services, help getting ID, home furnishing packages and projects such as breakfast clubs. Big Issue North is a 'business solution to a social problem' – a limited company employing staff to produce and distribute the weekly magazine (Big Issue North) sold by people who have limited other ways of earning an income in the North West and Yorkshire and the Humber.

Big Life group Chief Executive **Fay Selvan** started working as a social entrepreneur in 1991, and established The Big Life group in 2002. She brought her experience to Growing the New Economy: within a workshop about the conditions needed for co-operative and social businesses to thrive in an ecosystem (see page 14) and on our closing panel about priorities for the future.



Fay Selvan



# Workshop Learning Examples

Some of the key learning points from Growing the New Economy workshops and actions which social enterprises, co-operatives, funders and local authorities can take.

## ECOSYSTEMS, PARTNERSHIPS AND 'BUILDING FROM THE BOTTOM UP'

17,000 people worked in North Wales' slate industry at its peak. In 1900, Blaenau Ffestiniog was the second largest town in North Wales with a population of about 13,000 people.

When the slate industry declined, Blaenau Ffestiniog's population plummeted. By 2011 it was less than 5,000 and the town became one of the economically poorest areas in the UK. But it had always been a cultural melting pot known for a strong musical tradition and as a destination for artists to visit. Arts, crafts and culture now make up part of the town's legacy – and were a foundation for **Cwmni Bro Ffestiniog's** holistic model of community development.

*'There is an opportunity in this area to create an environmental, economic, social, cultural and educational future based on the best in our cultural heritage. We have started to pioneer a way and now we must act. This is the opportunity and challenge for us in Bro Ffestiniog.'*

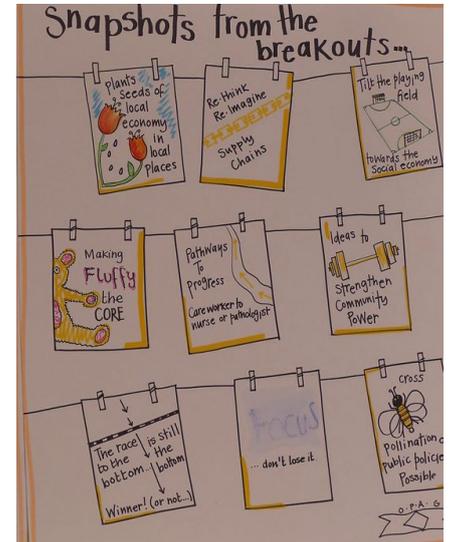
**Ceri Cunninton and Sel Williams** described how Cwmni Bro Ffestiniog is a pioneering network of 13 successful community social enterprises which have come together and co-operate under the banner of one overarching community company.

These social enterprises are diverse and employ around 150 people. They include hotels, shops, restaurants, cafes, tourist information, leisure, arts and crafts, a world-class mountain biking centre, horticulture, energy production and environmental projects, allotments, educational and cultural activities, energy saving promotion, reducing food waste, recycling, river cleaning, youth work, and a community digital broadcasting service.

The company operates in Blaenau Ffestiniog, Trawsfynydd, Penrhyndeudraeth and nearby villages, which between them have a population of about 8,000 people. It promotes co-operation between member social enterprises and nurtures new ones, in order to promote the environmental, economic, social and cultural development of the area. It nurtures an ecosystem – **see also pages 13 and 14 for more about social enterprise ecosystems.**

## HOW TO FUND PLACES DRIVING LONG-TERM CHANGE

Community-led transformations of places need time. Two Growing the New Economy workshops examined how place-based funders can strengthen and coordinate their impact as partners in the movement for community-led structural change.



Chaired by **Rachel Laurence**, Director, Programmes and Practice, New Economics Foundation, and **Bonnie Hewson**, Programmes Manager, Power to Change, the workshops featured additional facilitation by **Jill Baker** (Lloyds Bank Foundation), **Caroline Broadhurst** (The Rank Foundation), **Ella Smyth**, (Co-op Foundation) and **Cathy Stancer** (Lankelly Chase).

Representatives from Carnegie Trust, Esmée Fairbairn, Barrow Cadbury, the National Lottery Community Fund and Local Motion also joined the discussions.

This collaboration, along with participation from organisations which apply for funding and use it to support their work was critical to the success of these workshops, as Power to Change’s **Bonnie Hewson** explained:

*‘I just love the fact that we have so many different voices in one space. So in this workshop we’ve got funders but they’re listening to all the people that their funding affects, which is the way it should work. There shouldn’t be those power hierarchies where we are in a closed room discussing what we should do to fund places. That should be an open conversation, and that’s what this event has allowed us to do.*

*‘One of the things I wanted us to get out of this was as funders to think about our responsibility to bring our learning together, and to join our voices together to make a case for how funding flows can work better in places.*

*‘That’s not just in funding organisations and foundations but also at Government level and influencing policy. So I think it makes us stronger being able to listen in the same space and address the same questions together and realise we have a joint responsibility.’*

Power to Change CEO **Vidhya Alakeson** emphasised the need for ‘much more long term thinking – change takes time and we need to think in 10 to 15 year horizons, rather than 3 to 4 year horizons. And we need to get beyond our organisational and institutional egos and baggage – and build the trust to be more collaborative.’

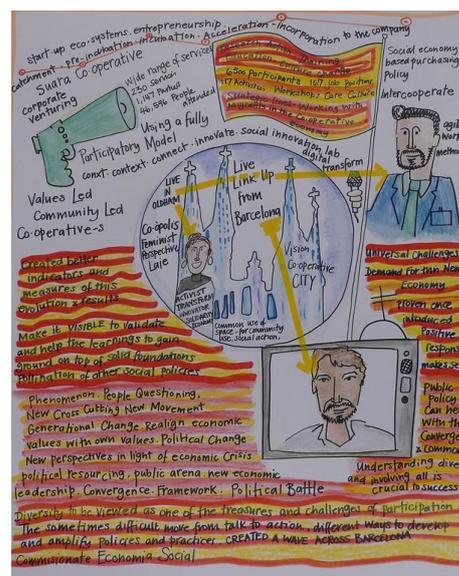
## LEARNING FROM BARCELONA’S SOCIAL ECOSYSTEM – LIVE VIDEO LINK

Over the past four years Barcelona has invested around €13 million to promote and grow the social and solidarity economy.

Its strategy is supported by the ‘laboratory for intercooperation and local economic growth,’ Coòpolis, which aims to consolidate the existing social economy enterprises and support new initiatives.

Barcelona’s Commissioner for Social Economy, Local Development and Consumption, **Álvaro Porro**, described the strategy and work to build an ecosystem, generate employment and social impact in this session featuring **Jordi Picas i Vilà**, Director of Innovation, Suara Co-op and **Laie Vidiella** of the co-operative communication agency La Pera and Coòpolis.

The city council has developed a range of measures including raising awareness of SSE models, advisory services for start-ups and existing ventures, financial support in the form of grants and bank guarantees, access to use empty council premises, the use of social clauses in council tenders and the promotion of inter co-operation between SSE organisations.



## **BUILDING CO-OPERATIVE AND SOCIAL ENTERPRISE ECOSYSTEMS AND BUILDING A MOVEMENT**

There are around 300 co-operatives in Greater Manchester and the region is well known for its rich history as the birthplace of the international co-operative movement. It is home not only to the UK's largest consumer co-operative, The Co-op Group, but also to co-operatives with a collective annual turnover of more than £11.5 billion, employing over 66,000 people, with around five million members.

Greater Manchester's Local Industrial Strategy, published in 2019, recognised co-operatives' and social enterprises' importance as drivers of inclusive growth, as providers of good jobs, as participants in creating good places and as innovators in public service delivery.

The Strategy committed to grow the social enterprise and co-operative economy and drew on a report by the Greater Manchester Co-operative Commission, 'People and Communities Working Together to Improve the Environment, Create Good Jobs and Sustainable Growth.'

A workshop chaired by **Paul Gerrard**, The Co-operative Group's Director of Policy and Campaigns, featured contributions from **Rose Marley** (CEO, SharpFutures Manchester CIC) and **Fay Selvan** (CEO, Big Life).

The conditions for co-operative and social business to thrive in an ecosystem – local, regional and national, include:

- political recognition of both the value they bring to both the economy and the added social value they create in communities,
- increased flexibility in procurement, to allow co-operation, partnerships and collaboration, including making it easier for a consortium to bid – placing more emphasis on social value in contracts, and
- improving access to appropriate forms of sustainable, social finance.

At Growing the New Economy **Paul Gerrard** said: *'Coming together with people who share your values and who you align with – that's how you build an ecosystem. And it's the ecosystem that makes this sustainable, that means this can grow and show greater value for society and communities.'*

*'People need to be very deliberate in the choices they make, who they partner with, who they work with, who they share a set of values with. That deliberateness will grow an ecosystem.'*

Social Enterprise UK's Places Programme aims to create local ecosystems, generating local and national growth for social enterprises.

**Sarah Crawley**, the founder and CEO of Birmingham-based social enterprise iSE, **Gareth Hart**, founder of Iridescent Ideas, Chair of Plymouth Social Enterprise Network and Chair of Plymouth's Inclusive Growth Group and **Ed Whitelaw** of Real Ideas Organisation joined SEUK's **Andrew O'Brien** for a Growing the New Economy workshop examining how to catalyse support and promotion for social enterprises within localities.

*'The Places Programme has been a slow burner, said **Andrew O'Brien**, 'It's emerged over the past five years and become a nationwide programme connecting social enterprises together to try to create on the ground new economies that can be sustainable for people and planet.*

*'Our time has come. There's a lot of buzz and enthusiasm about building new economies from the ground up and place is a critical part of that.'*

One of the consequences of becoming a social enterprise place is how it brings community businesses, co-operatives and social enterprises together, rather than operating in silos, according to Plymouth's **Gareth Hart**: *'There are about 30 social enterprise places and 30 million people live in them. I'd encourage any place to get its social enterprise and co-operative community together and apply to be a place, join the movement. It's fantastic!'*

**Ed Whitelaw** agreed. *'In the past we've suffered from a bit of factionalism. Social enterprises, community businesses, co-operatives, community wealth building: all are part of the same thing, none enough to be a movement on their own but together they are substantial. We raised some interesting questions about movements and power in the workshop. Social enterprise can bring a lot to a wide range of sectors, but can also do a really powerful job in creating a better everyday democracy.'*

## **PUBLIC BENEFIT PARTNERSHIPS AND 'SOCIAL SOURCING'**

Co-operatives and social enterprises offer a clear alternative to private outsourcing and insourcing. They are aligned with the purpose and values of local authorities.

All can work together to achieve a high quality of service delivery and meet the needs of their communities.

Existing procurement rules allow for the adoption and use of innovation partnerships. A number of trailblazing local authorities including Oldham MBC and Leicestershire County Council have already entered into innovation partnerships, working with social-purpose organisations to better meet communities' needs and deliver real social value.

A workshop chaired by Zurich Municipal's **Gordon Wilmott** examined Oldham's pioneering three-year Innovation Partnership on behalf of Oldham Cares (the Council's integrated care organisation) with a local consortium of voluntary and community organisations.

Oldham Social Prescribing Innovation Partnership focuses on innovating and iterating the service model through coproduction with partners and residents to get the best service and offer possible to meet resident's needs.

The workshop included contributions from public benefit specialist lawyer **Julian Blake**, partner with Stone King, the co-author of *"The Art of the Possible in Public Procurement."* Julian advised on the Oldham and Leicestershire Innovation Partnerships. **Rebekah Sutcliffe** of Oldham Council and **Liz Windsor-Welsh** (Action Together Oldham, Rochdale and Tameside) took part too.

Innovation Partnerships can enable commissioners and purpose-aligned organisations to co-create and co-design service specifications – before a commissioner knows the exact solution they want to procure. Instead, they are collaborating and procuring a process, a shared journey through design to delivery, which will ultimately lead to better outcomes and more innovative service delivery. Available to commissioners since 2015, the biggest barriers to their uptake have been caution and misunderstanding.

We may now see an increase in their use, thanks to three key factors: changing public attitudes (2019 YouGov research showed people would prefer purpose-aligned organisations to deliver outsourced services); the visibility of the trailblazing Innovation Partnerships (Oldham’s is a finalist in the 2020 Local Government Chronicle Awards); and their success in terms of better outcomes.

## KEEPING IT LOCAL AND COMMUNITY WEALTH BUILDING

Some commissioners and procurement teams have refocused their work to boost opportunities for local people and organisations.

Bradford Metropolitan District Council’s Head of Procurement, **Ian Westlake**, explained why he seeks to involve suppliers as early as possible since this means innovation can be encouraged. Do this early on, when formulating policy, programmes and projects, and it has the greatest potential.

This can ‘positively blur’ the commissioner / provider relationship, as we also heard from panelists and many participants, and commissioning with shared-purpose organisations can also improve the accessibility and credibility of the service and ensure it’s a better fit for citizens. Saving money for the public purse is often a welcome byproduct.

Westlake was joined by **Sophie Michelena** and **Nick Plumb** of Locality to share the delivery of this workshop.



Earlier in the Convention Oldham Council’s Leader, **Sean Fielding**, described how by changing procurement practices and spending more with local firms Oldham is keeping an additional £4m within the borough every month compared with a couple of years ago. This money recirculates within the economy too, and Fielding believes the council can go even further.

More democratic forms of ownership such as co-operatives and community enterprises give people more control of local economies. A workshop chaired by **Neil McInroy** of CLES examined how public authorities in Oldham and the Wirral are using community wealth building approaches to unlock social value by increasing local employment opportunities; developing skills; increasing wages; reducing carbon footprints; and supporting local social enterprise, community and co-operative infrastructures. A central element of community wealth building is harnessing the power of anchor institutions as workshop participants **Janette Williamson** (Member for Finance, Wirral Council) and **Vicky Sugars** (Oldham Council) described.

## **CATALYSING CHANGE TO SUPPORT SOCIAL ENTERPRISE SOLUTIONS: LEARNING FROM E3M ALCHEMY**

What are the key ingredients in developing new social enterprise solutions to local issues? And how can social investment make a difference? This workshop chaired by **Tej Dhami** (Managing Director, The Change Coefficient) featured contributions from **Carolyn Wilkins**, CEO, Oldham Council and **Amanda Buttell**, Employment and Skills Project Manager, West Lindsey District Council.

It shared learning from the E3M Collective Impact Project, which carried out a series of three 24-hour catalytic Alchemy Events aimed at developing social enterprise solutions to challenges in Oldham, Rotherham and Gainsborough. Over £12m of social investment was unlocked directly as a result of the programme, with projects and communities in all three locations benefiting. And the benefits went much further than cash. The workshop covered how this innovative process catalysed understanding and relationships between local authorities, social enterprises and investors, leading to immediate and long-term opportunities for collaboration, co-design, and better outcomes in the towns.

## **NORTHERN ROOTS: CREATING THE UK'S LARGEST URBAN FARM AND ECO-PARK ON 160 ACRES OF UNDER-USED GREEN SPACE IN THE HEART OF OLDHAM**

Northern Roots is a ground-breaking project pioneering a sustainable new model to improve health, create local wealth and connect communities through enhancing green spaces.

The project will develop a wide range of activities including agriculture, horticulture, forestry, biodiversity enhancement, sport, nature-based education and eco-tourism. From guided walks to 10k races, music festivals to micro-breweries, citizen science to woodland weddings, Northern Roots will bring this urban greenspace into sustainable, productive use.

A group of Growing the New Economy participants took the opportunity to visit Snipe Clough on 11 February, the day before the convention. During GTNE, a workshop with Northern Roots' Project Director **Anna da Silva** examined how Northern Roots will develop a co-operative ecosystem which creates opportunities for local people and enterprises, contributes to local wealth building, and do so while delivering products and services of the highest quality.



# Questions Addressed

On top of the discussions and questions addressed within the event's interactive workshops, participants posted over 160 questions and ideas to the entire convention. The speakers and panelists in the morning and afternoon plenary sessions addressed many of these – as did other participants.

Using the sli.do app connected to a large screen participants were able to 'up-vote' questions, so all panelists and participants could identify the highest priority issues to answer or discuss. Particularly prominent in the morning session were questions concerning power, partnerships, procurement, politics and policy.

Questions around communication and education, radical public engagement, reaching beyond our own echo chamber, measuring wellbeing and building a movement kept coming up in the final part of the day.

In between, participants presented ideas based on their collaborative table-working. Some of the ideas with the most up-votes covered clarity, relationships, collaboration, trust and embracing ambition.



***“Social enterprise and co-operatives, by definition, create fairer economies because they are fundamentally for public good. They are very different beasts to private enterprise.”***

Ed Mayo  
Co-operatives UK

# How Can We Grow The New Economy?

Before we answer this we need to ask another question. As Oldham's **Carolyn Wilkins** put it: *'How do we think about the deep, intimate connections between system, place and organisations?'*

For Oldham Council, this has meant a big conversation, not just about being a 'good employer' (which it takes seriously) but about the 'stewardship of place' and the way the Council works – and how this contributes to thriving communities in Oldham.

Social Enterprise UK's **Andrew O'Brien** says place is a critical part of building new economies from the ground up. Andrew chaired a workshop about Social Enterprise Places – areas where social enterprise is thriving. SEUK is recognising these 'hotspots' of social enterprise activity by awarding them Social Enterprise Place status, celebrating their achievements and supporting them to grow.

For **Neil McInroy** the *'key to growing the social solidarity economy is to think about the economy as relational, it's not transactional. The bottom line is not wealth for wealth's sake, but a relationship with people, place and the environment.'*

*'It does require deep collective responsibility and for all of us to do our bit,'* added Wilkins, *'and to shift the mindset of what is possible and not to be limited by stereotypes or history - but use that as a foundation to build the future on.'*

So how do we do that? **Lord Victor Adebowale** was clear: *'We have to create language which speaks to people not in this room.'*

He called on every Growing the New Economy participant to find ways to communicate, clearly, about the benefits of the new economy to at least 10 other people not already involved in it. And crucially, *'you have to be able to explain to people what the benefits are to them in their day-to-day lives.'*

**Sacha Bedding** of The Wharton Trust emphasised the importance of working together, to ensure what we do doesn't impact negatively on our poorest people, to hold institutions to account but expect to be held to account ourselves.

For **Karin Woodley** of Cambridge House, *'the new economy requires co-creation with an organised social economy.'* She lamented *'consultations where those people pushed to the margins of society are treated as subjects rather than co-creators.'*

And **Paul Gerrard** of The Co-op Group pushed the importance of solidarity: *'The thing that the co-operative and social enterprise movements need to rediscover is deliberately choosing options and partners that align on values.'* He gave the example of Mondragon, an entire eco-system in Spain, *'a more just economy.'*

But *'It isn't always a binary choice or an easy choice to make,'* said Gerrard. *'It's nuanced, it's difficult and it takes time.'*

For **Fay Selvan** of the Big Life Group, a convention highlight was the live link-up with Barcelona's Commissioner for Social Economy, Local Development and Consumption, **Álvaro Porro**, featuring **Jordi Picas i Vilà** of Suara Co-op and **Laie Vidiella** of La Pera and Coòpolis.

*'Barcelona started from social action and communities getting together,' she said, adding: 'It struck a chord because at Big Life we started with people saying we can no longer wait for the public sector to sort itself out, we need to do it ourselves. An ecosystem of the social economy needs to be led by people on the ground wanting to do things differently.'*

The social economy accounts for 8% of all employment in Barcelona, with over 53,000 full-time employees, and produces an economic turnover of €3,750 million, over 7% of the city's GDP. There are 1,197 employee-owned businesses, 861 co-operatives, 260 community-economic initiatives and 2,400 other third sector organisations in the city.

Barcelona showed how the whole can be greater than the sum of all its parts – the session demonstrated the impact and power of partnership.

Social Enterprise UK CEO **Peter Holbrook** warned of the danger of underestimating this power – and advocated for more collaboration: *'We need to be more ambitious for ourselves and what we can do together. So often we hear about things that we can't do: the deficits in our sector; the lack of capital; not having access to the right forms of investment or the fact we are blighted by public policy.'*

*'If you look at the social economy we are powerful, we have power, we have assets and advantages and can bring those together in a collaborative way and make a difference, whatever is happening in the world outside. We have power which we need to utilise much more effectively.'*

## Launching A Movement

Early in Growing the New Economy, **Lord Victor Adebowale** asked whether *'we have a movement capable of making change.'* Answering his own question with a resounding *'Not yet,'* he implored delegates to communicate clearly and share the benefits of the new economy with at least 10 new people.

Lord Adebowale added, *'In order to build this movement we must be honest in what we say to each other and to others. We have the seeds but we have to turn it from something only we understand to something everyone does.'*

Building a movement resonated with participants. **Vidhya Alakeson**, CEO of Power to Change left Growing the New Economy *'buoyed and energetic. We need to be confident in ourselves and start talking to others. Extend our reach – and quickly.'*

*'We must hold ourselves to the highest possible standards for this movement to gain mainstream traction',* said Alakeson: *'We all have good rhetoric about trusting people. But some of our actions are falling short.'* She made the point that Power to Change, like other funders, can do more in terms of trust and eligibility.



Vidhya Alakeson

And she reflected how *'All of us as funders and organisations need to put aside our own egos. We need to get much better at mixing cocktails. And in the work we do with local authorities, many are still talking about consultation. We need to support them to think about communities being at the table, being decision makers, sharing power, co-design, co-development – we've got to make big progress in that area for things to really change.'*

**Wirral Council's Deputy Leader Janette Williamson** agreed:

*'I've learned the council can be overly bureaucratic, can be unapproachable, but it's up to us to work together to deliver everyone's shared goals...I will continue banging on other local authorities' doors and asking what they are doing and inviting them to see what we are doing to make the economy work for everyone.'*

This kind of collective action is *'the only way we can achieve our shared ambition,'* said **Peter Holbrook**. *'We are starting to reconsider how we can work together but have a long way to go.'*

*'It will require new forms of leaders too,'* said Holbrook. *'Leaders come in all shapes and sizes. They are in communities, families, neighbourhoods: not always given the title of a leader but doing incredible things and I wonder how we can get them money.'*

Trust, partnerships and collaboration may increase uncertainty – something we must embrace, according to **Ed Mayo**. *'We don't yet know where we are being carried.'* And partnership itself is not easy, he says: *'It's not just about egos, individual or organisational, but there is a skillset there which doesn't always sit easily with a narrative of individual success.'*

But what comes out of collaboration, partnerships and sharing is learning. Mayo felt the level of engagement at Growing the New Economy means we will look back on it as *'the start of something very special.'*

*'Our movement is happening all over the world,'* said **Jonathan Bland of Social Business International and E3M** in his closing comments: *'We will take stock and explore how we can work jointly with partners to move things forward. The most important thing is we keep talking to learn from each other how we can work together better.'*

***“It's a real sense that we're a movement. This huge collection of people with a lot in common. We're all pushing for change. There's a real urgency around that change and a real opportunity now.”***

Vidhya Alakeson  
Power to Change

# Additional Material

- OPAG (Oldham Play Action Group) created powerful and intricate visual minutes to capture ideas and discussions at the Growing the New Economy event. See a slideshow of them all at [this link](#)
- Watch the films of all plenary speakers addressing the convention here: [this link](#)
- Watch vox pops in which participants and speakers reflect on why they were so excited to attend, what they have learned and crucially, how they will put this into practice to help revitalise the communities in which they work: [this link](#)

## Our Sincere Thanks

# E3M

Growing the New Economy could not have taken place without the support and partnership of the following organisations – we very much appreciate their support. Thank-you.

### E3M PARTNERS:



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