

Using anchor institutions to maximise economic and social benefit to local communities

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Associate Director



About us

- We are a think **AND** do tank!
- Our aim to achieve social justice, good local economies and effective public services for everyone everywhere.



Context: market liberalism is failing





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But a new economic model is emerging





This is NOT the inclusive growth agenda



From an inclusive growth perspective, inclusion is about what happens socially to growth after we have growth.



It's an inclusive economy agenda





This is not just semantics...

Inclusive Growth

Economic model is fine, but need to connect more people to growth

Marketisation and private values, can sit within and alongside public sector to advance inclusion

Extraction of wealth seen as inevitable but need to slow for inclusion

Inclusive Economy

Economic model is flawed, as it creates unacceptable inequality. Should serve inclusive social goals.

Restoration of public values within public sector market, is a route to greater inclusion

Extracted wealth needs to be curbed and made more locally generative



The power of anchor institutions



Housing
providers



The police



Private
Businesses



Education
providers



Local government



Hospitals

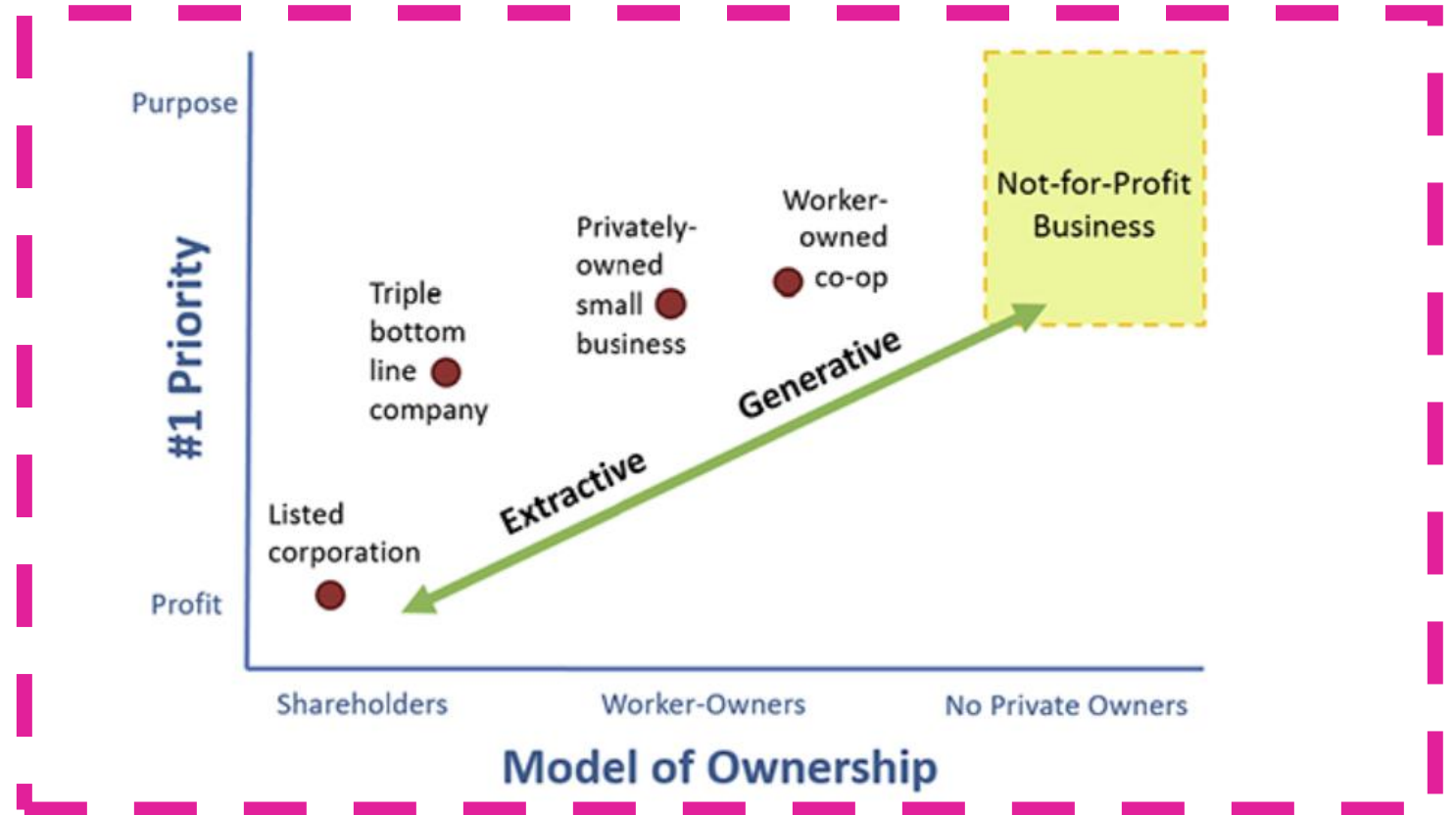
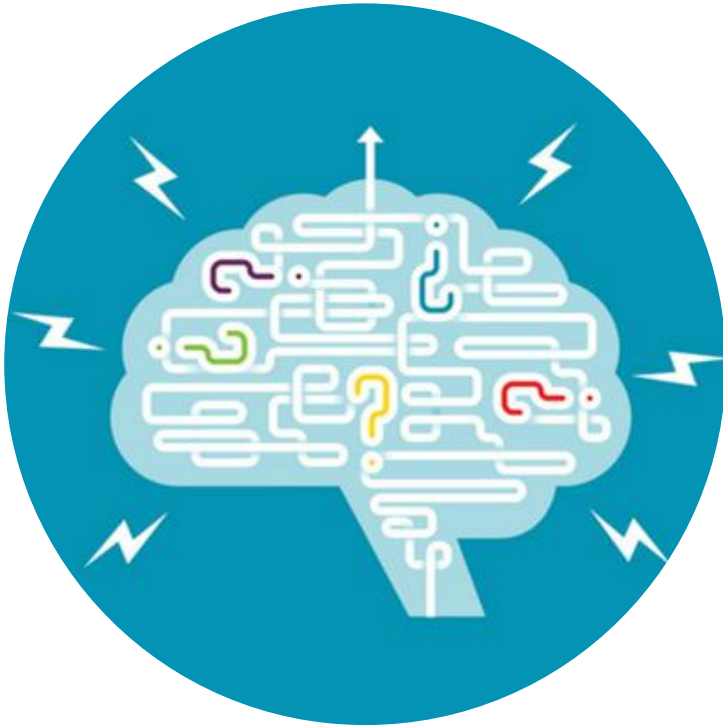


Community wealth building: theory

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



Community wealth building: theory

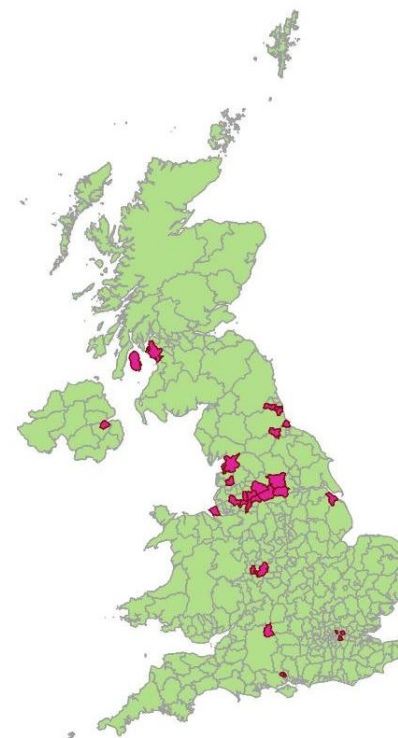




Community wealth building: practice

Belfast
Birmingham
Bury
Darlington
Dudley
Gateshead
Hartlepool
Islington
Kirklees
Lancaster
Leeds
Lewisham
Manchester

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



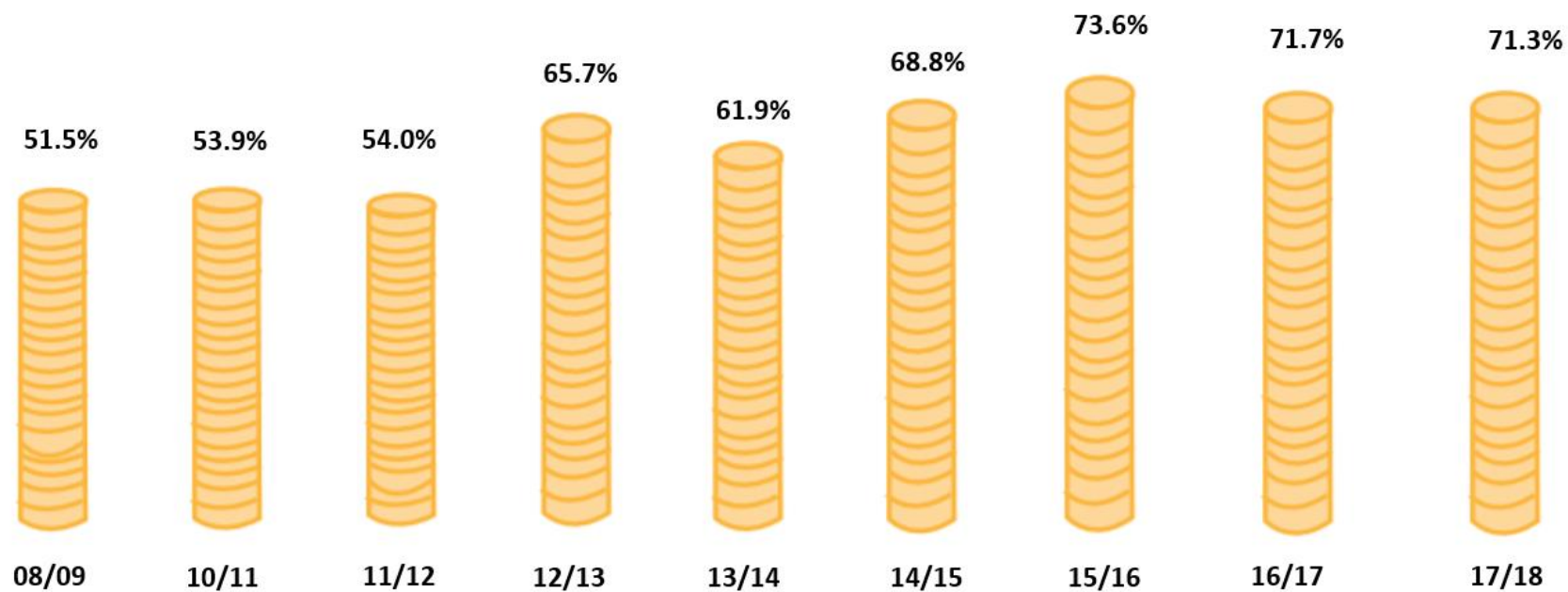


Manchester – a 12 year journey





Manchester: a 12 year journey





Manchester: a 12 year journey



1,302 jobs



665 apprenticeships



1,788 opportunities



158,591 hours support



Preston – developing an anchor approach





Preston – developing an anchor approach





Preston – developing an anchor approach



- Increased total spend by anchors
- £70m more for city economy
- £200m more for regional economy
- Created 1600 more jobs
- 4000 more people being paid the real living wage
- Food co-op and tech co-ops supported by anchors
- Using local pension funds to invest in local area
- Local at municipal energy
- Preston has moved up deprivation index
- Most improved place to live in UK



Wirral – social value and social solidarity



- New social value framework
- Land and assets – harnessing the value of the c.1900 assets that the council owns
- New social and solidarity economy unit. Learning from Barcelona!
- Working across anchors



Wales – a national approach to community wealth building



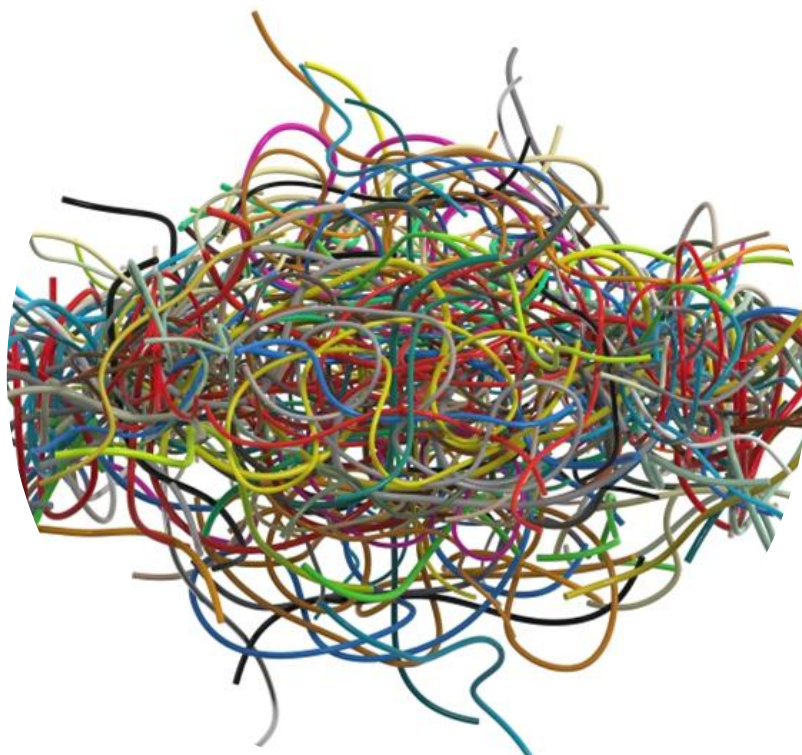
- Consultation complete
- Plan to enable public service boards in Wales to adopt a progressive approach to procurement
- To drive social value through the procurement progress to achieve a more inclusive economy for people and place



One noticeable absence..

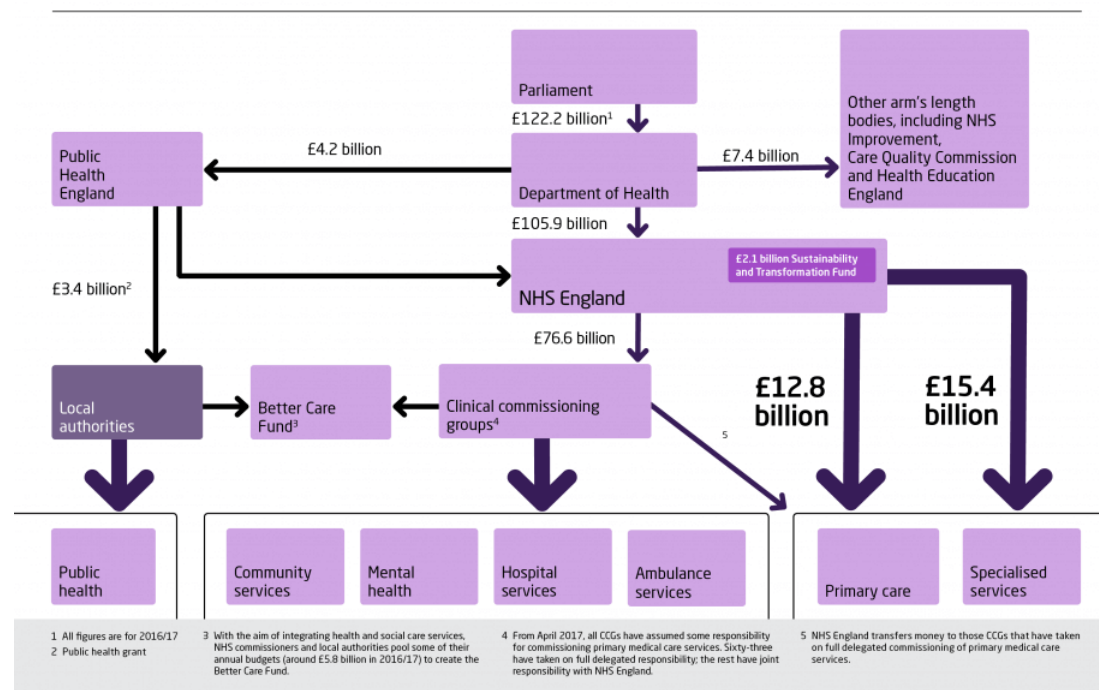


Its complicated..



The King's Fund > Ideas that change health care

The NHS: How the money flows





Why...?

- The drive for cost and efficiency savings appears to be taking up bandwidth within the NHS
- The structure of the NHS means they are subject to competing demands.
- There appears to be a lack of understanding in some quarters around the concept of Anchor institutions and also around how to apply social value, particularly in an NHS context.



But we did find some good examples



- Progressive approach to employment
- Working with partner organisation to offer preemployment training
- Going into schools in deprived areas to raise awareness of NHS careers
- Starting to look at their own employment profiles to ensure that they are representative of the local community
- Becoming accredited living wage employers



But we did find some good examples



- Progressive approach to land property and assets
- Running farmers markets on their land
- Letting community groups use their land for free
- Running employment hubs
- Building affordable housing



The struggle...



- Purchasing of goods and services is centrally managed within the NHS
- Hospitals **MUST** use this system
- Focus is on cost and quality
- No real consideration of social value



Commissioning is a different story...

NHS Clinical Commissioners

The independent collective voice
of clinical commissioning groups



- Although the bulk of commissioning spend in the NHS services is with provider trust there are opportunities to embed social value here
- Use of social value frameworks
- Working with the voluntary, community and social enterprise sector



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Smaller anchors are playing a role too



- A group of GP practices that have established themselves as a social enterprise.
- Invest their profits back into the local community



But these examples are not common practice



- There is an opportunity to achieve greater social, economic and environmental impact
- Need more deliberate action by health institutions
- Need to address the barriers and enablers



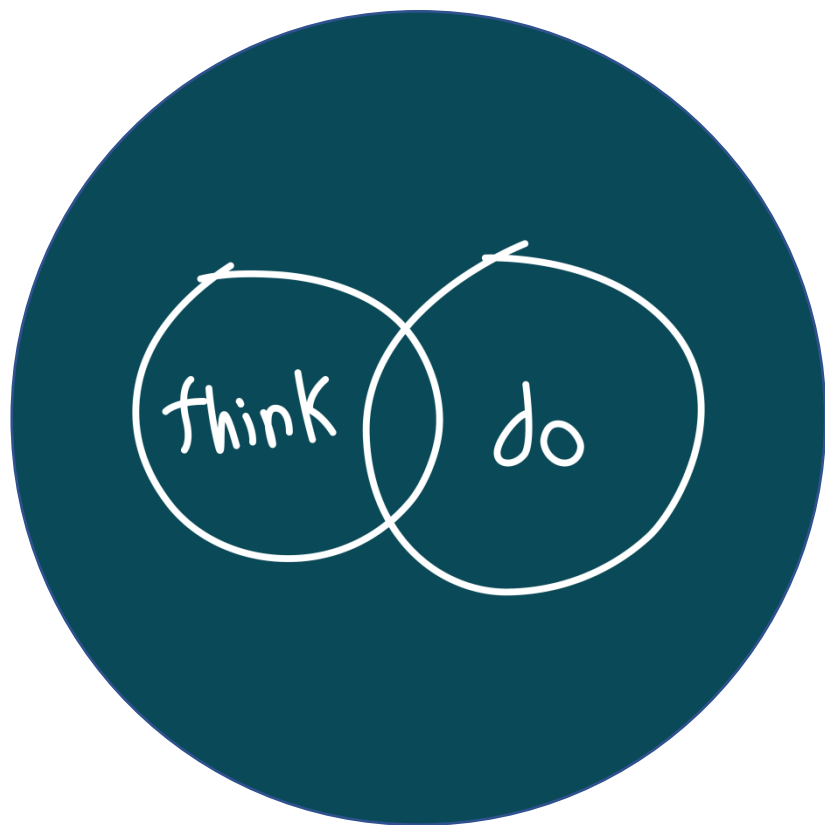
Conclusions



- There are numerous actions that anchors can take to help build an inclusive local economy
- National policy agenda needs attention
- A deep intentionality is required



Thank you



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