

Strategic Objective: Transforming places

Core assumption:

Community businesses transform places by reducing contextual inequality, through corrections to market and government failures.

Community business-level hypotheses	Knowledge	Community businesses deliver the products and services best suited to their area because they are locally rooted and closely connected to the communities they serve.	For example, a community-led health clinic that offers more than 10-minute appointments with a GP and is open at hours that suit local people.
	Employment	Community businesses increase net employment by hiring people who would otherwise struggle to access the labour market, in jobs that allow them to develop the skills they need to progress.	For example, a community bakery that recruits NEET young people through an apprenticeship scheme, supports them to gain recognised qualifications and connects them to entry-level jobs.
	Agency	Community businesses increase involvement in local decision-making and levels of social capital because meaningful membership develops skills, voice and access to information.	For example, a community sports centre that nominates local young people to become trustees and creates opportunities to gain experience of participatory decision making with the local authority.
	Sustainability	Community businesses are less likely to close because local people have a strong sense of ownership and a stake in their success.	For example, a community centre that can weather fluctuations in commissioning through a stable customer base and a strong network of local support.
Place-level hypotheses	Collaboration	Community businesses that collaborate with others in the local area are more successful because they can drive down costs through collective bargaining, mutual support and the ability to negotiate up and down their supply chains.	For example, a community business that works with others nearby to negotiate the transfer of multiple assets from the local authority.
	Resilience	Community businesses that share a common vision with others in the local area are less reliant on local and central government support because assets and surpluses can be used to cross-subsidise otherwise non-viable activities.	For example, a community energy business that generates a consistent surplus and commits a proportion of this to a community benefit fund which in turn supports a community library and café.



Strategic Objective: Growing the sector

Core assumption:

Power to Change grows the sector by stimulating the creation of new community businesses and supporting sustainability of existing operators.

Sector-level hypotheses	Infrastructure	Second-tier support stimulates community business growth because it increases capacity, promotes higher standards and provides a voice to influence others.	For example, through quality assurance, networking opportunities and access to low cost, high quality technical and strategic development support
	Assets	The transfer of local assets stimulates community business growth because they increase financial resilience, provide a physical base for operations and generate goodwill.	For example, through loyal customers, available voluntary support and strong local networks.
	Public services	The opportunity to deliver local public services stimulates community business growth because they can do so at lower cost and with greater levels of community engagement than traditional public and private sector providers.	For example, a community-run swimming pool is able to generate surpluses through leveraging community goodwill and taking a more entrepreneurial approach.

