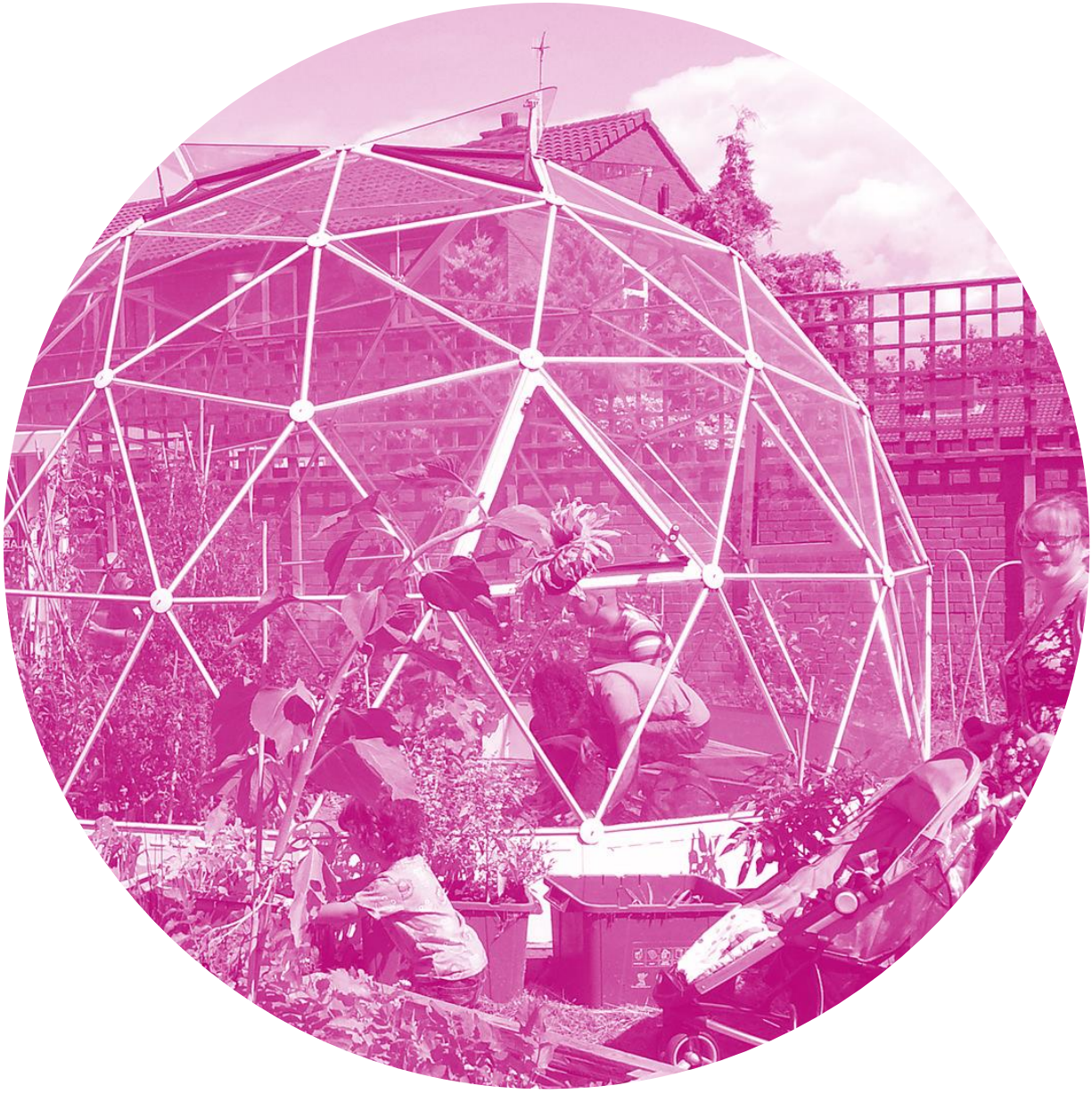
Building an inclusive economy through community business

The role of social capital and agency in community business formation in deprived communities



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Executive summary

This research explores how community businesses can support the development of a more inclusive economy in deprived communities. The research examines the interconnections between social capital and agency in stimulating social action and developing collective responses to social and economic challenges.

Research questions

The following research questions guided an exploration of how community businesses can transform places by reducing contextual inequality:

1. Why do community businesses grow/thrive in some deprived areas and not others?
2. Where community businesses are established in those areas, to what extent are they initiated by/empowering to people living in poverty?
3. What are the critical factors that allow community businesses to contribute to a more inclusive economy and how should support be shaped to encourage a more inclusive economy in the future?

Research demonstrates that community businesses have the potential to reduce inequality and social exclusion and contribute to a more inclusive economy. Their formation requires the presence of social capital. To realise social and economic potential, social capital can be broken down into bonding, bridging and linking capital, with a form of agency that can activate this potential. However, in deprived communities, where interlocking disadvantage means that social capital and agency are lacking, the potential for social action and therefore community business responses is reduced.

Bonding capital	Bridging capital	Linking capital
Ties between individuals within the same social group, associated with local communities where many people know many other people in the group (network closure). Can have both positive and negative manifestations and implications for social exclusion.	Ties between individuals which cross social divides or between social groups. It may provide access to network resources outside of an individual's normal circles and as such can provide significant individual (and group) benefits.	Networks of trusting relationships between people who are interacting across explicit, formal, or institutionalised power or authority gradients in society.

Our theory is that community business, as a form of social action, is a function of social capital plus agency, and all forms of social capital (bonding, bridging and linking) need to be present and strong for community businesses to flourish. Where the social capital and agency conditions empower a community to build local responses to social challenges, community business models are more likely to thrive and contribute to a more inclusive economy.

Research approach

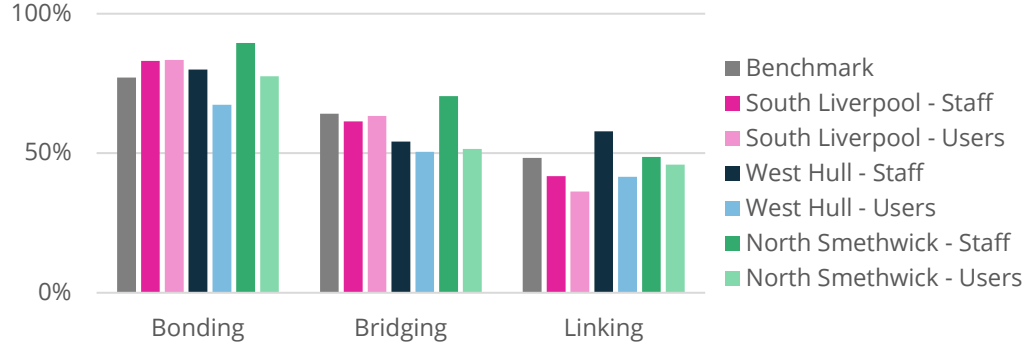
This study explores three deprived communities, in south Liverpool, west Hull and north Smethwick, which vary by the extent to which community business is flourishing, with south Liverpool considered a community business hot spot. Interviews were conducted with local stakeholders who support social and community business activity in the area to map out the forms of agency locally. Community businesses were then engaged and survey research was conducted with community business staff, volunteers and users in each of the case study communities, utilising a simplified survey based on the Office of National Statistics (ONS) social capital harmonised survey question set to measure the extent of bonding, bridging and linking social capital in place. A composite indicator was then developed taking the average for each group of questions. Utilising the ONS question set allowed us to develop a benchmark from national and regional datasets against which we could compare the case study communities.

Research findings

The study highlights how each area's history impacts heavily on the relationships of trust, norms of cooperation and reciprocity. It shows how collective action to support efforts to tackle structural inequality and build a more inclusive society is shaped by relationships within and between groups, and the ability to network outwards to formal power.

In the Liverpool study, the levels of bonding and bridging capital are high compared to the other areas, with little difference between staff and users. In terms of self-help and trust within the group of case studies, Liverpool stands out, supporting the view that social solidarity is high in this community and a key factor in the presence of a community business hot spot. However, and counter to our theory, the level of linking capital is lower in Liverpool than the other case study areas.

Social capital compared – composite survey results



To support deprived places to build community business responses that empower local people and build more inclusive economies, existing nodes of activity (community businesses or community anchor organisations) can be encouraged and supported to play a catalyst role by bridging connections locally and linking to opportunity outwardly.

Community businesses stressed the importance of skills, with critical business skills and strong governance vital to the functioning and growth of community businesses. The lack of these skills in deprived communities serves as a barrier to successful community business formation.

Community businesses stressed the importance of access to space. However, a lack of access to assets in deprived communities' acts as a significant barrier to new forms of social action and community business formation.

Recommendations

Community business champions

A programme of dedicated community business champions rooted in deprived communities can act as a resource to enable social action and encourage community business solutions. Community business champions can play a central role in identifying how deficits in bonding, bridging and linking social capital may be inhibiting social action and collective responses to social and economic challenges in deprived communities. Locating individuals and organisations within deprived places who can act as mentors to build skills, bridge connections between groups within a community and build localised networks which bring together community, private and public sector anchor organisations in place, will be critical.

Democratising the economy

Building on this study's initial exploration of the interconnection between agency and social capital, we recommend further research which explores the role community businesses play in developing more active citizens and building routes to social action by building stronger bridging and linking capital.

Aligning with the community wealth building movement

Power to Change has invested significantly in developing a body of research and testing approaches to building community businesses in deprived communities. This body of work needs to be interwoven with the emerging community wealth building movement. Government and anchor institutions at all levels recognise how community business models contribute to the principles of community wealth building.

1. Introduction

The economy is not working for everyone and it has not done so for a long time. In a period of austerity, poverty and hardship have only become more entrenched. The gaps between certain communities are getting larger, with some communities going backwards.

Inclusion of people

The Institute of Fiscal Studies predicts that inequality will continue to rise over the next five years, this is due in part to changes in real earnings, but also cuts to working age benefits.[1] Some of this can be linked to emerging business practices in the UK (such as zero hours contracts and the 'gig' economy), which are leading to less secure, less rewarding and ultimately less equitable working arrangements. The result is that many people are being excluded from meaningful economic participation as recognised in the published review into Employment Practices in the Modern Economy.[2]

This raises concerns that those who already have little opportunity to participate in the economy are getting left further behind. This research will seek to better understand how we can create the conditions for community businesses to thrive, reduce economic exclusion and promote more inclusive local economies.

Inclusion of places

In terms of places, there are clear disparities in the economic opportunities and economic growth present across different regions of the UK. The gap between the richest and poorest regions are greater than anywhere else in Europe.[3] Inner London is the richest area in the EU, but also the most unequal city in the membership of the Organisation for Economic Co-operation and Development (OECD). A major driver for regional devolution across England has been the notion that places can and should drive, and own, their own economic growth trajectories. The Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA)-led Inclusive Growth Commission[4] focused on placed-based inclusive growth, highlighting how different localities can have greater control over their economy and economic potential. However, much of this work has focused on the role that more traditional models of business and economic strategies, such as inward

[1] Hood, A. and Waters, T (2017) Incomes and inequality: the last decade and the next parliament. Institute of Fiscal Studies https://www.ifs.org.uk/publications/9192.

[2] Taylor (2017) Good work: the Taylor review of modern working practices, HMG, https://www.gov.uk/government/groups/employment-practices-in-the-modern-economy.

[3] Briefing 61: Regional inequality in the UK is the worst in Western Europe, Inequality Briefing, http://inequalitybriefing.org/brief/briefing-61-regional-inequality-in-the-uk-is-the-worst-in-western-europe.

[4] Inclusive Growth Commission, RSA, https://www.thersa.org/action-and-research/rsa-projects/public-services-and-communities-folder/inclusive-growth-commission?gclid=Cj0KCQjwpPHoBRC3ARIsALfx-_IxJDLEyDzRgwtZq7uLJzqTV-Y1wdcd1LuXmn_1Ps5WsfoiNR0zCg0aApXeEALw_wcB.

investment, have played in improving the economic performance of places that are lagging behind. The result has been a lack of emphasis on the role of community wealth building strategies and the role community business models can play to support and develop inclusive economies from within.

Addressing the evidence gap

Research to date has focused on the presence and role of community business in deprived places, but a deep analysis of the people who benefit appears to be lacking, as is an understanding of the ingredients required for community business to contribute to a more inclusive economy that benefits both places and people.

Power to Change's existing research[5] shows that concentrations of successful community business grant recipients already exist in clusters in cities and regions across the UK. Power to Change's grant recipients are more likely to be based in more deprived than less deprived areas. Although this data is encouraging in terms of a role for community business in growth that benefits disadvantaged places, a number of crucial questions remain unanswered. For example, why do community businesses start and succeed in some disadvantaged areas, but not others, and do community businesses reduce inequality between people and places?

Power to Change data suggests that many community businesses serve those more likely to experience disadvantage, such as those who are disabled or have learning difficulties (19% of businesses) and the homeless community (7%).[6] However, while we know these groups are likely to benefit from the services of a community business, to what extent do these businesses create pathways for greater economic inclusion and improved circumstances? For example, to what extent are disadvantaged groups leading community business, and thus actively shaping their own local economy?

Thirty years of CLES research demonstrates that addressing disadvantage is a pervasive challenge. For example, recent research conducted on behalf of the Inclusive Economies Unit at the Department for Culture, Media and Sport (DCMS) was driven by a recognition that, despite decades of investment in disadvantaged places, huge disparities still remain.[7] CLES' programme of research highlights the lack of a deep understanding of how national and regional economic initiatives can genuinely connect to, and support the inclusion of, disadvantaged people. For example, our work with Lankelly Chase around the inclusive growth agenda[8] shows

[5] Swersky & Plunkett (2015) "What if we ran it ourselves?" Getting the measure of Britain's emerging community business sector, Social Finance, https://www.powertochange.org.uk/wp-content/uploads/2016/03/What-if-we-ran-it-ourselves-JAN2015.pdf.

[6] Dunn,, Nicol and Paddock (2016) Analysis of applicants to the initial grants programme. Power to Change, http://www.powertochange.org.uk/wp-content/uploads/2016/07/PTC-Research-Institute-Report-July-2016-1.pdf.

[7] Bua, Whillans-Welldrake, Rouse, Maguire, Lyall and Laurence (2017) Investment in underserved areas: geographical deep dives, DCMS, https://www.bab-rc.uk/wp-content/uploads/2018/05/DEEP-DIVES-FINAL-REPORT-NEF-CLES-30.10.17-1.pdf.

[8] Working towards systems change through coproduction – Our Experience of Elephants, Lankelly Chase, https://lankellychase.org.uk/working-towards-systems-change-through-coproduction-our-experience-of-elephants/.

that major investment projects, even when they take place in disadvantaged areas, do not sustainably benefit those who experience disadvantage.

Our work with the Centre for Ageing Better (CfAB)[9] has demonstrated that while older people experiencing socio-economic disadvantage have a wealth of homegrown community business ideas, they lack the opportunities and support to start these businesses. This means that they remain the recipients of support that enables them to manage with their disadvantage, rather than leading responses, improving their social and economic wellbeing and playing an active role in shaping their economy.

The following section of this report presents our research questions in detail and explains the research methodology used to generate our findings.

[9] Centre for Ageing Better (2017) Addressing worklessness and job insecurity amongst people aged 50 and over in Greater Manchester, https://gallery.mailchimp.com/148d006f4133eac09bdc78005/files/74180f65-0936-4ea1-b120-27bff885f583/Insight_report._Addressing_worklessness_and_job_insecurity_amongst_people_aged_50_and_over_in_Greater_Manchester.03.pdf.

2. Research questions and methodology

Research questions

Those who already have little opportunity to participate in the economy are getting left further behind and the disparity of economic opportunity in different places is only growing. Community business models however provide an opportunity for local people, rooted in places, to shape a more inclusive local economy. Community businesses do start and succeed in some disadvantaged areas, but not others and this research seeks to explore the following research questions to directly test Power to Change's hypotheses[10] that community businesses can transform places by reducing contextual inequality:

1. Why do community businesses grow/thrive in some deprived areas and not others?
2. Where community businesses do operate in deprived areas, to what extent are these initiated by, or empowering for, people living in poverty?
3. What are the critical factors that allow community businesses to contribute to a more inclusive economy and how should support be shaped to encourage a more inclusive economy in the future?

Methodology

Our starting point was with the community of Toxteth in Liverpool. Through previous research[11] we had discovered a hotspot of community business activity in an area ranked in the top 10% of the most deprived nationally. Power to Change grant application and award data supported the conclusion that south Liverpool had an unusual concentration of community businesses, so we were keen to explore what was unique about this community in terms of its blend of agency and social capital.

The research approach was framed around an exploration of south Liverpool against two comparative areas of a similar deprivation profile, but places where community business models were not necessarily thriving. These were labelled as areas 'starting out' (north Smethwick) and 'warming up' (west Hull) based on the number of applications and awards from Power to Change. The methodology sought to enable comparisons of agency and social capital between places.

[10] Register of hypotheses, Power to Change, http://powertochange.staging.wpengine.com/research/register-of-hypotheses/.
[11] Heap, Nowak, Schwaller, Southern and Thompson (2019) Growth, sustainability and purpose in the community business market in the Liverpool City Region, Hestletine Institute https://www.powertochange.org.uk/research/growth-sustainability-purpose-community-business-market-liverpool-city-region/.

Literature review

A review of the emerging literature on the role of social business (including community businesses, mission-led enterprises and social enterprises) in deprived areas, was combined with an academic literature review on the role of agency and social capital in forms of social action that could lead to community business formation.

Data analysis

Power to Change grant awards data was mapped using geographic information system (GIS) tools to identify clusters of community businesses that had been supported in deprived areas. Neighbourhood geographies were developed by clustering Lower Layer Super Output Areas (LSOA) to establish communities of circa 20,000 population (see Appendix 1). Secondary data from national statistical agencies was examined to develop an area profile.

Agency mapping

Once the case study areas were defined, a series of interviews were conducted with local stakeholders who support social and community business activity in the area (see Appendix 2 for a full list).

Community business engagement

Having established the shape and scale of the local support networks we engaged with the key staff involved in the operation of community businesses in each case study area. This engagement used a structured interview approach to allow us to understand those who are operating the business and those that use its services.

Survey research

Using a survey tool building on the Office for National Statistics' (ONS) set of harmonised survey questions, we assessed indicators of social capital for both community business staff and users, with the same survey tool used for both groups to allow us to collect comparable data, also allowing comparison against benchmark national datasets (see Appendix 3).

Social capital questions were grouped under bonding, bridging and linking capital headings which then allowed for the development of a composite indicator for each of these types of social capital in each place and for each group.[12]

We worked with individual community businesses to develop an approach to collecting the survey data that was appropriate to that business, so in some instances this was a survey administered in person at an event or session of support, while in others it was distributed in paper or online form for self-completion.[13]

[12] See Table 4.

[13] South Liverpool gained 81 responses, west Hull 70 responses and north Smethwick 46.

Developing a benchmark

Utilising a structured survey (see Appendix 4) building on the ONS set of harmonised surveys allowed us to draw on data from national and regional surveys where the same questions have been used with large population samples. The following sources were used to develop a benchmark against which case study communities can be compared:

- Citizenship Survey 2010-2011
- Community Life Survey 2017/18
- Ipsos Mori 2003
- ONS Internet Usage Statistics 2018
- Birmingham study 2009
- Glasgow Effect Three Cities Survey
- Living in Lancashire – Social capital
- Angus Citizens' Panel - Fourth Survey - September 2003.

3. Literature review

Defining community business

Community businesses are local enterprises that trade for the benefit of the local community.[14] They are commonly established by local communities themselves as a response to local need, whether this is with a view to reviving local assets or protecting the services on which local people rely. According to latest estimates, there are now said to be 7,800 community businesses operating in England, with the total market income estimated at £1.05 billion with £0.69 billion of assets.[15]

Community businesses can be seen as a subset of the social enterprise market. Indeed, in many ways they are similar, with social enterprises defined as businesses with 'primarily social or environmental objectives whose profits are reinvested for that purpose, rather than being driven by the need to maximise profit for shareholders and owners'.[16] What makes community businesses distinct from social enterprises, however, is that they are locally accountable and focus on a particular place. Another important differentiator of community businesses from other socially-motivated organisations, is that they aim to impact on their localities via the means of their production, not just the ends.[17]

> **While many organisations deliver valuable and socially beneficial services to a local population, such as healthcare or education, community businesses create a special kind of impact by engaging local people as creators, not just consumers, of their outputs.[18]**

[14] Grayson, D (2018) Community Business in 2030, Power to Change, https://www.powertochange.org.uk/wp-content/uploads/2018/11/The-Future-of-Community-Business-Final.pdf.
[15] Diamond, A et al. (2019). The Community Business Market in 2018. Research Institute Report No. 11 Power to Change, http://www.powertochange.org.uk/wp-content/uploads/2017/12/Report-11-Community-Business-Market-2017-DIGITAL.pdf
[16] Young Foundation, 2009.
[17] Percy et al (2016) The community business market in 2015. Power to Change Trust, London.
[18] Ibid.

Why are community businesses important for deprived local economies?

Johnstone and Lionais[19] highlight how community business forms of entrepreneurship can benefit 'depleted communities' – communities where 'the economy is in decline and the resources of the area, according to profit-seeking capital, are used up' and yet which continue to exist as social entities with a 'strong and active network of social relations' (p226). They conceptualise community business entrepreneurship as having four distinguishing features: they 'evaluate wealth in terms of the benefits accruing to the broader community, rather than as personal profit'; 'aim to create community benefits'; are 'focused on business organisations, rather than charities, social ventures and purely social organisations'; and have 'a strong commitment to place'.

Community businesses are important for deprived economies as they 'actively develop social capital, thrive where others cannot and strengthen community resilience'. They play a key role in creating better places, with a strong sense of pride, possibility and positivity. As place-based organisations, community businesses can generate employment and trading opportunities for local people and businesses, by expressing a preference for locally based staff and suppliers. Power to Change's review of the community business market found that 73% bought locally, with 34% buying locally for the majority of their supplies. By reinvesting their profits locally, the net impact on local economies can also be significant.[20]

Nevertheless, the question of why community businesses start in some areas but not others remains largely unanswered by the research to date. Despite some data to suggest that community businesses serve those more likely to experience disadvantage,[21] to what extent do these businesses create pathways for greater economic inclusion and improved circumstance? Are disadvantaged groups leading community business and actively shaping their economy?

With a view to addressing this research gap and answering the questions posed above, we can gain some useful insights by taking a step back and considering community business, more broadly, as a form of social action. Characterised as such, the theoretical perspectives offered by the community development literature – particularly the work around social value and agency – offers a useful framework to help develop knowledge and understanding here.

Social capital and agency

Social capital has been defined in different ways, but the general consensus is that it comprises the connections between people that are strengthened through trust,

[19] Johnstone and Lionais (2004) Depleted communities and community business entrepreneurship: revaluing space through place, Entrepreneurship & Regional Development, 2004, vol. 16, issue 3, 217-233.
[20] Percy et al (2016) The community business market in 2015. Power to Change Trust, London.
[21] Dunn, F. et al. (2016). Analysis of applicants to the initial grants programme. [online] Power to Change. https://www.powertochange.org.uk/research/analysis-applicants-initial-grants-programme/.

mutual understanding and reciprocal actions, based on shared values. In other words, the norms and networks that facilitate collective action.[22] The more social capital is used, the more it grows. That is to say, the more individuals and organisations develop relationships between themselves and others, the more those relationships, and therefore social capital, is developed. Conversely, where there are few social networks, a lack of trust, no shared norms and no commitment to an area, community cohesiveness declines and social and economic underdevelopment is likely. In our deprived communities, if social capital is lacking, opportunities for collective action are reduced and social action is less able to contribute to a more inclusive economy.[23]

The literature on social capital distinguishes between bonding, bridging and linking capital.[24] Bonding social capital develops within a group of people and binds that group or organisation together. Bridging capital is what allows groups or organisations to reach out and network with other groups and organisations. Linking capital connects the civic community to political decision making and relates to the capacity to lever resources, ideas and information from formal institutions beyond the community - local authorities and grant funders, for example.

In addition to social capital, *agency* is also required to stimulate social activity. Agency is said to be the intention, ability and capacity people have to transform existing states of affairs[25] and bring about something novel that would not have otherwise occurred.[26] Agency, then, is often thought of as the force behind social action, if social capital is potential, agency activates it.

While agency is required for social action to thrive, it needs to be complemented by the right blend of social capital. If the blend is not right, action can be frustrated. For example, groups that are strong in bonding capital but weak in bridging capital can be maladaptive, as strong social norms may discourage innovations and a willingness to adapt solutions from outside of the group.[27]

Our theory then is that community business, as a form of social action, is a function of agency plus social capital. To illustrate this theory, we now turn to three case studies and then explain how the various outcomes can be understood according to this proposed framework.

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[22] Woolcock, M. (2001b) The place of social capital in understanding social and economic outcomes, ISUMA, 2 (1), 11–17.

[23] Kay, A., (2005) Social capital, the social economy and community development. Community Development Journal, 41(2), 160-173.

[24] Ibid.

[25] Harvey, D. (2002) Agency and community: a critical realist paradigm, Journal for the Theory of Social Behaviour, 32(2), 163–194.

[26] Bhaskar, R. (1994) Plato, Etc. The Problems of Philosophy and Their Resolution, Verso, New York, NY.

[27] Borgatti, S. and Foster, P. (2003) Forms of capital, in J. C. Richards, ed., Handbook of Theory and Research for the Sociology of Education, Greenwood Press, New York, NY.; Larsen, L., Harlan, S.L., Bolin, B., Hackett, E.J., Hope, D., Kirby, A., Nelson, A., Rex, T. and Wolf, S. (2004) Bonding and bridging: Understanding the relationship between social capital and civic action, Journal of Planning Education and Research, 24 (1), 167–177; Newman, L. and Dale, A., 2005. The role of agency in sustainable local community development. Local environment, 10(5), 477-486.

Table 1: Types of social capital

Bonding capital	Bridging capital	Linking capital
Ties between individuals within the same social group, associated with local communities where many people know many other people in the group (network closure). Can have both positive and negative manifestations and implications for social exclusion.	Ties between individuals which cross social divides or between social groups. It may provide access to network resources outside of an individual's normal circles and as such can provide significant individual (and group) benefits.	Networks of trusting relationships between people who are interacting across explicit, formal, or institutionalised power or authority gradients in society.

The three examples in Table 2 provide a tentative illustration of our theory that community business is a function of agency and social capital.

The last example suggests that where both of these elements come together, community businesses are able to succeed. Here we see a group of people with shared norms and values acting in concert to save their local pub and turn it into a successful community business. With respect to social capital, we can see that bonding and bridging capital are strong here. An initial group of two people reached out to a wider group who, in turn, felt an affinity with their cause and supported them in their aims. This suggests that a high level of trust and willingness to work with others was present. Linking capital was also strong as the wider group were able to draw down resource in the form of the community asset transfer and financial resources in the form of small grants, thereby highlighting their capacity to lever resources from formal institutions beyond the community. Finally, there were clearly sufficient levels of agency to activate the social capital – particularly with respect to capacity. The two individuals who started the process were, in the first instance, willing and able to bring the wider community together, which then helped them to fill the skills gap required to activate the business.

Similarly, in the first example of the community garden centre, although the business struggled initially, the group were able to fill their skills gap by enlisting the help of a local businessman who offered the necessary capacity to make the business a success. This example also highlights the right balance of bonding, bridging and linking capital. The group was clearly bound together in its common aim to preserve its local community. It was able to bridge where required to bring in additional skills and expertise and link with the council to lever resource in the form of the permission to set-up the community housing trust.

The second example, of the community day care centre, highlights the problems that arise when certain elements of social capital are missing from the equation. While the potential to link to the local authority was there, the individuals chose not

to leverage the resources on offer in terms of access to qualifications and wages. This could have been because of a lack of shared values in terms of what was perceived to be important to the economic development officer not being shared by the individuals for whom the training was intended, or a case of lack of social capital meaning that the individuals did not believe they had the ability to succeed at the training. Consequently, the activity required to get this business off the ground was focused around trying to build sufficient levels of social capital to enable the necessary social action to occur. In short, working with the community to break down barriers. However, this was not a quick fix, and took the local economic development team two years to build the necessary bridges to encourage local residents to participate.

The notion that community business is a function of agency and social capital helps to deepen our understanding of how and why community businesses may succeed or not, and why this may be more challenging in deprived areas where social capital is reduced. Perhaps most apparent here is the sense that while agency is of course required to ignite social capital and generate action, it is the absence of social capital that is most pernicious with respect to community business development.

The above discussion highlights a useful way of understanding community business activity in relation to agency and social capital in developing a more inclusive economy in deprived communities, but it is only a preliminary sketch. The idea that the success of community business hinges on the agency plus social capital function is clearly plausible, and by applying our conceptual framework to our detailed case studies, we start to reveal some insights into what is needed for community business to thrive in deprived places.

Table 2: Community business examples

Community garden gentre	Community day care	Community pub
In Liverpool during the 1980s there was a planned demolition programme of poor-quality high-density tenements, which dispersed residents into peripheral estates and new towns. Notwithstanding the dilapidated housing conditions, the residents of a few streets around Our Lady of Eldon Street Church decided that they did not want to move away. Instead, they decided they would take over the local housing association and formed a housing co-operative with the backing of the City Council. In addition, they developed a community trust to foster social infrastructure projects in the form of community businesses. The first of these businesses to be established was the Eldonian Garden Market Centre. While this business struggled initially due to a lack of business acumen, they were able to partner with a Birkenhead businessman who took over 75% of the business, retaining all of the local employees. Learning from their experience, other community businesses established since have been set up in partnership with other organisations, both to spread the risk and bring in outside experience.	The East Area Partnership was formed in 1993 connecting parts of Dovecot, Croxteth and Deysbrook, three distinct areas in Liverpool that did not previously interact. Involving the Council's economic development arm, funding was secured to help facilitate community business activity. A particular focus here was on involving local people in the provision of childcare and the establishment of a community childcare centre. As part of the proposal, a group of women were to be trained to National Nursery Examination Board standard, enabling them to become qualified child-minders. The problem, however, was that the women had not been properly consulted and when the local economic development manager approached them to discuss their training (including a recognised qualification and a wage), they declined to become involved. What had been drastically underestimated was the women's lack of confidence – many had been non-attenders at school and did not believe they had the ability to pass exams. Economic development activity was therefore refocused to help break-down these kinds of barriers and encourage the women to participate in the scheme.	In 2013, two local residents in Tottenham started to investigate how they could save their local pub which was due to be sold to a developer who had plans to convert the building into flats. After receiving the backing of their wider community, they applied to have the pub classified as an asset of community value (ACV). Under the Localism Act 2011, voluntary and community organisations can nominate an asset to be included on their local authority's register of assets of community value. By holding a series of public meetings, they enlisted the help of fellow residents with an array of skills. From lawyers and designers, to local brewers and bakers, they were able to marshal the expertise required to raise capital through local fundraising initiatives and apply for a series of small grants. After the pub was classified as a bona fide community asset, they were given the option to buy it and took ownership in March 2015. The pub has been run as a successful community asset ever since.

4. Case study areas

South Liverpool (hot spot)

The south Liverpool study area is defined by a collection of LSOAs (18) to the south of Liverpool city centre with a population of 25,342 at the last census[28]. Centred on the community of Toxteth, the case study area also takes in the Baltic Triangle, Sefton Park, and parts of Dingle.

The once-rural area became Liverpool's largest urban conurbation during the Industrial Revolution, fuelled by the arrival of working-class migrants to Liverpool's docks and factories. Due to proximity to the workplaces in the city centre, Toxteth has historically also been the settlement of choice for Liverpool's arriving migrants, for example Irish workers in the 19th century, and African-Caribbean workers in the 20th century.[29]

Dingle, 1910

[28] Office for National Statistics (2016) 2011 Census aggregate data. UK Data Service, http://dx.doi.org/10.5257/census/aggregate-2011-1.

[29] Kelly (2014) Migration to Liverpool and Lancashire in the Nineteenth Century, https://warwick.ac.uk/fac/arts/history/chm/outreach/migration/backgroundreading/migration/.

South Liverpool community businesses

We worked alongside the following community businesses in south Liverpool:

Liverpool Homeless Football

Liverpool Homeless Football Club (LHFC) is a Liverpool-based charity football club which uses football to help 'citizens of Merseyside who struggle with homelessness, drug addiction, violence, legal issues, personal issues and a great deal more.' LHFC engages vulnerable local residents through football in order to ensure their physical and mental wellbeing. LHFC has recently founded a secondary community business called The Back Kitchen, an outside catering trailer which feeds matchday attendees, as well as appearing at the Pier Head on behalf of Liverpool City Council.

The Florrie

The Florence Institute for Boys was built in 1889 and served as a community asset – becoming a hub for sports, art and music. It closed in the late 1980s after falling into a state of disrepair but was resurrected after the local community raised funds for its restoration, re-opening again in 2012. As well as its education and training offer, the Florrie runs a community café and rents out a series of workspaces to other local businesses/micro enterprises. It reinvests all its profits back into the building in order to provide free community activity around arts, music and yoga.

Tiber

Tiber was set up in 2004 by local resident Debbie Wright as a response to the lack of arts and sports facilities for children and young people in Toxteth. After negotiating with the council, she managed to secure the site of an old school on Lodge Lane from the council for a fee of £1. Tiber Enterprises was established to manage the project as a community business. It provides arts facilities for local young people as well as office space that can be rented to local community groups and start-ups. After securing funding from Power to Change and the FA, Tiber has also built a 3G football pitch.

Squash

Squash is a creative food enterprise that has been rooted in South Liverpool since 2007. It is led by a diverse group of local people, committed to participatory social change, with backgrounds in cooking, horticulture, visual arts, filmmaking, performance and architecture. Squash brings culture and community together with a view to reclaiming food production via food growing, cooking and culinary craft skills. From mass cook-ups to full blown seed and food gardens, Squash also owns and manages a community-designed building with a community café and ingredients-based shop. It hosts an annual four-season arts festival and has designed a 100-year street plan to explore new ways for the local neighbourhood to flourish.

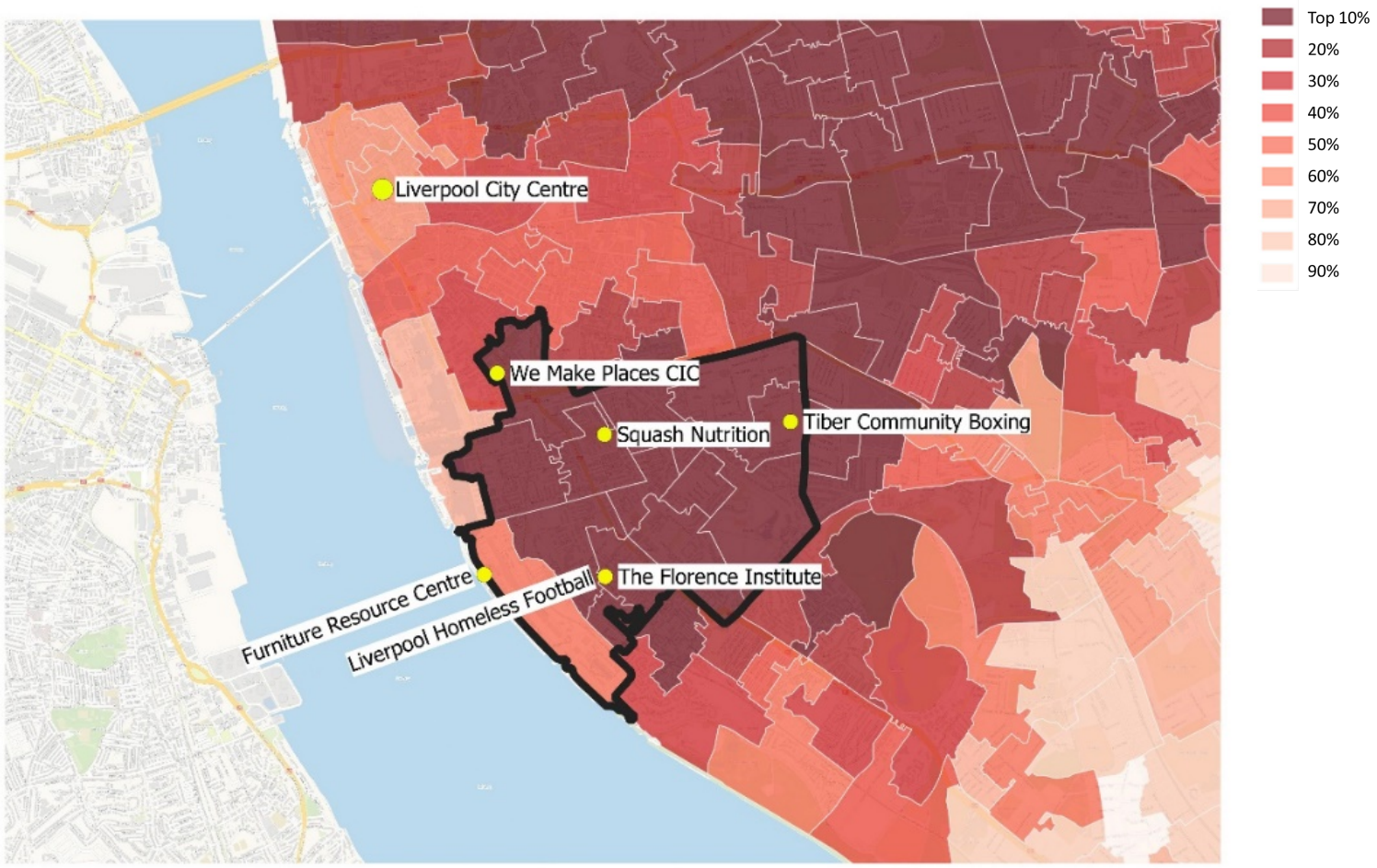
Furniture Resource Centre

Furniture Resource Centre is a social business that is wholly owned by the charity FRC Group, whose aims are to assist people living in poverty through the provision of furniture, jobs and training opportunities. They use their surplus to help address the housing needs of many of the UK's most disadvantaged people and use the contracts they win to employ and train people who need a helping hand onto the employment ladder. The FRC Group has created a multi-million-pound annual turnover, making them self-sufficient and sustainable. They currently have a team of 84 staff.

South Liverpool area map

The map below highlights the study area in relation to Liverpool city centre and provides the location of the case study community businesses. The map is overlaid with the Index of Multiple Deprivation 2015, highlighting the decile rank of each LSOA, with the top 10% representing the most deprived.

Figure 1: South Liverpool case study area and case study community businesses



West Hull (warming up)

The west Hull study area is defined by a collection of LSOAs (13) to the west of Hull city centre with a population of 22,199 at the last census.[30] The area is bounded by the railway to Cottingham in the north and the Humber estuary to the south. The area was the centre of Hull's fishing and shipping industries. The development of the canal system from the 18th century meant that Hull was the focus of a rapidly growing two-way trade, raw materials inwards and manufactured goods and produce outward, which involved the whole of the north of England and the Midlands. Both fishing and shipping have declined significantly, leaving the area economically deprived.

Hull docks c.1920

[30] Office for National Statistics (2016) 2011 Census aggregate data. UK Data Service, http://dx.doi.org/10.5257/census/aggregate-2011-1. See Appendix 1 for a list of case study LSOAs.

West Hull community businesses

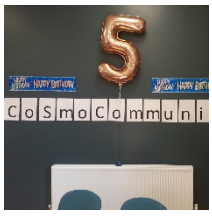
We worked alongside the following community businesses in west Hull:

Child Dynamix

Child Dynamix work with children and young people growing up in challenging and difficult circumstances, including living in families with issues such as addiction, domestic and other forms of abuse, or a parent or sibling in prison. Child Dynamix began as a nursery on the Preston Road Estate, focusing on social regeneration in areas of deprivation. They now run a wide range of projects, facilities and services, including youth clubs, Little Stars Children's Centre, play work, parent peer mentoring, charity shops and sports activities. They employ 96 staff and support 55 volunteers.

Goodwin Development Trust

Goodwin Development Trust was set up by 14 residents to tackle issues in their community in 1994, and now has children's centres and nurseries, a state-of-the-art conference centre, a community college, disability care facilities, ports pitches, a youth and arts centre, performance space, and meeting rooms and the city's first code 5 social eco-housing. The Goodwin team has a strong workforce of 200 employees along with 140 volunteers who help the local people of west Hull.



Cosmo Solutions CIC

Cosmo Solutions CIC support disadvantaged people in west Hull and the surrounding area to enable them to play an active role in the local community. Cosmo Community CIC helps people to develop skills, self-confidence and more, through coaching and social enterprise projects. Combining knowledge of the digital and business world, Cosmo Solutions CIC run educational courses on business and employment, enriching lives by improving social, language and digital skills.

Giroscope

Giroscope buys and renovates empty properties to provide homes for those in housing need. These properties are finished to a high standard, are energy efficient, and let at affordable rents. Prospective tenants are encouraged to get involved in the renovation of their homes. Giroscope provides security of tenure which brings stability to the community. They have so far developed over 100 properties and have over 250 tenants and 90 active volunteers.

Lonsdale Community Centre

The Lonsdale Community Centre is well-established, opening in the early 1980s. The building, a former Sunday school, was built in 1911 and is owned and managed by the trustees who are all local, passionate people. The centre delivers employment and health projects to support local people. The Lonsdale Community Centre building houses an airy café where you can enjoy a relaxing meal or just a cup of tea or coffee. The Lonsdale Community Shop on Anlaby Road sells a wide range of second-hand and vintage goods.

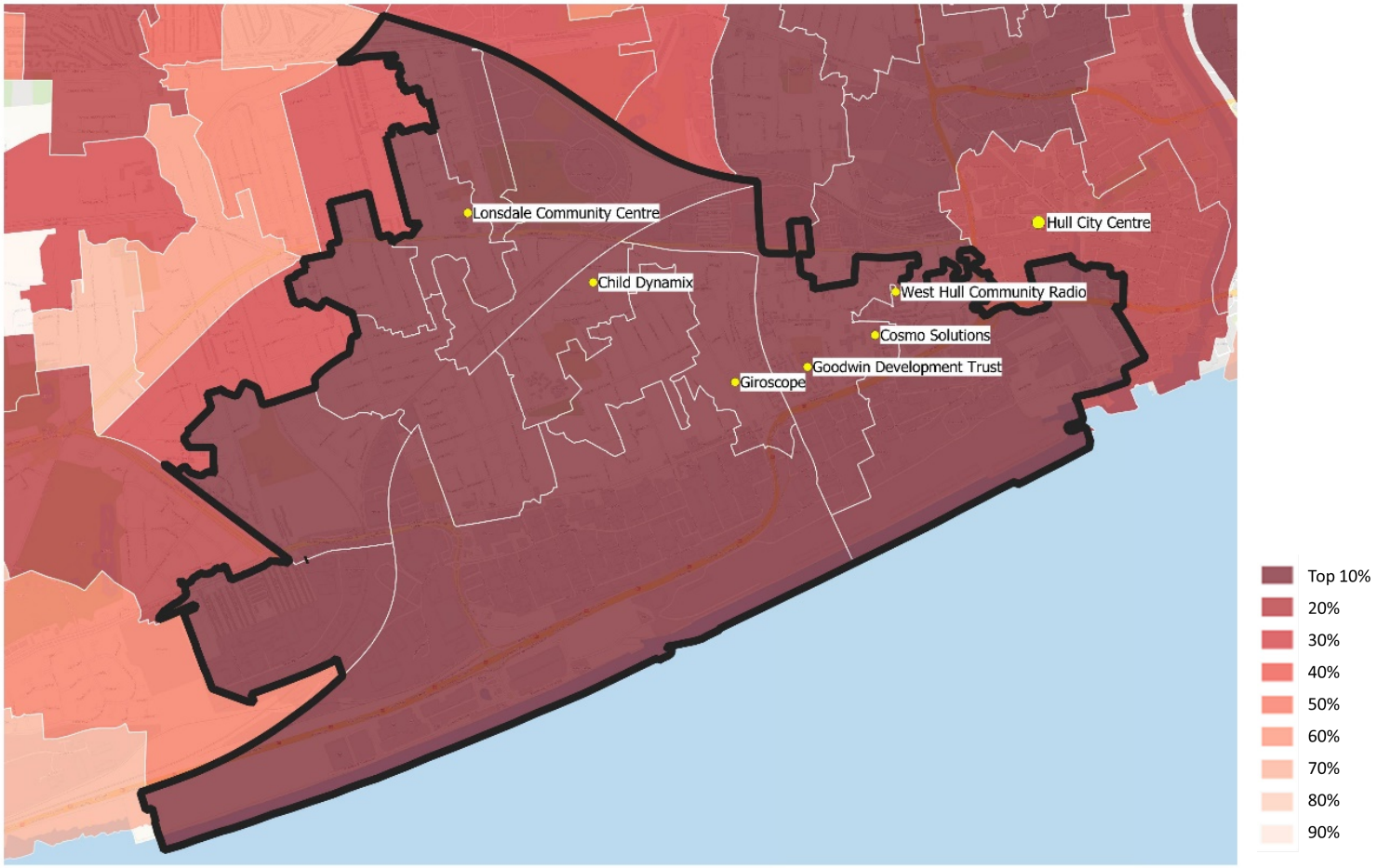
West Hull Community Radio

West Hull FM aims to produce truly local radio, working with volunteers, local groups and organisations to give a voice to the community. The station is staffed, mostly by a team of dedicated, committed volunteers who excel in producing and presenting unique and innovative programming. West Hull FM started broadcasting in 2007 as WHCR and is a not-for-profit community station licensed by Ofcom to broadcast to west Hull and the surrounding area on 106.9FM. Over 100,000 people live within the target area, choosing to listen, both on FM and online.

West Hull area map

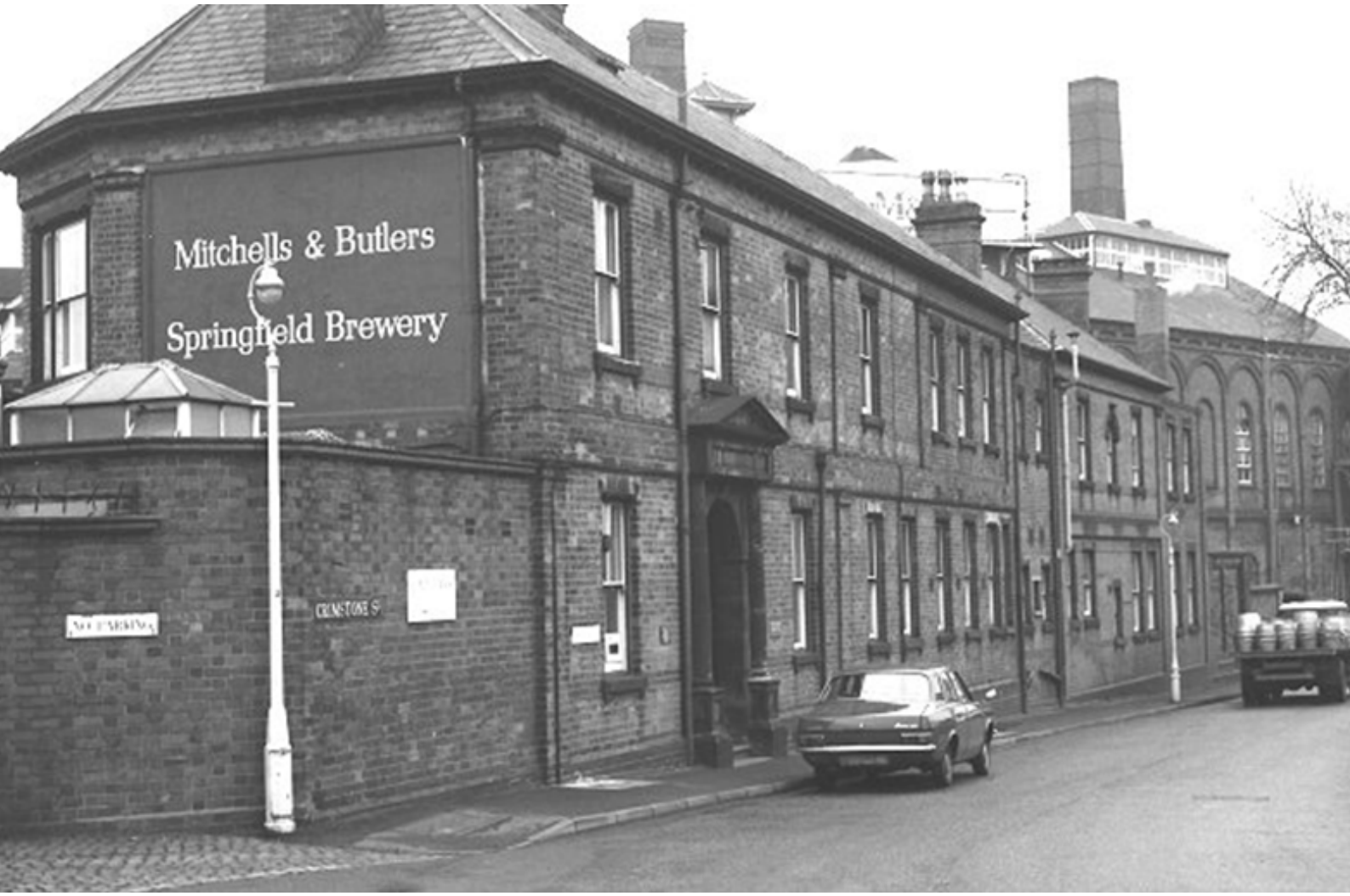
The map below highlights the study area in relation to Hull city centre and provides the location of the case study community businesses. The map is overlaid with the Index of Multiple Deprivation 2015, highlighting the decile rank of each LSOA, with the top 10% representing the most deprived.

Figure 2: West Hull case study area and case study community businesses



North Smethwick (starting out)

The north Smethwick study area is defined by a collection of LSOAs (11) to the north of Smethwick town centre with a population of 22,740 at the last census.[31] The area sits between the M5 motorway in the west and the A41 in the North. Smethwick's location, in the local authority area of Sandwell, to the west of Birmingham meant that it became a manufacturing and engineering hub, after a canal and railway were completed to carry coal and iron from the Black Country to Birmingham. Boulton and Watt, an early British engineering and manufacturing firm, established the Soho Foundry for the manufacture of steam engines, and other industries such as glassworks and ironmongeries soon followed suit. Manufacturing still plays a role in Smethwick – providing employment for 15.8% of the Sandwell population (compared to just 8.2% of the entire British population).[32]



Cape Hill 1960

[31] Office for National Statistics (2016) 2011 Census aggregate data. UK Data Service, http://dx.doi.org/10.5257/census/aggregate-2011-1 See Appendix 1 for a list of case study LSOAs.
[32] Ibid.

North Smethwick community businesses

We worked alongside the following community businesses in north Smethwick:

Ideal for All

Ideal for All is a user-led charity and social enterprise working to make life better for disabled, elderly and vulnerable people. They have an active membership of nearly 3,500 and have supported more than 23,000 individuals since 1996. Ideal for All generates income through their Growing Opportunities project which offers fully accessible therapeutic gardening, food growing and healthy eating programmes for individuals, community groups and schools, equipped with onsite classrooms and fresh produce for sale.

North Smethwick Community Development Trust

The North Smethwick Community Development Trust has been active since 1988, when a group of local people challenged a compulsory purchase order on some nearby housing. In 2013 the Trust signed a 99-year lease agreement and community asset transfer with Sandwell Council to redevelop the Brasshouse community centre into a new community hub, offering school holiday clubs, venue hire, a catering social enterprise and match day car parking, supporting local people and offering volunteering and employment opportunities.

Sikh Community and Youth Service (SCYS)

SCYS provides a one-stop employment, education, mental health, housing and welfare advice centre. Established in 1976 as a charity, it became a community business as a way to generate income when funding became harder to access. Alongside general advice, guidance and translation services, SCYS rents out accommodation to local vulnerable people. With a small team of five paid staff, SCYS also has eight regular volunteers who support it on a variety of fronts, from fundraising to front line support with legal and housing issues.

The Real Junk Food Project

The Real Junk Food Project (TRJFP) is made up of a network of over 130 projects and 60 pay-as-you-feel cafés. The Project intercepts food that would otherwise go to waste from supermarkets, restaurants and other sources. In Sandwell/Birmingham, TRJFP has been operating since 2014, saving over 600 tonnes of waste food and serving 200 meals a week. The Project operates a regular café at the Ladywood Centre in Smethwick, a low-cost food pantry supermarket, and provides 'Freegan' food boxes. TRJFP Sandwell/Birmingham has grown over recent years and now employs two members of staff and has over 50 regular volunteers.

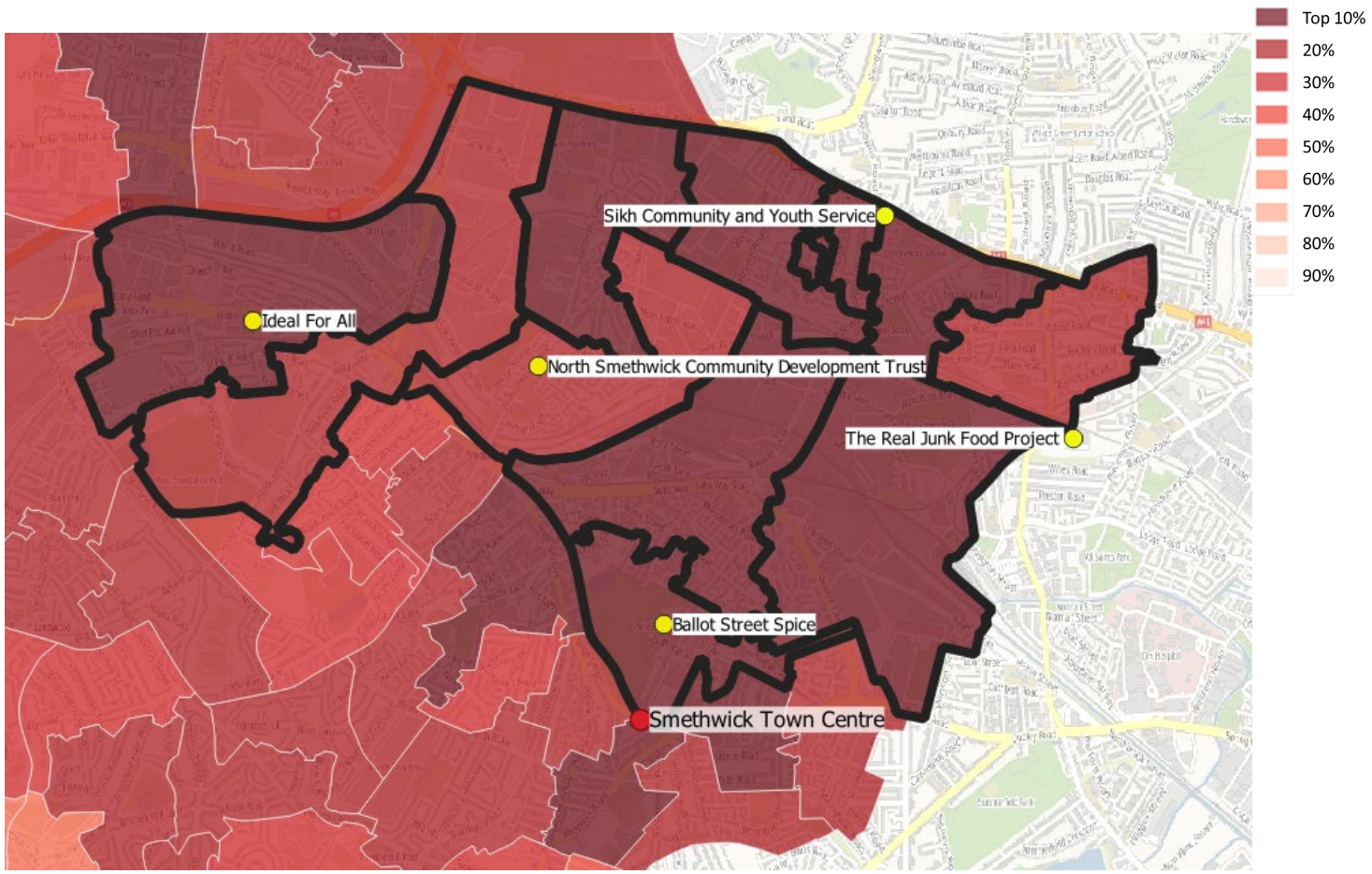
Ballot Street Spice

Ballot Street Spice is a social enterprise, grown from Victoria Park Primary Academy's Spice Academy. A weekly after-school spice club, where pupils and families from diverse backgrounds come together to learn, cook and share spice blend recipes. Ballot Street Spice started as a way to factor social enterprise into the school curriculum and evolved into a way to bring together families and develop the rich diversity of cultures that attend the school. The school-based business is run by the pupils and owned by the local community, with the aim of bringing people together with real learning opportunities. The spice mixes are then sold online, at school fetes and local events.

North Smethwick area map

The map below highlights the study area in relation to Smethwick town centre and provides the location of the case study community businesses. The map is overlaid with the Index of Multiple Deprivation 2015, highlighting the decile rank of each LSOA, with the top 10% representing the most deprived.

Figure 3: North Smethwick case study area and case study community businesses



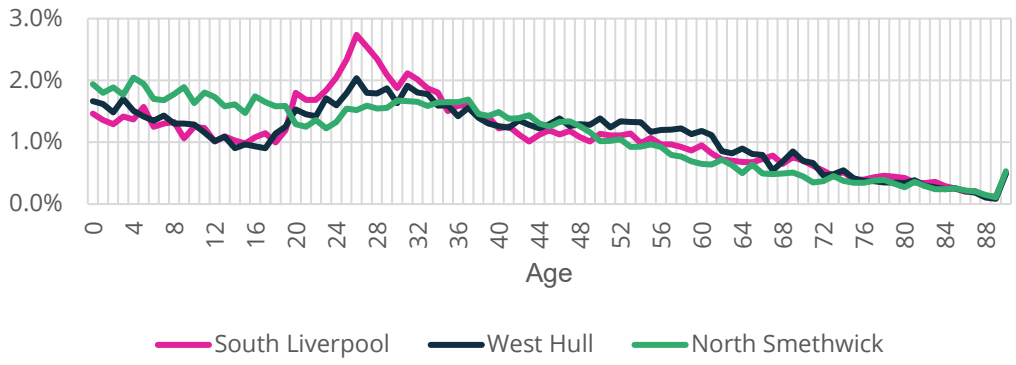
Area profile

The following section provides a comparison area profile for the case study geographies, highlighting the similarities and differences in the socio-economic composition of the areas under study.

Age (single year)

North Smethwick has a younger population than the other two areas, with 33% of the population aged 18 or under (south Liverpool 23%, west Hull 24%). South Liverpool has a significant spike in the ages between 19 and 35 with 33% of the population in this age group (north Smethwick 26%, west Hull 29%). In terms of working age population (16-64), 69% of the south Liverpool population fits within this bracket, 68% in west Hull and 64% in north Smethwick.

Figure 4: Population by single age

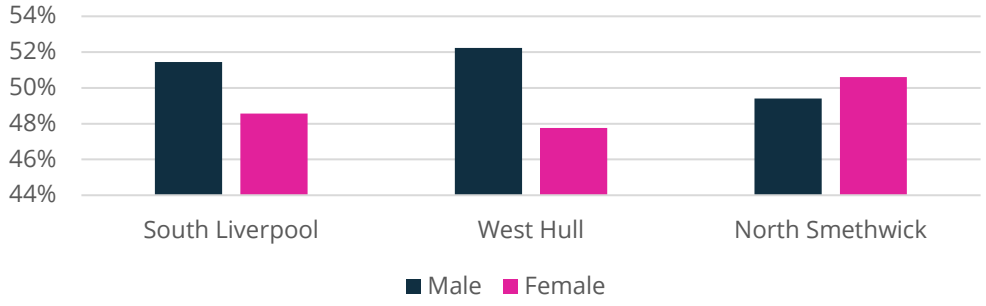


Source: Mid-2017 Population Estimates, ONS

Gender and ethnicity

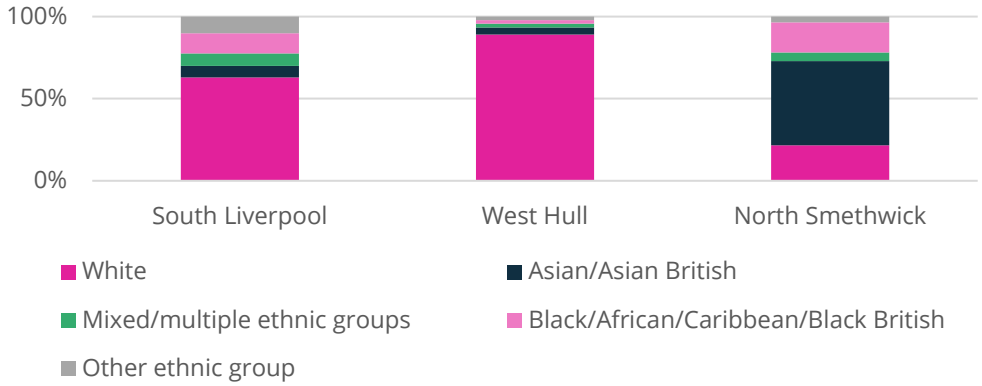
South Liverpool and west Hull have more males in the population, while north Smethwick is the reverse and has more females than males. South Liverpool and west Hull are majority White, while north Smethwick is majority Asian/Asian British. West Hull has the lowest level of ethnic diversity, with a BAME population of 11% (south Liverpool 37%, north Smethwick 78%).

Figure 5: Gender



Source: Census, 2011

Figure 6: Ethnicity

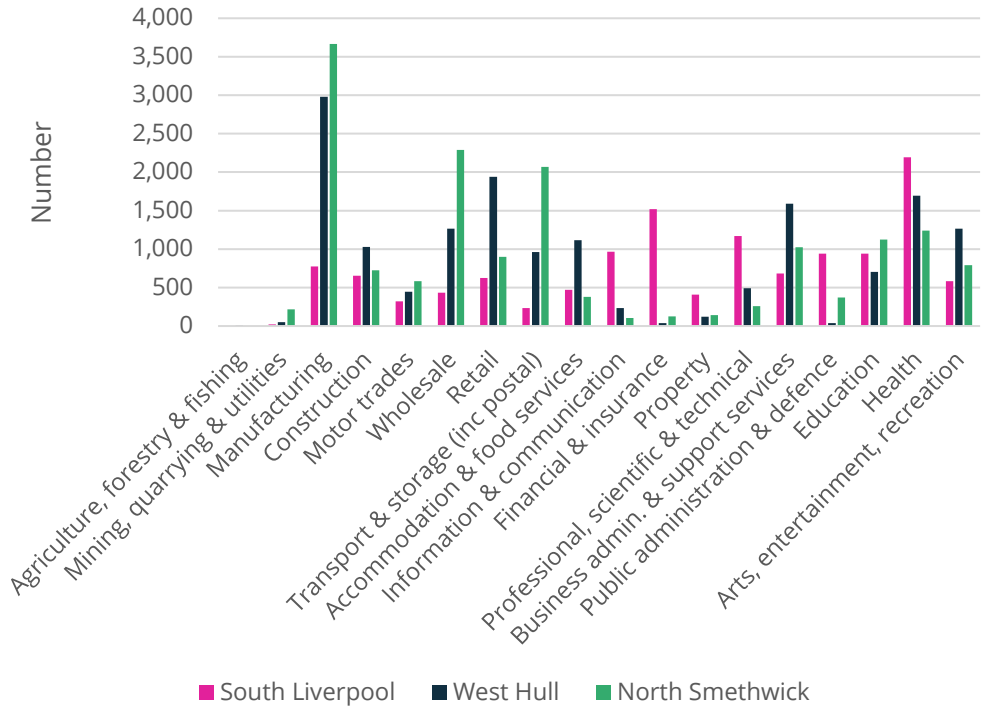


Source: Census, 2011

Industry

Manufacturing, wholesale, transport and storage dominate in west Hull and north Smethwick in a way that is not seen in south Liverpool. In north Smethwick these three broad industry groupings account for 50% of employment, in west Hull its 33% while in south Liverpool just 11%. Industrial groupings such as information and communication, financial and insurance, property, professional, scientific and technical, business administration and support services, public administration and defence and health are much more significant in south Liverpool than the other two areas, collectively employing 52% (16% west Hull, 13% north Smethwick), suggesting quite a different local economic base.

Figure 6: Industry by employment, 2017



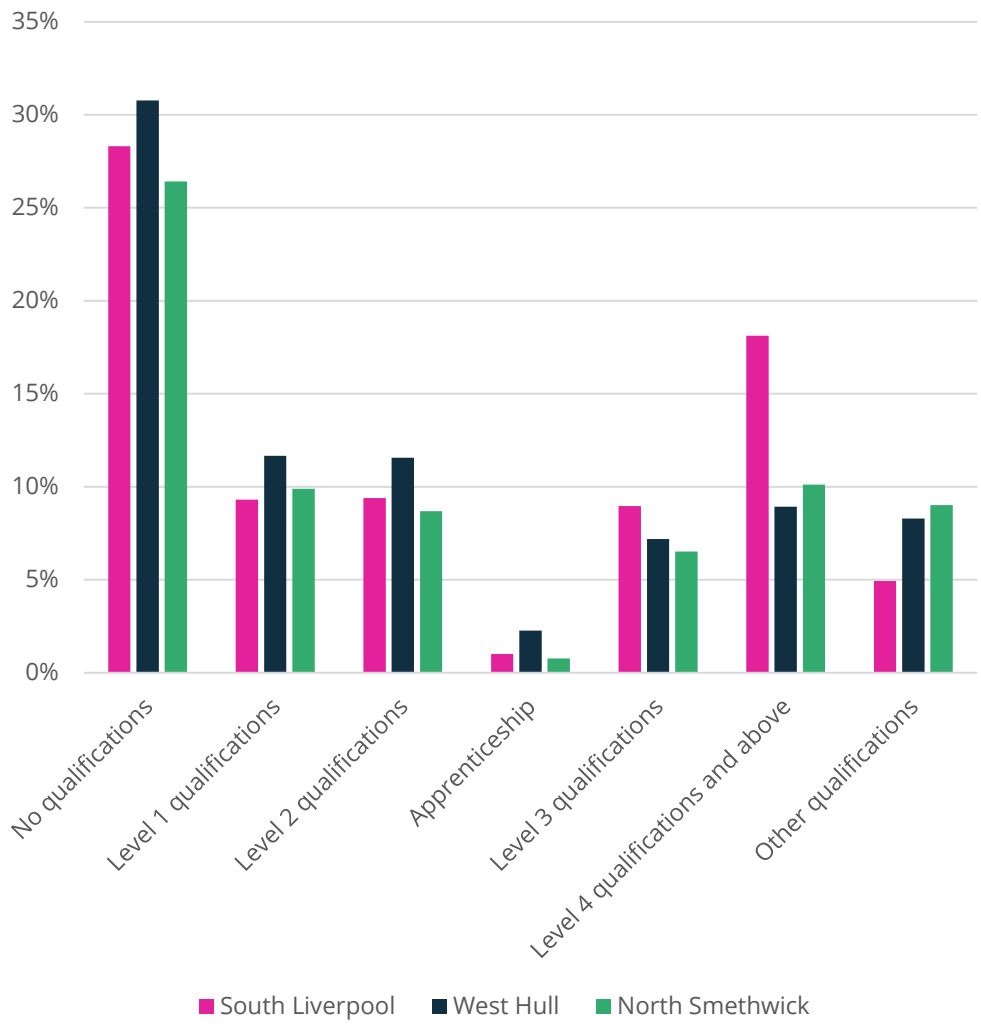
Source: Business Register and Employment Survey

Qualifications

The share of the population in the case study areas with no qualifications ranges from 26% in north Smethwick to 31% in west Hull. Figure 8 below shows the prevalence of the following qualifications:

- level 1 qualification is equivalent to GCSE grades D–G. This is the highest qualification for between 9%-12% of the population in the case study areas.
- level 2 qualification is equivalent to 4-5 GCSE grades A*-C. This is the highest qualification for between 9%-12% of the population.
- level 3 qualification is equivalent to A Level. This is the highest qualification for between 7%-9% of the population.
- levels 4 and 5 equate to the first and second years of a bachelor's degree respectively – south Liverpool stands out, with a significantly higher rate of the population (18%) with a level 4 qualification or above.
-

Figure 7: Highest level qualification

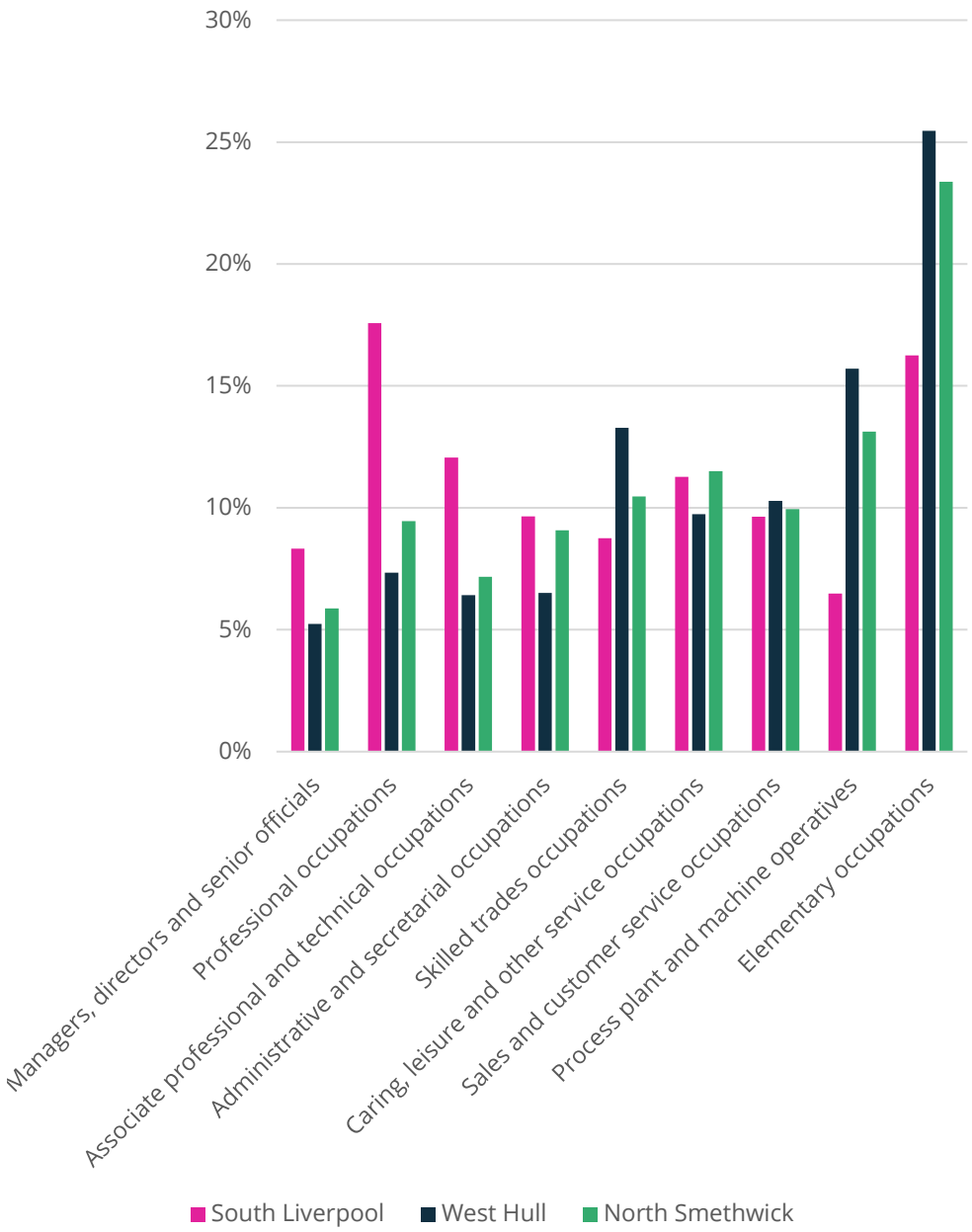


Source: Census, 2011

Occupation

West Hull and north Smethwick have similar occupational profiles, with south Liverpool standing out with a larger share of managers, directors and senior officials and those considered to be in professional, associate professional and technical occupations. It appears that higher skills (see previous page) directly translate into occupational groupings in south Liverpool. A much larger share of the labour market in west Hull (41%) and north Smethwick (36%) work in process plant and machine operative and elementary occupations as compared to south Liverpool (23%).

Figure 8: Occupational groupings

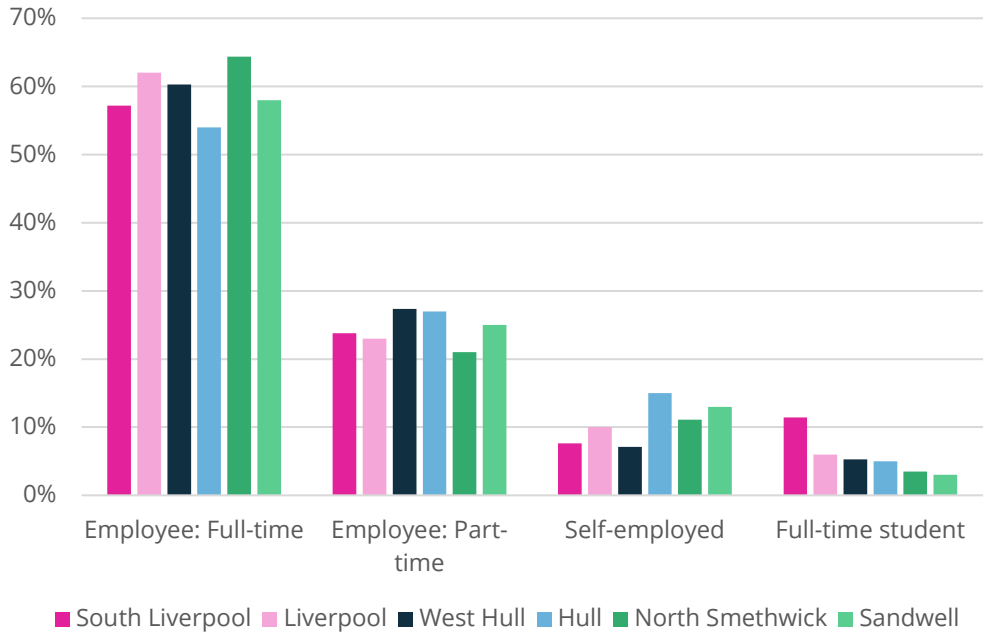


Source: Census, 2011

Employment status

Full-time and part-time employment levels vary between the case study areas with more part-time employees in west Hull and more full-time employees in north Smethwick. In comparison to their wider local authority areas south Liverpool had less full-time employees, however both west Hull and north Smethwick had higher rates of full-time employment. Self-employment was highest in north Smethwick at 11%, with 8% in south Liverpool and 7% in west Hull, with each area having rates lower than their wider authorities. Self-employment may be viewed as a proxy for a level of entrepreneurialism which can drive new business formation and therefore new community business formation.

Figure 9: Employment status, 2011

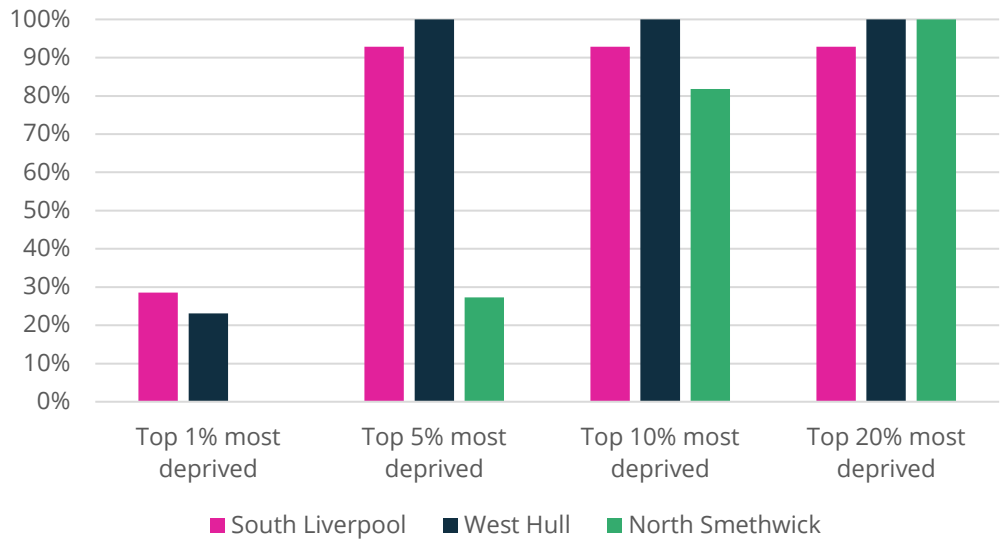


Source: Census 2011

Deprivation

Despite a higher skill and occupation profile, south Liverpool is ranked as slightly more deprived, with 29% of LSOAs[33] within the case study geography ranked within the top 1% of most deprived in 2015. All the LSOAs within the west Hull case study area (100%) were ranked within the top 5% most deprived nationally. North Smethwick is relatively less deprived than south Liverpool and west Hull, however 27% of LSOAs are within the top 5% and all north Smethwick LSOAs (100%) fall within the top 20% of most deprived nationally.

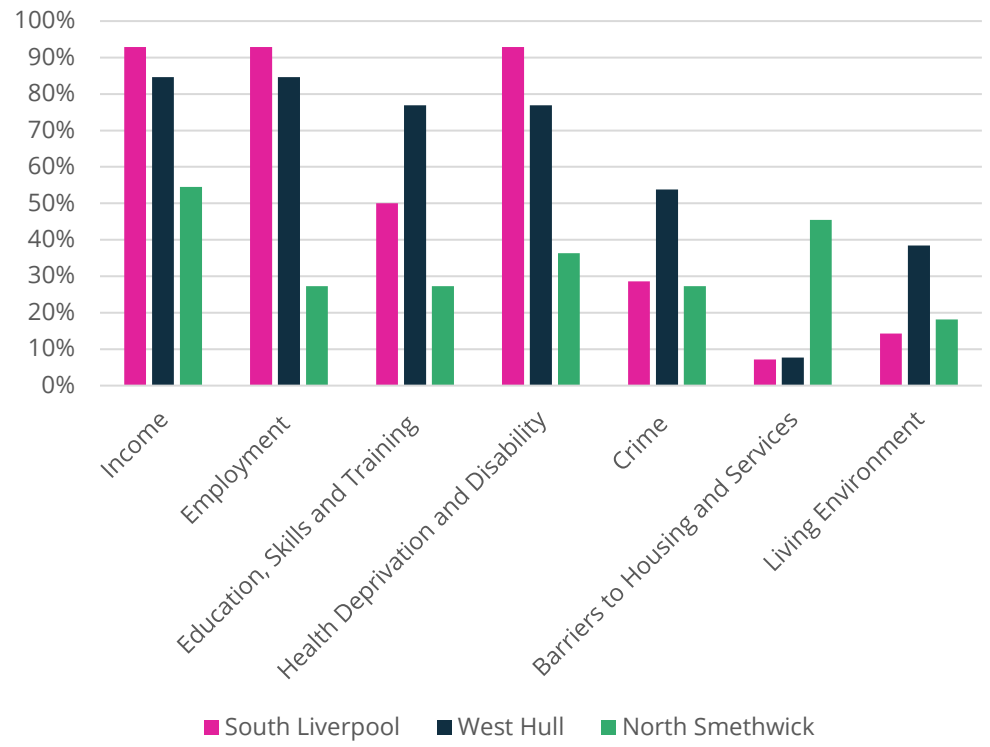
Figure 10: Deprivation



*Source: Index of Multiple Deprivation 2015*Exploring the seven domains that are utilised to build up the Index of Multiple Deprivation ranking in Figure 12, south Liverpool and west Hull have more similar profiles, with north Smethwick relatively less challenged, with the exception of the barriers to housing domain, where 45% of LSOAs rank with the top 20% most deprived. South Liverpool has 93% of its LSOAs within the top 20% deprived nationally within the income and employment domain, despite having a higher skilled labour market compared to just 27% in north Smethwick. North Smethwick also ranks comparatively better on education and skills and health. West Hull is perhaps slightly more challenged in terms of crime and the quality of the living environment than the other two case study areas.

[33] See Appendix 1 for LSOA details.

Figure 11: IMD by domain – share of LSOAs within the top 20% most deprived - 2015

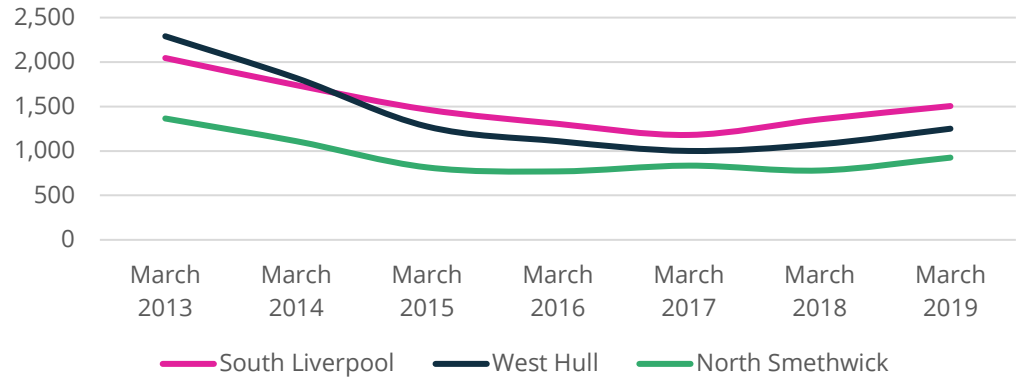


Source: Index of Multiple Deprivation 2015

Benefit claimants

Benefit claims have followed a similar trend in all three case study areas over the past few years, with falling numbers of claimants between 2013 and 2015, which have subsequently plateaued and started to rise again. In terms of rates of claimants, for the 2017 mid-year population, the claimant rate in south Liverpool was the highest at 7.8%, with 6.9% in west Hull and 4.7% in north Smethwick.

Figure 12: Benefit claimants



Source: Department of Work & Pensions, 2019

In summary

The three areas share a number of similarities, having all had flourishing industrial bases due to their locational advantages on the edges of the great cities of Liverpool, Manchester and Birmingham. The docks in Liverpool and Hull and the canal in Smethwick shaped the economic activity of the surrounding area and attracted the large employers which dominated and shaped the working life and culture of these places. The heavy industries which drove the local economy have, however, declined and successive rounds of economic restructuring across the national economy have not favoured these locations. As the industrial fortunes of these places waned, they have shared the experience of a failing local economy and rising social challenges. These places now rank among the most deprived places in England. This shared experience may produce higher levels of bonding capital, where stable residential populations and close familial proximity maintain and build social capital in the face of adversity.

All three areas, as defined, have similar populations, with between 22,000 and 25,000 people. However, north Smethwick has a significantly younger population by comparison, and south Liverpool has a significantly larger young adult population. This may in part be shaped by the ethnic composition in north Smethwick and the emergence of inner-city gentrification in and around the Baltic Quarter in south Liverpool, which has attracted inward migration of younger adults seeking affordable housing stock. The industrial base of south Liverpool has perhaps shifted more than that of the other two areas, with employment in financial and insurance services standing out as a marker of a quite different employment base. In terms of qualifications, south Liverpool again stands out from the others with significantly higher levels of level 4 qualifications and professional occupational groups. South Liverpool is, however, ranked as more deprived that west Hull and north Smethwick, with one third of the area ranked in the top 1% most deprived, and it continues to experience higher levels of benefit claims than the other two areas. It is possible that today's incoming groups in south Liverpool may support a growth in bridging capital, bringing new ideas and experiences which can be shared across groups within a community.

While the economic histories and overall deprivation of these three areas are broadly similar, we see uniquely in south Liverpool, clusters of wealth side by side with extreme deprivation. Grassendale and Cressington, 19th century gated private estates which were built for wealthy Liverpool merchants in what was then open country, sit on the southern edge of the case study area, potentially providing a local population with higher levels of linking capital. There is the emergence of a younger, higher skilled population in south Liverpool, and there is emerging evidence that millennials are demanding the businesses and organisations they interact with be more socially conscious and responsible,[34] and this can be seen to be spilling over into emerging forms of social entrepreneurialism in the community. However, south Liverpool does not stand out against its wider authority or the other case study areas in terms of self-employment, a possible proxy for entrepreneurialism.

[34] Deloitte (2019) The Deloitte Global Millennial Survey 2019, Deloitte, https://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html.

5. Measuring social capital

Community business, as a form of social action, requires social capital to be present and strong to enable it to flourish in deprived communities and empower the economically marginalised to play a role in the development of a more inclusive economy. In this section we explore our survey findings from a mixture of administered and self-administered surveys with community business, staff, volunteers and users.

Indicators of bonding, bridging and linking social capital are explored across the case study communities, and compared with a benchmark drawn from national and regional datasets.[35] The analysis also draws a distinction between those running community businesses and their users in each place.

The ONS set of harmonised survey questions, categorised by social capital type as detailed in Table 3 have been used to create a composite indicator, taking the average of all responses under each social capital typology. Table 4 provides a key to read the spider diagrams within this section of the report, which provide a visual interpretation of the data for each case study community.

Table 3: Types of social capital

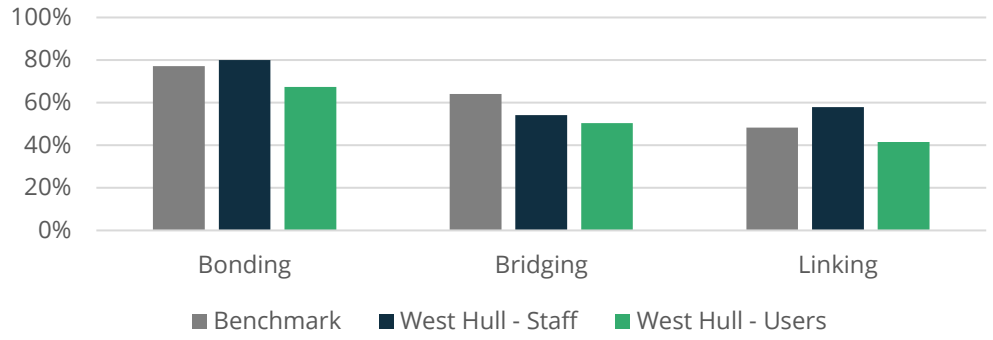
Bonding capital	Bridging capital	Linking capital
Ties between individuals within the same social group, associated with local communities where many people know many other people in the group (network closure). Can have both positive and negative manifestations and implications for social exclusion.	Ties between individuals which cross social divides or between social groups. It may provide access to network resources outside of an individual's normal circles and as such can provide significant individual (and group) benefits.	Networks of trusting relationships between people who are interacting across explicit, formal, or institutionalised power or authority gradients in society.

[35] See Appendix 3 for more details of the data sources that have been utilised to establish the benchmark.

West Hull

In the composite measures of social capital, staff in west Hull displayed higher rates of bonding, bridging and linking capital than the user base, with the largest disparity in the indicators of linking capital. Staff in our survey reported an 80% average in response to the indicators of bonding capital, higher than the benchmark[38] and significantly higher than the community business users who reported a 67% average. Bonding capital demonstrates ties between individuals within the same social group, associated with communities where many people know many other people in the group (network closure) but this can have both positive and negative manifestations and implications for social exclusion. While bridging capital responses were broadly similar at the composite level, there was a 16% disparity in measures of linking capital, with staff reporting above the benchmark and users below it, perhaps reflected by a core staff group who have been operating in west Hull for a significant length of time.

Figure 16: Composite social capital measures in west Hull



In terms of bonding capital, only 7% of west Hull community business users agreed they lived in a neighbourhood where people help each other, by far the lowest response of any group and nearly seven times lower than the south Liverpool community business user group (47%). This could in part reflect the more recent history and lasting reputation of an area struggling with drugs and prostitution. These issues having only in recent years been tackled significantly, notably with the local community taking a lead role in the development of community level responses using new wireless technology CCTV. So, while community responses are strong, the depth of bonding capital may be weak and prevent a more inclusive approach to community business development.

While there was only a 4% disparity between staff and users at the composite level for bridging capital, the largest difference between the groups was in response to the statement 'Most people can be trusted'. Only 15% of community business users in west Hull agreed with this statement, compared to 32% of community business staff. This lack of trust extends to the local authority, the courts and parliament, with the differential between staff and users in their response to trust in the local

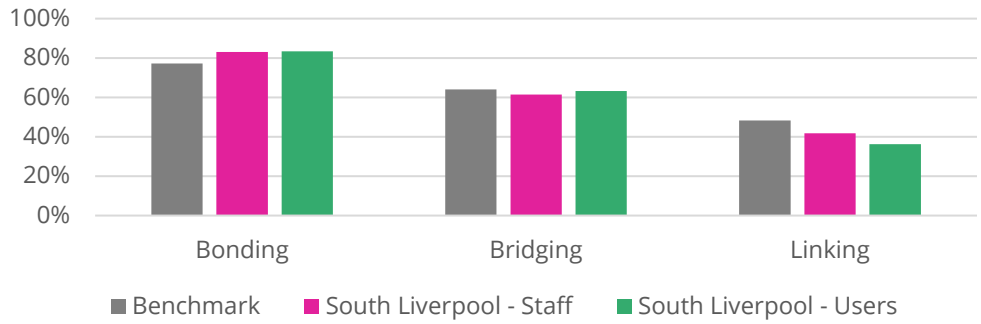
[38] See Appendix 3 for more details of the data sources used to establish the benchmark.

South Liverpool

In the composite measures of social capital there is not a huge difference between the indicators of bonding and bridging capital between staff and users in south Liverpool. In fact, community business users in our survey reported a 63% average in bridging capital indicators, while staff reported an average 61%. Both staff and users reported a higher average than the benchmark for bonding capital, suggesting strong ties between individuals. As with the rest of Merseyside, Toxteth has long been defined by having high levels of 'social solidarity' and mutual aid between residents. Interviewees referred to what one respondent described as the 'deep well of community spirit' in an area which as recently as the 1980s was synonymous with urban decay, poverty and even race riots.

Staff reported higher levels of linking capital (42%) compared to users (36%), highlighting the most significant variation compared to the benchmark (48%).[36] As linking capital indicates networks of trusting relationships between people across explicit, formal, or institutionalised power or authority gradients in society, so you may expect that people who work for a community business would have stronger links to formal agency than its users.

Figure 13: Composite social capital measures in south Liverpool – community business staff and users



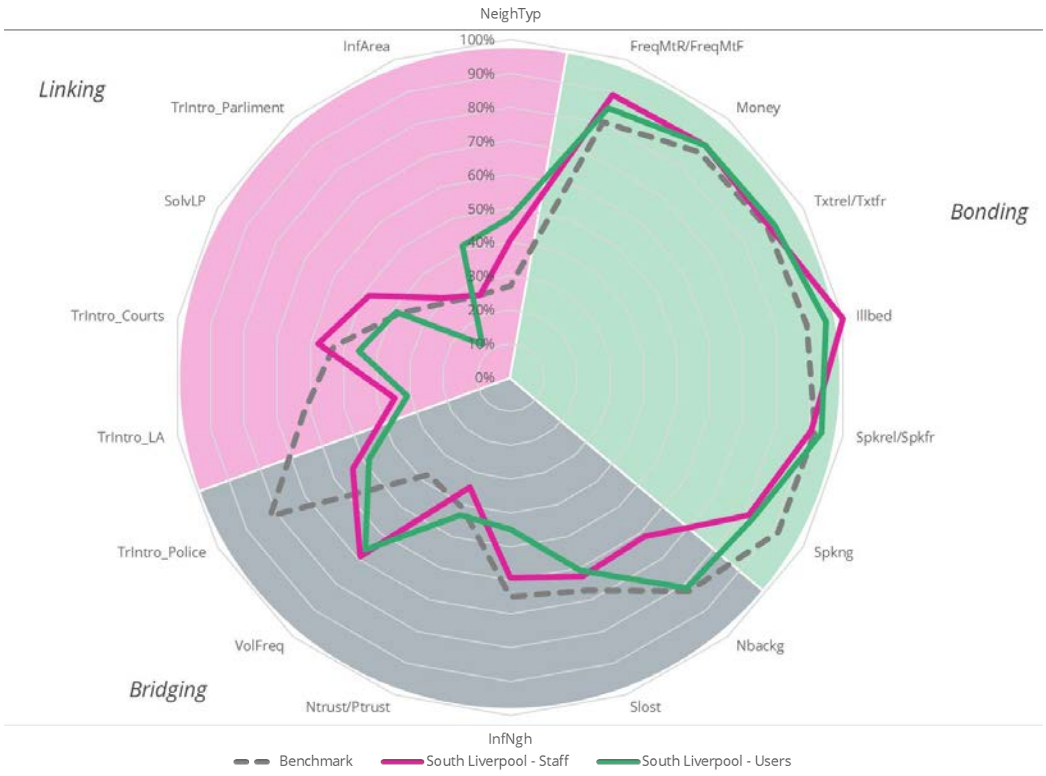
The high levels of bonding capital may be related to the strong, close-knit communities in areas such as Toxteth, where the majority of the community businesses in south Liverpool are located. 47% of community business users agreed that they lived in a neighbourhood where people help each other. This was the highest response of any group, staff or user across the three case study areas and significantly higher than the benchmark. The close-knit nature of the L8 postcode area and the fact that more users live there compared to staff may explain the slightly higher levels of bridging capital. Key stakeholder interviews highlight how L8 is a melting pot of culture and experience where people help each other out and offer peer support. 81% of community business users in south Liverpool agreed that people from different backgrounds get on compared to 62% of community business staff, suggesting high level of bridging social capital within

[36] See Appendix 3 for more details of the data sources used to establish the benchmark.

the local resident community, vital for collective social action and the growth of community business responses. This was the highest response of any group – staff or user, across the three case study areas and significantly higher than the benchmark.

The higher levels of linking capital amongst staff can be explained by the fact that they need to leverage resources from infrastructure bodies, the local authority and funders. However, as noted, variation from the benchmark was most significant here. A tentative explanation could reside in the fact that measures of trust in the local council were used in the composite and in L8, the relationship between local residents and the local authority may still be affected by the memories of the riots in 1981and by issues around housing and regeneration which has seen large swathes of derelict Victorian housing stock demolished. At 31%, trust in the local authority was lowest for any group, staff or user across the three case study areas and significantly, half the rate reported in the benchmark.

Figure 14: Social capital measures in south Liverpool – community business staff and users[37]



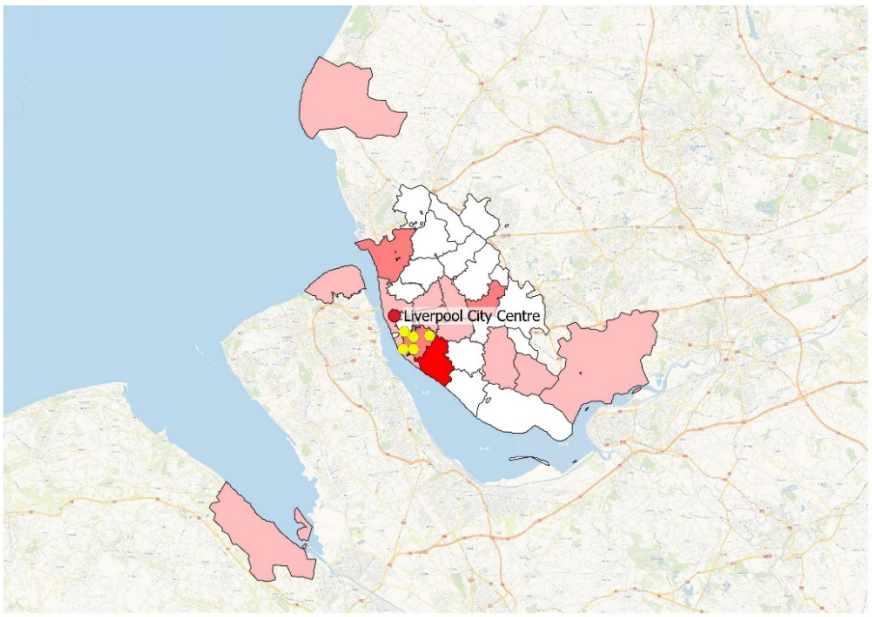
Over half of the community business users live within the L8 postcode boundary, in contrast to just 9% of community business staff. We can see the wider distribution of community business staff by residential address, with staff being drawn from as far as Formby and North Wales. The largest concentration of

[37] See Table 4 for a key to read the indicator labels on page 38.

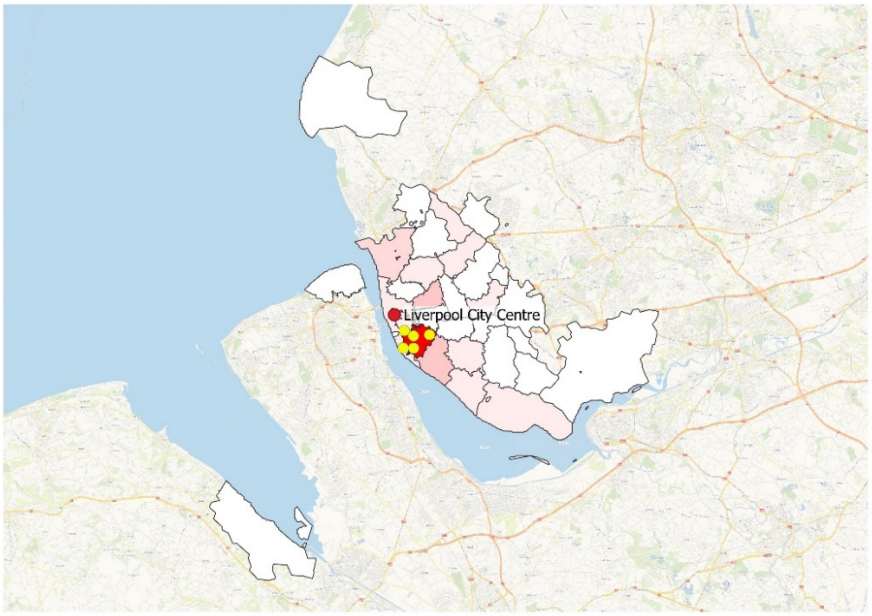
community business staff were found in the L17 postcode which covers the area to the south of the case study area and includes Grassendale and Cressington, the 19th century gated private estates which were built for wealthy Liverpool merchants. This suggests that the community business hotspot in south Liverpool has been in some way reliant on the social capital of people from outside of the community. Our theory would have suggested a larger differential in linking capital between staff and users, however, as discussed above, our proxy measures of trust in formal institutions may not have captured this due to the experience of this community in recent history.

Figure 15: South Liverpool community business staff and users/volunteers

Staff



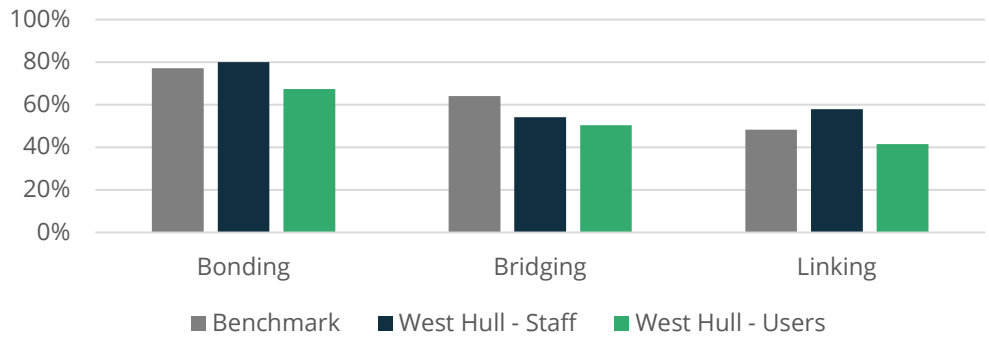
Users/volunteers



West Hull

In the composite measures of social capital, staff in west Hull displayed higher rates of bonding, bridging and linking capital than the user base, with the largest disparity in the indicators of linking capital. Staff in our survey reported an 80% average in response to the indicators of bonding capital, higher than the benchmark[38] and significantly higher than the community business users who reported a 67% average. Bonding capital demonstrates ties between individuals within the same social group, associated with communities where many people know many other people in the group (network closure) but this can have both positive and negative manifestations and implications for social exclusion. While bridging capital responses were broadly similar at the composite level, there was a 16% disparity in measures of linking capital, with staff reporting above the benchmark and users below it, perhaps reflected by a core staff group who have been operating in west Hull for a significant length of time.

Figure 16: Composite social capital measures in west Hull



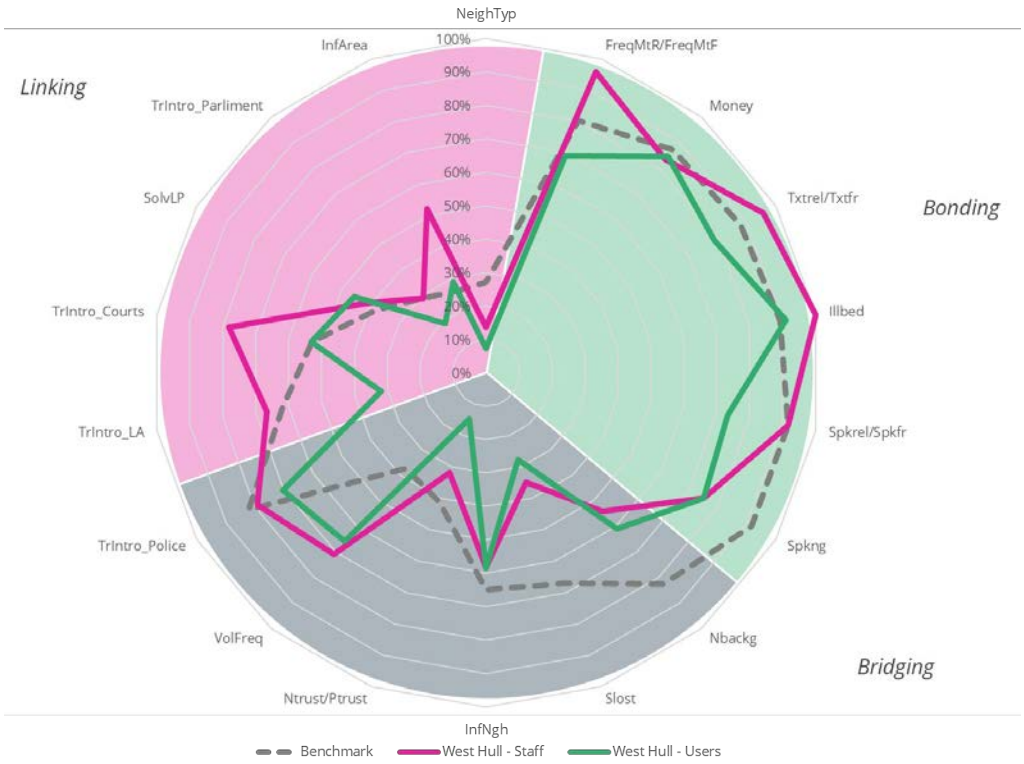
In terms of bonding capital, only 7% of west Hull community business users agreed they lived in a neighbourhood where people help each other, by far the lowest response of any group and nearly seven times lower than the south Liverpool community business user group (47%). This could in part reflect the more recent history and lasting reputation of an area struggling with drugs and prostitution. These issues having only in recent years been tackled significantly, notably with the local community taking a lead role in the development of community level responses using new wireless technology CCTV. So, while community responses are strong, the depth of bonding capital may be weak and prevent a more inclusive approach to community business development.

While there was only a 4% disparity between staff and users at the composite level for bridging capital, the largest difference between the groups was in response to the statement 'Most people can be trusted'. Only 15% of community business users in west Hull agreed with this statement, compared to 32% of community business staff. This lack of trust extends to the local authority, the courts and parliament, with the differential between staff and users in their response to trust in the local

[38] See Appendix 3 for more details of the data sources used to establish the benchmark.

authority standing at 35%. Just 32% of west Hull community business users indicated they trusted the local authority 'a lot' or 'a fair amount', while 67% of west Hull community business staff stated the same. This lack of trust in formal institutions is supported by a similar differential between staff and users in the ability to influence decisions which affect the area. Only 29% of community business users agree that they can influence decisions which affect their area, while 52% of community business staff agree the same. This lack of linking capital may reflect the results of the recent neighbourhood planning process. Residents of the Thornton Estate rejected the proposed neighbourhood plan with 58% voting against, blaming ineffective community engagement by plan-makers.

Figure 17: Social capital measures in west Hull – community business staff and users[39]

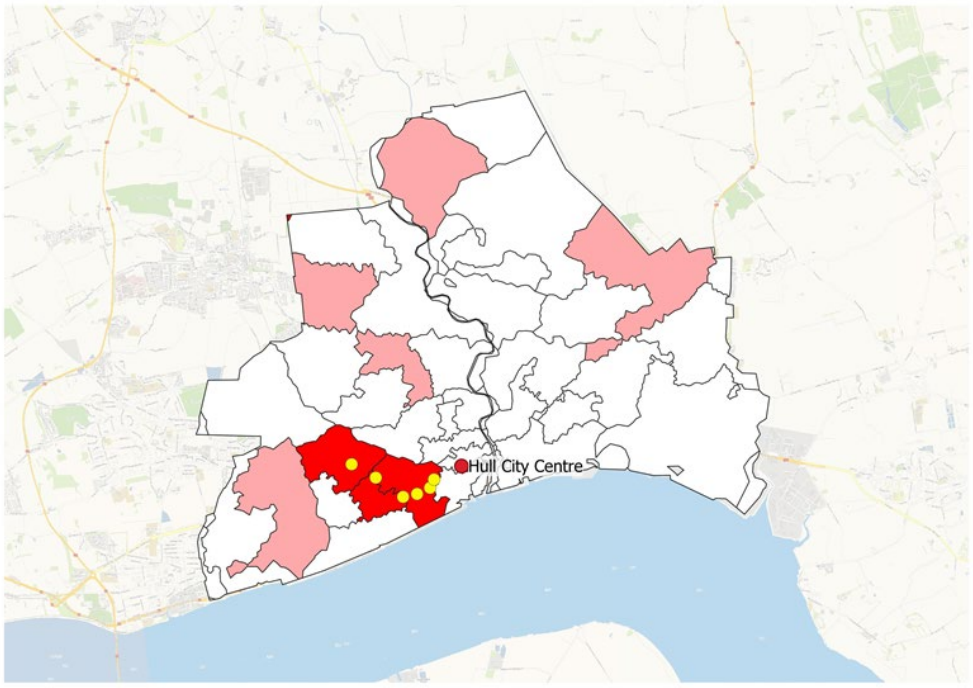


Seventy-six percent of west Hull community business users reside in the same HU3 2 postcode sector as all but one of the community businesses, while 18% of staff reside in the same postcode sector. An equal amount of staff reside within the adjacent postcodes sectors (HU3 3 and HU3 6) and all staff reported home postcodes within the Hull local authority area in contrast to south Liverpool. There is also no specific indication from the mapping, that staff reside in less deprived communities across Hull. However, they are arguably less concentrated in the same location as the community businesses under study, where the social challenges have been most prevalent and local people have experienced living in a stigmatised community with widespread negative perceptions, which may have contributed to a weakening of bonding and bridging capital.

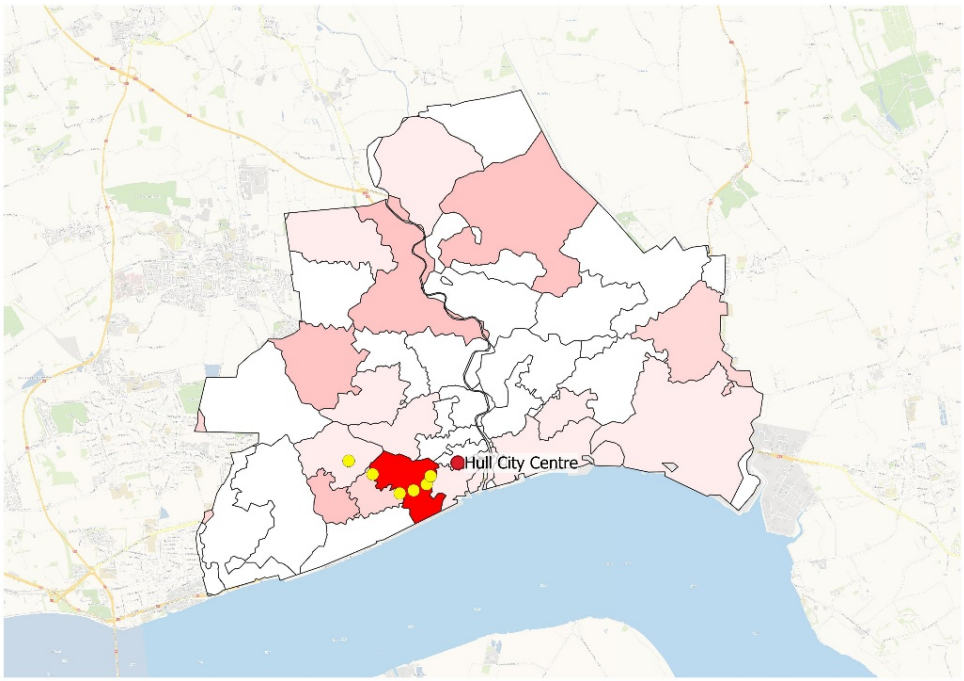
[39] See Table 4 on page 38 for a key to read the indicator labels.

Figure 18: West Hull community business staff and users/volunteers

Staff



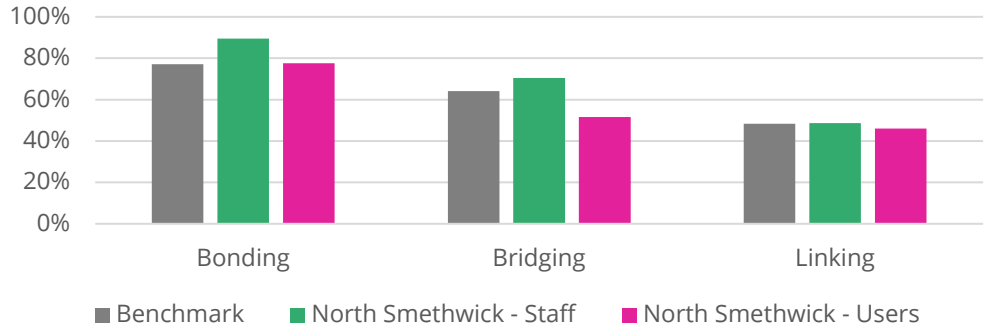
Users/volunteers



North Smethwick

In north Smethwick, community business staff reported higher levels of bonding, bridging and linking capital than community business users. The biggest differential in north Smethwick was in the composite measure of bridging capital, where the average response from community business staff in our survey was 71%, against 52% from community business users. Bridging capital focuses on the ties between individuals which cross social divides or between social groups, ties which enable access to network resources outside of an individual's normal circles and as such can provide significant individual (and group) benefits. One reason why there may be a difference here is because Smethwick is a locality with a number of different ethnic groups, all with close-knit communities of their own, who may intermingle less than a member of staff working at a community hub and meeting many different people as part of their daily role. However, there is a marginal difference between staff and users in terms of linking capital – links to formal, or institutionalised power or authority. This is perhaps unsurprising as consultation revealed a historical distrust and lack of faith in institutional power to resolve economic problems locally between both staff and users.

Figure 19: Composite social capital measures in north Smethwick – community business staff and users



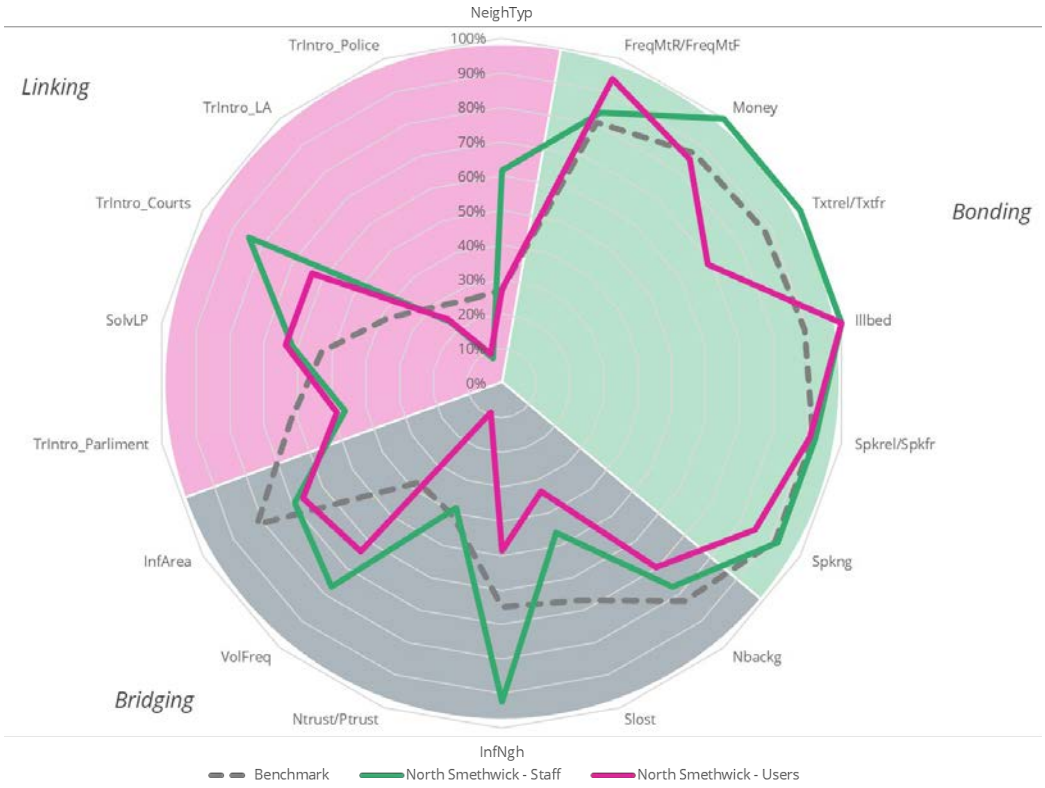
The bonding capital response from both staff and users is higher than the benchmark,[40] which indicates a strong, close-knit community. As a majority Asian community, with close cultural, religious and familial ties, this could be expected. However, this is not supported by the relatively low 27% of community business users who agree this is a neighbourhood where people help each other. This might be because of close familial ties rather than inter- and cross-community ties, as supported by the much higher responses (100% compared to a benchmark of 89%) to the question surrounding having someone to help you if you were ill.

In terms of bridging capital, only 9% of north Smethwick community business users agree that people in the neighbourhood can be trusted, this is the lowest response to this measure of any group, staff or user, across the three case study areas and

[40] See Appendix 3 for more details of the data sources used to establish the benchmark.

significantly lower than the benchmark (41%). One reason for this could be because north Smethwick has a somewhat transient population, with a high proportion of refugees and asylum seekers in the area who do not settle there, making wider trust and community links harder to create as there is not a steady, stable population.The responses to linking capital measures are broadly similar between community business staff and users and average out around the benchmark within 1-2%. The measure that stands out, however, is the extremely low level of agreement that people (staff and users) can influence decisions which affect the area. Only 9% of staff and 8% of users feel that they can influence decisions locally which suggests a disconnect with the wider institutions that have power over their lives. This is also far lower than in any other of the case study areas and significantly below the benchmark of 26%. This highlights a lack of deep-rooted organisations at the institutional level. Consultation suggested that regeneration interventions had exacerbated mistrust, as attempts had failed to engage communities and had stimulated little economic change in the area.

Figure 20: Social capital measures in north Smethwick – community business staff and users[41]



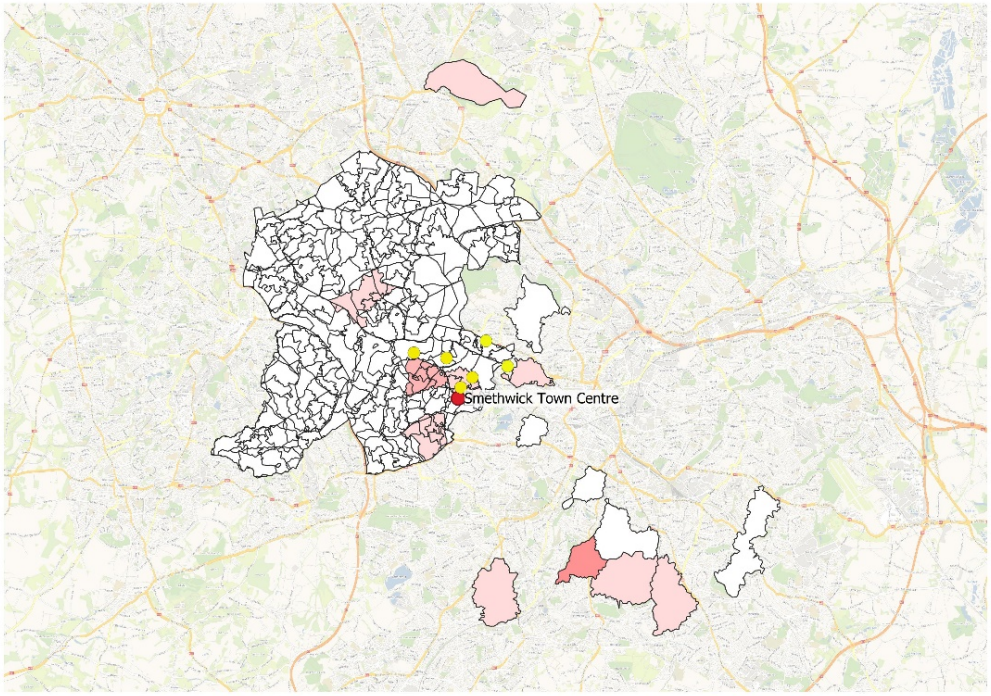
A total of 44% of users live within the study area of north Smethwick compared to 23% of staff, who tend to be distributed much more widely, with staff living in Kings Heath, Birmingham and Walsall. A cluster of community business users is found outside of the study area in Ladywood, west Birmingham and a handful of users can be found across south Birmingham and as far as Solihull. Some users and staff come from outside of the Sandwell authority area, living in neighbouring

[41] See Table 4 on page 38 for a key to read the indicator labels.

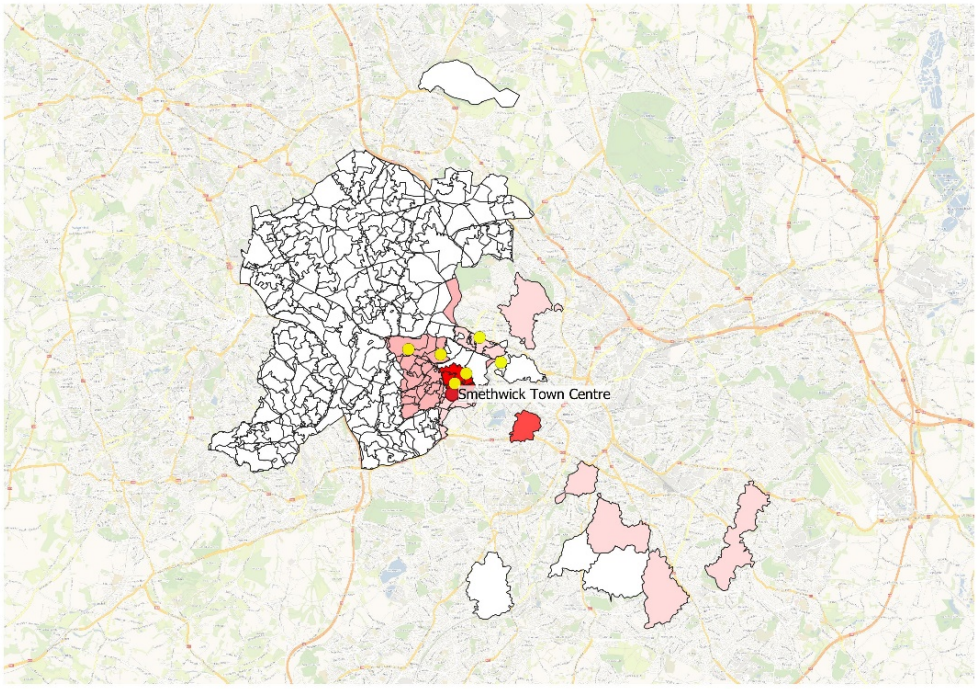
Birmingham. This could be because The Real Junk Food Project has numerous locations for their pay as you feel cafes located across the wider Birmingham area. Staff come from a less concentrated area of Smethwick and Sandwell than users, coming from West Bromwich and Birmingham.

Figure 21: North Smethwick community business staff and users/volunteers

Staff



Users/volunteers

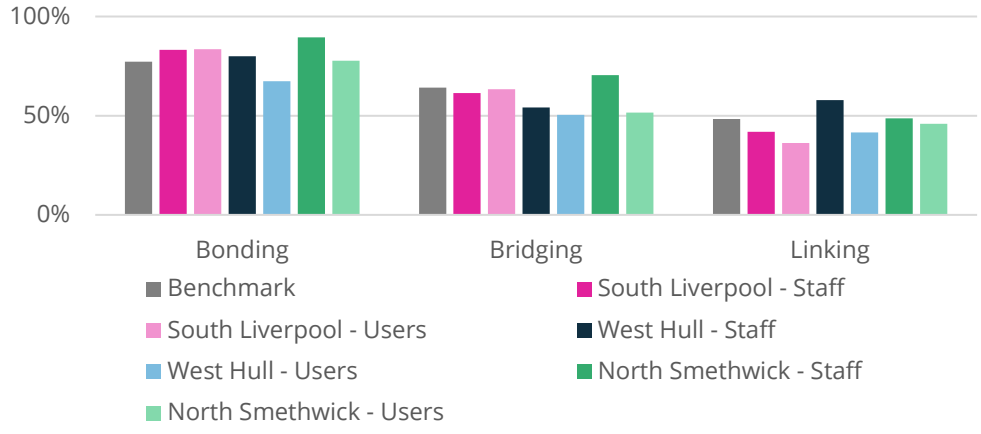


Comparison

With the exception of community business users in west Hull, all groups displayed a level of bonding capital above the benchmark, suggesting that these deprived communities are places where the ties between individuals within the same social group are strong. Individuals within the group who have had a strong shared experience will develop a cohesiveness which makes them strong in the face of adversity. While strongly interconnected communities display a level of network closure that provides a space for growing trust within the group, this can have negative consequences when it prevents connections to other groups.

Bridging capital is therefore equally required to enable connections to be made across social divides and to other social groups, enabling a sharing of knowledge and ideas and improving access to resources (e.g. skills). Bridging capital provides access to network resources outside of the group's normal circles and as such provides significant individual and group benefits. On the whole the bridging capital in these deprived communities was below that of the benchmark. However, south Liverpool displayed the highest levels in terms of both users and staff (with the exception of north Smethwick staff), suggesting the community here has an ability to reach out to wider networks of support to grow and sustain a community business base. Linking social capital differs from bridging social capital by the power differences between groups. While bonding capital develops horizontal trust within a group and bridging capital develops horizontal trust between groups, linking capital involves the development of vertical trust up and down the social strata in a hierarchy where power, social status and wealth are accessed by different groups. Linking capital is important for groups who need to access resources that cannot be obtained from within their own networks and the ability to link to formal agency is important where resources are lacking. Linking capital overall is lower (with the exception of west Hull and north Smethwick staff) than the benchmark suggesting vertical trust is less developed than horizontal trust. Surprisingly, the levels of linking capital are lower in south Liverpool than either west Hull or north Smethwick, suggesting that the community business growth in south Liverpool has come from the strengths in bonding/bridging capital, within and between groups locally.[42]

Figure 22: Composite social capital compared



[42] A finding supported by Heap, Nowak, Schwaller, Southern and Thompson (2019) Growth, sustainability and purposein the community business market in the Liverpool City Region, Hestletine Institute https://www.powertochange.org.uk/research/growth-sustainability-purpose-community-business-market-liverpool-city-region/.

6. Understanding agency

The following section explores the forms of agency in each of the case study areas, describing the nature of the organisations and actors in place before turning to a comparison of the role of agency within each place.

South Liverpool

In south Liverpool the *longevity* of certain community institutions stands out. A number have spent decades, or in some cases even centuries, acting as 'hubs' to inculcate, channel and develop civic action. The Diocese of Liverpool was founded in 1880 and continues to this day to play a significant role in the VCSE sector. The Diocese is very much at the centre of this sector across Liverpool, with the Diocese's Director of Social Justice (Rev Canon Dr Ellen Loudon) acting as both Liverpool City Region Mayoral Advisor on the Voluntary and Community Sector, and as the independent chair of VS6, the partnership of 14 organisations providing support to 8,600 organisations across the sector in Liverpool. The fact that it is the Church which acts as a major organisational hub for the sector reflects its trusted status in south Liverpool, with one interviewee describing the Church as *'THE original support organisation for social projects'.*

The creation of VS6 reflects the high degree to which agencies in Liverpool are willing to work together in order to advocate for the sector across the city. VS6 has a collective reach of over 8,600 VCSE organisations and provides public and private sector engagement at a Liverpool City Region level.

The link between longevity, trust, and rootedness in the local community is also the case for Liverpool Charity and Voluntary Services (LCVS), which was founded in 1909, and continues to be the primary base for support for community businesses in Liverpool. In infrastructural terms, it is clear that local community businesses benefit from a well-developed network of supportive organisations. LCVS serves as the primary 'base' for community businesses across Merseyside, offering technical support and routes to start-up capital. Aspirant community businesses across south Liverpool have proved adept at working with LCVS to access resources. This often means helping community groups of volunteers make the 'step up' to become a fully-fledged community business. Such was the case with the development of Liverpool Homeless Football Club (LHF), which started in 2010 when the CEO harnessed his experiences of working in a homeless shelter to develop a community business. LCVS helped LHF receive access to start-up capital and technical support (for example, accounting), and for the last nine years LHF has operated out of LCVS' 'hub' in Liverpool city centre. In one interview, LHF described the relationship with LCVS as 'based on mutual trust and respect'.

The interrelation between support organisations and connections to the political and institutional level stands out. More 'rooted' organisations such as LCVS and the Diocese of Liverpool are deeply embedded in their local communities, especially when "compared to 'comet in the sky' organisations which have come and gone, such as Social Enterprise North West".[43]

Community businesses' interface with agency

Many of the community businesses profiled in south Liverpool enjoyed high levels of supporting engagement with local infrastructural and support organisations, for example the relationship between LHF and LCVS. As LHF has grown into a self-sufficient organisation, the relationship has changed; whereas it previously could have been considered to have 'incubated' the business through the aforementioned support, the relationship now resembles a mutual sharing of information and opportunities.

In return for office space at LCVS, LHF uses its platform to advocate for the VCSE sector across Liverpool as a whole. Significantly, LCVS and LHF work together to collectively leverage their bridging and linking capital, for example by advocating to the Liverpool City Region on homelessness and charities policies. Its physical location at LCVS' offices on Dale Street plays an important role in putting the organisation 'at the heart' of Liverpool's wider community business and VCSE scene.

There are currently 18 social tenants at the LCVS offices, and CLES' research found that organisations benefit from this proximity to one another; for example, LHF has developed a strategic policy relationship with Liverpool Mental Health Consortium, as both share office space at Dale Street. [44]

The Florrie is another example of a south Liverpool community business which has benefitted from strong local infrastructure support and is now 'giving back' by fostering a collaborative approach across the city. The Florrie benefitted significantly from a conductive policy environment in the early 2010s, when Lottery and European Regional Development Fund Funding contributed to the business running costs.

It is evident in south Liverpool that community businesses flourish when they are deeply embedded into strong local networks, especially when sharing resources and working in collaboration with one another. For example, LHF's health and wellbeing programme is run out of The Florrie, demonstrating high levels of shared collaboration between the two organisations.

[43] Stakeholder, anonymous.
[44] http://www.lcvs.org.uk/151-dale-street/151-community/.

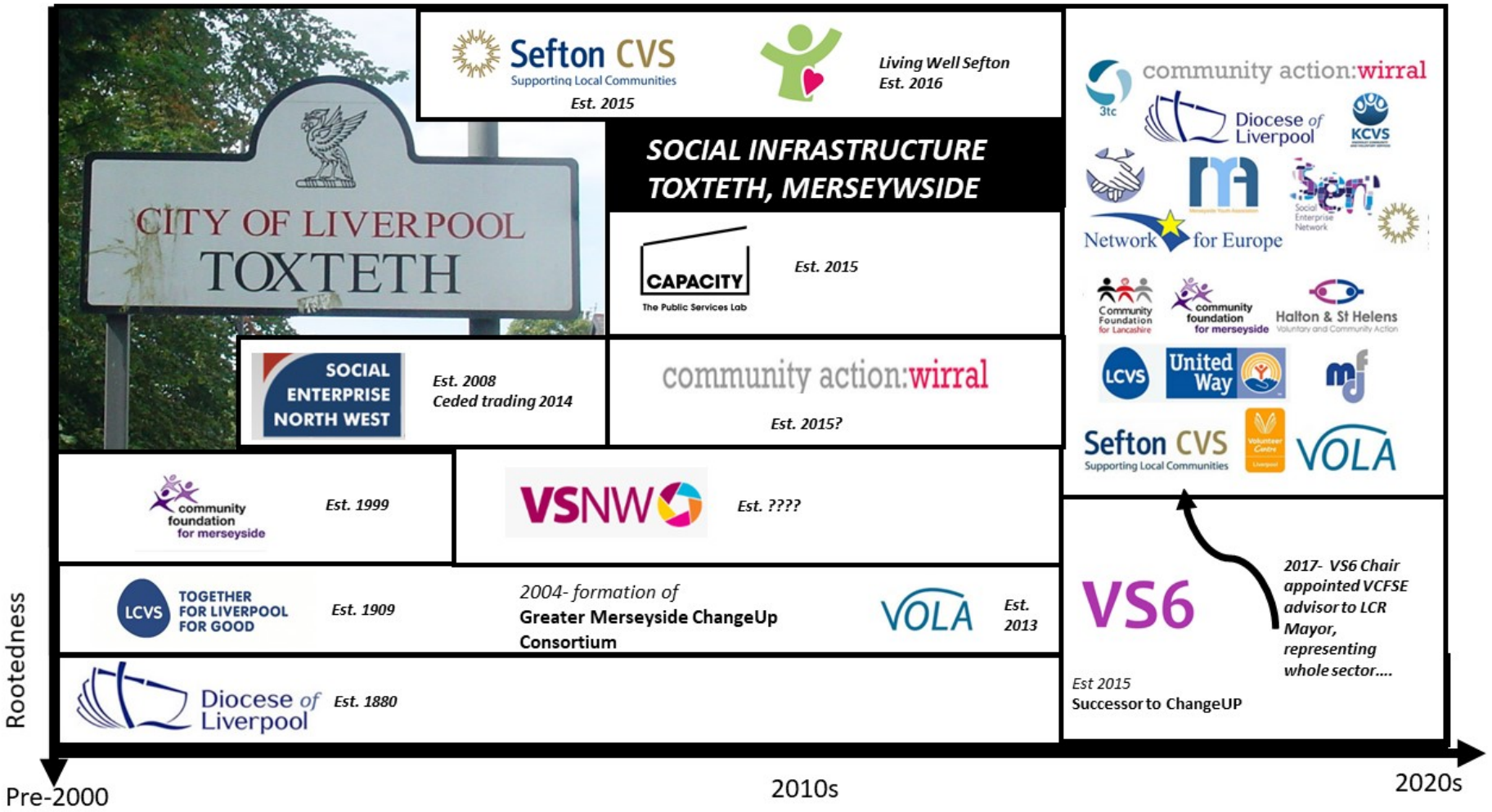
The Furniture Resource Centre (FRC) was established first as a charity in the 1980s to solve local furniture poverty and developed a trading practice that made it “a social enterprise long before the term was used”. FRC is one of many community businesses now deeply embedded in the local community, both in providing its core services, and employing over eighty workers, many of whom live in south Liverpool.

Community businesses in south Liverpool suggest that ‘trust’ is the essential currency in creating good relationships between community businesses and infrastructure organisations. While ‘trust’ can mean many different things, a recurring theme from interviews was that community businesses and infrastructure organisations both valued flexibility in their working relationships.

One community business commented that working with local support organisations such as Liverpool CVS was preferable to receiving funding from large national organisations because while the latter usually only gave out funding when there were “many strings attached” (e.g. about the type of service provision), south Liverpool-based infrastructure organisations were more likely to “help us, without telling us what to do”. This is important to community businesses because the way they run their individual services is usually driven by experience from the bottom up, and there was a feeling that the best support an infrastructure organisation could offer was one that allowed the community business to “do things their way” as much as possible.

In south Liverpool, community businesses are becoming involved in developing the health of the wider sector, utilising lived experience to provide advice and support for new businesses. For example, FRC are currently in the process of establishing a series of masterclasses to help social entrepreneurs with issues relating to business planning, finance and embedding social value.

Figure 23: Social business support in Liverpool



West Hull

The Humberside Co-operative Development Agency (CDA), established in the mid-1980s has had a strong influence on the community business landscape in west Hull. The period in which it was formed was marked by political upheaval not too dissimilar to today. In reaction a strong spirit of collectivism emerged through a group of community organisations started by politically-motivated young people. While the CDA as an organisation has waned, its key founder is still present in the area and working alongside well-established community businesses.

Hull, in common with many deprived urban areas, had developed a succession of support programmes around national and European regeneration funding streams. However, since the advent of austerity, Hull has struggled to maintain the provision of support that was around throughout the early 2000s. In 2011 the council divested from community infrastructure bodies and as a result the services across the city have become more fragmented, many organisations have closed and programmes have had funding ended.

Acutely aware of the impact of declining resources for the sector, the city's VCSE sector pulled together to develop the first VCSE strategy vision. The process brought together over 100 organisations locally to restate its priorities and work streams, with capacity building the number one priority. However, with a lack of resources the sector is providing minimal and often only crisis support. Growing the sector does not feature as a priority given the challenging context.

While the agency landscape has been in flux, a core set of organisations which are locally rooted have remained ever present. The Hull Community Voluntary Sector (CVS), established 30 years ago, has in recent years shrunk in its role in supporting new social businesses, but is rebuilding its service offering and maintains a core membership. It attributes its survival to its strong asset base and today is focused on providing organisational support to its members.

The Humber Learning Consortium, established in the early 2000s, works as a conduit for local organisations seeking to apply for grant funding, with the Building Better Opportunities Fund and Talent Match two of the programmes of funding being administered currently.

Enterprising Neighbourhoods Renewal and Growth (ENRG) was established by a partnership between Job Centre Plus, Hull City Council Economic Development, Hull City Council Library Service and the Goodwin Development Trust (a community business that is also part of this research). The programme was formed as part of a development of enterprise hubs across Hull; one in the east, one in the west and one in the centre of the city. The Goodwin Development Trust has developed a role in hosting and incubating community business through the development of an extensive property portfolio in west Hull and beyond.

Emerging shoots of activity are evident from a partnership between the Esmee Fairbairn Foundation and The Rank Foundation (with its founders' relationship to

Hull[45]). These organisations are jointly funding the Hull Community Development Project, consisting of 21 programmes and an initial £1.5m investment. The HEY 100 Clore Social Leadership programme[46] is seeking to develop leaders with a social purpose so that they can transform their communities, organisations and the world around them.

The City Council, in its approach to dealing with austerity, has looked to alternative models of service delivery. NPS Humber Limited began as a joint venture with the private sector, and provides a wide range of landscape, property maintenance, asset management and estate management services to the Council. Community businesses have critiqued the lack of collaboration with the local community regarding buildings and physical spaces and argue that the long-term implications of contracts of this nature have not been fully thought through.

Hull Culture and Leisure Ltd (HCL), established in 2015 as a limited company with charitable objectives, wholly owned by Hull City Council, runs the city's galleries, libraries, parks and leisure centres. It demonstrates an alternative approach to the outsourcing of public services which promotes greater community engagement.

Community businesses' interface with agency

An emerging community business, Cosmo Solutions CIC has accessed a wide range of formal support over the past few years, with its lead staff member displaying high levels of bridging and linking capital built up through employment with the local authority. Seeking to build a community business while working full time has, however, been a challenge. While able to gain support from the Humber Learning Consortium (HLC) with the organisation's constitution and further advice from ENRG around governance, it took almost two years to get to a settled legal structure. The original energy around the business understandably dissipated and original team members drifted away. Reflecting on support needs, community business leaders suggested a mentoring role would perhaps help to move the organisation forward, with an ongoing relationship with somebody to provide advice and guidance, rather than forms and processes, helping Cosmo Solutions to secure its trading base and prevent it moving from grant to grant.

Lonsdale Community Centre is well established and has become adept at accessing funding via formal agencies who act as the gatekeepers to resources for the sector. Having spent many years working through the various funding regimes Lonsdale Community Centre is fully aware of the challenges in negotiating the funding landscape. "ESF and Lottery Funds are so burdensome you need to attend training courses on form filling. The disjoint between the grass roots and mainstream support agencies becomes obvious when you look at how they design their funding."

[45] See https://rankfoundation.com/the-rank-foundation-mission/history/.
[46] See https://www.cloresocialleadership.org.uk/.

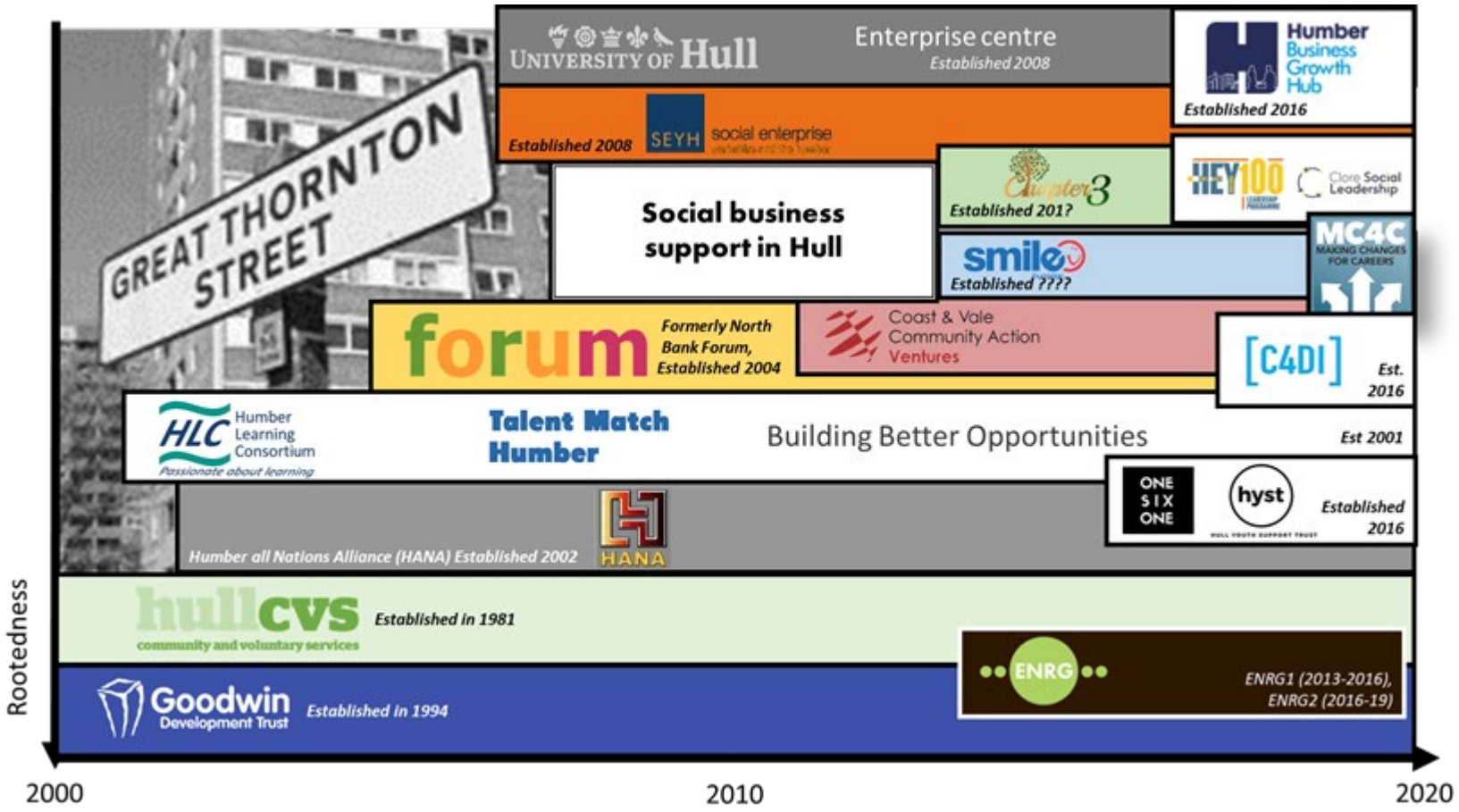
The Goodwin Development Trust has been able to grow through its approach to asset development. The Trust has been successful in accessing formal funding and bidding in partnership with stakeholders across the city. In building a portfolio of property, the Trust has become a facilitator of social action, with a range of community groups and community businesses operating from Goodwin Development Trust properties. Middle Child, Danny's Dream and West Hull Community Radio have all had their growth facilitated by the asset support of the Trust. Its main operational property, the Octogen Centre, hosts the HLC, and a newly acquired church has been transformed into a multi-purpose venue (Village Hall) acting as a civic heart for the local community and beyond.

Giroscope's growth has been built on a combination of strong governance and an ability to negotiate the world of finance. This involved taking risks at the outset, but 30 years on has developed into an ability to manoeuvre through the financial world, working with The Co-operative Bank, Yorkshire Bank, Triodos and most recently the German Handelsbanken and blended finance (a mixture of grant and loan). Giroscope may not fit the Power to Change definition of a community business, as a number of its trustees are from outside the area, but the finance skills and governance experience has been critical to the organisation's growth in its rooted community position. The Empty Homes Community Grants Programme (EHCGP)[47] transformed the scale of the organisation, allowing Giroscope to significantly increase its portfolio in a short period of time. Giroscope is now looking to becoming a community housing support hub to formalise the support it provides to others in the community housing movement.

Child Dynamix is another community business which grew out of a conducive policy environment, having built up a portfolio of children's centres throughout the 2000s when there was a strong focus on early years provision. Having grown to a turnover of £1.4m and 70 staff, Child Dynamix is clear that a strong board was critical, and having a chair with a strong strategic view and relationships across the public sector (linking capital) and a finance person with a banking background were hugely important. In growing the organisation, the most valuable source of support has come from the VCS liaison group. The Kingston Upon Hull Voluntary Community Sector Voice and Influence Partnership has brought together community leaders from across Hull to work together and maximise their collective bridging and linking capital.

[47] Part of the Coalition's Empty Homes Programme which ran from 1st April 2012- 31st March 2015.

Figure 24: Social business support in Hull



North Smethwick

There have been various public interventions in North Smethwick, including a Single Regeneration Budget area which came to an end around ten years ago. However, these interventions have very much followed a culture of 'done to' rather than 'done with' the local community. This, it was reported by a number of support organisation stakeholders, created a nature of dependency but also built mistrust as intervention after intervention failed to make major change. It was reported that "traditional models of economic development hadn't touched" the area, and the wards of north Smethwick were not linked into conventional business support organisations, with no presence in the Chamber of Commerce and no history of business improvement districts, for example. However, work is currently underway to rebuild trust and enable local people to find better solutions to their own problems. One way this is being done is through Birmingham City Council's USE-IT project. This is a three year project which has been funded by the EU and looks to address urban poverty by linking micro and macro opportunities. Part of the geography of this project includes Smethwick, and this has seen a more dedicated presence of social enterprise and community business support organisations working in the area, with iSE Co-op Futures and Locality working on a project to increase social entrepreneurship in the area.

However, there is a history of work done locally by local people to address employment and skills issues. A good example of this is the Community Connect Foundation. Established in 1996 as the Smethwick Bangladeshi Youth Forum, the organisation has since evolved and expanded its remit, eventually leading on Smethwick Succeeds, a partnership initiative funded by Sandwell Council to address unemployment and skills issues. Community Connect Foundation is also now a part of the Sandwell Consortium, a third sector-led partnership arrangement to support third sector organisations involved tackling disadvantage and advancing equity and social inclusion.

It was reported through consultation that there is "no will of the people to get into social enterprise development despite the potential" and the strong networks of people supporting each other in north Smethwick. The Community Connect Foundation and Sandwell Consortium are good examples of this – while they are a group of local organisations coming together, the support they offer is not geared towards entrepreneurship, but more traditional forms of skills support.

When looking at support for social businesses, there are several long-standing business support services, with many dating from before 2000 – such as the Skills Work and Enterprise Development Agency (SWEDA) and Sandwell Community Information and Participation Service (SCIPS). These are not as strongly rooted in the community as perhaps expected, with no community businesses consulted referencing them in terms of support accessed. One reason for this could be that

these organisations all have quite specific remits and thus may work with a smaller pool of people. For example, SWEDA was set up by a network of women to support other women to become entrepreneurs, working to deliver assertiveness training and childcare alongside more formal business training.

Though Sandwell Council has always had community support officers, and has done some interesting work with community asset transfers in recent years (including working with North Smethwick Development Trust to transfer ownership of the Brasshouse community centre), historically the local authority had a paternalistic attitude to community and other social businesses. This brought a particular set of challenges to the development of the sector in north Smethwick. While social businesses can be set up, they can be hard to maintain and developing sustainable business practices, rather than grant reliance, is key. It was reported that as social businesses and projects came to an end when grant funding ran out, expectations that had been raised in the community were let down.

It was reported that the cultural demographics are also why more traditional forms of support organisations may not be accessed. Many communities have close connections, and work to support each other, rather than "waiting around for stuff to be done for you". This is further reflected by the idea that there are key 'movers and shakers' within religious and ethnic communities who are deeply embedded and respected by their particular communities. For example, Smethwick Church Action Network has been active since 2012 in turning a church foodbank into a hub for community business support. Smethwick Church Action Network is a network of local churches formed to work with the community to tackle poverty, increase aspiration, provide opportunity and support the most vulnerable. Though it began from a food bank, the network is now a key player in the community business market in Smethwick, even involved in the USE-IT project helping local people set up social enterprises of their own – aiming to build capacity locally by "doing with" rather than "doing to". There are also key figures from the South Asian population, including people from South Asian Family Support – an organisation who have been around for 30 years, but have now taken on a local community centre as a base and to expand – and a community centre and association which has been very instrumental in supporting the Somali community.

Community businesses' interface with agency

None of the community businesses consulted had much experience engaging with local support agencies further than the local authority, but North Smethwick Development Trust highlight the importance of various faith communities for community development in north Smethwick. At its beginning, in 1988, it was the Reverend Janet Full James who supported local residents to get organised and secure funds to employ a community development worker and successfully challenge a compulsory purchase order placed on some local housing.

For other community businesses, including the Sikh Community and Youth Service and the Real Junk Food Project, it was the experience and knowledge of committee members, volunteers, board members and trustees that had enabled them to grow as businesses.

Other businesses had accessed support from organisations much further afield than Smethwick and Sandwell. Ballot Street Spice, for example, attributed a lot of their success to the Real Ideas Company who are based in Bristol and have a seconded member of staff who still works with the school. Similarly, the Sikh Community and Youth Service and Ideal for All felt that the support from Power to Change, including small grants, had been “invaluable” in their transition from charities to income generating community businesses as “no more local support was available”.

Clearly, there is expertise in north Smethwick that could be better harnessed to help foster more community business activity. Some businesses have extremely deep roots and long histories and this, combined with the other expertise held by support organisations and newer businesses, could go far in moving the area from “starting out” to “warming up”. By encouraging a pooling of skills and resources, similar to the Sandwell Consortium, or working with individuals as community business champions, the expertise that exists across the community businesses could be connected to help existing businesses scale up and support new entrepreneurs and local people to set up successful and sustainable community businesses of their own.

Figure 25: Social business support in Smethwick

Comparison

While social capital provides the potential, it is agency that is often thought of as the force behind social action.[48]

The experience of community businesses in south Liverpool in their interface with agency was significantly referenced on multiple occasions as being marked by trusting relationships, which signifies a higher level of linking capital than perhaps the ONS Social Capital Harmonised question set was able to elicit. The role of the church and the presence of deep pools of activism stand out as markers of a place where agency has been able to activate social action and build collective responses to the social and economic challenges of south Liverpool.

In west Hull, the interface with agency was more likely to be typified by descriptors of gatekeepers (those who have the power to decide who gets particular resources and opportunities, and who does not), bureaucracy and success coming through access to vertical trust through key individuals with high levels of linking capital. The majority of community businesses had been long established and had become adept at negotiating the path to successive short-term funding streams and adapting to national government policy agendas. Agency here has perhaps been less successful in stimulating social action which is broadly inclusive.

North Smethwick community businesses describe an interface with agency as being of limited value and locked to more traditional approaches to regeneration. For community businesses in this locality, national organisations that worked locally were accessed more, and key local people with specific knowledge and expertise were regarded as more valuable than larger organisations. A level of mistrust appears to have built up locally as intervention after intervention has failed to make major change in the locality. Lack of agency here appears to have acted as a barrier to activating social capital potential.

[48] Ling, C. and Dale, A., 2013. Agency and social capital: characteristics and dynamics. Community Development Journal, 49(1), 4-20.

7. Summary of findings

This research has sought to explore how differentials in the interconnections between agency, social capital and network formation play a role in the creation of a successful community business hotspot in a deprived community.

All the evidence highlights the potential of community businesses to reduce inequality and social exclusion. High levels of social capital facilitate networks and relationships that have the potential to offer social support, a collective identity and increase self-esteem, as well as developing a feeling of control over their economy and economic potential. In theory this should help to promote social inclusion and reduce inequality. However, in some communities, where clusters of interlocking disadvantage mean that social capital is lacking, the opportunity to participate in community business will not be so readily available. An area's history impacts heavily on the relationships of trust, norms of cooperation and reciprocity and tackling this kind of structural inequality presents a significant challenge.

This study has highlighted how the different forms of social capital are evident in each of the case study areas. While bonding capital in all these deprived neighbourhoods is high, and in the main higher than the benchmark,[49] suggesting strong local ties, the levels of bridging and linking capital fall below the benchmark. While bonding social capital is good for getting by, bridging and linking capital is crucial for getting ahead.[50]

Our theory is that community business, as a form of social action, is a function of social capital plus agency, and all forms of social capital need to be present and strong for community business to flourish.

In south Liverpool, the levels of bonding and bridging capital are both high, with little difference between staff and users, and these are clear factors in the presence of a community business hotspot. In terms of self-help and trust within the group of case studies, south Liverpool stands out, supporting the view that social solidarity is high in this community.

However, and counter to our theory, the level of linking capital is lower in south Liverpool than the other case study areas. The linking capital survey questions place an emphasis on trust as a proxy for relationships with formal, or institutionalised power, and it is possible that deprived communities who have had highly negative experiences in their interaction with formal power, would rank lower on this scale. However, south Liverpool does draw its community business staff from a wider geography than the other case study areas, with just 9% of staff

[49] See Appendix 3 for details of the national and regional data sets utilised to establish the benchmark.
[50] Gittell, Ross J. and Avis. Vidal. 1998. Community Organizing: Building Social Capital as a Development Strategy, Sage Publications.

residing within the case study area, suggesting those with the linking capital that enables these businesses to thrive have been imported to the area.

We continue to argue that linking capital is vital to build community business opportunities in the deprived communities that may lack the resources of more affluent places. Building networks of relationships outwards between local people and formal agencies is critical, but more important is how agencies understand social capital deficiencies in place and operate to empower local communities.

Empowering places

To support deprived places to build community business responses that empower local people, existing community businesses or community anchor organisations need to be encouraged and supported to play more of a catalyst role to both bridge connections locally and connect to opportunity outwardly. Our research has identified the role of skills and assets as being critical to empowering places.

Role of skills

In our research, community businesses stressed the importance of skills, with critical business skills and strong governance vital to the functioning and growth of community businesses. Knowledge and understanding of legal and financial issues, strategic insight and relationships with formal power are argued to be critically important, all of which serve as a barrier to successful community business formation in deprived communities where these skills are lacking.

Encouraging a pooling of skills and resources in place may allow more communities to bring forward opportunities to develop localised solutions to local issues, reducing the need to import external expertise. Existing community businesses or community anchor organisations can be charged with collectively incubating new community businesses by drawing on their collective skills base.

Existing community businesses or community anchor organisations can seek to broker the skills training and support that emerging community business leaders will require. This could take the form of mentoring and shadowing so that individuals pass on knowledge and understanding of vital business skills, and broker connections to more formal training opportunities.

Role of assets

Community business formation requires access to space within the local community. For an emerging community business, finding the space and time in which to test and explore a community business model is critical. The lack of access to assets in deprived communities acts as a significant barrier to new forms of social action and community business formation. Where we have seen clusters of community business activity, the community asset base is strong. However, competition for use of existing community facilities is often high and local funding constraints will prevent access to continued dedicated space. However, in deprived communities, where market demand may be low, physical assets may be in

abundance but community access to these can be restricted by private and institutionalised ownership.

The Localism Act brought forward a wide range of powers for communities to start challenging this and utilise underused assets[51] within communities. The introduction of Neighbourhood Plans provides opportunities for communities to come together to shape places and challenge private and institutionalised ownership where it has failed. However, these policies have naturally favoured places with higher levels of bridging and linking capital and higher skills bases. Setting up the required governance structures and raising sufficient funds to acquire assets is only possible where pre-existing networks of relationships exist (bridging and linking capital).

To stimulate community business formation, local levels of collaboration and skills pooling may facilitate a joined-up approach to assets, which can provide the much-needed physical space to incubate new community businesses. Neighbourhood Plans therefore should be a vital tool in building a community business ecosystem, however despite the challenges having been long acknowledged, government funded programmes to support Neighbourhood Plans with grants and technical expertise have failed to move the dial in deprived communities. The additional grant funds that were being made available for deprived communities appear to be no longer there.

[51] Community Right to Bid - gives communities the opportunity to bid to buy and run local amenities. Community Right to Challenge - allows local groups to express interest in taking over a service where they think they can do it better. Community Right to Build - supports community led building projects and planning applications.

8. Recommendations

In overcoming the challenges presented by deficits in skills and lack of access to assets, targeted programmes of support specifically for deprived communities should focus on building bridging and linking capital where it is lacking. Power to Change's Peer Broker programme serves as a basis upon which this approach can be built.[52]

Community business champions

A proactive recruitment campaign could identify community business champions within deprived localities. These would be individuals rooted in deprived communities (staff or board members of existing community businesses) with the identified skills for supporting community business formation, people with the experience of overcoming the critical challenges in place. These community business leaders, in their role as a community business champions, would be encouraged to:

a) act as a resource for people within the community aspiring to start a new community business activity and bridge connections between groups with similar interests and passions and;

b) build local networks which can leverage existing linking capital and provide routes to vertical trust.

Community business mentoring

Power to Change should fund these community business champions within their existing organisations to take on mentoring roles and share their knowledge and understanding of the route to community business formation, while also brokering connections to formal training opportunities via growing local networks. This could happen on an ad-hoc basis and be connected to the wider Power to Change grant programmes, so that when an application comes in, applicants are able to connect with community business champions in their location.

Community business champions rooted in deprived communities can help individuals to develop the skills and an awareness of the skills required to build a

[52] Peer brokerage is part of the wider vision of Power to Change to grow the number of community businesses that can provide high quality business development advice to other community businesses. The peer brokerage programme is a bottom up approach for the distribution of business development support and capacity strengthening to community businesses. It aims to: promote a bottom up approach to capacity strengthening through the co-production of responsive development plans between brokers and grantees; empower community businesses to identify and address their capacity issues; increase resilience of community businesses; and create a network of peer brokers who can share learning, expertise and approaches that are effective to support the growth and development of community businesses.

community business, but critically can connect people within the community who may have an interest in working together to build a business response to an issue in the local area. Bridging ties between individuals or between social groups begins to connect resources (passion, knowledge, skills) which can enable community business formation.

Building local networks

Community business champions need to receive formal support and training that allows them to formally articulate the benefits of local level collaboration, developing an understanding of the role that bridging and linking capital plays in creating a strong ecosystem as a platform for community business growth. Community business champions could be funded in their existing organisations (also likely resource poor) to stimulate, form and operate local networks which bring together existing community businesses, with community, private and public sector anchor organisations in place.

This might, in practice, look like a coming together of the institutions you would find at a very local level: the local primary school; church/mosque/temple; community centre; local employers. These local networks would then provide a level of linking capital which can support the movement of community business ideas into sustainable community businesses by connecting local passions with structures of formal power.

Democratising the economy

The disempowered are increasingly passive citizens; when decisions about the local economy, public service delivery and the shape of places lived in are made on your behalf, with relatively little input, this only serves to reinforce the cycle of disempowerment. However, we know from our work with community businesses that user engagement brings with it added value, engages local people in local issues and raises awareness of paths to social action.

We would therefore argue for further research, building on this initial exploration of agency and social capital, which elicits the role community businesses play in developing more active citizens and building routes to social action by building stronger bridging and linking capital in communities. This research could highlight community business activity that supports a deepening of democracy and where this can be harnessed, encouraged and promoted.

Aligning with the community wealth building movement

The community wealth building agenda is increasing the recognition that when local people have greater control over their lives, they can build the wealth locally that can turn around the fortunes of place. Preston, an authority at the vanguard of the community wealth building movement, has moved out of the bottom 20% of deprived authorities. This is partly due to its commitment to building wealth locally, harnessing the power of public sector anchor institutions and promoting a plural

economy with the growth of social business models, including community businesses, co-operatives and social enterprises.[53]

Preston came top of the Demos-PwC Good Growth Index 2018[54], driven by a combination of action at the local level alongside national improvements in the economy (and particularly the labour market) in recent years.

Power to Change has invested significantly in developing a body of research and testing approaches to building community businesses in deprived communities. This body of work needs to be interwoven with the community wealth building agenda so that government and anchor institutions at all levels recognise how community business models contribute to the principles of community wealth building through:

- Promoting plural ownership of the economy;
- Making financial power work for local places;
- Promoting fair employment and just labour markets;
- Progressive procurement of goods and services;
- Ensuring socially productive use of land and property.

Transforming the landscape of economic development policy and practice across the UK and reframing our economy and society to deliver a more inclusive economy and a more cohesive society will require us to inform and influence government, business, consumers and other funders by developing a robust evidence base, grounded in theory but focused on practice.

[53] CLES (2019) How we built community wealth in Preston: achievements and lessons, CLES, https://cles.org.uk/publications/how-we-built-community-wealth-in-preston-achievements-and-lessons/.

[54] PwC (2018) Good growth for cities 2018, https://www.pwc.co.uk/government-public-sector/good-growth/assets/pdf/good-growth-for-gities-2018.pdf

Appendix 1: Case study LSOAs/MSOAs

Case study LSOAs

West Hull	North Smethwick	Liverpool South
E01012854	E01009349	E01033765
E01012855	E01009351	E01006515
E01012858	E01009354	E01006518
E01012859	E01010046	E01006549
E01012862	E01010047	E01006552
E01012864	E01010052	E01006556
E01012865	E01010053	E01006630
E01012888	E01010062	E01006632
E01012889	E01010063	E01006633
E01012891	E01010064	E01006673
E01012892	E01033635	E01006674
E01012893		E01006675
E01033110		E01006676
		E01006677
		E01006678
		E01006679
		E01033748
		E01033767

Case study MSOAs

West Hull	North Smethwick	Liverpool
E02002680	E02001862	E02006933
E02002682	E02002065	E02001383
E02002681	E02002068	E02001390
E02002676	E02001865	E02001389
E02002678		E02001385
		E02001396

Appendix 2: Stakeholder consultees

South Liverpool

- Angela White, Chief Executive, Sefton CVS
- Anne Lundon, Chief Executive, The Florrie
- Clare Owens, Co-Director, Squash
- Colin Heaney, Director of Development and Programme, LCVS
- Debbie Wright, CEO, Greenhouse and Tiber Project
- Pamela Ball independent VCSE consultant and former Chief Executive, Knowsley CVS
- Rev Canon Dr Ellen Loudon, Director of Social Justice for the Diocese of Liverpool, Independent Chair of VS6
- Sally Yeoman, CEO, Halton and St Helens Voluntary and Community Action
- Warren Escadale, Chief Executive, Voluntary Sector North West

West Hull

- Andy Crossland, Chief Executive, Humber Learning Consortium
- Beverley Woyen, Service and Sector Development Lead, Hull CVS
- Clive Darnell, Business Development Manager, Goodwin Development Trust
- Denise Artley, Business Growth Adviser, Goodwin Development Trust
- Helen Rhodes, HEY100 Programme Manager, Clore Social Leadership
- Jane Stafford, Chief Executive, Hull University Union
- Pippa Robson, Deputy Chief Officer, North Bank Forum for Voluntary Organisations
- Sharon Clay, Partnership Development and Engagement Lead, Hull City Council
- Terry King OBE, Chapter 3 Enterprise CIC

North Smethwick

- Emelye Westwood, Growing Opportunities Project Lead, Ideal for All
- Gareth Brown, Director, Smethwick CAN
- Jo White, Executive Director, Coop Futures
- Karen McCarthy, Joint Coordinator, Localise West Midlands
- Miriam Aslam, Director, The Real Junk Food Project
- Sarah Crawley, CEO, iSE
- Stuart Ashmore, Deputy CEO, Sandwell CVO
- Sundeep Singh, Project Co-ordinator, Sikh Community & Youth Service

Appendix 3: Benchmark indicators

The following table sets out the sources of data utilised in constructing the benchmark. These can be compared with each user group from each case study community in this table, with the differentials between staff and users/volunteers detailed.

	Benchmark		Liverpool			Smethwick			West Hull		
			Staff	*Users/volunteers*	*Differential (+/-)*	*Staff*	*Users/volunteers*	*Differential (+/-)*	*Staff*	*Users/volunteers*	*Differential (+/-)*
Views about the area											
Lived more than 5 years			70.4%	75.9%	-5.5%	76.9%	84.8%	-7.9%	66.7%	63.0%	3.7%
Satisfied	77%	Community Life Survey 2017/18	80.8%	86.2%	-5.4%	76.9%	59.4%	17.5%	70.8%	64.4%	6.4%
Views about the neighbourhood											
People help each other	27%	Angus Citizens' Panel - Fourth Survey - Se	40.7%	47.5%	-6.8%	61.5%	27.3%	34.2%	13.6%	7.3%	6.3%
Agree people from different background get on	82%	Community Life Survey 2017/18	61.5%	81.4%	-19.9%	76.9%	69.7%	7.2%	54.2%	60.9%	-6.7%
Most people can be trusted	41%	Community Life Survey 2017/18	34.6%	46.6%	-12.0%	38.5%	6.1%	32.4%	31.8%	17.9%	13.9%
Likely to get you r purse/wallet back	67%	Living in Lancashire – Social capital	62.5%	60.7%	1.8%	46.2%	33.3%	12.9%	34.8%	27.7%	7.1%
Participation in local issues											
Agree can influence decisions	26%	Community Life Survey 2017/18	25.9%	41.4%	-15.5%	7.7%	9.1%	-1.4%	52.2%	28.9%	23.3%
Agree working together can influence	65%	Birmingham study 2009	59.3%	44.8%	14.5%	92.3%	48.5%	43.8%	58.3%	58.5%	-0.2%
Civic participation at least once in the last year	38%	Community Life Survey 2017/18	48.1%	38.9%	9.2%	84.6%	63.6%	21.0%	41.7%	45.7%	-4.0%
Trust											
Most people can be trusted	41%	Community Life Survey 2017/18	32.0%	40.0%	-8.0%	38.5%	12.1%	26.4%	25.0%	11.6%	13.4%
Trust the Police	82%	Citizenship Survey 2010-2011	53.8%	48.2%	5.6%	69.2%	66.7%	2.5%	79.2%	70.2%	9.0%
Trust the Courts	53%	Ipsos Mori 2003	57.7%	45.5%	12.2%	61.5%	63.6%	-2.1%	78.3%	53.2%	25.1%
Trust Parliament	29%	Citizenship Survey 2010-2011	30.8%	12.7%	18.1%	23.1%	24.2%	-1.1%	29.2%	19.1%	10.1%
Trust the local authority	62%	Citizenship Survey 2010-2011	34.6%	30.9%	3.7%	46.2%	48.5%	-2.3%	66.7%	31.9%	34.8%
Social networks											
Speak to relatives on the phone - more than monthly	92%	Glasgow Effect Three Cities Survey	88.5%	94.6%	-6.1%	92.3%	87.9%	4.4%	95.7%	71.1%	24.6%
atrooms on the internet to talk to relatives - more than monthly	88%	ONS 2018	85.2%	90.2%	-5.0%	100.0%	63.6%	36.4%	95.7%	77.8%	17.9%
Speak to friends on the phone - more than monthly	91%	Glasgow Effect Three Cities Survey	92.6%	92.6%	0.0%	92.3%	93.8%	-1.5%	87.5%	75.6%	11.9%
hatrooms on the internet to talk to friends - more than monthly	88%	ONS 2018	92.6%	90.4%	2.2%	100.0%	74.2%	25.8%	95.8%	80.0%	15.8%
Speak to neighbours - more than monthly	92%	Community Life Survey 2017/18	81.5%	83.0%	-1.5%	92.3%	84.8%	7.5%	75.0%	75.0%	0.0%
Meet up with relatives more than once a month	74%	Glasgow Effect Three Cities Survey	70.4%	75.0%	-4.6%	75.0%	87.9%	-12.9%	62.5%	54.5%	8.0%
Meet up with friends more than once a month	86%	Glasgow Effect Three Cities Survey	88.9%	94.5%	5.6%	83.3%	100.0%	-16.7%	95.8%	83.7%	12.1%
Social support											
How many people in a crisis			9.0	7.3	1.7	9.6	3.9	5.7	7.7	4.6	3.1
Help when ill	89.2%	Glasgow Effect Three Cities Survey	100.0%	94.9%	5.1%	100.0%	100.0%	0.0%	100.0%	91.1%	8.9%
Help with finances	87%	Glasgow Effect Three Cities Survey	100.0%	89.7%	10.3%	100.0%	84.8%	15.2%	83.3%	84.4%	-1.1%
People/orgs you can call on per person			2.1	2.9	-0.8	1.8	2.2	-0.4	2.0	2.2	-0.2
Involvement in groups, clubs and organisations											
Talking activities			69.2%	66.7%	2.5%	76.9%	63.6%	13.3%	70.8%	65.9%	4.9%
Actions per person			1.0	2.1	-1.1	0.9	1.2	-0.3	0.8	1.3	-0.5
Activity more than monthly	38%	Community Life Survey 2017/18	69.2%	66.7%	2.5%	76.9%	63.6%	13.3%	70.8%	65.9%	4.9%
Average unpaid help last 12 months			27.0	32.6	-5.6	30.9	8.1	22.8	13.2	24.3	-11.1

Appendix 4: Social capital survey

CLES
progressive economics for people and place

power to change

Organisation name
To be completed prior to circulation

Role
Staff/Trustee/Volunteer/User

CLES are conducting research on the levels of social capital found within community-based organisations and the people they support. We are keen to understand your views on your area, your neighbourhood and local issues. You may not live in the same area as the community business that provided you this survey. Please answer for the neighbourhood in which you live.

Views about the area

1. How long have you lived in your neighbourhood? (Please circle)

Less than 12 months	*5 years but less than 10 years*
More than 12 months but less than 2 years	*10 years but less than 20 years*
2 years but less than 3 years	*20 years or longer*
3 years but less than 5 years	*Don't know*

2. How satisfied are you with your neighbourhood as a place to live? (Please circle)

Very satisfied	*Fairly satisfied*	*Neither satisfied nor dissatisfied*	*Slightly dissatisfied*	*Very dissatisfied*	*Don't know*

Views about the neighbourhood

3. In general, what kind of neighbourhood would you say you live in - would you say it is a neighbourhood in which people do things together and try to help each other, or one in which people mostly go their own way? (Please circle)

Help each other	*Go own way*	*Mixture*	*Don't know*

4. To what extent do you agree or disagree that this neighbourhood is a place where people from different backgrounds get on well together? (Please circle)

Definitely agree	*Tend to agree*	*Tend to disagree*	*Definitely disagree*	*Don't know*	*Too few people*	*All same backgrounds*

5. Would you say that, in your neighbourhood: (Please circle)

Most people can be trusted	*Some can be trusted*	*A few can be trusted*	*No-one can be trusted*	*Just moved here*	*Don't know*

6. Suppose you lost your (purse/wallet) containing your address details, and it was found in the street by someone living in this neighbourhood. How likely is it that it would be returned to you with nothing missing? (Please circle)

Very likely	*Quite likely*	*Not very likely*	*Not at all likely*	*Don't know*

Participation in local issues

To what extent do you agree or disagree with the following statements:

7. I can influence decisions affecting my local area? (Please circle)

Strongly agree	*Agree*	*Neither agree nor disagree*	*Disagree*	*Strongly disagree*	*Don't have an opinion*	*Don't know*

8. By working together, people in my area can influence decisions that affect the local area?

Strongly agree	*Agree*	*Neither agree nor disagree*	*Disagree*	*Strongly disagree*	*Don't have an opinion*	*Don't know*

9. In the last 12 months have you taken any of the following actions in an attempt to solve a problem affecting people in your local area? (Please circle)

Contacted a local radio station, television station or newspaper	*Attended a protest meeting or joined an action group*
Contacted the appropriate organisation to deal with the problem, such as the council	*Helped organise a petition on a local issue*
Contacted a local councillor or MP	*No local problems*
Attended a public meeting or neighbourhood forum to discuss local issues	*None of the above*
Attended a tenants' or local residents' group	*Don't know*

Trust

10. Generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people? (Please circle)

Most people can be trusted	*Can't be too careful in dealing with people*	*It depends on people/circumstances*	*Don't know*

11. For the following, please can you tell me how much you trust them. (Please circle)

	A lot	*A fair amount*	*Not very much*	*Not at all*	*No experience*	*Don't know*
The Police						
The courts						
Parliament						
Local council						

Social networks

12. Not counting the people you live with, how often do you do any of the following? (Please circle)

	On most days	*Once or twice a week*	*Once or twice a month*	*Less than once a month*	*Never*	*Don't know*
Speak to relatives on the phone						
Text or email relatives, or use chatrooms on the internet to talk to relatives						
Speak to friends on the phone						
Text or email friends, or use chatrooms on the internet to talk to friends						
Speak to neighbours						

13. How often do you:

	On most days	*Once or twice a week*	*Once or twice a month*	*Less than once a month*	*Never*	*Don't know*
Meet up with relatives who are not living with you?						
Meet up with friends?						

Social support

14. If you had a serious personal crisis, how many people, if any, do you feel you could turn to for comfort and support? _____

15. I am going to describe two situations where people might need help. For each one, could you tell me if there is anyone you could ask for help? (Please circle)

You are ill in bed and need help at home. Is there anyone you could ask for help	Yes/No
You are in financial difficulty and need to borrow some money to see you through the next few days. Is there anyone you could you ask for help?	Yes/No

16. Who you could ask for help? (Please circle)

Husband/wife/partner	*Work colleague*
Other household member	*Voluntary or other organisation*
Relative (outside household)	*Other*
Friend	*Would prefer not to ask for help*
Neighbour	*Don't know*

Involvement in groups, clubs and organisations

17. In the last 12 months, have you been involved with any groups of people who get together to do an activity or to talk about things? These could include evening classes, support groups, slimming clubs, keep-fit classes, pub teams and so on.

Yes	*No*

18. During the last 12 months have you given any unpaid help to any groups, clubs or organisations in any of the ways shown on this card?

Raising or handling money/taking part in sponsored events	*Providing transport/driving*
Leading the group/ member of a committee	*Representing*
Organising or helping to run an activity or event	*Campaigning*
Visiting people	*Other practical help (e.g. helping out at school, shopping)*
Befriending or mentoring people	*Any other help*
Giving advice/ information/ counselling	*NONE OF THE ABOVE*
Secretarial, admin or clerical work	*Don't know*

19. Thinking about the unpaid help you have mentioned, would you say you give this kind of help…(Please circle)

At least one a week	*At least once a month*	*At least once every 3 months*	*Less often*	*Other*	*Don't know*

20. About how many times in the last 12 months have you given unpaid help through a group, club or organisation? _____

Care & support

21. In the past month have you given and/or received any unpaid help in any of the ways shown on the card. Please do not count any help you gave through a group, club or organisation. (Please circle)

	Given	*Received*
Domestic work, home maintenance or gardening		
Provision of transport or running errands		
Help with child care or babysitting		
Teaching, coaching or giving practical advice		
Giving emotional support		
Other		

About you (Please circle)

Age	***Gender***	***Ethnicity***	***Postcode***
Under 19	Male	White	
20-39		Mixed / multiple ethnic groups	
40-59	Female	Asian / Asian British	
60-79		Black / African / Caribbean / Black British	
80+		Other ethnic group	

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