

What is the role for the community in neighbourhood governance?

**Report of a seminar held on December 2, 2005 by
the Young Foundation, bassac and CDF**

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1. Introduction

This report summarises the main discussion points and recommendations that were generated at a seminar held by the Young Foundation, bassac and CDF on December 2, 2005, to discuss the role for voluntary and community organisations, activists and residents, in new proposals for neighbourhood governance.

The purpose of the seminar was to bring together a wide range of community practitioners, local organisations, and umbrella groups that represent the community and voluntary sectors to discuss the opportunities and issues arising from the government's neighbourhoods agenda. Our aim was to capture a spread of opinions about the potential for neighbourhood governance, to explore obstacles that need to be overcome to make greater neighbourhood empowerment a practical reality, and to generate ideas and innovations that can be used to create practical and effective policy recommendations.

The seminar and report are part of the Young Foundation's Transforming Neighbourhoods project, an ongoing programme of research and innovation to develop practical and effective ways to empower neighbourhoods. The programme involves a consortium of partners from local and central government, umbrella organisations and the third sector (*see page 28 for further information*).

This report is intended to provide a summary of the main points of discussion and the ideas and recommendations that were generated. It is not a comprehensive record of all the presentations and working sessions that took place at the seminar, which were both extensive and enthusiastic. Seminar presentations are available from the Young Foundation's website www.youngfoundation.org.uk.

This event was held in partnership with bassac and CDF. We would like to thank everyone who took part in the seminar and commented on the report for their valuable contributions. A full list of participants is included in appendix one.

Transforming Neighbourhoods

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2. Seminar background and objectives

The government has established neighbourhood empowerment as a high priority for the near future and will publish a local governance White Paper in the summer of 2006, which is likely to be followed by legislation in 2007. This process presents significant opportunities to shape forthcoming neighbourhoods policy and legislation, and thus the broader framework for local governance and action.

This seminar was held to discuss the opportunities and issues that this agenda presents for neighbourhoods. While many community practitioners, development workers, groups and volunteers broadly welcome the idea of greater powers for neighbourhoods, there is a sense that to date the debate has been driven by top-down rather than bottom-up perspectives. There are concerns that the debate too often centres on the need for communities to step up to the new demands that neighbourhood governance will bring, and that less emphasis is placed on how local governance arrangements can engage more effectively with real people in real places. Conversations about how new arrangements will be supported and resourced are noticeably absent from the debate.

The aim of the seminar was to understand what this agenda means for the community groups, practitioners, and activists who live and work in different neighbourhoods. What do communities want from the new neighbourhoods agenda? What are their questions, concerns, ideas and innovations? And how can policy recommendations be developed that are practical, simple and will effectively support neighbourhood empowerment over time?

The discussions generated a wide range of responses and ideas from recommendations about how to foster a culture of participation in communities and engage a wide range of people in collaborative planning processes, to new roles for councillors and proposing new models to support community enterprise and service delivery.

3. Aims and Objectives

The seminar's objectives were to:

- Discuss the possibilities and issues that new opportunities for empowering neighbourhoods will create for communities
- Identify and understand the concerns about obstacles to neighbourhood empowerment and generate ideas and recommendations about how these obstacles could be tackled
- Understand the role for neighbourhood hubs or community anchors in new neighbourhood governance arrangements
- Discuss specific tools and policy initiatives that are likely to be part of the government's neighbourhoods policy framework, including charters and triggers, devolved budgets and community assets
- Produce comments and recommendations for the Transforming Neighbourhoods programme, particularly for the development of neighbourhoods policy papers

4. Neighbourhood governance: opportunities and obstacles

The seminar began with presentations from the Young Foundation, bassac and CDF. These addressed the nature of neighbourhood governance; the role for community anchors in engaging and empowering neighbourhoods and creating sustainable governance structures; and the idea that neighbourhood governance structures must enable citizens to shape decisions that are made at both neighbourhood and other levels of governance if they are to effectively influence the decisions that affect their daily lives.

Presentations were followed by a discussion about the opportunities that neighbourhood governance presents for communities and the likely obstacles to neighbourhood empowerment. A wide range of concerns were raised, including questions about community leadership, appropriate frameworks for facilitating participation, and whether consensus is achievable or even desirable in communities. Concerns were raised about the use of the term community, which some participants felt is an over-used, catch-all term that is often employed unreflectively, and as a result has become meaningless. However, for the purpose of this seminar report, we use the term community to describe residents, volunteers, activists, and voluntary and community organisations (both locally-based or part of national network) that are operating at the neighbourhood level.

A summary of the main points from this session follows.

Governance structures: facilitating participation and partnership

***“Action is what counts in neighbourhoods,
not structures”***

Enabling people to **take action** to tackle problems, improve their local environment, shape services or propose ideas to fill unmet needs is what matters at a very local level. Participants agreed that how neighbourhood governance structures are configured is less important than ensuring that they support and facilitate practical action. The real opportunity (and challenge) presented by new neighbourhood arrangements is to **bring local experience into the governance process**, not simply to bring local government closer to communities.

The importance of not simply replicating local government structures at a neighbourhood level must not be underestimated. Participants were concerned that creating a new “layer” of councils or committee meetings would result in an overly-bureaucratic system hindering decision-making and action, and alienating potential activists. Instead, the neighbourhoods debate provides an opportunity to think both strategically and creatively about what communities need. There is scope to take a **broader view of what power and influence mean at a very local level**, and how they can be exercised in ways that are flexible, practical, and encourage a diverse range of voices to be heard. This means considering how **practices** to promote engagement, participation and empowerment could be encouraged and enhanced, as opposed to just considering the structural aspects of neighbourhood governance.

It is important to acknowledge that a much greater number of people are interested in **influencing** decisions that affect the quality of life and services in their neighbourhood than are willing or able to take an active role in **governing** their communities. New neighbourhood arrangements need to reflect this and ensure that governance structures can facilitate participation in the broadest sense.

“Let’s think about changing practices, not just creating new structures. How can new approaches enable communities to more effectively influence the way decisions are made?”

Participatory planning processes such as parish planning and Planning for Real were felt to be an effective way of enabling communities to influence a wide range of decisions about local needs and services, and feed into wider area or community plans and strategies. They are particularly empowering when people are able to play a significant role in determining outcomes of the planning process, such as service standards, or generating a shared vision for their community. There is evidence to show that these approaches generate high levels of community engagement and improvements in service delivery. It was felt that a more consistent approach to consultation by public service providers might improve levels of participation because citizens would gain experience of working with particular methods.

Although current participatory planning processes have proven to be successful, they are not widespread and it was felt that local authorities and mainstream service providers should be encouraged to use them more frequently. One aim of the neighbourhoods agenda should be to foster a widespread **culture of participation** in communities. This will require a much **wider range of entry points** to community activity. It is important to acknowledge that “committee format” meetings are not an engaging or natural environment for many people, and can be daunting or frustrating for those who are new to any form of community engagement. While facilitated planning activities were acknowledged to be successful, it was felt that more varied and creative processes were needed to involve people in local activism.

This is felt to be particularly important in terms of creating a wide range of places and opportunities for people to emerge as community leaders or activists. Community anchors play a valuable role here, providing a focal point for activities that can underpin more formal governance structures while offering a “safe” space for groups to self-organise and develop their capacity. Anchors or neighbourhood hubs can perform a bridging role between communities and the state, fulfilling local needs, performing a “listening and advocacy” function and creating a channel for dialogue between communities and authorities or service providers.

Moving forward, what is needed is a governance framework that can facilitate local participation and influence in the broadest sense, providing practices and structures that will support engagement and active participation in planning and decision making while effectively connecting with other levels of government to shape decisions that are made higher up.

Such an approach presents an opportunity for communities and authorities to **redefine the relationship between citizens and the state**, moving towards a relationship based on collaboration and partnership. This vision of neighbourhood empowerment has the potential to achieve more than just better services for communities; it could create genuine opportunities for citizens to shape their visions and experiences of their neighbourhoods.

Partnership working – a long-term vision

The current reality of partnership working in neighbourhoods falls far short of this vision. Although there was general agreement that “on paper LSPs have the potential to really champion neighbourhood needs”, participants questioned how effective LSPs are in practice when it comes to supporting and strengthening communities. Many people described problematic relationships with their LSPs, which they feel are a major obstacle to effective community engagement. This sentiment has been expressed widely by both community groups and ward councillors in the Young Foundation’s research on local authorities¹.

There are a number of issues that affect the relationship between LSPs and communities, which in turn prevent the formation of effective partnerships:

- **LSPs need to be more accessible to communities** – the closed committee structure of most LSPs prevents communities from engaging effectively, and in some cases also excludes non-executive ward councillors from participating constructively. LSPs need to be more open and accessible to voluntary and community groups and citizens, and it was suggested that LSPs would benefit from guidance and support to help them to achieve this.
- Suggestions include citizen panels, more committee seats for community groups and representatives, and citizen scrutiny panels.

¹ Interviews conducted by the Young Foundation between October 2005 and March 2006.

- **Greater accountability about decision-making** – LSPs have received criticism for their lack of transparency and accountability to communities. There is a sense of frustration among communities about their lack of power to scrutinise or challenge the decisions made by LSPs. A particular criticism is the lack of a formal complaints procedure or mechanism for redress for communities that are unhappy with LSP decisions. Suggestions include measuring LSP performance in all CPA evaluations, opening up LSP scrutiny processes, and establishing a public complaints procedure.
- **Shift focus from deploying resources to understanding local needs** – participants felt that LSPs are structured to deploy resources effectively, and as a result do not have the skills or capacity to engage with and empower communities. There is a wealth of anecdotal evidence to suggest that this is the case in many places, and a strong feeling that LSPs are driven by urban problems, making their role less clear in rural areas.
- **Disempowering CENs?** – It was felt that Community Empowerment Networks have suffered as a result of Community Empowerment Fund being redirected through LSPs. Given the difficulties many LSPs experience in engaging community groups, there should be a greater role for CENs, where they exist, to channel community interest to LSPs.

A new conception of community leadership?

The Young Foundation believes that new neighbourhood arrangements call for strong community leaders who are effective advocates, skilled brokers, and can represent all parts of their community. The marginalisation of non-executive ward councillors is disempowering for neighbourhoods, and in some cases is prompting people to overlook councillors and to go directly to council officers with queries and issues. There are strong arguments in favour of neighbourhoods being represented below the level of ward councillor, but questions have been raised about the type of leadership that would be most effective for communities.

An opportunity exists to debate **what community leadership means** and to develop a new and more dynamic concept of leadership to take forward the neighbourhoods agenda. In the seminar, this was used as the starting point for a discussion about the type of leadership that neighbourhoods need and what new roles might mean to citizens and community groups.

The term 'community leadership' was felt to be problematic by some participants because potentially it concentrates power and authority in the hands of a few individuals. This discussion focused on the need for 'community leaders' to act as facilitators to encourage widespread political engagement and activism locally. There was particular interest in the idea of reconnecting local life and local politics, fostering a culture of widespread local participation starting with people in neighbourhoods being represented by local figures that they know and trust as community advocates.

It was felt there is a need for "listening leaders" who are capable of engaging with diverse communities, reflecting a wide range of opinions and using local experience to influence decisions at neighbourhood level and above. There was a sense that community leaders or representatives need to be sensitive to diversity and how this is manifested in different social, cultural and faith networks and

different conceptions of leadership. They should be encouraged to work alongside other community figures, whether or not they are formally elected, and see these alliances as a strength rather than a compromise. It is important to move on from “clichéd” debates that position unelected activists or community leaders as unrepresentative, and instead acknowledge the value of drawing on a wide range of voices.

Participants agreed that neighbourhoods should be represented below ward level by leaders with a democratic mandate, possibly by neighbourhood, community or parish councillors with new roles and powers. Participants felt there was some value in updating the role of ward councillors to put greater emphasis on active community engagement and advocacy, encouraged through new job descriptions and possibly even performance standards. Anecdotal evidence suggests that many ward councillors who are active community advocates fall foul of local party politics and are penalised as a result. Creating new roles that are evaluated in terms of practical action, engagement and partnership might go some way to tackling these problems and attracting a wider range of people to councillor posts.

Participants concluded that new councillor roles should fulfil three main functions: operating below ward councillor level to provide facilitation and support for grassroots community participation; brokering partnerships between communities, authorities and service providers; and advocating for communities at other levels of government.

“Listening Leaders”: ideas and innovations for developing new councillor roles

- Develop new role for councillor advocates at neighbourhood, parish and ward level, with emphasis on active community engagement, voice and scrutiny
- Supported by new powers to develop neighbourhood strategies, tackle local problems, respond to calls for action and proposals for positive initiatives, handle small delegated budgets
- Including more scope for councillors to advocate for neighbourhood plans and priorities to be incorporated into LAAs and LSP community strategies?
- Capacity building programme for councillors taking on this role (and supporting officers) including training in community engagement
- Reform political party selection procedures to address shortage of candidates at ward level – more independent neighbourhood candidates?
- Remuneration – should councillor advocates be paid?

Obstacles to neighbourhood empowerment

Sustainable financing

The lack of sustainable funding for voluntary and community groups presents a significant obstacle to neighbourhood empowerment. Voluntary and community groups underpin and strengthen formal governance structures, providing a way into community activism and local politics for many people. They also play a vital role in delivering local services, providing a base for other groups to organise and flourish, building social capital and developing community capacity.

Short-term grants and the postcode lottery of regeneration funding were cited as particular problems. A package of measures are needed to help voluntary and community groups grow and become sustainable, including micro-grants to stimulate common local action, and access to longer-term funding and other types of support such as business planning and finance skills.

Developing an asset-base is one route to sustainability for community organisations and was supported by some participants. Assets are a key element in the community anchor model, enabling organisations to become financially independent by renting facilities and providing local services. Anchors or hubs can also act as a springboard for greater community development, turning local liabilities into assets and providing a base for community enterprise.

A Community Right-to-Buy in England could create a wealth of opportunities for local groups and see a host of new enterprises established. But there is also an argument for proceeding with caution. Asset-based development is not appropriate for all community organisations. Small groups may be at a disadvantage. They can't always organise quickly enough to take advantage of opportunities to acquire assets, navigate the bureaucracy, or raise adequate funding. Ownership requires specialist skills and capacity, and it is arguable that

the responsibilities of managing assets place an unfair burden on the deprived communities that need them the most.

If the government is to encourage asset transfer to community groups then support will be needed to ensure that transfers are sustainable over time. Many buildings are not viable without a subsidy or endowment for repairs and maintenance. Viability assessments require specialist skills that are likely to be beyond the capability of many community groups. If the right support were available to help make these evaluations then asset transfer could become a practical reality, however this raises a host of questions and issues about how this would be funded. Options could include local planning taxes to generate funds to support community ownership, or business and community partnerships to carry out feasibility studies and structure financing, ownership and management arrangements.

Asset-based development is one way to support community groups but it shouldn't replace the need for other forms of sustainable funding

Capacity-building for all stakeholders

The debate about capacity building and neighbourhood empowerment is top-down and often problematises the lack of professionalism in communities, rather than acknowledging that local organisations and activists bring a range of valuable skills and expertise to neighbourhood working. Discussions tend to focus on building community capacity so local groups can “bend towards government working practices” and engage more effectively with authorities. There is a sense, however, that this approach overlooks the roles (and responsibilities) of other key stakeholders. Council officers and other public authority personnel often play a critical role in helping to develop and sustain community organisations and enterprises. Councillors need support to advocate effectively for their communities and new neighbourhood arrangements will increase the need for **all stakeholders** to improve their skills and capacity to

work together. In particular, senior decision makers who might be leading community partnerships or LSPs will need support to understand how to engage and empower communities.

There is also a danger in “professionalizing communities”. Building the capacity of a few organisations creates pockets of highly skilled individuals, but there is no guarantee that expertise is transferred to the wider community. Community capacity building programmes need to be widespread and rooted in anchor organisations that can train and support other individuals and groups and help them to become sustainable over time, building networks of activism.

Capacity building: What skills are needed to make neighbourhood empowerment a reality?

- Community engagement – capacity building for senior decision makers in local authorities and public service providers
- Leadership and advocacy – support for councillors
- Community activism – help and advice for starting community groups. Getting started, finding funding, running effective meetings, skill sharing, equality and diversity issues, building social capital
- Community learning – support for citizens and voluntary and community groups to use consultation and participatory planning processes such as neighbourhood agreements, community and parish planning, open budgeting
- Mapping to identify resources in neighbourhoods and networks that could be tapped in
- Skills mapping – identifying untapped skills and resources
- Creative tools – new ideas and approaches to participation for communities and council officers and other public agencies
- Asset building – support for voluntary and community groups to develop a sustainable asset-base. Managing and owning community assets, delivering local services

Building capacity will require patience and resources. It is critical that stakeholders in neighbourhoods can move forward together at an appropriate pace. Move too quickly and there is a danger that smaller community organisations are left behind or authorities will not have time to introduce adequate support programmes; move too slowly and there is a risk that all parties are frustrated and become disengaged and disempowered.

However, such large scale capacity building will require significant resources to be directed to all stakeholders. To date, discussions about sustainable financing to make neighbourhood empowerment a reality are noticeably absent from the debate. Participants felt that central government should take the lead on capacity building, providing clearly designated funding and encouraging local authorities to support voluntary and community organisations.

There is also a need to foster a sense of citizenship, especially among the young. Schools could be a place to accomplish this, as education would provide an opportunity to participate in local politics from an early age.

5. Ideas and innovations

One of the aims of the seminar was to discuss some of the government's proposals for engaging and empowering communities—in particular, the use of charters, agreements and a community call for action; and new possibilities for services to be devolved to neighbourhood bodies. These topics were addressed in workgroups and discussions, the outputs of which are summarised below.

Charters, agreements and “triggers”

The aim of this discussion was to determine the value of using charters and agreements between service providers and neighbourhoods as a means to improve service delivery. The key questions addressed in this session included:

- What is the value to neighbourhoods of using charters and agreements?
- What should such agreements contain?
- Who should broker agreements on behalf of a neighbourhood?
- Who has the right to take on neighbourhood commitments to monitor or manage services?
- Is there a role for a community call for action to “trigger” a response from public authorities when services consistently fall below agreed levels?

Charters and agreements

- Neighbourhood **charters**?
 - Agreed through LSP, setting out general local framework of opportunities and powers...
- Neighbourhood **agreements**?
 - Agreed in neighbourhoods with authorities/service providers?
 - Meaningful, practical, joined-up
 - Action-planning?
 - E.g. contracts, community service agreements
- Participatory process for creating charters & agreements
- Clearly determine service expectations?

There is value in the idea of using charters or agreements as **framework** to enable communities to collectively agree local service priorities, develop partnerships with public authorities, and set out a collaborative process for tackling problems. However, while the potential benefits of such an approach

are recognized, we must also keep in mind concerns regarding the burden that would be placed on communities. Deprived neighbourhoods in particular need the most support to improve services and tackle problems, yet are likely to have the least available resources and capacity.

It is highly probable that charters and agreements would only be effective if communities had a **genuine stake** in the negotiation process, without which the process would be at risk of becoming a top-down, tickbox exercise. It is likely that a considerable amount of support would be needed to help communities develop the skills they need to participate effectively—agree on local needs, negotiate an agreement, and subsequently monitor performance standards. This raises questions about who should and could provide this support, and whether funding will be available from local authorities or other sources.

Community Empowerment Networks (where they exist) were identified as possible “brokers” to lead the negotiation process, involve partners and work with neighbourhoods to provide support and training to implement and monitor agreements. The Foxwood Estate in York was cited as an example of good practice (*see case study – page 20*). Here, a community action group, supported by Joseph Rowntree Foundation, and elected members have come together to negotiate and monitor an agreement between residents and service providers. Ideas from this exercise reinforce the need for a **long-term commitment** to the

process, the value of a skilled **independent negotiator** to help develop the agreement, and the importance of **simple agreements** that will not generate too much bureaucracy.

Case Study: Foxwood Neighbourhood Agreement, York

The Foxwood “Neighbourhood Agreement” launched in 1998 provides us with one case study of how local involvement can empower residents and improve services. Foxwood, a mixed tenure area of 1,363 properties, had concerns about vandalism and lack of youth provision. This prompted the City Council, in partnership with residents, initially to develop a community safety and crime initiative that focused on inter-agency solutions and community empowerment. A series of other agreements between local residents and service providers have since been developed. The agreements take the form of succinct statements of background information, targets, response times and contract points. These agreements are then monitored by a community Action Group and more formally within a local partnership structure. The Foxwood partnership comprises residents, service providers and elected members.

The monitoring has enabled residents to continually hold service providers to account and makes resource allocation and target setting more transparent. Inter-agency working, the empowerment of local residents (both through the monitoring process and skill development) and the improvement of services have all resulted from this small-scale project. Concerns which are likely to arise elsewhere include lack of involvement from the broader community, difficulty engaging owner-occupiers and difficulties in raising interest in issues and service improvement rather than just physical renovation. While the Foxwood project has enthusiastic buy-in for future development from local residents, service providers and the council will need to work hard to improve capacity and enthusiasm if more advanced forms of scrutiny and participation are to be successful.

However, the overriding concern is about the **leverage** that neighbourhoods will have to address problems in the event that agreed outcomes are not met. What powers will neighbourhoods have to hold service providers to account? Will there be any incentives for service providers to stick to their agreed commitments? Who will step in to mediate if relationships between neighbourhoods and service providers break down? Participants felt that government proposals for a “community call for action” encouraging neighbourhoods to trigger action in response to consistently poor services may provide some leverage, in particular if neighbourhoods could trigger a public meeting or inquiry. However, there is only value in this approach if citizens or community groups have the right to a response, or indeed to action, in a specified time frame.

Community services: influencing, commissioning or delivering?

The aim of this session was to discuss the delivery of neighbourhood services, particularly issues and ideas relating to community enterprises commissioning and/or managing neighbourhood services. Key questions for discussion included:

- What are the advantages and disadvantages of community organisations delivering neighbourhood services?
- What type of services can practically and effectively be delivered at neighbourhood level?
- Should there be minimum voluntary standards for community and voluntary organisations who want to take on service delivery?
- Can we develop more effective models for community service delivery?

There are significant concerns among community groups about service delivery and the neighbourhoods agenda. These are driven by tensions between different agendas in central government and a sense that the neighbourhoods and procurement agenda are at odds, the first promoting localised delivery to improve services, while the second is concerned with best value, efficiency and a much more centralised approach. Alongside these tensions, community groups are concerned that central government and local authorities may assume that there is significant demand for neighbourhoods to take on service delivery, which may put pressure on the voluntary and community sector to bid for contracts that are not viable in the long-term.

This concern stems from different aspects of the debate about improving services being conflated. On one hand, neighbourhoods should be able to bend mainstream services to meet local priorities, and on the other they should be empowered to commission or deliver services that are not being adequately fulfilled by local authorities or other contractors. However, community-delivered

services do not automatically guarantee better services or more empowered neighbourhoods. The current interest in the third sector delivering public services is creating difficulties for community organisations that do not want to become contractors.

Arguably, the real opportunity to improve services comes from enabling people to **influence decisions about mainstream services**, rather than decisions about very focused, relatively small scale contracts. Any strategy for involving neighbourhoods in public service delivery should balance opportunities for shaping services through participation and democracy with scope for third sector organisations to take on the delivery of local services.

There is a lack of evidence to help both local authorities and communities to determine which services can be contracted out to neighbourhoods. There is a need to examine the range of service provision covered by a diverse range of local, self-defined groups. Additionally, there is a need to have respect for the different areas of expertise that exist within these groups and be able to adjust to their needs and provide them with initiatives they'd like to be involved in. A systematic analysis of current practice is needed to identify what works and what doesn't, where community service delivery is most effective, what effect it has on service outcomes, and what impact it has if any on community engagement or empowerment. Detailed policy work is needed to address questions about how communities would successfully "manage" and monitor contracts that are devolved to neighbourhood level. While parish councils have the power to commission and deliver services, what type of organisation can take on this function in unparished areas? Community ownership of the tender process was felt to be particularly problematic. Who is responsible for monitoring and scrutinising service standards? And what is the process for redress in the event of poor quality or worse, bankruptcy of a community enterprise? Will the local authority step in to the breach?

Despite these concerns, participants recognised that there are occasions when community-delivered services might be the best option, but at present there are barriers that prevent community enterprises from bidding for contracts. Some of the main issues concern the ability of community groups to compete with the private sector, in particular to secure funding to invest in capital equipment in order to win a contract, and the capacity to secure competitive contracts. Despite full cost recovery policies being in place to protect voluntary and community sector organisations, there are concerns that many local groups do not have the business planning or financing skills to be sustainable, despite the value of their local knowledge and experience.

Participants agreed that local authorities could be encouraged to develop a community procurement strategy, including new models for community service delivery that would provide support for voluntary and community groups (possibly connected to the authority's VCS strategy). Ideas for consideration included: a community franchise model, enabling very small groups to take advantage of an umbrella body to provide scale, expertise and administrative resources, and a social investment model in which local authorities provide small grants or financial aid to community enterprises for a specified period (eg. two years) that allows the organisation to develop so it can compete with private sector firms.

New models for community service delivery?

- *Community Franchise*: Developing a community franchise scheme to enable very small community groups to take advantage of collective purchasing power and administrative capabilities. Enable them to deliver individual contracts more efficiently - creates possibilities for very small contracts to be sustainable
- *Social Value*: surplus generated from service contracts should include a social dimension as well as best value, eg. Providing specific support to community (training, enterprise development, youth employment), or surplus generated from community contracts is reinvested in community improvements or to provide small grants to establish other enterprises.
- *Social Investment*: LA invests in community enterprise/VCS org for a limited period until it can compete effectively against the private sector (grant aid to get going; low cost loans for capital purchases?)
- Reform the commissioning process and stipulate that local authorities develop a community procurement strategy, including contracts with a "social value" dimension as well as best value

6. Conclusions and recommendations

The main findings from the seminar can be summarised as follows:

1. It is vital to bring local experience into the governance process. This should not simply rely on creating neighbourhood-level structures, but communities, service providers and local authorities must devise new, creative practices that will engage individuals who otherwise may not participate in local governance.
2. The opportunity exists to create a new type of relationship between communities and local authorities—one that is based on collaboration and partnership. However, there is a long way to go before this vision can become a reality. Current partnership structures need to be more transparent, accountable, and inclusive.
3. It is important to encourage and support new community leaders who can effectively advocate for their neighbourhoods and work with a wide range of partners.
4. The voluntary and community sector has a vital role to play in empowering neighbourhoods and providing a link between the state and a wide range of groups and individuals whose needs for representation or specialist services may fall outside the remit of statutory services. Although this may be the case, there is commonly a shortfall in provision which has always been taken up to varying degrees by the community voluntary sector. There is significant concern that new responsibilities and expectations will be placed on voluntary and community groups without additional funding or support.
5. More thought must go into which kinds of public provision should be restored to a level of proper funding, as well as where it is appropriate to strengthen the community and voluntary sector because excessive pressure is already being put on the community sector in other areas.

6. All stakeholders in neighbourhoods will require support to build their capacity to work effectively at neighbourhood level, including local authorities, service providers, councillors, community groups and citizens. There is particular concern about the need for skills to be spread widely through communities and not focused on professionalizing a small number of individuals and organisations.
7. There is considerable debate about the nature of community service provision. A service delivery model is needed that can incorporate both community influence over mainstream services and opportunities for neighbourhoods to commission local contracts in areas where the risks are limited and local authorities are unable to fulfil local needs.
8. Debate about the asset-based community development agenda is gaining momentum. While asset ownership provides opportunities for community organisations to generate revenue and reduce their dependence on grant funding, there is reason to proceed with caution given the potential risks and burdens associated with ownership.



The Young Foundation is a unique organisation that undertakes research to identify and understand social needs and then develops practical initiatives and institutions to address them. The Transforming Neighbourhoods programme is a research and innovation consortium on neighbourhood governance and empowerment. It brings together government departments, local authorities, community and research organisations including the Department for Communities and Local Government, the Home Office, the Local Government Association, the Improvement and Development Agency, the Joseph Rowntree Foundation, Community Alliance, the Community Development Foundation, the Commission on Architecture and the Built Environment, Birmingham, Camden, Haringey, Knowsley, Lewisham, Liverpool, Newham, Sheffield, Surrey, Tower Hamlets, Wakefield, Waltham Forest and Wiltshire.

This report has been compiled by Saffron James, Anne-Marie Brady and Leandra English with input from participants in the seminar.

The report is intended to reflect the main points of discussion and the broad recommendations that were generated on the day. The Young Foundation takes responsibility for its content. Not all the recommendations in this paper were agreed by all the participants in the seminar. Support for the Transforming Neighbourhoods programme on the part of consortium partners does not imply support for any particular analyses or conclusions herein. Responses and ideas are actively invited.

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Appendix 1: Seminar participants

Participants in the seminar, which took place at the Young Foundation on December 2, 2005.

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