

# MAKING A GOOD PLACE:

How to invest in  
social infrastructure

May 2021

---

COMMUNITY  
LINKS

This publication is designed for everyone who wants to take action to improve the places we live in, whether they be national or local politicians, public bodies or anchor institutions, voluntary sector umbrella bodies or community-based charities, charitable foundations or think tanks. Unlike its sister publication, *Being in a Good Place: investing in social infrastructure*, which predominantly takes a national overview, the main focus here is on action that is happening locally to make a good place, drawing out wider lessons for others.

# Contents

---

Page 1

## SUMMARY OF KEY POINTS

Pages 2 - 6

## INTRODUCTION

The case for investing in social infrastructure now

Definition and characteristics of good social infrastructure

Asking local people

Who makes a good place?

Pages 7 - 9

## OUR FOUR CASE STUDY AREAS

Key features of our four examples

Pages 10 - 14

## THE INGREDIENTS OF SUCCESS

### Including guest contributions:

Participatory grant making in Barking and Dagenham  
by Geraud de Ville de Goyet

Charitable foundations and social infrastructure  
by Murshad Habib

Pages 15 - 19

## FUNDING MODELS

### Including guest contributions:

How to get investment at scale in social infrastructure:  
lessons from City Funds in Bristol  
by Edward Rowberry

No longer buying a house, but 'buying into a  
community' by Roli Martin

Pages 20 - 27

## LESSONS FOR NATIONAL GOVERNMENT

### Including guest contributions:

Public land for public purposes  
by Professor Steve Schifferes

The importance of rebalancing local and central power  
by Professor Robin Hambleton

Pages 26 - 27

## CONCLUSION AND RECOMMENDATIONS

Recommendations to local place-makers

Recommendations to government

Page 28

## ABOUT THIS PUBLICATION

# Summary of key points

This publication is designed for everyone who wants to take action to improve the places we live in, whether they be national or local politicians, public bodies or anchor institutions, voluntary sector umbrella bodies or community-based charities, charitable foundations or think tanks. Unlike its sister publication, *Being in a Good Place: investing in social infrastructure*, which predominantly takes a national overview, the main focus here is on action that is happening locally to make a good place, drawing out wider lessons for others.

Place-makers should use a holistic, broad definition of social infrastructure, recognising that a good place depends on an eco-system created not just by the public but also the private and voluntary sectors. It's important that local people should be asked what they value now and they should be active partners in decisions to support existing infrastructure as well as in any redevelopment proposals, which should also deliver inclusivity, accessibility and sustainability. Indeed, the best way to create a good place is to engage everyone in the community from start to finish in any decisions, including leaders across the sectors, and create a sense of shared leadership.

To help tease out lessons for others seeking to make a good place, we look in this publication at a number of case studies which were drawn together in a recent roundtable on making a good place organised by the Early Action Task Force. These case studies illustrate the value of sharing power with local people to ensure that new investment meets their needs and point to practical ways of doing so. They also highlight the important role that local 'super connectors' play – sometimes new organisations or groups specially funded for this purpose, sometimes existing bodies such as local voluntary sector umbrella institutions. These make sure that local people and institutions connect to each other and have the support to be actively engaged. Likewise, the involvement of charitable and community foundations has often proved essential.

The case studies also give insights into how to generate and manage resources to support social infrastructure. In two of the areas, new funds have been established that are supporting existing and new voluntary and community activity. In the other two case studies, the potential use of public land and existing buildings to reduce the costs of new homes and other social infrastructure are being explored. Although some of the new resources are being generated locally, in all cases it is clear that other investment is required, either from national government and investment bodies, national and local charitable trusts and foundations or private investors or developers, or a mix of some or all of these. Start-up funding is one element but longer-term funding is also required.

National government has an important role to play, and we recommend that central government should:

- Create an investment fund at scale to help seed and maintain local funds.
- Introduce a Well-Being Budget and a new Well-Being and Future Generations Act in order to incentivise long-term planning and investment in social infrastructure and other forms of preventive spending. This should be accompanied by longer-term financial planning and ring-fencing of social infrastructure and other preventative funding.
- Cabinet Office rules should be changed to encourage greater use of public land and existing buildings for social infrastructure, including keeping these in public ownership.
- Planning should be reformed to give local government a greater role in creating good places with a more holistic view of the social infrastructure required; and greater power and resources should be given to local government to carry out this role in partnership with local people.

# The case for investing in social infrastructure now

Now is the right time to invest in making a good place. Just as the Victorians, experiencing waves of cholera and typhoid, invested in the social infrastructure that led to good health and greater well-being and resilience – from sewers and clean water, to schools, libraries and parks – so we need once again to become great place-makers to promote health and well-being. Bold action is required precisely because of the economic and social devastation the pandemic is causing. Britain's leaders after World War Two had the vision to recognise that investment in the welfare state, including the NHS and better housing, would bring not just better health and individual opportunity but would also lead to greater prosperity and well-being for the nation as a whole and help build back better.

Although the extraordinary financial constraints faced by the public finances as a result of the pandemic may lead some to say that this is not the right time to invest in this way, doing so is one way to bring those finances back to good health. There is considerable evidence to show that social infrastructure is preventative, as we explored in depth in *Being in a Good Place*, and it will save money downstream and as well as build future resilience and prosperity. And where the public sector invests in a place, private and charitable investment will follow. Good places create the conditions in which people thrive and find the support that helps problems from getting worse when they arise. Investment in them should be seen, alongside population wide vaccination, the creation of clean water and the existence of universal education, as an essential investment for a modern country.

Despite being the sixth largest economy in the world, Britain is now only 23rd in the world on conditions that create good health, according to the Legatum Prosperity Index. Austerity has contributed particularly to the loss of youth and Sure Start centres, libraries and other pieces of important social infrastructure that add real value to people's lives, as set out in more detail our earlier report, *Being in a Good Place: investing in social infrastructure*. Communities that lose public money on this scale, or have lost major employers, also often go into a downward spiral, losing shops, post offices, cafes, pubs and voluntary organisations too, and need an injection of investment to reverse this decline.

Certain communities are in a particularly bad situation, and many of these have also experienced deeper cuts in public spending than more affluent areas. As we said in *Being in a Good Place*, Britain is characterised by what we call civic inequality, with a strong correlation between other deprivation factors and poor social infrastructure. For example, a *2019 index* by the Local Trust and Oxford Consultants in Social Inclusion found the most deprived areas as measured by other deprivation factors also lacked key civic assets, and *New Philanthropy Capital* have found that charitable wealth and resources are disproportionately concentrated in the most affluent areas, with poorer area more badly served.

Covid-19 will in many cases be deepening this crisis, particularly as the economic impact of lockdown has threatened the future of many private sector businesses and voluntary sector organisations. In contrast to the considerable government support for business and the arts during the pandemic, charities and community groups have received relatively little help, while often facing greater demand for their services.

Although the greatest focus politically has been on the levelling up of communities in the north and midlands and some coastal towns, where action is very clearly needed, it is also true that these areas of civic inequality fall right across the country. Various national funds have been established, including most recently the £4 billion Levelling Up Fund, but it seems likely the fund will only finance some discrete high-profile projects in a limited number of areas, and the scale of the challenge requires a far more ambitious response.

# Definition and characteristics of good social infrastructure

As we argued in *Being in a Good Place*, it's important to take a holistic view of what constitutes social infrastructure. For example, many new housing estates are built without ready access to the things people who live within them need – homes built for cars, not people – as research, *Transport for new homes*, has shown.

All communities should have these things:

- **Good, genuinely affordable housing**, connected to good social infrastructure.
- **The services every place needs to thrive and support people when things go wrong.** Some of these are universal public services such as the NHS and education, funded mostly by central government. Others include:
  - High quality childcare, adult social care, good broadband and mobile signals, and public transport, often delivered by the private sector.
  - Remedial health and welfare support, from rehabilitation to foodbanks, often provided by the voluntary sector.
  - Public health and children's social care often provided directly by local authorities.
- **Physical spaces and places** in which to meet, exercise, enjoy leisure and build community. Some of these, such as parks, allotments, libraries and museums, are mostly owned and managed by the public sector. Others, such as shops, cafes, pubs, community spaces, places of worship, gyms, arts centres and theatres, are usually in private or community control.
- **Activities** which help create connection and community and build social capital and social integration. Examples are local sports groups, yoga and exercise classes, shared hobbies and adult education classes, and lunch clubs and faith and mutual aid groups which support the community. These are mostly run by the community, not-for-profit, faith groups and the private sector.
- **Community hubs** and other connectors, who bring people and sometimes institutions together. It is a role often taken by the voluntary sector but which can also be carried out by anchor institutions such as schools or universities, for example.

As this list illustrates, good social infrastructure consists of an eco-system of publicly funded services and the voluntary, community and private sector. Moreover, it's not just the buildings and open spaces, or even the institutions, but also the connections between people and indeed organisations that make a good place. Many of these happen in informal settings, from cafes to barber shops, community centres and sports and exercise facilities, as well as green spaces, as found in recent research for the Mayor of London, *Connective Social Infrastructure: how London's social spaces and networks help us live well together*.

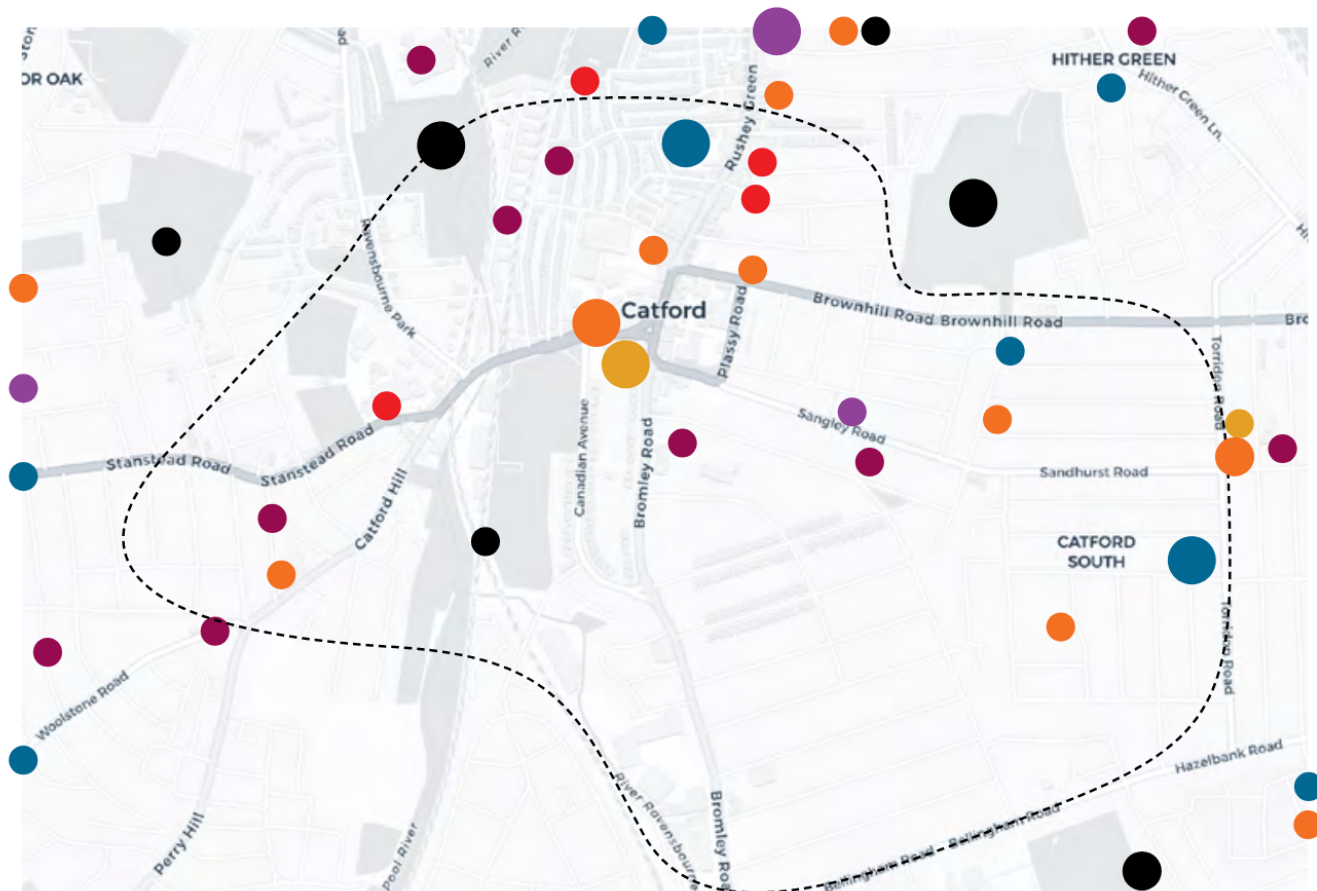
These characteristics are also important:

- **Real influence** by local people over what happens in their area, for example, about planning decisions, about the design of public services and about the uses of public funding, and will benefit from control over key community assets.
- **Accessibility**, both in terms of affordability and physical accessibility, so that people can use social infrastructure in their area.
- **Inclusivity**, in which every part of the community feels a sense of belonging and is welcomed, and has a say.
- **Sustainability**, so that assets are conserved for future generations and the local and global environment are protected.

# Asking local people

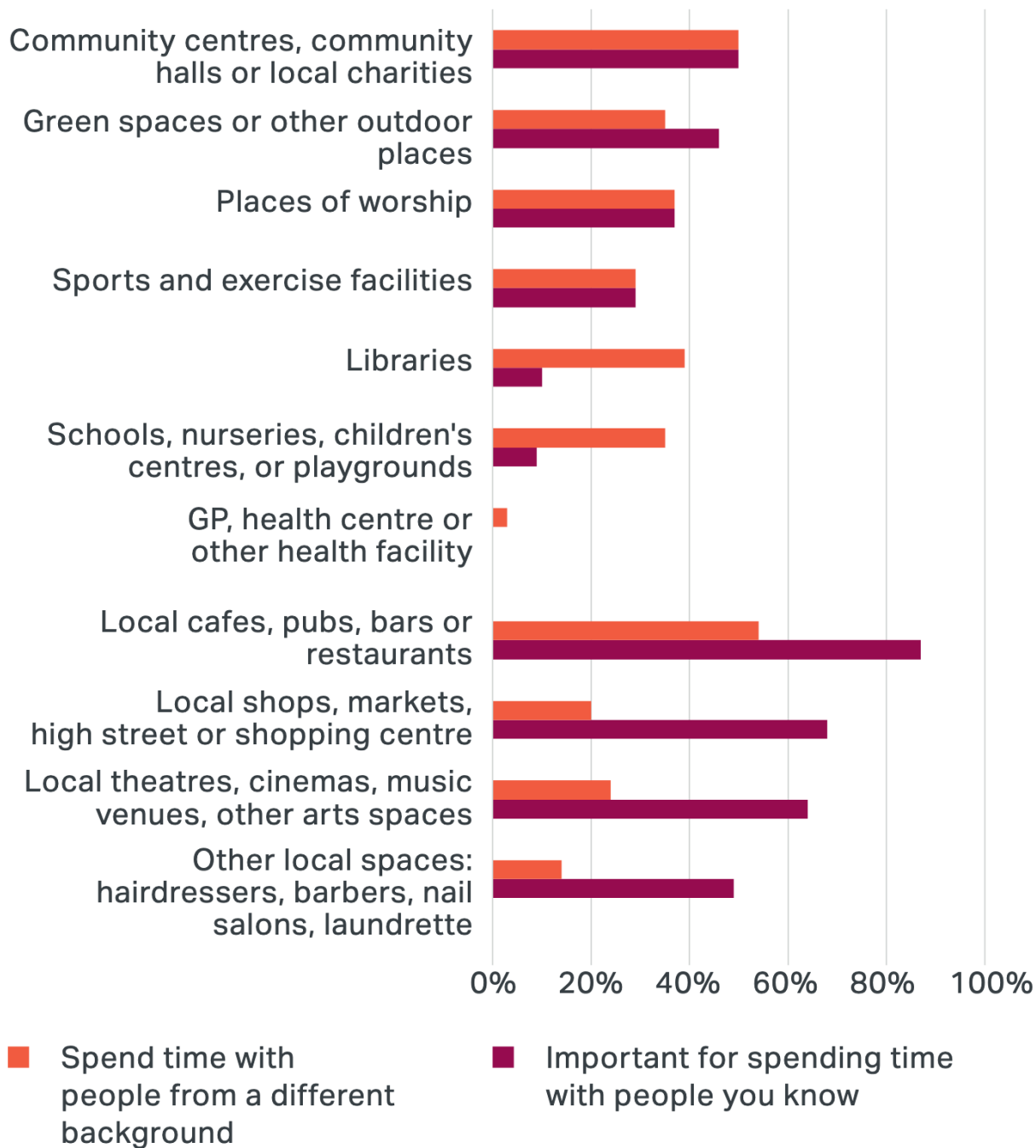
The only way to find out what is valued in a place, and discover where the gaps lie, is to consult local people. For example, the Connective Social Infrastructure research commissioned by the Mayor of London asked residents in three different communities with different characteristics about what local places they used, and which were important to them for relationships. As you would expect, there were significant variations between the areas, but also common features. Here's what they found in Catford, for example, which brings home the many different elements that make a good place.

## Formal and informal local spaces and facilities which street interview participants reported using.



- Green and outdoor spaces
- Community and charity spaces
- Children's facilities
- Libraries
- Places of worship
- Sports and exercise facilities
- Health facilities

## The importance of local places for relationships



New tools are springing up for this kind of research. For example, *Voice, Opportunity, Power: a toolkit to involve young people in their neighbourhoods*, which is free, can be used to ask young people open-ended questions about what it is like to live in their neighbourhood, and to create space for them to tell architects and developers what they want and then give feedback on plans as they develop.



# Who makes a good place?

---

Local government often has a key role in making a good place, but many different players have a part to play in creating a healthy neighbourhood, as the case studies we explore in this report show. It is often far-sighted individuals, sometimes in elected leadership roles, sometimes in anchor institutions such as schools, who initiate this work. Other bodies, such as umbrella voluntary sector organisations or new bodies set up for this purpose, can also carry out a critical role in bringing people and institutions together to strengthen relationships and mutual trust and help create a common purpose.

In this report, we call these ‘super connectors’, a term invented by Edward Rowberry in Bristol.

Many people are currently experimenting with how to build a good place, some pushing at the boundaries of what is possible and struggling to break through the administrative barriers that stand in their way.

The best place-makers are investing not just in much needed housing but also ensuring it is truly affordable and sustainable and that new homes are surrounded by the services, facilities and activities that also enable people to thrive. They are seeking to ensure that community-based activities and charities that bring people together as well as provide vital services are supported and that new ones are established where needed. Increasingly, some are looking at how to reinvent local high streets which are suffering from a shift to online businesses and have also been affected by the pandemic. Some are also implementing regeneration schemes in ways that lead to inclusive growth and better lives for the people that live there, rather than simply displacing their least affluent residents who can no longer afford to live in a place they once loved.

# Our four case study areas

# Our four case study areas

At a roundtable on 17 March 2021, we brought representatives from four areas together which in different ways are breaking new ground, along with other practitioners and thinkers. In what follows, we describe what they are doing and draw out some lessons for others who may be thinking about action in their own areas. Two of these examples, in Bristol and Barking and Dagenham, are already operational, with specific funds established to help support a wider long-term vision for the area drawn up with local people; and they have strong shared leadership and also practise participatory grant-making with local people. The other two areas, in Exeter and Feltham, are still in the planning phase, and involve the relatively novel use of local land for redevelopment. They potentially provide promising models for others, if obstacles to their proposals can be overcome.

## Key features of our four examples

Bristol	Barking and Dagenham
<p><i>One City Plan</i> up to 2050, is reviewed annually, and aims ‘to create a fair, healthy and sustainable city and a city of hope and aspiration, where everyone can share in its success.’ Launched in Jan 2019.</p> <p>Targets include mental and physical health and well-being and everyone living in a home that meets their needs within thriving and safe communities, as well as connectivity to support vibrant local neighbourhoods and a thriving city centre, a sustainable and inclusive economy, a healthy environment with low impact on the planet and good quality learning and skills.</p> <p>A ‘<i>One City</i>’ approach, initiated by Mayor of Bristol, Marvin Rees, brings together collective leadership in a City Leaders Group and a City Office. Partners include businesses, universities, trade unions, voluntary sector organisations, faith groups and community leaders.</p> <p>‘Network governance’, with plans and priorities reviewed by annual city gatherings and informed by a new Citizens’ Assembly.</p> <p><i>City Funds</i>, an independent funding mechanism that is using both investment and grant to transform Bristol by supporting solutions that target the causes and effects of inequality. A partnership between Bristol &amp; Bath Regional Capital, Quartet Community Foundation, and Bristol City Council, City Funds uses its £10 million investment fund and £1m+ aligned grants to strengthen organisations solving some of the biggest problems facing Bristol. Cornerstone investors were Big Society Capital and Bristol City Council who have invested £5m each, with grants coming from various local and national charitable foundations and trusts. Investment and grants are strategically linked to local priorities via the goals of the Once City Plan.</p> <p>Grants made by a grant-making panel including Bristolians with lived experience.</p>	<p>The London Borough and the social sector jointly developed a 20 year manifesto through discussion with 3,000 local people called <i>Barking and Dagenham Together</i>. Its vision is ‘One Borough. One Community. No-one left behind’. Launched in 2017, against a backdrop of massive regeneration to transform the area, which had lost many key employers, with the building of 60,000 new homes.</p> <p>The plan commits to ‘build communities, not just homes. In its new Gascoigne Estate, for example, new schools, children’s facilities, community spaces, retail and a medical centre are being built. Like Bristol’s <i>One City Plan</i>, it has a number of similar targets across health and well-being, the environment, the economy, community and learning. The overarching aim is to build ‘a place people are proud of and want to live, work, study and stay’.</p> <p>The plan is reviewed annually at a State of the Borough conference organised by the council and social sector. A delivery partnership – comprising all the borough’s key stakeholders – meets on a quarterly basis to assess progress made and to plan how best to collaborate in future.</p> <p>The strategic alignment of the council and the social sector also led to the establishment of BD Collective and Barking &amp; Dagenham Giving, and a reframing of the role of the local Council for Voluntary Services. Working closely with the Barking Enterprise Centre, this new collaboration aims to stimulate new opportunities in the borough, build capacity, grow cross-sector partnerships, and develop new forms of civic engagement.</p> <p>Use of Neighbourhood Community Infrastructure Levy to finance a Neighbourhood Fund and a Community Endowment Fund to help support the local social sector.</p> <p>Barking &amp; Dagenham Giving established, with support from a Department of Culture, Media and Sport start up grant, in 2019, and with financial support from charitable foundations, the City Bridge Trust and Lankelly Chase Foundation, both for core funding and grants. It was also incubated in the local Council in its early stages. It has been entrusted with a new Community Endowment Fund. The council has also transferred ownership of some social housing and it is able to use lease income to boost its grant-making.</p> <p>Participatory Grant is at the heart of Barking &amp; Dagenham Giving’s approach and is being applied to the new endowment fund.</p>

Exeter (still in the planning phase)	Feltham, London (proposal only at this stage)
<p>A vision for <i>Liveable Exeter</i>, 'Walkable, Liveable Neighbourhoods', was drawn up by local council with local people.</p> <p>The plan is to use public land from a number of different bodies in the city, with each having an equity share based on value.</p> <p><i>Exeter City Futures</i> CIC was established by the various bodies involved to carry out a 'super connector' role and development proposals and one of its stakeholders, Global City Futures, has helped seed its work through philanthropic means and is seeking government funding.</p> <p>They are intending to retain ownership and using rental income for local benefit. As Exeter City Futures says, the project is 'publicly owned, professionally run, financed by public and private money but profits go back into the fund.'</p> <p>They are seeking a government grant to meet some of development costs and to encourage other lenders to provide development capital.</p> <p>Exeter City Futures were given working capital by government to help develop the proposal.</p> <p>Potential model for future investment.</p> <p>Ambitious rental only model of housing, aiming to attract residents by its offer of a community connected to great facilities and services and a environmentally sustainable community.</p>	<p>The <i>Reach Academy</i>, a local Academy School based in Feltham, London, has been seeking since 2018, so far unsuccessfully, to build housing and other social infrastructure needed by the community adjacent to the school in an education-led regenerative development.</p> <p>It is trying to buy Ministry of Defence land to build over 1200 new homes, community health, social care and careers support and new youth services and extra-curricular programmes for children and families. This would add considerable benefit for the local area and the families which use the school who feel the area has been under-resourced and under-served.</p> <p>Part of the land has already been purchased by the Department for Education to build a sister school to Reach Academy Feltham.</p> <p>The Reach Foundation has a Memorandum of Understanding with a property developer, First Base, if it can secure the land.</p> <p>If successful, this is a potential model for other Academy schools and other community organisations to develop local land primarily for the benefit of local people.</p>

# The ingredients of success

# The ingredients of success

Five key elements are important to the success of our four examples, which we explore below.

## 1. A collective, long-term vision, created with and regularly reviewed by local people ensures local needs are met.

Both Bristol and Barking and Dagenham provide strong examples of how to build a collective, long-term vision with local people in a way that ensures local needs are genuinely met.

Bristol's City mayor, Marvin Rees, working with local leaders and engaging local people, created a *One City Plan* up to 2050 to 'create a fair, healthy and sustainable city and a city of hope and aspiration, where everyone can share in its success'. As set out in the table of key features earlier in this report, the plan's targets are wide-ranging and ambitious, and are also linked to the *UN's Sustainable Development Goals*.

Progress and future priorities are reviewed annually with well-attended City Gatherings of local people.

The first one, held in 2016, attracted over 70 leaders and was oversubscribed, and civic engagement has continued to grow since then. 400 people came to the most recent City Gathering in March 2021, which was held online due to Covid-19. Participants decide on two of the three priorities for the future year, and the youth mayors decide on the other one.

In Barking and Dagenham, there is a similar history of local government joining forces with local people to create a strong vision. In 2017, the council and the social sector jointly launched a Borough Manifesto, a vision for the borough to 2030 called *Barking and Dagenham Together*. Three thousand local people took part in its development and its vision is 'One Borough. One Community. No-one left behind'.

The overarching aim is to build 'a place people are proud of and want to live, work, study and stay'. The context is one of massive regeneration to transform the area, which has lost many key employers, and the building of 60,000 new homes. Like Bristol's One City Plan, it has a number of targets across health and well-being, the environment, the economy, community and learning. Progress against these targets is reviewed every year during a State of the Borough conference co-organised by the social sector and the council.

The Manifesto commits to 'build communities, not just homes, with new schools, children's facilities, community spaces, retail and a medical centre in its new Gascoigne Estate, for example, and a healthy Barking Riverside development.

## 2. Shared leadership bringing together cross-sectoral resources in the area, with investment in a 'super connecting' function to help make this happen.

Bristol's One City Plan is seen as a plan not just for local government but also for everyone in the city, realised through 'network governance'. The Mayor of Bristol has been particularly committed to bringing leaders together from what Robin Hambleton in *Cities and Communities beyond Covid-19* calls the 'five realms' of place-based leadership: political, public managerial/professional, community, business and trade union leadership.

Anchor institutions play an important role, including the two Bristol based universities, especially the University of Bristol, which set up the *Bristol Forum* to 'advance the collective intelligence of the city'.

!! The city should not be run  
from the Council Chamber !!

Marvin Rees, Mayor of Bristol

This kind of shared leadership cannot be achieved without investment in a 'super connector role' which helps to forge relationships, build trust and make connections between different groups in order to establish a common purpose and plan to get there.

In the case of Bristol, the mayor set up a 'City Office' to carry out this role and seeks to work closely with all five realms of local leadership at one and the same time. It provides a common space for leaders from different sectors or 'realms' to come together to jointly solve problems. Its Directors are provided on a revolving basis from among the institutions involved.

In Barking and Dagenham, the Borough also works closely with what it calls 'delivery partners'. The challenge for the local social sector, one of the smallest in London, has been to collaborate effectively whilst also trying to survive in a very tough financial climate, and the relationship between the sector and the council was characterised by mistrust. At the same time, the Council recognised that a strong social sector was central to enabling local people to create meaningful change for themselves, their family and their neighbourhood and was eager to rebuild relationships.

To make collaboration a reality, leaders from the social sector came together in a new BD Collective and this organisation played a pivotal role in the formation of the vision for the area and connecting the council to local people. Working closely with the local Council of Voluntary Services, the Barking Enterprise Centre and Barking and Dagenham Giving, the Collective aims to stimulate new opportunities in the borough, build capacity, grow cross-sector partnerships, and develop new forms of civic engagement, notably by putting participation at the heart of its processes.

In Exeter, where they have an ambitious plan to bring together different institutions to deliver a vision of Liveable Exeter and a Net Zero future, Exeter City Futures has been established, a Community Interest Company owned and controlled by Exeter's two councils, NHS Trust, University and College, with Global City Futures also on the board. This organisation has created an innovative and high-powered partnership with key institutional leaders including those from these different bodies. Global City Futures has helped secure seed funding and sought central government support.

In Feltham, it is an anchor institution, the local Academy school, which is trying to bring various parties together locally and nationally to achieve its vision of enhanced local social infrastructure.

### 3. Community participation in decision-making ensures that investment genuinely serves those it aims to help.

Both Bristol and Barking and Dagenham have established dedicated funds to help provide resources to the community to deliver the wider long-term vision for their areas; and both involve local people in setting priorities and in the grant-making function.

Bristol has recently introduced a Citizens Assembly, which includes people identified through sortition, i.e. randomly, to help inform strategy. Bristol's City Funds also has a grant-making panel advising on health and well-being grants which is drawn from the community selected through an advertising process.

Barking & Dagenham Giving, an independent charity which has local people on its board, is one source in that area for grants to support the local social sector, which is a critical part of local social infrastructure.

The charity involves local people in grant-making from start to finish, which they have found not only leads to better decisions, but also helps build the capacity of local people to contribute to the community in wider ways. This process is described on the following page by the Chief Executive of Barking & Dagenham Giving, Geraud de Ville de Goyet.

## Participatory grant making in Barking and Dagenham

by Geraud de Ville de Goyet

We believe that the people affected by funding decisions should be the ones making those decisions. That's why we practise participatory grant-making, as part of a wider commitment in Barking and Dagenham to participation and engagement. What we've discovered is that it delivers not just better decisions but that the process itself creates significant benefits for those who take part.

The process of co-design with the community for a particular grant extends from designing the application process itself to evaluating the outcomes, and we've found that this is very important. For instance, application processes can put off many potential applicants, and it's important to make them simpler and more relevant.

Our panel of local people also take all the decisions about who gets the grants. We train them and offer them payment for their input. We also have a mechanism for managing any conflicts of interest. We recruit people from the community by extending the invitation through all the community organisations and networks we know, and that does mean we reach out widely. We do have people on our panel with lived experience, but as our criteria for applications is often very wide we cannot guarantee that the decisions for a particular grant will be taken by people with direct experience of that particular issue. But in all cases we think that knowledge of our community leads to better decisions, and therefore to better outcomes.

One of the things we've learnt is that it is worth taking enough time to run the application process in order to get better decisions. We've also found that the value created by participatory grant-making is very important. It's not just the value our panel adds to the quality of decisions, it's also the skills and capacity that are generated by participation itself and the way in which the process

creates community engagement. Some of these we cannot quantify, others we can. People feel more connected to their community, are invested in its outcomes or just become more aware of what is happening around them that they could get involved with.

Participatory grant-making adds to the cost, and typically funders tend to think of the application process as an overhead. However, as much as we are factoring support for people's time, we are also encouraging other funders to recognise the value of this input and to give a higher proportion of the grant to it. For us participation is an end in itself and has its place alongside other outcomes.

We are now building on this experience to engage the community in designing and managing a new community endowment fund. This fund will create a perpetual, inclusive, and sustainable source of income for the local community through an innovative partnership with the council, which will see the local community take a lead in deciding how resources are invested, and how the income generated through these investments is spent.



*Geraud de Ville de Goyet is Chief Executive Officer of Barking & Dagenham Giving. Before this he worked in the local council, helping to develop the local Neighbourhood and Endowment Funds.*

A new Community Endowment Fund established by the council in partnership with Barking & Dagenham Giving, is a capital investment fund which will provide annual income in the future to support the local social sector. This is being set up in a highly participative way, with a community advisory group and a series of consultation events with the wider community. Barking & Dagenham Giving has committed to involving the community in shaping the fund's investment policy, i.e. how the money should be invested, and in monitoring the investments in order to ensure that the fund meets its ambitions and values.

It has also said that the bulk of income generated by the Community Endowment Fund will be made available for people and organisations in the borough, following Barking & Dagenham Giving's participatory processes.

It is clear from the initial consultation events that local people want the endowment fund to be delivered in a way which is equitable and accessible, and the charity is determined to give community members the tools and support they need to get to grips with the large sums of money involved.

### 4. Local government is an important player, but anchor institutions such as schools can play a pivotal leadership role.

A strong example of an anchor institution taking on the leadership role, rather than the local authority, is the Reach Academy in Feltham, London, which is seeking to redevelop an adjacent site to provide better social infrastructure for local people. Since it started exploring this option in 2018, it has been trying to gain ownership, through a joint venture with a private property developer, of Ministry of Defence land.



This has involved discussions with numerous government departments and agencies, without any direct support from the local authority. Across the country, other anchor institutions, for example, universities, or even a community-based charity, could play a similar role. However, unless the local authority is able to directly provide planning and development expertise or fund it, then partnership with a property developer is probably essential.

## 5. The important role of charitable foundations and trusts.

Bristol's City Funds brings in funding from national charitable foundations including from *Access - The Foundation for Social Investment* and *Power to Change*, and local efforts are led by Quartet Community Foundation.

Likewise, Barking & Dagenham Giving could not have been established without funding from the City Bridge Trust and Lankelly Chase Foundation, whilst the Community Endowment Fund benefits from a direct investment by the council, which provide both core funds and grants. Exeter City Futures has also been seed funded through philanthropic money.

In the box below, Murshad Habib from Community Links writes about the important connecting role of anchor institutions and how charitable foundations and trusts have helped make their work even more preventative and have impact on a wider scale.

## Charitable foundations and social infrastructure

by Murshad Habib

Charitable foundations are helping place based organisations across the country, including Community Links, to be a key piece of social infrastructure that helps prevent problems in the first place by providing activities and places which bring communities together; and offers early action services when issues arise. These anchor organisations, like Community Links, play an important 'connecting role' for local residents and also connect up other organisations locally and nationally to improve services.

Community Links has been transforming lives for 40 years in Newham. We're committed to creating 'Ready for Everything Communities', in which our community has the voice and the confidence to make change happen and is connected, inclusive and cohesive.

We are rooted in our community but it is a community in flux. Newham has one of the highest rates of population turnover in London and this has created further isolation as new ethnic groups move in but often find it hard to integrate with the wider community. Our strategy aims to connect these disparate groups, bringing people together by creating shared places which foster collaboration and translating our local practice into national policy to create widespread change.

We also connect up with other organisations to improve services. At the height of the COVID-19 pandemic, our partnership with the national charity, Crisis, allowed us to rapidly form a dedicated Homelessness Prevention Service, which ensured that those who were homeless or at risk of homelessness were able to access services which connected them within a partner network, offering legal advice, and giving holistic and personalised wraparound support. We also shared data about homelessness within our wider network of policy practitioners to inform a preventative approach to homelessness across the UK.

The support of a number of charitable foundations and trusts has been invaluable. They have helped our delivery of debt, welfare and housing advice to local residents over all of the last 40 years. Over the last 10 years, the National Lottery Community Fund has funded the work of the Early Action Task Force at Community Links where we have sought to find ways of investing more in all forms of early action, including social infrastructure, right across the country. We do this by linking up experts, practitioners and policy makers, sharing knowledge and training and pushing at the boundaries of policy-thinking through publications like *Making a Good Place*.

Most recently, working with support from the City Bridge Trust (CBT), we have been able to identify that service users are increasingly presenting a number of interconnected issues, which need a holistic solution. Their support has made it possible for us to underpin our delivery with an early action and asset-based approach. In one of our hubs in Newham, for example, we build relationships with people on a face-to-face basis. We do not concentrate solely on direct need, but build on strengths, give people the tools and a pathway to develop their own solutions and improve resilience by looking at the wider picture of a person's deprivation.

The investment of charitable foundations and trusts helps place-based organisations like ours make stronger communities and improve practice locally and nationally – and in these challenging times this partnership has never been more important.



Murshad Habib is Policy and Learning Manager at Community Links.

# Funding Models

# Funding models

Our examples also provide potential funding models from which others could learn, which are described in more detail in this section.

## 1. The Local Giving model

A number of place-based giving schemes exist, primarily in London and other urban areas. These are a partnership between communities, philanthropists, corporate donors, and local organisations (e.g. businesses, civil society organisations), local authorities, and national funders that bring together resources in a collaborative way to benefit the community in a defined geographic location.

They will ordinarily be led by a local authority, a charitable trust or a community voluntary organisation, such as a council for voluntary services. The schemes engage communities as donors and volunteers and also, crucially, as partners with a voice in what priorities and projects the scheme supports, promotes and funds.

*Barking & Dagenham Giving* is an example. Incubated by the local council in 2019, it merged with a local anchor organisation in 2020 to help achieve the wider goals for the area set out in the Borough Manifesto. It describes itself as the platform for anyone who has a stake in the local area to get involved in local issues, and it makes grants for local causes as well as giving local people a place to tell their story.

The charity benefits primarily from grants from private foundations for both its core costs and the grants that it makes, as noted earlier, though it is also seeking other donations which it hopes to grow over time. It also received start up grants from the Department of Culture, Media and Sport (DCMS), along with a number of similar funds including Bristol's City Funds described below.

Notably, Barking & Dagenham Giving also benefits from lease income from affordable housing in the area, ownership of which Barking and Dagenham council transferred to them. This generates an additional £50,000 per annum for use for local social infrastructure. In addition, it is managing the new endowment fund, a distinctive model explored below.

## 2. Neighbourhood and longer-term endowment funds funded by the Community Infrastructure Levy

The Community Infrastructure Levy (CIL) is a key source of funding for the local social sector in Barking and Dagenham, which is building 60,000 new homes over the next 20 years. This will generate considerable income from the CIL raised from property developers. A decision was taken by the council that the beneficiaries of the levy should include the whole borough, regardless of where it was paid. This makes it possible to use the Neighbourhood element of the CIL to tackle deprivation anywhere in the borough. The Neighbourhood CIL is 15 per cent of the CIL, and is available for capital and revenue expenditures.

This has been split into two, with a pot of £300,000 per annum available (precise levels vary year to year) for day-to-day grants through *The Neighbourhood Fund*, which is designated for local community groups, who can bid for up to £10,000 worth of funding to spend on local initiatives that will benefit local residents.

The remainder of the Neighbourhood CIL is being used for a newly established *Community Endowment Fund*, an investment fund whose revenue will support present and future generations, and which will continue to grow as annual revenue tops it up. Underpinning this fund are three core values:

- **Sustainability:** the money should be invested in a way that secures funding in perpetuity without causing negative social or environmental impact on today's and future generations.
- **Inclusive stake:** Barking and Dagenham's community as a whole owns a 'stake' or interest in the fund, which should act as a fundamental force for convergence and cohesion.
- **Governance:** the fund offers a potential for a new type of democratic involvement so the process should allow ample opportunity for the local community to shape it and make decisions.

Both Neighbourhood and Community Endowment funds are being used to invest in the social sector, a key element of social infrastructure.

### 3. Blended funds from different sources

Funds such as the Bristol's *City Funds*, are seeded by a blend of national and local government finance with additional funds from the local community development foundation. The £11million plus City Funds, includes £5 million investment from Big Society Capital and match investment from the council, and benefits from a further £1.86m in grants from *Access – The Foundation for Social Investment*, *Power to Change*, Bristol Community Health, and others. It gives out both loans for capital projects and grants, advertising for applicants. Its main focus at the moment is grant-giving for activities which promote health and well-being, and it also provides repayable investment in support of all of the priorities in the One City Plan.

These loans are made with a higher tolerance of risk compared to financial institutions, with the aim of supporting local innovation.

Edward Rowberry, the Chief Executive of the Bristol & Bath Regional Capital CIC, the investment adviser to City Funds, explains the important role of national finance in helping to establish this fund. He also speculates about the development of other more local forms of funding, referring to the Canadian model of local Credit Unions, where local people save in local co-operative banks which are committed to investing in the well-being of their local communities. The Vancity Credit Union, for example, invests in affordable homes.

## How to get investment at scale in social infrastructure: lessons from City Funds in Bristol

by Edward Rowberry

City Funds is the first fund of this kind, localising both investment and grant and strategically directing that resource to areas of local need. The challenge now is not just for more funds like these to be established across the country, but to do so on the kind of scale which will lead to increased efficiencies for these local investors. Ultimately, there must be a much bigger scale of new investment to genuinely achieve the levelling up of disadvantaged areas.

We could not have established City Funds without the £5m of capital from Big Society Capital (BSC). This in turn helped us unlock £5m of investment from Bristol City Council as well as over £1.86m in grants from Access – The Foundation for Social Investment, Power to Change, Bristol Community Health, and others. BSC's innovative approach has made it possible to invest in the priorities of local people, rather than in nationally determined goals. It has also made it possible for us to establish a fund which works across many areas, breaking free of the sector-led approach which often characterises national investment. It is a break from the dominant, highly centralised model in Britain of setting national priorities and asking bidders to all queue up, with a 'winner takes all, loser no thanks' approach, and I'd like future initiatives to build on this and go even further if possible.

Working in this different way may mean less national control but it has been shown to add value. Bristol & Bath Regional Capital CIC has been able to bring in additional local grants and financial assets to top up BSC's investment. We also bring to the table the considerable expertise and resources of local leaders and local people who know their community and are committed to improving it. All of this makes national money go further and leads to it being better spent.

However, in a £5 billion social impact investment market in the UK, locally-led investment is still in its infancy. We need to see much more capital come into this space if we are going to reach a sustainable model that fully serves our local communities. And we need to see emerging local investors working together, sharing resources and insights where we can. I'd like to see national bodies supporting this, first, by engaging local leaders in the upfront design of new locally-managed funds and, second, by providing a central resource that supports these local funds with shared scale.

Credit Unions in Canada provide a potential model here. Similar in name to UK credit co-operatives, they are almost different things altogether. For example, Vancity in Vancouver has CA\$26 billion worth of assets under management and over half a million customers (members). Collectively, these local financial institutions invest heavily into the well-being and prosperity of their community, for example in affordable housing. This scale is partly the result of a mutually-owned national infrastructure in the form of Central 1, which enables economies of scale through the sharing of resources and learning. Could we achieve something similar here?



Edward Rowberry is the Chief Executive of Bristol & Bath Regional Capital CIC and a former Co-Director of the Bristol City Office.

Another idea to increase local investment might be Covid recovery bonds, similar to the British Recovery Bonds recently proposed by the Labour Party, where ordinary people would invest their savings in their area. The return on their investment might be lower than in other forms of investment but the attraction would be that they would gain a local 'social return' from which they would also benefit. The Buen Vivir scheme established in California to help invest in the Global South provides a way in which individual investors can invest alongside institutional investors, but with a lower risk for their capital. Community shares are another way of encouraging local people to invest in their community and are already in operation in the UK for purchasing community ownership of local assets such as pubs.

#### 4. Use of public land and public buildings for redevelopment

As Steve Schifferes explains in his piece later in this report, considerable amounts of public land exist that could be used for social infrastructure; and there may also be opportunities for development of unused public buildings.

In Exeter and Feltham, they are seeking to use public land for redevelopment of housing and social infrastructure. In Exeter, Exeter City Futures is seeking to bring together land from the NHS, local authorities, and the University of Exeter and Exeter City Council into a single Exeter City Fund. This requires collective agreement, and considerable complexity, but at least the benefits to the community in which each of these organisations have a stake, are clear.

In Feltham, they are seeking to purchase land owned by the Ministry of Defence, and difficulties have arisen on agreeing a price.

Other areas are also seeking to develop land and to develop it at scale. Liverpool has recently launched the Liverpool Land Commission. It is made up of senior figures from the worlds of academia, property development and planning and will recommend how to make the best use of publicly-owned land.

#### 5. Retaining public ownership of land

In Exeter, they are developing a model which may prove a significant test bed for others. The philosophy is that the development will be publicly owned, professionally run, financed by public and private money but with profits going back to the Exeter City Fund. Profits can then be used to enhance the social infrastructure of the city rather than going into private hands.

Community Land Trusts, which are set up by local people to develop and manage homes and other community assets and which retain the ownership of the land, are an example of doing this on a smaller scale.

Exeter City Futures CIC is working with Homes England, One Public Estate and the Ministry of Housing, Communities and Local Government to create a professionally run, publicly owned development fund with the aim of delivering 12,000 homes, renewable energy and electro-mobility transport solutions in Exeter City over the next 20 years. The Fund is to be capitalised by the land assets of Exeter public sector institutions, against which private lending will be sought to create a financing source for the city to develop its vision.

The Fund is the brainchild of Exeter City Futures, where the head of finance, Roli Martin, is a former Director at one of the 'Big 4' accountancy and consulting practices. He says that a career advising both the bid and government sides of major high profile infrastructure projects (through the birth and then subsequent death of the Private Finance Initiative) revealed 'large blind spots in infrastructure models', where the level of risk wrapped up in the one-stop-shop contracts for delivering essential government housing and infrastructure is more than met by the profits the private sector's shareholders often enjoy. Similarities became clear when Roli examined a full spectrum of infrastructure deals with government: all the finance comes from the same five or six lending sources; after that, each and every activity in the process is marked up and sold on. If local councils can access those lenders too why shouldn't their land work for them and why shouldn't their skillsets develop well enough to connect the finance to their land ownership, Roli Martin concluded. Significant work on the Exeter City Fund has already been carried out and there is institutional interest in investing in the fund.

Alongside this, the city has an ambitious and striking vision of rent only housing, with people being attracted by their connection to first class local social infrastructure, instead of by home ownership. Roli Martin, from Global City Futures, explains more on the next page.

## No longer buying a house, but ‘buying into a community’

by Roli Martin, Global City Futures

Our relationship with our homes in the UK has been the same for the last three to four hundred years. Nowhere else in Europe, and possibly the world, is the obsession to own rather than rent our homes more prevalent than in the UK, where having ultimate control of a piece of land on our overpopulated island is a key measure of success. The effect of this is obvious on the landscape, with housing estates and development projects suddenly appearing, quickly wedged into a briefly vacant space, just in time for the crowded queue of hungry buyers. The result of the last few centuries of development has led to communities forming almost by default, rather than by design. Developers are in business to make profit, not places. And why shouldn't they? They have to assemble the land, navigate the planning process, contract the building works and finance the whole project on top of that.

But what if they didn't?

What if developers went back to being builders following a plan? What if they were no longer quasi-banking institutions manipulating the local planning regulations to achieve profit? What if, when HM Government had some land on which the local council wished to deliver on its housing targets, tackle the UK carbon agenda and achieve Placemaking, it had the right professional skills to deliver the outcomes and also access to the finance to do it?

It's well known that outcomes cannot be controlled by planning powers alone – controlling the project's finance is the only way to achieve outcomes for certain.

An approach that explores home/energy/transport provision as a combined service serves to foster a culture where residents 'buy into their community'. This is in contrast to the traditional bricks and mortar ownership pressure under which the existing UK housing market labours. The Exeter City Fund follows the UK's placemaking and carbon neutral agendas and, with no private sector shareholders, is able to recycle its surpluses into future development projects. Detailed modelling is underway and funding for further due diligence work up to incorporation of the Fund itself is secured.



*Roli Martin FCA is Head of Finance and Strategic Partnerships at Global City Futures, Exeter.*

## 6. Joint ventures to develop public land

Joint ventures with private property developers, where the developers bring in both finance and expertise, are a more familiar way to develop land for public purposes, as explained above. At Feltham, for example, they aim to raise the funds to develop a site through a joint venture with a property developer, and the incentive for the property developer is ownership of much of the land and the profits this will bring.

# Lessons for national government



# Lessons for national government

Although responsibility for creating a good place rests primarily with local people, government nationally also has a role, in five areas.

## 1. Investment at greater scale is needed to seed and support local funds.

Considerably more resources are needed to address the full scale of the problem of civic inequality and to rise to the challenge presented by the impact of Covid-19. As explored in more detail in *Being in a Good Place*, an ambitious national fund would ideally be created to help level up civic inequalities, financed through borrowing and taxation, for example, taxation on internet based companies and social polluters such as the gambling industry, and bringing together various micro pots of existing funding. This would ideally be managed at arms-length, with a long-term perspective, and its funds would be allocated to local areas, with local control over how they are spent.

The Government's new £4bn Levelling Up fund potentially might play a role but its ability to do so is reduced by several features:

- Its top-down nature, with nationally determined priorities for each round, reduces the ability for local areas, particularly local people, to determine what works best for them.
- Despite the apparent scale of the fund, it will be spread very thin, especially as bids for large capital items such as by-passes, are encouraged, and it is available for use in every local authority.
- The process of selection seems to encourage 'visible projects' enjoying the support of local MPs, which may lead to less glamorous projects not being successful; and some areas are given some priority based on deprivation factors that have proved controversial.
- It provides no current expenditure for the ongoing costs of projects.
- It does not look holistically at social infrastructure, or have any clear definition.
- Local areas will have to bid competitively for funds, which can be a time-consuming and costly process that will not necessarily lead to the best value for money.

As noted earlier, there may also be scope for the Government to encourage innovative investment by local people in their areas, such as looking at the current regulatory framework for credit unions and covid-recovery bonds.

## 2. Start up funding is needed to help create funds and to create capacity to develop proposals for investment.

Any national fund could usefully also provide start-up funding for local funds and development projects, which has been an important factor in the success of three of our case studies. Alternatively, specific grants might be established for this purpose and made widely available.

As explored earlier, DCMS grants played a key role in getting Barking & Dagenham Giving off the ground, and also helped establish Bristol's City Funds. From March 2019 to June 2020, the Charities Aid Foundation undertook work with six Place-based Giving schemes across England as part of DCMS' Growing Place-Based Giving programme, where Government provided funding of £100,000 over 18 months. The aim was to help them to set up and make strides towards raising funds to address local issues; and learning was published in a report in August 2020, *Growing place-based giving: End of Programme Report to DCMS*. This included recommendations to Government and funders to continue with such schemes, and also to provide long-term funding, recognising the significant time needed for assessing the landscape, relationship building, community engagement and fundraising locally. However, this funding programme has not yet been renewed.

Equally, in Exeter, pump-priming national funding has created the ability for Exeter City Futures to work up a detailed business case.



### 3. Reform of the UK's financial planning and budgeting system to remove the bias toward the short-term and against long-term investment in social infrastructure and other forms of prevention. This would include a Well-Being Budget and a Well-Being and Future Generations Act.

More widely, there is a need to tackle the bias in the UK Government's financial planning and budgeting system against long-term investment in preventative measures, including social infrastructure. The arguments for this are set out in detail in *Being in a Good Place*. Key points are that social, economic and environmental benefits do not show up on the national balance sheet, that planning horizons are too short term to take into account a proper long-term cost-benefit analysis and that investment which brings long-term value is not separated from day-to-day spending and is often cut back to fund short-term priorities.

Some other countries have developed mechanisms for correcting this bias, as explored in our earlier publication. In New Zealand, for example, they have introduced a Well-Being Budget which judges spending proposals against outcomes-focused measures of well-being – for example, the quality and affordability of housing, healthy life expectancy and access to nature, and subjective well-being, as well as economic indicators. Importantly, New Zealand's well-being 'dashboard' also measures the impact of spending decisions on the assets of the nation that generate well-being and sustainability, now and into the future. This includes human capital, environmental capital and social capital, not just the financial and physical capital which appears on the UK balance sheet.

We are therefore calling for a Well-Being Budget in the UK, combined with longer-term planning and the ring-fencing of budgets for all forms of investment where the eventual benefits outweigh short term costs, so that they are not raided to fund short-term pressures.

As we also argued in *Being in a Good Place*, these measures should be backed up by a Well-Being and Future Generations Act which requires every public body to promote well-being and sustainability over the long-term, with an Office for Future Generations which monitors progress, both of which already exist in Wales. A similar Bill was put forward by Lord Bird in the House of Lords in 2019.

### 4. Public land and building are a hidden asset that should be unlocked by changes to Government policy.

As shown by the case studies in Exeter and Feltham, public land and unused buildings are a 'hidden asset' but changes to government rules are needed to make it easier to use them to build lower cost social infrastructure, as Professor Steve Schifferes explains on the following page.

## Public land for public purposes

by Professor Steve Schifferes

Publicly owned land could be a key element in the development of place-based social infrastructure, both in providing physical assets and a sense of community ownership. The latest Whole of Government Accounts estimates the value of publicly owned land and buildings at £443bn, of which more than half (£251bn) is owned by local government. This is almost certainly an underestimate, as local authorities generally value their assets on an historic cost basis, not their current value. Public land ownership is dispersed among a large number of public bodies, including NHS Trusts, public transport authorities and education establishments as well as local and central government departments.

In the last decade central government has reduced the size of its central estate by 30% by aggressively selling off surplus land and property to the private sector. The Treasury's 2015-2020 Spending Review set a target of £5bn to be raised for the public accounts by government departments, to be offset against their spending allocations. By 2020 total sales amounted to £4.6bn, with 1,853 sites sold. In 2016 the government also set a target for £11bn in land sales by local authorities.

As well as raising as much money as possible to reduce public expenditure, the sale of surplus land is also aimed at releasing land for housing, managed by Homes England. Not surprisingly, these two objectives are not always compatible. The public land for housing programme has fallen far short of its objective of releasing land for 160,000 homes.

A key reason which makes it particularly difficult to use surplus land to increase the provision of affordable housing are the conditions the government attaches to any public land sales. Local government property legally must be sold for 'the best consideration that can reasonably be obtained'. Treasury Green Book rules state that surplus land must be sold at market value unless there is explicit Ministerial approval.

A better approach would be to value all public sector land at use value, rather than market value, thus reducing the land element in the cost of providing housing and public amenities. Additionally, the management of surplus public land could be pooled, rather than retained by the plethora of public bodies, which would lead to more efficient allocation for broader community objectives. Under the One Public Estate programme, an attempt has been made to include some of the local government estate, but this approach is permissive and limited in scope. What is needed is a public land development agency that can plan, allocate and deliver the projects needed for the community at scale and in a timely fashion. This body could also retain the proceeds of such development and, by using leasing, retain control of land use.



Steve Schifferes is  
Emeritus Professor of  
Financial Journalism at  
City University.

The Government should change its rules which encourage the selling off of public assets at market value, rather than keeping them in public or community ownership; and should no longer set disposal targets to raise funds to plug holes in short-term budgets (currently £5bn by 2020), when they might be better used for social infrastructure.

*Coming Home: Tackling the Housing Crisis Together*, by the Commission of the Archbishops of Canterbury and York on Housing, Church and Community, recently recommended that public sector land be used in this way, and also advocated the use of church land for the building of truly affordable housing and the community facilities to support them.

## 5. Greater decentralisation and reform of planning to promote development of holistic social infrastructure.

The absence of any clear responsibility for social infrastructure in local government, or recognition of its collective importance, remains a serious problem.

We need more ambition in our planning system, with a more holistic view of social infrastructure. Successive reforms of planning have led to a silo-ed approach to planning, and planning departments in local authorities have been reduced, as documented by a recent report by the Town and Planning Association, which sees the next generation of reforms proposed by the Government as a step in the wrong direction.

Too many housing estates are built without easy access to good facilities. Some international cities are showing the way. For example, Melbourne has developed '20 minute neighbourhoods', where everything you need, such as shops, doctors, parks, are within a 20 minute walk, or a short bike ride or public transport. The Mayor of Paris has created a similar aspiration to make Paris a '15 minute city'. Freiburg in Germany provides an example of what can be achieved by much stronger planning powers at local level, as explained by Professor Robin Hambleton below.

## The importance of rebalancing local and central power

by Professor Robin Hambleton

The UK has now become a super-centralised state, one in which the over-concentration of power in Whitehall is hampering the development of better places in the country. Over the years policy making power and fiscal power have been removed from local authorities to the point where locally elected representatives now have relatively little say in many of the important decisions that shape the quality of life in their areas. This shift in power weakens citizen voice and impairs the quality of decision-making.

In other democracies power has not slipped away from place. Take Germany as an example. Here elected local authorities have the constitutional right to do things differently. Locally accountable leaders have substantial legal and fiscal autonomy to decide on policies for their areas. This not only strengthens local democracy, it creates political space for bold innovation and experiment.

Freiburg, a small city of 230,000 people located in southern Germany, can illustrate the point. The city has used the local autonomy it possesses to establish itself as a world leader in tackling the global climate emergency and in designing liveable communities. Back in the 1980s a highly participatory approach to city planning in Freiburg pioneered the idea of 20-minute neighbourhoods, delivered an excellent public transport system linking existing and new developments and fostered high quality energy efficient urban design. From having no bike paths in 1970, the city now has over 300 miles of them. The city has a buoyant economy built around, amongst other things, renewable energy.

Elected in 2018, Mayor Martin Horn has demonstrated his enthusiasm for improving affordable housing opportunities in the city. Detailed plans for Dietschweg, a new eco-friendly neighbourhood, which will house around 15,000 people in the west of the city, are designed to ensure that more than half of the new housing units are genuinely affordable. Like Vauban, and other neighbourhoods in Freiburg, the plans also provide for car-free living, generous open space, schools, sports facilities, day-care centres and shopping opportunities.

It would be a step forward if UK central government could pay more attention to impressive examples of place-based planning and social inclusion in other countries. The unmistakable lesson from these success stories is that local decision-making power in Britain needs to be given a substantial boost.



*Robin Hambleton is Emeritus Professor of City Leadership in the Faculty of Environment and Technology at the University of the West of England, Bristol, and author of Cities and communities beyond COVID-19. How local leadership can change our future for the better.*

The evidence demonstrating how power has been removed from place-based communities in recent decades is accumulating. For example, a recent report by academics at De Montfort University with Unlock Democracy documents a forty-year decline in the power of elected local governments in England and suggests that the country cannot possibly prosper if this process of centralisation is not reversed. Furthermore, local authorities are often well placed to initiate and even take development projects in-house, working closely with local partners, but many lack the resources to do.

There are of course things that can be done within the current system. The Greater London Authority, for example, has a progressive social infrastructure policy, which could be a model for others. Social infrastructure is widely defined, and the GLA says that London requires additional and enhanced social infrastructure provision to meet the needs of its growing and diverse population.

It specifies that development proposals which provide high quality social infrastructure will be supported in the light of local and strategic social infrastructure needs assessments; and proposals which would result in a loss of social infrastructure in areas of need should be resisted, and repurposing of redundant social infrastructure premises for other forms of social infrastructure should be considered before alternative developments. The GLA also encourages the multiple use of premises and highlights the need for accessibility to all sections of the community (including disabled and older people) and within easy reach by walking, cycling and public transport.

# **Conclusion and recommendations**

# Conclusion and recommendations

The case for investment in social infrastructure is strong, not just because of the long-term benefits that it brings and the need to address civic inequalities, but also because of the pressing situation created by the Covid-19 pandemic, which makes it all the more important to create good places that promote good mental and physical health and well-being and resilience to other attacks. As the economic effects of the pandemic are felt, it is also important to protect and nurture social infrastructure that may be threatened by it, including local businesses and the community sector, and to ensure inclusive growth in the recovery.

There is much to learn from local place-makers studied in this report. However, the case studies also illustrate the importance of greater support from national government, and the enormous potential of changes to the financial system and rules to facilitate a longer-term approach to investment and to place higher value on the creation of long-term, preventative assets such as social infrastructure. Changes to rules around the disposal of public land and in our planning system could also reap huge benefits.

## Recommendations to local place-makers

These points may help local place-makers to achieve better results:

- Adopt a holistic definition of social infrastructure, recognising that it is an eco-system that involves the public, private and voluntary sectors.
- Local people should be asked about what they currently value and use, and be involved in identifying gaps and in planning and development decisions.
- A collective, long-term vision, created and reviewed with local people, will help ensure that plans meet local needs.
- Shared leadership and 'network governance' across different sectors creates a common purpose and sense of joint responsibility toward creating a good place.
- Investment in a 'super connecting role' will often be required to achieve this.
- Community participation in decision-making ensures that investment genuinely serves those it aims to support and also helps build capacity within the community.
- Local government is an important player, but anchor institutions such as schools or indeed community groups can play a pivotal leadership role provided they have access to the right expertise.
- The role of community and charitable foundations is an important one in place-making, and they bring not just resources but also knowledge and expertise.
- A number of funding models are available which are set out in this report.

## Recommendations to government

While much of this comes down to local innovation by place-makers, we recommend that national government should:

- Make significantly more resources nationally available to help seed local schemes, including start up funding as well as grants and loans.
- Ensure that national funds work alongside local areas, rather than using a competitive bidding model, and give local areas the discretion to determine local priorities within broad criteria.
- Encourage new models of funding, such as Credit Unions and Covid recovery bonds.
- Reform the financial planning and budgeting system so that it incentivises long-term investment and promotes well-being, with a new Well-Being Budget and a Well-Being and Future Generations Act.
- Make changes to encourage the greater use of public land for social infrastructure and encourage the retention of public ownership, as is proposed in Exeter.
- Reform planning to give local government a clear role to create good places, using a holistic definition and giving local government greater power and resources to carry out this role in partnership with local people.

With these changes nationally and locally, Britain could once again lead the way - as it did in the Victorian era and after World War Two in the face of other major public health, social and economic challenges - in making a good place.

## About this publication

This has been written for the **Early Action Task Force** and Community Links by Caroline Slocock, the Director of **Civil Exchange** and Co-convenor of **A Better Way**. Caroline worked for nine years in the Treasury as a senior civil servant, and while she was there she designed the existing public expenditure system, so is well placed to advocate for changes now. She has been writing about early action and social infrastructure for many years.



© Juliana Johnston

Other contributors are Murshad Habib, Professor Robin Hambleton, Roli Martin, Edward Rowberry, Professor Steve Schifferes and Geraud de Ville de Goyet.

Many thanks to all those who have discussed the ideas in it, and particularly to the contributors to this report, and to everyone who took part in the roundtable on social infrastructure on 17 March 2021 which has informed this report.

It was published in May 2021.

Copyright: Community Links  
Design by Marcomedia

Making a Good Place:  
How to invest in  
social infrastructure  
May 2021

---

COMMUNITY  
LINKS

Community Links  
105 Barking Road, London E16 4HQ  
W: [www.community-links.org](http://www.community-links.org)  
E: [Murshad.Habib@community-links.org](mailto:Murshad.Habib@community-links.org)  
T: 020 7473 2270

Registered charity number 1018517



We are grateful to the National Lottery  
Community Fund for supporting our work.