

# COMMUNITY WEALTH BUILDING

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Interim Chief Executive



**Preston**  
City Council



# The 'Preston Model'

## Background

**2010** Recession - Failed City Centre Redevelopment

**2011** Incoming Labour Administration – Policy Development

- Economic Democracy & Fairness, Co-op's...

**2012** Work with CLES 2012 on CWB

**Social Value in Procurement Project**

## Anchor partners:

- University of Central Lancashire
- Lancashire County Council
- Preston's College
- Newman College
- Community Gateway – Housing
- Lancashire Constabulary

# Community Wealth Building the foundation

- **Our anchor strategy** has large placed based institutions in Preston and Lancashire with a combined spend of nearly **£1 billion per annum** increasing spending to local suppliers to benefit our community and we are **encouraging insourcing**.
- **£100m placed based investment by our local government pension fund** in student flats, hotel and office space through our City Deal we wish to build on.
- Expanding co-operative and employee owned businesses through **Preston's Cooperative Development Network (Presco)** with UCLan and others.
- Working to establish the **Lancashire Community Bank** and continue to support our **credit union (Clevr)** and **CDFI (Lancashire Moneyline)**.

# Public pension fund investments in Preston



# Community Wealth Building the Foundation

- Preston City Council is now an energy supplier across Lancashire through its partnership with a neighbouring authority through **Fairerpower Red Rose**.
- Opportunity for Lancashire councils to establish a more prominent housing development role through **new housing companies**.
- **Our planning policies** now encourage locally based suppliers and labour in Preston on both public and private sector developments.
- Work with the University of Central Lancashire and partners has established a **Civic Drone Centre** exploring how the Preston Model approach can benefit the community including through drone supply chains and clusters.

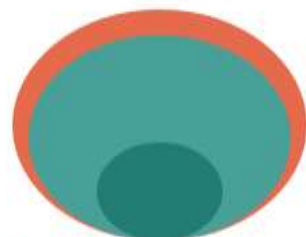


# SPEND ANALYSIS 2017

Centre for Local Economic Strategies in collaboration with Preston City Council

**£616,863,091.08**

is the total amount spent procuring goods & services by 6 anchor institutions 2016/2017. Compared to £746,730,478.83 in 2012/2013.



■ Preston ■ Lancashire ■ Total Spend

**Preston:** a total of £112,337,690.64 was spent with organisations based in Preston (18.2% of total spend)

**Lancashire:** a total of £488,659,587.40 was spent with organisations based in Lancashire (equivalent to 79.2% of collective spend)

## PRESTON STATISTICS AT A GLANCE

2012/2013



an increase in spend with Preston based organisations of **£74,750,857.47**

2016/2017



## LANCASHIRE STATISTICS AT A GLANCE

2012/2013



an increase in spend with Lancashire based organisations of **£199,688,679.96**

2016/2017



For further information, please visit:  
[www.preston.gov.uk/CommunityWealthBuilding](http://www.preston.gov.uk/CommunityWealthBuilding)

# OUTCOMES – Jobs paid less than the ‘real living wage’ of at least £8.75 an hour by local authority area (ONS)

Local authority	2016 Per cent	2016 jobs (thousands)	2017 Per cent	2017 jobs (thousands)
Blackburn with Darwen	30.9%	17	31.5%	18
Blackpool	36.1%	17	32.1%	16
Burnley	32.5%	9	33.7%	10
Chorley	26.1%	10	25.3%	10
Fylde	18.9%	9	19.8%	8
Hyndburn	29.0%	8	31.1%	8
Lancaster	27.8%	14	29.4%	15
Pendle	30.3%	9	21.9%	6
<b>Preston</b>	<b>23.3%</b>	<b>19</b>	<b>19.3%</b>	<b>15</b>
Ribble Valley	27.6%	7	23.6%	5
Rossendale	38.8%	8	36.4%	7
South Ribble	29.2%	11	25.7%	10
West Lancs	21.6%	9	22.3%	9
Wyre	34.7%	8	34.7%	8
<b>LANCASHIRE</b>	<b>26.8%</b>	<b>120</b>	<b>25.4%</b>	<b>112</b>



# OUTCOMES - PART TIME LANCASHIRE WAGE LEVELS

## Part time wage levels – 2011      Part time wage levels - 2017

<b>Preston</b>	<b>£143.60</b>	<b>Preston</b>	<b>£204.20</b>
Burnley	£149.10	Burnley	£186.40
Chorley	£141.20	Chorley	£177.80
Fylde	£161.80	Fylde	£183.30
Hyndburn	£138.20	Hyndburn	£161.00
Lancaster	£140.00	Lancaster	£158.70
Pendle	£154.60	Pendle	£175.80
Ribble Valley	#	Ribble Valley	£171.10
Rossendale	£117.20	Rossendale	£177.60
South Ribble	£128.40	South Ribble	£182.60
West Lancs	£142.80	West Lancs	£184.10
Wyre	£140.70	Wyre	£160.20
<b>North West</b>	<b>£152.60</b>	<b>North West</b>	<b>£178.70</b>
<b>Great Britain</b>	<b>£153.00</b>	<b>Great Britain</b>	<b>£182.40</b>

# OUTCOMES – Social Mobility Index

In **2017** Preston improved its position from **143<sup>th</sup>** to **130<sup>th</sup>** in the Social Mobility Index (out of 324 local authority areas).

In **2015** we came out of the bottom 20% of most deprived areas by rank average.



# OUTCOMES – Job density

‘Employee rate’ has increased from **59.2%** from **2014-15** to **71.8%** in **2017-18** adding over **12,000 jobs**.

In **2015-2016** Preston added **5% in GVA** per head equivalent to **£1,157**.





## **Economic policy**

# **Preston named as most most improved city in UK**

**Labour-run council with localist  
economic policies tops Good Growth  
for Cities index**

# Preston is most improved city in the UK

- **Preston is the most improved city** in the year's Demos-PwC Good Growth for Cities Index 2018
- Latest index analyses a decade of economic and social data which shows:
- Preston saw **biggest increase** in its index score of +0.28 to top the rankings
- Preston has risen to 14th in this year's overall index (20<sup>th</sup> in 2017).
- Improvement due to above average **large reduction in unemployment rate** falling from 6.5% in 2017 to 3.1% in 2017; and
- **Rising skills** amongst 16-24 year olds with 44% now holding at least an NVQ Level 3 compared with 34% in 2014; plus
- **Above average** improvements in **work life balance; health, transport and skills** amongst all ages.

# Community Wealth for All

- **Work with anchor institutions** to improve local economies and tackle inequality.
- **In-sourcing of services where possible e.g. Croydon, Islington, Lancashire Constabulary** post Carillion/Capita.
- Public sector pension funds **invest more in local economies.**
- **Trade unions and the co-operative movement work together** to establish 'union co-ops' in sectors like construction based on the US experience.
- Establish **locally owned publicly backed banks** and support credit unions and CDFI's.
- Expand **energy democracy** at a local level.
- **Worker cooperatives and employee ownership.**

# Thank you

Adrian Phillips

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