



power to
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hands

Community business infrastructure: a literature review

A report prepared for Power to Change

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About this paper

As part of its ongoing work to strengthen the wider environment enabling community businesses to flourish, Power to Change commissioned a review of the literature about community business infrastructure. The review assesses the evidence base on the role and value of support for community businesses, and aims to assist Power to Change in understanding the importance of existing infrastructure as part of its work and in discussion with other funders.

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Key points

The review of community business infrastructure points towards five key findings and conclusions.

- 1. As well as *enduring issues* faced by community business (such as access to finance), the experience of Covid-19 suggests that there are *emergency issues* (cashflow, service reorientation) and *emerging issues* (around sustainability and digital transformation).**

Money matters appear to come first in the preoccupations of many community businesses as a whole, who report that they tend to need support with issues around cashflow and direct cash support in the form of grants and support to access debt finance. Some of these questions have been intensified and amplified during Covid-19 and might be expected to continue in any post pandemic 'recovery'. Secondary concerns and needs for support focus on business planning and adaptation, staffing and premises. As a result of Covid-19, support for digital transformation and service reorientation are likely to emerge as key concerns, alongside business adaptation.

- 2. Community businesses are diverse, and so their *support needs* can vary according to their business model (asset managers, community start-ups), sector (e.g. community hubs) and age/'stage' (e.g. pre-venture, start-up, growing).**

There are compelling reasons to think that different kinds of community business require different kinds of support, focusing on specific issues or topics. There is some evidence of differentiated needs, but there is more reflection and speculation. The actual empirical base is quite thin, and there is no direct comparative data of support needs for community businesses in different regions, markets or fields and stages of development.

- 3. There is a wide range of community business infrastructure, which some liken to a 'support ecosystem', although it can be difficult to navigate and is of varied quality. There is a preference for *close-at-hand bespoke support* offered by expert advisors, mentors or peers.**

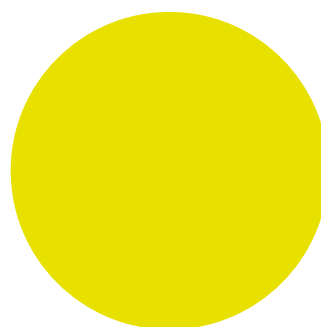
'Support' for community business is itself an elastic concept, embracing general good will from key stakeholders, partners and communities, direct financial inputs and more traditionally conceived non-financial business support. The latter is experienced as a complex and seemingly ill-coordinated system of overlapping support offered by dedicated national infrastructure and membership bodies, local generic voluntary sector support, collaborative support from peers and community anchor organisations and specialist consultancies. Research indicates that community businesses prefer direct 'as-and-when' and often informal support by knowledgeable experts and mentors.

- 4. In the absence of research on the value and impact of community business infrastructure, it is instructive to look to the wider voluntary sector literature for examples of *infrastructure impact measurement frameworks* and studies examining the outcomes and value of infrastructure.**

The review suggests that there is very little evidence, analysis or commentary on the effectiveness, impact or value of community business infrastructure, beyond occasional supportive statements in research reports and general assessments of need. This is not surprising given the complexities involved in infrastructure, and the lengthy attribution chains in play between support and positive outcomes for community businesses. There is widespread belief that the work of community business infrastructure makes community businesses stronger, but very little compelling evidence of the difference it actually makes. There are some frameworks and studies in the wider voluntary sector that have attempted to address this gap in evidence, using before and after 'distance-travelled' outcome measures, and comparisons between intervention and non-intervention groups.

- 5. The review makes five suggestions for *addressing gaps in the evidence base for community business infrastructure*:**
 - understanding the *value and impact of community business infrastructure*
 - understanding the *influence of community business infrastructure*
 - a comprehensive *survey of support needs*
 - a *longitudinal study of community business dynamics and support*
 - a strategic *deliberative conversation about community business infrastructure*.

There are considerable gaps in evidence and understanding around the role and effectiveness of community business infrastructure. The lack of evidence on impact is a clear priority, but is likely to be difficult to address. Much of the evidence base reflects on the 'development' and 'connection' (networking) functions of community business infrastructure, but there is next to no evidence about its *'influence'* function, or the impact of infrastructure in shaping the context in which community businesses operate. Evidence of *need for support* is patchy and drawn from disparate reports which do not allow for easy comparison between community businesses of different types and working in different contexts. A directly comparative understanding of differentiated needs for support would address this gap. There are strong claims made around the 'life cycle' of community business, but 'stage' models appear to be over-specified and not strongly embedded in empirical evidence. *Longitudinal tracking* of the actual dynamic experiences of different community businesses would contribute to a keener understanding of the needs for support at different times and around building capabilities over time. Power to Change has led the way in promoting community business infrastructure, and the concept of infrastructure itself, but there remain doubts about its coordination, effectiveness and value. The context of community businesses in post-pandemic 'recovery', a new strategic direction for Power to Change, and gaps in the evidence highlighted in this review suggest the value of a strategic *deliberative conversation* about the priorities for community business infrastructure and how it should be configured.



1. Introduction and purpose

Power to Change was established in 2015 as an independent trust to support community businesses, endowed by the National Lottery Community Fund. It is part of a wider field of local and national support for community business, provided through dedicated umbrella of infrastructure bodies and membership organisations, business support organisations, networks of community businesses, consultants and other funding bodies. Power to Change has worked closely in recent years in collaborations and strategic partnerships with several specialist infrastructure bodies, such as with Co-ops UK, Locality, Plunkett Foundation, Social Enterprise UK and the Ubele Initiative.

In order to support further work with these bodies, in the service of enabling community businesses to thrive, it commissioned this literature review to explore and understand the extent and value of infrastructure accessed by community businesses in England. This is also partly with an eye to the future as Power to Change embeds its new strategy and role. Infrastructure was the focus of one of eight hypotheses which underpinned Power to Change's old approach to evidence and impact, where 'the provision of third-party business development support increases the productivity and resilience of community businesses' (Harries and Miller, 2021: 115; see also Archer et al., 2021).

Accordingly, the review aims to support Power to Change in understanding the importance of existing infrastructure as part of the case for further investment through its work and in alliance with other funders. This involves an assessment of the evidence base around community business infrastructure, and its gaps and limitations.

The literature review is focused on a core question:

What is the role and value of infrastructure to community businesses in England?

This is broken down into a series of broad themes and sub-questions, organised in terms of:

- the **demand for support** and unmet need – discussed in **Section 4**
- the **supply, effectiveness and value** of infrastructure support – discussed in **Section 5**.

The next section briefly outlines the **methodology** for the review, and this is followed by a section explaining **what community business infrastructure means**. The bulk of the report then consists of the two-sided review of literature in terms of demand and supply. A concluding **discussion** section provides overall reflections about community business support infrastructure and outlines some ways forward for consideration. The full list of questions guiding the review is presented in the **Appendix**.

2. Methodology

Rather than follow the protocols of a standard systematic review, the approach here has involved undertaking targeted ‘keyword’ searches for both academic and grey literature. This has been supplemented by pursuing references or signposts for relevant literature and data from Power to Change, and revisiting previous reviews of voluntary and community infrastructure (Macmillan, 2006) and building capabilities (Macmillan and Ellis-Paine, 2014) for key references and insight. This approach was adopted because previous experience has indicated that most literature providing relevant insight tends to be ‘grey’; it is not published through traditional academic routes of books and academic journals. Each item of literature sourced for review was assessed for relevance against the key questions, and for the quality of the underpinning research and analysis. Key findings, quotations and conclusions were drawn out against each of the questions, and then synthesised to draw out key themes.

2.1 Definitions and terminology

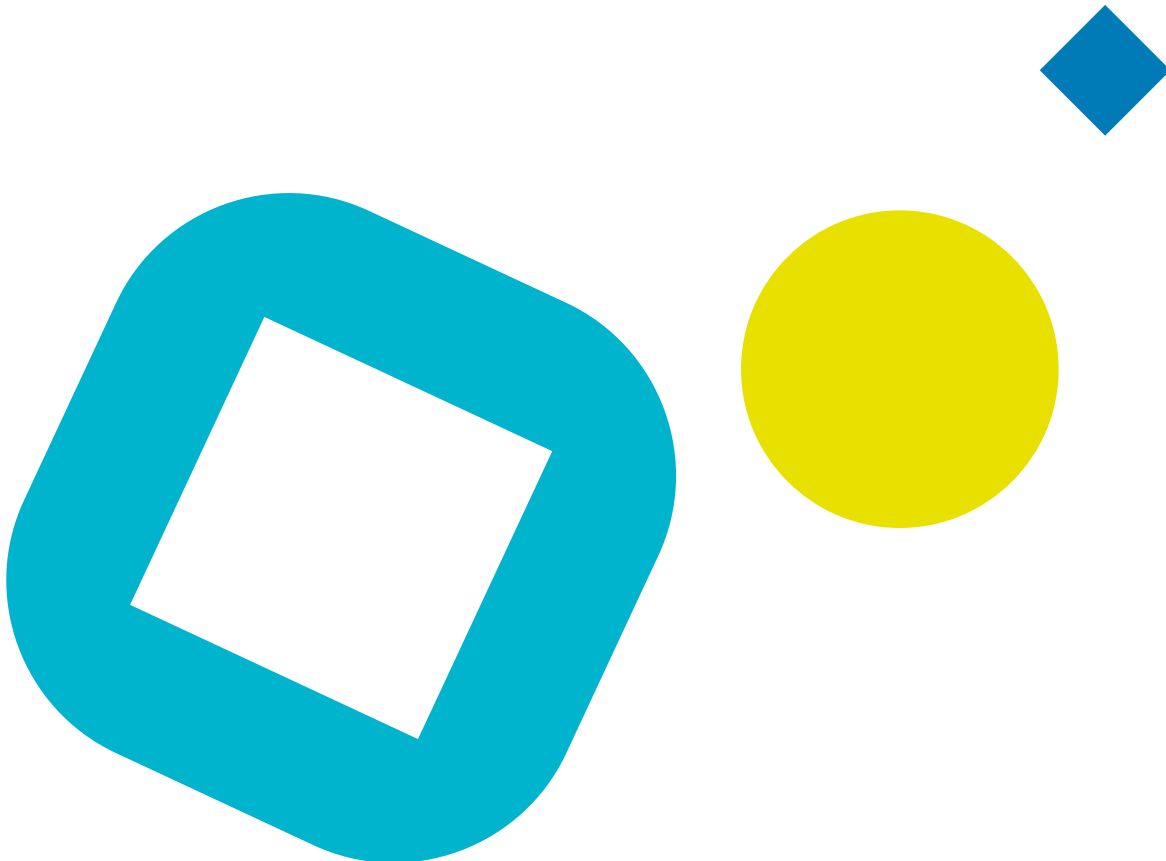
The review raised several challenges in terms of terminology. One immediate issue is that ‘*community business*’ is not the only term in use to describe trading organisations with a social mission, and much literature of relevance may not use the term at all. Moreover, not all organisations taken to be community businesses would regard themselves in such terms. Specific mention is made where findings are of direct relevance to Power to Change’s definition of ‘community business’ as opposed to other third sector organisations.

Likewise the idea of ‘*support*’ appears rather elastically in the literature and tends to feature in at least three ways: (1) as a very general sense of goodwill and willingness to talk up or get involved in community business (for example expressed in community support at an event, or in-kind support or donations from local private sector businesses); (2) as direct financial support in the form of grants, loans, subsidies or fee waivers and discounts – which became vital as a lifeline for community businesses during Covid-19; and (3) as non-financial assistance from specialist expert organisations, advisors and peers. The review aimed to concentrate on this third form of support, which tends to be regarded as part of ‘business support’ or ‘infrastructure’.

The nature of what support community businesses ‘*need*’ is also contestable, and the literature reveals several ways in which the idea of need can be understood and known. Community businesses could be asked directly what support they need, either in surveys or through qualitative research. But need can also be inferred from responses to questions about: what concerns they have (e.g. ‘what keeps you awake at night?’ is a common question asked of community business leaders and others in the sector); what challenges, obstacles or barriers they face; and what support community businesses have actually sought and accessed – although this last point is an imperfect proxy for ‘need’ as it relies on what support is actually available, accessible and of good enough quality.

For example, a report exploring the qualitative experiences of community businesses through Covid-19 reveals the many uncertainties, questions and anxieties those responsible for community businesses have (Avdoulos et al., 2020). The report identifies the questions in mind about reopening facilities and services: 'From the conversations with community businesses, how to handle the changing circumstances was an open and pertinent question; whether it was best to wait it out and hold on to what they had, or should they be moving forward in hopes that good things would come?' (ibid., 15–16). It is worth recognising that these questions may suggest implied support needs, even if they are not articulated explicitly as such.

Against all these issues with terminology a pragmatic and common sense approach has been adopted. Evidence and argument from the literature is brought into the review if it seems reasonably to speak to the particular question at hand, and excluded if it does not.



3. What is community business infrastructure?

Although the idea of ‘infrastructure’ seems straightforward, it can be elusive and very hard to explain without resorting to metaphors, such as ‘hidden wiring’, ‘underlying foundations’, ‘architecture’ and the ‘networks’ or ‘systems’ to supply information and resources. One definition refers to ‘the background structures and systems that allow social, economic, cultural, and political life to happen’ (Latham and Layton, 2019: 3).

Use of the term in the voluntary sector became more widespread in the 2000s, partially replacing existing terms such as ‘intermediary bodies’ and ‘development agencies’. A complex functional definition of infrastructure was deployed for the £230 million ChangeUp programme from 2004 (until its closure in 2011), where it ‘describes the physical facilities, structures, systems, relationships, people, knowledge and skills that exist to support and develop, co-ordinate, represent and promote front line organisations thus enabling them to deliver their missions more effectively’ (Home Office, 2004: 15). Although convoluted, the definition accommodates the variety of work involved in ‘infrastructure’ and ‘support’ and opens the possibility that it can be provided through a wide range of organisations and mechanisms.

One perhaps more accessible way of expressing the overall functions and activities of voluntary sector infrastructure is that it exists to support the sector, or parts of it, or organisations within it, in three main ways:

1. **Develop** – providing direct support, facilitating learning, providing information, advice and guidance

2. **Influence** – consultation, representation and promotion

3. **Connect**– networking, collaboration, brokering.¹

There is no reason in principle why this cannot apply to the field of community business infrastructure support, as similar purposes and activities are in play.

1 Developed by National Council for Voluntary Organisations (NCVO) for its ‘Value of Infrastructure’ Programme (2009–2012). Based on ‘PERFORM: the Outcomes Framework for Infrastructure’ (COGS, 2006) and influenced by the ‘Engage, Develop, Influence’ Model of Infrastructure Function as developed by Growing up in the West Midlands (G:Up).

Community business infrastructure: a literature review

What is community business infrastructure?

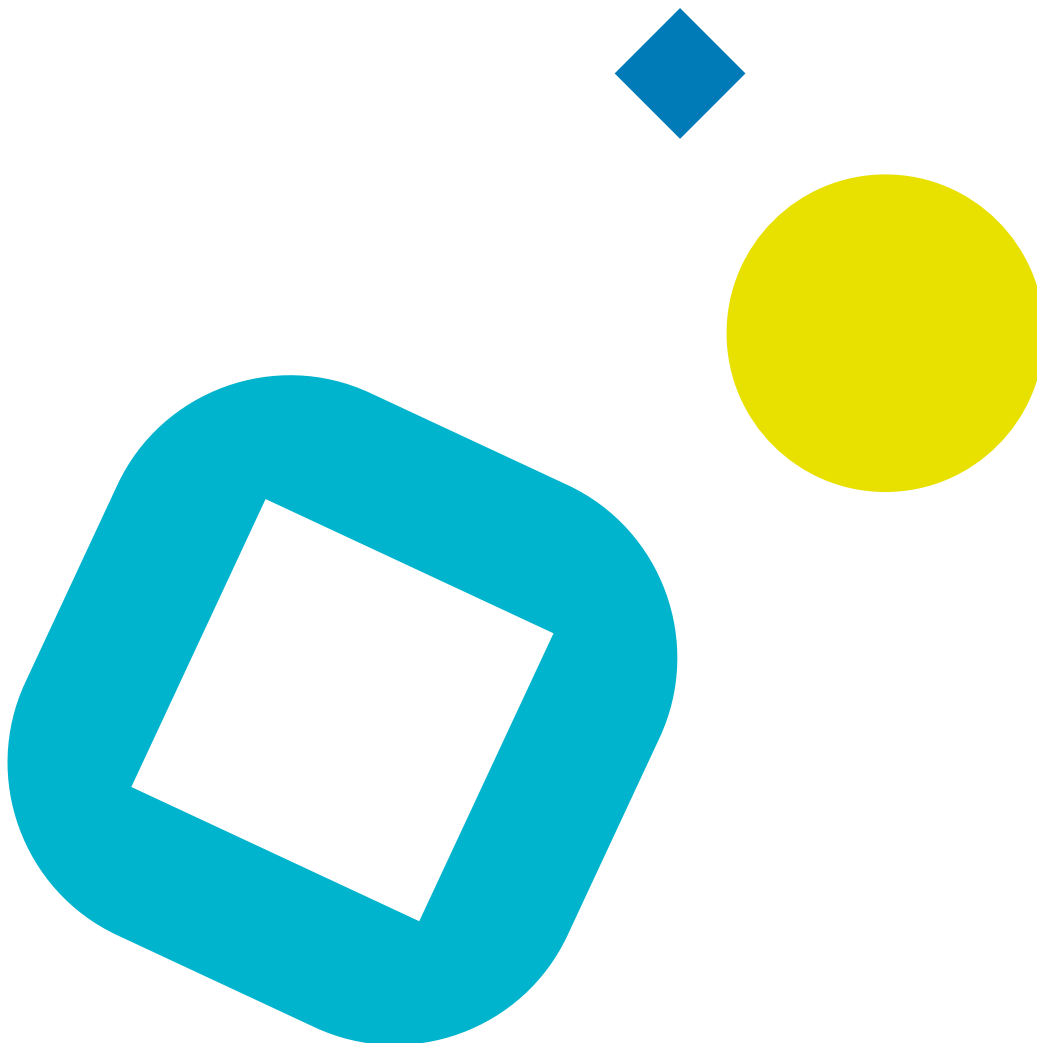
In the broadest terms, literature relevant to the field of voluntary and community action (taken to embrace community business, social enterprise, as well as the work of voluntary organisations and grassroots community groups), covers and addresses three main topics:

1. **Demand** - questions of identity, purpose and focus, i.e. what is infrastructure, what is it for, why is it needed, what functions does it fulfil?

2. **Supply** – questions of organisation, coordination and activity, i.e. what does it do and how it is organised?

3. **Value** – questions of effectiveness and impact, i.e. is it of high quality, what is it worth, what difference does it make?

In Section 4 we consider a range of questions about the demand side of community business infrastructure – what are the support needs of community businesses? Since both points 2. and 3. relate to the supply side, they are brought together in Section 5 of this review.



4. The demand for support and unmet need

This part of the review aims to address the basic question of **what types of support do community businesses need?** Supplementary questions focus on disaggregating overall findings to examine whether support needs vary by sector (such as community hubs or community energy), or age, or in terms of how they see themselves.

It is worth drawing an initial distinction between types of need in relation to the context in which community businesses are operating. Covid-19 has manifestly challenged community businesses, alongside other third sector organisations, in three dimensions: resourcing, operation and demand (Macmillan, 2020). Although not all community businesses were affected in the same way, resources for many collapsed as a result of lockdown, which also required changes or restrictions in operations, at the same time as demand from vulnerable service users was increasing.

In consequence Covid-19 has opened up new questions around support needs, which the literature is only just beginning to address. There are three kinds of support needs in relation to this context:

1. Emergency issues and needs – how community businesses might survive through Covid-19 (see 4.1)

 2. Emerging issues and needs – new support needs arising from and lasting beyond Covid-19 (see 4.2)

 3. Enduring issues and needs – needs which pre-date Covid-19 and are likely to remain relevant (see 4.3 which looks at the disaggregated picture in terms of community business sector, life cycle, community businesses' view of themselves as well as support gaps and a look at traditional business).
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4.1. Emergency support needs – surviving Covid-19

The annual Community Business Market survey is probably the most consistent source of evidence on community businesses and to a lesser extent their support needs. Typically it is able to draw insight from around 400 responses to a survey of community businesses. The survey for 2020, carried out in May and June 2020, looks specifically at the support needed during Covid-19 (Higton et al., 2020).

A lot has been made of how resilient many community businesses have been during the pandemic, particularly during the early months, although much depends on the specific trading sector and business model. Higton et al. (2020: 6) report that most community businesses adapted quickly: 'Community businesses have thus far proven their resilience to the impact of the Covid-19 pandemic. Only 1 per cent of participants ceased operating and did not anticipate reopening' and 'nine out of 10 of those still operating had changed or adapted their business in response to it'. According to the authors, this 'demonstrates the potentially distinctive resilience of community businesses' (ibid., 8).

Later qualitative research amongst community businesses sees Covid-19 as a time of 'critical self-reflection, innovation and adaptation' (Avdoulos et al., 2020: 16), and hints at the internal capacity and capability to rethink businesses during and beyond the pandemic: 'As a result of having additional time to pause and reflect, community businesses have given thought to their ways of operating both now and in the future – they have, for example, recognised the need to revisit businesses plans, make more time for writing bids and grant applications, and prioritise visioning and innovation' (ibid., 34).

Respondents in this study, it seems, feel confident in their ability to adapt: 'In May, around two-thirds (66 per cent) indicated they either often or always felt confident in their ability to adapt – the proportion had grown to 86 per cent by August 2020. The research has revealed that many businesses found solutions to the challenges they were facing, improving their working practices and adapting to the circumstances. As they generally became more comfortable with the situation, they became more confident in their ability to adapt' (ibid., 22). This was based on the deployment of existing resources; it was easier to adapt if you had diverse income streams, extensive local networks and existing resources such as digital tools (ibid., 26).

Before the Covid-19 pandemic, some research also notes the internal capacity and strengths of organisations. Social Enterprise UK's biennial State of the Sector survey examines, amongst other things, support needs, albeit by looking at social enterprise as a whole rather than community businesses per se. Its 2019 report discusses the responses from 1,068 social enterprises across the UK. Referring specifically to accessing finance, the report observes that 'The majority of respondents reported that their organisation had the financial, marketing and business skills required to obtain external finance and investment (60% agreed, including 14% that strongly agree)' (Mansfield and Gregory, 2019: 51). At about the same time a study of community hubs notes frustration that their internal competence is not well recognised:

... many community hub organisations are very well managed, with tight financial controls, a high level of capacity to identify and manage business risk and opportunity, and effective leadership and governance ... it is nevertheless evident that there is a considerable reservoir of insight and skill among the people who are managing community hub organisations across the country. It is a source of intense frustration to many of them that others, notably local authorities, larger national charities and voluntary sector infrastructure agencies, sometimes treat them as if they were lacking in basic competence (Trup et al., 2019: 47).

However, the emphasis on resilience in the face of adversity could imply that community businesses do not, in the main, require much by way of external support – their basic structure and ways of working enable them to navigate difficult times. The risk of talking up community businesses in this way is that specific support needs of individual organisations are downplayed or overlooked. Higton et al. (2020: 13) note, in this respect, that ‘Only 4 per cent of participants indicated that they required no support’.

The Community Business Market survey indicates that issues around access to emergency finance were the main and most important support needs, followed by advice on adaptation and restructuring. In Covid-19 direct cash is the most important area of support, before key non-financial support questions, highlighting how the very concept of ‘support’ can stretch. The survey asked for the three most important types of support required by community businesses in response to Covid-19. From 416 responses we find that:

‘Flexible grants or cash injections to use for any support purpose’ was the most important support selected by nearly half (48%) of participants, and was placed in the top three by three-quarters (77%). This is followed by ‘financial support for salaries’ (ranked by 20% of participants as the most important and 48% within their top three) (ibid., 12).

After cash injections to keep community businesses afloat, broader concerns come into play:

Two in five (40%) participants considered ‘advice on adapting the delivery of products/services’ within their top three support needs. More than one in five identified ‘advice on measures to restructure community businesses’ and ‘alternative delivery and supply options with customers’ in their top three support needs (23% and 21% respectively) (ibid, 2020: 13).

This pattern is referenced later in the report, where 350 community businesses respond to a question on 'Type of support received by community businesses in response to Covid-19':

Eight in 10 (79%) community businesses received some form of financial support, and those that did most referenced: grants (74%), information and advice (56%), partnership working (30%), a holiday from tax/financial payment (18%) (ibid., 14).

There is a suggestion from qualitative research that support needs of community businesses expressed during Covid-19 may be more fundamental and existential, at least compared with the prosaic bread and butter concerns of 'normal' times. In a context where the usual 'rules' and working assumptions have changed so much, community businesses appear to focus on questions of basic purpose and operations. So much has been called into question, as indicated in this observation from a project examining community business experiences of Covid-19 through diaries:

Community businesses faced numerous decisions when the lockdown started. The pressure to make choices at these key moments resulted in a variety of feelings for participants, which they represented via pictures. One staff member at a community shop chose a photo of multiple doors to describe how she was feeling, as it "signifies that it feels like there are many, many doors we could open ... but we don't know which one!". Similarly, the manager of a pub chose a photo of crossroads, describing that it "was chosen as we feel we are at a crossroads as an organisation and that we have many challenges ahead of us. Our future as a community business will depend on which road we take and the decisions we make." (Avdoulos et al., 2020: 16).

4.2 Emerging support needs – beyond Covid-19

The report notes the concern amongst research participants about the long-term impact of Covid-19: 'community businesses raised concerns about the long-term sustainability of the support provided during the initial months of the pandemic. Many recognised that the furlough scheme would not be a permanent fixture and the emergency grants available to help businesses would also not be a viable long-term option' (ibid., 40). The authors conclude that 'community businesses will need continuous support – whether through additional training, financial assistance or information and guidance – even as we move past the most severe period of the pandemic' (ibid., 41).

The main longer-term consequences, and support needs, arising out of Covid-19 appear to be around digital transformation, adapting to new ways of working and upgrading IT infrastructure:

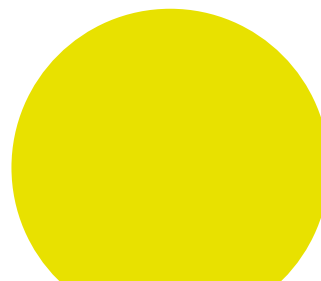
... the need for digital support remains both in terms of providing training as well as financial resource. While many businesses have quickly adapted to using digital tools for communication, their digital infrastructures still need development, especially if the shift is to be sustained. This may include help to develop and design digital interfaces for service delivery, as well as training employees in digital delivery once these are established (ibid., 20).

Further research on how 24 community businesses have adapted their business models during the pandemic to provide digital services highlights both the need for, and obstacles faced in digital transformation (Gardner et al., 2021). The digital divide in communities drives community businesses to respond with appropriate services, but 'limited access to digital technologies and the internet, as well as low levels of digital literacy (the digital divide) within communities were major limiting factors in the roll out of digitalised services by community businesses' (ibid., 9).

Concerns around the switch to digital are situated in a broader reassessment of what is needed for effective service delivery through and beyond the pandemic. Community businesses 'have found ways to adapt, diversify and continue to serve the needs of their local areas, [but] there remain additional forms of support that these businesses will need in the upcoming weeks and months. Some are eager for additional training on using digital tools and how to be Covid-compliant, while others have reported needing additional capital investment to support physical changes in their buildings in order to account for social distancing and increased hygiene measures ...' (Avdoulos et al., 2020: 39).

4.3 Enduring support needs – before and after Covid-19

In terms of enduring support needs, surveys suggest that concerns around money seem to exercise the highest numbers of community businesses (and/or social enterprises). Secondary matters concern staffing, premises, cashflow and business planning. The 2019 biennial 'state of the sector' survey of social enterprise (and therefore not just community business) finds that 'Access to finance is still the principal, most significant barrier to sustainability and growth cited by respondents, for the fifth survey in a row. If we combine the barriers of obtaining grant funding and obtaining debt or equity finance, it is at 43 per cent, similar to 2017' (Mansfield and Gregory, 2019: 47).



It is important to note that two slightly separate issues have been brought together here under the banner of ‘access to finance’, and some care is needed in how such findings may be interpreted and used. For example, Mansfield and Gregory (2019: 48) note that ‘Just under two-fifths of all organisations (38%) reported having applied for external finance in the past 12 months. Although this is a higher proportion than reported in 2017 (34%), it is lower than in 2015 (44%) and 2013 (48%)’. But of these, 74 per cent apply for grant funding (84% in 2017), and much lower proportions apply for a loan (32%, 24% in 2017), or an overdraft (13%, 7% in 2017), and only 10 per cent for blended capital arrangements’ (ibid., 49). For social enterprises ‘external finance’ tends overwhelmingly to mean grant funding, rather than loan or equity finance. Yet in recent years, at least up until the emergency cashflow requirements resulting from Covid-19, policy attention and practical initiatives on finance have almost exclusively focused on repayable finance and social investment (Lyon et al., 2019: 62).

After ‘access to finance’ the main issues facing social enterprises, according to the survey, are staff recruitment, cashflow, and availability or cost of suitable premises. The proportions for all these issues are low, at up to only 15 per cent (Mansfield and Gregory, 2019: 47–48). A focused study of 36 community businesses in the Liverpool City Region unpicks and frames some of these issues in slightly different ways. It highlights ‘bidding for contracts’, ‘business strategy’, sales and marketing, employing staff and measuring impact as the main areas in which community businesses, regardless of sector, report that they require support (Capacity: Public Services Lab, 2019: 4).

Disaggregated pictures

Community businesses come in a whole variety of shapes, sizes and forms, and operate in multiple markets. This diversity begs the question of whether a more fine-grained analysis is required of support needs and access to support, rather than the sometimes blunt category of ‘community business’. Or, alternatively, the support needs of community businesses as a whole may be similar and comprehensible across different contexts and experiences.

There is some debate about which dimensions of community businesses may be significant for understanding their support needs – their size, their market, their business model, their stage in a life cycle or how they see themselves. The reality is likely to be a complex mixture of all of these dimensions, although in general evidence in a more disaggregated form is relatively thin on the ground, and may be a priority for further research.

In broader literature on the needs of voluntary and community organisations, the size of organisation tends to be regarded as the most significant differentiating factor. Smaller, relatively informal and often volunteer-only organisations have very different needs for support compared with large, structured, multi-million-pound charities delivering contracted services. And there is much in between these two extremes. Size becomes a proxy for complexity, but in addition can be a proxy for existing internal infrastructure and capacity. In addition, debate in the voluntary sector on support needs often looks at specific types of organisation serving specific marginalised and disadvantaged communities, for example Black, Asian and Minority Ethnic organisations (ETTO, 2010).

Looking specifically at community businesses, and the associated idea of social enterprise, there is perhaps a little more emphasis than with the voluntary sector generally on sector (or 'market') and on life cycles of ventures. For example, a study of community businesses in Liverpool City Region alludes to the idea that there may be specialist support needs depending on the sector, for example arts, housing and community. However, it provides no further detail, in preference for analysis by life cycle (Capacity: Public Services Lab, 2019: 4) – see Section 4.6 for further discussion of stage models of community businesses and support needs.

Swersky and Plunkett (2015: 7), however, provide the strongest resistance to the idea of market or sector segmentation: 'community businesses have largely been understood within categories that reflect their trade or activity, such as running a pub, generating renewable energy, or operating a local hub'. This is less than satisfactory, they argue because 'it fragments the sector into too many "buckets", making it harder to map needs against business types; second, it obscures the common challenges that different types of community business face and, therefore, the support they need to grow' (ibid., 7).

Instead, they prefer to segment the field by community business model. They identify five types, but argue that support should focus on only three of these: 'Cross-subsidisers and clubs are legitimate and important forces for good in local areas. However, given their stronger financial viability and potential for transformative change, we argue that the focus of the community business support sector should lie with Public Asset Managers, Business Savers, and Community Start-ups' (ibid., 8).

Variations by sector

There is very little comprehensive comparative research identifying how support needs may vary by sector. While the annual Community Business Market surveys do explore specific sectors and markets, the analysis does not extend to breaking down support needs by sector or market (Higton et al., 2020). The data appears to be available to do so, if this is regarded as a priority. However, there is a risk that sub-sample sizes may be so small as to undermine the confidence with which conclusions can be drawn.

Evidence for sector-specific support needs tends, therefore, to arise from sector specific research, often conducted in support of the specific sector, and through its dedicated infrastructure. As such there is some risk of over-identifying the distinctive support needs of these sub-sectors. This may form part of a strategy of embedding and reinforcing them as specific sub-sectors in need of specialised support, such as community-led housing (CLH), or community energy. Recent examples of sector specific research include surveys of community energy organisations, village halls, assets in community ownership and community hubs. However, these studies are often focused on a specific topic, or cover a broader range of issues, and so only yield limited evidence and commentary on support needs.

The latest ten-year survey of village halls, for example, indicated that 68 per cent of 2,109 respondents reported that there 'are [...] aspects of running a community building where your committee could benefit from training or support' (Archer et al., 2020: 97). From a list of 10 areas where training and support might be needed, 'applying for funding' is the most frequently cited area seen as 'most important' (19.7%), followed by 'recruiting/motivating volunteers' (9.3%) and 'health and safety' (5.4%) (ibid., 97). The survey is a general mapping of village halls and community buildings, covering how they are run and what they offer, rather than of support needs specifically.

Rather than provide detailed research findings, Community Energy England's 'State of the Sector' report for 2020 emphasises some of the highly technical support required to get community energy projects off the ground. It argues that 'Greater acknowledgement of the time and capacity requirements of low carbon projects is needed to ensure funders are fully aware of this aspect of the cost of project development' (Robinson and Stephen, 2020: 28). The authors go on to suggest that 'greater attention to delivering capacity building services is needed, such as community energy workshops, advice and peer mentoring services, sharing business models and technical knowledge. Fostering and supporting new partnerships could overcome these barriers and maximise project impacts' (ibid., 28). A similar argument is made in respect of community-led housing. In the early and ongoing 'group' stage of a five-stage development process, it is argued that support needs for a community-led housing group can be met by 'ongoing advice and support by an enabler that is knowledgeable and experienced in the development of CLH groups, in terms of their constitution, governance, community engagement, external relations and business planning' (Archer et al., 2018: 7).

Research on assets in community ownership draws from 27 case studies to identify ‘seven critical factors [which] enable an asset to maintain its financial health’ (Archer et al., 2019: 50): the symbolic value of an asset and local ‘buy-in’ to the asset, the external environment for asset ownership, the scale and nature of income, management of costs, form of ownership, and then two factors most relevant to the question of support needs: internal skills and capacity, and external skills and support. Internal capabilities are seen as key for maintaining the financial health of assets: ‘The case studies show how financial health has benefited from the capacity, capabilities and skills of those involved, particularly leaders and managers. However, this also creates dependency on key individuals, challenges to engaging new members of the community and a lack of community capacity that constrains growth’ (ibid., 59). This idea is confirmed in a survey of 350 community assets, which reports ‘Factors negatively affecting the financial health of assets in community ownership over the past three years’. Less than 10 per cent of respondents report ‘staff skills and expertise’ or ‘management skills and expertise’ as relevant factors (ibid., 52).

Variations by life cycle

A common assumption about community businesses, as often with other forms of third sector organisation, is that they operate through a discernible life cycle, involving some sense of emergence and youth, followed by transition to maturity. While the differences in form, capacity and support needs between emerging and start-up ventures on the one hand, and established community businesses on the other might be easily understood, finer distinctions between an ordered set of stages are harder to justify, not well evidenced, and are perhaps over-specified. They run the risk of proposing a thinly-veiled normative transition from one stage to another, where progression is thought to be better in some sense (such as, for example, in the widespread idea of moving from ‘grant dependency’ to trading profitability). They suggest, despite caveats to the contrary, that community businesses typically go on a ‘journey’, developing along a linear pathway, almost without agency, rather than the messier reality of organisational change.

However, taken with a pinch of salt, such models can be useful in organising ideas about different kinds of support relevant to emerging and established organisations. For example, there is comment to the effect that community business support finds it easier to assist and work with existing, tangible community businesses. The frustration is well captured by a quotation from one respondent in a study in the Liverpool City Region: ‘We needed to have started an organisation to receive support, but that was the thing we needed support with’ (Capacity: Public Services Lab, 2019: 10). Two examples of life cycle models can be found in the recent literature – Swersky and Plunkett (2015) and Capacity: Public Services Lab (2019) – and both involve a ‘pre-organisation’ stage. Both are based on fairly small research exercises. Wider analysis of community business needs and available support by age or stage has not been undertaken. Higton et al. (2020: 25) provide a profile of their survey’s 449 community business respondents by length of time they have been operational, but there is no further analysis of types of support needed and accessed by age.

Swersky and Plunkett (2015: 19) sought to understand the ‘life cycle’ of a community business, in order to appreciate the different challenges faced at different stages, ‘as they go from being a nice idea to a reality and then on to being an established success’. They proceed, with qualification, to outline ‘four clear phases in the development of a community business. These phases are not entirely distinct nor are they necessarily sequential. Some community businesses start quite far down the road and some move and back and forth as they encounter sudden setbacks or unexpected successes. Nonetheless we find these categories useful as a way to map the sector’s support needs’ (ibid., 19).

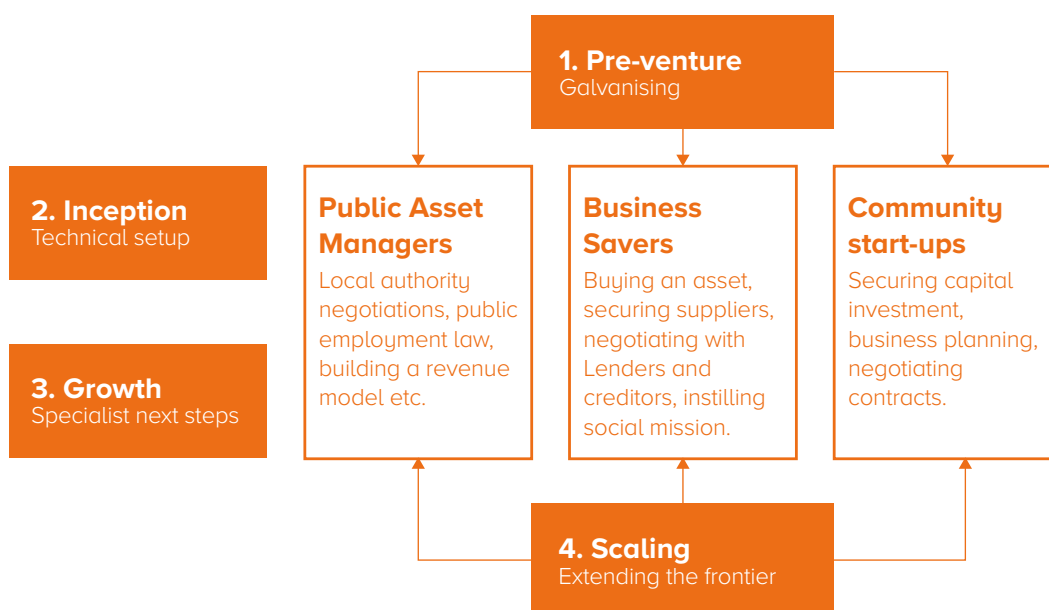
Capacity: Public Services Lab (2019: 4) make a similar point: ‘Community businesses need different support at different times of their development, similar to private sector businesses, however the support needs to be tailored and flexible to their requirements as socially trading organisations’. They propose what they term a ‘life course model’ that ‘community businesses commonly develop through, regardless of their structure or area of trading focus. We have created the model for business support based on the development and growth needs at each stage, rather than what each sector (e.g. housing, renewables, café) needs to become successful’ (ibid., 22). They argue that ‘it was the stage of development rather than the type of community business or service provided that we found to be the most important factor when considering business support needs’ (ibid., 5).

Swersky and Plunkett (2015)’s four stages are ‘Pre-venture’, ‘Inception’, ‘Growth’ and ‘Scaling’, and they suggest that support needs vary at each stage: ‘At pre-venture stage, programmes are needed to educate and engage people. At inception, the chief gap is access to technical support, such as legal advice. As they grow, businesses need smart and sustained grants and loans in the £75,000–200,000 range to fill the “missing middle” of finance. Finally, businesses looking to scale could benefit from clearer norms on asset locks and social franchising’ (ibid., 4). Capacity: Public Services Lab offer a similar four-stage model, with slightly different terms: ‘Pre-Idea’, ‘Start-Up’, ‘Survive’ and ‘Thrive’ (Capacity: Public Services Lab, 2019: 10), and also include support needs that may arise during transitions between stages.

Despite the variation in support needs, the model developed by Swersky and Plunkett (2015: 24–25, see Figure 1) identifies initial commonalities, which then diverge, and then reconverge:

... support needs of different types of community business diverge in the inception phase before becoming similar again once organisations are established and are thinking about scaling their activities. In both this phase, and the later, scaling phase, community businesses have much in common. But in the formative period of technical set-up and development, building a community business is a specialist activity and so support needs are correspondingly specialised (ibid., 24).

Figure 1: The four life stages of a community business



Source: Swersky and Plunkett, 2015: 24

Swersky and Plunkett (2015: 28) summarise their model as follows. Community businesses, they suggest, have ‘a lot in common – particularly at the very start and end of their journeys. They need to enthuse local people, they need to find financing and governance arrangements that support sustainability and a social mission and, if successful, they must work out how to scale a business whose strength derives from being rooted in a local area. In the middle of this life cycle, however, community businesses face a number of more specific and specialised tasks. Beyond a common core of challenges, more specialist and tailored support is needed’ (ibid., 28).

Variations by ‘view of themselves’

Community businesses may have different orientations and outlooks, and this may affect how they regard the support they might need. For example, they may view the sectors or markets in which they operate as changeable sources of opportunity and risk, and may express different degrees of confidence about the future. However, there is precious little research or reflection on how support needs may depend on these different outlooks.

The annual community business survey includes a measure of confidence in future financial prospects, which could be used as a proxy for outlook, gauged in terms of optimism and pessimism. Table 1 shows the results from repeated surveys going back to 2016.

Table 1: Business confidence in future financial prospects

Year	Slightly more/Much more (%)	Slightly less/Much less (%)	Difference	Source
2016	47	28	+21	n=158 (Hull et al., 2016: 35)
2017	63	20	+43	n=241 (Diamond et al., 2017: 31)
2018	66	13	+53	n=300 (Diamond et al., 2018: 32)
2019	58	18	+40	n=312 (Higton et al., 2019: 39)
2020	11	73	-62	n=449 (Higton et al., 2020: 16)

Note: The wording of the question has changed slightly over time. The 2020 measure is of ‘Community business confidence in future financial prospects following Covid-19’; the 2017–2019 measure is of ‘Community businesses’ confidence in the financial prospects of their businesses over the next 12 months’; the 2016 measure is ‘overall confidence in the financial prospects of their business over the next 12 months compared to the last 12 months’.

The 2020 survey examines the ‘future outlook’ of community businesses, measured as ‘confidence in future financial prospects following Covid-19’ (Higton et al., 2020: 16). An overwhelming 73 per cent of 449 respondents were less confident in their future financial prospects, against 11 per cent who were more confident. As Table 1 reveals, this appears to be a collapse of confidence, coming after a sustained period where between three-fifths and two-thirds of community businesses indicate that they are at least slightly more confident in their future financial prospects, against typically only up to one-fifth who were slightly or much less confident.

It is possible that confidence will eventually bounce back markedly, but in terms of support, data may be available to assess these two groups of more and less confident community businesses (albeit with different sub-sample sizes) against their expressed challenges and support needs.

A smaller study of 36 community businesses in Liverpool City Region also deploys a five-item self-reported measure of ‘financial confidence over the next 12 months’ (Capacity: Public Services Lab, 2019: 10). In this case it was not assessed against support needs, but it suggests that questions of confidence may affect how community businesses see their challenges and opportunities, and thus what support might be needed as a result.

Support gaps

There are few systematic accounts of gaps in support in the literature. Gaps are inferred from other commentary or are referred to only in passing. For example, research undertaken during Covid-19 noted that in the early months of the lockdown, faced with collapsing income, many community businesses were in need of support but fell through the gaps in support. In this case, the hybrid nature of community businesses, operating with both commercial and social purposes, is regarded as problematic for scheme eligibility, since they are seen as neither one thing nor another:

Some support was available but, during that early period, the amount of information could be overwhelming, particularly as the situation was so uncertain and rapidly changing. Others found that they fell through the cracks between support programmes, being eligible for neither business nor charity schemes, or not having been in operation for long enough to qualify (Avdoulos et al., 2020: 2).

This is a prime example of where the notion of ‘support’ appears really to mean financial support, in the sense of lifeline grants and loans to community businesses, or relief schemes, to keep them afloat as the crisis deepened. Eligibility criteria for these schemes appeared to be able to cope with mainstream businesses on the one hand and charities on the other, but hybrid organisations like community businesses and social enterprises often struggled to access them: ‘While substantial financial support was available for community businesses, especially at the beginning of lockdown, eligibility requirements often added hurdles or barriers and a lack of information made it additionally difficult for businesses to understand what financial support they were entitled to’ (ibid., 13).

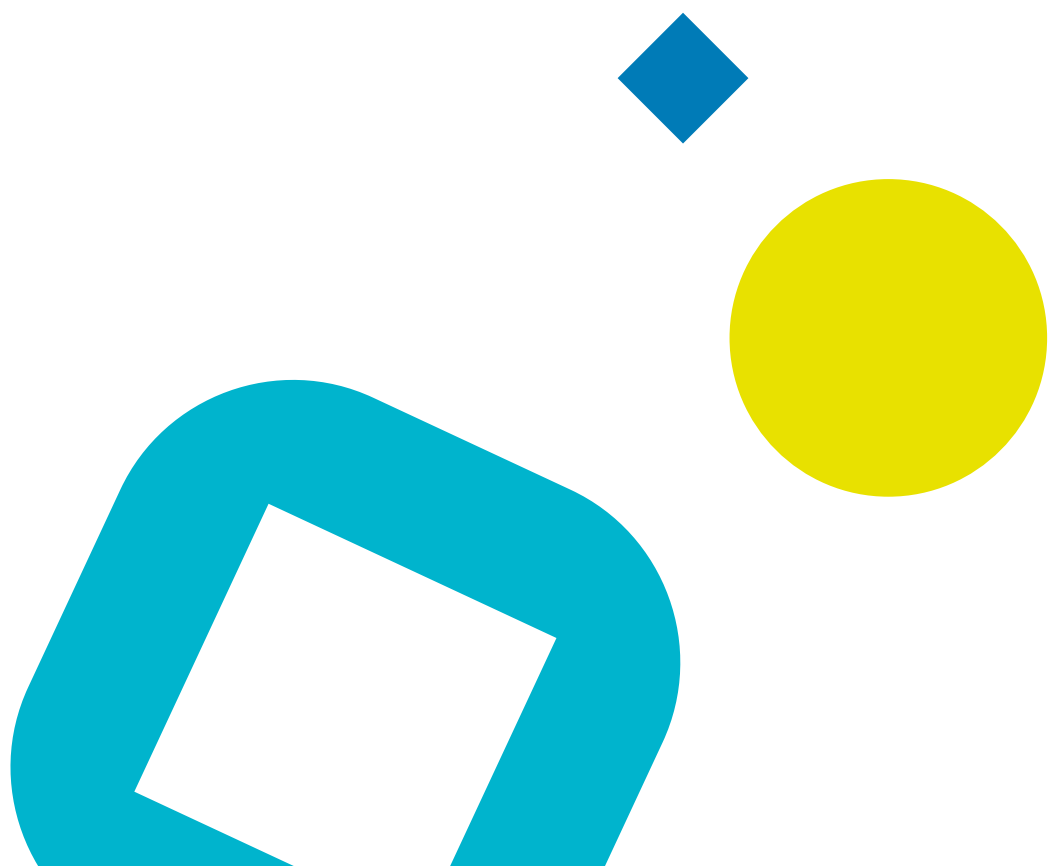
Two Community Business Market research reports identify areas of support which are most important to them (Diamond et al., 2017; Highton et al., 2019). While they did not specifically focus on support gaps, they do point to key areas where business support is needed more. Similar results were found across the 2017 and 2019 surveys which identified that support in “measuring impact” ... “engaging volunteers” ... “developing a business strategy” ... “finance/accounting” ... and “sales/ marketing” were crucial’ (Highton et al., 2019: 22). These reports also highlight that community businesses tended to seek support much more commonly from local authorities or city councils than from industry or sector membership, district councils, NHS, central government or other bodies.

Traditional businesses

A UK study of social enterprise support systems argued that:

The business support needs of social enterprises are, in many respects, similar to those of for-profit enterprises, i.e. in terms of their needs for market research, business planning, raising finance and so on. However, important characteristics of social enterprises can make mainstream businesses support services less appropriate, including their distinct legal and governance structures, a primary social mission, reliance on volunteers, and mix of income streams including grants and donations. Given frequent experience of the limitations of mainstream business services, a range of programmes and organisations delivering specialist support have developed in the UK over the past 15 years or so (Lyon et al., 2019: 51).

The study goes on to note that social enterprise benefits from a 'wider business support ecosystem' of support providers and programmes 'funded by public and philanthropic sources, with many focused on particular geographic areas, or particular sectors. Advice for start-up and growth is provided by enterprise agencies, chambers of commerce and local governments covering specific areas. They are represented in England by the National Enterprise Network. For start-up support there is also the New Entrepreneur Foundation and, for those out of work, the New Enterprise Allowance scheme' (ibid., 50). It is to the question of the supply of support that we turn in Section 5 of this review.



5. The supply, effectiveness and value of infrastructure support

This section of the review aims to address two basic questions:

1. **What support is available to community businesses** through their third sector, community and business lenses and who provides this support? Supplementary questions focus on targeting (support for community businesses at different stages) and effectiveness (types of support that have and haven't worked well) (Sections 5.1–5.5).
2. What is known about **the value of infrastructure support**, and the impact of greater investment in or reduction of infrastructure support? (Section 5.6).

Far more has been written about the supply of the support than its value or impact.

5.1 A support 'ecosystem'?

The UK country report of a comparative EU project on social enterprise support systems (Lyon et al., 2019) refers to a 'social enterprise ecosystem', although it is not really clear what is meant by the term other than a diverse array of activities and providers supporting social enterprise (and by implication community business). These are outlined in the following extract, indicating that a support ecosystem is more than simply direct business support:

There are a range of support providers, membership bodies and related networks that aim to assist social enterprises to grow and flourish. Key elements of the ecosystem include the policy and legal/regulatory framework and provision of resources; support for social enterprise to win government contracts; support for public sector workers to establish employee- and stakeholder-owned mutuals; certification systems and marks; social investment finance providers and intermediaries; start-up support and facilities (such as incubators); business development support (general support for all business and social enterprise specific support); support networks and membership associations; school and university educational programmes; and research to monitor sector development and assess needs or opportunities (Lyon et al., 2019: 10).

An earlier report from the same research team refer to the ecosystem as being vital for the survival of community business. It comprises 'the key elements of support and network of relationships that includes other service delivery organisations, sources of funding and other support. Effective ecosystems are dynamic and work best where there is flexibility, mutual learning and coordination amongst the interacting parts' (Stumbitz et al., 2018: 4), and 'involving various organisations and the interconnections between them and sources of support' (ibid., 26).

This suggests that a support ecosystem may perhaps be more an aspirational concept than an adequate description of how support or infrastructure for community business is actually organised. The authors suggest that ‘the ecosystem concept provides a way to consider the mix and sustainability of different elements and resources, such as finance, knowledge, sources of support and the networks and collaborations involved’ (ibid., 11).

The report to the EU goes on to describe further aspects of support (for social enterprise) offered beyond government, including a reference to Power to Change: ‘a wide array of non-government intermediaries and organisations, including membership/trade bodies who represent the sector’s views to government and help to develop the social enterprise ecosystem more generally (e.g. SEUK). There are also various providers of financial backing and expertise to support start-ups and already successful enterprises achieve scale (e.g. UnLtd). Support is also provided by Power to Change, a trust supporting community businesses in localities across the country. The Government provides various targeted grants to partner organisations to ensure information is available to those looking to set up and expand social enterprises’ (ibid., 52).

5.2 The landscape of support

As has been noted, support for community business occurs in a variety of ways and is provided through a complex landscape (or ecosystem) of providers and mechanisms. Here we look in more detail at evidence about this landscape.

External professional support – national and local support organisations

Lyon et al.’s review of social enterprise support systems notes, among other elements, ‘a number of membership bodies which represent the different forms of social economy organization, most of which also provide various support services for different stages of the entrepreneurial/business cycle, ranging from early (pre-start) to planning for growth and development’ (Lyon et al., 2019: 57). In this regard it mentions Social Enterprise UK and social enterprise support bodies and networks in Scotland, Northern Ireland and Wales, along with Social Firms UK, Co-ops UK, Locality, and UnLtd and the School for Social Entrepreneurs for skills development. Other national bodies would need to be added to this list, such as Plunkett Foundation, Action with Communities in Rural England (ACRE), Community Energy England and the Ubele Initiative, which supports communities, community-based organisations and groups with community assets.

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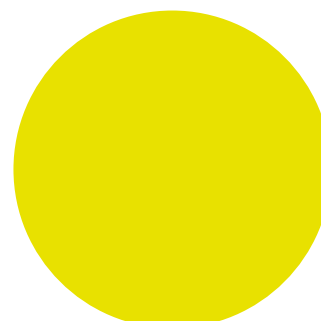
The study of assets in community ownership mentions a similar array of bodies in its assessment of external skills and support, which as mentioned is one of seven 'critical factors [which] enable an asset to maintain its financial health' (Archer et al., 2019: 50): 'External advisors and supporters had played a significant role in ensuring the financial health of some assets. Valuable support had been provided by national organisations such as the National Community Land Trust Network, the Plunkett Foundation and Locality (which, in several cases, had provided both advice and funding)' (ibid., 60).

The research with 27 case studies notes that national organisations (such as ACRE for village halls) tended to provide valued generic support, while local organisations offered more specific and practical support: 'interviewees tended to focus on the role of local advisors and supporters. For instance, a local infrastructure organisation in Wolverhampton, Community Action and Training Services (CAATS), had played a major role in helping Big Venture bid for funding – something those involved felt they did not have the skills to handle on their own' (ibid., 60).

The study of community business in Liverpool City Region argues that national support providers tend to be regarded as remote: 'National organisations such as Power to Change, Locality, Co-ops UK and others, do provide support to growing community businesses, but this is seen by some as too remote, or in other cases, organisations do not know if this is the correct support' (Capacity: Public Services Lab, 2019: 26).

The 2020 survey of 2109 village halls asked whether respondents had sought advice from an adviser from the village hall or community building service in the last five years and, if so, how it should be rated. The authors report: 'Whilst nearly half (49 per cent) of respondent halls had sought advice from their local village hall adviser, one in ten had never heard of this service ... 84 per cent of those using this service in 2020 rated this as 'excellent' or 'good' (Archer et al., 2020: 98).

There is no material in the literature surveyed which can enable a comparison of support available in different regions. Some wider surveys of community businesses provide a regional breakdown of respondent organisations (e.g. Higton et al., 2020: 24) which could be used to interrogate regional differences in types of support needed and accessed. Insofar as respondent numbers will be small when the data is broken down in this way, any conclusions would be tentative and rather speculative in the absence of more data.



There is some commentary on the different ‘ecosystems’ of support found at a national level, and through which devolution offers further opportunities. Here the contrast between England and Scotland is usually cited. Lyon et al. (2019: 69) note austerity-related cuts to support in England, and observe that ‘there are trends towards greater devolution that potentially create new opportunities for supportive ecosystems at local and regional levels. The Scottish context has been particularly conducive to investment in the ecosystem for social enterprise, buttressed by support and interest from political parties, a strong tradition of the social economy.’ This was augmented, it was suggested, by the smaller size of Scottish Government which enables the development of a clear and effective policy for supporting social enterprise. Roy et al. (2015) provide a fuller historical account of the development of Scotland’s institutional ecosystem for supporting social enterprise.

Partnerships, networks and peer support

A general feature of the literature is how business support can arise through a wide range of formal and informal relationships and mechanisms. It is not simply provided by one or two national or local infrastructure bodies, catering for all support needs. Of particular note here is how well embedded community businesses are and can be in local networks and partnerships. As Stumbitz et al. (2018: 4) note, for example, ‘Community businesses are often highly dependent on their local networks and partnerships, most frequently with other civil society and public sector organisations with a similar or complementary focus on the needs of client groups. Relationships and long-term partnerships are built on the mutual trust and respect gained from their rootedness in communities’. These relationships also encompass business support ‘to address specific gaps in skills and competency through the provision of advice, mentoring and training. This may be related to marketing, access to finance, managing volunteers and other management issues’ (ibid., 4).

Chapman and Gray (2019) examined cross-sectoral partnership working involving 24 community businesses in three localities – Bradford, Hartlepool and Middlesbrough. The study focuses directly on the question of building relationships across sectors. Assessing this ‘relationship work’ involves community businesses ‘weighing two inter-related sets of drivers’ and needing to strike a balance between ‘the desire for organisational autonomy with the need to work with other organisations in the private, public or third sectors [and] the need to access the resources to sustain their organisation while meeting their desire to have a beneficial community impact’ (Chapman and Gray, 2019: 8).

This is echoed in the specific circumstances of the community energy sector. An annual survey finds community organisations ‘making use of diverse partnerships, including cross-community collaboration, as well as partnerships with commercial organisations, energy network operators, local authorities and the wider public sector ... Respondents stated that the greatest benefits of partnership working included knowledge sharing, skills transfer, partner influence and access to wider funding options and investment’ (Robinson and Stephen 2020: 32).

Peer networking is also regarded positively and sometimes seen as vital (Dobson et al., 2020). During Covid-19, for example, ‘Those who felt supported by other community businesses noted the ways in which strengthened networks became an opportunity to collaborate, share resources and offer support and inspiration’ (Avdoulos et al., 2020: 25). One participant from a community hub praised a specific peer network (‘Community Business Patchwork’, formerly the Community Business Mutual Aid Network, convened by Practical Governance²), it “has been wonderful. Long may it continue. It’s been the most genuine peer-to-peer experience I’ve had in many years” (Avdoulos et al., 2020: 25; see also Gardner et al., 2021).

Trup et al.’s study of community hubs argues that horizontal sharing, learning and peer to peer support should be promoted:

... the most effective strategy for enhancing the financial and other competencies of community hub organisations is to start with the skills and insights which already exist within the sector, and to make it easier for learning to be transmitted horizontally – between practitioners locally, regionally and nationally – and to supplement this with training activities (including for board members) which include, wherever possible, peer-based action learning’ (Trup et al., 2019: 49).

Community anchor organisations

Support is sometimes provided by larger and more established ‘community anchor organisations’, often informally, but also in terms of accommodation and services (as in incubator initiatives or the US model of ‘fiscal sponsorship’). Community anchor organisations are locally owned and embedded voluntary organisations, often responsible for a physical asset such as a multi-purpose resource centre or community hub. A study of community business support in Liverpool City Region saw some wider strategic potential here, for existing anchor organisations ‘to reach out to budding community businesses and organisations that do not realise that they are community businesses, in order to promote and progress the community business sector in the region’ (Capacity: Public Services Lab, 2019: 27).

Chapman and Gray (2019: 60) observe some tension in these relationships and caution the need for close management of expectations: ‘change in the political or funding environment could come quickly, unsettling the equilibrium in long-standing relationships between larger community businesses and smaller organisations, community and interest groups’. The authors quote the firm line that was felt needed by the CEO of one neighbourhood-based organisation which provided support with limited capacity to local groups: “if we constantly say we can do x and y, then they’ll constantly come back to us and expect us to do it. But if we say we can do x for you, or with you for a while, but we can’t do y, they might not like it, but you start to build trust” (ibid., 63). Faced with criticism from local groups, the CEO maintains “We say, ‘You can do this, you don’t need us; we can hold your hand, but

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you can do this'. We had to learn to move away and [recognise that] they are quite capable of doing it on their own – but in a community like this, it takes a heck of a lot longer” (ibid., 63).

Pro bono support/support from business

Chapman and Gray’s research found limited and sometimes challenging pro bono support relationships, and emphasised the importance of appropriate brokerage and matching:

... only a few examples emerged of community businesses benefiting from pro bono support from professionals. It was clear that when support arrived from accountants, solicitors or architects, for example, it could be helpful on a one-off basis. Networking with professionals was not easy and indeed had become less so with the demise of local skills brokerage services in some areas. The absence of organised brokerage services led to interactions being occasional, ephemeral and, by definition, difficult to anticipate (Chapman and Gray, 2019: 37).

The research also draws wider conclusions about the relationships between community and mainstream businesses. Here the significance of two-way complementary relationships is highlighted – or ‘striking a balance’ as the research calls it:

Positive interactions between private sector companies and community businesses were not all about financial exchange – they involved investment of time and expertise, in both directions. While the benefits for each organisation could differ, the effort bargain always has to be balanced. If community businesses simply expected to be recipients of support without offering something in return, they were in for a disappointment – this is not how it does or should work. It has to be about complementary interests at both organisational and community level (ibid., 5).

Section 4 looked at what’s being revealed – about the kinds of emergency, emerging and enduring support that community business needs – by literature that’s just started addressing questions opened up by Covid-19. It is now worth considering what Covid-related research has revealed about how the support ecosystem that we have been examining in this section operated through the pandemic, before exploring in more detail what is known about the impact and value of the support available for the variety of community business circumstances, across this complex landscape of provision.

5.3 Support through Covid-19

The wide variety of sources of support comes through strongly in Covid-related research on community business. Highton et al. (2020: 14), for example, observe support for community businesses coming from local authorities, central government, membership bodies, each other, other businesses and other support agencies, including specialist agencies. It is important to note that because this is a response to a Covid-related survey question, 'support' may also be taken by respondents to mean direct cash support and fee waivers, as well as non-financial support.

The qualitative 'Covid diaries' research suggests that a wider realm of support, beyond cash and reserves, is specifically important for community businesses. This is framed in terms of 'social capital' within a local system, by which is meant professional and collaborative networks and embedded support from communities:

... although grant and government funding has helped carry community businesses through the first months of the pandemic, it merely allows them to survive, and many have also needed to utilise their limited reserves. It has become clear through following the journeys of these community businesses that it is not their ability to pull on financial capital that has carried them through, but rather their social capital – their professional networks, community support, cooperative ways of working and reciprocity with others' (Avdoulos et al., 2020: 5).

'Support' here is stretched perhaps to its furthest comprehensible extent, where it could simply imply general good will from the local community: 'While experiences differed, having the support of various partners within the local 'system' greatly helped increase the resilience of community businesses as well as their abilities to adapt' (ibid., 21). However, the research also indicates how the broader notion of general 'community support' waned as the pandemic continued: in May 2020, 81 per cent of the study's 26 participants indicated that they often or always felt supported by their community, but by August 2020 this had fallen to 64 per cent (ibid., 22).

The importance of the local community is borne out by responses to a question asking participants to identify from where they had accessed support during Covid-19, specifically to help with adaptation. The main sources of helpful support cited by the study's 26 participant community businesses are the local community/residents (69%), other community businesses (65%), business support and guidance from various organisations (54%) and financial support from local authorities (54%) and central government (50%) (ibid., 27).

The study concludes that the ability of community businesses to adapt during Covid-19 'was heavily dependent on a variety of financial, and more general, support from residents, other community businesses and local councils. This support has been instrumental to their survival during lockdown and will need to continue to help them sustain progress. As they continue to navigate uncertain circumstances while emerging from lockdown, these adaptations, alternative ways of working and new networks and relationships will be crucial' (ibid., 28).

The availability and supply of information intensified during the pandemic, particularly in the first weeks of lockdown in Spring 2020. The result appears to have been information overload. As Avdoulos et al. (2020: 14) observe:

When lockdown began, information intended to help community businesses – especially about the different funding schemes available – was being published at a rapid pace. Central government, local councils and third sector organisations, including Power to Change, were sharing a plethora of information about new funding schemes, training, webinars and community support groups that could help community businesses adjust. While this provided businesses with valuable resources, some felt overwhelmed by how much information was available and were often left confused and frustrated by the volume. Some businesses commented that despite the far-reaching support available, it was difficult to understand what schemes they qualified for.

5.4 Supporting community businesses at different stages: pre-start-up and start-up and growth

How well is infrastructure support targeted for community businesses in different circumstances? Swersky and Plunkett examine the kinds of support available for community businesses at each of the four stages in their life cycle model – as shown in Table 2. While the 'pre-venture' stage tends to involve a small group of committed people and 'proceeds on the back of personal, informal, inexpert research into potential options' (ibid., 20), expertise is essential at the inception stage, where:

... the difference between success and failure comes down to specialist skills, from negotiation to financial modelling, to specialist knowledge covering everything from planning procedures to employment law. Our survey of community business gives us a sense of how and when different kinds of support are used. 49% of respondents had used general business advice in the start-up phase. 58% of respondents, however, had never used specialist support for asset purchases, and 62% had not received advice for winning contracts or raising investment. Our interviews suggest this was not for want of demand – it is not always easy to find specialist advice of this kind (ibid., 23).

Table 2: Support gaps for community businesses across the life cycle

Stage	The problem	Existing support	Gaps
Pre-venture – What can we do?	We've spotted a failing service or business or a local opportunity. We need to galvanise local people and understand our options	Small grants and general advice, mostly aimed at small businesses, charities, co-ops	The promotion of community business as a solution, particularly on asset takeovers. Demonstrations of how others have done it
Inception – How do we get this going?	We're ready to go. We need to take control of an asset, establish our structure, develop our first revenue plan, and secure finance	Some grant funding but diminishing. Some support for asset purchases, some advice from sector specialist bodies (pubs, cafés)	Specialist advice on legal and organisational structures. Specialist segment and sector advice (HR, legal, insurance, negotiation)
Growth – How do we make this sustainable?	We're up and running but we rely on grants and volunteers. We need earned revenue, stable finance, and a scalable governance model	Mixed. Some loans and social finance where a revenue model is proven. Little sustained support through this stage (e.g. blended grants)	Missing middle finance (to go from small to medium-sized, employing staff and replacing grants with trading). Advice on next step governance
Scaling – Where can we go next?	We're a success, we're at local scale, we have momentum and expertise. We want to expand our impact without losing our focus or roots	Advice, investment and loan finance that is designed for organisations that want to get bigger and bigger	Ideas and advice on community-friendly ways of scaling (social franchising, clustering, etc.)

Source: Swersky and Plunkett: 2015: 32

Generic support needs, for example around legal structures, business planning and finance options, are well served at the inception stage and beyond (ibid., 23). However,

... there is a clear and pressing need for more specialist and technical support. This is not to question the quality of support currently on offer; from Plunkett Foundation and Pub is the Hub to Locality and the School for Social Entrepreneurs, many of our practitioner interviewees spoke positively of support they had received. Indeed, the early development of the community business market has been shaped by this support. Today's non-financial support landscape, however, is uneven, and its distribution and design owes more to the historical anomaly of where funding lies than to strategic design. Outside of the pockets of sector-specialist support, most help is generic, targeted at general skills like business planning rather than the specialist technical advice for which there is substantial need (ibid., 30).

'Growth' is the third of four phases in the community business life cycle outlined by Swersky and Plunkett. Here the main support needs are around finance, which needs to be 'sustained' (more than one year) and 'smart' (for example blended finance that can encourage gradual growth in earned income). They argue for finance to be accompanied by non-financial support, but this should be independent of the funder 'by a third party with whom a community business leader can have an honest conversation about the challenges they meet along the way' (ibid., 31). The final stage, 'Scaling' requires support 'to formalise the institutions of this new market. This means helping to articulate what these institutions are and supporting their use' (ibid., 31), including asset locks to preserve the mission and 'developing better tools to measure the economic and social impact of community businesses' (ibid., 31).

Looking specifically at the support needed for community businesses to grow and thrive, Capacity: Public Services Lab (2019: 20) identify five conditions:

1. 'Trust: Community businesses need to trust the support that they receive ...'

2. 'Capacity: There needs to be the time and opportunity for community businesses to develop and to grow ...'

3. 'Skills: To develop a community business, the organisation needs to be able to have the correct skills internally to take them through to the next stage or needs to be able to bring in the skillset they do not have ...'

4. 'Understanding: ... it is crucial that support providers develop a greater understanding of community business in order for the correct type and level of support to be delivered ...'

5. 'Funding: There is a need for funding to facilitate this development, from grant, income, investment and loans ...'

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With this in mind, they develop a model of support for community business from their work in the Liverpool City Region (ibid., 23–4). With the ‘life course’ model, it is suggested, ‘support can be targeted to the particular stages, and transitions between stages, which are not well served by existing business support provision’ (ibid., 21). It creates ‘a framework that is easier to understand for support providers, economic development organisations and funders. With a structure to consider investments and support against, we believe that community businesses will be better, and more consistently, supported’ (ibid., 18).

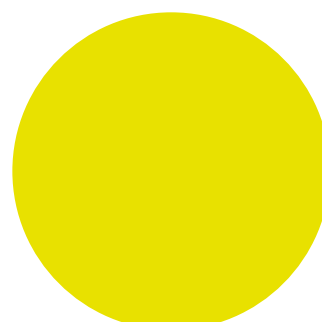
They suggest three kinds of support to build the capacity of community businesses (ibid., 26):

1. ‘infrastructure’ – support from national and local infrastructure organisations (which is mainly relevant for ‘idea’ and ‘start-up’ stages)

2. ‘mentorship’ – informal support provided by individual peer mentors and through peer networking groups (for ‘start-up’ and ‘survive’ stages)

3. ‘internal capacity and capability’ – backfilling for senior staff to concentrate on organisational development, new strategic internal posts such as a ‘development manager’, or seconded expertise brought in for an extended period (for ‘survive’ and ‘thrive’ stages).

Table 3 indicates the kinds of support required at each stage of the ‘life course’ model, as well as during transitions between stages. Although helpful in breaking down some of the support needs, and therefore helping community businesses and others to locate what could be appropriate support at different times, the result is perhaps too detailed and could be read prescriptively. Community businesses and support providers might find themselves shoehorned into finding their appropriate position or stage in the model, and then reading off what their support requirements are.



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Table 3: Support at different stages of the community business life course

Stage of the community business life course	Support required by community businesses
Idea	<ul style="list-style-type: none"> – Supporting communities to have conversations about ideas that could trade, generate a surplus and support the community – Outreach into areas where there is limited track record of community businesses to support those types of conversations – Outreach must be done through trusted networks/organisations
Idea to Start-up	<ul style="list-style-type: none"> – Technical support around how to constitute/set up the legal entity – Speak to people (mentors) who have set up similar community businesses before to build confidence and understand next steps – Technical assistance: business development to secure extra funding – Possible help establishing outline business plan – Help secure funding to support initial start-up costs
Start-up to Survive	<ul style="list-style-type: none"> – Mentor – Specific pieces of technical assistance to support infrastructure development
Survive	<ul style="list-style-type: none"> – Technical assistance: business development to secure extra funding – Begin conversation with advisor to understand further barriers and opportunities within ‘survive’ phase – understand what could create the step change – Continual access to mentor
Survive to Thrive	<ul style="list-style-type: none"> – Backfill in either operations or development to free up senior staff to concentrate on key opportunities/challenges – Advisor – who has been with them during survival, supporting the transition to thrive – Increase in internal capacity – Technical assistance – particular expertise around elements of the trading model and if financial system is no longer fit for purpose
Thrive	<ul style="list-style-type: none"> – Good governance/challenge to spot any downward trends or opportunities – Retaining and developing talent – maximising talent retention
Thrive to Survive	<ul style="list-style-type: none"> – Mentor that has dealt with this type of downturn – again, could have multiple mentors – Potential backfill to see through challenging period but could also be funding for an existing role to take the pressure off the trading revenue – Advisor – potentially a different advisor – Technical expertise – financial modelling, legal, human resources

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Overall, Swersky and Plunkett (2015: 31) find that ‘the picture that emerges from our research is of support that is uneven; strong in places, weak in others. The market is ripe for a more strategic and intensive approach’. Capacity: Public Services Lab (2019: 20) find that ‘the quality of support that community businesses access varies vastly. Community businesses have trouble navigating the system and knowing what support they need, and from where, at what times’.

Although there are some problems with the idea of a standard community business life cycle, or ‘journey’, it can be helpful in exploring the intuitive sense that very new or small and more established or larger community businesses need different things by way of support. The idea of a ‘journey’ sometimes appears as a supportive metaphor for a sense of development or progression. In practice it is perhaps more useful when applied to a concrete process, such as when a group or community business is attempting to take on a community asset, where different support is required first for acquisition and then for transfer.

For example, the study of assets in community ownership notes that ‘the community asset transfer process was highlighted as being very complex – it requires significant time and resources from both communities and local authorities, and a lack of the specialist skills required can frustrate efforts’ (Archer et al., 2019: 30). As a result of local authority cutbacks, ‘a deficit in support and capacity-building for community organisations. Certain types of assets would benefit from enhanced support, which intensifies at different points in the development journey ... Enabling groups to secure support at an early stage (prior to acquisition of an asset) is likely to improve financial planning and negotiations around the asset. This should include support for business plans that include cyclical repairs, renovation and improvement. Plans should also cover skills and capacity requirements’ (Archer et al., 2019: 85).



5.5 What types of support have worked well and not so well?

The effectiveness of support for community business is a crucial question, so at first sight it is all the more remarkable that there has been precious little structured evaluation or reflection on this question. Instead, relatively fleeting evaluative judgments can be seen in and drawn together across a range of recent research reports (see also Section 5.6). The literature involves both positive and negative assessments of different types of support and approach.

The UK-wide review of social enterprise support provides a relatively positive assessment overall. It indicates that ‘There is considerable variety in the types of support provided, with examples of innovative approaches, including the use of social enterprise champions, mentoring, grants to encourage trading activity for smaller organisations (e.g. Matched Trading grants to help social enterprise enter into new contracts while keeping their social value focus), and support for ethical supply chains’ (Lyon et al., 2019: 68).

In the survey of community hub organisations, Trup et al. (2019: 48) examine the usefulness of different types of support. From 83 respondents ‘Support from a trustee or volunteer’ was the most frequently cited useful support (64%), followed by ‘advice and tips from other community organisations or groups’ (46%). These appear, among this group at least, to be seen as useful by more respondents than support through formal mechanisms. ‘Written guidance or tools’, for example, was seen as useful by 37 per cent of respondents, while ‘support from a local or national support or membership body’ is seen as useful by only a third (33%), and ‘Support from an accountancy firm’ by just under a third (31%). A further 11 per cent indicate that they ‘haven’t found any useful sources of support’.

In this survey ‘Support from a paid consultant’ was thought to be useful by only 17 per cent of respondents. Consultancy is also regarded with some suspicion by a community business in Stumbitz et al.’s research. One case study had accessed investment readiness funding ‘but, according to the CEO, had to spend this on consultants with a government owned agency that charged £1,000 per day to talk about “all the stuff we already knew and we got very little out of that”’ (Stumbitz et al., 2018: 29).

There is a clear preference for close-at-hand, as-and-when and often informal support. In this respect, peer networks and mentoring might come to the fore. As the Liverpool City Region study notes, ‘One of the clearest and most consistent messages that emerged from community businesses was that support from a mentor was crucial. The ability to learn from peers that have experienced setting up and running a community business in their service or geographical area is incredibly important. This as-and-when “informal” support that is conveyed over coffee meetings or catch-up telephone calls provides the reassurance and help that community businesses really appreciate’ (Capacity: Public Services Lab, 2019: 27).

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Moreover, the study notes that community businesses expressed ‘a preference ... for advisors to come into their business to assist them with tailored support, rather than to attend external workshops or training days. Throughout the process there was also a strong desire expressed for choice and control over the business support each community business receives and which provider they get it from. Community businesses care about value for money, flexibility and the quality of support, along with the guidance to assist them along the way both in finding the support and in accessing what is available’ (ibid., 5).

Despite some positive commentary on the system for supporting community businesses, overall it emerges as piecemeal, fragmented, of variable quality and barely a system at all. This reinforces the point that the ‘ecosystem’ idea appears to be rather wishful, rather than an adequate account of available support. There is a wide range of support and information available to guide community businesses, but this means that it can be very hard to navigate and sometimes overwhelming. The authors of the Liverpool City Region study of community business support found that ‘community businesses did not express a consistent preference for receiving support from a particular sector of provider; the quality of the support that they receive is more important to them than the sector the support provider sits within’ (Capacity: Public Services Lab, 2019: 5).

Community businesses face an array of different sources of support, information and expertise, but it is hard to find things which are appropriately tailored for their specific and individual needs. What on the one hand might be praised as the resourcefulness of community businesses finding and combining different kinds of support (money, in-kind support, human resources, information, expertise, etc.), on the other looks rather like ‘making-do’ and ‘makeshifting’ in the context of a patchwork of ill-coordinated and not quite suitable support.

Government investment to support social enterprise appears in the last decade to have prioritised social investment (and its adjunct, ‘investment readiness’), rather than the broader range of capacity building support needed by social enterprise and community business. This was at least the conclusion of the review of the UK’s social enterprise support ecosystem (Lyon et al., 2019). The focus on addressing concerns with ‘access to finance’ had been channelled into policy work and practice development around debt finance. Consultation participants in the review ‘were critical of what they saw as an overly narrow focus on this particular form of investment, described as an “obsessional route to social investment” by one respondent. There was also a view that this had been to the detriment of other forms of capacity building support’ (Lyon et al., 2019: 67). The priority given to social investment had created, according to one participant, an “unbalanced ecosystem, over-egged one way and capacity building support is neglected, but now there is a shift back towards ‘pipeline development of investable propositions”’ (ibid., 68). The review contrasts the situation in different parts of the UK. In England, Wales and Northern Ireland public sector funding had been cut and the support infrastructure ‘is now more patchy and fragmented’ (ibid., 68). In Scotland, however, cross-party political commitment and policy continuity had supported ‘a relatively well-resourced and integrated infrastructure’ although this in itself can make for complexity, duplication and confusion (ibid., 68).

The main problems identified with community business support in the literature appear to revolve around: difficulties navigating what support is available, and the role of national and local support; variability in access and quality of support; and lack of understanding by some types of provider of the specific needs of community businesses. A study of community businesses in Liverpool City Region sums this position up rather succinctly:

There is a vast variability of the quality of support that community businesses access; Community businesses have trouble navigating the system and knowing what support they need, from where, and at what times; A lack of understanding of the community business movement negatively affects the support that they receive from all sectors; and Community business support needs are not fully served by the current business support provision that is available in Liverpool City Region (Capacity: Public Services Lab, 2019: 4).

The general issue of navigating information and support is probably more widespread and longstanding. However, the converse appears to be the case in a survey of 83 community hub organisations in 2019, where the lack of reach is reported. Trup et al. (2019: 48) note relatively low uptake or use of written guidance, suggesting that ‘published guidance and tools do not have a wide reach in the sector. This suggests that any new guidance and tools produced for Local Trust and Power to Change should be designed in ways that can improve reach’. This confirms a similar picture offered by the study of assets in community ownership, in this case around asset transfer: ‘Although infrastructure bodies such as Locality and Sport England provide documents explaining the transfer process and requirements at various stages, our studies suggest that knowledge and take-up of these resources is partial at best’ (Archer et al., 2019: 40).

Variability – in access and quality

Several reports in the literature observe that support is highly variable in terms of availability and quality. As one respondent community business in Liverpool reported, “There seems to be lots of support available, but it’s unsure what the quality is like even with huge variations in cost” (Capacity: Public Services Lab, 2019: 10). Others report that they “Don’t know where to go for support and don’t have the time to find out”, they “Struggle to know what is available and where to access support” and it is “Difficult to find the right providers – both in terms of identifying a long-list of providers but also shortlisting providers ... often providers of business support don’t understand the sector or spend enough time understanding the organisation” (ibid., 10).

The case study investigations in the research on assets in community ownership noted this specifically with respect to external support for acquiring and transferring assets (Archer et al., 2019). The analysis of the development of two community centres highlights continuity of support from specialist local consultants (in these cases in fundraising and managing building projects), and observes overall ‘how asset transfer processes can become complex and demand specialist support from local advisors ... Critically, support during acquisition is extremely variable, not only by geography – as the presence and quality of advisors varies at local levels – but also in terms of the support available to different asset types in the acquisition process. The infrastructure of support for certain types of assets is clearly more developed than others’ (ibid., 38). Another case study respondent (this time from a community energy co-op) reports that “there was very little help to make it easier ... [we needed] a mentor ... there’s nobody to advise you”. Instead they ‘made do’, seeking advice ‘from peers who had developed similar community-led schemes, but this was neither formalised nor funded’ (ibid., 61).

Lack of understanding of community business

In the absence of dedicated support, community businesses find themselves trying to access a range of support which is ostensibly and primarily designed for something else, be this mainstream for-profit business, or existing charity and voluntary and community sector support. As a result, there are concerns in the literature about how community businesses do not quite fit the traditional support landscape, and how these approaches have to adapt in response. The consequence is that community businesses feel they are not well understood, and their needs are not met adequately.

For example, the study of community businesses in the Liverpool City Region found that traditional voluntary sector infrastructure struggled to understand the needs around trading business models: ‘There was a strong feeling that a lack of understanding of the community business sector negatively affected the support that they received from all sectors’ (Capacity: Public Services Lab, 2019: 12). Despite some reports of useful support, ‘there was a repeated concern that often this sector also did not understand community businesses, in particular providing limited support when developing and understanding business models that trade and to support the growth of community businesses. Community businesses reported frustration at the support from the voluntary sector often being generic and focused on operating as a charity or not-for-profit, rather than as a socially trading body’ (ibid., 12). While the support was generally good ‘there was a distinct lack of understanding about community businesses and why organisations would look to trading and profitability rather than purely on a grant-reliant or charitable structure’ (ibid., 26-7).

In this study research participants commented that “Advice is not always suited to the sector”, “One size doesn’t fit all. Experts don’t always understand your organisation” and “There needs to be more targeted support and less general” (ibid., 12). Mainstream business support was not immune from this criticism. The same study reports: ‘Many community businesses reported a misunderstanding by providers of the scale and professionalism of “community business” itself – not only what they can and are delivering, but the additionality that they also provide or the scale at which they are operating, or could operate’ (ibid., 12). However, it was also felt that ‘private sector business support was generally regarded as being good quality and impactful, but expensive’ (ibid., 12).

5.6 Value and impact

How should community business infrastructure be judged and evaluated? What is its value or worth? Does it make a difference and in what ways? These are important questions, but also difficult ones. This may be one reason why there is such little systematic reflection on the value of community business infrastructure. By definition if infrastructure is somehow the ‘background’ system supporting ‘front line’ organisations, the attribution chains from support interventions to outcomes and impact become hard to discern and isolate. But the problem is arguably deeper, in that the work of infrastructure is so varied – cutting across the ‘Develop-Influence-Connect’ functions described in Section 3 – that it is difficult to pin down what the appropriate outcomes of infrastructure work should be, let alone how to measure them. Arguably the fact that infrastructure organisations and other support mechanisms exist and continue to be used suggests they have some value in meeting needs, but this is a low bar for judging the worth of infrastructure, and makes some heroic assumptions.

This is affirmed when we look at the recent examination of evidence in support of Power to Change’s (recently retired) hypothesis for ‘infrastructure’ (hypothesis number six out of eight) (Archer et al., 2021: 6). The hypothesis focuses on business support specifically, rather than all functions and roles of infrastructure. After assessing a selection of relevant evaluations of Power to Change’s programmes (such as the Community Business Fund, Trade Up and Bright Ideas and Homes in Community Hands) the review found no evidence that the provision of third-party business development support increases the productivity and resilience of community businesses. Short of this, the review notes some process-related impacts. For example, community businesses were helped to plan and develop new ideas, to develop sustainable business models and to reduce costs and thereby strengthen financial sustainability (ibid., 6). Yet the evidence here is very thin indeed.

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The situation is similar to that for voluntary sector infrastructure more broadly. Macmillan (2006: 4–5) found that ‘There is a growing base of material which focuses on, or has something to say about VCS infrastructure, but in the main this does not address the benefits of VCS infrastructure. What there is of an evidence base is somewhat fragmented and disparate’ and ‘tends to emphasise the benefits of particular approaches, projects or activities’ rather than provide a sense of the overall impact of infrastructure.

Within the wider voluntary sector literature, two strands of research and evaluation are relevant. On the one hand there have been various attempts to develop impact frameworks and tools for assessing the value of infrastructure, and on the other there are isolated studies which provide some evidence of value and impact. Impact frameworks could easily be adapted and adopted for community business infrastructure, and the example studies of impact may provide insight for assessing the value of community business infrastructure.

Infrastructure impact frameworks and tools

There are some tools and frameworks to help assess the ‘value’ of infrastructure organisations. For example, the PERFORM framework developed by COGS in 2006 maps four infrastructure functions with high level outcomes – see Table 4.

Table 4: The PERFORM outcomes framework for infrastructure

Vision: A strong, diverse and vibrant voluntary and community sector	
Functions	High level outcomes
1. Sector support and development	VCOs are skilled, knowledgeable and well run
2. Sector diversity and equality	VCOs reflect and promote diversity and equality
3. Sector collaboration and co-ordination	VCOs network and collaborate
4. Sector influence and representation	VCOs influence policies and programmes

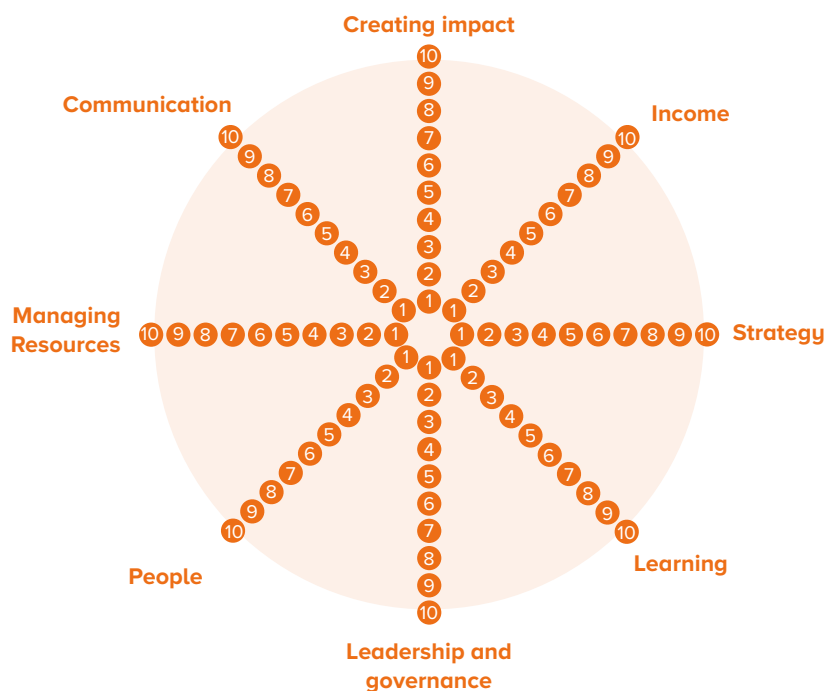
Source: COGS, 2006

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PERFORM was used in part as the basis for the Develop-Influence-Connect model of infrastructure functions, which itself underpinned the 2009–2012 ‘Value of Infrastructure’ programme undertaken by NCVO. This programme developed a set of ‘distance-travelled’ tools (based on the well-known ‘Outcomes Star’ framework – see the ‘Organisation Dial’ in Figure 2) for infrastructure organisations to collect evidence of the outcomes of their work at sector level and with front line organisations: ‘The Organisation Dial gives a picture of the strengths and weaknesses of an organisation at a particular point in time. It is designed to both help provide structure and focus to the support you provide to a beneficiary organisation and to give impact information about how the organisation changes over time’ (NCVO-Triangle Consulting, 2011: 3).

Figure 2: Value of infrastructure – Organisation Dial



Source: NCVO/Triangle Consulting, 2011

Frontline organisations would be assessed on eight key dimensions of effective organisational practice, on a scale of 1–10, where 1–2 means ‘No awareness’ and ‘9–10’ means ‘Strong practice, ongoing improvement’. Infrastructure organisations could use the tool to compare scores ‘before’ and ‘after’ support. Training was offered and an online recording system established, although it is not clear to what extent it is still in use.

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Evaluation Support Scotland was commissioned by the Scottish Government to develop an infrastructure outcomes framework to support the work of the local infrastructure bodies, the ‘third sector interfaces’. The framework uses a ‘logic model’ approach, ‘a diagram that tells the story of your project or programme. It shows a link between the need you have identified, what you do and how you make a difference, short, medium and long term’ (Evaluation Support Scotland, 2018: 6).

Examples of evidencing value and impact

The wider voluntary sector literature provides some examples of the impact of infrastructure and capacity building, and four are mentioned briefly here. They tend to use ‘distance-travelled’ tools, which provide comparative quantitative information to measure change, but less insight into the qualitative nature and mechanisms of change. A central element of each of these studies involves asking frontline voluntary organisations to assess change or improvement in outcomes, and to think about the contribution made by infrastructure support.

A three-year study of the capacity building work of Halton and St Helens Voluntary Action compared the outcomes of three levels of support offered to 120 frontline groups who were split into three sets – a study group, who received systematic capacity building support, a control group who received occasional support, and an ad hoc group who received very little support beyond information (Halton and St Helens VCA, 2011). A distance-travelled framework was developed to measure baseline scores and change over time. All three groups recorded improved scores, but the study group had a 22 per cent increase, compared with 3 per cent for the control group and 2 per cent for the ad hoc group. The report suggests that a structured and systematic approach to capacity building, training all levels of workers within organisations, and receiving support from knowledgeable and trusted individuals all made a difference.

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A study of the outcomes and value for money of Middlesbrough Voluntary Development Agency (MVDA) used a survey of 55 frontline voluntary and community organisations and supplementary qualitative interviews to assess the outcomes and value for money of its development, engagement and volunteering support work (Crisp and Dayson, 2011). The survey asked respondents to state if the outcomes had improved, and to indicate if MVDA was a positive influence on those improved outcomes. The study found that MVDA's support and development work led to greater capability and capacity in frontline organisations: 'a majority of survey respondents reported that MVDA was a positive influence on improvements in their organisation's efficiency, effectiveness, frontline service delivery and management and development capability' (ibid., 30). The study highlighted the 'expertise, accessibility and responsiveness' of the infrastructure organisation's development workers (ibid., 30). The study piloted a 'contingent valuation' method for assessing value for money, by seeking frontline organisations' 'willingness to pay' for positive outcomes associated with MVDA's work on development (average willingness to pay £868), engagement (average willingness to pay £1,217) and volunteering support (average willingness to pay £742). The authors conclude that the organisation's support for the sector 'lead[s] to benefits with values that can be measured in cash terms, and provides returns on investment that are often greater than the level of resource required to produce them. This suggests that MVDA does provide good value for money, particularly when it is considered within the context of the broader set of outcomes achieved' (ibid., 31).

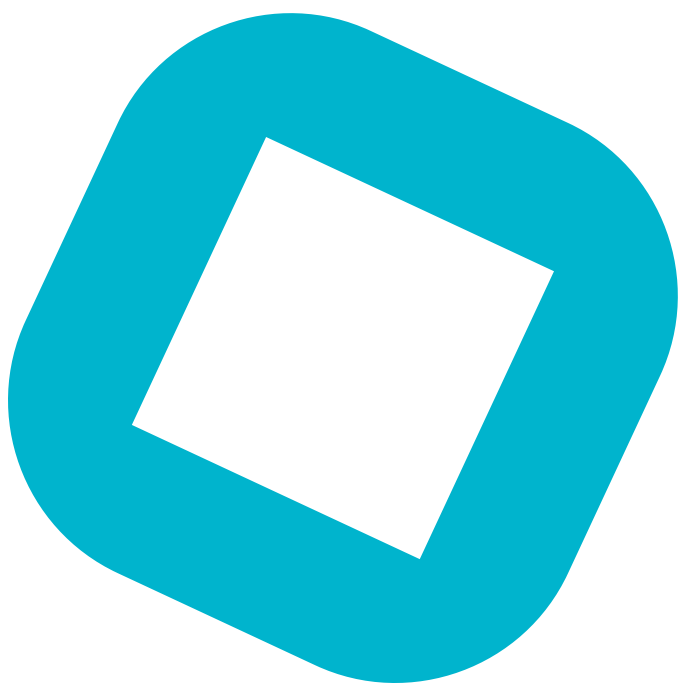
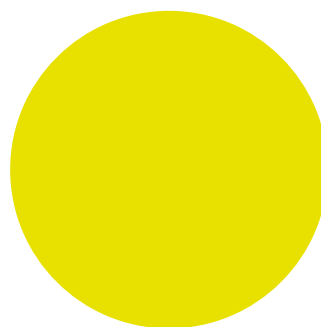
The local voluntary sector infrastructure body in Bristol, Voscur, was the subject of an economic analysis involving social return on investment (SROI) (Bell, 2014). The results come with acknowledged caution as they are based on a relatively small survey and qualitative interviews. Nonetheless, the research suggests that 'it is plausible to argue that Voscur may contribute to 13% of the improvement in a frontline group's performance and 12% to improvement in its impact' (ibid., 31). Survey analysis and qualitative information yields an SROI of £11.82 for every £1 invested in the organisation (ibid., 31).

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In the US the federal government funded 10 intermediary organisations to run a capacity building programme of training, technical assistance and small grants. An accompanying randomised control trial compared outcomes for a programme group (237 organisations, who took part in the capacity building activities) and a control group (217 organisations, who were excluded from the programme)(Minzner et al., 2014). The study measured five areas of capacity – organisational development, programme development, revenue development, leadership development and community engagement – and found significantly higher levels of capacity at the end of the evaluation period for the programme group.

Two of the studies have adopted an experimental approach in assigning frontline voluntary organisations to intervention and control groups in order to enable comparison between those receiving support and those not. Two have used economic evaluation techniques to try to assign monetary values to outcomes. In all cases there is positive evidence of the impact of support. It is interesting to note, however, that neither the outcome frameworks nor the specific examples appear to have percolated through the landscape of support provision. They seem to remain isolated attempts to address evaluative questions, rather than a cumulative evidence base for impact and value of community business support.



6. Developing the evidence base for community business infrastructure

The review has addressed a wide range of questions about the support needs of community business and the role and contribution of community business infrastructure in response. Inevitably there are areas full of material and insight, and questions which have not really been addressed in the literature. In this concluding section, there are five suggestions for further developing the evidence base for community business infrastructure:

1. Understanding the value and impact of community business infrastructure
2. Understanding the influence of community business infrastructure
3. A comprehensive survey of support needs
4. A longitudinal study of community business dynamics and support
5. A strategic deliberative conversation about community business infrastructure.

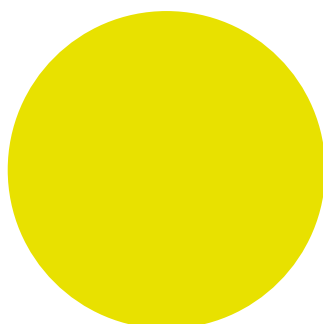
Broadly speaking more attention has been given to understanding support needs (through surveys, interviews or focus groups) and assessing the quality, appropriateness, accessibility and complexity of support provision. By contrast, there is hardly any reflection in the literature about the **value of community business infrastructure**, and the difference it makes. This is a first significant gap in the evidence base. Questions of value and impact remain elusive, given multiple and contested outcomes, long and complex attribution chains, and difficulties making sound evaluative comparisons between community businesses.

Considering the three broad functions of ‘Develop’, ‘Influence’ and ‘Connect’ identified in Section 3, it seems that most of the literature attends to questions associated with ‘Develop’, that is, direct support, information, training and guidance. Power to Change’s own infrastructure hypothesis similarly prioritised business support. Some literature reflects on ‘Connect’, in the sense of facilitating networking opportunities, such as peer networking, and building collaborative relationships. There is next to no reflection in the literature on **the role of community business infrastructure as ‘Influence’**, in terms of enabling voice. This is a second gap in the evidence base.

A third gap is the lack of an up-to-date and comprehensive picture of the support needs, support sought and assessment of existing infrastructure by frontline community businesses. The existing community business market survey provides comprehensive information about what community businesses of different kinds look like and what they do, but in doing so it squeezes the space for a fuller understanding of needs and support. Importantly a **comprehensive survey** may be able to address particular gaps in knowledge comparing support needs for different kinds of organisation, particularly in relation to age/stage of development, sector/market and region. The risk of such a survey is that in order to accommodate these dimensions and the diversity of the community business market, a sizeable response is required to facilitate disaggregated analysis. A survey may easily fall prey to 'survey fatigue' in the sector, and the results can date very quickly.

A fourth gap is the absence of any **longitudinal tracking** of community businesses and their changing needs for and access to support. Most of the research assessed in this review provides cross-sectional snapshots, and yet community businesses, like others, are dynamic organisations. Following community businesses in motion would provide a more grounded sense of actual development trajectories, rather than the schematic and hypothetical stages evident in 'life cycle' models. It could chart the turbulent realities and ups and downs of organisational life and understand where support interventions of different kinds can be most effective.

A fifth suggestion involves stepping back from the detail of the literature reviewed here, and placing it, at this time, in its appropriate context. The 2010s witnessed a change in the environment surrounding the idea of infrastructure. It fell out of fashion as policymakers and funders became disenchanted with existing programmes and structures of support and chose to disinvest while pursuing other priorities, such as social investment. There was a preference for 'disintermediation', for channelling support resources directly to frontline organisations to enable them to purchase support in a market or through 'funding plus' arrangements. In this way much traditional infrastructure for community business and beyond was cut back, dismantled or recast. A tentative shift in the other direction, towards supporting, appreciating and coordinating infrastructure has only been signalled in the last two to three years, although the experience of Covid-19 may have accelerated this development (Macmillan, forthcoming).



Power to Change has led the way in shifting the ground towards re-investing in traditional community business infrastructure and encouraging a more coordinated approach through its ongoing strategic collaboration with Co-operatives UK, Plunkett Foundation and Locality, and its strategic partnerships with others. The suggestion here, then, is to use these strategic relationships and this review as a springboard to convene a **strategic conversation** about the future of infrastructure, discussing the purpose, role, configuration and value of community business infrastructure. Crucially, such a conversation should extend beyond established providers to ask community businesses themselves, perhaps in deliberative workshops and other interactive fora, what kind of future infrastructure configuration, nationally and locally, is required and should be worth aiming for. It would be in line with Forum for the Future's vision of Community Business in 2030, by when 'All across the country, community enterprises are transforming lives and contributing to bigger shifts in society' (Forum for the Future, 2018: 4), enabled by a set of eight shifts including that 'Strategic advice and support has become available whenever and wherever it is needed by community enterprises to start, grow and replicate' (ibid., 4).

A strategic conversation could also engage with other funders and policymakers, but beyond usually supportive suspects to seek the input of otherwise ambivalent or sceptical stakeholders. The focus of the conversations might first be around what has not been resolved, rather than what has been achieved. Rather than talk up infrastructure by thinking about past achievements and proven knowledge, those around the table could be encouraged to address puzzles, questions and doubt. A deliberative conversation could itself have market development or field-building effects. It may help further promote the idea of community business and the support needed for it to flourish. It could support Power to Change's emerging new strategy, but also speak to longer-term legacy questions for the future of community business.

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Appendix – Literature review questions

Demand for support and unmet need

- What types of support do community businesses need?
- Do community businesses have different support needs based on their view of themselves?
- How does the support needed vary by sector?
- What are the support gaps?
- What support may be accessed by non-trading third sector organisations that isn't available to community businesses?
- What support may be accessed by traditional businesses which isn't available for community businesses? Particularly around new business creation, innovation and growth.

Supply of support and its effectiveness

- What support is available to community businesses through their third sector, community and business lenses?
- Who provides this support?
- What types of support have worked well and what types of support haven't worked as well?
- How does infrastructure support community businesses at their earliest stages (pre-start up and start up)?
- How does infrastructure support the growth of the community business sector?
- If possible, what types of support are actually being accessed by community businesses?
- Are there regional differences in the support available?

Value of infrastructure

- What is known about the value of infrastructure support?
- What is known about the impact of greater investment in infrastructure on sector growth/development?
- To what extent can we estimate the impact on communities and the community business sector if there were a reduction in the available infrastructure support?



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