



power to
change

business in
community
hands



Evaluation of Bright Ideas, Trade Up and the Community Business Fund

Impact on people and place
learning paper

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Contents

Executive Summary	3
1. Introduction	11
1.1 Focus of this report	11
2. Power to Change's seven priority outcome areas	17
3. Impact on people	19
3.1 Reduced social isolation	21
3.2 Improved health and wellbeing	26
3.3 Increased employability	33
3.4 Creating better access to services	37
3.5 Interconnected outcomes on people	41
4. Impact on place	44
4.1 Greater community cohesion	46
4.2 Greater community pride and empowerment	50
4.3 Improved local environment	51
5. Summary of learning across the three programmes	52
Appendix	55

Executive Summary

This paper builds on Renaisi's interim evaluation report of Power to Change's Bright Ideas (BI), Trade Up (TU) and the Community Business Fund (CBF),¹ as well as contributing additional evidence to existing research around the impact of community businesses on people and place.

Power to Change's seven priority outcomes

This report is structured around Power to Change's previously identified seven priority outcomes, which previous evidence suggests community businesses may contribute to:²

01. Reduce social isolation
02. Improve health and wellbeing
03. Increase employability
04. Create better access to basic services
05. Improve the local environment
06. Enable greater community cohesion
07. Foster greater community pride and empowerment.

Impact on people

- ◆ Community businesses funded through Bright Ideas, Trade Up and the Community Business Fund employ **substantial numbers of employees**, provide **opportunities for a considerable number of volunteers**, and together **reach thousands of service users**.
- ◆ Community businesses have an impact on people through working towards four of Power to Change's priority outcome areas: **reduced social isolation, increased employability, creating better access to services and improved health and wellbeing**.

1 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

2 Power to Change (2018) Better places through community business: a framework for impact evaluation, p. 9.

Reduced social isolation



- Providing a place for people to go
- Providing volunteer opportunities
- Improving mental health
- Teaching people new skills

- Some community businesses specifically focus on social isolation and are more likely to provide targeted activities that work with particular groups or run outreach services; while others provide group volunteering opportunities or simply create public spaces for regular interactions such as community halls or cafés.
- Organisations with targeted support have helped tackle social isolation among more vulnerable populations, for example by providing activities to enable a particular group to interact with others or addressing a particular need in the community. Organisations that do not deliver targeted programmes reduce social isolation simply by providing a public space to meet and interact.
- In some cases, the lines can be blurred between targeted and untargeted support to reduce social isolation in a community. For example, some grantees reduce social isolation within rural communities, both through targeted programmes looking to help increase community activities as well as indirectly through providing the community with space for social interaction that would otherwise be hard to come by.
- Grantees have also reduced social isolation amongst staff and volunteers, through providing employment opportunities and creating opportunities to be actively involved in engaging with and supporting their own communities.
- Sometimes, the boundary between ‘volunteer’ and ‘beneficiary’ has become blurred, whereby community businesses recruit volunteers from the same target group, e.g. local older people on their own or people with disabilities. These people benefit from reduced social isolation both through being a volunteer and a beneficiary.



Improved health and wellbeing

- **Building connections with others**
- **Improving feelings of belonging**
- **Engagement in meaningful social activity**
- **Improved confidence**
- **Improving community wellbeing**

- Community businesses that target improved health and wellbeing outcomes often provide space for sports, deliver free or subsidised classes, provide access to outdoor space and/or provide therapeutic activities to improve health conditions.
- Community businesses improve the health and wellbeing of beneficiaries directly through targeted programmes or indirectly through providing space for people to come together and share their experiences.
- The impact of community businesses on health and wellbeing has been both positive and negative for staff and volunteers. Community businesses provide enabling and understanding workplaces, give staff and volunteers a sense of purpose, and allow them to envision what is possible for themselves and their community.
- COVID-19 led to some negative impacts on staff and volunteer health and wellbeing due, in some cases, to increased community need leading to increased workloads for staff, whereas others were closed for long stretches of time which had a negative impact on staff and volunteers' mental health.

Increased employability



- **Creating local jobs**
- **Providing volunteer opportunities**
- **Support those likely to experience exclusion**
- **Improving confidence**
- **Providing training and qualifications**

- Community businesses increase employability by creating targeted opportunities for those furthest away from the job market and providing volunteering opportunities and training programmes to help people develop transferable skills.
- Community businesses create jobs: grantees on Trade Up and the Community Business Fund employ around 3,800 employees in total, a high proportion of whom come from the local community (87% of TU employees and 71% of CBF employees).
- Community businesses funded through Bright Ideas, Trade Up and the Community Business Fund support their beneficiaries to gain access to work experience and training which ultimately helps increase their employability. They usually do this in one of three ways: (i) delivering a service to support particular groups into employment, (ii) directly employing beneficiaries, or (iii) supporting beneficiaries to start their own community businesses or enterprise.
- Grantees have supported volunteers to attain employment elsewhere by building their confidence and supporting them in their journey towards employment. Grantees also provide opportunities and experience to those who have previously faced long-term unemployment. In a similar vein to beneficiaries and members, grantees have also enabled and supported staff to create their own enterprises.



Creating better access to services

→ Providing access to basic services

→ Access to services over and above 'basic' provision

- Many community businesses provide access to basic services such as shops and post offices, while others provide services over and above 'basic' provision in order to address the needs of the community, for example statutory services, which are delivered either directly or indirectly by providing space for local partners.
- Community businesses create access to better basic services particularly in places where it may be difficult to access such services, like rural areas. Community businesses can also provide a better service to customers as they take into account additional needs in the community and are therefore better able to provide a more people-centred service.
- Grantees from Trade Up and the Community Business Fund self-report that 87 per cent and 71 per cent of their staff are from their local areas respectively. As such, the distinction between staff and volunteers, and the community, is often blurred, which means the impact of grantees on staff and volunteers is similar to their impact on beneficiaries, customers and members.

Interconnected outcomes on people

- Some of the outcomes that grantees achieve for people are strongly interlinked; community businesses rarely achieve social outcomes that are mutually exclusive.
- Community businesses with particular characteristics can realise different, and interlinking, social outcomes. Differing sectors have a stronger focus on realising different social outcomes: grantees in the arts sector, for example, typically work to reduce social isolation and increase employability. All sectors realise more than one type of outcome, while more established community businesses have a longer history of working in their communities, which can lead to stronger community engagement in some cases.

- ◆ Success in improving local people's lives is linked to taking an approach that addresses multiple challenges within a local area – for example, not solely focussing on supporting people, but also working to improve the structural causes of disadvantage by reinvigorating the local economy, supporting supply chains and improving the physical surroundings in which they live, such as infrastructure, housing and the environment.³ All of this contributes to improving places.

Impact on place

- ◆ Community businesses' impact on place builds on the cumulative effect of impacting on many people's lives in a particular geography and the community-level benefits that can arise from that.
- ◆ Power to Change hypothesises that community businesses will have three main outcomes in improving places: an improved local environment, greater community cohesion and greater community pride and empowerment.

Greater community cohesion



- ◆ Grantees have fostered greater community cohesion at two different levels: at a community level and at a sector level.
- ◆ At a community level, grantees have contributed to community cohesion through creating a sense of purpose and contribution.
- ◆ Community businesses create sector-level community cohesion through collaboration with others in the local area, which creates three main impacts: they partner with other community and volunteer sector organisations, they support the local private economy, and they work to provide and improve holistic service provision. Assets and the effects of the COVID-19 pandemic can both lead to greater realisation of the impact of collaboration with others in the local area.

3 Tyler, P., Burgess, G., Muir, K. and Karampour, K. (2019) Creating positive economic opportunities for communities, <https://www.landecon.cam.ac.uk/pdf-files/cv/pete-tyler/LOCALTRUSTTYLERAUGUST2019.pdf>

Greater community pride and empowerment



- ◆ Grantees foster greater community pride and empowerment through providing the opportunity for local people to get actively involved in community initiatives and creating a place that the community can be proud of.
- ◆ Stage of community business matters: early-stage businesses tend to develop a sense of pride and empowerment around starting something new or rescuing a community asset, whereas more established businesses foster this through ongoing opportunities to participate in the community and in civil society.

Improved local environment



- ◆ Community businesses take an active role in using their assets and experience to improve the places where they operate.
- ◆ The impact of community businesses on the local environment is generally around their support or leadership in local regeneration activities. Some grantees structure their business around assets of community value, by regenerating buildings or spaces that were derelict, and converting them into community spaces.
- ◆ Less commonly, grantees can improve their local environment by creating initiatives that help support the maintenance of the local natural environment.

Achieving longer-term impacts on place

- ◆ Achieving longer-term impacts on place needs time and consistency, and a sufficient number of people in the community to reach a tipping point where shared values and experiences influence their feelings about the place and can in turn influence the feelings of others.
- ◆ Community businesses can offer that long-term vision and consistency because they are rooted in communities for a long time and/or because they galvanise communities to work together towards a shared goal, like rescuing a local asset. This means community businesses are in a strong position to impact on place in the longer term.

Learning across the three programmes

- ◆ Community businesses are uniquely placed to deliver social impact: they have a unique understanding of community needs, and their organisational culture, their values, and how they are created and sustained help realise many of these impacts on people and place.
- ◆ Some community businesses are more successful at achieving social outcomes than others, particularly those that are skilled in community engagement.
- ◆ The adaptability of community businesses to the needs of the community can lead to working across multiple sectors of activity, which can make it difficult for community businesses to measure the social impact of their work.
- ◆ COVID-19 has had an impact on all community businesses, with some being unable to realise their social impact. In some cases, this has led to negative impacts on the people they support and employ, either through the reduction of services available and/or the additional pressures placed on key members of staff and volunteers.
- ◆ The impacts realised by community businesses are rarely mutually exclusive and are not limited to Power to Change's seven outcome areas. Additional areas can include education, childcare, heritage and animal welfare.

1. Introduction

1.1 Focus of this report

This report was authored by Renaisi as part of the evaluation of three of Power to Change's programmes: Bright Ideas (BI), Trade Up (TU) and the Community Business Fund (CBF). As such, this report solely focuses on evidence of the impact on people and place of community businesses funded through the three programmes.

The three programmes being evaluated

The Community Business Bright Ideas Fund aims to give community groups in England the support necessary to start setting up their community business. Groups accepted onto the programme receive tailored business development support, mentoring and visits and can apply for a small grant of up to £15,000 to fund development and start-up costs. It is delivered by a consortium including Co-operatives UK, Plunkett Foundation and Groundwork UK, led by Locality and funded by Power to Change.

The Community Business Trade Up Programme is designed for community business leaders who are looking to increase their income from trading. Leaders accepted onto the programme receive 12 days learning spread over nine months and a grant of up to £10,000. It is delivered by the School for Social Entrepreneurs.

The Community Business Fund is designed to support existing community businesses with grants to help them progress towards greater self-sufficiency. The projects funded are designed to help increase trading income, secure an asset and/or significantly reduce revenue costs. Grants of £50,000–300,000 are available to cover capital costs including building, vehicles, equipment of significant value and refurbishment costs; and/or project-specific revenue costs like staff costs, professional fees and volunteer costs. The grant administration is delivered by Social Investment Business.

Context

Power to Change has an ambitious new strategy to strengthen communities and make places better, reflecting a belief in the value of community businesses as agents of local change.

'Place' can mean different things to different organisations; for Power to Change, instead of defining a 'place' for a community business, it asks community businesses to define the area they serve themselves, given their local knowledge.

1. Introduction

For many community businesses, their definition of place corresponds with either administrative boundaries (e.g. electoral wards) or ‘natural neighbourhoods’, taken to be the way local residents would naturally navigate the local area. However defined, if the business is to remain locally rooted and accountable, the geography cannot be too large.⁴

Community businesses make their places better in a number of different ways. There are many types of community business – for example shops, pubs and leisure centres – who are accountable to their community and support local and diverse needs. Community businesses use their profits to improve lives and places, with a strong focus on impacts at both the community and individual level.

Community businesses’ impact on people

Power to Change’s 2020 research on the impact of community businesses on people found that community businesses have many impacts, which are often bespoke to their local area and the challenges residents face.⁵ Community businesses have an impact on their customers, services users, staff and volunteers, as well as interacting with their members and shareholders. These impacts have commonalities:

- Most community businesses (85%) tackle **social isolation**. They provide a safe and welcoming environment for people to enjoy and meet others.⁶
- A third of community businesses work with people with **physical or mental health conditions**. They improve individuals’ confidence and wellbeing.⁷
- Community businesses **improve their local environment** by productively using buildings and green spaces. Community owned spaces contribute £220 million to the UK economy and 56p of every £1 they spend stays in the local economy.⁸
- Community businesses provide **better access to services** by providing much needed social infrastructure, such as a pub, post office or shop, or ‘community hub’ providing crucial services often over and above basic provision.⁹
- Community businesses **improve employability**. They provide stable employment for 33,900 people in the most deprived areas of England, most of which goes to local people.¹⁰

4 Power to Change (2020) Community business: The power on your doorstep, p. 15.

5 Power to Change (2020) The impact of community businesses on people.

6 Power to Change (2020) The impact of community businesses on people, p. 6.

7 Ibid.

8 Ibid.

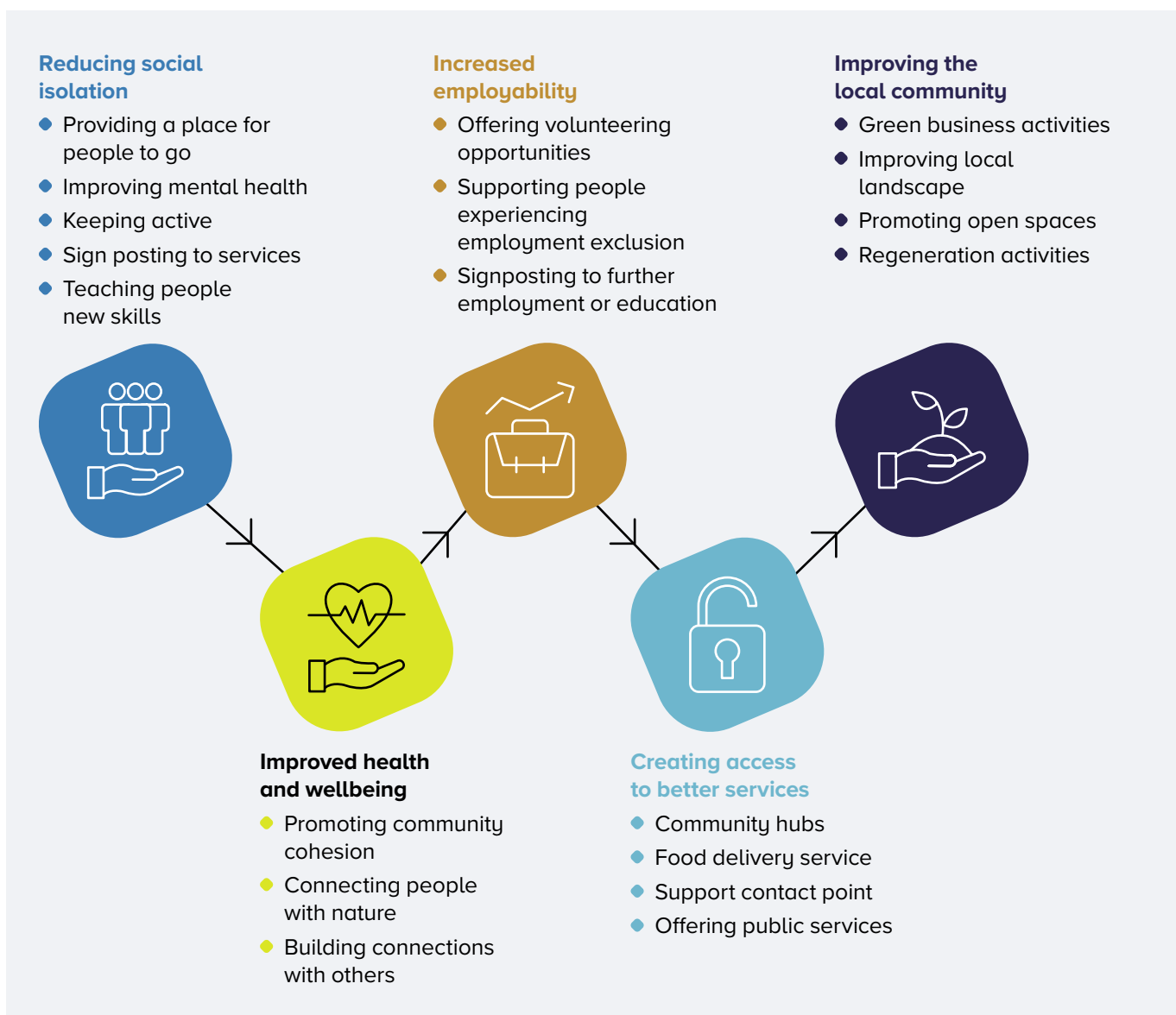
9 Power to Change (2020) The Impact of community businesses on people, p. 7.

10 Ibid.

1. Introduction

Bright Ideas, Trade Up and Community Business Fund grantees' impact on people

In our 2020 annual evaluation report we found there are a range of ways that programme grantees work to deliver social impact for local people.¹¹



11 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

1. Introduction

We found that:

- ◆ Some organisations specifically target their activities at reducing social isolation and loneliness as they see the need for this in their community, whereas others reduce social isolation as a tangential outcome of their work. This is also the case for improved health and wellbeing outcomes.
- ◆ Grantees support the social outcome of increased employability through employing local people, supporting volunteers to build skills and find employment, and offering employment to those who were likely to have experienced exclusion from employment.
- ◆ Some grantees only exist as a community business because local people were motivated to set one up after discovering that their only shop, post office or other local facility was closing. Many then become a ‘one-stop shop’ or ‘community hub’ providing crucial services, often over and above ‘basic’ provision, in response to community needs and wants.
- ◆ Some of the impacts of community businesses did not fit neatly into the seven priority outcome areas identified by Power to Change.¹² Their impact is varied and we found that community businesses are involved in shaping their local community in a variety of ways.
- ◆ Some outcome areas are strongly interlinked. For example, community businesses act on reducing social isolation by providing a place to go, improving mental health and signposting to additional services. This comes hand in hand with Power to Change’s desired outcome to improve health and wellbeing.

Community businesses’ impact on people

The local and dynamic nature of community businesses means they work with a varied range of people, delivering services to address a variety of challenges. In fact, two-thirds of community businesses plan to deliver five or more outcomes and rarely are the outcomes and impact they achieve mutually exclusive.¹³

Although many social impacts on people are interlinked, there is evidence to suggest that success in improving local people’s lives is linked to taking an approach that tackles multiple aspects of a local area – for example, not solely focussing on supporting people, such as those unemployed or socially disadvantaged, but also working to improve the economic base including

¹² Power to Change’s seven priority outcome areas are summarised later in this section.

¹³ Power to Change (2020) Community business: The power on your doorstep.

1. Introduction

production and supply chains and improving the physical surroundings in which they live, like infrastructure, housing and environment.¹⁴ These interlinked activities contribute to having a holistic impact on place.

Power to Change's 2020 Impact Report found that community businesses have many impacts on the places in which they operate:¹⁵

- ◆ Community businesses bring together people from different backgrounds, serving as socialising spaces to create, build and strengthen mutual bonds and relationships. This facilitates trust and respect, and that's why 82 per cent target improving community cohesion.
- ◆ Community-owned spaces contribute £220 million to the UK economy and make local communities wealthier. In addition, community and public ownership of high streets leads to fewer empty units.
- ◆ By using their assets and experience to lead local regeneration activities or deliver environmental projects, community businesses improve the places where they operate.
- ◆ Community businesses can use the assets and knowledge present within each community to address issues that the community faces, thereby promoting greater community empowerment and pride.
- ◆ Many of the impacts on people translate to wider impacts on place. For example, improving access to services creates better services for communities in places, while improving health and wellbeing can improve an individual's confidence and support community-level improvements such as increasing community involvement.

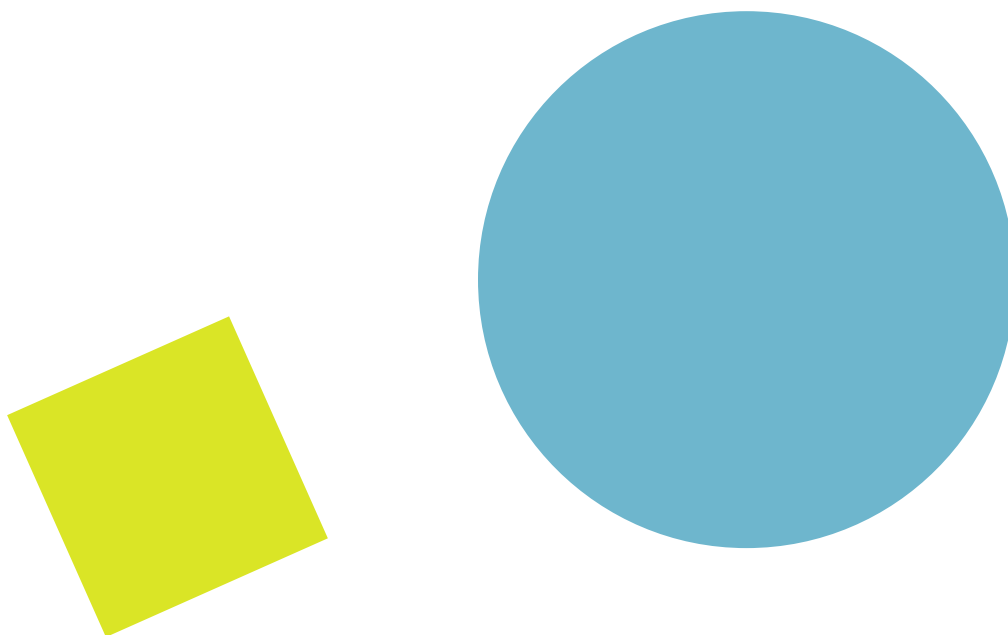
14 Tyler, P., Burgess, G., Muir, K. and Karampour, K. (2019) Creating positive economic opportunities for communities, <https://www.landecon.cam.ac.uk/pdf-files/cv/pete-tyler/LOCALTRUSTTYLERAUGUST2019.pdf>

15 Power to Change (2020) Community business: The power on your doorstep, p. 9.

Bright Ideas, Trade Up and Community Business Fund grantees' impact on place

In our 2020 annual evaluation report we found that many programme grantees stated that they work with other voluntary and community sector organisations in their area.¹⁶ By doing so, organisations reported that they could build new collaborative relationships, leading to new projects and partnerships in some cases. By engaging with other organisations, community businesses accessed opportunities for mutual learning, and increased profile and income.

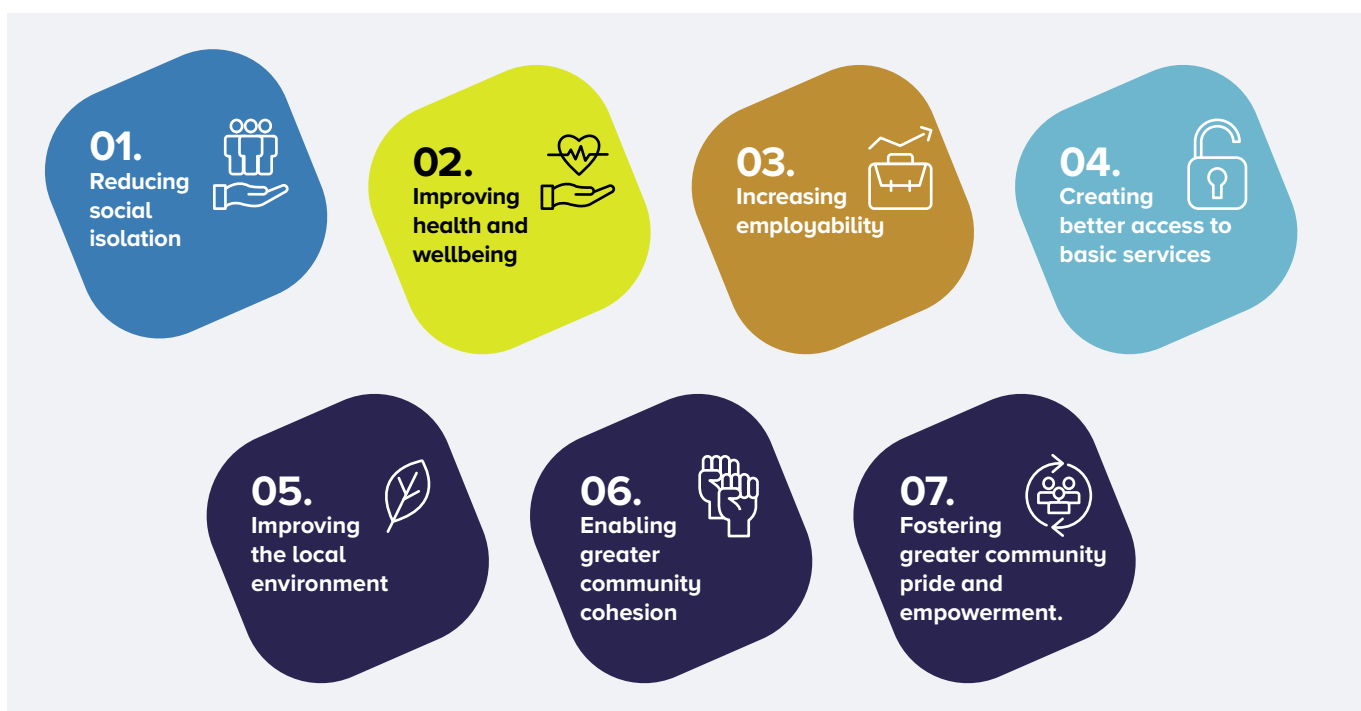
This paper will seek to build on our findings from the interim evaluation report for Bright Ideas, Trade Up and the Community Business Fund, as well as contribute additional evidence to existing research around the impact of community businesses on people and place.



16 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

2. Power to Change's seven priority outcome areas

Power to Change has identified seven social impacts it believes community businesses contribute to:¹⁷



When applying to Bright Ideas, Trade Up or the Community Business Fund, community businesses are asked to think about the social impact they aim to create, particularly in relation to these seven priority outcome areas. It is hoped that as organisations develop their business they continue to build on their social impact.

As shown in Figure 1, reduced social isolation, improved health and wellbeing, increased employability and creating better access to basic services are primarily social impacts that have an impact on people that interact directly with community businesses. These often translate into those social impacts that are relevant to impact on place: an improved local environment, greater community cohesion and greater community pride and empowerment. We will explore these social impacts further throughout this paper.

¹⁷ Power to Change (2020) The Impact of community businesses on people, p. 2.

¹⁸ Power to Change (2018) Better places through community business: a framework for impact evaluation, p. 9.

2. Power to Change's seven priority outcome areas

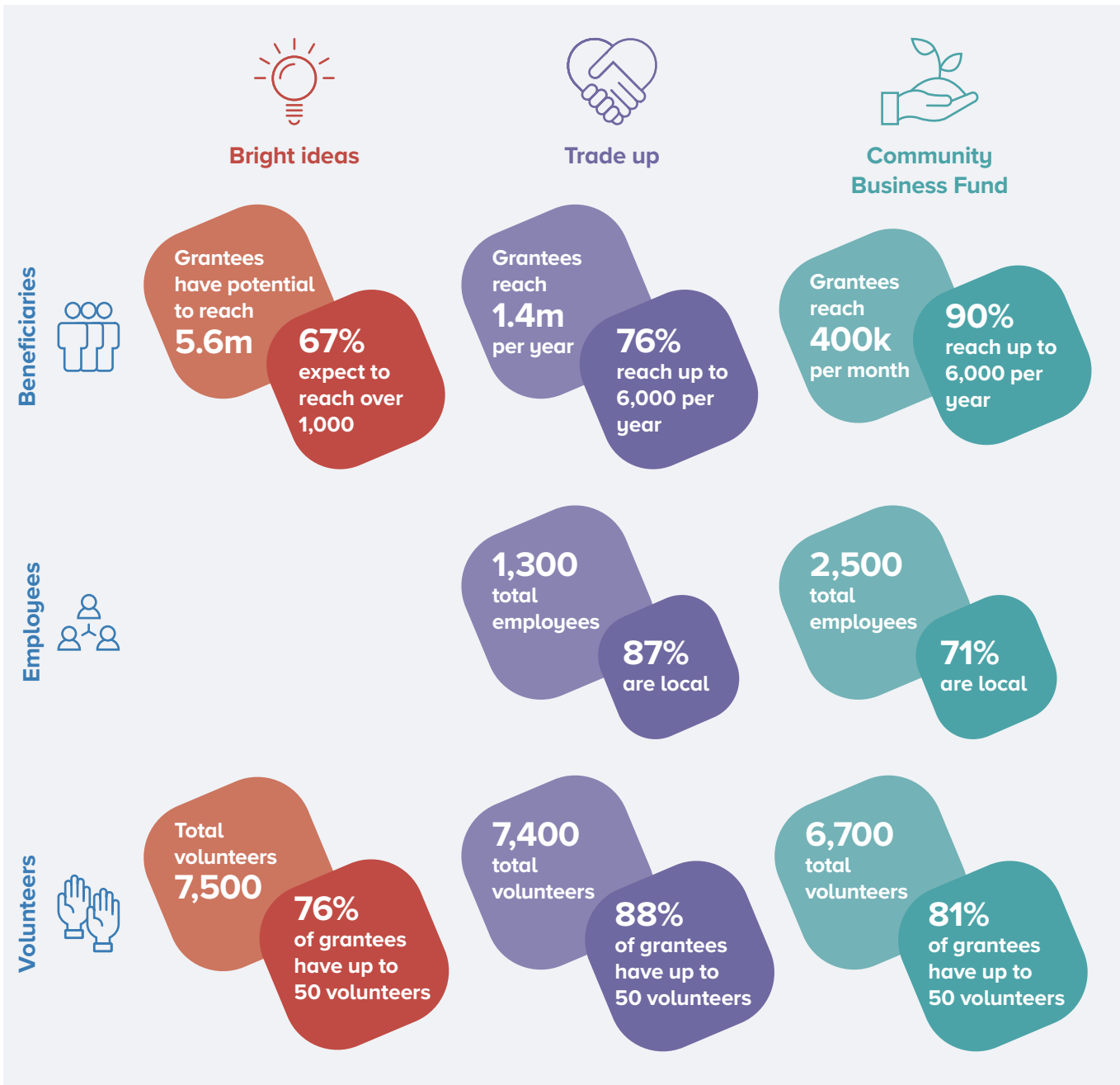
Figure 1: Overview of community businesses' impact on people and place



3. Impact on people

Community businesses funded through the three programmes employ substantial numbers of employees, provide opportunities for a considerable number of volunteers, and together reach thousands of service users.

Figure 2: Impact of grantees on people



Note: Figures were calculated by programme, i.e. duplicates may occur when a grantee received funding from more than one programme. For more detail, see Appendix: People in numbers.¹⁹

19 Data from application forms from successful BI, TU and CBF grantees. BI: N=203, TU: N=280, CBF: N=153.

3. Impact on people

As previously mentioned, community businesses have an impact on these people through working towards four of Power to Change’s priority outcome areas. In this section, we will summarise what we have learnt about the impact of Bright Ideas, Trade Up and Community Business Fund grantees on the people they interact with.

Figure 3: Overview of community businesses’ impact on people



3.1 Reduced social isolation

Eighty-five per cent of community businesses aim to reduce social isolation and it is a key challenge that community businesses seek to tackle.²⁰ However, our previous research on programme grantees, found that not all community businesses specifically target social isolation as part of their strategy:²¹

- ◆ Some organisations specifically target social isolation as part of their strategy: for example, an organisation who works with older people who have specific aims around reducing isolation.
- ◆ Other organisations do not specifically target social isolation, but achieve reduced social isolation as a tangential outcome of their work: for example where their primary aim isn't to reduce social isolation, but simply by running a community business and delivering other services they reduce people's isolation as a 'side effect' of other aims.

Our previous evaluation report found that both of these ways of tackling social isolation have value.²² We build upon this research here, to understand where this social impact comes from and how it is realised.

What do community businesses do to reduce social isolation?

Community businesses are highly relational and often people-centred in nature, providing open, safe and welcoming environments for people to enjoy and meet others.²³ Across the grantees studied in this evaluation, we found community businesses tackle social isolation in several different ways. Those who specifically focus on social isolation are more likely to provide targeted activities that work with particular groups or run outreach services; while others provide group volunteering opportunities or simply create public spaces for regular interactions such as community halls or cafés.

20 Power to Change (2020) The impact of community businesses on people, p. 4.

21 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report

22 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

23 Ibid.

3. Impact on people

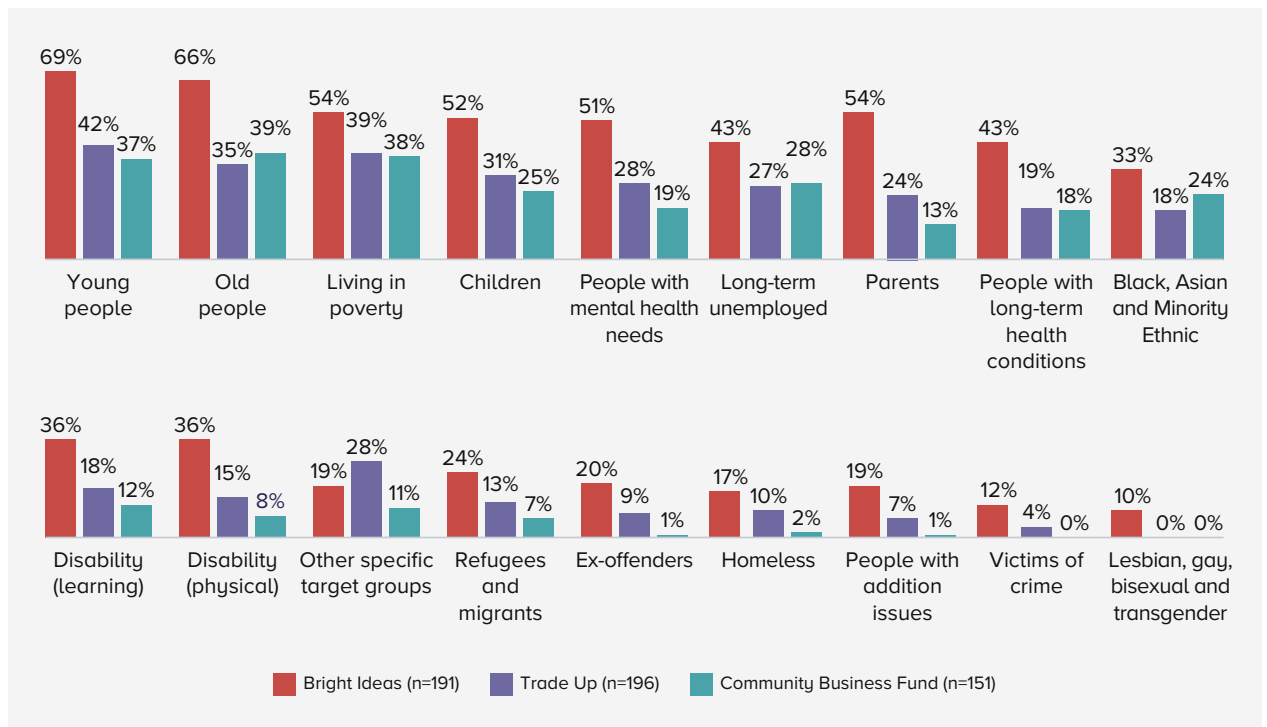
Figure 4: Examples of ways community businesses reduce social isolation



Beneficiaries, customers and members

Organisations providing targeted support have helped tackle social isolation among more vulnerable populations such as older people, beneficiaries who live alone or are living in poverty, or those who are vulnerable in other ways: such as people experiencing homelessness.

Figure 5: Proportion of grantees supporting different target groups (BI=191,TU=196, CBF=151)²⁴



Note: grantees may target more than one beneficiary group; TU figures were generated from funding years 2, 3 and 4.

24 The language used in this [report, analysis, document etc], specifically “Black, Asian and Minority Ethnic”, “BAME” is terminology that Power to Change was using at the time it was written in grant making and in capturing data about applicants. We have since listened to these communities who said that BAME is not an acceptable term, and so we have changed the language we are using; we would presently describe these population groups as ‘people experiencing racial inequity’.

3. Impact on people

For example, some community businesses provide activities such as exercise classes, dance classes, social clubs, lunch clubs and outdoor activities to enable a particular group to interact with others while also benefitting from mental stimulation and physical activity.

“ We’ve got these [older persons] groups that have been grabbing on [to activities] like height dancing, and geriatric dancing for people with Parkinson’s, all these things. And we’ve got these other new groups that are going to be joining us as well that are going to be offering art classes and dance groups and various other things like that.

Community Business Fund

In some cases, the focus on a particular group is due to a particular need in the community: for example, a community that has a relatively elderly population.

“ Then [we have the] more specific [work that targets the] over 75s, [we] have an old population. A lot of people whose family has moved away, [they are] old and by themselves. We do a lot of work with them like luncheons and teas. Some user groups do ballet yoga, [there are] all kinds of activities that are good for physical and mental health. But also good for social [life], it [gives them] the opportunity to talk to people and that is the most important thing.

Trade Up

In other cases, community businesses seek to target a particular group that is more disconnected from society, for example some provide accessible spaces and opportunities for social interaction for individuals with different physical and mental conditions including sensory conditions, physical disabilities and learning disabilities. This can be through providing social space such as a café that is accessible and welcoming, or targeted programmes to help people with learning disabilities to learn new skills through work placements and interactions with others.

“ Our main aim is to reduce social isolation in the area ... We focus on being an accessible place. We want to make sure everyone can enjoy the café including families with sensory conditions or physical disabilities.

Trade Up

3. Impact on people

“ We are a community café, a training project for young people with learning disabilities ... [We knew] people are very judgmental about young people with learning disabilities and out of that came opening a training café

Community Business Fund

For those organisations that do not deliver targeted programmes, simply providing a public space to meet and interact helps reduce the social isolation felt by their beneficiaries, customers, and members. For example, one grantee converted an old railway station house in a rural area into a self-sustaining café. This has created the space for both day-to-day social interactions as well as planned community activities. This helps reduce social isolation as it increases the number of contacts individuals have with others, which is a central factor in overcoming social isolation.²⁵

“ Rural isolation impacts on every level of the population and to be able to bring people together who might never ever see each other or have any other facility to come together in this way is really extraordinary.

Trade Up

In some cases, the lines can be blurred between targeted and untargeted support to reduce social isolation in a community. For example, grantees have had a particular impact on reducing social isolation within rural communities. This have been achieved both through targeted programmes looking to help increase community activities and facilitate interactions, and indirectly through providing the community with space for social interaction that would otherwise be hard to come by. Despite the fact that a greater proportion of community assets are found in rural areas,²⁶ grantees have reported that the space for social interactions in their rural communities is hard to come by as there are fewer places to meet, and can often require more travel time to access.

25 Age UK (2018) Loneliness and isolation – understanding the difference and why it matters, p. 2., https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/loneliness/rb_feb2018_180208_careconnect_ageuk_loneliness_research_article_isolation.pdf

26 Power to Change (2019) Our assets, our future, p. 22.

3. Impact on people

“ [We have a] lack of social meeting place, [there is] no licensed facility in the village ... [The community] were saying after 6 pm [there is] nowhere to go ... [We are a] very isolated village [but a] village with a lot of social needs.

Bright Ideas

Staff and volunteers

Community businesses support their staff and volunteers through creating, nurturing and sustaining relationships locally, which ultimately contributes towards building social capital. This social capital has benefits including reducing social isolation.²⁷

We found that, in most cases, grantees have reduced social isolation amongst staff and volunteers indirectly, through providing employment opportunities and creating opportunities to be actively involved in engaging with and supporting their own communities.

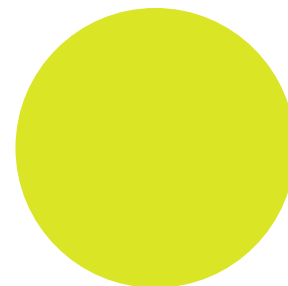
For individuals suffering from social isolation, volunteering has provided a reason to leave their houses and interact with people in a welcoming environment. It allows people to regain skills, regain confidence and make connections with others in their community. Community businesses therefore support the wellbeing of volunteers in a variety of ways including opportunities to increase social interaction and overcome isolation.

“ We have a volunteer who lives all on his own. He doesn't help in the winter months, but in the summer it gets him out of the house. Every weekend, he's down with us both days, and when we do open in the school holidays he is there in the week time. And it allows him to interact with people. Prior to helping with us, he didn't speak to people. So, he had completely forgotten the power of conversation, whereas now he's bantering with the other lads, chatting away, and just has that ability to call them.

Community Business Fund

There are also cases where the boundary between 'volunteer' and 'beneficiary' has become blurred, whereby community businesses recruit volunteers from the same target group, e.g. local older people on their own or people with disabilities. These people benefit from reduced social isolation both through being a volunteer and a beneficiary.

27 Power to Change (2020) The impact of community businesses on people, p. 45.



The impact of COVID-19

The COVID-19 pandemic has highlighted the impact of grantees on volunteers in particular. National lockdowns have restricted people's ability to interact socially and thus compounded loneliness, boredom and other mental health conditions that are associated with social isolation.²⁸ The opportunity to volunteer when possible and safely in line with government regulations has provided a lifeline for some.

“ During [the Covid-19] period, it's been a bit of a lifeline for some of the volunteers, I mean, we've had a very small number of [volunteers] though but, you know, if you're looking at individuals, it's make or break for some of them really, because they're completely socially isolated.

Trade Up

“ The impact of our community business on our staff and volunteers is everything. It's especially even more noticeable because of COVID ...

Trade Up

3.2 Improved health and wellbeing

A third of community businesses work with people with physical or mental health conditions, supporting individuals to progress in their personal lives and develop valuable relationships.²⁹ This contributes to other positive health and social care outcomes including social connectedness, self-esteem, physical health, mental wellbeing and quality of life.^{30,31} In addition to supporting individuals, community businesses also improve community wellbeing by putting communities in charge, developing skills and strengthening social infrastructure.³²

In a similar vein to their impact on reducing social isolation, our previous report found that some community businesses specifically target improved health and wellbeing as part of their strategy, while others experience it as a tangential social outcome of their work:³³

28 British Medical Association (2020) The impact of COVID-19 on mental health in England, <https://www.bma.org.uk/media/2750/bma-the-impact-of-covid-19-on-mental-health-in-england.pdf>

29 Power to Change (2020) The impact of community businesses on people, p. 6.

30 Power to Change (2019) Systematic review of community business related approaches to health and social care, pp. 5–6, <https://www.powertochange.org.uk/wp-content/uploads/2019/02/Systematic-review-of-CB-approaches-to-Health-Social-Care-V3-FINAL.pdf>

31 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

32 Power to Change (2020) The impact of community businesses on people, p. 47.

33 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

3. Impact on people

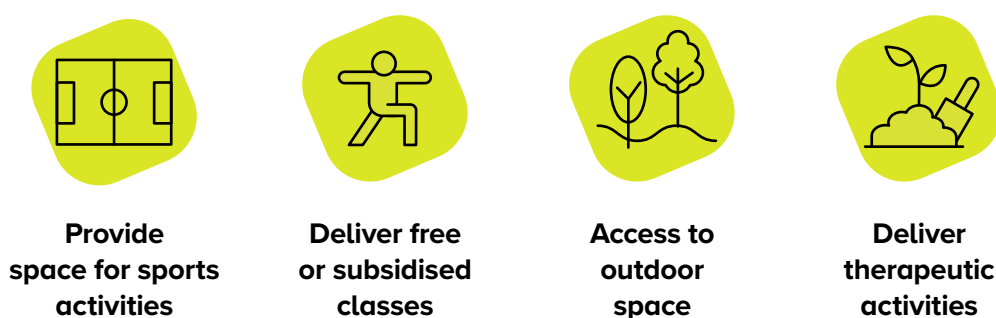
- ◆ Some organisations specifically target improved health and wellbeing as part of their strategy: for example an organisation that delivers therapeutic health services.
- ◆ Other organisations may not specifically target improved health and wellbeing outcomes, but experience these as an indirect outcome of their work: for example an organisation aimed at being environmentally sustainable which provides opportunities for people to spend time outdoors and exercise, which as a consequence means they become healthier.

Here we build on this research to explore how grantees enable improved health and wellbeing outcomes both directly and indirectly, for targeted groups and the wider community.

What do community businesses do to improve health and wellbeing?

Community businesses who specifically target improved health and wellbeing outcomes do so in a several different ways. They often provide space for sports (for example football pitches or sports halls), deliver free or subsidised classes (for example yoga classes), provide access to outdoor space or provide therapeutic activities such as gardening to improve certain health conditions. Although this list is by no means exhaustive, it highlights the range of ways that community businesses support improved health and wellbeing outcomes.

Figure 6: Examples of ways community businesses improve health and wellbeing



Beneficiaries, customers and members

We found that community businesses improve the health and wellbeing of beneficiaries directly through targeted programmes or indirectly through providing space for people to come together and share their experiences. These impacts are felt not only by people with physical or mental health conditions, as reported in our interim evaluation report, but also by the wider community.³⁴

³⁴ Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

3. Impact on people

Those community businesses which deliver targeted programmes have a direct impact on the health and wellbeing of people with physical or mental health conditions. For example, one community business provides access to a built-up outdoor area surrounding a lake to people suffering from isolation and mental health problems. Through providing a welcoming, accessible and affordable space to go fishing, individuals and their families are able to enjoy the natural environment to escape their worries.

“ For families, to be able to have somewhere to walk ... Also, the angling aspect, a lot of the anglers are quite isolated individuals with mental health problems. So, from their point of view, being able to come somewhere to be able to escape their worries and have all the anglers around them to chat to and spend time enjoying life just on their doorstep has been very important.

Community Business Fund

Another example is a community business whose core aim is to make life better for disabled, elderly, and vulnerable people by providing them with access to horticultural sites. By ensuring that their gardens are accessible, people with physical disabilities have been empowered to take part and have an active say in how the services are run. This has enabled a feeling of social connectedness and purpose which is a key factor highlighted in contributing to a sense of belonging and ultimately improved health and wellbeing.³⁵

“ So, through peer support, through co-production, [we are] enabling disabled people to have their say, but also for the garden side, as well, we’ve got an opportunity to enable people with a shared interest in things to have their say ... There is a lot of collective user-led voice work that we do here.

Community Business Fund

For community businesses supporting the general community to improve their health and wellbeing, approaches have tended to be directed at improving wellbeing in particular, with mental health being a key component, as opposed to physical health. Community businesses do this by providing a welcoming space for people with mental health problems: one community business based in an art gallery actively sought to improve the mental health of their customers and beneficiaries through providing pottery classes enabling people in general from the local village to come in and create space to look after for their own wellbeing.

35 Power to Change (2019), Systemic review of community business related approaches to health and social care, p. 5.

3. Impact on people

“ In terms of our impact what people have said back is that it gives them that space to feel better in their own mental health.

Trade Up

Another community business focused on providing general health and wellbeing support to specific groups through targeted activities such as young mothers' clubs or a community choir that has an older demographic. These activities enable people with common challenges or worries to come together and talk about their concerns in a safe community environment.

“ [We] run creativity and wellbeing sessions, [people are] generally referred [to us from a] wide referral network for mental health, occupational therapy, dementia, public health [issues]. [We do a] lot of work with younger [groups], more with 5–11 year olds. [Our] role [is] very much about health and wellbeing and providing nutritional food.

Bright Ideas

Staff and volunteers

At an individual level the impact of community businesses on health and wellbeing has been both positive and negative for staff and volunteers.

With 81 per cent of community businesses' intended social impacts being to improve health and wellbeing,³⁶ community businesses can support the individual health and wellbeing of their staff and volunteers by providing enabling and understanding workplaces. This recognition of staff and volunteer mental health leads to improved individual and general wellbeing.

“ Because of my mental health background and we are a mental health organisation, we just talk about mental health and emotions. We have made that part of everyday culture, language and conversation [so] that changes the dynamic an awful lot, [it's] okay if someone is having a [bad] day and need time for themselves, [it's] very relaxed and we have an open culture of talking about how we feel.

Trade Up

36 Power to Change (2020), The impact of community businesses on people, p. 17.

3. Impact on people

For staff, working for an organisation that gives them a sense of purpose has benefitted their wellbeing, with some describing it as a lifesaver.

“ I’ve had three jobs in my life, [in the] early 50s, straight from school but then I didn’t work for 16 years. Once [my] youngest was old enough I had to go to work ... I volunteered here for six months, [then the manager] saw something [in me] and took me on. I love my job; it’s saved my life, opened my eyes and I’m in a much better place.

Trade Up

A key positive impact on wellbeing has been that working and volunteering in community businesses has enabled individuals to envision what is possible for themselves and their community. This contributes to individuals’ mental wellbeing, quality of life and self-esteem which are key to health and wellbeing outcomes.³⁷ Some community businesses have also been able to offer a source of financial income in the uncertain times caused by COVID-19, which has had a positive impact on staff’s mental wellbeing by minimising financial anxiety.

“ Also, for the volunteers, this work is giving people a vision for themselves and ... for what they want for their community as well.

Trade Up

“ We’ve been able to pay people as well, you know, we’ve been able to pay our staff and sessional workers throughout the period as well. So that’s obviously helped in a time when people are struggling.

Trade Up

Community businesses have reported providing welcoming and rewarding environments that positively challenge staff and volunteers to learn about and work for their community. This fosters a feeling of social connectedness and community involvement, which have been highlighted as key contributions of community businesses to mental health and wellbeing.^{38,39} Initiatives facilitating social connectedness and participation in community activities have been recommended as a method to improve wellbeing.⁴⁰

37 Power to Change (2019) Systematic review of community business related approaches to health and social care, p. 5.

38 Ibid.

39 Power to Change (2020) The impact of community businesses on people, p. 47.

40 Santini et al. (2020) Social disconnectedness, perceived isolation, and symptoms of depression and anxiety among older Americans, [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(19\)30230-0/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(19)30230-0/fulltext)

3. Impact on people

“ It’s a lot of hard work, especially if you’ve never done it before, you know, the learning process, but it’s also very, very rewarding. At the end of, it’s seeing that you are helping ... I think it’s the fact that this particular area has never had anywhere where people can get involved in helping others. And I think there’s a lot of goodness in that community. And I think that comes out, when you can provide the resources to allow people to do that.

Bright Ideas

In addition to these positive individual level impacts on wellbeing and health, we also found that community businesses can have some negative effects on wellbeing and health for staff in particular. Some community businesses rely on a small number of senior staff who take on substantial responsibility, which can lead to an unmanageable workload or a negative impact on mental health.

“ There has been some trying times this year ... The workload is too much for one person.

Bright Ideas

“ We’re a very small organisation, apart from myself [manager of the community business] and a bookkeeper, everybody else was a direct project worker ... We were tasked with this big task to find a million pounds from scratch ... And in many respects, you know that was quite an anxiety provoking thing to [be] done ...

Bright Ideas non-start

The negative effects of the Covid-19 pandemic on community business’ staff wellbeing

The majority of negative impacts on staff and volunteer health and wellbeing have been related to the impact of COVID-19 on the community business. During the pandemic, the scale of need that community businesses were trying to address meant increased workloads for staff and an overwhelming sense that there was no stopping point, which results in burnout. This was particularly the case for frontline, service delivery staff: for example those working to provide healthcare services or food.

3. Impact on people

“ The impact on the staff has been pretty intense, we’ve all had to take time off over the course of this year due to burnout ...

Bright Ideas

Some community businesses are in sectors which were not deemed essential services, such as arts, music and sport, and therefore have been closed for long periods due to lockdown restrictions. This has had a negative impact of staff and volunteers’ mental health, particularly in terms of anxiety surrounding the overall uncertainty of COVID-19, on top of an environment of furlough, job insecurity and long-term questions around the financial security of the business.

“ The major impact on us is obviously our income streams. That is where we earn our money, [and] provide a service. From February to March [2020], every single service shut down one after the other. We have had to have staff on furlough for most of the year ... Lost two posts to reduce core costs ... We just need to get back [because] this is just driving everyone nuts.

Community Business Fund

These impacts are being seen across the three programmes, albeit in different ways. For Bright Ideas grantees, the balancing act between increased community need as a result of COVID-19 and the development and expansion of those businesses that have been able to adapt their services has resulted in increasing demands on their staff.

“ Utterly exhausting! ... It’s also fundamentally changed our organisation ... We’ve actually expanded during this year, more than ever, actually ... And so yeah, it’s been challenging. It’s been exciting [but] it’s been exhausting.

Bright Ideas

For Trade Up grantees, a sense of uncertainty about the future and a sense of loss or disbelief impacted on the wellbeing of staff as they tried to support their organisations in making changes and adapt to challenging trading conditions.

3. Impact on people

“ We have been impacted massively, we had a year of events booked in, we were preparing for our busiest time of year, [there were] so many exciting things coming up. It felt like we had built momentum to point where things would really change for us. All of a sudden, COVID happened ... [We were] in absolute disbelief initially, I didn't know what we [would] do or how [we would] survive, [I was] really worried, [a] horrible feeling.

Trade Up

For Community Business Fund grantees, it was a feeling of responsibility and liability that affected staff wellbeing. More established businesses with wider bases of people relying on them (be it stakeholders like beneficiaries, funders, or contractors) felt a sense of accountability and expectation that they could not always meet.

“ I think mentally [Covid-19 has] been really difficult. It's been really hard because we've chosen to work ... Volunteers want to come to work and we can't let them although we need them ... [We have] not known if there'd be money.

Community Business Fund

3.3 Increased employability

Community businesses improve employability and provide employment opportunities in a variety of ways. This includes investing in volunteer skills development, creating jobs for members of the community, as well as by improving the employability of service users or customers.⁴¹

Our interim evaluation report found that grantees support the social outcome of increased employability in similar ways: they employ local people, support volunteers to build skills and find employment, and offer employment to those who were likely to have experienced exclusion from employment in the past.⁴²

Here we build on these findings to explore additional ways in which grantees improve employability in their communities.

41 Power to Change (2020) Community business: The power on your doorstep, p. 9.

42 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

3. Impact on people

What do community businesses do to increase employability?

Community businesses increase employability by creating targeted opportunities for those furthest away from the jobs market and providing volunteering opportunities and training programmes to help people develop transferable skills. They also create jobs: grantees on Trade Up and the Community Business Fund employ around 3,800 employees in total, a high proportion of whom come from the local community (87% of TU employees and 71% of CBF employees).

Figure 7: Examples of ways community businesses increase employability



Beneficiaries, customers and members

Community businesses funded through the three programmes support their beneficiaries to gain access to work experience and training which ultimately helps increase their employability. They usually do this in one of three ways: (i) delivering a service to support particular groups into employment, (ii) directly employing beneficiaries, or (iii) supporting beneficiaries to start their own community businesses or enterprise.

For some grantees, supporting beneficiaries into employment is a central part of their service. This could be specific programmes targeting different groups and demographics, such as providing people with physical or mental health conditions with safe and enabling environments to attain work experience. For example, one Bright Ideas grantee was a cookery school run by refugee/asylum seekers who were women that may not have the right to work in the UK. Instead of being paid, they were given vouchers to show the value for their time. Another grantee created a community café specifically as a training project for young people with learning disabilities.

3. Impact on people

“ The trainees [we have] are mixed, some [are] very capable and can do most things on their own. But we supervise them all the time because there are some things they can’t do. Others can stir soup and we find them what to do. All our trainees have the ability to develop.

Community Business Fund

Other grantees focus on supporting young people and people on their journey to employment and independence, through offering opportunities for education, training or social activities that deliver a social value.

“ We’ve got [a] number of young people [in] gang mediation, mentoring, helping young people ... We run an employment and education service, so helping young people and adults to move forward into employment, training up and so on.

Community Business Fund

In other cases, community businesses have directly contributed to the employment of their beneficiaries and customers by employing them directly. For example, one community business hired someone who was attending gardening activities targeted at supporting people suffering from social isolation or people living with mental and physical health conditions.

“ I do really love to shout about [this] ... because we have people that come through on employment programmes, now we are able to recruit directly from the beneficiaries that we support ... And we had a gentleman came through and we actually employed him into one of those horticultural posts. So, he’s now one of our gardeners.

Trade Up

There have been cases across all three programmes where grantees have also supported their beneficiaries and community members to start their own enterprising initiatives. This occurs through grantees actively fostering entrepreneurial ideas and providing beneficiaries with an example, through providing their customers with training, creating affordable business incubator spaces and fostering collaborative spaces.

3. Impact on people

“ Well, the impact has been that it’s engaged people ... it’s made people believe that this can happen. We’ve obviously demonstrated this through some of the events we’ve run ... some of [the beneficiaries] have started up and been inspired to start up because they can see what we’re doing.

Bright Ideas

Staff and volunteers

Aside from creating employment opportunities for staff and volunteers through employing them directly, grantees have also supported volunteers to attain employment elsewhere by building their confidence and supporting them in their journey towards employment. For example, by providing a member of the community with the experience of being a trustee, which supported them in finding employment.

Grantees also provide opportunities and experience to those who have previously faced long-term unemployment. This includes individuals with mental and physical health conditions as well as people who have not been in employment before for personal reasons. This includes working with vulnerable individuals and providing them with the space and support to grow, benefit from training and ultimately gain confidence.

“ The social impact [of supporting people into employment] is probably bigger than any other impact of our organisation ... Being able to change people’s lives for the better ... I’ve got one person who works for us in the actual football centre. She was the first person I interviewed, she wanted to do a casual job and get some training. And I will never forget that, she was so nervous that she was shaking. And she was like ‘I have never done anything.’ She had had two children when she was 18. And this was probably when she was 25 and she had never worked. And from that day to this day, she’s still with us and she’s probably the best. Like she’s amazing.

Trade Up

In a similar vein to beneficiaries and members, grantees have also enabled and supported staff to create their own enterprises by providing an environment which has motivated them to deliver social impact both within the organisation and beyond.

“ But, you know, for us, our staff members, for instance, many of them have actually created their own micro social enterprises since then, which they do on a part-time basis, because, you know, they themselves have been motivated by the social impact of what we’ve been doing and have wanted to do more and contribute more, not just within the organisation, but beyond it.

Trade Up

3.4 Creating better access to services

Community businesses provide much needed social infrastructure. Our 2020 interim evaluation report for Bright Ideas, Trade Up and the Community Business Fund highlighted that some grantees only exist as a community business because local people were motivated to set one up after discovering that their only shop, post office or other much-needed local facility was closing.⁴³ Many then become a ‘one-stop shop’ or ‘community hub’ providing crucial services, often over and above ‘basic’ provision, in response to community needs and wants.

Here we explore further how grantees have provided better access to services in their communities, through both the provision of services and how those services are run.

What do community businesses do to provide better access to services?

Community businesses provide better access to services for their communities in a variety of ways. Many provide access to basic services such as shops and post offices, while others provide services over and above ‘basic’ provision in order to address the needs of the community, for example statutory services such as drug and alcohol or housing support. In some cases, community businesses deliver these services directly, while others provide space for local partners to deliver them.

43 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report, p. 63.

3. Impact on people

Figure 8: Examples of ways community businesses create better access to services



Access to basic services such as shops and post offices



Access to transport



Provide statutory services



Provide space for local partners to deliver services

Beneficiaries, customers and members

Community businesses create access to better basic services particularly in places where it may be difficult to access them. For example, rural areas often have few basic services, as well as a relatively large older population who may find it difficult to travel to these services further away. Community businesses help provide local access by setting up community shops, post offices and ‘one-stop shops’ offering a range of services.

“ We are a rural community and valley stretching between [two towns]. There was a small privately owned shop and post office in the village – [it was] poorly run and located. [The] owners wanted to close it, so on the back of that, we decided we wanted to build a community-run place ... [We wanted to] retain the vital services of a shop and post office. Without our shop, there would be no shop or post office within 13 or 14 miles ... The public transport is poor and without a car, people are stuck.

Trade Up

Over and above creating access to basic services, there is evidence that community businesses also provide a better service to customers, as they take into account additional needs in the community: for example delivering groceries to village members or organising events to engage the community.

“ [It] really solidified the fact that the village shop is a hub. Even more during COVID.

Community Business Fund

3. Impact on people

“ One of the things we do is [we] hire [our] building out. [We do] not necessarily deliver the activity but provide the space [for delivery]. [Our] business is split. On the one hand, we are a landlord: all space is for hire any time. On the flip side we also do a number of different things, like larger community events, festivals. [We] get hundreds of people through those days. Then [we have the] more specific [programmes], targeting over 75s.

Trade Up

In addition to these community one-stop shop services, grantees also provide better access in two other forms: provision that they would otherwise not have access to and supporting beneficiaries to better access statutory services.

Some grantees provide beneficiaries and customers access to services that would otherwise be unaffordable or inaccessible. This can be through the form of subsidised fitness classes, meals on wheels, outdoor activities, access to bikes, or making transport more affordable.

“ The biggest one is probably just in the provision of bikes to people who otherwise wouldn't be able to get hold of one ... People financially not well off.

Trade Up

Grantees also support better access to statutory services for beneficiaries and communities, through supporting and improving their interaction or experience of statutory service provision. One community business functions as a platform cooperative, with the purpose of facilitating care and support between people giving care and those receiving support in their own homes. They found that by filling a gap in social care provision in their area, beneficiaries benefitted from better access to services that work for them.

3. Impact on people

“ [We have] had a huge impact on the people who use the service. Social isolation is one, another one is about empowerment and having choice and control over your support. Being able to choose who supports you is much more impactful on your general wellbeing and sense of self. A lot of the people who have been receiving support from us have used words like ‘transformational’ and ‘beyond anything we have experienced before’. They say ‘I now feel valued, before I felt so worthless’, that’s from the care worker side. Increasing in the quality of care and support, huge increases in the quality and in the availability of it as well.

Bright Ideas

By being embedded in the community, community businesses are not only able to provide better access to statutory services, but also better able to provide a more people-centred service. For example, one community business is helping the NHS to provide holistic, wrap-around support to community members by working with GPs.

“ We married our community development experience with the medical expertise in primary care to be able to create a holistic offer for local people. And we feel it was really important that it was rooted in the local community, because we’re wanting to knit people into the stuff that’s going on ... I think we have a completely different culture to the statutory service that we are serving. We have a person-centred approach and the NHS are trying to introduce personalised care. To us it was second nature.

Bright Ideas

Staff and volunteers

Power to Change estimates that 88 per cent of community business staff are from the local area.⁴⁴ Grantees from Trade Up and Community Business Fund self-report that 87 per cent and 71 per cent of their staff are from their local areas, respectively. As such, the distinction between staff and volunteers, and the community, is often blurred. This means the impact of grantees on staff and volunteers through access to better services is similar to the impact on beneficiaries, customers and members.

44 Power to Change (2020) The impact of community businesses on people, p. 5.

3. Impact on people

“ We have very much always been really rooted within the community, in the middle of a residential street, and we know the local community well ... Everything we have ever started is always about including people and having voices heard and we continue to do that, but I guess what we have also done is employ people locally who as participants accessed support from us.

Trade Up

3.5 Interconnected outcomes on people

Some of the outcomes that grantees achieve for people are strongly interlinked, and community businesses rarely achieve social outcomes that are mutually exclusive.

Amongst other approaches, community businesses act on reducing social isolation by providing a place to go, improving mental health and signposting to additional services. This comes hand in hand with Power to Change’s desired outcome of improved health and wellbeing. In the same way, community businesses create better access to services through acting as community hubs or providing crucial public services. This in turn can have an impact on reducing social isolation and improving health and wellbeing.

Grantees that support local people to increase employability are also likely to support them with related needs such as reducing financial exclusion. It is probable that these groups are also more likely to be affected by poor mental and physical health. In offering volunteering opportunities and signposting to further services, some community businesses simultaneously provide a place for people to go for support. This can relieve the social exclusion these groups might be experiencing.

“ So, we deliver multiple interlinked outcomes for our people. So, the direct beneficiaries, so in terms of improvements, even in health, and wellbeing, mental health, independence, social isolation, loneliness, which is different to social isolation which I keep telling everybody. And all of those wonderful things, then there’s something around that collective user led voice, because that’s what we do as an organisation.

Trade Up

3. Impact on people

The importance of community businesses' characteristics

We also find that particular characteristics of community businesses can realise different, and interlinking, social outcomes.

Different sectors have a stronger focus on realising different social outcomes, with all sectors realising more than one. For example, grantees in the arts sector typically reduce social isolation, increase employability and created access to better services.

Figure 9: Typical social impacts on people and place by sector



3. Impact on people

More established community businesses have a longer history of working in their communities, which can lead to stronger community engagement. This enables them to adapt their services along with the changing needs of the community, and can mean that they have stronger, longer-standing relationships with local stakeholders such as local authorities.

“ The trust was set up in 1998 following the closure of a local colliery. It was a devastating time for the community ... [Now the community] has changed a lot and our role has been to change and adapt.

Trade Up

Although many social impacts on people are interlinked, there is evidence to suggest that success in improving local people's lives is linked to taking an approach that addresses multiple challenges within a local area – for example, not solely focussing on supporting people, such as those unemployed or socially disadvantaged, but also working to improve the structural causes of disadvantage by reinvigorating the local economy, supporting supply chains and improving the physical surroundings in which they live, such as infrastructure, housing and the environment.⁴⁵

All of this activity contributes to improving places. Our next section explores how community businesses impact on the places in which they operate.

45 Tyler, P., Burgess, G., Muir, K. and Karampour, K. (2019) Creating positive economic opportunities for communities, <https://www.landecon.cam.ac.uk/pdf-files/cv/pete-tyler/LOCALTRUSTTYLERAUGUST2019.pdf>

4. Impact on place

Power to Change’s central vision argues that ‘the unique combination of locally rooted, socially motivated and commercially oriented behaviours of community businesses enables [community businesses] to make a positive difference to the world around them’.⁴⁶

Although Power to Change does not define ‘place’ for community businesses, it asks community businesses to define the area they serve themselves, given their local knowledge. For many community businesses, their definition of place corresponds with either administrative boundaries (e.g. electoral wards) or ‘natural neighbourhoods’, taken to be the way local residents would naturally navigate the local area.⁴⁷

In the previous section, we spoke about the impact of community businesses on the individual people they interact with. This section builds on this by exploring the cumulative effect of impacting many people’s lives in a particular geography and the community-level benefits that can arise from that. Power to Change hypothesises that community businesses will have three main outcomes in improving places: an improved local environment, greater community cohesion and greater community pride and empowerment.

46 Power to Change (2018) Better places through community business: a framework for impact evaluation, p. 2.

47 Power to Change (2020) Community business: The power on your doorstep, p. 15.

4. Impact on place

Figure 10: Overview of community businesses' impact on people and place



4. Impact on place

Achieving longer-term impacts on place needs time and consistency, and a sufficient number of people in the community to reach a tipping point where shared values and experiences influence their feelings about the place and can in turn influence the feelings of others. Community businesses can offer that long-term vision and consistency because they are rooted in communities for a long time, and/or because they galvanise communities to work together towards a shared goal like rescuing a local asset. This means community businesses are in a strong position to impact on place in the longer-term.

Our interim evaluation report found that almost all community businesses fostered a sense of ownership, pride and/or empowerment amongst local people.⁴⁸ We also found that greater community cohesion was fostered where grantees were reliant on community support in negotiations for community asset transfers or in their campaign to save a building. We build further on these findings below to understand the extent to which grantees contribute to, and realise, longer-term outcomes for places.

4.1 Greater community cohesion

Many community businesses are focused on improving community cohesion in their local area, which typically refers to the levels of understanding and mutual trust between different groups.⁴⁹ Grantees have fostered greater community cohesion at two different levels: at a community level and at a volunteer and community service sector level.

Community level community cohesion

Our Shared Future (2007), a paper by the government's Commission on Integration and Cohesion, highlighted a sense of contribution as a key element of community cohesion. Similarly, the Integrated Communities Action Plan from the Ministry of Housing, Communities & Local Government (2019), highlighted that a focus on education and young people, as well as places and community, are two of several elements to ensuring cohesion and a fairer society where everyone can progress.

Grantees have contributed to community cohesion in these respects through creating a sense of purpose and contribution. For example, some community businesses create community cohesion within self-defined communities, such as through involving young people in decision making.

48 Renaisi (2020) Power to Change Community Business Fund, Trade Up and Bright Ideas Annual Report.

49 Cantle (2001) Home Office, Community Cohesion: A Report of the Independent Review Team: <https://tedcantle.co.uk/pdf/communitycohesion%20cantlereport.pdf>

4. Impact on place

In addition, there are examples of community businesses that create opportunities for racialised communities to come together and understand each other better.

“ We’ve got a couple of older people who’ve got good relationships with the original Somali heads of the [community]. There’s a lot of cultural barriers [...]... So that’s success in itself, considering, you know, there’s a big culture of not trusting people...” – Trade Up.

Trade Up

Sector level community cohesion

Community businesses create sector level community cohesion through collaboration with others in the local area, which creates three main impacts: they partner with other community and volunteer sector organisations, they support the local private economy, and they work to provide and improve holistic service provision. We have also found that both assets and the effects of the COVID-19 pandemic can lead to greater realisation of the impact of collaboration with others in the local area.

Grantees work in collaboration with local community and volunteer organisations in a variety of ways. Community businesses network with local community and volunteer organisations, sharing best practice and learning, which ultimately results in better support for the community and a better functioning system of support.

“ We’re a member of [a peer network]. And there’s a lot of peer support there and through them ... The benefit of these networks is sharing ideas, sharing experience and sharing learning on workshops. Getting inspiration from other [similar organisations]. Sharing best practice.

Bright Ideas

They can also create synergies in programme delivery, which can benefit service users. By supporting with the referral of service users when they cannot provide the support needed, community businesses ensure a better, and more consistent, service to service users.

4. Impact on place

“ We work with an organisation closely, which offers a food bank but not the traditional food bank. They do a free community meal. We work closely by unfortunately having to refer our [beneficiaries] to them. But equally, they refer people to us who they think can go on to do courses. So, we support each other that way.

Trade Up

Over and above referrals of service users, community businesses and local community and volunteer organisations also create a better mixed local economy by giving business to each other, building capacity and providing infrastructure support. The latter is particularly the case for Trade Up and Community Business Fund grantees who have an asset.

“ Every [organisation] which is near, we’re all together helping and supporting. It has a massive impact on the success of our business. You need to be, you have to be on the ground to do anything meaningful and to get the social impact.

Trade Up

Assets can be a key factor enabling community businesses to collaborate with other community organisations. They enable community businesses to provide space to local organisations, through renting or sharing collaborative space.

“ [Within our venue] we’ve got about 20 businesses, a lot of those are involved in events and activities and different things. And a lot of them are chosen on the criteria that we know what their social impact is going to be ... For us being able to maximise our social impact is only possible really by being able to collaborate with other businesses

Trade Up

Grantees not only work in collaboration with other voluntary sector organisations or community business but also work in collaboration with the local, private economy. For example, favouring local suppliers or using local agencies to find and employ staff.

4. Impact on place

“ We favour local suppliers; we have three local bakers who provide all our bread ... We get our egg[s] locally; we are the only other retailer of a butcher in a nearby town ... Two local breweries supply beer to the shop: one of the owners is on the committee. We do emphasise local.

Community Business Fund

Impact of COVID-19

In some cases, COVID-19 has had a positive impact on community cohesion. Grantees have played a part in this through collaboration with other organisations in their local area. This has been through mutual support in delivering services, financial support like providing rent-free space to emergency COVID-19 responses, or direct donations to emergency support provision.

“ Everyone is desperate to make sure everyone helps everyone out ... Collaboration in the community has been much greater. I think it has been improving – one of the aims of the shop was to do this anyway, and COVID has made this even stronger.

Trade Up

“ [It] really solidified the fact that the village shop is a hub. Even more during COVID. We have been organising delivery of food to people who are self-isolating ...They never come into the shop, they come to the outside [and] sometimes I deliver to them. Those types of community events have been great to see. This year we have had a lot of gifts for villagers who are happy to be able to do their shopping here. I hope that [they] will survive COVID and we have seen a step change in our sales ... [There is a] sense of camaraderie with the shop which Covid helped with. Presence of the shop, clean, tidy, warm. We have wonderful coffee. People like to sit outside.

Community Business Fund

4.2 Greater community pride and empowerment

Grantees foster greater community pride and empowerment through providing the opportunity for local people to get actively involved in community initiatives and creating a place that the community can be proud of.

This can evolve differently for community businesses in different circumstances and stages of development. Early-stage businesses tend to develop a sense of pride and empowerment around starting something new or rescuing a community asset. One early-stage Bright Ideas grantee found that by providing the community, its staff and volunteers a place to be part of community initiatives and play their part, local people gained confidence and felt empowered to effect change.

“ I think all of us get something out of it. [The staff and volunteers] get something out of it. We have a lot of tears sometimes depending on who you’re dealing with and what’s going on, but there’s a lot of fun and that there’s a lot of ... It’s hard to describe it really ... I think what we’ve done, I think [for the] community [is] shown the community empowerment. And it brings confidence out in people as well.

Bright Ideas

In contrast, more established businesses foster community pride and empowerment through ongoing opportunities to participate in the community and in civil society. For example, one Community Business Fund grantee is working to empower their community through providing space for underrepresented community members to express themselves artistically.

“ We want to help support people and empower people through art and cultural activity and helping to support different communities to express themselves and take part in art, that might otherwise be underrepresented within arts and culture.

Community Business Fund

Assets can also be used as a means to foster community pride: one grantee found that through providing access to a community bookshop, which otherwise didn’t exist in their town, they’ve contributed to community pride in the local high street.

“ It also had a very interesting impact on the high street. We moved from the edge of town to the high street and all the traders seemed really happy for us to be moving there. It felt like an important and significant move for lots of people in the town and I think you could say that it impacted on community empowerment and pride.

Community Business Fund

4.3 Improved local environment

Community businesses take an active role in using their assets and experience to improve the places where they operate. The impact of community businesses on the local environment is generally around their support or leadership in local regeneration activities or, less commonly, delivering environmental initiatives and projects.⁵⁰

Community assets generate significant value for the economy (c.£220 million) and help retain wealth locally.⁵¹ Some grantees structure their business around these assets of community value, by regenerating buildings or spaces that were derelict, and converting them into community spaces such as community centres, community gardens or sports facilities from which they can trade.

“ [We set up the business in order to] bring back the station house as a community house, a derelict building standing empty since 2006.

Trade Up

“ [We developed] what had been there in the first space, a derelict sport pitch. We built a state-of-the-art 3G AstroTurf facility ...

Bright Ideas

Some grantees also improve the local environment by creating initiatives that help support the maintenance of the local natural environment. For example, by creating a community business that centres health and wellbeing activities around the management and maintenance of woodlands.

“ [It] started with the simple idea to set up a woodland campsite for adults with learning disabilities and [the woodlands would be] managed and maintained by that group.

Bright Ideas

50 Power to Change (2020) Community business: The power on your doorstep, p. 100.

51 Archer, T., Batty, E., Harris, C., Parks, S., Wilson, I., Aiken, M., Buckley, E., Moran, R. and Terry, V. (2019) Our assets, our future: the economics, outcomes and sustainability of assets in community ownership, <https://www.powertochange.org.uk/wp-content/uploads/2019/07/Assets-Report-DIGITAL-1.pdf>

5. Summary of learning across the three programmes

Community businesses are uniquely placed to deliver social impact

By virtue of being embedded within their community and frequently community-led, community businesses have a unique understanding of community needs which plays a large part in delivering social impact.

The culture of a community business is extremely important to realising social impact – many of the impacts on people and place described above stem not only from delivering particular activities or providing access to services, but from how community businesses work, their values, and how they are created and sustained by community endeavour.

Some community businesses are more successful at achieving social outcomes than others

Community businesses that truly involve their local community in a meaningful way are more likely to achieve certain social outcomes. Those that are skilled in community engagement, including engaging people who may find it difficult to have their voices heard in other aspects of their lives, are better able to understand community needs and how to respond to them. This is a difficult and highly skilled role, and some community businesses are better at it than others. It requires sensitive and empathetic leadership, capacity, and a strong understanding of all parts of the community – whether through being a well-established organisation with strong local roots, and/or having a diverse range of local people involved.

The adaptability of community businesses to the needs of the community can lead to working across multiple sectors ...

Realising their potential for positively impacting on people and place is a long journey for community businesses. Their activities and the outcomes of those activities grow and evolve as the needs and requirements of the community change and as the capacity of community business change. This often leads to grantees working across multiple different delivery areas and/or in partnership with organisations in different sectors, and can make it challenging to identify what their primary impact is – because they can support many different outcomes for people who are engaged in their activities in different ways.

... which can make it difficult for community businesses to measure the social impact of their work

The complex and ever-changing nature of a community business means many deliver a wide range of services and interconnected programmes. This can make it difficult for community businesses to measure the social impact of their work. This is particularly the case when the impact is either intersectional or when the business uses an 'open house' model, providing space or opportunities for many different types of interactions and activities, rather than offering targeted programmes with measurable outcomes like employment.

For some community businesses, particularly those on Bright Ideas who are at an early stage in their development, their potential social outcomes have not yet been realised.

COVID-19 has had an impact on all community businesses

Some community businesses have been unable to realise social outcomes as a result of COVID-19, usually because they have not been able to operate due to lockdown restrictions. Those providing essential services, such as shops or post offices, were able to remain open throughout the pandemic, while some with open, outdoor space, were able to continue when restrictions allowed.

Community businesses can have negative impacts on people

In very particular circumstances, community businesses can have negative impacts on the people they support and employ. The feeling of responsibility for people and communities in challenging circumstances, such as COVID-19, can be overwhelming and negatively impact on people's mental health and wellbeing.

The impacts realised by community businesses are rarely mutually exclusive ...

Community businesses rarely achieve social outcomes that are mutually exclusive.

Amongst other approaches, community businesses act on reducing social isolation by providing a place to go, improving mental health and signposting to additional services. This comes hand in hand with Power to Change's desired outcome of improved health and wellbeing. In the same way, community businesses create access to better services through community hubs or acting as a crucial public provision. Consequently, this can have an impact on reducing social isolation and improved health and wellbeing.

Grantees that support local people to increase employability are also likely to support them with related needs such as reducing financial exclusion. It is probable that these groups are also more likely to be affected by poor mental and physical health.

Community businesses' impact on place builds on the impacts realised for people, by creating compound effects – the cumulative and long-term effects of impacting on many people's lives in a particular geography and the community-level benefits that arise from that.

... and are not all limited to Power to Change's seven outcome areas

Community businesses are diverse and they engage with so many different people, across a variety of different places, in a multitude of different ways. This means that their social impact is hugely diverse as well – both within a community business, as well as between community businesses. As such, we have identified some impacts of community businesses that do not fit neatly into the seven priority outcome areas identified by Power to Change.

Although we have not analysed these additional impacts in detail, examples include:

- Education, e.g. providing extracurricular educational opportunities for children
- Childcare, e.g. providing nursery services, parent and toddler groups
- Heritage, e.g. preserving historic buildings and monuments
- Animal welfare, e.g. community farms.

Appendix

Power to Change’s register of hypotheses

In order to address how community businesses might transform their local areas and how Power to Change might help them to do so, the Research Institute has published a register of its hypotheses.⁵² The first five are statements about how community businesses might make a difference on their own, followed by two statements about how the sector operates, concluding with a hypothesis for how place-based change occurs.

Figure 11: Power to Change’s register of hypotheses

Community business-level hypotheses	H1: Knowledge	Community businesses have high levels of customer/service-user satisfaction because they understand what people want. This is because the majority of their staff, volunteers and/or customers/users are from the local area. As a result, they offer better products and services than alternative providers.
	H2: Employability	Community businesses improve skills development amongst local people by creating jobs and providing development opportunities for those who would otherwise not actively participate in the local labour market.
	H3: Volunteers	Community businesses use local volunteers to deliver their products and services. They do this by providing formal and informal volunteering opportunities. This also helps them keep their costs down. Volunteers will also report personal development and social benefits.
	H4: Social capital (members / shareholders)	Community businesses increase bridging social capital by engaging members and/or shareholders in local decision-making through the development of skills and access to information.
	H5: Sustainability	Community businesses are less likely to close if they understand what local people want (H1), use local volunteers to deliver their products and services (H3) and engage local people as members and/or shareholders (H4).
Sector-level hypotheses	H6: Infrastructure	The provision of third-party business development support increases the productivity and resilience of community businesses.
	H7: Assets	The transfer of local physical assets from public and other bodies stimulates community business growth. This is because they contribute to financial resilience, provide a physical base for operations, and generate goodwill.
Place-level hypotheses	H8: Collaboration	Community businesses collaborate with others, accessing more resources (i.e. skills and money). This enables them to offer more services, products and activities, benefiting their community.

52 Power to Change (2018), Register of hypotheses: https://www.powertochange.org.uk/wp-content/uploads/2018/01/Register-of-hypotheses-2019_FINAL-02.10.19.pdf

People in numbers

Table 1: Combined number of beneficiaries supported by Bright Ideas, Trade Up and Community Business Fund grantees

Number of beneficiaries	Bright Ideas (potential)	Trade Up (per year)	Community Business Fund (per month)
Total	5,657,301	1,422,521	400,724
Mean	32,513	6,647	2,505
Median	2,500	824	800
Count	174	214	160

Note: Figures were calculated by programme, i.e. duplicates may occur where a grantee receives funding from more than one programme. Data excludes 17 BI grantees, 66 TU grantees and 11 CBF grantees for whom data is not available.

Source: BI and CBF application data; TU year 1 and year 2 cohorts follow-up survey data, year 3 and year 4 cohorts application data. Figures are not comparable across programmes as BI is an estimate of potential beneficiaries, TU per year, and CBF per month.

Table 2: Number of potential beneficiaries supported by Bright Ideas grantees (n=174) (excluding 17 grantees for whom data is not available)

Number of potential Bright Ideas beneficiaries	Bright Ideas (N)	Bright Ideas (%)
Less than 250	17	10%
251–500	20	11%
501–1,000	20	11%
1,001–3,000	38	22%
3,001–6,000	19	11%
6,001–12,000	19	11%
12,001+	41	24%

Source: application data

Table 3: Number of beneficiaries supported by Trade Up grantees per year (n=214) (excluding 66 grantees for whom data is not available)

Number of Trade Up beneficiaries (per year)	Trade Up (N)	Trade Up (%)
Less than 250	53	25%
251–500	29	14%
501–1,000	37	17%
1,001–3,000	43	20%
3,001–6,000	19	9%
6,001–12,000	13	6%
12,001+	20	9%

Source: year 1 and year 2 cohort follow-up survey data, year 3 and year 4 cohort application data

Table 4: Number of beneficiaries supported by Community Business Fund grantees (n=160) (excluding 11 grantees for whom data is not available)

Number of Community Business Fund beneficiaries (per month)	Community Business Fund (N)	Community Business Fund (%)
Less than 250	22	14%
251–500	34	21%
501–1,000	35	22%
1,001–3,000	34	21%
3,001–6,000	19	12%
6,001–12,000	12	8%
12,001+	4	3%

Source: application data

Table 5: Types of beneficiary groups targeted by grantees (BI=191, TU=196, CBF=151) (grantees may target more than one beneficiary group)⁵³

Beneficiary groups targeted by grantees	(N)			(%)		
	Bright Ideas	Trade Up	Community Business Fund	Bright Ideas	Trade Up	Community Business Fund
Young people	131	82	56	69%	42%	37%
Older people	126	69	59	66%	35%	39%
Living in poverty	103	77	57	54%	39%	38%
Children	100	60	38	52%	31%	25%
People with mental health needs	98	55	29	51%	28%	19%
Long-term unemployed	83	53	43	43%	27%	28%
Parents	104	47	20	54%	24%	13%
People with long-term health conditions	82	38	27	43%	19%	18%
Black, Asian and Minority Ethnic	63	36	36	33%	18%	24%
Disability (learning)	69	35	18	36%	18%	12%
Disability (physical)	69	30	12	36%	15%	8%
Other specific target groups	37	54	17	19%	28%	11%
Refugees and migrants	46	26	11	24%	13%	7%
Ex-offenders	39	17	2	20%	9%	1%
Homeless	32	19	3	17%	10%	2%
People with addiction issues	36	13	1	19%	7%	1%
Victims of crime	23	7	0	12%	4%	0%
Lesbian, gay, bisexual and transgender	19	0	0	10%	0%	0%

Note: Figures were calculated by programme, i.e. duplicates may occur where a grantee receives funding from more than one programme; TU figures were generated from cohorts in years 2, 3 and 4.

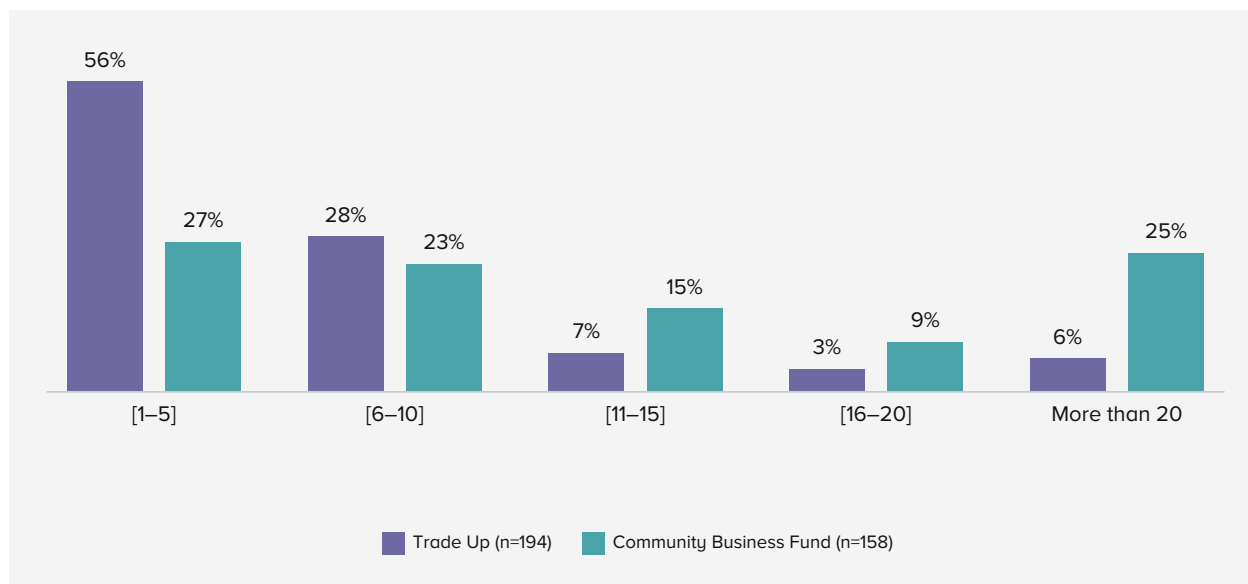
53 The language used in this [report, analysis, document etc], specifically “Black, Asian and Minority Ethnic”, “BAME” is terminology that Power to Change was using at the time it was written in grant making and in capturing data about applicants. We have since listened to these communities who said that BAME is not an acceptable term, and so we have changed the language we are using; we would presently describe these population groups as ‘people experiencing racial inequity’.

Table 6 :Number of beneficiary groups targeted by grantees (BI=191, TU=196, CBF=151)

Number of beneficiary groups targeted by grantees	(N)			(%)		
	Bright Ideas	Trade Up	Community Business Fund	Bright Ideas	Trade Up	Community Business Fund
1	25	66	4	13%	34%	3%
2	9	43	16	5%	22%	11%
3	16	40	131	8%	20%	87%
[4-10]	97	30	0	51%	15%	0%
11+	44	17	0	23%	9%	0%

Note: Figures were calculated by programme, i.e. duplicates may occur where a grantee receives funding from more than one programme; TU figures were generated from cohorts in years 2, 3, and 4.

Figure 12: Number of staff employed (TU=194, CBF=158) (excluding 86 TU grantees and 13 CBF grantees for whom data is not available)



Source: CBF application data, TU years 1 and 2 cohort follow-up survey, years 3 and 4 cohort application data.

Table 7: Number of volunteers engaged by grantees

Number of volunteers	Bright Ideas	Trade Up	Community Business Fund
Total	7,569	7,420	6,765
Mean	41	33	40
Median	25	20	25
Count	186	225	169

Note: Figures were calculated by programme, i.e. duplicates may occur where a grantee receives funding from more than one programme; excluding 5 BI grantees, 55 TU grantees and 2 CBF grantees for whom data is not available. Source: BI and CBF application data; TU year 1, year 2 cohort follow-up survey data, year 3 and year 4 cohort application data.

Table 8: Levels of volunteer engagement across the programme cohorts

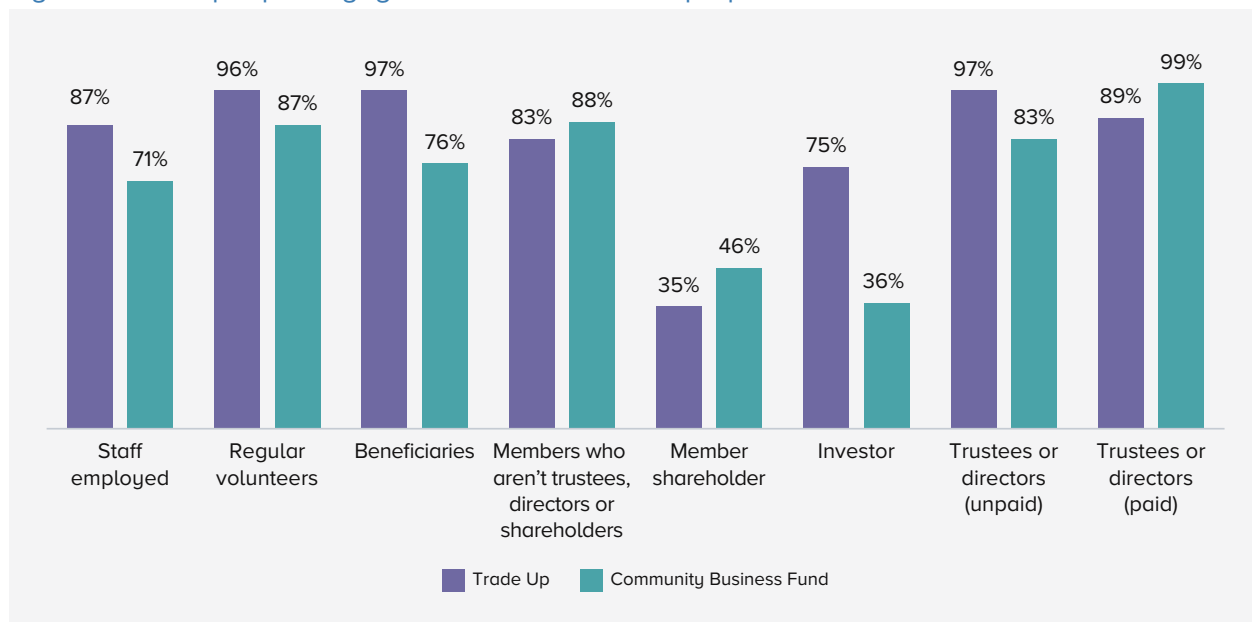
Number of volunteers	(N)			(%)		
	Bright Ideas	Trade Up	Community Business Fund	Bright Ideas	Trade Up	Community Business Fund
[1–25]	94	138	87	51%	61%	51%
[26–50]	48	59	50	26%	26%	30%
[51–75]	18	15	12	10%	7%	7%
[76–100]	13	1	4	7%	0%	2%
101+	13	12	16	7%	5%	9%

Note: Figures were calculated by programme, i.e. duplicates may occur where a grantee receives funding from more than one programme; excluding 5 BI grantees, 55 TU grantees and 2 CBF grantees for whom data is not available. Source: BI and CBF application data; TU year 1, year 2 cohort follow-up survey data, year 3 and year 4 cohort application data

Table 9: Number of people engaged by grantees in different roles

Number of people engaged	Total		Count		Median	
	Trade Up	Community Business Fund	Trade Up	Community Business Fund	Trade Up	Community Business Fund
Staff employed	1,368	2,564	194	158	5	11
Regular volunteers	7,420	6,765	225	169	20	25
Beneficiaries (TU per year, CBF per month)	1,422,521	400,724	214	160	824	800
Members who aren't trustees, directors or shareholders	30,551	70,284	57	101	50	185
Member shareholders	13,036	13,279	37	17	52	237
Investors	1,797	429	22	9	3	2
Trustees or directors (unpaid)	829	1,333	145	170	5	8
Trustees or directors (paid)	93	30	49	18	2	1

Figure 13: Local people engaged in TU and CBF as a proportion of the total



Source: CBF application data; TU year 1, year 2 cohort follow-up survey data, year 3 and year 4 cohort application data. For TU staff employed, regular volunteers and beneficiaries are from years 1, 2, 3 and 4, while the other figures are from cohorts in years 3 and 4 only.

Note: Due to a different count for each variable and between TU and CBF, proportions were calculated using the mean, i.e. mean of local people compared with the mean of total people engaged for each variable; count is the same as in Table 9. Source: CBF application data, TU year 1, year 2 cohort follow-up survey data, year 3 and year 4 cohort application data. For TU staff employed, regular volunteers and beneficiaries are from years 1, 2, 3 and 4, while the other variable are from cohorts in years 3 and 4 only.



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