

Learning note: RCAN work on rural economic growth

Introduction

This learning note aims to highlight how Rural Community Action Network (RCAN) members have made a difference to rural economic growth through their projects and policy influencing linked to funding from the 2011-15 Defra Agreement. This is a broad topic and the note focuses on two examples. One is the work of Action with Communities in Rural Kent to support entrepreneurship amongst young people and, separately, its impact on the Welfare to Work programme. The other is the work of seven RCAN members in the South West to support rural social enterprise. The note then notes other areas, such as RCAN member activity around Local Enterprise Partnerships (LEPs) and Wheels 2 Work schemes, and it concludes with some lessons.

Context

There has been a growing emphasis within the Defra Agreement on economic development. In 2013/14 Defra is specifically looking to the RCAN network to contribute to the rural economic growth agenda. It has effectively become a fifth priority theme under the funding Agreement, with particular emphasis being put on that topic and the related one of broadband.

RCAN members have, in fact, been undertaking some activities during 2011-13 which contribute to rural economic growth. Examples identified by the mid-term evaluation project included:

- Sitting on LEADER Local Action Groups and on groups established by Local Enterprise Partnerships (LEPs);
- Chairing a countywide, voluntary sector, social enterprise network;
- Supporting individual communities to set-up social enterprises e.g. community-run shops and pubs;
- Pressing for policies in Local Development Plans that assist rural economic activity;
- Supporting young entrepreneurship through grant programmes or managing training establishments;
- Delivering elements of the Welfare to Work programme.

This note explores some of those themes in more detail.

Entrepreneurship and employment in Kent

Action with Communities in Rural Kent (ACRK) has a track record of successfully attracting EU-financed projects to support its future policy-setting or service delivery objectives. Of five new transnational co-operation projects launched in October 2011, 'Greener Futures for Young People' is one of the larger ones. Its focus is to encourage employment for young people in green and eco-social enterprises. Financial support comes through the PROGRESS fund, where almost £300,000 has been shared amongst European partners, many of whom ACRK has worked with previously. It is one of just ten projects to be supported across Europe and is the only one led by a UK-based organisation.

A significant feature of the programme is to raise the awareness and understanding of students about working in the not for profit sector. Via an academic partner, Christ Church University Canterbury, students have been placed by the RCAN member in community

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organisations and enterprises with the aim that they would develop business ideas, share new skills and develop good practice. On completion of their placement, students receive a certificate in social entrepreneurship, which is now being accredited by the University.

ACRK also manages the Kent contract for ESF Community Grants, as part of a consortium led by Surrey RCC. Linking opportunities provided across the EU-funded projects there have been some interesting success stories, such as:

Cinque Ports Community Kitchen in Deal: this opened a catering training facility in a local pub, targeting local unemployed people. There are significant pockets of deprivation in the area, together with identified health inequality issues. The training had a focus on sustainable sources of local produce, as well as helping with basic food hygiene, healthy eating and providing steps on the path to new skills and employment for local people. The training initiative was subsidised by the restaurant opening in the evening as a commercial concern. Courses are now offered to young people and to other members of the community.

The RCAN member has been able to reap the benefits of such programmes by linking them in to its other activities. Projects like 'Greener futures for young people' give the organisation access to groups of potential employees, as well as employers and local businesses.

Through the capacity building element of Community Grants, ACRK was able to assist local organisations, promote the scope for social enterprise, support management development and match the skills of volunteer mentors to those seeking work.

Kent groups supported by Community Grants have achieved an average of more than 40% progression into paid work by the end of their volunteering or training placement.

This experience has meant that ACRK has also been able to deliver some effective solutions through the Welfare to Work programme. The South East RCAN member consortium that started developing this opportunity no longer exists, but ACRK has become has persisted and is now a DWP designated provider. It works directly with the prime contractor for the area, Avanta, and claims to deliver one of the highest placement ratios of any programme provider in the country.

Some of the RCAN member's best results have been with people who started out a long way from the jobs market. One young partially sighted man on disability benefits was supported by the organisation to access volunteering opportunities with a local charity. By acquiring skills, experience and further support he moved on to set up his own social enterprise supporting deaf people and now employs his own staff.

ACRK feels that its success is based on a community development approach. The organisation has a good, trusted reputation within the county, which helps with initial contacts. But it argues, more importantly, that its approach through community workers rather than employment advisers makes the difference. Using local venues, offering one-to-one access and understanding local barriers and circumstances have been important ingredients in delivering effectively on Work Programme objectives.

Supporting social enterprise in the South West

Between 2010 and 2013, seven RCAN members in the South West of England took part in a facilitation and support service for existing and potential rural community and social enterprises. The £475,000 initiative, known as the Community and Social Enterprise Facilitation Service (CaSE), was initially funded through the South West Regional Development Agency before its abolition. The seven RCAN members delivered the

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programme through a network of seven advisers, one located at each organisation, who provided direct support to community and social enterprises.

Independent evaluation of the programme found that the performance of CaSE was very good. It:

- offered project development advice to 371 community groups and to community and social enterprises;
- helped to deliver 184 business plans and/or funding applications;
- produced 65 case studies; and
- held 21 sub-regional events.

On all of these measures CaSE exceeded the targets set for it.

The programme also achieved high economic impact. The evaluation found that as a direct result of CaSE input almost £4.5 million net funding was secured. This represents an investment leverage ratio of 1:9. In terms of wider economic impact, 25 net jobs were created and 15 net jobs were safeguarded.

At a qualitative level, many beneficiary organisations said that CaSE input had led to improvements in confidence, skills, capacity, enterprising abilities, access to funding, and the robustness of their business plan and governance arrangements.

One of the mostly widely stated comments was the value of the holistic approach taken to developing sustainable rural communities. Although organisations began primarily with social objectives, the support of CaSE encouraged them to think and act in a much broader way.

The evaluation also found that the undoubted success of the project was cut short by changes to the funding body and funding stream i.e. the end of the RDA and refocusing of RDPE. In those changed circumstances, it became difficult to negotiate the future direction of the project. Nonetheless, CaSE has left a legacy of a strong social enterprise sector in the rural South West and a level of knowledge, skills and expertise in RCAN members that would not otherwise have existed.

Other examples of economic growth work: LEPs and Wheels 2 Work

Many RCAN members have been trying to gain more traction with LEPs and in some cases have succeeded in doing so. The mid-term evaluation has noted an increasing number of LEP references in the monitoring reports between 2011/12 and 2012/13. For instance, ACRK has been working with LEPs through its membership of the European Funding Network. Yet many RCAN members report finding LEP engagement difficult to achieve. This is said to be a result of LEPs focusing on mainstream business growth and not recognising the contribution of the civil society sector. Another factor is considered to be some LEPs seeing rural areas as peripheral to their interests. This has not been tested with LEPs and is an area that would benefit from further research.

RCAN members have been at the forefront of Wheels 2 Work schemes for many years. These are projects which provide subsidised or free moped-hire to (usually young) people who have no other way of making their journey to work or training. There is evidence that RCAN members are developing the employability potential of such schemes. For instance Shropshire RCC has linked up with social housing landlords to help vulnerable individuals such as care leavers make the journey to support and training provision. The RCAN network has been working with the national co-ordinator for Wheels 2 Work schemes, who is tasked with finding ways to make their funding more sustainable.

What does this tell us?

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- RCAN members are increasingly aware of their potential contribution to economic growth through their work under other priority themes for the Defra investment, such as that on planning and transport.
- The examples here identify important roles in supporting social enterprise, workforce skills, employability and encouraging people into or back into training that will help them gain employment.
- It also shows that when working in partnership with other organisations RCAN members can make tangible, direct impacts to the local economy, such as jobs and wealth creation through social enterprise and contributing to national employability programmes.
- It may be the case that the RCAN network is not well equipped to deliver on certain strategic objectives such as support for mainstream rural businesses. Nevertheless, effectively addressing related issues, as described here, makes a valuable contribution.
- Success in delivering economic growth activities and outcomes appears uneven across the RCAN network. The sharing of good practice and lessons learned would be valuable in terms of practical applications and to attract future investment.
- Despite localism policy that advocates a role for community and social enterprise with accompanying resources, such as (in time) the Big Society Bank, there remain challenges for supporting social enterprise. Limited public funding is available and there is still limited awareness among some policy makers and practitioners, including perhaps LEPs, of the value of supporting this sector.
- LEPs offer an important point of access for RCAN to rural economic growth opportunities. The evaluation has heard evidence that the network faces some barriers when it comes to influencing LEPs. However, this is only one side of the argument. It would be useful to learn from LEPs that have engaged with RCAN members what their expectations are. This might help RCAN to define its “offer” to them.
- Although this is a small sample of RCAN member economic activity, it also prompts questions about Defra’s expectations of the RCAN network in relation to its rural economic growth agenda and what it should realistically expect its contribution to be.

This is one of a series of learning notes and case studies which has been produced from the mid-term evaluation of Defra’s 2011-15 investment in the RCAN/ACRE network. Each of these topics could warrant more substantive research in their own right, but it is hoped these snapshots offer some lessons and stimulate further discussion of the issues.

The learning notes and case studies were commissioned by Defra

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