

Empowering Communities,
The SW Regional Empowerment Partnership

VALUING COMMUNITY EMPOWERMENT

Making the business case

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Glossary of abbreviations

ASC	Academy for Sustainable Communities – now HCA Academy
CD	Community development. ‘Working with people to enable them to enjoy a greater degree of influence over the decisions that affect their lives and to come together with others to devise solutions to common problems’ (HCA Academy website)
CE	Community empowerment. Variously defined as ‘the giving of confidence, skills and power to communities to shape and influence what public bodies do for or with them’ (Government) and ‘a process where people work together to make change happen in their communities by having more power and influence over what matters to them’ (Scottish government working party)
CDF	Community Development Foundation
CLG	(Department for) Communities and Local Government
CLP	Community–Led Planning
COSLA	Confederation of Scottish Local Authorities
DWP	Department of Work and Pensions
ESF	European Social Fund
ESRC	Economic and Social Research Council
HCA	Homes and Communities Agency
HCA Academy	Homes and Communities Academy
IDeA	Improvement and Development Agency
LA	Local Authority
LGA	Local Government Association
LGWP	Local Government White Paper
LGPF	Local Government Performance Framework
NEA	Network of Empowering Authorities
NEP	National Empowerment Partnership
NI	National Indicators
NI 4	National Indicator 4, on empowerment
NI 7	National Indicator 7, on thriving third sector
NM	Neighbourhood Management
NR	Neighbourhood Renewal
NOS	National Occupational Standards
OTS	Office of the Third Sector
PA	Planning Aid
PSI	Policy Studies Institute
REP	Regional Empowerment Partnership
RIEP	Regional Improvement and Efficiency Partnership
SKAP	Skills Action Plan (a programme of HCA Academy)
WP	White Paper
WNF	Working Neighbourhoods Fund

Executive summary

1. This paper is intended to stimulate thought and discussion on the topic of evaluating community empowerment, with special reference to whether it is feasible to make a business case in this area. It is not aiming to be the solution, but may provide a framework for finding one.

2. This is one in a series of publications on the empowerment agenda produced by Empowering Communities, the Regional Empowerment Partnership for the South West of England, part of the National Empowerment Partnership. The NEP is funded by the Department for Communities and Local Government and managed by the Community Development Foundation. Empowering Communities is managed by Creating Excellence, the regional centre for sustainable communities. Links have also been made with the Network of Empowering Authorities (NEA), supported by IDeA, who are supporting a 'hub' on the question of a business case.

3. The aim of focusing on the question of a business case is to go beyond merely affirming the importance of community empowerment to ask whether it is possible to relate a certain level of investment in empowerment to a certain level of measurable benefits. This would put empowerment on a stronger footing in both local and national negotiations about resources. It could demonstrate that additional investment would achieve greater outcomes or increase the efficiency of other services; or, if necessary, help defend existing investment. Even if a complete business case could not be achieved, the attempt to do so should improve methods of evaluation in this field.

4. Local authorities and local strategic partnerships are seen as the primary audience for this study. Other audiences are;

- Government departments, especially the department for Communities and Local government (CLG)
- Regional Improvement and Efficiency Partnerships (RIEPs) and Regional Empowerment Partnerships (REPs)
- The regeneration field, particularly The Homes and Communities Agency (HCA) and the HCA Academy
- Front line workers in all the relevant agencies
- People in communities, community organisations and community development workers

5. Early discussions suggest that potential users of a business case model in this field are most likely to value a relatively simple template enabling them to marshal information from available sources. A product of this kind is expected from the activities of the NEA hub. The present study considers what a complete business case would look like, then how feasible it would be and what approximations might be acceptable.

6. Ideally a business case needs to relate six factors:

- investment (*money / time / expertise*)
- inputs (*eg staff/ projects/ training*)
 - processes (*procedures/ methods*)
 - outputs (*events / activities/ projects*)
 - primary outcomes (*empowerment 'itself'*)
 - secondary outcomes (*effect on other issues*)

The reason for distinguishing primary and secondary outcomes is that empowerment is often valued as much, or more, for its effects on other services as for its intrinsic benefits.

7. It seems necessary to piece together the elements in a different order from the chronological order of implementation. Ideally we would assess:

- first what empowerment 'itself' is, in terms of its **primary outcomes**;
- secondly how it is valued in other fields: health, education, policing, planning, employment and how it affects people's satisfaction with these services (ie **secondary outcomes**);
- then, in the light of these objectives, what counts as relevant **investment and input**
- the **processes and outputs** which they generate
- whether the processes and outputs lead to the intended **outcomes** both primary and secondary
- what value can be placed on these outcomes in **financial and other** terms
- whether the same outcomes could have been **achieved by other means at lower cost**
- and finally what overall value can be placed on the investment in the light of the outcomes **compared with other ways the money could have been spent** and therefore whether investing in empowerment entails cost savings for the service or services as a whole.

It should be added however that this is an ideal scenario which is often not fully achieved even in better-established fields of public service.

8. We use 'empowerment' for short but the subject here is community empowerment. At certain points it will be important to recall this emphasis, in order to clarify the relationship between the empowerment of individuals and communities, and other meanings attributed to empowerment. A key issue for definition, and therefore for the rest of the process, is whether empowerment is solely about the relationship between communities and public services or is also about processes within communities. CLG defines community empowerment as 'The giving of confidence, skills and power to communities to shape and influence what public bodies do for or with them'. Contrastingly, a Scottish government working party defines it as: 'A process where people work together to make change happen in their communities by having more power and influence over what happens to them'. For comparison it is useful to note the terminology used by the Office of the Third Sector (OTS) for its indicator of the role of public agencies: it sees their purpose as being to 'create an environment to enable the third sector to thrive'. This arm's-length formula succeeds in affirming both the importance of the government role and the independence of communities.

9. An important extension of the meaning of empowerment emerges from the government's Operational Efficiency Report, April 09. The last of five sections, on innovation and empowerment by Sir Michael Bichard, is largely about 'empowering the front line workforce' to help achieve innovation, efficiency and cost savings. Whilst this is not the same as community empowerment, it has important connections with it. The relationship between empowerment of communities and empowerment of frontline workers in public services needs to be made clear.

10. The local government performance indicators for England and Wales are valuable both in highlighting some of the key features of empowerment (without necessarily being taken to cover its full scope) and providing evidence on it. The single official indicator of empowerment is NI 4: whether people feel they can influence decisions in their locality. Others that might apply if a wider definition of empowerment was adopted include:

NI 1: community cohesion

NI 2: belonging to neighbourhood

NI 3: equality of civic participation roles

NI 6: regular volunteering

NI 7: environment for thriving third sector

Additional indicators, or criteria from other sources, may ultimately be necessary but maximum use should first be made of the established indicators.

11. The 'thriving third sector' aspect has greater potential to contribute useful evidence than appears from NI 7 alone. This indicator is part of a wider survey commissioned by the Office of the Third Sector, probably the largest survey of the sector ever carried out in England. Findings are available for each local authority, and it is possible to broadly disaggregate evidence between the community sector and the professional voluntary sector on the basis of income or staffing. Of particular interest for empowerment, findings include whether groups and organisations feel they have local influence – a collective complement to the NI 4 question to individuals.

12. Secondary outcomes could be described in terms of the contribution of empowerment to any of the other local government indicators (8–198) on education, health, safety, planning, housing, employment, environment, transport, sport or arts and satisfaction with these services and with the locality in general. The secondary effects of empowerment could be sought through correlations of primary and secondary indicators or through the perceptions both of residents and service providers.

13. Investment and inputs then need to be identified to match what have been identified as the primary empowerment outcomes. Options for identifying inputs and their costs are one or a combination of calculation:

- (i) by department / unit/ staff [*eg the best value method formerly used to assess local authority departments*]
- (ii) by initiatives, schemes and projects [*eg the initiatives listed and supported by government empowerment policy*]
- (iii) by methods adopted in other fields [*eg by engagement/ empowerment training in policing, housing, health*]
- (iv) by all contributions to empowerment across a given locality (ie by the above methods combined)

All of these involve considerable simplification and approximation, but this is similar to established practice in main public services.

14. Examples of case studies which include some element of financial information attached to inputs and outcomes include these:

- Newcastle spends £1m pa on community development, which benefits 42,000 people (£24 per involvement);
- Neighbourhood management in Kendray estate, Barnsley, cost £350K pa and achieved increased value of housing, reduction in empty houses, lower crime, reduced costs of building an academy, to a total value greater than the cost;

- Neighbourhood policing saves more than its cost through reduced crime, eg Community Counts in Gloucester;
- European Social Fund 'global grants' achieve employment and employability gains at lower cost than conventional job schemes.

15. However, such examples are sparse, because most evaluation of empowerment doesn't collect the right information for a business case.

Common omissions are:

Investment costs

Number of people benefitting

Quantified evidence of primary outcomes

Testimony of secondary outcomes

Imputed monetary value of outcomes

Evaluation would benefit from using a business case model because it asks clearer questions.

16. A number of alternative perspectives should also be taken into account in considering how to make a business case. Connections should be made with: the increased importance of overcoming unemployment; the use of empowerment in the context of 'empowering the front line workforce' to increase initiative and efficiency; and with the implications of alternative economic paradigms critiquing conventional economic concepts on social and environmental grounds.

17. Discussions in the steering group, with the NEA Hub and at a workshop in the April 09 empowerment conference of the South West Regional Improvement and Efficiency Partnership suggest widespread interest in taking forward the question of a business case for empowerment. The NEA hub has initiated a programme to review available toolkits, devise a practical template and examine the effects of *not* empowering communities. Other avenues to explore might include:

- Examining how an empowerment business case might be used in the context of regeneration
- Examining whether a business case can be applied retrospectively to existing empowerment programmes
- Designing new programmes on a business case model
- Examining how evaluation methods could be better aligned with making a business case
- Exploring a business case for linking empowerment and employment
- Examining the relationship between empowering communities and empowering the frontline workforce to make efficiency savings

- Examining the implications of alternative economic paradigms for the empowerment business case.

18. It is suggested, finally, that having set the ball rolling by the present study the South West should build on this momentum by a new initiative to support and encourage the transfer of innovation, learning and effective practice in this area. No South West authorities are directly involved in the NEA business case hub, and there may be particular additional lessons to be learned by taking a regional approach (which other regions might also do) whilst also benefitting from, and making a further contribution to, the national picture. As well as being of direct value to participating authorities and their partners this could tackle additional themes that may not be covered by the NEA work, such as:

- Does regional or sub regional cooperation on empowerment add anything to the efficacy of a business case?
 - Is the business case for empowerment affected by the specific nature of the region or subregions?
 - What is the relationship between the empowerment business case and the nature of the local economy (eg urban centre, urban periphery, rural, coastal)?
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1. INTRODUCTION

Purpose

This study addresses the question of whether a business case can be made for public investment in community empowerment, and if so how it could be constructed and what it might look like. The booklet is intended to stimulate thought and discussion on the topic of evaluating empowerment. It is not aiming to be the solution, but may provide a framework for finding one.

This is one in a series of publications on the empowerment agenda produced by Empowering Communities, the Regional Empowerment Partnership for the South West of England, part of the National Empowerment Partnership. The NEP is funded by the Department for Communities and Local Government and managed by the Community Development Foundation. Empowering Communities is managed by Creating Excellence, the regional centre for sustainable communities.

As an explicit public policy and programme, community empowerment is barely three years old, though it has long antecedents in community development, involvement, engagement and participation. This overlap of terminology presents formidable problems in defining the scope of empowerment but a degree of help is at hand in the form of local government performance indicators which discriminate some of the key outcomes.

Interest in the possibility of a business case for community empowerment is widespread. Many of those with experience in this field are convinced that empowerment must have a growing role to play in solving contemporary problems, and this needs to be better demonstrated. At the same time, even existing investment in it may need more proven justification under current conditions. Government and taxpayers naturally want to know what they are getting for their money, whether it is good value compared with other ways the money might have been spent, and what additional benefit they might expect for further outlay.

This study focuses mainly on the principal local authority level in England but with other partners at all levels in mind, and most of the discussion has universal relevance. We focus on the question of a business case for the investment of **public funds**, though the argument is equally applicable to private and philanthropic funding, and to community effort itself.

Empowerment involves huge investment by communities in the form of their own time and energy, and a fuller inquiry should bring this inner dimension into the equation.

A further reason to examine the viability of a business case is the need to have clearer evidence of effect, in order to improve practice. Financially measurable benefits or equivalents are not the only way to judge success, and we do not yet know how fully they can be applied, but the attempt to apply them will entail useful challenges about cause, process and effect. To understand better which aspects and methods of the empowerment effort lead to which kinds of result must help, at the least, to avoid ineffective effort and improve impact.

What is a business case?

The notion of developing a business case for empowerment is attracting wide interest but is sometimes used quite loosely. The phrase is sometimes used simply to mean ‘making a more business-like case’ for empowerment. There is a wide literature on the intrinsic case for community empowerment activity¹ and it is not the main purpose of this essay to engage with that discussion, though the attempt to apply business case reasoning should considerably help to clarify it. Here we are concerned with the more specific meaning of relating costs to benefits. This is much more limited than the overall philosophy of empowerment but becomes crucial when it is necessary to look at allocation of resources and demonstrating effectiveness.

It is government policy that all government spending proposals should be accompanied by a proportionate and well structured business case. Guidance provided by the Treasury in its ‘Green Book’² is mandatory for central government but the principles apply at any level. The present discussion broadly reflects these principles but considers the special characteristics of empowerment.

What then are we looking for? What would a complete business case for community empowerment look like? An ideal chain of reasoning would:

¹ See for example the *National Empowerment Partnership Resources Catalogue*, Community Development Foundation, 2009

² HM Treasury, *The Green Book: Appraisal and Evaluation in Central Government*. London: TSO (undated). See www.hm-treasury.gov.uk/data_greenbook_index.htm

- (i) establish what community empowerment as an area of publicly funded activity consists of that is different from other forms of public service;
- (ii) establish the forms of input which go into it, and what their costs to the public purse are;
- (iii) establish what beneficial effects flow from this investment that would not have happened without it;
- (iv) derive or impute a financial value for the benefits identified at (iii);
- (v) compare the value established at (iv) with the costs established at (ii);
- (vi) examine whether the same benefits and of the same quality could have been obtained more cheaply by other means, and so
- (vii) provide a basis for rational decision about further investment in this practice.

To attribute financial value to a social outcome does not mean that one is judging public benefits solely on financial criteria. Comparing actual financial costs and attributed financial value is simply a means of comparing the effectiveness of different ways of using public funds. Some outcomes, such as increase of income or the acquisition of a building, lend themselves more readily to financial quantification than others, such as improved health, education, welfare, confidence or influence, but that does not mean that they are therefore more valid or valuable outcomes.

However, it must be noted that no amount of rational calculation can settle the question of the fundamental commitment to empowerment. If empowerment were merely, say, one of three possible methods for achieving better public services one could measure its effectiveness against the other two methods and conclude which is the best. Insofar, however, as empowerment is a human purpose in its own right, it cannot be judged only as a method, any more than one could judge the 'effectiveness' of health policies solely by whether they led to better education and employment or the effectiveness of arts and sports purely by whether they were effective therapies for depression. Each of these, and empowerment too, is a social good in its own right as well as have benefits for other social goods.

Policy context

Although it has a long history as a term in political debate, community empowerment only became an explicit UK government policy in 2006, with the establishment of the Community Empowerment Division in the (also newly named) Department for Communities and Local Government. The concept acquired concreteness through the listing of 23 government actions in the Community Empowerment Action Plan³, and 39 implementation commitments in what is generally known as the empowerment White Paper⁴. The designation of a specific empowerment outcome indicator within the local government performance framework operating from April 2008, namely whether people feel they can influence decisions in their locality (National Indicator 4), added focus, and proved to be a popular choice in the new system of priorities for local government three-year objectives (Local Area Agreements).

Nevertheless, ‘empowerment’ is still widely felt to be a somewhat slippery term, liable to sound condescending, vague or a piece of jargon. It was not used in the title of the 2008 White Paper of which it is the main subject, and the leading piece of legislation associated with it is a duty not to empower but to involve⁵.

We use ‘empowerment’ for short but the subject here is community empowerment. At certain points it will be important to recall this emphasis, in order to clarify the relationship between the empowerment of individuals and communities, and other meanings attributed to empowerment. I.e. it is about advances in the ability not just of individuals but of groups and whole local populations to exercise some control over their shared conditions.

As a concept, empowerment is ever more important both in political debate and public policy, but its various uses in specific policies and strategies are often not clearly joined up with community empowerment. In order to maintain policy support for community empowerment in a period of political instability, it is important to make those connections more visible and to demonstrate the effectiveness of the investment.

³ *An Action Plan for Community Empowerment*, CLG and LGA 2007

⁴ *Communities in Control*, CLG, July 2008

⁵ See *The Duty to Involve: Making it Work* by Michael Pitchford, Tom Archer and Sally Ramsden, Community Development Foundation, 2009.

The question of whether a business case is viable for this field is therefore fundamental for three reasons: firstly that empowerment is in reality the current title for a cluster of issues about the relationship between government and people which have had and will continue to have importance under any government; secondly that under this title some important advances have been made in the understanding, shaping and delivering of that cluster of issues; and thirdly that these issues have become even more pressing under conditions of economic and environmental crisis and threats to democracy.

An important extension of the meaning of empowerment emerges from the government's Operational Efficiency Report in April 09⁶. The last of five sections, on innovation and empowerment, by Sir Michael Bichard, is largely about 'empowering the front line workforce' to help achieve innovation, efficiency and cost savings. Whilst this is not the same as community empowerment, it has important connections with it. The relationship between empowerment of communities and empowerment of frontline workers in public services needs to be made clear. We look at this in chapter five.

Who for?

Community empowerment is relevant to all public services and agencies. Most are required at least to 'engage with' communities; some to 'involve' them; some explicitly to 'empower' them. These terms are not interchangeable but there is an essential continuity between them, and if it is impossible to get agencies, or government itself, to use them with complete consistency there is nevertheless a fairly widespread consensus that empowerment is a clear step further than involvement or engagement, whilst involvement or engagement may lead towards empowerment. But it will be necessary to return to the question of scope when we tackle the question of how to attribute costs and benefits to empowerment activities.

The intended audiences for this discussion are therefore ultimately all public agencies and government as a whole, and everyone who is active in community settings or organisations. Local authorities and local strategic partnerships are seen as the primary audience. Other include:

- Government departments, especially the department for Communities and Local government (CLG)

⁶ HM Treasury, *Operational Efficiency Programme: Final Report*, 2009

- Regional Improvement and Efficiency Partnerships (RIEPs) and Regional Empowerment Partnerships (REPs)
- The regeneration field, particularly The Homes and Communities Agency (HCA) and the HCA Academy
- Front line workers in all the relevant agencies
- People in communities, community organisations and community development workers

The primary focus is on England but there are glances at other UK experience, and the main argument is generic and international, though terminology and technical issues like available indicators will vary with national context.

Government's own investigations of the business case are proceeding in close dialogue with local authorities. In particular the 'Network of Empowering Authorities' convened by IDeA on behalf of government, together with the Local Government Association and the Community Development Foundation, is facilitating a 'hub' during 2009 on 'Building the evidence and business case for community empowerment'. Local authority members are Cumbria, Wolverhampton, Ipswich, Brighton and Hove, Birmingham, East Riding of Yorkshire and Portsmouth. The hub has set out to review toolkits and guidance, develop a model to demonstrate what a community empowerment business case could look like, and identify the consequences of *not* empowering communities. The present paper draws from, and seeks to contribute to, this dialogue.

2. DEFINING PURPOSE AND OUTCOMES

Government terminology

A substantial part of the challenge of constructing a possible business case is in deciding what counts as community empowerment. Any measurable framework must be applied in parallel to input, output and outcome dimensions.

The standard definition of empowerment used by government in England is:

the giving of confidence, skills and power to communities to shape and influence what public bodies do for or with them

coupled with this definition of community engagement:

the process whereby public bodies reach out to communities to create empowerment opportunities⁷.

This has encountered objections, especially from community development sources. It is said to be condescending and covertly *disempowering* by implicitly attributing the possession of power, and the right to give or withhold it, to government and professionals; it appears to ignore the power of communities to take action on their own behalf rather than just through influencing authorities; and assumes that community engagement necessarily leads to empowerment, whereas it might mean simply authorities engaging communities in the authorities' agendas.

Variant definitions have been advanced but the original definition continues to be cited, having been widely disseminated in the first wave of empowerment policy. A working party of the Scottish Government and local authorities, launching its own *Community Empowerment Action Plan* on 23 March 09⁸ takes a different line from the Westminster definition, saying 'Empowerment cannot be given to communities by others. Communities must decide the level of empowerment they want and how to get there themselves.' The Scottish working party's own definition of community empowerment is '*a process where people work together to make change happen in their communities by having more power and influence over what matters to them*'.

⁷ CLG / LGA (2007), *An Action Plan for Empowerment: Building on Success*. Wetherby: CLG Publications, p12

⁸ Scottish Government and COSLA, *Community Empowerment Action Plan*, March 09, www.scotland.gov.uk/Publications/2009/03/20155113/5

This overcomes the objections to the Westminster definition but could be seen as absolving government of responsibility for supporting community empowerment, though in context this is clearly not its intention. Perhaps a way of reconciling the different emphases of the two definitions would be to parallel the Cabinet Office's arm's-length formula for supporting the third sector, namely that it is a government (or local government) responsibility to *create a good environment* for community empowerment to thrive.

Turning to the activities and programmes promoted by government and local government under the empowerment policy, the landscape in any event becomes much wider. The items in the CLG empowerment action plan⁹ and the empowerment White Paper¹⁰ range from giving people a greater role in planning, housing management and running community buildings to encouraging community charters and contracts on the improvement of public services; from supporting local community activity through 'anchor' organisations to better access to information about local trends; and a wide raft of structural mechanisms to improve influence, challenge and redress. In practice, then, most empowerment activities are about other issues as well. This makes it difficult to separate out the costs and the benefits of the empowerment element but shows the breadth of its importance to other public services.

The relationship between individual and collective empowerment

As well as being linked with a wide variety of issues, most examples of empowerment are about collective activity – people acting together through groups, meetings, initiatives, campaigns or events. This justifies the term community empowerment but poses a problem for evidence. The official indicator of empowerment is a wide local survey of whether individuals feel they can influence the locality. Can it be assumed that a significant number of individuals will feel they can influence the locality through participating in collective events? Even if they do, can a number of collective events which typically only involve a minority of people in the local area affect the feelings of influence of a random statistical sample across the entire population of a principal local authority – around 250,000 people?

⁹ See note 3

¹⁰ See note 2

One problem is that the most disempowered people may be the least likely to participate in community activity. Volunteering is generally higher in better-off areas, and unemployment and other personal disadvantages demoralise the individual. Community empowerment is intended to alleviate precisely these types of problem but at a certain level of disadvantage the need for personal empowerment is bound to be the priority, and is perhaps even a precondition for participation in collective empowerment. Someone who is overwhelmed by the need to get more control over their own life, household and living conditions may not make much sense of the notion of influencing *the locality*.

To what extent, then, can community empowerment assist personal empowerment? Clearly there are major parts of the public budget, especially the benefits system, which are allocated to alleviating individual disadvantage. These are not regarded as part of the community empowerment budget. There are other parts, notably job creation schemes, which in some circumstances can be in some degree of competition with the community empowerment budget.

It will therefore be important for a business case to consider the interface between individual and collective empowerment, and to what extent community empowerment can demonstrate benefits for individuals. We look further at the individual–collective relationship in chapter four, and at the relationship with employment in chapter five.

These three points at least should be taken into account to try to link individual and collective dimensions in a business case:

- (i) Objectives and measurement of empowerment should seek to include both individual and collective measures
- (ii) Evidence should where possible be located at smaller local levels than the LA-wide scale on which the official indicators are collected. Some local authorities are making sure that the relevant indicators can be broken down to neighbourhood, ward or parish level as well as across the authority. A companion paper to the present study gives guidance on how links can be made even with small local projects.¹¹

¹¹ Gabriel Chanan, *Evidence of Empowerment: Reconciling Indicators with Local Experience*. South West Foundation on behalf of Empowering Communities/ Creating Excellence, 2009

(iii) Processes of empowerment should seek to maximise connection and communication between active participants in collective events and other local residents.

Using the official indicators

The starting point for assembling evidence on outcomes must be the relevant outcome indicators that are now built into the local government performance framework¹². Examining intended outcomes is in effect examining objectives, so this is a fundamental part of clarifying the whole purpose of empowerment. A reminder of the relevant indicators and some related ones is contained in the appendix to this paper. This is not to say that the definition of outcomes should be *limited* to these indicators but that it would be wasteful, and might lead to unnecessary duplication, if they are not considered first, and maximum use made of the extensive information being collected on them.

It is questionable however whether we can rely alone on the single designated empowerment indicator (NI 4, whether people feel they can influence decisions in their locality) to delineate the scope of empowerment. Activities identified by this criterion almost always happen in close association with other characteristic issues and outcomes. Whilst those other issues might not qualify as empowering *without* NI 4, NI 4 would be limited to a very narrow range of practice if it did not closely ally itself with those other factors.

The other factors are of two kinds: firstly those which are arguably an intrinsic part of a wider concept of empowerment, such as community cohesion, volunteering, civic participation and thriving community groups; secondly indicators of other issues, such as health, education, employment safety and general satisfaction with services on which empowerment activity may have an impact but which are primarily the product of other budgets and other types of input.

Using a wider cluster of outcomes to measure empowerment may be contentious. If it is granted that the heart of community empowerment is people's influence on decisions in their locality, this is often in danger of being obscured by the associated issues of volunteering, equalities, community cohesion and the role of the third sector. It could be maintained

¹² Communities and Local Government, *The New Performance Framework for Local Authorities and Local Authority Partnerships, Single Set of National Indicators*, Oct 2007.

that this was just what was wrong with community involvement policies and practices before the specific focus on empowerment. Community influence can be lost sight of if it is regarded simply as a byproduct of these other factors. It may be concluded that NI 4 is the essential litmus test of community empowerment, but there is still the question of whether it can stand on its own.

There are four main reasons for preferring NI 4 embedded within a cluster of closely associated indicators to the single NI 4 indicator:

- (i) Many of the activities generally recognised as empowerment, and indeed many of those used as examples by government itself, originated before explicit empowerment policy came on stream, confirming the impression that empowerment is either a new name for old practices or the name for a newly emphasised objective that was already partially implicit in previous practice.
- (ii) It is difficult to find activities or initiatives which are only about NI 4 and not about at least one and usually several associated issues. This would make it very difficult to know what proportion of costs to attribute to empowerment if we adopted an NI 4-only definition.
- (iii) NI 4 measures individual, not community, empowerment, albeit on a large scale. In theory you could achieve a rise of 10% of people feeling they can influence a given locality yet the collective life of the locality could be declining.
- (iv) A wider definition of empowerment corresponds better to the way that empowerment works in the community. Multiple outputs in a community are not accidental – they are interrelated. It is therefore best to adopt a definition which includes NI 4 but does not isolate it from its natural carriers of community activity directed at other objectives.

The indicators in the local government set most eligible as complementary aspects of empowerment are arguably those on cohesion, volunteering, equality of civic participation and environment for a thriving third sector¹³. We do not propose to make the case for each of them individually here – other ways of clustering the available indicators are possible – but we do need to examine the case for NI 7 (environment for a thriving third sector) in more

¹³ See Appendix for the specific wording of the indicator questions

detail, as this is collected by a separate survey which includes collective elements not captured by any of the others.

NI 7: Capturing the collective element

How indicator 7 should be used poses a special challenge but one that must be tackled if we are to be confident that we are measuring *community* empowerment rather than just the empowerment of individuals. If collective activity is an essential aspect of community empowerment, indeed of the phenomenon of community itself, there needs to be some way of reading across from the individual to the collective. It is necessary therefore that there should be information from groups and organisations as well as individuals. NIs 1,3,4 and 6, on cohesion, civic participation, influence and volunteering, and a number of others, are collected together by the 'Places' survey directed by CLG, which is addressed to a random statistical sample of the local population as individuals. NI 7 is collected by a separate survey addressed to a statistical sample of third sector *organisations*, including community groups, across the area.

The NI 7 indicator itself is only one question (no 23) in this much more wide-ranging survey about whether third sector organisations are thriving on a broad range of criteria. The single NI 7 question taken on its own is as limited as any other isolated indicator. It only asks organisations to say whether they feel they have been helped by the public authorities, not whether they are thriving in general. Other questions however concern a wide range of related issues such as the resources of the organisation, the services it provides, whether it feels it is achieving its own objectives and the level of volunteering which it mobilises.

The survey therefore has therefore potentially much wider use than the official indicator alone. Full results were published by Ipsos MORI on behalf of the Office of the Third Sector in May 2009 on an interactive website which shows results for each of the 149 principal local authorities in England¹⁴. The website enables comparison between local and national results for every question, and cross-tabulation between questions on the national sample as a whole.

In the event, the average positive response to the single indicator question, published in February 2009, may have been something of a shock to many

¹⁴ www.nstso.com/analysis

authorities who thought they had a productive relationship with the sector¹⁵. Nationally only 16% of respondents, with a fairly healthy response rate of around 50% from a huge national sample, felt that they were being positively helped by the local public authorities. (The exact wording is perhaps less clear than this, and may account for some of the negative response: ‘Taking everything into account, overall, how do the statutory bodies in your local area influence your organisation’s success?’).

It also seems likely that many organisations are unaware of help they receive from public authorities indirectly, such as that channelled through infrastructure organisations of the third sector itself. However, the survey shows that the third sector has its own weaknesses. The overall result suggests at least a major failure of communication between authorities and their local third sectors, and possibly also between third sector umbrella groups and their users as well. This reinforces the point that empowerment processes need to pay more attention to communication between those who participate in collective events and the rest of the local population.

However, given all the other questions in the survey, we are not necessarily limited to NI 7 itself if we are looking for indicators of collective outcome. We could base our judgement of whether the sector is empowered on the number of organisations which feel they have been successful in meeting their own objectives, whether they have sufficient resources to meet their objectives, whether they are confident that they will meet their objectives over the coming year; or perhaps particularly because it is a near collective parallel to the NI 4 question to individuals, how satisfied or dissatisfied they are with their ability to influence local decisions relevant to their organisation.

Nor do we have to use findings for the third sector as a whole if we judge it to be more appropriate to focus just on the community sector – the smaller groups which more fully embody local community activity. OTS recognises a problem in getting a proportionate level of response from community organisations, particularly those ‘below the radar’, ie too small or informal to be on recognised local lists, and is experimenting with ways to overcome this. But even with what is bound to be a disproportionately low response from small community groups, it is possible to broadly distinguish results for

¹⁵ See nstso.reporting@ipsos-mori.com. 16% of overall respondents said that local statutory bodies had a positive influence on their success (Q 23). Positive responses correlated highly with bodies that said they had direct dealings with local statutory bodies. 14% of respondents said local statutory bodies had a negative impact on them. 51% were neutral. Figures are available separately for each local authority area. This is the first survey of its kind and therefore forms the baseline.

community sector respondents from those for larger voluntary organisations on the basis of other questions in the survey, in particular financial turnover and number of employees¹⁶.

The simplest way to do this would be to look at results for organisations with less than £25,000 annual income in comparison with those with over £25,000 income (question 33). Broadly speaking, those with less can be regarded as the community sector and those with more as the professionally-led voluntary sector. This may not do justice to some of the larger organisations which are genuinely community-led and community representing but at least it would show whether smaller organisations in general are thriving as much as, more than or less than sector as a whole. Over half the responses are from organisations with less than £25,000 pa, so even if this is much less than proportional to the total unknown profile of small organisations, it is more than enough for making comparisons between large and small organisations. For example the national score on the NI 7 figure (question 23) is even poorer for the small organisations than large: about 12% of organisations with less than £25,000 pa feel that they owe something of their success to local statutory bodies, as opposed to about 21% for the larger organisations.

NI 4, therefore, seems best used as an anchorage-point and litmus test of the authenticity of an empowerment activity, but not as a boundary. The fact that people in a certain place were feeling more influential would be unconvincing evidence of empowerment if at the same time there was a decline in cohesion, equality of participation, volunteering and community groups – indeed, it would become very unclear what the increase in influence might mean. Empowerment would seem to stand on a firmer basis if it puts itself forward as the umbrella term for a tight cluster factors including the criterion of influence on public services, as reflected both through individuals and groups. The claim is then implicitly that empowerment is both about the inner strengthening of communities and their influence, both about individuals and groups.

¹⁶ Q 30 on no of employees and Q 33 on annual turnover. Organisations which have less than two FTE employees and a turnover below £25,000 could be regarded as constituting the bulk of the community sector in a locality. Even more simply the income division level could be used alone.

3. IDENTIFYING INPUTS AND RELATING THEM TO OUTCOMES

Three approaches

The discussion in the last chapter has been largely about how to fix the definition and scope of community empowerment in terms of its outcomes. Here we address the equally challenging issue of identifying inputs and relating them to measurable outputs and outcomes. It will remain to discuss how it can be shown that the inputs produce the outputs and outcomes they are intended to produce. This is addressed in the chapter on evaluation.

Establishing a business case involves being able to define both inputs, outputs and outcomes, and the definitions of these are in turn interdependent. Whichever components are included must be paralleled by the corresponding definition and outcome indicators and not by others which are irrelevant on that definition.

If a thriving community sector is one essential indication of local empowerment then the input side of the balance sheet in a business case would need to include investment going into helping the community sector thrive. This suggests that grants, community development support and subsidised premises for third sector organisations should be counted as empowerment inputs. It is questionable whether the whole value of contracts and service level agreements should also be included since they are primarily payments for service delivery rather than investments in empowerment. Perhaps some proportion should be included to recognise that empowerment of the community is enhanced by the commercial success of its third sector organisations. This might depend on finer judgements about whether the third sector organisations obtaining contracts are passing benefits on to local residents in some sense over and above those that would flow from private sector contracts.

CLG economists confirm¹⁷ that it would not be possible to extract inputs to empowerment from the way that local government finance is currently structured.

¹⁷ Richard Harries, CLG, private communication, 15 iii 09

A valid business case for empowerment could be constructed in a number of different ways, or a combination of them, so long as each way was clear and consistent in itself about its definition and boundaries. All methods however would require acceptance of some quite large approximations, or proxy elements. Three ways of identifying inputs could be considered:

- (i) By departments, units and staffing
- (ii) By initiatives and projects
- (iii) By methods applied to other issues

These are now considered in turn, with examples of some cases which display elements of business case reasoning applied to areas relevant to empowerment.

(i) By departments, units and staffing

This is a method that was employed with credibility during the 'best value' regime used to assess local government functions between 1998 and 2003. For example a number of local authority community development services were assessed under this regime. We may not equate community development entirely or exclusively with empowerment but it presents many of the same definitional problems. Best value assessments found that different local authorities' practical definition of community development did or did not include such costs as (i) providing or subsidising buildings for use by community and voluntary organisations; (ii) grants to community and voluntary organisations, and the cost of administering them; and, as an outcome (iii) grants and contracts brought into the locality by voluntary organisations from outside sources such as the Lottery, European programmes, philanthropic funders or central government.

Certainly the most convenient way to cost empowerment would be if there was a section within an authority whose whole cost could be attributed to empowerment. It might be a reasonable approximation to equate the overall work of a department of community development or community involvement, where such exists, with empowerment. This of course involves gross approximation, but no more so than other public services. Schooling is costed to education even though it also has effects on crime and employment; housing is costed as such even though it also has effects on employment,

health and transport; and so forth. Conversely, there are inputs to each of these from other spheres, and from private and community activity, which are not costed in. However, whilst health, housing, education and policing have major establishments whose overall costs are easily identified, a good deal of empowerment activity is carried out through other vehicles and would have to be extracted from them to impute to empowerment.

Even, however, to the extent that empowerment is equated with community development or involvement, input cannot always be limited to the staffing of dedicated units where they exist. CD staff for example can sometimes be found in several different local authority departments for different reasons, in other public bodies in the same locality, or funded at arm's length through third sector organisations, or through private or philanthropic funders. A business case for empowerment by a local authority and its partners, either for the whole LA territory or for a specific part of it, would naturally need to take account of other contributors.

A study by COGS for the Community Development Exchange and published within the programme of the National Empowerment Partnership¹⁸ analyses five case studies of local authority community development under the title *Empowerment in Action*. The authorities are Kirklees, Newcastle, Southampton, Southwark and Stockport. The information from each is not closely comparable but there are some items that would be useful for a business case.

On the input side some figures are given for levels of staffing or financing (which may now of course have changed since the study was done). Kirklees is said to have 14.5 community workers, 10 of whom are 'mainstream' and 4.5 funded through temporary government programmes. Southwark's main CD unit is ascribed 19 workers and a budget of £700,000 but there are more CD workers in other departments such as housing and Neighbourhood Renewal. Stockport ascribes £165,000 to CD. Newcastle has a CD budget of approximately £1m.

On the output side, Newcastle, exceptionally, provides figures for the number of people benefitting from the work of the unit. In one year (Oct 06–Sept 07):

¹⁸ *Empowerment in Action; case studies of local authority community development*. Sheffield: CDX, 2008

the unit involved a total of 41,695 people in community development activity;

3,882 people were supported to take part in community engagement with local authority services;

20,621 people took part in community cohesion events and activities;

3,643 people accessed capacity building activities involving the delivery of 7,218 training or learning hours;

2,833 people were supported to be involved in regeneration;

218 people were supported to represent their communities on crime and community safety issues;

area teams provided a further 2,044 people with advice and signposting; and

110 community groups gained £214,517 in grant aid to support their projects.

As the budget for the unit is approximately £1m p.a., this equates to a cost of around £24 per involvement. We are left with the dilemma of whether involvement can be taken as a proxy for an empowerment outcome.

As one item in the list, the gaining of grant aid by community groups is conveniently financial in form but it must be questioned whether it should be counted as a business outcome. It is certainly a gain for the groups concerned but whether it is an outcome for the LA empowerment service may depend on whether the money came from within the council itself (in which case it is rather an input than an outcome) and whether the groups would have got those grants without the community development workers' help (which could presumably be ascertained). Arguably, money brought into the local authority area from outside sources and unlikely to have been obtained without CD help should be counted as a gain.

In a separate example the following outcomes were attributed to work with older people in Kirklees:

Additional take-up of benefits amounting to approximately £350K

A substantial increase in people using local community transport service

People more aware of services available to them

Services commented on the benefits they gained in learning about each other.

Again, there are questions to be asked and norms to be laid down. Take-up of benefits which would otherwise have been dormant is an input from the national public purse, but is indeed a gain for the individuals, the local economy and therefore the local authority.

The identification of varying proportions of the time of non-CD staff contributing to empowerment is more difficult but must be considered in the light of government policy to spread empowerment skills amongst a wide variety of other occupations¹⁹. This policy is being taken forward by the Homes and Communities Academy²⁰, who have already taken some steps along the way under their remit to spread a wide range of generic skills across all occupations contributing to the sustainability of communities.

Research by WM Enterprise for the HCA Academy in 2007–8²¹ shows that elements of community development (CD) practice can be found in a number of other occupations. 70 to 80% of a sample of 404 respondents from seven broad occupational streams²² reckoned that their work incorporated a significant element of community development. For about half the sample the CD element was reckoned as being more than 25% of their work, and half of these again (a quarter of the sample) reckoned it to be more than half of their work. A closer identification of staff making significant contributions to empowerment from within other specialist roles would need to be done where a locality as a whole was being studied.

(ii) By initiatives, projects and activities

It would be possible to treat empowerment as a specified list of activities being carried out in a given place or with a given population, irrespective of departmental structures, if the costs of these activities (including staff costs) could be specified. The choice of relevant activities could for example be guided by those listed in the government's empowerment action plan of 2007 and those supported by the empowerment White Paper of 2008.

¹⁹ *Communities in Control*, CLG 2008 para 2.25 and elsewhere.

²⁰ Formerly the Academy for Sustainable Communities; incorporated as a distinct body within the Homes and Communities Agency at the inception of HCA in December 2008

²¹ WM Enterprise (2009), *Spreading Community Development*. Leeds: HCA Academy. See www.hcaacademy.co.uk/community_development

²² Broadly: (i) decision-makers; (ii) built environment occupations; (iii) environmental occupations; (iv) social occupations; (v) economic occupations; (vi) community occupations; (vii) cross-cutting occupations (Fig 2.2). 8% of the sample were community development workers by name.

This would require a good deal of mapping of local activities, and decisions on how tightly or loosely to apply the empowerment definition. Examples given by government are in practice much looser than its definition would suggest. Of the 27 briefly summarised case studies in the empowerment White Paper *Communities in Control*, two thirds look likely to have an impact on NI 4, and eight of these could also be regarded as likely to have a long term collective effect. The remaining third are loosely associated activities such as volunteering or some form of community involvement in education, health, environment or job creation with no visible element of empowerment in the sense of influence, or are the isolated actions of an individual²³.

It must be stressed that this is not a judgement on the original case studies (which are only briefly summarised in the White Paper) but a brief review to see whether activities that typically populate the area of community initiatives could be fairly readily sifted into those that are and are not about empowerment.

It is worth glancing at those of the empowerment White Paper examples which stand out as the strongest candidates for empowerment, to help ground the discussion: the Southwark hub, which provides assistance with a wide variety of forms of community involvement (1)²⁴; the Devon Take Part 'Speaking Up' project, in which residents influenced the local health service (4); the local broadcaster giving voice to the experience of refugees (13); the Newcastle young people's participatory budgeting scheme (14); The Sheppey 'Planning for Real' exercise which led to the establishment of a long-term residents' group (17); the Tower Hamlets young mayor scheme (19); the campaign to widen the source of local councillors in Leicester (23); and the long-running community enterprise complex in Coin Street, Westminster (26). A further group of five initiatives (7-11) are about provision of information to residents through new technology, which could be regarded as important and long-term preconditions for empowerment.

²³ A scan of the case studies in the empowerment White Paper has been carried out in connection with a study for the Homes and Communities Academy. Two questions were asked about each of these examples in order to decide whether they were primarily about community empowerment: (i) would this activity be likely to make a difference to whether people felt they could influence their locality (NI 4)? And (ii) would this activity be likely to strengthen the collective capacity of the community to exercise greater control over its conditions in the future (through community or voluntary organisations, as in NI 7)? *Empowerment Skills for All*, Leeds: Homes and Communities Academy, 2009, forthcoming.

²⁴ The numbers in brackets refer to the position of the case study in the empowerment White Paper

It would seem possible, therefore, by applying an NI 4 + NI 7 filter to any set of community-oriented activities, to identify those which are primarily about empowerment. What should be avoided is using 'empowerment' so loosely as to include more or less any community activity or community-oriented activity supported by public funds. Government documents themselves are not always clear on this.

A partial example or analogue is provided by EDuce in a study of Kendray, in Barnsley²⁵. Kendray is an established community with a population of around 5000, where a neighbourhood management initiative was set up in 2002 and in 2007 sought to retrospectively establish the cost benefits of its programme.

In 2008/9 the costs were £350,000. Benefits were assessed as follows:

A significant reduction in number of empty homes in the area was valued at £260,000, and 15% of this effect notionally attributed to the NM project: value: approx £40,000 a year

Lower crime levels were valued at £44,000 a year

A one-off saving in costs of building a new Academy, attributed to good relationships with the community in connection with negotiating antisocial working hours.

Other savings were inferred, but not given figures, regarding local environment, increased value of housing, reducing the numbers of young people not in employment, education or training, service delivery improvements, and greater trust between residents and council. The author of the study comments: 'Evidence gathered from interviewees, resident survey data etc provides a consistently positive picture in terms of the *contribution* of the initiative to the turnaround of the area ... even if it can be difficult to unpick the degree to which the gains can be directly attributed (...but) judgement of effects is not just a case of tallying the financial costs against identified *financial* benefits'. Lessons included keeping better data on inputs and outputs, and the need to obtain additional data from related sources, eg unit costs in the NHS concerning alcohol-related harm.

²⁵ Derrick Johnstone (2008) *Kendray Neighbourhood management: scoping costs and benefits*. Cambridge: Educe Ltd

The author, Derrick Johnstone, drew on the Kendray analysis to produce a guide to calculating cost benefits for neighbourhood management²⁶. He also draws on work by SQW in 2006 to suggest categories of 'strategic added value' that may be identifiable in neighbourhood management type programmes, such as

- stimulating innovation
- leveraging resources for action to improve neighbourhood services and outcomes
- sharing and developing knowledge
- mobilising residents to make a difference
- enabling partner organisations to exceed their targets

Clearly these elements would be very difficult to attribute to a specific input. But 'there needs to be a logical framework, or theory of change, which associates activities, outputs and outcomes in ways which are testable'.

He then sets out practical guidance on various themes or issues in terms of identifying the particular contribution of the initiative or service in question to increased effectiveness and 'resource saving or releasing'. There are a range of examples some of which are clearly more difficult to quantify or attribute financial measurement to than others. Examples range from relatively concrete items like 'reductions in areas of derelict land' and 'reductions in young people going through the criminal justice system' to 'partners better able to see connections between different services' and 'community support makes it easier for ASB teams to operate'.

As well as Kendray, he briefly reviews other examples – Community Counts in Gloucester showing that appointment of a diabetes specialist nurse saved her own costs in terms of preventing inappropriate visits to hospital; and 'Interlocking Basildon', a Local strategic partnership which calculated value in terms of savings of expenditure on crime, vandalism, health, education and money management amounting to over £300,000 a year from a partner funding programme of £100,000 a year – one of very few examples which get as far as relating expenditure on empowerment to savings in other areas of public expenditure.

²⁶ *Neighbourhood Management: Financial Costs, Benefits and Value for Money, Guide*, Cambridge, EDuce, 2008

(iii) By methods applied to other issues

A third approach, not necessarily exclusive of the first two, would be to identify empowerment as a method applied to other issues or within other agencies and disciplines. The costs here might be those of retraining or redeploying staff, undertaking certain activities additional to the traditional role, or supporting community groups and activities relating to the issue concerned.

Neighbourhood policing, for example, is increasingly integrated into standard policing methods, and includes some element of empowerment. This might be regarded as including some part of the cost of the 16,000 Police Community Support Officers now employed in England. It is difficult to generalise about how far PCSOs carry out empowerment, since police forces have wide discretion as to their exact role. A somewhat stronger case could be made for community wardens, and even more so for neighbourhood managers. The police service, at any rate, is evidently convinced that community involvement plays a major part in reducing crime. The ability of police to demonstrate the efficacy of investment in community involvement in crime prevention in terms of crime figures for small areas is enviable from the point of view of other services where outcomes are less clear cut – or evaluation methods less systematic.

Health is a case in point. With increasing longevity, obesity and diabetes, and increasingly expensive treatments, the health budget is a major factor in the national economy, and the health service is manifestly convinced that major savings can be, and must be, made by getting people to take greater responsibility for their own health. This would also surely be a gain in both personal and community empowerment, yet successive attempts to embed involvement in the system have not yet achieved a decisive breakthrough, and health policy tends to treat ‘patient and public involvement’, inculcating healthy personal lifestyles and support for the third sector as three separate issues, though they are closely connected on the ground.

In guidance on community engagement in health²⁷ NICE identify 73 sources of evidence suggesting important health outcomes from community engagement, including reduced alcohol-related crashes, making healthy lifestyles a community norm, improved vaccination uptake, increased safe sex

²⁷ *Community Engagement to Improve Health*, NICE Public Health Guidance 9, Feb 2008. London: National Institute for Health and Clinical Excellence. www.nice.org.uk/PH009

practices, improved diet and numerous indirect effects such as positive impact on housing management and overcoming neighbourhood stigmatisation²⁸. However they could only find one study that looked at cost-effectiveness. They acknowledge that it is particularly difficult to apply conventional cost effectiveness analysis to community involvement but are disappointed that it has been tried so little: 'Few studies report costs'. They recommend cost effectiveness analysis including:

- A careful and detailed description of the activity
- A comparator, which may be a 'before intervention' observation
- One or more validated outcome measures
- A careful and comprehensive account of the costs
- A sufficiently long follow-up time.²⁹

In the field of employment, the so-called Global Grants scheme within the European Social Fund could be regarded as an empowerment-based approach to the issue of overcoming worklessness, as it concentrates (despite its name) on working through local community groups. Whilst direct cost benefit comparisons with other job creation schemes would be difficult to make fairly because global grants are targeted specifically at the most 'hard to help' people, it seems highly likely, from evaluation figures, that increasing employment and employability through this scheme is more economical than conventional job creation schemes (which absorb the bulk of ESF provision as well as domestic funding). Evaluation of Global Grants carried out for the DWP showed gains in employment for 46% of individual beneficiaries and 11% of beneficiaries through groups, together with a range of 'softer' gains in terms of skills, work experience, qualifications, literacy and numeracy, self confidence and motivation.³⁰

Again, the question for a business case is how far this scheme could be designated as a form of community empowerment. It would be unlikely to show up on NI 4 but it has a significant community sector strengthening aspect which is not captured (or sought) in the DWP evaluation but is revealed in regional evaluation by the South West Foundation³¹ and would be likely to affect responses to questions in the NI 7 survey. The small grants to help employability are channelled through local community groups which also

²⁸ Ibid, Appendix C

²⁹ Ibid, 2.22

³⁰ Gerwyn Jones and others (2008) *The Effectiveness of ESF Objective 3 Global grants in Increasing the Employability of the most Disadvantaged*, Insite and BMRB for the Department of Work and Pensions

³¹ Jan Crawley, *Global Grants: Setting Solid Foundations*, South West Foundation, 2006

increase their own long-term capacity to take on employability issues. The omission of this *collective* local outcome in the DWP evaluation is one of many examples of community empowerment still being invisible in areas of policy which should be taking it into account.

What if there was no empowerment?

A different light is cast on identifying inputs by the question 'What if there was no empowerment?'. This has been raised by the NEA empowerment hub, who intend to investigate it: here we include just a few initial observations. The hub anticipate that a lack of empowerment input might show itself in such forms as:

- Loss of information, evidence etc to support decision-making
- Increase in demand and impact on resources
- Limited feedback
- Falling customer satisfaction
- Loss of funding opportunities.

This 'null hypothesis' could not be disproved unless it could be shown that empowerment (in our wide sense of a cluster of objectives) did in fact have the effect of overcoming those deficiencies. It is always difficult to find proof of adversity prevented, but the attempt throws into relief the question of whether the benefits of existing programmes are taken for granted. A similar approach, albeit without hard evidence, has been posited regarding community development. The Community Development Challenge report³² affirms that 'in many localities *without* community development'

- there are few community groups, and many individuals do not realise that the issues that concern them are shared by others and can be affected by joint action
- the most disadvantaged people receive poor quality public services yet are least confident and skilled at representing their needs to authorities
- some of the groups that do exist remain small and exclusive, dominated by cliques or strong individuals who keep decision-making (and sometimes benefits) to themselves; organisations may be run unconstitutionally or unfairly

³² Community Development Challenge group, *The Community Development Challenge*, CLG, 2007

- community organisations fail to adapt to changing circumstances or miss out on funding opportunities which might enable them to expand or change direction. Their work becomes unsustainable or inappropriate and does not evolve
- community leaders and representatives are not properly selected and held accountable and may flounder or be ineffective on partnership boards
- different interests in communities are unable to reach a consensus or vision that articulates their views to others and as a consequence their interests do not register in public decision-making
- sections of the local population are not able to participate in activities that are intended for the whole community because prejudices, assumptions and cultural differences are not tackled
- public agencies and departments that need to engage with local communities are unaware of each other's efforts, lack insight into how communities work and have few channels for dialogue with them'.

Clearly one cannot say that this is *necessarily* true of all communities without community development, even disadvantaged ones. It is rather a checklist of warning signs, and could be used to alert authorities to situations demanding community development – or empowerment. This kind of list could also be used to help establish a baseline and objectives for an empowerment programme, against which to measure intended progress.

Conclusion

Overall it is clear that whilst a number of agencies have carried out useful experiments to address the question of cost-effectiveness of programmes and projects that would be recognised as empowerment, this approach is far from widespread and there is no widely recognised model for doing so yet in place. Consequently we are still a long way from being in a position to confront the question of how the costs and benefits of empowerment affect the profile of local public services as a whole, or of a particular public service, or affect public satisfaction with either of these. By applying this perspective, however, we have hopefully helped to open up the path to further innovation and eventually the establishment of standard practice. It remains here to examine how well evaluation norms in this field would serve the business case purpose, and that is the subject of the next chapter.

4. EVALUATING PROCESS

Fragmentary evidence

One reason why there is not ready evidence for a business case on community empowerment is that evidence of the right kind for this purpose has not been sought and collected, even though it may well have been available at the time. Promoting pursuit of the business case therefore implies intervention in evaluation norms in this field. Evaluation is the link between the objectives and the outcomes – it is the evidence and analysis to show how the investment was used and that it did, as far as can reasonably be deduced, lead to the outcomes. It is also about understanding contexts and methods. The official indicators which we have discussed above are strictly about outcomes only, and cannot in themselves tell us anything regarding how they came about.

There are numerous case studies of community empowerment activities, often doubling up as community development case studies, but it is rare to find a good description of the process which is also linked to costs and benefits. Case studies too often follow a narrowing path, starting with the condition of the community and ending with the outputs or results of a project. The starting point will often be described in terms of levels of unemployment, crime, health or education across the population of a neighbourhood or locality, because these are the statistics which are taken to show where empowerment is most needed; the process then described in terms of the establishment of a project directly involving some fraction of the people affected by the issue; and conclusions then reached in terms of the outputs of the project. There is rarely any reference back to the levels of employment, crime, education and environment used in the original diagnosis.

One of the reasons for this ‘funnel effect’ may be the modesty of the empowerment resource compared with the size of the collective problem. CD focus traditionally ‘starts from where people are’ with a belief that the problems of a locality are interconnected and that if one can ‘turn around’ a few of the most intractable problems in a multiply-deprived neighbourhood this will spread ‘positive ripples’ with ever-widening effects. Exceptional case studies do capture this development and some of the effects. Most initiatives, however, are unable to document such a transformative picture even if they may to one degree or another have contributed to it.

Scale

A key element that needs to be developed is what we have identified as the issue of scale: the relationship between the empowerment of individuals, small groups or project participants and of communities and local populations as a whole. A business case cannot be built on the widespread fuzzy language which identifies any group of participants as 'the community', thus neatly masking the question of the relationship between an involved minority and the rest of the local population. Numbers must be specified, in terms of (a) those involved, small as they may be, and (b) others who are also expected to benefit. Neither group should be over-estimated if there is to be any hope of capturing definite effects from empowerment activity. There is clearly more likelihood of a small project impacting on a neighbourhood or parish than on a large area. It is better to do precise evaluation on a small scale even if the figures do not achieve statistical significance than to make generalisations about large numbers amongst whom no definite effect can be detected.

A sharper focus needs to be thrown onto the fact that most community empowerment initiatives are in practice about the relationship between an active minority and a wider, more passive but potentially benefitting majority. This does not imply that these are not fixed categories: a person may be an activist on one issue and passive on others; or active at one time and passive at others. No-one can be active on all issues at all times, and some people are not active in the community at any time.

The underlying question is whether, somewhere amongst a given group of people as a whole, say the population of a neighbourhood, estate, ward or parish, there is an increased capacity to solve the problems affecting them all. An ideal indicator for this would be along the lines of whether both individuals and groups felt that, between them all, and including the role of local groups and organisations, they were better able to confront new problems after a specified empowerment programme than they had been before. This allows for the fact that communities include some active and some passive people, some more and some less aware, some more and some less influential.

This increased capacity would therefore show differentially in different individuals, and perhaps in some not at all. But increased numbers of people being active, increased effectiveness of community groups and organisations, and increased numbers of other people being aware of and identifying with the action would justify a conclusion of *community* empowerment. 'Influence

on the locality' needs to be understood to include indirect influence through other community members. This again reinforces the necessary connection between influence on public authorities and relationships inside the community. In much present policy discourse these relationships are either assumed or ignored.

To serve a business case, then, community empowerment evaluations need to collect information both from individuals and community organisations and both for direct participants and from others who are affected by the action. It is necessary to know (i) who this larger group of intended beneficiaries is; (ii) whether they are aware of the action; (iii) whether they do perceive benefits either for themselves or others; and (iv) whether they identify with the feeling of empowerment that may be experienced by the actively involved residents. This throws emphasis onto the responsibility of an empowerment project to be outward-facing and to communicate its actions to the wider community.

It is not realistic – or necessary – to expect that all residents should go through the same intensive experience as the highly active minority on a particular action or project. But if there is to be lasting impact the business-case approach should also direct attention to the question of cumulative effect and coordination across localities. What we could look for is that the numbers of people who are aware of and identify with the empowerment experience should gradually increase through a series of activities.

Applying business case logic in the field of empowerment therefore requires developmental intervention. It should help to establish measurable objectives and steer processes to give them the best chance of demonstrating impact. Some of the activities supported by government empowerment policy itself could helpfully be reconfigured this way. Whilst the aims of, say, participatory budgeting or widening the pool of councillors are intrinsically empowering it is not clear that the same applies to, say, asset transfer or the role of anchor organisations. The *visible* beneficiaries of asset building and anchor organisations are the organisations themselves – it remains to be shown that the benefits and empowerment effects are passed on to users.

Equally, the public services are best able to cope with widespread influence, and more likely to make changes in response to it, if it is mediated through collective activity. The presentation of empowerment policy could helpfully be

clearer on this. It should avoid any implication that large numbers of people can *separately* influence public services³³.

It was lack of such clarity which caused widespread problems with the ChangeUp programme run by the Home Office in 2004–6. The intention was to increase the capacity and improve the infrastructure of third sector organisations so that they would be able to deliver a better front-line service to communities and community groups. However, the allocations were not accompanied by outcome criteria in terms of benefits to local populations and user groups located in communities. Many third sector infrastructure organisations improved their systems in some way but whether and how this improved their front-line delivery remained largely impressionistic.

Similar problems in tracing the end-user benefits of major increases in funding for the NHS in 2005 suggest that this is a pitfall in government funding systems generally. The clear lesson would appear to be that the funding of organisations should not be substituted for the funding of certain functions of those organisations: the objectives, criteria and audit trail should be designed in terms of impact on end-users. If grant regimes intend to boost empowerment by giving money to an organisation in the third sector they should specify that this is the purpose and how it would be recognised in outcomes amongst the local population, not just in the organisations (without trying to micromanage how the organisations achieve this).

Because empowerment is still an *emerging* policy, albeit built on a long history and likely to undergo further change, the delineation of eligible activities should itself be used to refine objectives. The empowerment element in grant criteria, for example, should be strengthened to ensure that empowerment is a primary purpose. Whereas formerly a grant to a community centre may have been given against criteria such as:

- worthwhile community activity
- accountability for the spend
- community-based management committee,

the empowerment objective might suggest adding that the recipient organisation would be expected to:

³³ The limitations of purely individual influence are illustrated by the ill-starred ‘Citizen’s Charter’ under the John Major Government in the early 1990s. Interpretation of its intentions hung on an apostrophe. It had some value in prompting services to set out their commitments to users but, addressed primarily to individuals, the potential for it to become a *citizens’* charter was not realised.

- proactively open up management committee membership to a wider range of members
- demonstrate that users and members have greater influence over the community organisation itself
- demonstrate that experience of participation and influence in the organisations increases participants' ability to influence local public bodies.

The deeper reality of empowerment, implicit in many of the initiatives in the government's empowerment programme and in parts of the policy narrative, but naturally not captured in outcome indicators such as NI 4, is the process by which residents establish common ground, reconcile differences and create collective positions. Empowerment relies on a great volume of 'below the radar' activity in terms of networking, mutual aid, cooperation, the evolution of community groups and local voluntary organisations. But this activity is not undertaken solely to increase community influence. It is in itself a major part of the substance of empowerment and can be summarised as social capital. If isolation is disempowering then collective activity is, to a degree, intrinsically empowering. The trajectory from isolation to influence is neatly captured in guidance from Praxis on the empowerment element in building refugee groups:

- overcoming effects of trauma, helplessness and fear of authority
- knowledge of UK society, systems, institutions, policy and decision-making processes and sources of support services and resources
- skills in accessing information, organisation, leadership, communication and negotiating with relevant agencies
- access to participate in and influence relevant public policy and decision-making
...in parallel with positive action in community groups coming together to express and address their shared needs³⁴

Whilst being a refugee is an extreme case of the disempowerment of isolation it nevertheless illustrates a general principle about the intrinsic connection between empowerment and participation in collective activity. An ideal evaluation would not only supply the base business case evidence but illuminate these connections between individual and community empowerment.

³⁴ Refugee Community Development Model, Praxis Community Projects , 2006. Pott Street London E2 OEF. www.praxis.org.uk

Combining indicators at small local level

The official indicators are not, however, collected for local projects but at principal local authority level, so even if they were all going up (or down) at the same time, this would not necessarily show linkage in a specific neighbourhood or project but only as averages across the sampling of a large population. Some local authorities are helpfully applying the same indicators at neighbourhood, parish or ward level and this will provide useful supplementary information even if the numbers in any one such locality are not large enough to make statistical inferences.

The same indicators however can be adopted for evaluation even by small projects. Guidance on linking small projects to LA-wide indicators is given in a parallel paper on this subject³⁵. Even if the catchment population is far too small for statistical analysis, projects can much more easily be used to illustrate (or contrast with) LA-wide empowerment statistics if they use some of the same types of judgment. This can assist in bridging the cultural gulf between local empowerment effort and local authority-level analysis. It would also help to sharpen up objectives and evaluation. Most empowerment case studies are content to show increases in participation without showing how those increases lead to any specific increase in influence, let alone how that influence affects outcomes of the service or activity influenced.

Policing, as acknowledged above, is often an exception: there are a number of studies showing reductions in crime as a consequence of community participation in neighbourhood policing. Much less common are verifiable evidence of improvements in health, education, planning or most other issues, though there are abundant descriptive examples. Few case studies take the trouble to show improvement in cohesion or mutual aid as a result of activities designed to achieve these. All too often the description of the activity itself substitutes for the implied outcome. It is taken for granted that if an interfaith festival attracted 1000 attenders it increased cohesion; or that if a campaign for a community centre was successful it resulted in a stronger community. The assumption might be correct, but it also needs to be shown.

³⁵ *Evidence of empowerment: reconciling indicators with local experience*, South West Foundation on behalf of Empowering Communities, the SW Regional Empowerment Partnership, 2009, forthcoming

5. ALTERNATIVE PERSPECTIVES

It is clear from the foregoing that one of the main difficulties of accounting empowerment is the way it is intertwined with other issues. At the same time, this is one of the reasons for its significance. It is timely to flag up three areas where empowerment is evidently becoming more important, and which may also affect how it is understood in the future, but which have so far not been properly joined up with it. These are: (i) employment; (ii) empowering the front line workforce; and (iii) alternative economic paradigms.

Employment

The importance of examining the relationship between individual and collective empowerment is further accentuated by the recession. For people in relatively secure conditions, community empowerment is about improving local conditions, making public services work well and making local governance vigorous. For people in poor conditions, empowerment is about making the locality work best as a place that mollifies the disadvantages and compensates for them as much as a place can. But can empowerment contribute to getting jobs?

People who are personally disempowered, by poverty, joblessness or other disadvantages are in a weaker position than others to participate in collective empowerment. Their priority is naturally to overcome their personal obstacles, and they don't tend to see these as problems of the locality: local surveys of community priorities rarely highlight employment even in places where unemployment is high. This may be because unemployed people see it as a personal problem, not a local one, or because unemployed people are more demoralized, and unlikely to respond to local surveys.

This has a critical importance for the question of a business case for empowerment. At all times, but particularly in recession, there is pressure on government to spend as much as it can on job creation. This can compete directly for resources that might otherwise be used for empowerment, on the grounds that employment is more urgent and a more direct means of overcoming poverty. This was clearly the reasoning behind the replacement of Neighbourhood Renewal (NR) by the Working Neighbourhoods Fund (WNF) in 2008. NR was one of the main resources for empowerment, and its ending has reduced resources in this field.

However, the realism of focusing all efforts on job creation, in areas where this was difficult even before the recession, is questionable. A number of local authorities and partnerships have used the flexibility in the WNF scheme to ensure some continuing balance between job creation and empowerment across a range of issues. In an informative article on 4 May 09³⁶ *Regeneration and Renewal* showed that about half the WNF money in the first year of the scheme was spent on neighbourhood renewal-type issues in the designated areas: housing, safety, community development, health, education and transport.

Accompanying editorial comment described this as ‘misuse’ ‘abuse’ and ‘cockup’. It is by no means clear however that, overall, job creation schemes, which expensively help a small number of those in need, overcome worklessness better than community empowerment, which can improve conditions for a whole neighbourhood economically. In neighbourhoods where unemployment was high *before* the recession, even a doubling of WN cash is not going to change things fast, and meanwhile the condition of local services is the substance of people’s quality of life. Creating jobs for what can only be a small proportion of individuals is no substitute for ensuring that the neighbourhoods themselves are working well, any more than the other way round, so a balance of the two types of use is sensible. Of course overcoming worklessness is a high priority but it doesn’t solve everything, and in any case, over half the population is not in the labour market, for perfectly good reasons – and far more than this in disadvantaged areas. It is not necessarily a ‘diversion’ of the fund to take ‘working neighbourhoods’ literally, not just as a euphemism for job creation isolated from improving local conditions.

The case for job creation however looks at first sight much more cost effective than empowerment and neighbourhood renewal because of the money it saves in public benefits. Reporting to government in 2008 on progress on the Welfare to Work programme since 1997³⁷, David Freud estimates that the public purse saves on average £9,000 when a person moves from incapacity benefits into work, over £8,000 for those moving off Jobseeker’s allowance and £4,400 for lone parents moving off Income Support; and that this can be counted again for several successive years since people tend to stay on these

³⁶ ‘Where the cash went’, *Regeneration and Renewal*, 4 May 09, p 14-18

³⁷ David Freud, *Reducing Dependency, Increasing Opportunity: Options for the Future of Welfare to Work*, Department of Work and Pensions, 2007, executive summary, p7

benefits for up to eight years. He suggests that any job created for less than three years' such benefits is a net gain to the Exchequer.

The pressures of recession mean that business cases such as this are being made overwhelmingly in terms of cost savings rather than effectiveness of outcomes. Empowerment cannot 'compete' in terms of saving its own prior costs because nowhere near these amounts of money were spent on it in the first place. Indeed, this very reasoning, showing that job creation can pay for itself even at a fairly high individual cost, throws into further question why the cost of it should have been taken in effect from the neighbourhood renewal pot.

Empowerment should however find ways to show how it saves money in other areas, including where possible overcoming worklessness. Freud highlights the way that 'disadvantages work together and reinforce each other...Multiple disadvantage does not receive the attention it deserves because of the government's "client group" approach'³⁸. Yet this is only seen in terms of individuals, not communities or neighbourhoods.

Given the inevitable policy emphasis on employment, empowerment strategies should extend their links with this issue, and this should be built into the business case framework. A much wider range of community groups than those who see themselves as social enterprises could be urged to link job creation into their other objectives. Some jobs are a gain both for the individual and the area, others just for the individual. It should be possible to show that jobs created through local community groups have a triple value because in addition to the value for the individual the activities create improvement for the neighbourhood and can also multiply volunteering. Conversely, some jobs are more likely to take people away from the locality.

Empowering the front line workforce

The Prime Minister's foreword to the 2008 empowerment White Paper, *Communities in Control*, spoke of 'the transfer of power *both to front-line professionals and to users*' (my italics). The text of the White Paper, however, announced 'a new Empowering the Frontline Taskforce' which would 'look at the role of the public service workforce in empowering users and residents and how the frontline can respond to a more empowered public' (1.54); and in

³⁸ Ibid p3

the implementation annex this was again ‘to consider the role of the public sector workforce in empowering users and residents’.

The section of the government’s Operational Efficiency report of April 09³⁹ by Sir Michael Bichard focuses on the professional side of the frontline interface, the workers, but goes some way to restoring the dual perspective hinted at in the PM’s preface: he interprets his strand of efficiency as being about ‘involving front line staff and their clients in redesigning public services’. And he recognises that the reason why frontline staff are ‘often the people with the best ideas for service improvement and innovation’ is that they are ‘close to service users’(5.29).

He doesn’t however quite cross the line to recognise that this is often because it is service users themselves who have the ‘best ideas for service improvement’ and that the best frontline staff are encouraging and reflecting this. So although residents are included in many of his examples, the Bichard vision misses the opportunity to bring the government’s *community* empowerment agenda into the frame and join up with it: the recommendations are only about ‘establishing better ways of engaging with the expertise of those working at the frontline’ (5.30).

So neither Bichard nor the community empowerment agenda deal explicitly with the critical question: how can front line staff both empower service users, as the community empowerment agenda requires them to do, and innovate ‘upwards’ within their agencies, as the efficiency programme wants them to do? It is salutary to recognise the innovative potential of front line workers but just ‘tapping into’ it (Bichard, 5.29) won’t work: there has to be analysis and training for the complexities of the dual role, and culture change at the managerial and director level to be able to respond to these currents of influence.

The concept of the frontline needs to change from being seen as the boundary of service delivery to being seen as a site of *interaction* between providers and users, with *mutual* empowerment. The language of ‘tapping into’, like that of ‘harnessing’ the energies of the community, misleadingly gives the impression of a commodity just waiting to be accessed. In fact it is a potential that has to be consciously developed – on both sides of the fence. Unless this is fully brought into the strategy, there is a danger that some of the other Bichard

³⁹ HM Treasury, *Operational Efficiency Programme: Final Report*, 2009

recommendations could undermine his own intentions: if, for example, in abolishing almost all budget ringfencing, and in further slimming down the local government performance indicators, the hard-won levers for community empowerment and neighbourhood coordination are once again lost sight of.

A Joseph Rowntree Foundation study by the Policy Studies Institute⁴⁰ gives some clues as to the pressures experienced by front line staff in reflecting users' perspectives: some see themselves as taking up users' issues within their own agencies, others understandably are troubled by possible conflicts of interest or role and are anxious about raising expectations they can't meet. The forthcoming Homes and Communities Academy report, *Empowerment Skills for All*, begins to address the question of how front line staff across all professions that deal with local communities can themselves be skilled up to contribute to community empowerment.

Given the imperative of saving public funds, it is vital that a business case for empowerment takes account of the Bichard agenda – and vice versa. This will not be easy as the two discourses are coming from different directions, but it is vital if there is not to be widespread confusion about what government means by empowerment, and which part of government is driving it.

Alternative economic paradigms

The combination of recession and climate change has also brought back into the limelight discussions about the distorting effects of conventional economics on society and the environment which already have a long history. The Canadian campaigner Ronald Coleman⁴¹ argues that using GDP and 'economic growth' as shorthand for prosperity and wellbeing severely distorts public policy. It counts resource depletion as economic gain, devalues unpaid work, and the formula 'GDP per head' gives a spurious impression that wealth is spread equally but actually tells us nothing about how wealth is distributed.

⁴⁰ Kathryn Ray, *Public Officials and Community Involvement in Local Services*, Policy Studies Institute, 2008

⁴¹ See www.gpiatlantic.org Presentations by Ronald Coleman, and also by Nic Marks of the New Economic Foundation, given at a 'Measuring What Matters' conference in Dundee on 27 March 09 are available online, courtesy of the Scottish Community Development Alliance – thanks to Peter Taylor for this facility:
<http://www.communitydevelopmentalliancescotland.org/documents/seminars/MeasuringWhat%20Matters.html>

The alternative he puts forward is GPI, genuine progress indicators, which he has piloted in Nova Scotia, Canada. These place positive value on natural wealth, health, free time, unpaid work, and counts sickness, crime, disasters, pollution etc as costs. The Nova Scotia pilot shows that genuine wellbeing does not entirely follow the money: less stress, high faith, safety and social support can partly compensate for low income. He argues that to assess true wealth we should measure 'six capitals' – natural, human, social, cultural, built and financial capitals. However, he seeks to complement and critique GDP, not completely replace it, and to use monetary calculations to make the social and environmental case: 'Every \$ invested in reducing green house gas emissions between 2008–2020 will save \$29 in avoided damage'.

These arguments draw on a long stream of thinking, especially by feminist economists in the 1980s and after (Marilyn Waring, Maria Mies and Vandana Shiva) who made deep links between caring for people and caring for the earth. Waring, starting from a New Zealand base, looks particularly at how GDP is specifically constructed to screen out unpaid work, especially work characteristically done more by women than men the world over. Shiva and Mies draw on movements in Asia and Europe to argue for the necessity to return to an economic norm based on (adequate) subsistence instead of superfluity.

How does this affect our approach to the business case? So long as money is a means of exchange, it remains important to know how much things cost when paid for. GPI and wellbeing indicators are ways of showing that you can measure things in other ways than money. In this respect, the government indicators of influence, cohesion, volunteering and thriving third sector are already 'alternative' measures, and it is a huge step forward for proponents of alternative economic approaches that these are now included in national statistical systems. This is another reason to use them to the full and to ensure than they are not swept away in the next cull of official indicators.

At the same time, longstanding measures of health, education, employment etc are also 'alternative' in that these are regarded as social goods in themselves, not only because they save money. The problem therefore is not with the lack of alternative indicators, though interesting new ones may help, but with the relationship between indicators of intrinsic value and the cost of publicly funded activity. As expenditure, money is a limited resource, the use of which for any given purpose has to be justified by expected results. The distortion in public decision-making which Coleman and others critique is a distortion arising from the assumption that reducing public expenditure or

spending money to make money are necessarily better returns on investment than spending money to achieve wellbeing or save the environment. Thus an expenditure which can show a profitable return in terms of increasing GDP or reducing public expenditure is valued above an expenditure which shows a 'profit' in terms of human or planetary wellbeing.

The cogency of the GDP argument depends on an assumption that higher GDP in turn provides resources for higher expenditure on wellbeing, by generating employment and taxation, which in turn generate wellbeing and public services. The arguments are not diametrically opposed: countries with high GDPs do also generate higher tax yield which in turn provide more extensive employment and public services. But high GDP also fails to count its own cost in terms of natural resources and human aggravation. The critical question is not therefore which of two models to prefer but about how to modify and integrate them.

The dominant economic paradigm, however, does not attempt to make an integrated calculation. It does not wholly ignore the human welfare side but rather separates the two spheres of 'wealth creation' and human welfare into two huge and largely mutually uncomprehending blocs, the 'private' sector, whose job is to generate money, and the 'public' sector, whose job is to spend it on human welfare. Each bloc functions within its own culture, so the private sector does not deduct human welfare costs from the way it operates, and the public sector does not add in financial gains from the way it operates.

The making of a business case for empowerment can be seen as helping to spread the understanding that there are two parallel and interacting economies, both necessary to life-support, one based on cash, trade and jobs, the other based on mutual aid, local conditions and social capital, and that each has its own valid ways of counting value, which must ultimately be reconciled so that the overall net costs and benefits can become visible.

6. CONCLUSION AND RECOMMENDATIONS

Empowerment is too important an objective to leave to the mercy of political fashion. Whatever the terminology, we are not talking about a recent invention but achieving new clarity and methods to enhance fundamental aspects of democracy and healthy society which are always in danger of atrophy, and even more so in the age of global financial risk.

The fundamental question about a business case for this area is whether government, on behalf of society as a whole, should be investing in empowerment at all or whether it is best left to people as citizens. In a pre-modern age it may have been best to leave it outside all government structure. But in the modern and post-modern age the interdependence of people and organised structures is so dense that unless people can influence public agencies they cannot control the immediate conditions of their lives. Stimulating and assisting people to be able to exert such influence, yet without increasing state control, is therefore a necessary adjunct to the provision of services themselves.

It is right and necessary, therefore, that governments should invest – at a suitable arm's length – in supporting the ability of people to influence public agencies, including government itself, from a wholly independent base. Resourcing the empowerment objective is an admission by wise government that however wise government is, it will always tend to overlook certain needs or problems, or is always liable to fail in the quality of service or in taking account of disadvantaged people unless there is 'discipline from below'. This is one of the most enlightened things that a government can do, though some parts of government itself sometimes seem to fail to understand this sophisticated commitment.

But if significant investment is required, the demand for a business case must also be faced. This essay has opened up the issue and pointed to some of the key considerations. It is to be hoped that more complete evidence and reasoning will soon be brought to bear on the subject.

Discussions in the steering group, with the NEA Hub and at a workshop in the April 09 empowerment conference of the South West Regional Improvement and Efficiency Partnership suggest widespread interest in taking this topic forward. The NEA hub intends to review available toolkits, devise a practical

template and examine the effects of *not* empowering communities. Other avenues to explore might include:

- Examining whether a business case can be applied retrospectively to existing empowerment programmes
- Designing new programmes on a business case model
- Examining how an empowerment business case might be used in the context of regeneration
- Examining how evaluation methods could be better aligned with making a business case
- Exploring a business case for linking empowerment and employment
- Examining the relationship between empowering communities and empowering the frontline workforce to make efficiency savings
- Examining the implications of alternative economic paradigms for the empowerment business case.

Having set the ball rolling by the present study the South West is well placed to build on this momentum. No South West authorities are directly involved in the NEA business case hub, and there may be particular additional lessons to be learned by taking a regional approach (which other regions might also do) whilst also benefitting from, and making a further contribution to, the national picture. Initiative might lie particularly with the Regional Empowerment Partnership who set this study in motion and with the Regional Improvement and Efficiency Partnership.

The approach could start by forming a club of interested South West local authorities (and possibly other stakeholders) who wish to advance on this issue, to provide a test-bed for the emerging ideas both from this region and elsewhere. The club could propose an 'associate' arrangement with the NEA hub, offering additional experience, especially a regional perspective, and could develop additional themes that may not be covered by the NEA work, such as:

- Does regional or sub regional cooperation on empowerment add anything to the efficacy of a business case?
- Is the business case for empowerment affected by the specific nature of the region or subregions?
- What is the relationship between the empowerment business case and the nature of the local economy (eg urban centre, urban periphery, rural, coastal)?

Given the developing nature of this work, it is perhaps too early to run training events, but would be timely to support authorities in working through relevant elements, for example: a prototype template; different approaches to identifying inputs (e.g. by departments, units and staffing); and harmonising LA-wide and very local indicators to improve evaluation.

Such an initiative could support and encourage the transfer of innovation, learning and effective practice in this area; support a number of sub-regional case studies that reflect the impact of community empowerment in terms both of business and national indicator outcomes; and in due course run events for policy-makers, managers and front-line workers to disseminate what has been learned and improve practice.

Appendix: Notes on indicators

(i) The first six national indicators collected by the Places Survey for the Local Government Performance Framework and six of the most relevant other indicators in the local government performance framework.

Number and name of indicator	The question/s asked or definition of evidence
1: % of people who believe people from different backgrounds get on well together in their local area. (Cohesion)	'To what extent do you agree or disagree that your local area is a place where people from different backgrounds get on well together?' (Places Survey Q.18)
2: % of people who feel that they belong to their neighbourhood	How strongly do you feel that you belong to your immediate neighbourhood? (Places Survey Q5)
3: Civic participation in the local area (Equalities)	Preamble + 'In the last 12 months have you been - a local councillor (LA, town or parish) - member of a group making decisions on local health or education services -regeneration...crime...tenants' committee...services for young people... other...?' (Place survey Q16; targeted especially to equalities groups by gender, ethnicity, disability, age, religion/belief, sex orientation) (not poverty, income or class)
4: % of people who feel they can influence decisions in their locality	'Do you agree or disagree that you can influence decisions affecting your local area?' (Places survey Q 13)
5: Overall satisfaction with the local area	Overall how satisfied are you with your local area as a place to live? (Places survey Q 3)
6. Participation in regular volunteering	Preamble + 'Overall how often over the last 12 months have you given unpaid help to any group(s), club(s) or organisation(s)? Please only include work that is unpaid and not for your family' [at least once a week/ at least once a month/ less often/ not through any organisation]
23 Perceptions that people in the area treat one another with respect and consideration.	'In your local area how much of a problem do you think there is with people treating each other with respect and consideration?' (Places Survey Q 19)
50 Emotional health of children	Being developed from Ofsted 'Tell Us' survey
128 user reported measure of respect and dignity in their treatment	'In the last year would you say that you have been treated with respect and consideration by your local public services?' (Places survey Q 20)
138 satisfaction of people over 65 with	'Overall, how satisfied are you with your local area as a place to live?' (Places survey Q3) and 'And how satisfied are

home and neighbourhood	you with your home as a place to live?' (Places Survey Q4)
139 the extent to which older people receive the support they need to live independently at home	'In your opinion are older people in your local area getting the services and support they need to continue to live at home for as long as they want to? (this could include help or support from public, private or voluntary services or from family friends or the wider community)'. (Places survey Q 21)
140 fair treatment by local services	Places survey Qs 6 - 11 - various questions about use of and satisfaction with variety of services

.(ii). NI 7: Indicator of 'environment for a thriving third sector'

(Addressed to third sector organisations including community groups)

Q 23: 'Taking everything into account, overall, how do the statutory bodies in your local area influence your organisation's success? [Very positive influence/ positive influence/ neither positive nor negative/ negative/ very negative/ don't know]

.(iii) Some of the other questions from the OTS 'Thriving Third Sector' survey:

- Thinking back over the last 12 months, to what extent do you think your organisation has been successful, or not, in meeting its main objectives?
- Thinking back over the last 12 months has your organisation had sufficient or insufficient of the following resources to meet its main objectives [income; management and leadership staff; paid staff; volunteers; trustees/ management committee members; financial reserves; space to operate, eg office space; information and communications technology; advice and support; networking opportunities]?
- Looking forward over the next 12 months how confident or not are you that your organisation will be successful in meeting its main objectives?
- Overall, how satisfied or dissatisfied are you with your ability to influence local decisions that are relevant to your organisation?

Other questions in the OTS survey deal with types of activity and beneficiary, and sources and levels of funding.

.(iv) Other questions from the Places Survey which do not appear as part of the indicator set but could provide useful supplementary information:

- Q 14 'Generally speaking, would you like to be more involved in the decisions that affect your local area?' (Cf NI 4)
- Q 22 'How safe or unsafe do you feel when outside in your local area after dark?'

- Q 23 ‘How safe or unsafe do you feel when outside in your local area during the day?’
- Q 25 ‘How much would you agree or disagree that the police and other local public services seek people’s views about ... issues in your local area?’

Extracted from *Evidence of Empowerment: reconciling indicators with local experience*, South West Foundation, 2009, forthcoming.
