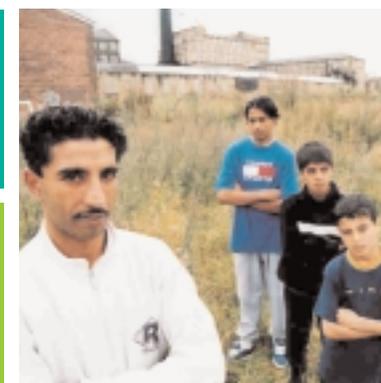


on the borderline: development trusts tackling poverty in the UK



by Glenn Arradon



Photographs Front cover (clockwise from left): *Ben & Jerry's PartnerShop*, Cresco Trust; *Green Leaf Café*, Acumen Community Enterprise Development Trust; Bradford Trident; *children burying a time capsule under the building of their new school extension*, Bradford Trident. Inside cover: *Royds Community Association*; *Community Well*, Renton Community Development Trust; *Youngster using the new skate park*, Bradford Trident; *Mission Hall Quilts*; Cresco Trust

on the borderline: development trusts tackling poverty in the UK



In the world's fourth richest economy, after ten years of a Labour administration, low inflation, high growth, massive investment in public services, the minimum wage, and more people in work than ever before poverty remains as intractable as ever. Local authorities, urban and rural, across the land have had to embrace the "closing the gap" agenda, but the truth is the gap between rich and poor is getting wider and wider.

While some members of society can own two or three homes, thousands are homeless or living in overcrowded family homes shared by two or three generations. Our education system obsessed with the 55% A to C's, fails the other 45% and condemns them to a lifetime of lower opportunity and lower income. In adjoining neighbourhoods in our major cities life expectancy for those born and brought up on the "poor side of town" can be as much as ten years less than their more affluent neighbours.

But there are beacons of hope, examples of ordinary citizens working together to do extraordinary things. Taking control, creating hope, opportunities and wealth. Building local enterprises, developing and owning assets, offering training, creating jobs. Development trusts across Britain working tirelessly for the benefit of their communities.

If there is a development trust where you live join in. If there isn't then start one. The Development Trusts Association and its members are here to help.

Dave Clarson M.B.E.
Chair, Development Trusts Association

development trusts are
working in the most
deprived areas in the UK

Introduction

After decades of government led anti-poverty programmes and despite the recent period of economic growth, poverty and disadvantage are still very much a reality in many neighbourhoods across the UK. Recent studies by the Joseph Rowntree Foundation have even suggested that one in five people in the UK may be living in relative poverty. So what does this 'poverty' look like and what can we do about it?

As the examples in this publication will show, poverty has a lot to do with income, and that in turn has a lot to do with the quality of jobs available. But that is not the whole story; poverty often has more to do with the neighbourhoods that individuals live in. A poor neighbourhood is a neighbourhood where community facilities and services are lacking. The area may suffer from a low achieving school, a lack of affordable transport, a shortage of health facilities, the absence of banks, poor quality childcare or a poor standard of neighbourhood policing. Together these individual failures create a cocktail of disadvantage that will deny whole groups of people the opportunity to achieve the basic quality of life which everyone in this country is entitled to.

The growth of the development trusts movement over the last two decades has provided numerous examples of how the cycle of deprivation can be reversed in a sustainable way. Because development trusts involve local people in finding their own solutions they cultivate the skills and networks that individuals need to maximise their life chances. But perhaps most importantly, development trusts are there for the long term, and the examples in this publication illustrate how sustainable solutions are being tested in communities across the country to make sure that poverty is addressed for good, not just for the next funding round.

Development trusts are based in some of the most deprived areas of the UK, and have made it their mission to tackle poverty and disadvantage. They are owned and led by people living and working in their own community, and they use enterprise to create, circulate and anchor wealth in their area. If we are serious about eradicating poverty, we need to support community-led organisations that are enterprising and solution-oriented, motivated not by the quick fix, but by the long-term prosperity of the whole community.

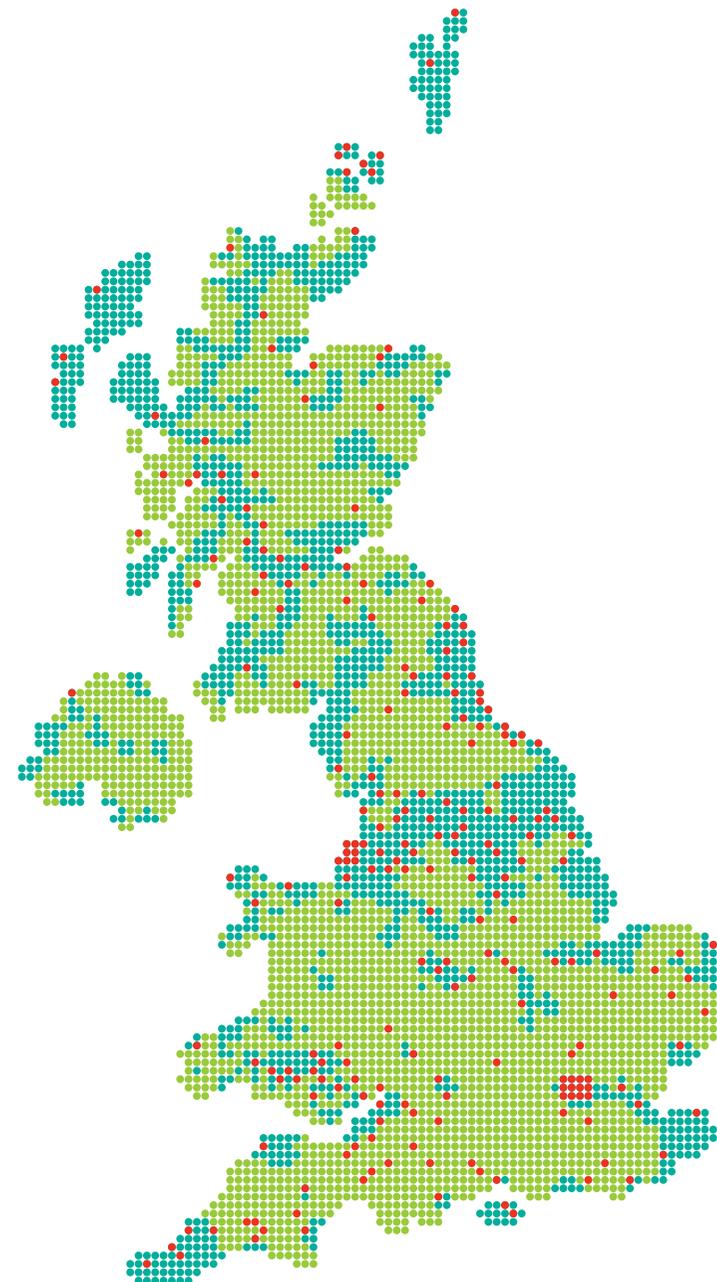
This publication tells the stories of some of these development trusts. We have organised their stories around three main themes of anti-poverty action:

- how development trusts generate wealth by creating opportunities for employment and training
- how they circulate wealth by building social capital
- how they prevent wealth from leaking out by fighting financial exclusion.

We hope you will find these examples inspiring and of practical use, and we invite you to listen to the stories being told by the practitioners and local people themselves on the CD enclosed, alternatively visit www.dta.org.uk to listen to these stories online ■

- Development trusts
- Areas of multiple deprivation

Based on the Indices of Multiple Deprivation for England, Scotland, Northern Ireland and Wales



creating opportunities for employment and training: stories from development trusts that generate wealth in their communities

Poverty of aspiration can be tackled:

Acumen Community Enterprise Development Trust

Established: 2003

Community-led action:

- Employment and training support
- Business coaching
- Three social enterprises (community café, Wheels 4 Work and a community plant nursery)

Lessons for others:

Community projects need to be sustainable, and to be sustainable they need to be business-like and professional.

For more information visit

www.acumentrust.org.uk

An area in decline

In 2004 Easington, on the East coast of County Durham, was the seventh most deprived district in the UK. Many families in the area suffered from poor health and unemployment, drug issues, and severe housing problems. But for Kate Welch, the founder and Chief Executive of the Easington based Acumen Community Enterprise Development Trust, one of the main issues in the area has been about poverty of aspirations: “People don’t necessarily see that there is a bigger and better life out there that they could have because they are used to what they’ve got; and if it is about living on benefits it is still relative poverty”.

Easington was a large coal mining area until 1994, with rows of back-to-back colliery houses still bearing witness to its mining past. The film ‘Billy Elliott’ recently brought to our screens lively scenes from the streets of Easington; and whilst on the surface, Easington might seem like a pleasant environment to live in; it has large pockets of deprivation, with households on low-income and inter-generational unemployment. For many of these households quality of life has been steadily declining over the last few decades.

Acumen was set up in 2003 to address these issues. For Kate Welch fighting poverty is ultimately about raising people’s levels of income, and

she sees employment as an essential part of this process. At Acumen, poverty reduction starts with building social capital and by getting people involved in community projects. In this way, the trust is able to engage with local people and help them gradually move towards economic activity.

"If we can get people to the stage where instead of life being in control of them, they are taking control of their own life, and they are able to get out there, get a good job, move on from that job to another one, or achieve some career progression within their job then we are giving people a sustainable route out of poverty"

Bringing business acumen

Kate came to the district in 2000 to set up and run a government funded initiative for employment which was run through Job Centre Plus. But as Kate recalls, "they were so many things that we couldn't do within the public sector", so in May 2003 she set up the Acumen Development Trust to tackle these issues head on and "bring back a bit of business acumen into the voluntary sector".

The core of Acumen's work is about community engagement, leading to advisory work to support people into enterprise and employment. The trust runs Job Centre Plus contracts to help put people into work, and supports five business coaches

working across the area. It also runs a number of social enterprises in Easington including a community café and a "wheels to work" service operated on the back of a forklift truck training business. The trust is about to launch an IT social enterprise and a pre-employment construction training project. Like many other charitable organisations operating in deprived areas, Acumen uses Neighbourhood Renewal funds, European funding and other government funding schemes, but they are gradually moving towards a stage where they will be delivering long term contracts and generating sustainable income from their social enterprises.

Over the last 4 years, Acumen has built itself a local reputation for thinking positively and helping people reach their full potential. For example, the trust recently helped a single mother who came in looking for some cleaning work. Having dropped out of education when she fell pregnant the first time, she was looking for flexible work to fit around her two children. Instead of finding her some cleaning work, the trust was able to find her a job in a contact centre with flexible working hours, and opportunities to progress and pick up on her education. For Kate it is all about encouraging people to think that little bit bigger, because as she puts it: "that limiting self belief is what prevents most people from moving out from

poverty and into economic prosperity." To date, Acumen has helped 470 people start businesses, and many of the people behind these businesses never thought they would be able to get into employment let alone start their own business. This was the case for two sisters from Horden who recently opened a shop on the High Street called "Cakes 4 U". They had been making and selling cakes from home for a long time but only recently took the decision to set up their own shop. Cakes 4 U provides birthday cakes, wedding cakes, and a whole range of sugar craft equipment for people that want to bake their own cakes, whether individuals or other professionals. The shop has been a great success since it opened in 2006, and people now come from miles around to buy their produce, bringing money to the area. ■



"We got a lot of help from Acumen. They were the first people we went to see with our very first idea, just a book with some photographs in, and we had this mad idea to open a shop. They thought it was a good idea, and here we are! We can just ring for advice now, and it is nice to have somebody at the end of the phone."
(Edwina, Cakes 4 U)

Photographs (left to right): Cakes 4 U; Bloomin' Marvellous Landscapes





Barriers can be broken down: Cresco Trust

Established: 2003

Community-led action:

- Pre-employment training programme
- Ben & Jerry's PartnerShop programme
- Quilting shop and training centre
- Intermediary Labour Market programme
- Social research

Lessons for others:

We are members of the local chamber of commerce, and it is a vibrant and vital part of our work in the local community, because we can't do our work in isolation.

For more information visit

www.crescotrust.com

A city divided

Just beyond the City Wall the sectarian divide is still a reality in Derry. The Cresco Trust is using enterprise and peacebuilding to bridge this divide and tackle deprivation in the area. "Everything that we do whether it is quilting or ice-cream is about people and jobs... but Cresco's real strength is in its partnerships" says Margaret Lee, Chief Executive of the Cresco Trust.

The City of Derry is known for its troubled past, and over the last few years symbols of this past have become major tourist attractions, including the more recent murals and the 'watch tower' on the City Wall. The political process has brought new hopes for the future, but social and economic problems will need at least as much attention as political ones for local communities to start benefiting from the change.

One of the real issues in the City of Derry is that unemployment has been consistently higher than in other parts of the UK. Even today, it is not unusual to come across households with three generations of unemployed family members, and neighbourhoods where not going to work is the norm. For young people leaving school, chances of finding a job can be slim, particularly if they were born in the 'wrong' area or went to the 'wrong' school. ▶

Below: Community awards, Jobs, Education and Training (JET)





A bridge to employment

Training, employment and peace-building are the three building blocks of Cresco's action, and it is using enterprise and its partnerships with the private sector to develop new opportunities for disadvantaged people across Derry.

One of the trust's access points is its pre-employment programme which offers advice and training to the long term unemployed, women 'returners', unemployed youth and those that have suffered from redundancies. It is there to offer a helping hand and instil confidence in people so that they can get over the first hurdle of getting an interview. It is often through this programme that Cresco will make initial contact, and can then use its networks to offer these people the chance of a job.

The trust has a partnership with ASDA which guarantees an interview to those who have been through the trust's pre-employment programme, and Margaret Lee sees opportunities to further develop this approach in the future:

"We see ourselves almost like a broker between the people we work with and the people that can offer employment."

Cresco is itself a local employer, through its Ben & Jerry's Ice cream shop and through its quilting enterprise. Ben & Jerry's have been running a programme in America called 'Partnerships' since the late 1980s whereby they donate a business to a community organisation so that it can use it to encourage young people onto the employment ladder. Cresco made contact with them and were able to open the first Partnership in Northern Ireland. The shop is located in a busy centre inside the City Wall, and offers quality work with a proper salary and lots of prospects and built-in support to local people that may be distanced from the labour market, and who are facing multiple problems and disadvantage.

Breaking down the barriers

In 2006 Cresco established its second social enterprise: a quilting shop and training centre which draws on the City's industrial history and acts as a

vehicle for peacebuilding. From around the mid 19th century Derry became a shirt-making city and a lot of the workers were women who would use the off-cuts to make utility quilts in their spare time. Because the factories employed everybody and anybody, the quilt-making craft became both a Catholic and Protestant tradition. Nowadays a lot of people still quilt in Derry, and many more are rediscovering this shared tradition.

The shop sells all sorts of items that people would need to make a quilt, and it is being built into a business that can support the teaching activities. The trust employs seven trainers to teach the classes, and all are women who have experienced long term unemployment. For Margaret Lee and many of the women involved in the shop and training programme this project is bringing people together whatever their background. ■

"This is us as a community after 35 years of quite horrendous troubles finding something where we can come together, where we can do something that is not going to be contentious or difficult. You can sit and quilt as friends and it doesn't matter which side of the sectarian divide you come from. We have some remarkable friendships being developed" (Margaret Lee)

Photographs : Ben & Jerry's PartnerShop



Volunteering can be a stepping stone:

Inverclyde Community Development Trust

Established: 1996
(under previous name since 1987)

Community-led action:

- Community care services (meals delivery, home shopping, dementia care services)
- Training centre
- Volunteer centre

Lessons for others:

We have an asset base of over £1m, and that to some extent gives us some security, but after twenty years sustainability is still an issue for us.

For more information visit
www.icdt.org.uk

Industrial decline

Inverclyde Community Development Trust was created in the 1980s as part of an anti-poverty strategy for a post-industrial area 25 miles West of Glasgow suffering from rising unemployment. The trust is now the largest voluntary sector employer in the area and works with local agencies to remove any barrier which local people may face in finding employment. Jim Bristow, Chief Executive of the trust, knows the trust may never be able to bring an end to poverty and deprivation in the area, but he draws strength from the many success stories that they have had a hand in.

Inverclyde is an 11 mile long string of three towns and two villages west of Glasgow, on the south banks of the river Clyde. Because of its strategic location, the area has a long tradition of industrial activity around ship-building and engineering as well as sugar. From around the mid 1950s and early 1960s, IBM located in the area adding a new layer of employment opportunities. But today all of these industries have either disappeared or are in rapid decline. There is only one shipyard left in Inverclyde and it employs less than 100 employees compared to 12,000 in 1985.

Removing barriers to employment

The mission of the trust is to help the people of Inverclyde move on and

improve their quality of life. While its main activities are in the fields of community care and training for employment, it uses access points like its volunteer centre and other outreach centres to facilitate initial contact with local people and support them towards employment. Because they are rooted in the local community these centres are able to provide a supportive but challenging environment for long term unemployed people that will encourage them to gain in confidence and consider alternative routes to employment. The trust now employs over 100 people, and provides training and employment opportunities to nearly 1,000 people every year. ■



“The trust helps you a lot and tells you everything you need to know about getting a job” (Frazer)

Above: Workshop training

“Prior to coming to the trust, I had been unemployed for two years and it came to a stage when I felt that I would not get back to work again. People can't believe the difference it has made to my life in the six months that I have been here. Coming to work at the trust has been the best thing that ever happened to me. It has equipped me to go and look for other jobs, and has given me back my confidence. My friends cannot believe the difference it has made to my life in the six months that I have been here; people have said to me if this what is going back to work does to people then what an advert for it!” (Leslie)

“I had been unemployed for six months when I found a voluntary job in the trust's finance department. After three months they offered me full time employment, and I have been working here ever since. The trust even supported me in further training to improve my skills. Soon I will be fully qualified as an accountant, and I will have gained vast experience, and now there are plenty of opportunities to progress. I started four years ago as a volunteer, and now I am a finance supervisor.” (Steven)

building social capital in deprived neighbourhoods: stories from development trusts that help to circulate wealth within the community

A community can be in control: Bradford Trident

Established: 2000

Community-led action:

- Education projects
- Crime reduction (including a community warden scheme)
- Housing improvement and development schemes
- Health and local environment projects

Lessons for others:

We have tried to give people who want to make a difference, opportunities to get involved to the level they want to. Without that the area doesn't move forward.

For more information visit

www.bradfordtrident.co.uk

Inclusive approach

When Bradford Trident was first set up in 2000, the area was the second most deprived ward in England, but after seven years of community led action, local people have seen huge benefits. For Steve Hartley, Chief Executive of Bradford Trident, this success wouldn't have been possible without the involvement of local people in the design and implementation of their regeneration projects.

Bradford Trident was set up to improve the quality of life of people living in an area of around one square mile on the southern edge of Bradford city centre. It was awarded 'New Deal for Communities' status in 2000 and by 2010 it will have received some £50m of public money to fulfil its mission. In 2000, only a third of local residents were in employment, and household income levels were lower than the district average. But the area was poor in more than just financial terms. Housing conditions were inadequate, as were basic facilities and services such as doctors, parks, policing, schools and transport. Local kids were struggling at school and only 20% of them were obtaining five GCSEs (A to Cs), while crime was higher than the district average. The combination of all these factors meant that for families living in the area it was often a struggle to



Above: Children involved in Bradford Carnival

make ends meet let alone improve their quality of life.

Before being awarded the £50m, Bradford Trident did a lot to engage with local people, consulting them about what they thought the issues were. It structured its Board so that about half of its trustees would be residents while the other half would be representatives of local and public agencies. The Board was always very clear that Bradford Trident was there to make quality of life better for local people and with local people. Over the last seven years it has developed a vast network of residents who are interested in making this a better area. Steve Hartley is explicit in his view that Trident could never have achieved success without local involvement: “We have tried to give people who want to make a difference the opportunity to get involved to the level they want to; so if you are really committed and want to spend a lot of time on it you can try and get onto our Board and we hold election for residents on the Board; or if you want to get involved on a specific issue like the local park there will be opportunities to get involved.”

Integrated solutions

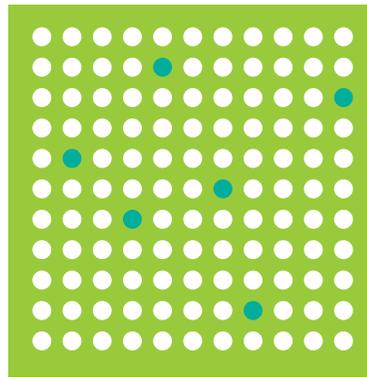
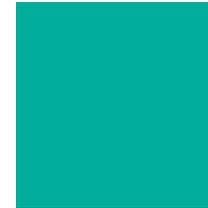
Bradford Trident runs housing improvement schemes, community wardens, education bursary schemes, improvements to open spaces, employment support, crèches, neighbourhood centres,

and all sorts of partnership projects with the police and other local agencies. The best way to gauge the success of this integrated approach to regeneration is to speak to local residents about the changes it has made to their lives. Ask anyone in West Bowling, Park Lane or Marshfield about the recent changes to their area, and the chances are that someone in their family will have benefited directly from the action of the trust in one way or another. Their kids may have access to a better education, they may have accessed employment advice or simply used the local parks. In a 2006 MORI survey in the area 72% of residents said Bradford Trident had improved the area as a place to live either a ‘great deal or a fair amount’.

In the latest MORI survey 28% of local residents rated their quality of

life as very good – up from 20% in 2002 and now 1% higher than the national average! By choosing to follow the development trust model, Bradford Trident has also made sure it would not be a temporary fix but that improvements would be “here to stay”, through investment in community assets that will generate an income for years to come. The Trust owns business premises, local shops, and a medical centre which is being rented by the Primary Care Trust. This asset base will guarantee that Bradford Trident can keep around half a million pounds a year coming in to an area of 4,000 households or so. As Steve says: “The Board wants the money to be used to anchor some of these big changes that have gone on, so that the area remains positive and good.” ■

“I have lived all my life in the area along with all my family. My father came to the area nearly 50 years ago and all my family has lived within the area ever since. Before the trust came, the area was well known for being deprived. Since Trident has come about, the area has improved significantly. It has helped my family as a whole. It has helped me to study and get a job; it has helped my mother by creating a park outside her house where she can walk around, which improves her health; it has helped my kids by opening and supporting local crèches, it has helped my brothers by improving the housing in the area, and it has also helped improve their kids education by supporting local schools. Generally it has improved the quality of life for our whole family.” (Zubare Khan, local resident and Enterprise & Facilities Coordinator at Bradford Trident)



Photographs (clockwise from left): *Public art unveiling*; *Young people at Princes Trust meeting*, Bradford Trident (photographs: Mark Fielding,); *SureStart Centre*, Halifax Opportunities Trust; *Café inside the Woodroyd Health Centre*, Bradford Trident (photo: Mark Fielding)

Services can be made accessible for the 'hard to reach': Halifax Opportunities Trust:

Established: 2002

Community-led action:

- SureStart Centre
- Employment Centre
- Innovation Centre

Lessons for others:

We use contracting to provide the financial base, but we only contract in areas that help fulfil our core purpose

For more information visit

www.regen.org.uk

City of opportunities

Halifax Opportunities Trust is a development trust that was set up in 2002 as a successor to a £14m Single Regeneration Budget programme in West Central Halifax, West Yorkshire. Barbara Harbinson is Chief Executive of the trust and she explains how achieving sustainability makes sense not only from the community's perspective, but also from the point of view of the Council and other agencies which deliver their own outputs through the trust's activities.

The majority of the population in West Halifax is of South Asian origin and mostly Muslim, although there has been a recent influx of refugees and economic migrants from Eastern Europe. Traditionally Halifax was a place where people would come looking for work. Over the years many have arrived there to start a new life with little more than a suitcase and their ambition to achieve some prosperity for themselves and their family. Those who had achieved that prosperity would often move out only to be replaced by new arrivals, and so disadvantage and poverty have remained a feature of the area. Today it is still amongst the 4% most deprived areas in England, and part of the trust's mission is to help people make a personal transition into prosperity, but it is also about making sure resources and services are accessible for all local people.

Bringing services to the people

In order to do that, the trust has developed a particular focus on families through its SureStart Centre. This £1m Centre was set up to deliver the national SureStart programme, contracted by the government to build a multi-agency team that could deliver to the 'hard to reach'. But for Joyce, Centre Manager and senior midwife, the problem was "the services that are difficult to access, not the people that are hard to reach!"

Early on, the trust was able to consult with the local community, to find out what their needs were, and how it could deliver services in a way that would suit them. As part of this process, the management team took active steps to reduce existing barriers to employment within their own project, because they felt it would be an asset to have a staff team that could understand local cultures, languages and issues. As a result, local people were able to apply for and access jobs at the trust.

Some of the issues that the trust came across in West Halifax included traditional attitudes towards female family members who have been discouraged from spending time

outside the home. Outreach workers spent a lot of time working with local families to enable the women to go out, and in many cases, they achieved this by focusing on children's learning and play development needs. Everyone could see the benefits for the children, but of course it has also had a huge impact on the mothers, who as a result have been able to access a whole host of services from the trust and other providers.

Challenging these attitudes takes time, so Barbara Harbinson and her Board have put a lot of thought and effort into securing the future of the trust. Unlike some other development trusts Halifax Opportunities Trust does not own its asset base, but instead uses contracting to secure a financial base. It can of course be a struggle to engage with public agencies which, although they may understand what the trust is trying to do, often fail to grasp the real implications of sustainability. As Barbara points out: "They sometimes don't realise that if we take on a contract with them, not only are we delivering the outputs they need but that we are also achieving our own sustainability." ■

"It is the services that are difficult to access, not the people that are 'hard to reach'!"
(Joyce Ayre)

Everyone can have a night at the opera: Shoreditch Trust

Established: 2000

Community-led action:

- Education programmes with local primary and secondary schools
- Employment support
- Housing improvement and development
- Healthy living centre
- Arts projects
- Neighbourhood Management

Lessons for others:

If we were delivering regeneration in a non-deprived area, people would expect community facilities like a cinema, a theatre, a decent shopping centre, good schools, access to health services. So why should poor communities be satisfied with anything less?

For more information visit
www.shoreditchtrust.org.uk

On the margins of wealth

Shoreditch is on the southern edge of the borough of Hackney, right next to the City of London. The New Deal for Communities (NDC) process which the trust is responsible for was established in 2000, and the trust has a defined geographical area in which to deliver this process. But for Michael Pyner, Chief Executive of Shoreditch Trust, the trust is not bound by its mission and is constantly exploring new ways of working with local people to break the cycle of deprivation in Shoreditch.

Shoreditch is as diverse a place as you will find anywhere in London, and home to significant African-Caribbean, Vietnamese, Turkish, Kurdish and Somali as well as white communities. Despite the proximity to the City and the opportunities that this should offer to the people of Shoreditch, this is an area still very much affected by inequality and disadvantage. In the 1990s, Hoxton (a smaller area within Shoreditch) started becoming fashionable, the old Victorian warehouses were transformed into luxury flats, making the boundary between extreme wealth and poverty even more apparent. Today if you walk just a few metres north of Hoxton Square with its expensive bars and restaurants you will find areas of dense social housing where access to jobs and services is far from straightforward.

In 2000 the government awarded nearly £60m to the Shoreditch Trust to address deprivation and poverty. But over the years, the trust has become more than just a vehicle to deliver the New Deal for Communities programme, and it has used the programme as a tool for the community to creatively deliver its own regeneration and its own solutions. A range of local people sit on its Board or contribute in one way or another in shaping its activities, and all share the view that the trust is here to “work with people, and not do things to people.”

Project-based participation

From the start, they looked at new ways of engaging with local people, because many felt the trust should go beyond the traditional meetings and consultations which are too often being ‘imposed’ on deprived communities. This is what Michael Pyner calls ‘meeting fatigue’. ‘Shoreditch Audiences’ on the other hand, is what people at Shoreditch Trust would call “project-based participation”. The programme started with an attempt to tap into arts and culture and see how this could be drawn into the regeneration process. The result was a project enabling local people to attend theatre, cinema and a whole range of cultural activities which they would previously not have thought of attending. In its first year the project

SHOREDITCH AUDIENCES



facilitated 3,000 visits to arts performances across the capital, allowing some of the most isolated communities in the area to attend events across London, all the while awakening an interest in them about the trust itself. Fatma Zengin is one of the many local residents who got involved, and she is now an ‘ambassador’ for the programme, actively engaging with local people and instilling confidence in them.

“I feel happy about Shoreditch Audiences, I get to meet other people from the community and I even get to see the opera!”

Shoreditch Audiences is just one of the many innovative ways in which the trust has chosen to deliver its mission of tackling poverty in the Shoreditch area, but at the heart of all its regeneration projects there is a conscious decision to put people in the driving seat and to do it for the

long term. One particular challenge that the trustees decided to take on in the early days was the issue of sustainability. As is the case with other government funded programmes, it was never entirely clear what would happen once the NDC process comes to an end. In order to address this uncertainty the trust embarked on a sophisticated programme of asset based development. In fact, Shoreditch Trust was the first NDC programme to buy a building as a community asset. This was an old primary school on Hoxton Square that was about to be converted into luxury flats. The building now houses ESOL classes, IT classes, a community gym, a training restaurant, and two penthouses on the top floors that contribute to the costs of maintaining the building itself. Over the last seven years, Shoreditch Trust has built an asset base worth up to £12 million.

This guarantees that when the NDC money runs out in 2010, Shoreditch Trust as a development trust can continue with an income stream that enables it to carry on responding to local needs. The trust's charitable status guarantees that all profits will come back to Shoreditch for further regeneration in the area, and for Michael Pyner this is part of the long term solution because "if that happens then it means we have broken that cycle around a community that just looks for where the next lot of regeneration money is going to come from, rather than having some empowerment about what it does for itself next." ■



Photographs (clockwise from above): *Alberta*, Shoreditch Audiences Ambassador (photo: Duncan Kendall); *Caravan of Desires* by *Spiral Flight*, presented during the Shoreditch Festival, (photo: Roxie Curry); Audience watching a performance on Hoxton Street during the Shoreditch Festival 2005

Housing associations can do more than housing: Renton Community Development Trust

Established: 2004

Community-led action:

- Social inclusion centre
- Healthy living centre
- Community supermarket
- Luncheon club for the elderly and youth clubs

Lessons for others:

“I passionately believe that local people, if given the right guidance and the right help, can take the assets that belong to them initially and turn them into productive and usable spaces that can generate income but also that can generate a sense of community.”
(Archie Thomson)

For more information visit
www.cordalehousing.org.uk

A ‘no go’ area

For Archie Thomson, Chief Executive of Renton Community Development Trust and Chair of the Cordale Housing Association, community regeneration and asset management always went hand in hand, but it is community engagement that really helped turn Renton around and into a celebrated example of successful regeneration.

Renton is a small urban village 20 miles west of Glasgow and only four miles from the banks of Loch Lomond. Despite its advantageous location, the village has suffered from decades of neglect following the closure of nearby shipyards and the decline of most other local industries. By the 1960s Renton was one of the most deprived communities in Scotland. In the 1970s and 1980s, things went from bad to worse, as unemployment soared, crime and drug use spread and the quality of life for local people gradually got worse. By 1990 Renton had established a reputation in Western Scotland for being a ‘no-go’ area. Local authority housing was in a particularly poor condition, and this acted as a deterrent to private investors, as shops were closing and

private housing was unattractive. It was around this time that Archie Thomson and a few other residents got together, and decided that the only way to achieve lasting change in Renton was to involve local people in the management of local assets. So they set up a community based housing association, called the Cordale Housing Association, which would take ownership of the worst council housing and turn it into a valuable community asset. The housing association was set up over a period of 18 months and the Board came to the agreement that they ‘wouldn’t build a better standard of housing for people to enjoy their poverty in’ but instead they would aim to transform the community as a whole. As Archie recalls: “we didn’t want to recreate an estate where council accommodation or housing association were on one side of the street, and private sector on the other”, and so they planned the estate meticulously so that it would improve the quality of life for everyone in the community: “We have tried to create a community rather than a housing estate.” Walking through Renton today, not only is it impossible to tell which houses are privately owned



housing association, but it is difficult to imagine why it ever had such a bad reputation.

Housing-led regeneration

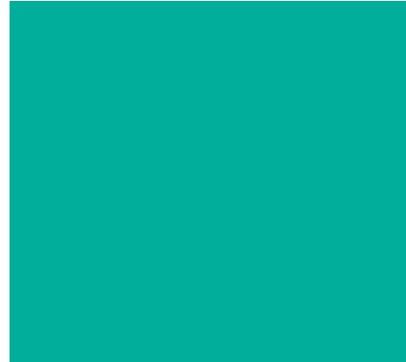
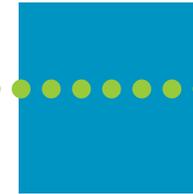
In 1996 the same group of people took over the Carman Centre, a local community centre which services were failing, and turned it into a successful social inclusion centre that employs 21 people with a turnover of £400,000 a year, and one of the most successful businesses in Renton. The centre has acted as a focal point for the community and provided a range of services, from luncheon clubs for the elderly to after school classes. More recently, the Housing Association has acted on its mission to go beyond the building and management of houses by embarking on new projects for the benefit of local people. For example it has built a village supermarket with a post office and ATM machine; a brand new healthy living centre and

chemist; and it is now developing plans for turning the last row of derelict buildings on the high street into retail businesses and offices; the profits generated by all of these ventures are ploughed back into community services.

Then in 2004, Renton Community Development Trust was established following a consultation exercise with the local community. In many ways, the housing association was already inspired, created and led by local people who made sure it would drive local regeneration as a whole. Its membership has always been open to the whole community and not only to tenants, so that anyone could become a member and stand for election onto

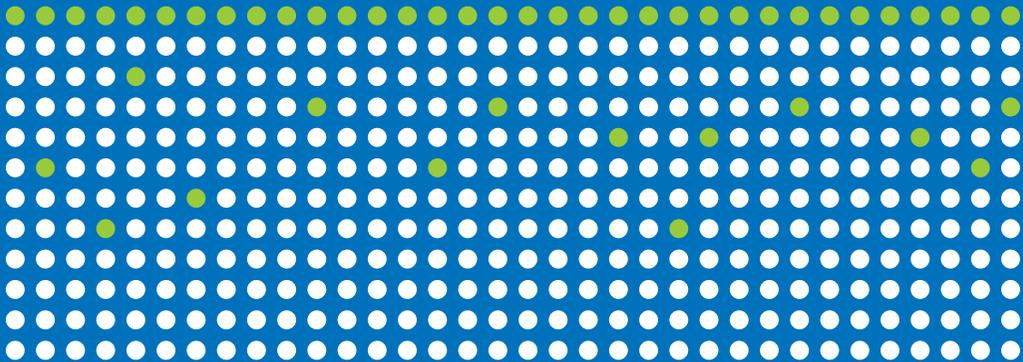
the Board. But the development trust will take this principle even further by encouraging more local people to get involved and by using asset management to address poverty of infrastructure, services and opportunity, and to transform Renton into a confident and prosperous community. It will coordinate the activities of Cordale Housing Association and the Carman Centre, ensuring these issues are addressed for the long term. The trust has already been instrumental in establishing The Renton Addiction Problem Service and assisted in the formation of local tenants associations as well as youth and community groups. ■

“The centre has acted as a focal point for the community and provided a range of services, from luncheon clubs for the elderly to after school classes.”
(Archie Thompson)



Opposite page: Old housing in Renton. **This page:** (left to right) demolition of old housing; new social and private housing; children climbing fence during demolition; new playground on housing estates.

fighting financial exclusion: stories from development trusts preventing wealth from leaking out of the community



Communities can compete with loan sharks: Fair Finance

Established: 2004

Community-led action:

- Personal loans
- Micro-credit loans for new and existing businesses
- Financial advice

Lessons for others:

If you have a business like attitude, you can attract the right type of clients and beneficiaries, but also good quality staff.

For more information visit

www.fairfinance.org.uk

The cost of debt

Faisal Rahman has been living and working in East London for over a decade, and he decided to set up Fair Finance in 2004 to offer an alternative to 'loan-sharks' and usurious lending amongst poor communities. The organisation offers a range of financial services designed specifically for people excluded and exploited by the financial system. These include affordable lending products, like personal finance, business finance, micro-finance as well as free money and debt advice for people who are over indebted.

Fair Finance is based in Tower Hamlets, one of the poorest boroughs in East London. Over the last few decades, high street bank branch closures have been on the rise throughout the borough clearing the way for cheque cashers, pawnshops and other types of money lenders. For many who live in the area the traditional way of accessing finance is still through someone knocking on their door, and these close relationships often lead to what Faisal would call 'hyper lending': "People know who you are, they lend the money to you, they collect the cash, and they provide a service that they think is important. But all this comes at a cost: an average home credit loan is provided at about 469% interest, and last week we saw one at 1068%."

Village Underground

At 28, Auro was a furniture designer looking for a studio space, but couldn't afford one in London, so he thought of building his own studio from recycled material, and finally hit on the idea of using disused train carriages to design and build affordable studios for artists and creative industries in central London. Having made initial contact with London Underground and found enthusiastic support for the idea, he was offered access to disused train carriages for £25 each. The project, by now known as 'Village Underground', gathered momentum and found a potential site on top of a derelict Victorian viaduct running from around Liverpool Street up to Dalston in East London, which was offered to him on a 10 years lease by Hackney Council. But finance quickly became an issue. Auro needed £90,000 to complete the project and no bank would lend him the money, either because he was too young or the project was too "risky". One high street bank even offered him a 25% loan but insisted he should produce half the money up front. When he eventually came across Fair Finance they helped him refine his business idea and identify other potential sources of funding; most of all they believed in his project and ended up lending him £15,000 to make it work. Work was still in progress in April 2007, but Auro is now confident he can get it off the ground and he may even be able to use mainstream lending in the future.

"the important thing for me was having someone at the end of the telephone, and people I could go and visit to converse with to solve the odd problem, offer advice and back me up a little bit, which is vital when you are busy and running around trying to get your project off the ground, and Fair Finance has been great from that point of view." (Auro Foxcroft, Village Underground)

It is precisely to tackle some of these alarming practices that the organisation decided to enter into direct competition with loan sharks by setting up their own high street office and network of local surgeries. All of Fair Finance's profits are reinvested into its mission of poverty alleviation and social justice. Its clients are people who are being excluded from the mainstream system, either because they have no credit history or because they are on benefits: over 50% are single mothers and 90% are on benefits.

Affordable lending solutions

Fair Finance offers two types of services: small loans for individuals needing to buy basic consumer items (like a washing machine, a fridge or a cooker), and microfinance business loans for excluded entrepreneurs. In both cases, potential clients would fail the mainstream banks' credit scoring exercise because they do not own their home, do not have a steady job, or have no credit history.

A recent example of a Fair Finance client is a 72 year old woman who had borrowed £250 from a money lender in 2003 to buy a headstone for her husband's grave. Three years on, she was still repaying the loan whilst being charged an interest rate of 732%. Having assessed her situation and found that she was managing her money well, Fair Finance



arranged to reschedule the loan at an affordable rate, she repaid them within a year.

Another example is a young entrepreneur called Auro Foxcroft, who had the idea of building creative work spaces out of disused train carriages. Barclays Bank decided he was too young and HSBC offered to charge him 25%, so Fair Finance offered him support with his business idea and ended up lending him £15,000 to complete the project.

In a nutshell, Fair Finance is here to rectify a market inequality. They believe that people are being excluded and exploited, and that development trusts and other social enterprises have the potential to redress this inequality by offering affordable financial services in an ethical way. ■

Above: Village Underground at night

Internet trading can help local people:

Kiveton Park and Wales Community Development Trust

Established: 1997

Community-led action:

- Community Newsletter
- Kivo-Ebiz
- History project

Lessons for others:

We are now training people who want to learn how to buy and sell on EBay, and some of them will volunteer for us; so it is also about growing the capacity of volunteers to manage the project to make it sustainable.

For more information visit

www.kpwcddt.co.uk

Kiveton Park & Wales are two adjacent villages about ten miles South East of Sheffield. Until the mid 1990s the area had a large coal-mining industry, and with the closure of the colliery came high unemployment and a general loss of community spirit. Kiveton Park & Wales Community Development Trust (KPWCDDT) was set up in 1997 in response to the closure, and to breathe new life into the community. Its mission ever since has been to improve the lives of people in the community and Steph Hryschko, Chair of KPWCDDT, explains how in 2006 they decided to go online to help boost the local community.

Enterprising solutions

In its early days, it was relatively easy for the trust to secure funding from coalfields agencies, European funds, and other agencies, but funding sources have diminished over the years and the trust recently ran into financial difficulties. Steph Hryschko and others realised the need to develop an enterprising approach in order to ensure sustainability, and one of the projects they embarked on is Kivo-Ebiz, a social enterprise selling unwanted items on e-bay on behalf of local people. 80% of the sale price goes to the seller and 20% is retained by the trust to cover running costs, with any profits being ploughed back into community projects. The enterprise is run by local volunteers

“What we liked about the project was that it didn’t need any start up costs; we already had computers which we could use and a camera; we could operate it with volunteers and we could advertise it within our own newsletter so we didn’t have to go cap in hand for funding” (Steph Hryschko)



which helps keep the costs down. In October 2006, Kivo-Ebiz took part in a dragon den-style contest at the Footsey 100 social enterprise trade fair in York and was awarded a £15,000 prize from the Adventure Capital Fund (ACF) for what one of the judges described as “one of the best and truest community enterprises I have seen in years.”

“What we liked about the project was that it didn’t need any start up costs; we already had computers which we could use and a camera; we could operate it with volunteers and we could advertise it within our own newsletter so we didn’t have to go cap in hand for funding”, says Steph Hryschko, who is realistic about the capacity of Kivo-Ebiz to generate profits in its present form, but believes that the project is fulfilling the Trust’s mission by improving the lives of people in the area: “This is probably the most proactive project the Trust has ever undertaken, we go out to the homes of people in the community rather than them coming to us. This is particularly important for hard-to-reach groups and we can signpost people to other services and projects.” Kivo-Ebiz also provides free training for buying and selling on e-bay and a number of people that have accessed the training then go on to volunteer with the project – developing new skills and making new friends.

Web benefits

In fact the service has become very popular amongst residents of Kiveton Park and Wales, and the trust is having difficulty coping with demand. A lot of older people in the area are keen to sell some of their possessions to complement their income, and because their children and grandchildren may not be interested in the items they want to sell. A lot of people, particularly older people would be reluctant to sell directly on the internet, even if they had access to the technology and had the skills, and so they value the service. But the trust is also careful to operate in a way that benefits the resident, and if it is given an item of very high value to sell, it may advise the seller against using the service “because at the end of the day it is there for their benefit.”

There are plenty of examples where the trust has been able to use Kivo-Ebiz to put money directly into the hands of those who need it. These include a disabled lady who at the age of 78 was making and selling ornaments at car boot sales to supplement her very low income, and a young dad who had just been made redundant. In both cases the trust was able to sell items on their behalf and provide them with much needed cash. ■



Opposite page: Mr and Mrs Newman with items for sale on Kivo-Ebiz
This page: Kivo-Ebiz awarded £15K at the Dragons Den during DTA Footsey100 event

Good advice can help people out of debt: Royds Community Association

Established: 1994

Community-led action:

- Enterprise park
- Healthy living centre
- Neighbourhood warden scheme
- Advice centre
- Community transport

Lessons for others:

We have developed a consultancy department that delivers services and support to communities all over the UK, and the profits that we generate through these consultancies go to support our local anti-poverty programmes.

For more information visit

www.royds.org.uk

A community in charge

The outlying estates of Bradford contain some of the poorest districts in the country with up to 50% of people on low income. Lots of people struggle to get by everyday and a big part of what Royds Community Association (RCA) does is to help these people realise their potential. For Tony Dylak, Chief Executive of RCA, the mission of the trust is largely about developing neighbourhoods, but when it comes to tackling debt the trust is also there to help individuals.

RCA has been around since 1994 when it received £31m of Single Regeneration Budget (SRB) funds to work with three council estates in South Bradford. The Association was community owned and led from the start with a mix of local residents, councillors, service providers, professionals and local business people on its Board of Directors. Local residents were always clear that seven years of government funding would not fix the problems and that the association would have to exist beyond the SRB period. For Tony Dylak who was appointed as Chief Executive from the start, this is what set the Association on the development trust route:

“Government thought that with the appropriate amount of money

you could fix the problem within seven years. But the residents were very clear all the way through that it would not fix the problem, and that there would always be poorer people and that we would always have to find the ways and means to support those people.”

Breaking the cycle of debt

One important way in which RCA has been able to tackle poverty issues at the local level is through its welfare benefits and advice programme. The programme was established in 1999 and identified a massive need for advice, particularly around debt issues. Marie Copley, Social Programme Manager at RCA, has come across a whole range of local people that are getting into debt, and there was clearly a need for sustained intervention beyond the initial period of SRB investment: “We had built some community centres, we had refurbished everybody’s houses we had provided jobs and training but there was still massive amounts of poverty and debt in the area.”

The programme has been partly funded by the local Primary Care Trust which recognised the link between debt and ill health. It currently has five members of staff and offers budgeting classes as well as a comprehensive training

package for people in debt. The high rate of non-returners has been a great achievement for the programme, but the feedback from participants has been the real measure of success, with comments including: “my life has changed”, or “I can get out of bed now because I am not depressed”.

Looking to the future

In order to develop and maintain such programmes, it has been crucial for RCA to develop a financial base for sustainability. One way it has done that is through delivering services to the whole district through contracts and commissions that guarantee funding for longer periods and include overhead costs. RCA has also managed to secure £8m worth of community assets which includes a 48 unit enterprise park, two local shops, an office block, a purpose build healthy living centre with GPs and primary care facilities that all provide rental income for the long term. All this will ensure that as a development trust it is sustainable, and can continue with its anti-poverty work. ■

A community credit union can improve lives: Fazakerley Community Federation

Established: 1981

Community-led action:

- Credit union
- Adult education classes
- Advice centre
- Pensioners luncheon club

Lessons for others:

The debt advice service works well in parallel with the credit union and has meant that the trust was able to present local people with an alternative to usurious lending.

Spiral of debt

Fazakerley Community federation is a small development trust with two members of staff based in a deprived area northeast of Liverpool. Pat Brough and Jean Clarke explain how the trust has helped local people through the establishment of a credit union, providing an alternative to loan-sharks.

Pat and Jean had heard local stories about loan-sharks approaching people in the streets or knocking on their doors; then they found out about the money lenders waiting for young parents on benefits or pensioners outside the post office, forcing them to hand out their whole week's money. From there things would usually spiral downwards because if they didn't borrow more money they would just starve.

As Pat explains it is not always easy to engage with people that are in financial difficulty: "A lot of people wouldn't tell others that they are in debt or that they are being followed because of pride, or because they feel nobody would be able to help; in the same way pride keeps a lot of people from admitting that they are in poverty; people tend to just get on with their lives and make do with what they have got; it is only when it starts affecting the children that they would usually speak out and seek advice."

Where credit is due

The Fazakerley Community Federation established a credit union in 2003 to support local people on very low income, and those who could not access bank accounts. The trust also wanted to support those people who fell into debt because they did not manage their money very well, so it developed a debt-advice service to run in parallel with the credit union. Together with the debt-advice centre, the credit union provides an alternative to loan-sharks in Fazakerley, encouraging local people to set up accounts instead.

The credit union is largely operated by local volunteers, and after four years of operations, it has grown considerably, providing security and added quality of life to many of its members. It has helped pensioners come out of debt and provided local people with an alternative to usurious lending. One lady was able to take her four children on holiday for the first time. All from savings of as little as 50p a week! ■



Right: Local people using the credit union

Further links and resources

- *Ethnic minorities in the labour market: dynamics and diversity, 2007*
Ken Clark and Stephen Drinkwater,
Joseph Rowntree Foundation
- *Poverty among ethnic groups: how and why does it differ? 2007*
Guy Palmer and Peter Kenway,
Joseph Rowntree Foundation
- *The role of higher education in providing opportunities for South Asian women, 2007*
Paul Bagguley and Yasmin Hussain,
Joseph Rowntree Foundation
- *The English Indices of Deprivation (Revised), 2004* ODPM
- *Opportunities and Despair: It's All in There - Practitioners Experiences and Explanations of Area Effects and Life Chances, 2004*
- *Rowland Atkinson & Keith Kintrea Tackling Social Exclusion: Taking stock and Looking to the Future, 2004*
Cabinet Office
- *The contribution of large independent neighbourhood renewal organisations to regeneration, 2001*
Stephen Thake, Joseph Rowntree Foundation
- *Poverty and Social Exclusion in Britain, 2000* Joseph Rowntree Foundation

Glossary

Development trust: Development trusts are community organisations using self-help, enterprise, and asset ownership, to find local solutions and transform their community for good. For more information visit www.dta.org.uk

New Deal for Communities: New Deal for Communities (NDCs) have been part of the Government's strategy to tackle multiple deprivation in the most deprived neighbourhoods in the country since 1998, giving some of England's poorest communities some resources to tackle their problems in an intensive and co-ordinated way. The aim is to bridge the gap between these neighbourhoods and the rest of England. All the NDC partnerships are tackling five key themes: poor job prospects; high levels of crime; educational under-achievement; poor health; and problems with housing and the physical environment. Approximately £2bn of public money has been committed to 39 partnerships, with on average £50m of funding for each NDC. For more information visit www.neighbourhood.gov.uk

Single Regeneration Budget (SRB): The Single Regeneration Budget (SRB) programme, which began in 1994, brought together a number of programmes from several Government departments with the aim of simplifying and streamlining the assistance available for regeneration. The programme has offered several rounds of funding to over 1,000 projects, worth billions of pound in public money. The last rounds of SRB funding are now coming to an end.

SureStart: SureStart is a Government programme which aims to achieve better outcomes for children, parents and communities by supporting the development of services in disadvantaged areas and by providing a comprehensive and supportive framework for early education and childcare. The programme only operates in England.

ESOL: English for Speakers of Other Languages

Indices of Multiple Deprivation (IMD): The Indices of Multiple Deprivation for England, Wales and Scotland were designed on the basis of multiple indicators including income, employment, health, education, crime and the environment, in order to create an aggregate measure of multiple deprivation at the small area level. The English Index of Multiple Deprivation for England was last revised in 2004 (IMD 2004), the Scottish Index of Multiple Deprivation (SIMD) was last updated in 2006, and the Welsh Index of Multiple Deprivation (WIMD) was last updated in 2005.

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Photographs back cover (clockwise from top left): *Demolition of old housing*, Renton Community Development Trust; *youngsters on new slide*, Bradford Trident (photo: Mark Fielding); *Bloomin' Marvellous Landscapes*, Acumen Community Enterprise Development Trust; *Innovation Centre*, Halifax Opportunities Trust; *Ben & Jerry's PartnerShop*, Cresco Trust.

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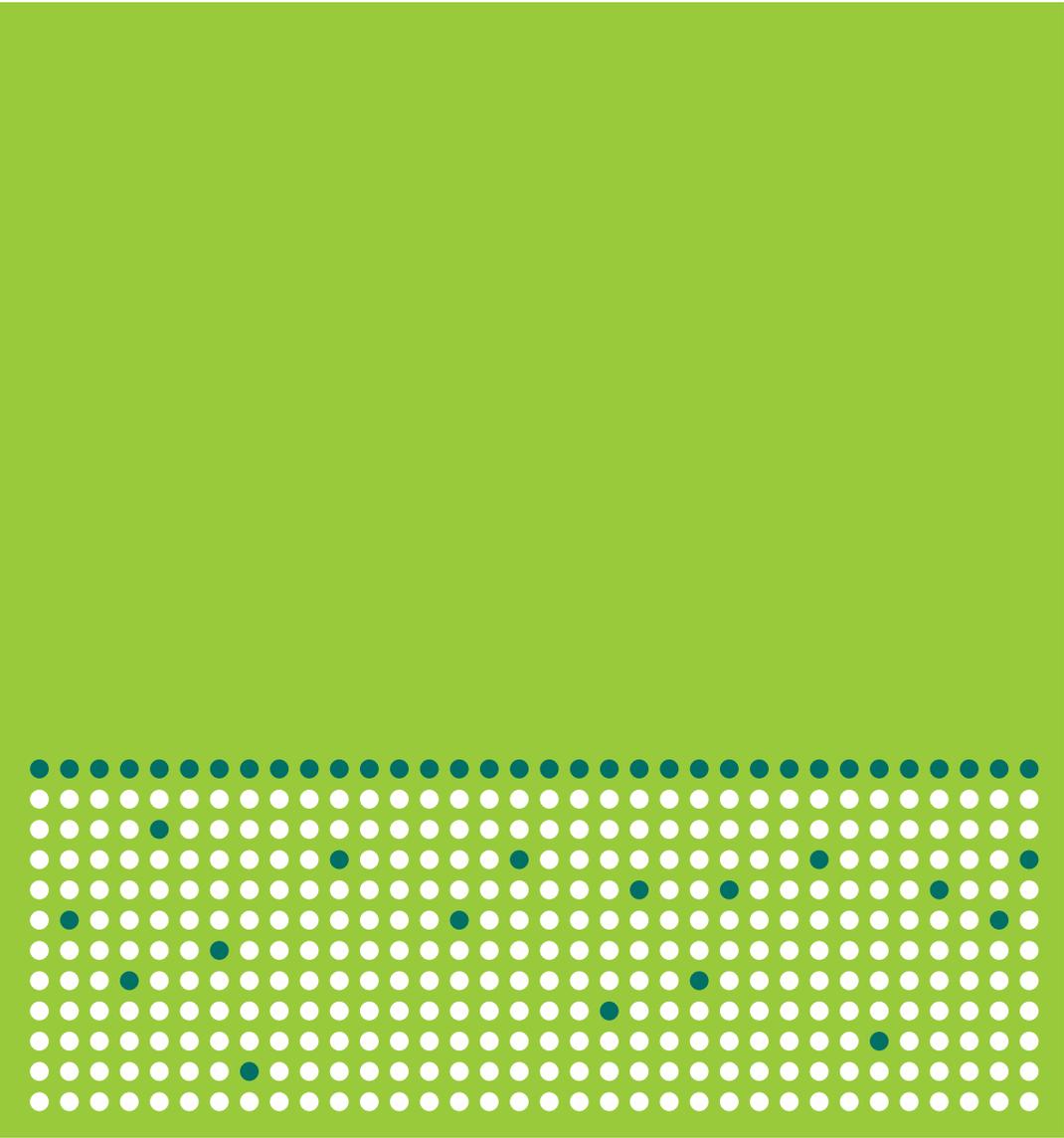
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