



**LLOYDS BANK  
FOUNDATION**

England & Wales

# Keep it Local

For services that transform lives



**locality**  
the power of community

# About Locality

Locality is the national membership network supporting community organisations to be strong and successful.



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# Long-term UK austerity

2010 Long term budget set to reduce overall public spending by 10.1%

Councils hardest hit – local government funding cut 49% so far

IFS 2015: ‘easy efficiency savings have been identified and delivered, while demand and wage pressures continue to increase’

2018 First Local Authority (Northamptonshire County Council) effectively goes bust.



# The trend towards scale

- Unprecedented challenges facing councils – shrinking budgets and rising demand
- Many have sought savings through outsourcing services at scale
- Now suffering the consequences of “scale fail”



# Scale fail...

- Poor quality, tick box services that don't deal with people's problems at source
- Locked into rigid, long-term contracts
- Expensive legal proceedings when things go wrong

# The power of community

Community organisations play a unique role in the local service landscape:

- They know the place and the people
- They are committed, passionate and there for the long-term
- They are adaptable, cost-effective and responsive



# The benefits of keeping it local

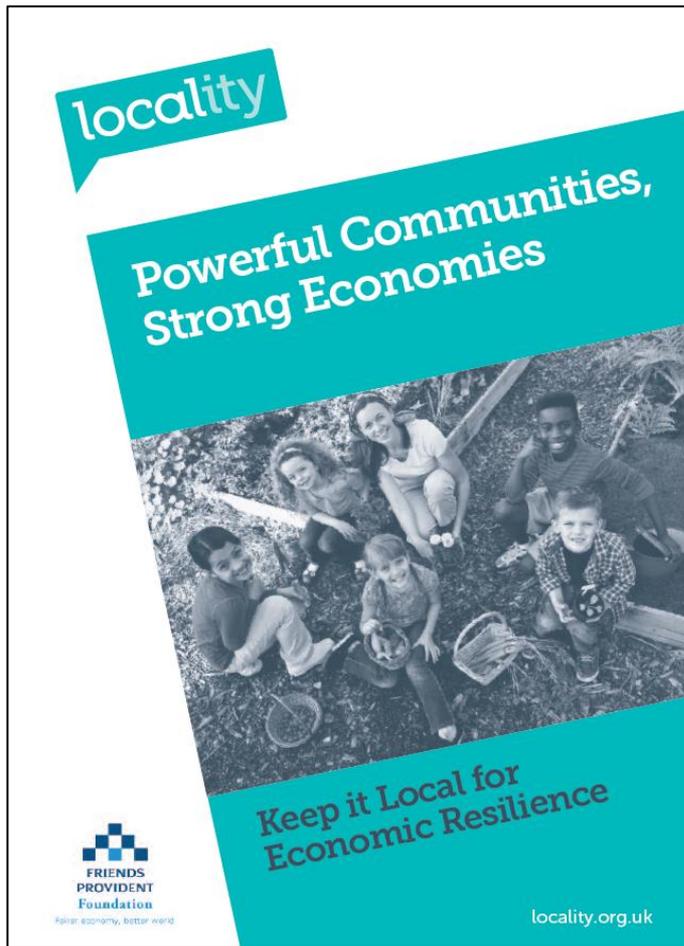
- Drive down long-term pressure on the public sector
- Help commissioned services add up to more than the sum of their parts
- Spread risk across range of smaller, simpler contracts
- Ensure precious public resources invest in local economy rather than leaking out





## “Failure demand”

- Locality’s research with Vanguard found that eight people with drug or alcohol dependency presented to GPs a total of 124 times.
- Broader analysis from Vanguard suggests that failure demand accounts for 80 per cent of demand into health and social care services.



## Action research with 6 local authorities and 20 community organisations

- Bradford
- Bristol
- Calderdale
- Dorset
- Hackney
- Shropshire



Every £1 of income generated by Halifax Opportunities Trust at Jubilee Children's Centre creates **£2.43** for the local economy



Every £1 of income generated by Bradford Trident creates **£2.52** for the local economy.



A study of **10 Locality members** by NEF Consulting found they collectively enabled **approximately 1,400 jobs** and **approximately £120m of gross value added** to the local economy.

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# Lessons for commissioning from the action research

- Cuts are both enabling and preventing change
- There is an opportunity for community organisations – but also a challenge
- Local systems remain fragmented
- Risk aversion and fear of ‘letting go’ are stubborn cultural barriers.
- Social value hasn’t gone far enough – but it can go further

# How to Keep it Local

1. We need top-level leadership
2. We need to join up the system
3. We need to be more ambitious and more rigorous about social value
4. We need to show community organisations can step up

# New Keep it Local campaign with Lloyds Bank Foundation

**We're asking councils to join the Keep it Local movement that's gathering pace:**

- For better services that transform lives
- To reduce long-term pressure on the public sector
- To ensure precious public resources invest in the local economy



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# Join the Keep it Local Network

The Keep it Local Network is for councillors, commissioners, community organisations, procurement officers: anyone who wants to Keep it Local to create better services that transform lives.

As part of the network, you'll receive:

- invitations to attend regular Keep it Local Network events
- opportunities to participate in webinars and Q+A debates
- regular email updates on inspiring practice

[locality.org.uk/policy-campaigns/keep-it-local/](https://locality.org.uk/policy-campaigns/keep-it-local/)



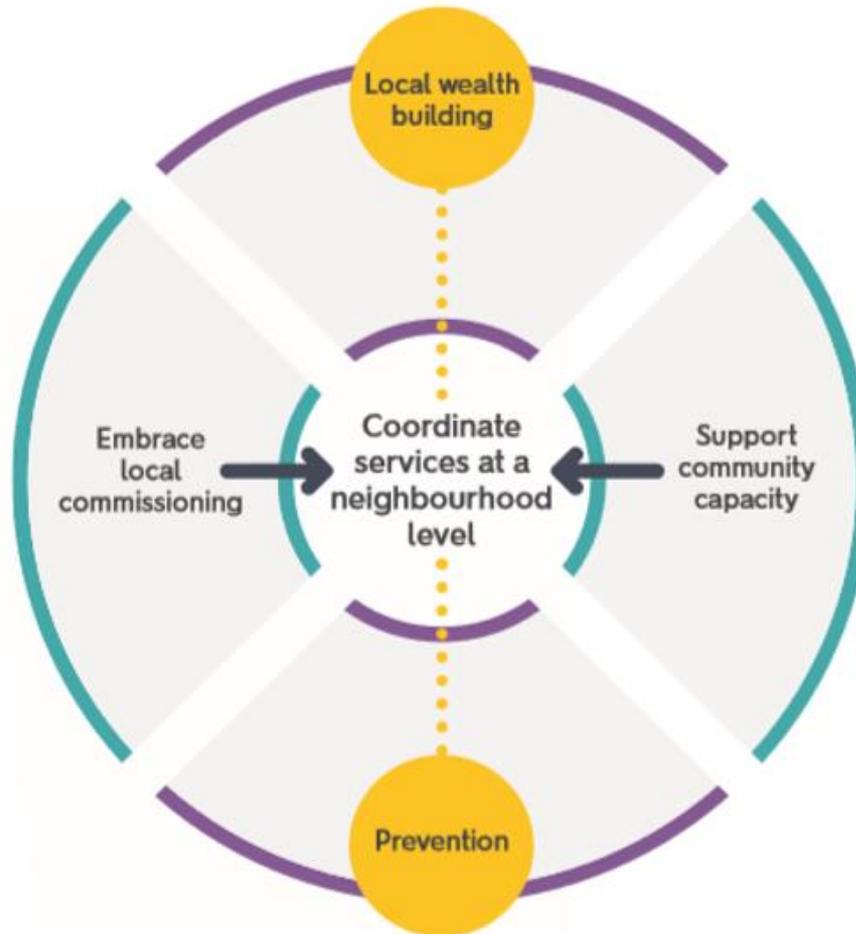
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# A whole system approach



# Our Keep it Local Principles

1. Think about the whole system not individual service silos
2. Co-ordinate services at a neighbourhood level
3. Increase local spend to invest in the local economy
4. Focus on early intervention now to save costs tomorrow
5. Commit to your community and proactively support local organisations
6. Commission services simply and collaboratively so they are “local by default”

# Keep it Local pilot areas

Alongside our national campaign, we are working with two local authorities to turn Keep it Local principles into practice:

- Bradford
- Bristol

# Is the tide turning?

- Post-Carillion outsourcing market under the microscope
- Interest in Local Wealth Building
- Breaking point now being reached in some local authorities
- Growing number of examples of local authorities doing things differently

# Leeds City Council – Neighbourhood Networks



37 Neighbourhood Networks, all of which are run by local third sector orgs. Designed to improve the lives of older people in the city.



Each of the networks delivers a tailored range of services according to the needs of the local place and the people living there.



Leeds spend less on traditional residential care and home care than comparators – because strong third sector keeps people engaged in communities longer

# Calderdale Council – Staying Well



The Staying Well service supports people to engage in social activities and health services in the community.

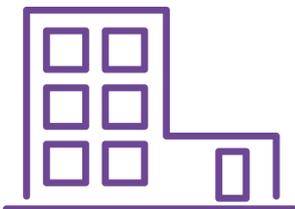


Piloted in four areas now extended to cover Calderdale. Brings together the Council's neighbourhood teams with the voluntary sector.



Supported by NHS Calderdale CCG, the service contributes to the reduction of inappropriate referrals and appointments

# Plymouth City Council – One System



Created ONE system and ONE budget with CCG, PCC to create £600mn “cradle to grave” integrated fund

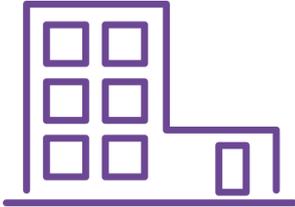


Whole system of service designed around the needs of people, rather than a fragmented market built around the needs of commissioners and services



Recognised commissioning disadvantaged small local providers; changed culture, use “alliance contract” for complex needs

# Newcastle City Council – Social Value



2015 commitment to getting the most Social Value out of every £1 that it spends



Integrated commissioning and procurement, embarked on culture change process



45% contracts in Newcastle – 67% in NE. Records all social value throughout process – from service design to contract management

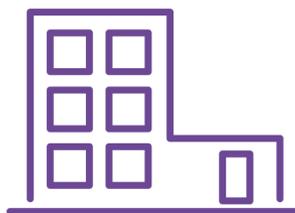
# Shropshire Council – Libraries



Local commissioning and invest to save approach



£520,000 investment to redesign service, build community capacity, focus on prevention to reduce overall demand



Libraries transformed into community hubs managed by local community orgs

# Unlock the power of your community with us

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