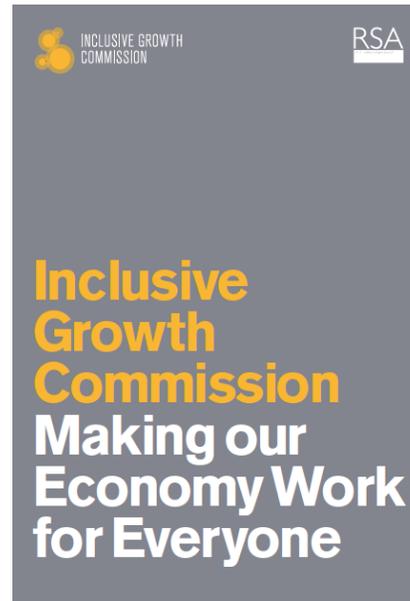


# Inclusive growth in action

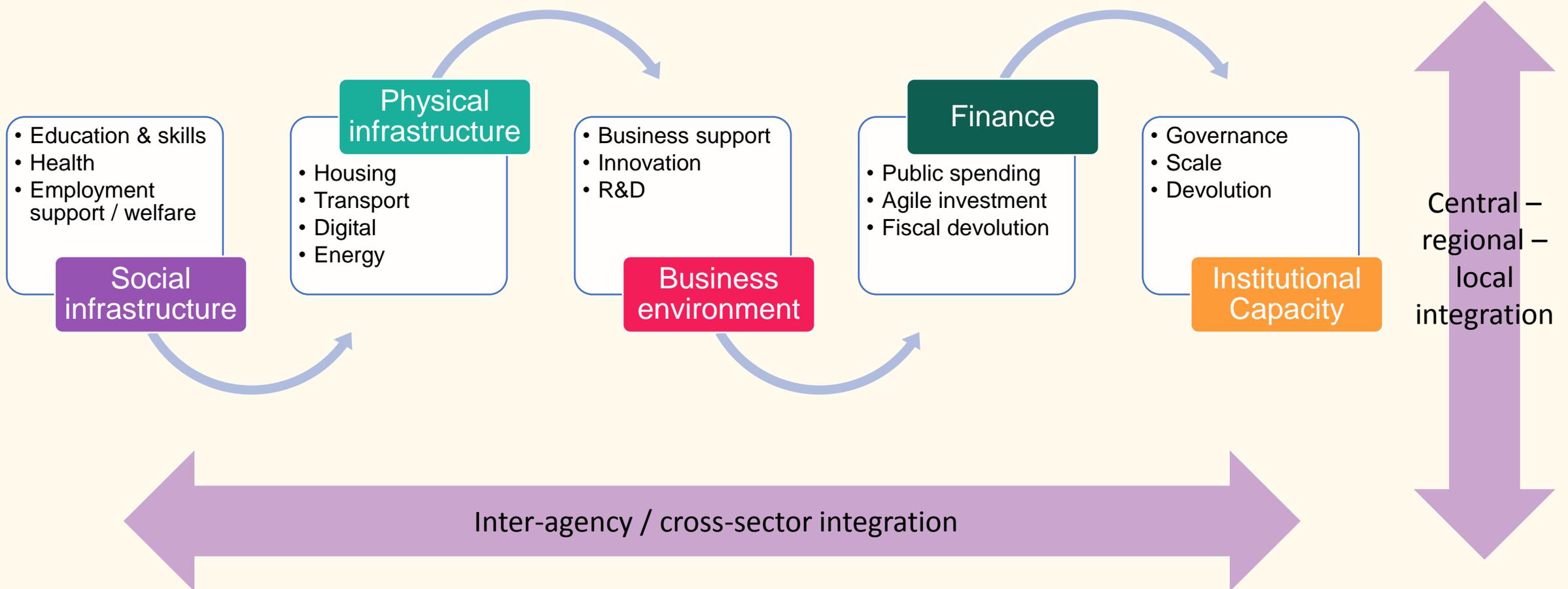
Snapshots of a new economy

# RSA Inclusive Growth Commission

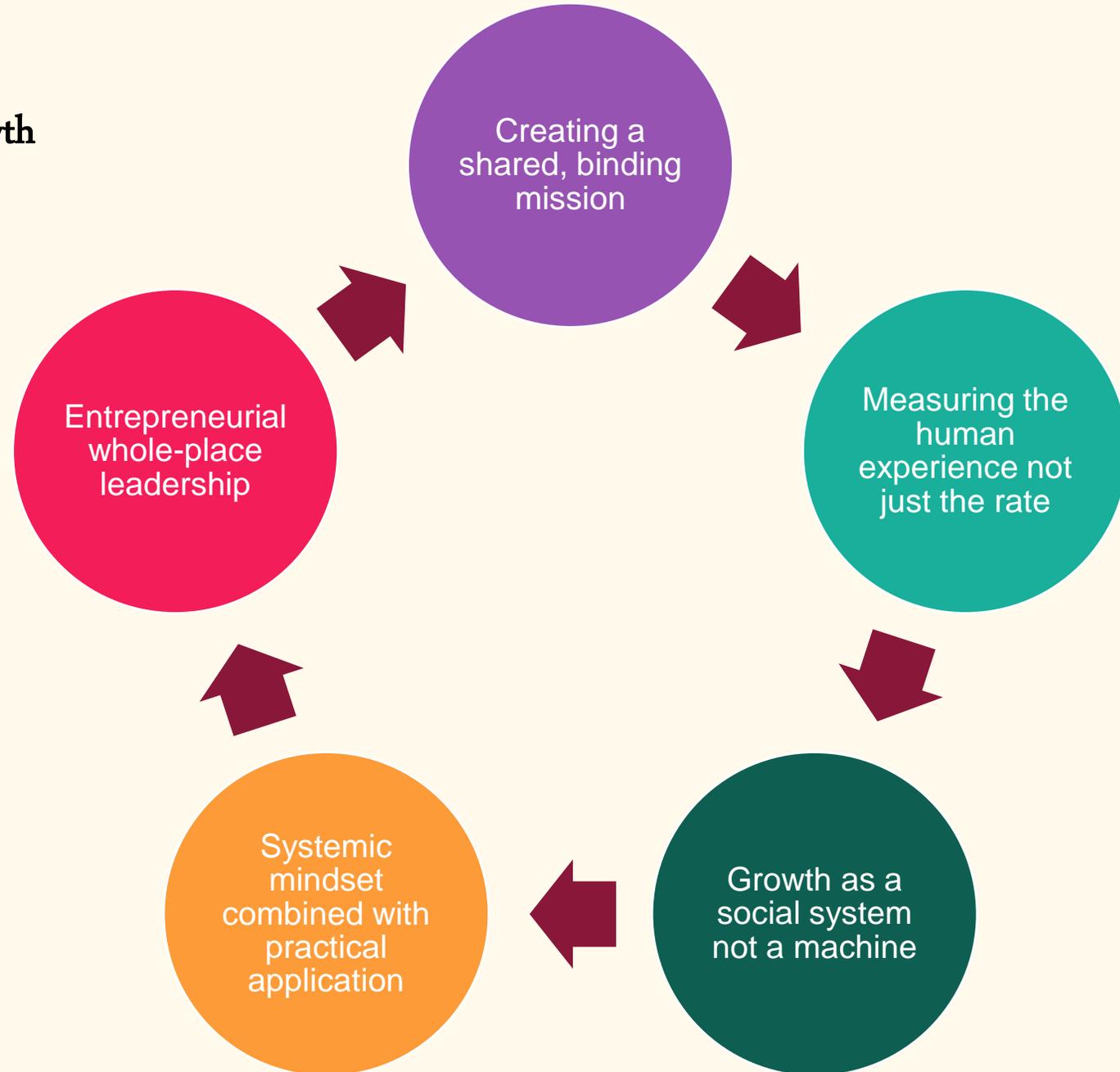
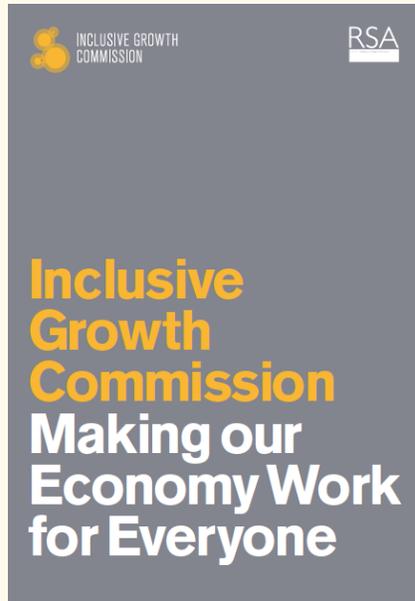


*“broad-based growth that enables the widest range of people and places to both contribute to and benefit from economic success. Its purpose is to achieve more prosperity alongside greater equity in opportunities and outcomes.”*

# Whole-system change for inclusive growth



# The Five Principles of Inclusive Growth



But ...

The language of inclusive growth is easy to adopt but can mask as much as it reveals and the risk is that traditional economic development strategies are simply being rebranded with an inclusive growth label.



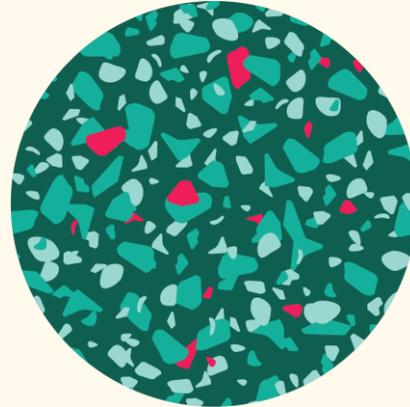
## The Four Domains of Inclusive Growth in Action

### Inclusive livelihoods



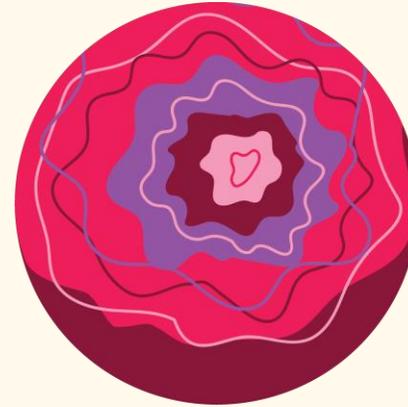
- Per Scholas, USA
- Community Solutions, Barking & Dagenham, UK

### Inclusive wealth



- Economic Gardening, GrowFL, USA
- Community Wealth Building, Preston UK

### Inclusive voice



- Decidim, Barcelona, Spain
- Envision Utah, USA

### Inclusive futures



- The Promise of Seoul, South Korea
- Public Wealth Funds, Singapore

## Inclusive livelihoods

Tackling inequalities in income and opportunity, through innovative social policies that connect people to good quality jobs and skills, provide economic security, and support upwards mobility

## Inclusive Wealth

- Financial: tackling wealth inequality through broadening the ownership of wealth and assets.
- Community or place-based wealth: developing institutions that generate economic value which remains within a town or city, closer to local people, instead of ‘leaking’ out.

## Inclusive Voice

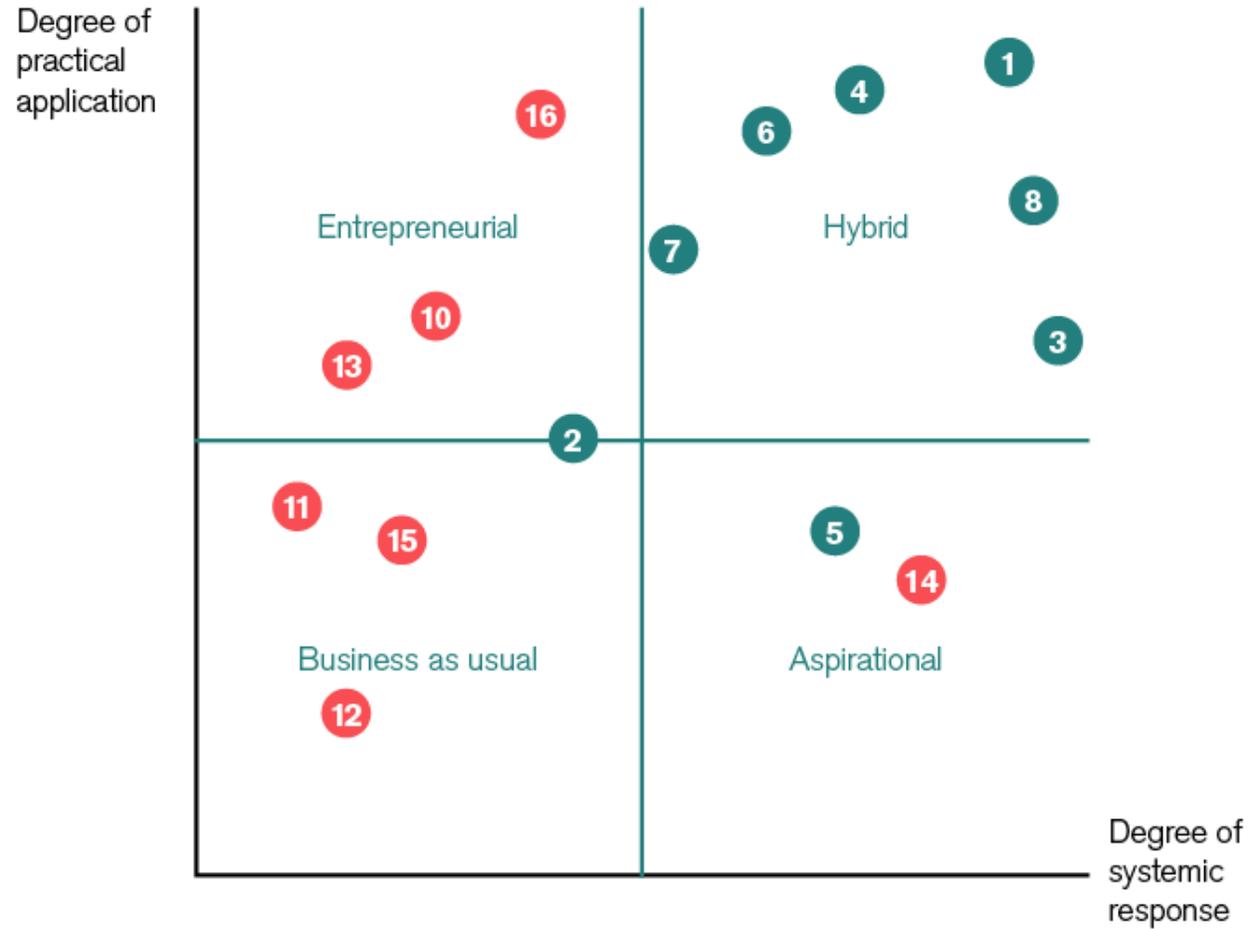
Giving citizens a greater say and influence over economic decision making, for example, through participative and deliberative platforms and in the workplace itself.

## Inclusive futures

Building an inclusive economy is a long-term endeavour that ought to make climate change and environmental concerns a core part of our economic strategies.

It is also about anticipating and responding to long-term mega trends, such as an ageing society.

From	To	Type of Systemic Intervention
Economic and social impacts of policy are considered separately	Economic and social impacts are considered together	<b>Policy integration</b>
Emphasis on the <i>quantity</i> of growth (number of jobs, dollar amount of investment)	Emphasis on the <i>quality</i> of growth (e.g., growth distribution, job quality)	<b>Quality jobs</b>
Physical investment in communities distributed in an inequitable manner	Equitable investment in people and places as a combined means to inclusive growth	<b>Equitable infrastructure</b>
Public, private and philanthropic resources distributed in a widespread, scattershot, one-time fashion	Public, private and philanthropic resources distributed in a concentrated, coordinated and sustained fashion	<b>Coordinated, long-term investment</b>
Top-down, non-participatory decision-making on policies impacting communities	Inclusive policy setting that leverages the talents, voice and experience of local residents	<b>Shared decision making</b>
Wealth building opportunities restricted to top income earners	Wealth building opportunities for people of color and low income	<b>Widespread financial security</b>



- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>1. WorkAdvance</li> <li>2. Community Solutions</li> <li>3. Community Wealth Building</li> <li>4. Economic Gardening</li> <li>5. Promise of Seoul</li> <li>6. Public wealth funds</li> <li>7. Decidim Barcelona</li> <li>8. Envision Utah</li> </ul> | <ul style="list-style-type: none"> <li>9. Community development</li> <li>10. 'Welfare to work' schemes</li> <li>11. Corporate social responsibility initiatives</li> <li>12. Regeneration schemes</li> <li>13. Regional / urban planning processes</li> <li>14. Conventional business support schemes</li> <li>15. Community benefit clauses in public contracts</li> </ul> |
|--|---|

# Thanks

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# Snapshots of a new economy

# Snapshots of a new economy

## For inspiration not replication

- **Key criteria:**
  - To what extent is the approach practically and systemically embedded?
  - Are key stakeholders and leaders behind it and/or collaborating in unlikely ways?
  - Is there evidence of impact and outcomes?
  - Is it clear that traditionally excluded groups are benefitting?
  - Does it represent an especially innovative approach to tackling a challenge?
  - Does it provide learning that can be transferred and used by others?

# Learning lessons

Systemic design

Practical application

# Recommendations and next steps

# Inclusive Growth in the UK

In a post-Brexit settlement the UK government should commit to:

- A new independent **UK Inclusive Growth Investment Fund**, incorporating repatriated ESIF funds and other relevant funding streams, to pump-prime innovative place-based investment designed to boost inclusive growth.
- A new national **place-based spending review**, which would attribute the total amount of public sector spending and investment to places rather than departmental siloes;
- Allowing combined authorities to be able to **pool budgets and co-commission public services** for their places, within the context of national standards and entitlements.

In return, local and combined authorities must be able to show that their plans for more inclusive economies are both **systemic in nature and practically applied**. It can no longer be the case that the language of inclusive growth is simply grafted onto previous plans with very little by way of transformational activity.

# Global learning networks

## **An international community of practice**

- Action-learning sets of 8-12 local practitioners
- Topic / programme-based sets and sessions

## **Partners-in-change programme**

- City transformation accelerator
- 6-8 cities committed to whole-systems leadership
- Cost of involvement but with clear value proposition

# Annex – Case Study details

## Livelihoods Case Study: Per Scholas, USA

Helping close the **skills** divide and **diversifying the tech workforce**, with a particular emphasis on women and people of colour, through **holistic support** around a range of needs such as childcare, mental health, financial management and domestic violence.

### DRIVERS



- ‘Good jobs’
- Failure of work-first approaches

### STAKEHOLDERS



- WorkAdvance dual-customer approach
- Intensive screening of places and people

### OUTCOMES



- 85 percent of students graduating in under 18 weeks with at least one industry certification
- 80 percent of programme graduates entering employment within a year

### COST



- \$17m per annum, with the cost of each trainee being significantly less than industry-standard recruitment and training costs for corporations

## Livelihoods Case Study: Community Solutions, Barking & Dagenham, UK

Reorientating **public services** towards **early intervention** and promoting greater **self-sufficiency** through multi-agency teams (including voluntary sector organisations) delivering tailored support to individuals and households 'at risk'.

### DRIVERS



- High levels of deprivation and population growth
- Reduced funding for public services

### STAKEHOLDERS



- Council-led with strong political support
- Multi-agency teams including voluntary sector

### OUTCOMES



- Rapid reduction in those living in temporary accommodation and requiring high intensity care and support.
- Numbers of volunteers playing and active role.

### COST



- Projected savings of £5m by 2020/21
- Reduction in recruitment and retention issues

## Other examples of inclusive growth

### LRNG, United States

LRNG is a movement of cities (19 at present) across the US that are building a future of learning and work that promotes equity and closes opportunity gaps. LRNG weaves together formal and informal learning institutions and promotes labour market inclusion. It does this by promoting the acquisition and recognition of work-relevant skills through digital credentials, and building pathways into career opportunities. LRNG inspired Cities of Learning in the UK, which the RSA is leading.

### Job Security Councils, Sweden

In Sweden, employers can pay into Trygghetsrådet or TRRs — job-security councils. These are private organisations through which employees, when laid off, receive financial support and job counselling from the council to help get them back into the workforce as soon as possible. They are part of an arrangement between unions and large corporations in Sweden.

## Wealth Case Study: Economic Gardening, GrowFL, USA

Identifying, supporting and building **existing economic assets** – especially ‘second-stage’ companies – through **R&D, peer-learning and leadership development** normally only available to larger corporations.

### DRIVERS



- Closure of Lockheed Martin in Littleton, Colorado
- Extension of Business Incubator programme in FL following 2009

### STAKEHOLDERS



- Florida-based ‘second-stage’ companies
- Municipal economic development teams

### OUTCOMES



- Colorado – 25 years later, reversed population decline and tripled jobs and tax revenues.
- C.11,000 jobs at higher wage levels and \$942m to regional GDP
- Projection of 44,000 jobs and \$4.8bn by 2027

### COST



- \$600k - \$1.5m per annum – ROI \$9.10 for every \$1 spent (vs. cost of \$230k per job for inward investment schemes)

Wealth Case Study:  
**Community  
 Wealth Building,**  
 Preston, UK

Supporting and developing **local supply chains** through targeted **public sector procurement** initiatives including regen investment, food co-op and community bank.

**DRIVERS**



- High levels of deprivation and population growth
- Reduced funding for public services

**STAKEHOLDERS**



- Council-led with strong political support
- Wider public sector players, local anchor organisations and CLES thinktank

**OUTCOMES**



- 4000 people receiving Real Living Wage (£9 per hour).
- Significant improvement up social mobility index and out of the most deprived quintile on LA areas.

**COST**



- 75% of all contracts spent locally.
- £75m contracts awarded to local businesses.
- Pension scheme directed towards local student accommodation

## Other examples of inclusive growth

### Freiburg im Breisgau, Germany

Freiburg built two large new settlements on land the city acquired through putting in infrastructure and providing sites especially to smaller, self-build developers. Under German law, land values can be 'frozen' on sites identified for development in local plans, so that the uplift can fund the necessary local infrastructure.

### Community Savings Bank Association (CSBA), UK

The CSBA has been formed to create a network of banks to serve the every day financial needs of ordinary people, local community groups, and small and medium sized companies. They are intended to help redress regional inequalities, make financial inclusion the norm and build and store community wealth. Regional banks are held in trust for the benefit of the current members and those that come after them.

Voice Case Study:  
**Decidim Barcelona,**  
 Spain

A combination of web-based and real world engagement to take decisions about the future of the city, including the development of the city’s Strategic Plan, housing, air quality and social care programmes.

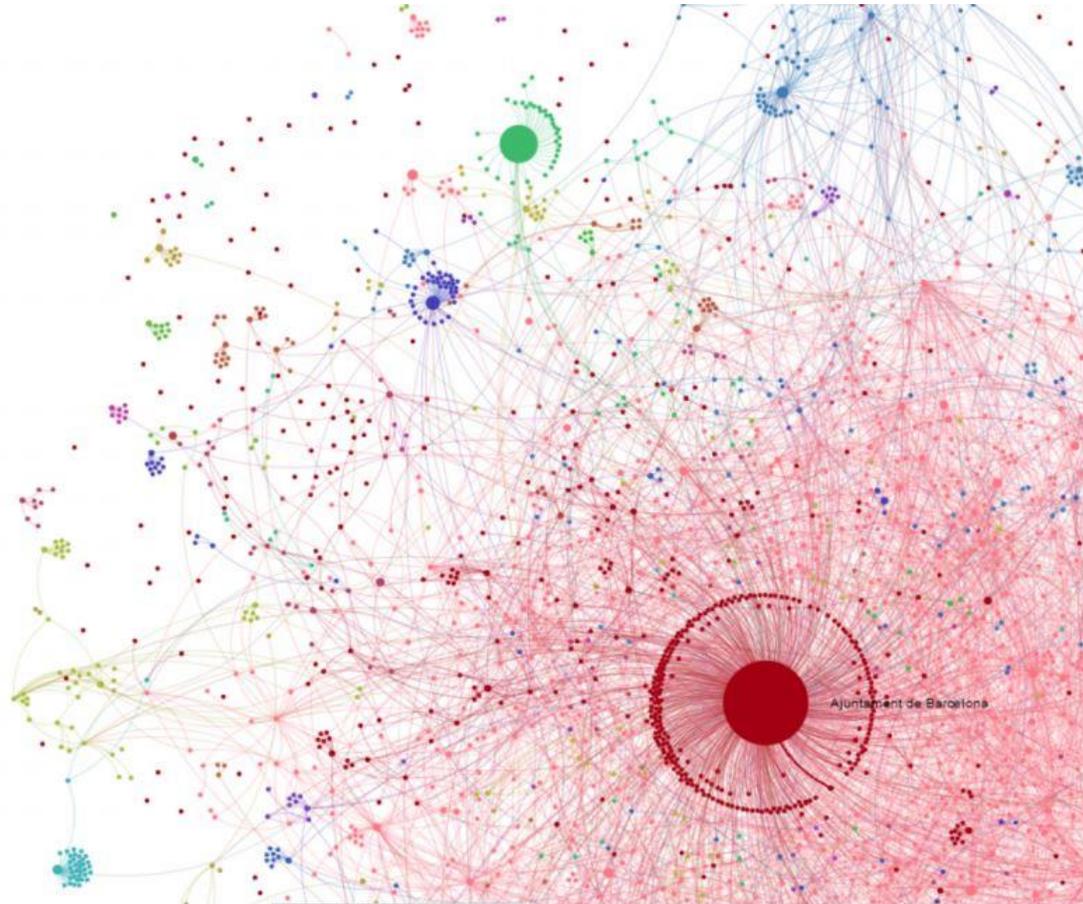
<p><b>DRIVERS</b></p> 	<ul style="list-style-type: none"> <li>• 2011 radical social movements following global financial crisis</li> <li>• Opportunities for ‘technopolitics’ and local government innovation – En Comu</li> </ul>
<p><b>STAKEHOLDERS</b></p> 	<ul style="list-style-type: none"> <li>• 42,000 citizens</li> <li>• Mayor Ada Colau &amp; En Comu</li> <li>• Laboratory for Democratic Innovation</li> </ul>
<p><b>OUTCOMES</b></p> 	<ul style="list-style-type: none"> <li>• 220,000 ‘meaningful citizen engagements’</li> <li>• 10,000 proposals combined into 1467 ‘strategic actions’</li> <li>• ‘Networks of deliberation’ with hubs of formal and informal interaction – see diagram.</li> </ul>
<p><b>COST</b></p> 	<ul style="list-style-type: none"> <li>• Free! – but continuous development and improvement of the platform</li> <li>• Use of procurement as a lever for change about big data and ‘smart city’ initiatives – eg Vodafone, Project DECODE</li> </ul>

Voice Case Study:  
**Envision Utah,**  
 USA

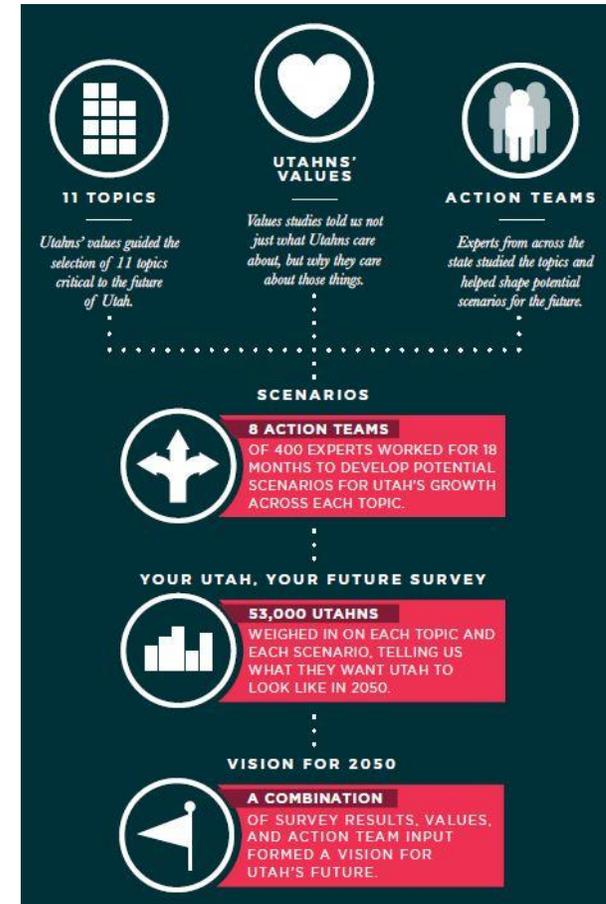
The **continuous engagement of citizens** in the development of a ‘Quality Growth Strategy’ through **values research**, information gathering, **scenario modelling**, public choosing, and ‘visioning’.

<p><b>DRIVERS</b></p> 	<ul style="list-style-type: none"> <li>• Rapid population growth – “how we grow matters”</li> <li>• Appetite to move to more citizen-led approaches to planning learning from California</li> </ul>
<p><b>STAKEHOLDERS</b></p> 	<ul style="list-style-type: none"> <li>• 52,000 citizens in most recent survey</li> <li>• Local business, community and religious leaders</li> <li>• Steering committee including planning and development experts</li> </ul>
<p><b>OUTCOMES</b></p> 	<ul style="list-style-type: none"> <li>• High levels of equality vs comparator states</li> <li>• Denser housing development &amp; regional transport systems</li> <li>• 25% lower water usage per capita and carbon emissions reduced</li> </ul>
<p><b>COST</b></p> 	<ul style="list-style-type: none"> <li>• \$1m per annum – 60% is project based funding</li> </ul>

Decidim Barcelona network map



Utah 2050 vision diagram



## Other examples of inclusive growth

### The Belfast Conversation, UK

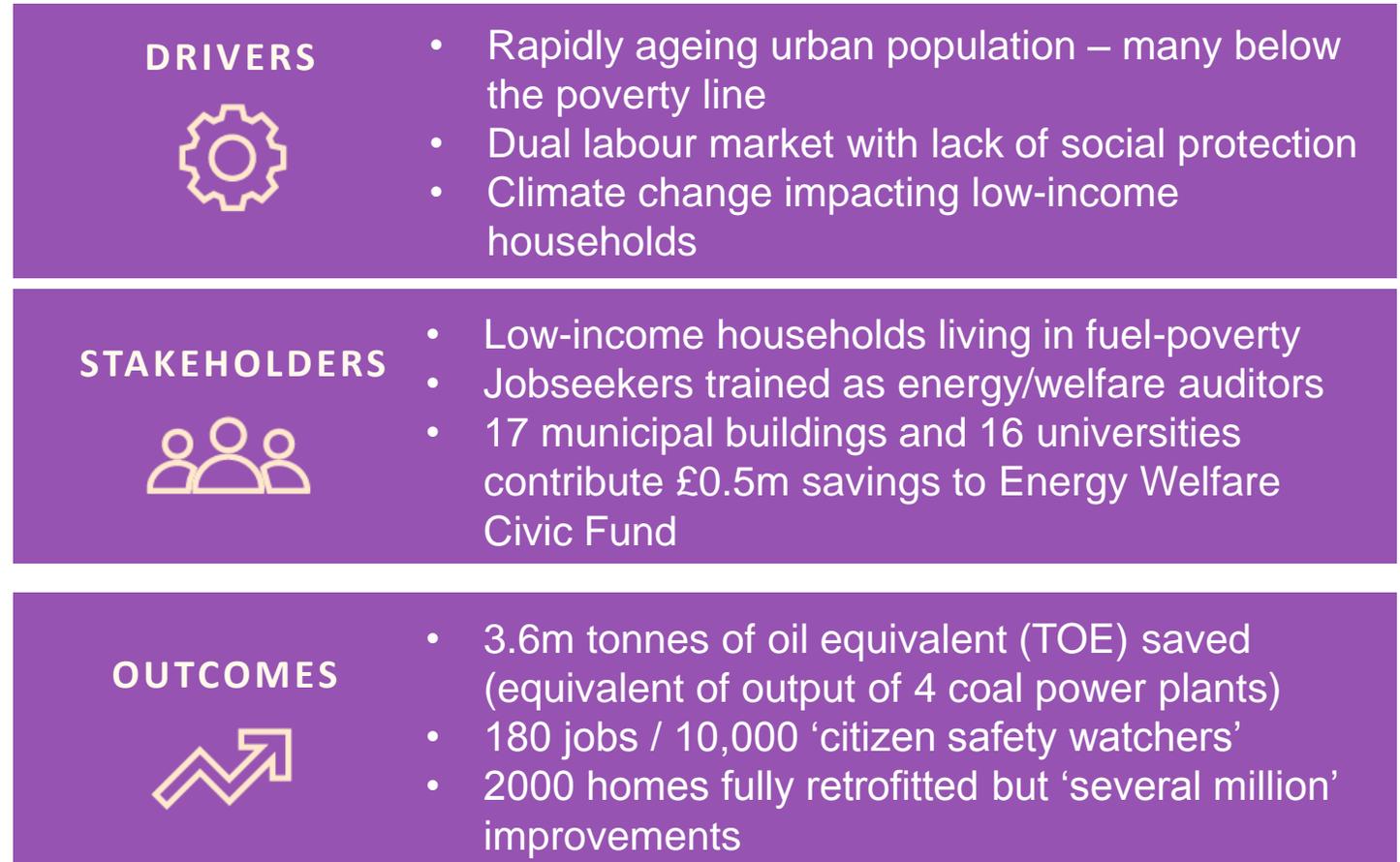
The aim of the Belfast Conversation was to build consensus around long-term wellbeing outcomes and use this as a basis to work back to priorities and actions for change. For example, the council's youth forum led on the meetings in schools to discuss the city's future, and — in corners of the city with particularly intractable social and economic problems — the conversations sought to diagnose local issues with the people who lived there and work out practical solutions.

### Medellin, Colombia

Medellin used urban infrastructure and a participatory planning processes to promote social cohesion and inclusion through face to face interaction between people from different communities and backgrounds. By using smart design and innovative transportation development the city's leaders have taken a long-term approach to include the excluded in the city's mainstream economy and society.

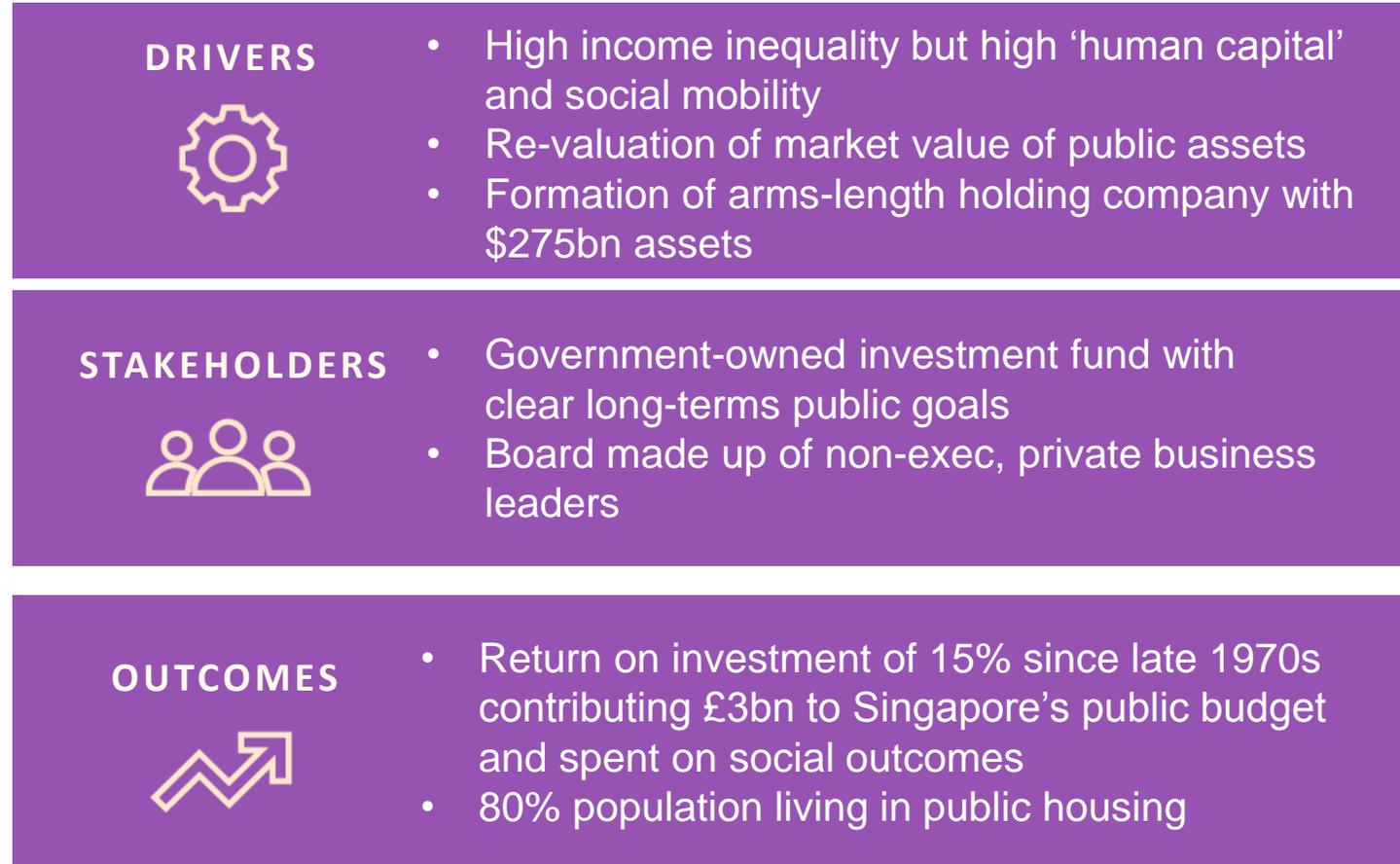
Futures Case Study:  
**The Promise of Seoul,**  
 South Korea

An **energy-and-welfare programme** designed to tackle fuel poverty through **energy efficiency** measures delivered by upskilling disadvantaged jobseekers to become household **energy/welfare auditors**.



Futures Case Study:  
**Public Wealth Funds,**  
 Singapore

The use of **public asset management** (buildings, land, utilities, transport) to unlock **long-term investment** in education, healthcare and housing through the creation of an **arms-length holding company** Temasek.



## Other examples of inclusive growth

### Silver Human Resource Centers, Japan

A network of over 1600 Silver Human Resource Centers in Japan provide work opportunities for older people that are tailored to their particular needs. Some centers offer classes and training programmes to their members to enable them to engage in a wider range of work opportunities. These can be varying lengths depending on members' job aspirations, and include highly specialised roles such as nursing and other care services. They commonly offer housekeeping and childcare, as well as mentoring for other older people.

### Robin Hood Energy, UK

Robin Hood Energy is a not-for-profit energy company, owned by Nottingham City Council. It was set up by the local authority to tackle fuel poverty and to help give people a cheaper energy and reduce fuel poverty for those who need help the most. It also provides a wider range of services such as boiler replacement to address issues of environmental sustainability and energy efficiency in the city.