Totnes & District
Local Economic Blueprint
Executive summary
A word from the author

Totnes and District is feeling the effects of the economic downturn, along with the rest of the country. Climate change impacts and rising energy costs are further signs that the assumptions underpinning our current economic system need urgent review. Here we have an unusually independent economy. Rather than sacrifice that by pursuing growth at any cost, here we suggest that protecting and enhancing this economy is where our future lies. But how will this provide the jobs we all need to survive?

This report identifies a multi-million pound opportunity to create new jobs, grow new enterprises and help existing businesses to thrive. It’s people-based, community-led, sustainable economic development that provides new livelihoods. At the same time, it helps ensure we can feed ourselves, minimise our fuel bills and carbon emissions, provide safer refuge for our savings and pensions and take care of those most in need.

This work brings together a coalition of local stakeholder organisations, anchored here in our community, to develop an economic approach designed specifically for Totnes and District (T&D), and shows that we can unite to deliver real change.

The project has looked at 4 key sectors and used publicly available data to compile a picture of what each sector could be worth to our local economy, if we develop more demand for local products and services, delivered by local independent businesses and using a supply chain closer to home.

Food and drink
Up to £22m of money leaves our local food economy each year on food imports. Diverting just 10% of this existing spend within the next year or so would boost our local businesses by over £2m. Local independent shops offer three times the number of jobs as the main supermarkets, for the same retail spend, and local food producers employ 50% more workers than larger scale farms.

Making our homes energy efficient
Retrofitting activity on our homes is worth £26m (basic) - £75m (full) in total. This relates to around 70 to 700 jobs respectively across the whole supply chain, and we want to maximise our share of these. Aiming to unlock 10% of the basic spend within the next year adds up to £2.6m to our local economy.

Developing our renewable energy assets
This could generate over £6m worth of energy each year for householders and community investors. The solar PV technology alone could deliver 370 jobs across the supply chain, some of them based here. Building just 10% of this capacity adds another £600k into our economic system each year.

While we do not suggest that all of our needs could be met by our local area, we propose that what can be grown and produced here, should be, where there are net benefits to doing so. The rest will be met by trade both national and global, as has always been the case. This Local Economic Blueprint tells the story of a new kind of local economy, one based around people, their wellbeing, and their livelihoods, and which better respects resource limits. It calls to action more of our local organisations and businesses, and invites them to work with us to shape this story and turn it into reality.

Fiona Ward, Project Manager for Local Economic Blueprint project, Transition Town Totnes
Participating stakeholder organisations

Transition Town Totnes
Transition Town Totnes exists to build an environmentally, socially and economically resilient Totnes and District as a direct response to the threats posed by diminishing oil supplies, a changing climate and economic uncertainty. We do this through providing the resources and strategic co-ordination to enable the community to respond at a grassroots level, facilitating meaningful change from the bottom up. We initiated the Local Economic Blueprint project to see how we could join with other organisations to transform our local economy. We’re delighted with the results of this first stage which show enormous potential, and look forward to helping turn this potential into real jobs and more enterprises.

Totnes Town Council
Totnes Town Council is the parish authority for the town of Totnes, the third tier of local government, after South Hams District Council and Devon County Council. We supplement the provision of local government services in Totnes, provide a range of facilities, and represent the town with other national and statutory bodies. This project has provided us with an excellent insight into the nature and structure of many local businesses; a useful starting point for the construction of a local economic plan which could potentially underpin our neighbourhood plan. It has been an excellent experience for the Lead Councillors for Business/Employment to work with such a positive and collaborative group of organisations.

The Totnes and District Chamber of Commerce
The Totnes and District Chamber of Commerce is made up of traders and businesses in and around Totnes. Our aim is to promote and protect the business community. Open meetings take place once or twice a year, and a smaller group meet monthly to discuss issues and work on projects concerning businesses and the local community. We are interested in the Local Economic Blueprint as a potential means to support and grow our local economy, both for existing independent businesses and new enterprises.

The Totnes Development Trust
The Totnes Development Trust is a community owned entity, which delivers enterprising, innovative community projects in support of economic, environmental, cultural and social wellbeing for the community of Totnes. The Local Economic Blueprint process will deliver initiatives that are aligned with these objectives and the Trust is pleased to be a key contributor to its definition and implementation.

King Edward VI Community College
King Edward VI Community College (KEVICC) serves the people of Totnes and the surrounding villages. KEVICC is home to over 1,700 students, of whom 400 are at our sixth form centre. Our students are our greatest asset, they are a joy to work with and have amazing potential. We want to understand the types of local jobs which might be available for our graduating students, and our involvement in this Local Economic Blueprint will help us understand how best to prepare our students and equip them with the right skills to work within the local economy.

Schumacher College
Schumacher College and the wider Dartington Trust are committed to inquiry and practice for sustainable living. We seek to open minds to different ways of looking at the world, at our interdependence with the planet and with each other. The Local Economic Blueprint work is a local embodiment of this process, an inspiration for research and social enterprise within our learning community, and an experiment that is influencing what we do here at the college. Our students will study it as a model of community-led economic development, and help with some of the research.

South Devon College
Paignton-based South Devon College offers academic, practical, technical and business courses to 3,500 students aged 14 and up, as well as foundation degrees. The new Energy Centre will provide training in renewable technologies and sustainable construction as well as support for businesses and homeowners around the sustainable agenda. The College is involved in the Local Economic Blueprint to find out more about the potential training needs, and provide training and facilities in support of the projects outcomes.

with input from South Hams District Council (SHDC)
SHDC provides a range of services to the residents and businesses of South Devon in the area between Plymouth and Torbay, and including those based in Totnes and District.
A new story for our local economy

An introduction from Dr. Sarah Wollaston, MP for Totnes & District and Stewart Wallis, Executive Director, new economics foundation (nef)

“The Totnes and District Local Economic Blueprint represents a milestone in the efforts to identify the economic benefit of localising businesses and supply chains. Transition Town Totnes, along with its stakeholder group, has quantified the economic potential while also identifying a roadmap for the way forward.

In these pages, you will see the value that could be generated – much of which is currently dormant – by developing demand for local goods and services.

For example, up to £22 million leaves the local food economy each year. Spending more of this locally offers great potential because local production and retailing generates more jobs per pound, and creates opportunities for new entrepreneurs. A new sector - retrofitting our homes to consume less energy - has the potential to generate £26 million, assuming only the most basic measures. Investing in local renewable energy technologies could generate over £6 million worth of energy for households and investors each year.

These are large figures in their own right – figures that become even more attractive when contrasted with the financial realities of austerity. This project demonstrates that by taking action to promote local enterprise, and finding a healthier balance between local, national and international trade, local economic groups can take their destiny into their own hands and tap into a multi-million pound opportunity on their own doorstep.”
Background

In the simplest terms, traditional economic development looks to create the infrastructure needed to attract large employers to an area, and to encourage existing businesses to continually grow. While in the past such large companies have often provided a familiar almost paternal presence, but when they close or depart they take not only jobs but also a sense of stability and certainty.

Over the years Totnes has had its fair share of such experiences, including the closure of the bacon factory, the timber yard, the milk processing plant and most recently the art college. However there is another economy alive here, one that gives it some true resilience: a large web of independent, often family owned, small businesses, 71% of which have less than 10 employees.

Through conversation and anecdotal evidence the picture that emerges is that the strength of the local economy is in these small businesses, but they are being buffeted by external forces which put them under pressure every day and they don't get the support from central and local government that bigger business enjoys. With ongoing economic turmoil, rising energy and food prices and unpredictable climate change impacts, we are living in increasingly uncertain times.

As it becomes more apparent that our current economic system is in trouble, we are also seeing more questions raised about what purpose it serves and who benefits from it. This is demonstrated, for example, both by the Occupy movement as well as more main stream commentators such as the FT.

So in April 2011, as part of its local REconomy Project, Transition Town Totnes brought together key stakeholders with an interest in the local economy to discuss what we could do together to help build the resilience of our community, and improve all of our wellbeing, through transforming our local economic system.

What emerged that day was an agreement to look hard at our vulnerabilities, build on our strengths and work towards creating a different kind of local economic system.

We agreed the overall goal of this system would be to maximise the wellbeing of our entire community, and to do this in a way that uses and distributes resources fairly while respecting natural limits. Economic growth is welcome, certainly within the sectors identified within this project, but not at any cost.

What improves our wellbeing? One way of looking at this is using a set of human needs that are common to all of us. For example, nef suggests that 5 ways to well-being are to connect, be active, take notice, keep learning and give.

If we can design an economic system that provides jobs and meets as many of these needs as possible, while being ecologically efficient, then we have the opportunity to develop something that actually meets our needs as humans in a sustainable way. This needs-led design approach will be something we use further as this project proceeds, working with the wider community to agree our set of needs here in T&D, and exploring what might truly satisfy these.
Approach

And so the idea for this project was born, that is, to look at the data which could show the potential local benefits of this new economy, through investigating the four sectors that play a fundamental role in our community’s sustainability and resilience:

- **food** – allowing us to be more in control of our food system;
- **retrofitting our houses** – help us to live in warm homes with minimised energy bills;
- **renewable energy** – help us benefit financially from our own renewable energy assets; and
- **care and health** – look after ourselves and our most vulnerable residents especially as public spending declines (we looked at this to a lesser degree due to resource constraints).

We used publicly available data and reports for Totnes and the surrounding parishes (which together represent Totnes and District) as this reflects the traditional market town area, as well as for South Hams where relevant, to pull together a picture for each sector – both as it is now, and as it could be. We then identified a number of projects and activities that could help turn this potential into reality (or which are already doing so), and have created a high level plan with priorities, timings and responsibilities.

Note that for this plan, we are looking at a 3 year time frame - any longer feels too subject to change - and relatively limited resources. This plan does not include every possible thing that might need to be done to realise the maximum potential, rather this is a set of things we can practically do that will start to achieve some of it. From these activities, we will learn much that will influence our future work, and of course, other things may come along unexpectedly that gain precedence over these suggestions. This is a work in progress and we welcome input from others to help shape our collective path.

Who is this proposal for?

This document is aimed at the organisations and businesses that influence, and are part of, our local economy here in T&D. It is also intended as a place-based piece of evidence of how grassroots economic development can be used to grow more resilient communities across the UK and beyond.

We hope our work contributes to a growing body of evidence about the potential of community economic development to “redistribute economic power, reduce disconnection, inequality and vulnerability to economic failure”, and inspires others to undertake similar projects.
Why buying locally matters
Where do we spend money and where do the goods come from?

We know that money spent with local independent shops and businesses has greater local value than the same amount of money spent with chain stores and corporations. Why? This is due to the ‘local multiplier’ effect.

Most money spent with local businesses typically gets re-spent in the local economy, not just on wages and local suppliers, but also on services like accountants, marketing, printing, insurance, distribution, cleaning and so on. However, large chains tend to only re-spend locally on wages, as they generally have central contracts with national suppliers and service providers that can meet their needs at the required scale. Recent tax avoidance cases have also highlighted the additional societal costs of some corporate models. The trend towards internet sales generally excludes local businesses entirely, and do not even provide local wage inflows.

Let’s take food as an example. Using data from nef, the Campaign to Protect Rural England CPRE) suggests that spending £10 in a local food outlet is actually worth another £25 to the local economy, as it gets re-spent locally several times (a local multiplier of 2.5); and they also report that local food shops can employ 3 times as many people for the same amount of turnover as a large supermarket. So that’s why, if our aim is to strengthen our local economy, it’s just as important to look at where money is being spent, as well as where the goods come from.

In T&D, spending money in local independent shops and businesses creates more jobs here and strengthens our local economic system overall. When that money is also spent on locally produced products then the benefits are even greater, as show in figure 1.

*Figure 1 shows who benefits from the four possible combinations of sourcing locally or non-locally, and spending locally and non-locally. Clearly, the most benefits for our local economy arise in the top right quadrant.*
We are not suggesting that 100% of our requirements should or could be met locally. There has always been trade across the region, country and the globe, and always will be, to some extent though this will reduce for physical goods at least as fuel prices rise.

Some people might see this approach as protectionism, the opposite of free trade. We argue that we are most interested in the best outcomes for our community here in T&D, and that we are looking to stop the leakage of money that could be retained in our own economy, providing jobs and essential goods and services for local people, in a sustainable and equitable way.

The thinking is that this model is replicable elsewhere, so other places can benefit from increased economic resilience too, by strengthening their own local systems rather than overly relying on export (to places like ours!). We explore the theory of local economics more later.

We propose that what could be produced and provided here should be, where there is a net benefit overall.

To re-cap, our opportunity here is to increase the economic benefits to our area that come from money being spent in local independent shops and businesses, and from that money being spent on local products.

The following sections summarise the opportunities in each of the four sectors, and we suggest that to turn these into reality, we need to do certain projects and enabling activities. These fall into the following categories as you will see on the following pages:

**Strategy, network and research**
These projects will build a mutually supportive network of local businesses (e.g. for food related enterprises), and work with them to define a more detailed strategy within their own sector, based on the work started here. This includes further research especially around current gaps in provision of key products or services that could be produced/delivered locally.

**Raise awareness and create demand**
These projects will focus on different groups of people (consumers, public sector procurement officers, suppliers, schools, tourists etc.) to help spread understanding of the implications, and the potential power, of the shopping and sourcing choices we make. It will also look at how the infrastructure needs to change to make local shopping and sourcing easier (opening hours, access, parking etc.) and will address some of the myths such as that supermarkets are always cheaper.

Besides the sector-specific projects, there's a number of activities that apply across all of them. These will help new and existing enterprises to take advantage of the opportunities, and help ensure the required infrastructure is in place - we will return to these cross-sector projects later.
Food
A £22m opportunity to grow our local food sector

How did we do our calculations?

Our turnover data indicates that retail spend is around £35.8m pa on food and drink in T&D.

We double-checked this figure against household spend data. There are around 10,000 homes in T&D14, and the Office of National Statistics (ONS) estimates each spends, on average, £62 per week (£3,219 per year) on food and drink15.

This adds up to an expected spend of around £32.6m per year, not too far off our revenue-based estimate of £35.8m.

In the UK we import a large proportion of our food: the food production-supply ratio (which measures self-sufficiency) was 63% for all food in 2011, and 78% for foods indigenous to the UK, down from the peak of 78% and 94% respectively in 19899. The value of these imports is around £34b per year9.

In addition to suffering from this decreasing demand, many of our small UK farmers are being forced in bankruptcy due to pressure for profits from powerful supermarkets, and their large scale processors, as highlighted recently by the NFU's SOS Dairy Campaign10. Globally, the UN warns of a looming worldwide food crisis in 2013 due to low grain reserves, extreme weather and rising prices11. The case for a more resilient and sustainable food system has never been stronger.

Agriculture is still a dominant sector in Devon where we have about 21,000 ‘active’ farm holdings12. Devon County Council’s website states that “a sustainable and viable agricultural sector is essential for the preservation of the landscape, as well as rural communities and associated services”. We also argue it’s an essential part of our job security, food security, our culture and heritage. So what does our local food sector look like in T&D today, and how well do we support it?

How much do we spend on food and drink?

Our data13 indicates that we currently have about 380 food related businesses in T&D: they employ just over 1,500 people or around 14% of all those employed, and their total turnover is around £114m. Of this, we are especially interested in what households spend on food and drink in the retail shops, reflecting demand for products for home consumption, which is about 31% of total sector turnover as shown in figure 2. This equates to a total spend of around £30m pa on food and drink for consuming at home.

Note - while some people who live in T&D will shop elsewhere for food, we assume vice versa is true especially as Totnes is on a main route, so there is a net effect overall.

Figure 2 proportion of food and drink sector turnover by category in T&D
From where do we buy it?

The ONS reports that in the UK, 81% of all spend on food and non-alcoholic drinks goes to large supermarket chains\(^{16}\). If we assume the percentage is similar for alcohol too, then this implies about £24m is spent in our two big supermarkets here. Based on data about these 2 large outlets, we estimate this figure is closer to £19m. So we will assume that we spend about £20m in these 2 supermarkets (£17m in just one of them) and the other £10m is spent across some 60 independent food shops.

How much of it is produced here?

To re-cap, the opportunity is to increase the economic benefits to the town that come from money being spent with local independent businesses, and from that money being spent on local products where possible. So now we turn our attention to the local supply chain.

When we look at our 200 or so local suppliers, we see that they produce far more food and drink than our local area buys\(^{17}\). Of course this is also to meet demand elsewhere and Riverford, for example, has a major impact on our figures. But how much do we spend on local produce today?

A report on our local food web\(^{18}\) by the Campaign to Protect Rural England (CPRE) suggests that around £8m is spent on products from the local area (up to 30 miles), which indicates that the other £22m of our retail spend goes on products imported from elsewhere in the region, the country or the world.

What’s the opportunity?

Figure 3 shows who benefits from the £30m spent in our local food economy at the moment. The green areas of the charts show the size of the opportunity to re-localise our food economy and increase the benefits to our community. Benefits are maximised when we both source and spend locally.

\(^{16}\) Office for National Statistics, \(^{17}\) Economic Statistics Centre at University of Exeter, \(^{18}\) Campaign to Protect Rural England
CPRE stresses that local food outlets are particularly important as sources of employment as they support three times the number of jobs as the main supermarkets, for the same amount of retail spend. This effect continues down the supply chain, for example, producers involved in the local food economy employ on average 3.4 full-time workers compared to the regional average of 2.3 per farm.

The same report also found that local food outlets offer direct and indirect markets for micro and small producers that are unlikely to be available through the distribution channels of supermarket chains. This enables more start-ups and micro businesses to participate in the local economy.

But what about the issue of pricing? Despite the perception to the contrary, local food is often cheaper than the supermarket alternatives especially seasonal fruit and veg. Where this isn’t the case, we appreciate that while some people are willing and able to pay more for local food, this isn’t possible for everyone. One of our collective aims is to ensure that everyone in our community can access local, reasonably priced, fresh, quality food including those on the lowest incomes.

Re-localising much of our food economy will also lead to a reduction in food miles, support the quality and character of our area and build closer social connections between businesses and their shoppers.

**Where do we start?**

Figure 4 summarises the projects and activities identified so far for this sector. We will continue to strengthen the network of local food businesses and based on the outcomes of the research into processing facilities and food crops, jointly develop a more detailed strategy for this sector. A series of targeted campaigns will help raise awareness of the importance of spending with local retailers and products where possible, helping to create demand, and we also need to look at infrastructure changes that will make it easier to shop local.

At the same time, we need to start strengthening and growing the local supply chain so it can meet this growing demand over the next few years. This need to support existing businesses and new enterprises to take advantage of the opportunities applies across all the sectors.

**How will we know if things are changing?**

Suggested indicators include:

- Turnover of local independent outlets versus the supermarkets
- Total spent on locally sourced products versus non-local
- Number of local food-related jobs
- Number of local food-related businesses
- % of food-viable land in production
- % of local public sector organisations with local procurement policies
- Tonnes of carbon saved due to re-localised food
- Shopper satisfaction with aspects of local food

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Read the full Food Report on the TTT website.
The seeds are being sown...

**Tideford Organics**

www.tidefordorganics.com

Tideford Organics is an award-winning manufacturer of organic soups, sauces, porridges and rice puddings. The company was established 15 years ago and employs 22 people in their Soil Association accredited factory in Totnes.

Lynette Sinclair, owner, says “Tideford fully supports the conclusions and plans of this Local Economic Blueprint, and we’re already working to re-localise our own supply chain. At the moment some of our vegetables are imported and we are progressing with an alliance between local organic growers and a processing unit in Paignton to increase local supply. This move will reduce our costs, food miles and embedded energy costs whilst supporting local businesses. We will be able to contract-in and work with local growers to establish quantities and crops required for the coming seasons, thus providing job and price security at both the manufacturing and growing end of the chain”.

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**The Food Gap Trial**

This project involves working with farmers and growers to increase understanding of local growing suitability for a range of crops, and to carry out various trials and share knowledge. Along with developing a supply of new crops, we need to explore requirements for associated processing and storage facilities.

We are working to encourage farmers to grow:

- produce that stores, such as pumpkins, squashes, certain varieties of apples etc
- produce that can be processed locally in order to extend it’s seasonal range, through methods such as dehydrating, freezing and bottling
- produce that currently requires local processing facilities such as drying, storage and milling/processing of grains and legumes

The project has highlighted the interest of growers and producers in this area. It will continue to research and build evidence of the specific needs and demand for the various processing facilities that T&D will need, in order to provide a resilient and viable local food infrastructure.
Retrofit
Retrofitting all of our homes could be worth £26m-£75m

Overall, the price of energy is on the rise. As the more readily available sources of fossil fuels are used up, the cost of extracting and processing the harder to reach resources will be higher. Meanwhile, the global demand for energy is growing thanks to developing economies like China, leading to more competition for the remaining resources. Political instability in energy-rich regions adds further supply squeezes, and price impacts.

So the cost of heating, lighting and powering our homes and businesses is predicted to continue to rise\(^2\). At the same time, we know we need to cut the amount of fossil fuel energy we use in order to reduce our climate change impacts. One of the things we can do to minimise our exposure to energy prices, and reduce our carbon emissions, is to retrofit our homes with energy efficiency measures. This helps ensure we use as little energy as possible, while maintaining a reasonable level of warmth and comfort. This section explores the economic potential of this retrofit work on our homes in T&D.

How energy efficient are our homes?

There are around 10,000 dwellings in T&D and over 42,000 in the South Hams. These buildings are a diversity of building type and age, with a relatively high proportion of rental to home ownership; however if it could be summarised in one word, it would be “inefficient”. According to South Hams District Council nearly 60% of these homes fall into the three lowest energy performance ratings (EPC bands E, F, G, with corresponding SAP scores of 54 and below). The average SAP scores are shown in figure 5. Only 73% of homes have central heating, compared with 89% nationally, and only a quarter of those have an efficient boiler. At least 40% lack adequate loft insulation.

Our homes are increasingly expensive to heat, and cold homes impact on the residents’ health and wellbeing. Approximately 22% of all homes in South Hams fail the Decent Homes Standard due to “poor thermal comfort”, twice the national average, with 11% considered a “Category 1 Hazard” due to excessive cold. At the same time, over 14% of households face fuel poverty.

The residential sector is responsible for about a third of the UK’s carbon emissions. Taking all these factors into account, as well as the government policy’s call for dramatic reductions in carbon emissions of 80% by 2050, there is clearly much scope for improvement. (All data in this section is from SHDC\(^{21}\).)

Figure 5 shows average SAP rating by tenure type, dwelling type and property age.
What’s the opportunity?

The goal of an energy ‘retrofit’ as we use the term here is to make the building consume less energy for space and water heating. Nearly every home can be made more efficient, but there are practical constraints defining the upper limit for most dwellings including the condition of the property (age, design, materials, state of repair, siting and so on) and of course, there are behavioural and financial considerations.

Based on data about the condition of our housing stock, and information from the Energy Saving Trust about the likely cost of energy efficiency improvements, we estimate that if all T&D homes were retrofitted with ‘basic measures’ including insulation, double glazing and new boilers where needed, the total cost would be around £26m, or £111m across the South Hams. Figure 6 shows the number of homes probably requiring each measure.

Based on other data, we estimate to bring homes up to an average SAP rating of 76 (band C), it would cost around £75m for T&D, or £320m for the South Hams. This includes measures like solid wall insulation and heat pumps, for example. Clearly we have made a large number of assumptions in both these estimates as explained in the detailed report, and there is a wide range of variability in properties in reality.

Calculating payback

In 2010 T&D homes spent nearly £3m on mains gas and about £7m on electricity, all of which leaves the local economy.

Retrofitting the local housing stock will create savings on energy bills for householders which can be used to cover the costs of the retrofit work.

We used a range of data to estimate the potential energy savings for the ‘basic measures’, as shown in figure 6, to be around £1.2m per year in T&D (£5m for South Hams).

This gives a rough payback period of almost 22 years at current energy prices – given these are likely to continue to rise, this payback period will likely decrease.

Are we ready to take advantage of this new sector?

Besides stimulation of consumer demand, a key enabler for this new market will be the finance mechanisms that help with affordability and cash flow for those that can’t afford to pay in full up front. The Government’s recently-launched Green Deal aims to help finance the installation of energy efficiency measures, with repayments based on predicted savings and tied to the bill not the person. Grants should also continue to improve affordability for those on low incomes. While not without its critics, the Green Deal provides a better set of tools to drive domestic retrofitting than we have had to date, according the Centre for Sustainable Energy (CSE).

However, it’s not clear that the Green Deal (which requires certification for nearly all parts of the value chain) as designed will benefit local small building companies and related trades, who currently do 95% of Britain’s general housing refurbishment. There are about 250 companies involved in construction trades in T&D, though not all are locally owned, and it’s not clear how many of them offer retrofit services or have the required skills today. Our local firms need to be ready to meet the requirements of the Green Deal, and the potential rise in demand for their services, if we are to maximise the benefit to our local economy.
Finally, most building materials and systems used in the measures we describe (boilers, insulation materials, draught proofing materials etc.) are manufactured far outside the local economy. There’s a handful of builders merchants located here selling some retrofitting products, though only 1 is local. To secure the greatest benefits from this new sector, T&D needs to deliver as much of the supply chain as possible: the auditing and advice services, the retail sale, the manufacture and assembly of equipment and parts where possible, the installation and the servicing.

**Where do we start?**

Local firms and entrepreneurs need to be prepared to win the business and be qualified to do it, in what will likely be a competitive market. We aim to help local forms to form a mutually supportive network, and create a strategy for growing this sector including re-skilling and building capacity as shown in figure 7.

**How will we know if things are changing?**

Suggested indicators include:

- % of local homes with acceptable loft insulation
- % of local homes with 'reasonable' energy performance rating
- % of total retrofit related spend that goes to local vs. non-local firms
- % of local homes failing the Decent Homes Standard
- # local retrofit-related jobs
- # local retrofit-related firms
- # tonnes carbon saved through local retrofit work

**strategy, network & research**

- build sector-specific network of local firms
- explore home & business finance options including Green Deal
- define strategy to grow market with sector-specific network
- review planning processes with SHDC
- feasibility studies for local natural materials
- study potential retrofit technology & materials

**raise awareness & create demand**

- expand Open Homes and EcoHome Fair events
- co-design mechanisms with councils to help stimulate demand
- leverage Transition Streets & promote local schemes
- promote action by landlords

*Figure 7: Retrofit sector activities amber = partially funded/started · red = not yet funded/resourced

This sector-specific strategy can build on some of the projects underway such as those raising awareness and creating demand through Transition Streets and the Open Homes weekends. We need campaigns to encourage home owners, renters and landlords to retrofit, and we need to have financing mechanisms in place to help cover the costs. To support the local supply chain, there needs to be research on materials and technologies that could be produced locally.

Behaviour change programmes such as Transition Streets will continue to help reduce wastage of energy. Such programmes are essential if we are to achieve the desired savings - technology alone is not enough.

Many of these activities can and should be done alongside similar things for the renewables sector, given they both address household energy.

Read the full Retrofit Report on the TTT website.
**The gaps are being filled...**

**Anahat Energy**
www.anahatenergy.com

Anahat Energy was created in 2009 as a response to two key issues: 1) the requirement for a rapid response to both climate change and energy security, and 2) the need for the financial implications of energy investments to be communicated clearly and with sufficient knowledge of the different financial options. As such, Anahat Energy is a fully independent energy efficiency & renewable energy consultancy.

We combine backgrounds in energy management, renewable energy engineering and investment finance to ensure our customers develop energy reduction and renewable energy generation projects that are both technically and financially feasible. We offer services that cover the whole spectrum of energy services from energy and power quality monitoring to audits to energy strategy. Demand for our services is growing steadily and we employ 2 people with plans for more in 2013.

We were delighted to provide input to this Local Economic Blueprint and look forward to being part of this process moving forward.

**Transition Streets**
www.transitionstreets.org.uk

The award-winning Transition Streets project supports small groups of neighbours to carry out a number of practical actions. These actions reduce energy use, among other things, and include both behavioural change and measures such as loft insulation, roof insulation, cavity wall insulation and draught proofing. Information about grants is available, especially to support those on low incomes.

Over 500 households in T&D have participated so far, saving on average £580 per year, and 1.2 tonnes of carbon emissions. Behaviour change is a critical aspect of energy efficiency – there is little point retrofitting a home if the residents continue to waste energy unnecessarily, for example, setting the thermostat too high or heating spaces that no one uses.

This strong base of Transition Streets households provides, we hope, a willing audience to talk with further about other retrofit activities.
Renewables
£6m from energy sales pa plus a share of £85m build cost

An abundant supply of relatively cheap fossil fuel energy helps make our current lifestyles possible. The Department of Energy and Climate Change (DECC) reports that every UK resident uses about £2,000 of energy pa. This includes energy for heat, light and power in our homes, transport fuels plus our share of energy used in the commercial and public sector that powers the services and makes the goods we use. However, this monetary value does not account for its full costs. Climate change, ecological destruction, social injustice and human health problems are some of the additional costs that are ‘externalised’ from usual accounting methods and not reflected in the energy prices.

National policy recognises our over-dependence on fossil fuels, as illustrated in figure 8, and aims to redress the balance in favour of renewable energy production. Locally, this dependence also leaves us vulnerable to rising prices and supply constraints, and nearly all of the money we spend on energy goes to large companies located outside the area. However, our area contains abundant clean and renewable energy resources. Local investment in these assets will reduce our carbon footprint, increase our resilience and provide a significant boost to the local economy.

What’s the opportunity?

Here we only focus on those local renewable assets capable of providing a significant portion of our electricity and heating needs in the short term, or 3-5 years. Our most abundant energy resources include wind, biomass and solar. Therefore we looked at electricity and heat production from solar photo-voltaic (PV), solar thermal, wind turbines and biomass technologies, all of which are relatively mature and proven. In total, we estimate we could produce as much as 64 GWh of usable energy per year which is worth about £6.4m at current retail electricity and gas prices as shown in figure 9 and explained further below.

Wind
The South Hams also has great wind resources and numerous viable sites that fulfil technical criteria. However, there is only one commercial-scale wind project in the planning pipeline. This is by community-owned TRESOC, which aims to produce 11.6 GWh of electricity pa. Given possible planning constraints due to proximity to an AONB and Dartmoor National Park, as well as other issues, this may represent the extent of commercial wind power potential for the area, at least in the short term. Small-scale wind represents a niche application, the potential is likely trivial in the context of this work. The potential for off-shore wind is not known at this time.

Biomass
Our biomass assets include woodland and agricultural waste products, such as crop residues, that can be pressed into pellets and used in stoves and biomass boilers. Animal slurry from farms can be used as feedstock in anaerobic digestion (AD) systems. The municipal solid waste (MSW) stream contains potential energy in the form of paper, wood, natural fibres etc., and along with some commercial waste can be used as feedstock for advanced thermal processing systems (e.g. pyrolysis or gasification). In total, we estimate that biomass could provide about 32 GWh of usable energy pa, mostly in the form of heat.
Solar
As the map in figure 10 shows, the South Hams enjoys the highest potential for solar power in the UK. In this study, we focused on domestic systems that produce electricity using solar PV and hot water from solar thermal panels usually positioned on roof tops.

Our local solar PV experts suggest approximately half of the homes here could be fitted with PV, taking into account roof aspect, shading, size, structural integrity and so on. We assume a similar estimate for solar thermal.

That’s around 5,000 roof tops in T&D and assuming 2kWh systems, there’s potential to produce about 8 GWh of electricity and 5.7 GWh of heat pa. Currently, however, we estimate that 94% of the potential for PV remains untapped here, rising to 99% for solar thermal. Commercial buildings’ roof space and solar farms are not considered here, but would offer significant additional opportunity.

What can help us pay for the development costs?
In T&D, we spent nearly £3 million on gas and over £7 million on electricity for our homes in 2010. Adding in commercial and industrial customers brings the total to £4.4m and £12.4m respectively. Diverting some of this spending towards locally generated renewable energy will have direct benefits to whoever owns the systems through energy bill savings and/or income, and there are good subsidies to help pay for the installation costs.

Regarding domestic subsidies, the Feed in Tariff (FIT) currently pays householders 21p/kWh for solar PV, plus 3.2p/kWh for unused electricity fed to the grid. This could be worth about £1.6 m pa in income for householders in T&D. Part of the installation costs of solar hot water systems can be covered by the Renewable Heat Premium Payment (RHPP), worth £1.5m for our eligible homes here. Installers of qualifying wood fuel heating systems can also benefit from the RHPP, we estimate to the tune of about £1.7m, and they will also purchase around £300k of wood pa, creating demand for local enterprises. Owners of renewable heating systems will also receive further subsidies once the Renewable Heat Incentive (RHI) is available, an additional income stream not considered in this work. Owners of PV systems also get free electricity if they use it when it’s generated, rather than paying for grid-delivered power. For solar PV, we estimate this could be worth over £500k and for solar hot water £227k per year.

Yet another subsidy programme supports commercial scale wind developments. When added to the potential income from the electricity, this would total £1m of income for the proposed wind farm per year, which provides a return on money invested by the community in the form of dividends, as well as covering the capital costs.

What is a GWh?
A gigawatt hour could provide all the electricity for 300 homes for a year, or the heat for 49 homes.

How did we do our calculations?
Due to the challenge of representing the complexity of the data in summary, please see the detailed renewables report for more information if no reference is provided.
An AD system can be designed to provide electricity or heat, therefore being eligible for either the FIT or RHI, which we estimate could be worth £716m and £260m pa respectively (we used the more conservative gas figure in our totals). The potential for an advanced thermal system would enjoy no subsidy, however it could earn as much as £1m pa from electricity sales.

In total, we estimate there’s around £3m available as one-off subsidy payments, and £4m in annual income thanks to subsidies. However, the renewable energy infrastructure itself needs to be built, and we estimate the total investment cost could be around £85m, including equipment, construction, installation, maintenance etc. Much of the equipment is designed and manufactured elsewhere, but there are big opportunities for local firms in construction, installation and maintenance. We estimate these costs could be recovered within about 20 years at current energy prices (which are likely to rise, so reducing the payback period).

Where do we start?

As with the retrofit sector, local enterprises need to be prepared to win the business and be qualified to do it, but this time in an already competitive market, and we need to act now to take best advantage of current subsidy levels. As shown in figure 11, we aim to support local firms to connect in a mutually supportive network (probably combined with the retrofit network) and create a strategy for making the most of this new sector, and in particular ensuring the financing options are in place.

Here too we already have projects starting to raise awareness and create demand. We need campaigns to encourage home owners, renters, landlords and businesses to invest and take advantage of incentives while they are still here. To best support developing the local supply chain, there needs to be research on materials and technologies that could be produced locally. Planning permission is required in some cases especially given the nature of our area, and we would like to work with the council to ensure local planning maximises opportunities for renewables and retrofit developments, while taking proper account of environmental and social impacts.
The power is in our hands...

Totnes Renewable Energy Society
www.tresoc.co.uk

Totnes Renewable Energy Society (TRESOC) is a cooperative (Industrial & Provident Society) with 500 members. TRESOC’s aim is to develop the profitable supply of energy from renewable resources for the benefit of the community resident within Totnes and 15 surrounding parishes. With a number of projects underway across a range of renewable energy sources, TRESOC is bringing benefits to the local economy. For example, non-volatile investment for thousands of local residents and employment opportunities in engineering, agriculture, forestry, waste processing, transport, construction, marketing, finance & legal.

In its work, TRESOC has become increasingly aware of the role of education. We see the Local Economic Blueprint as a very effective way to raise awareness around the potential of the Renewables sector and are pleased to be a part of this effort.

Manufacturing and supply chain innovation
www.ngbiogas.com

Totnes-based New Generation Biogas (NGB) is working at the forefront of Anaerobic Digestion (AD), and with the aid of grant funding is developing a range of advanced, compact, high-throughput AD plants for individual on-site use.

Although initially aimed at agriculture, a much wider market in the form of other agri-business and small community clusters is anticipated. NGB view their product as the heart of an integrated sustainable consumption and production system, and have parallel R&D programmes running in collaboration with Paignton Zoo to develop compact urban agri-technology for hyper-local food production, utilising surplus heat and nutrients from the AD process to minimise running costs.

There is clearly potential to build on the practical experiences of local companies like NGB, sharing learning and inspiring others, perhaps developing a hub of renewables innovation right here.
Care & Health
How can we ensure that all of our needs are met?

This sector was added later to this project work as we all feel it addresses a critical part of our community’s resilience. Given our own resource constraints we were unable to research this sector as fully as the others and to estimate a figure for its potential economic impact. However, here we share what we have learned about our local health and care economy so far. It’s essential that adequate health and social care is available, especially for the elderly or vulnerable in our community. But besides the ongoing public spending cuts, a number of issues threaten to complicate and challenge these services further.

These include a growing population which is living longer, but without sufficient pension provision, and with expectations that medicine and care will be provided as needed. The ageing population is of particular concern to us here in T&D. Devon has significantly more old people than the rest of the country and as figure 12 shows, by 2031 we will have nearly twice as many people over the age of 85 compared to now.

One consequence of our increasingly elderly population is the rise in limiting long-term conditions and dementia, which are predicted to grow rapidly (by 56% and 78% respectively) by 2031\(^3\). As Devon’s Annual Public Health Report goes on to state, “this level of population disability is beyond the capacity of current social and healthcare provision.”

![Figure 12 shows predicted changes in population by age](source: Devon County Council population projections, 2008)

The ongoing economic uncertainty, if long-term, will result in growing numbers of unemployed. The resulting stress and poverty can impact wellbeing, but parenting and social cohesion also tend to suffer, further exacerbated by a lack of good affordable housing. We continue to see health care provision being used as a political football, with little integration between social and health departments. Cuts in provider budgets will likely mean increasing emphasis on crisis intervention, and less on prevention.

Additionally, climate change is projected to bring health and social impacts as a result of more floods, heat waves and other extreme weather events, as well as new water or food-borne viruses and diseases\(^3\). These are likely to have the greatest impact on the most vulnerable.

Clearly the current system cannot continue to meet all of our needs, and is already under extreme pressure.
What’s the opportunity?

One of the government’s responses has been the Personalisation Agenda which allocates a ‘Personal Budget’ to an individual for their social care needs. The amount is based on a needs assessment which defines the desired outcomes, and based on this the individual can arrange their own care and support e.g. home help, health services from organisations, transport, leisure activities etc. This puts the money into the patient’s hands and involves them more closely in the care decisions.

Currently this is up and running for social care, with some good improvements reported in mental wellbeing, physical health and independence. Some pilots for some health services are also underway. So one thing we can do is ensure that as much of the NHS budget as possible is spent on quality local, independent service and care providers, both through Personalisation and also outsourcing of some NHS services.

Community budgeting (and community-based commissioning) also offer a huge opportunity for devolved services, provided in a more intuitive, needs led way. Community Budgets allow providers of public services to share budgets in a given area, offering greater community influence, responsibility and control and so improving outcomes for local people. Involving the people who use public services in the design of those services can result in a shift towards smaller-scale, lower-cost types of support.

For example, older people often prioritise the need for help with practical tasks around the home, and opportunities to get together with their neighbours. Services which facilitate such activity can be developed on a very local level, providing opportunities for local private and third sector organisations and perhaps, an increasing role for social enterprises.

We can also encourage the use of our local independent service providers for those able to pay, and most importantly perhaps, we can strengthen and support the personal and community voluntary sector which will be increasingly called upon to meet the short fall in state health and care provision.
Where do we start?

As with the other sectors, we aim to ensure as much of the demand as possible is delivered via our local, independent, qualified health and care service providers. This gives us not only the local multiplier benefits, but also some increased confidence that we can take care of our own, here where we live.

As shown in figure 13, we suggest a number of projects that will connect together all the current providers, and research more about the local needs, the gaps and potential solutions, and then co-create a joined up strategy that includes, for example, consideration of the affordable housing issue by all relevant parties.

<table>
<thead>
<tr>
<th>strategy, network &amp; research</th>
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<tbody>
<tr>
<td>build network of local service providers</td>
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<tr>
<td>research other communities’ responses, Personalisation etc.</td>
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<tr>
<td>survey local needs for health &amp; care</td>
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<tr>
<td>develop options for addressing local housing issues</td>
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<tr>
<td>map current provision &amp; identify gaps</td>
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<tr>
<td>define integrated strategy with network</td>
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<tr>
<th>raise awareness &amp; create demand</th>
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<tr>
<td>create local care &amp; wellbeing directory</td>
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<tr>
<td>create local care &amp; wellbeing hub</td>
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<tr>
<td>HealthWatch pilot projects</td>
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Figure 13: Care & Health sector activities: green = project is underway · amber = partially funded/started · red = not yet funded/resourced

How will we know if things are changing?

Suggested indicators include:
- % of Personal Budget spend going to local enterprises
- % of local residents volunteering via care related organisations
- Number of care-related volunteer hours
- Qualitative wellbeing measures e.g. “I feel connected to and supported by my local community”
- # local care and health related jobs
- # local care and health related firms
- Number of people on waiting list for affordable housing

We also need to map the current provision and raise awareness of what is already available locally (NHS, paid or via volunteer organisations) for our local community, and ideally provide a place where people can come for advice about all local providers such as a hub and a directory. Meanwhile the HealthWatch pilots are informing how we can build stronger social support systems at street level.

We aim to build a vibrant, coherent, economically viable, community based, integrated care and health system, one that’s based on meeting all of our needs from birth to death.
The support systems are getting stronger...

Hestia Healthcare
www.hestiahealthcare.co.uk

Claire Burton set up Hestia Care at Home because she cares passionately about ensuring older people are recognised and supported. Hestia is a social enterprise, a business that has a social purpose. This purpose is at the heart of everything they do and these values underpin the business and encompass both the staff and those receiving care. Claire says, “As providers of care we believe in dignity, respect and reliability. We have a small team of professional staff who are all based locally, so we are reliable and there won’t be different faces providing the care each time. There’s a lot of opportunity for more local businesses like ours to provide quality care, using Personal Budgets for example.

This Local Economic Blueprint project clearly identifies the need to build the capacity to take care of everyone who needs it, creating local jobs as well as volunteer-based services”. We will continue to participate moving forward.

The Healthwatch Project

The idea came from an Exeter based GP who could see that communities do a lot to help each other out, and that it would be a good idea to recognize and support those actions locally.

Each Neighbourhood Health Watch project seeks to connect statutory, charitable and local business support for communities at street level, whilst promoting connection and trust between neighbours to help them see and make use of resources already available.

For example, neighbours doing the shopping for someone who has just come out of hospital, or handing on some information about a health service that really helped them, or offering to look after a pet so someone can get better without worrying about walking the dog.

This is an example of a pilot project we would like to see scaled up in partnership with our Transition Streets programme.
Conclusion

A multi-million pound opportunity on our doorstep

This work shows how supporting our local independent businesses provides an extraordinary opportunity for our area. We believe that the majority of the new enterprises, investment opportunities and job creation that our area needs can arise from this kind of approach.

The sectors reviewed here clearly show great potential to improve our economic health as well as the wellbeing of our community. By re-localising the food sector, as much as makes sense, a significant part of £22m per year could be spent instead on locally produced food and drink, rather than imports from elsewhere. If we spend this money in independent shops, then the local multiplier effect can mean this is worth over 2.5 times more to our local businesses.

The retrofit opportunity is a whole new economic sector just waiting to be born. We estimate this is worth £26m - £75m and will bring the homes in T&D to a reasonable or high level of energy efficiency. There are new financing options imminent to help make this more viable for home owners, and opportunities for much of this work to be delivered by local businesses. It will make many of our homes decent for living in.

Developing our renewable energy assets presents another enormous, untapped opportunity that could generate £6.4m worth of energy each year. It also reduces CO2 emissions, improves our local energy resilience, reduces our energy bills and gives residents and organisations investment opportunities for savings and pensions. Government schemes are there, for now, to help pay for the development.

There are opportunities with both the retrofit and the renewables sectors to locally source or manufacture some of the materials and equipment needed, and invent new solutions. These supply chain opportunities need to be researched as soon as possible to help ensure we capture as much of the revenue locally as we can.

By proactively tackling the health and care challenges that we face, we are more likely to keep ourselves healthy and be able to take care of the most vulnerable people in our community. This sector offers some economic potential, but more importantly, the potential to explore other means of exchange and increased levels of mutual support and care for each other.

These 4 areas are mutually reinforcing. We can feed ourselves, reduce our energy bills and stay warm, make money from our sun, wind and waste while reducing our CO2 emissions, and care for our ourselves and others, all while providing jobs and livelihoods, strengthening our community bonds and reducing our environmental impacts.

We can meet a large number of our human wellbeing needs and bring into being a living demonstration of an interconnected, interdependent system where the sum is far greater than the parts.

How will we know if things are changing?

One of the proposed activities is to define the best means to assess change. In addition to the types of indicators suggested so far for each sector, we aim to work closely with a small group of representative businesses, organisations and residents.

Detailed analysis of any changes in revenue and sourcing strategies within this “indicator group” will help show changes in trends in local spend and local sourcing patterns.
We have seen that in each sector, we need to develop sector-specific mutually supportive business networks. Each network can then help shape the strategy for their sector, which would include further research and projects to raise awareness and create demand with local consumers, as well as building the capacity of the local supply chain. We have already laid out some of these projects in the previous pages.

As mentioned earlier, a number of cross-sector activities need to happen, as shown in figure 14. It’s essential that support is provided for start-ups, new enterprises and existing businesses to help them see and take advantage of these opportunities. We also need to ensure that enough investment finance, of the right type, is available, along with appropriate work space, land and skills.

Finally, it appears that many other parts of our local economy could benefit from similar analysis and planning if resources are made available. For example, there’s opportunity for retrofit and PV for our commercial buildings which was not in the scope of this work. Entire sectors have great potential, such as our local marine industry, including revitalising use of the river Dart, and growing our sustainable tourism industry. We think that growing our own local finance and banking sector would offer many benefits including local jobs, but equally would help unlock the financial resources of our residents and organisations that could be put to work here for a reasonable return.

Figure 14: Projects and activities that apply across all sectors.

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<tr>
<th>strategy, network &amp; research</th>
<th>raise awareness &amp; create demand</th>
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<tr>
<td>sector-specific research to inform new business opportunities</td>
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<tr>
<td>ask new &amp; existing local enterprises what support they need</td>
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<tr>
<td>set up incubator &amp; related support services</td>
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<tr>
<td>research skills needs &amp; current provision</td>
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<tr>
<td>progress ATMOS project to deliver 8-acre live/work site</td>
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<tr>
<td>map employment space needs and gaps</td>
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<tr>
<td>participate in Neighbourhood Planning process</td>
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<tr>
<td>explore financing &amp; investment</td>
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<table>
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<tr>
<th>support new &amp; existing enterprises</th>
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<tr>
<td>build a co-ordinating stakeholder group &amp; define terms of ref.</td>
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<tr>
<td>secure funding for a project manager to coordinate all the work</td>
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<tr>
<td>work to define indicators and assess progress</td>
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green = project is underway · amber = partially funded/started · red = not yet funded/resource
Call to action
Your invitation to participate

As mentioned earlier, there has been some work done to prioritise and plan the projects identified by this work so far, and some of these projects are already underway. The current version of this plan can be found at www.transitiontowntotnes.org – we haven’t inserted a copy here as it feels too subject to change.

However, we cannot and should not proceed much further without more input from the other organisations, businesses and people who are interested in, and impacted by, our proposals.

Therefore our next steps are:

1. **Open meetings**
   We arrange an open meeting for each of the 4 sectors covered in this document within the next month or so. This is where people interested in a particular sector can come together and give feedback, ask questions, share their own ideas, tell us what we have missed, state their needs, offer constructive criticism and hopefully, offer their ongoing participation through the sector-specific networks. If you have questions or comments that can’t wait until then, we’d love to hear from you. Contact us at the TTT office on 01803 867358 or by email at leb@transitiontowntotnes.org.

2. **Incubator**
   Meanwhile we continue to work to secure premises and start-up funding for the incubator, so we can offer support to existing and new enterprises, according to their needs.

3. **Funding**
   We also continue to seek funding for the project co-ordinator role that would report to the stakeholder group, and work with the sector networks, organisations and businesses across the area to turn the opportunities into reality.

Practical ideas for changing our economic system

Whether you live in this area or not, and regardless of the type of organisation you work for, there are things you can do if you support the idea of building a stronger local economy:

**Residents**
Could you change some of your buying habits, and start to make choices that positively affect the future of the place where you live? Could you move your money to a credit union to help seed fund small enterprises, or help finance them directly with your savings or self-invested personal pensions? Could you offer your professional skills to help start-up enterprises?

**Retailers and businesses**
Could you source your goods and services more locally? Could you work with local producers to provide products not currently available here, but for which you know there is a market? Are you connected to other local businesses so that together, you can gain the efficiencies of your larger competitors and benefit from mutual support? Are you overly exposed to rising fuel costs and ongoing economic uncertainty, and is your business model adaptable enough for this?
Landowners
Rather than selling off land to the highest bidder, often high volume house builders, could you take a collaborative approach to enable a balanced growth of local enterprises – such as providing opportunities for local builders as well as protecting food production space for example, or building shared facilities that a number of enterprises can use?

Commercial landlords
Could you consider using your property to give start-up enterprises the ‘right to try’ their business on a low rent for an agreed term? Could you give preferential rates to local businesses? Could you look at alternative means of exchange for your rent payments?

Investors
Could you invest your money, including your pension funds, to maximize benefit to the community and the local economy whilst still seeing a return?

Chambers of trade and similar associations
Could you make support for smaller, local, independent businesses a priority as part of your aims, encouraging people to buy and trade with these local independents?

Schools and colleges
Could you encourage entrepreneurial and co-operative working amongst students? Could you better prepare them for the world of work that actually awaits them, by working more closely with local economic organisations and identifying skill gaps for example? Could you provide specific training courses on retrofitting measures and renewable energy installation? Could you increase land-based skills training? Could you offer greater support to young entrepreneurs?

Local government
Could county-level economic strategies and actions achieve a better balance between promoting ‘strategic growth’, and economic sustainability within localities? Can you provide support to local businesses that enables them to more effectively tender for public sector contracts, such as providing food and drink, as well as other goods and services? In accordance with the Government’s focus on localism, could your own procurement policies actively encourage local economic sustainability? Can you use your powers under the National Planning Policy Framework to deliver sustainable development, favouring local solutions for delivery of housing quotas and encouraging provision of small business units on employment sites, for example? Could you use Neighbourhood Planning to designate ‘low carbon’, small-enterprise-friendly zones?

Local Economic Partnerships (LEP)
Could LEP based economic strategies achieve a better balance between traditional growth and local economic sustainability? Can the LEP, and the key national agencies operating in the area, actively promote the four key economic sectors described in this document? Could you include in your business strategy and income generation plans a strong theme of support for low carbon small enterprises? Could you bring in funding to establish incubators and offer seed funding?

Health Agencies
Could the various agencies and commissioning bodies develop strategies and related actions to address health and care priorities, promote personal choice and promote local economic sustainability, especially given the importance of employment to an individual’s well-being and long term health prospects?

Central Government
Could Government policy better balance the drive for new growth designed to reinvigorate the national economy, with supporting locally based economic regeneration in the context of the Government’s Localism agenda?

What do you think?
These are just some of the ideas we’ve had. We welcome further discussion with the full range of interest groups and organisations identified here, to consider how we might take more of these practical ideas forward together.

Please come to the open meetings or contact us directly if you would like to be involved.
Local economics theory
Or if everyone pursued a Local Economic Blueprint like this, how could everyone be better off?

One way to look at this is from the perspective of the negative externalities in existing patterns of economic activity. If current non-local supply and demand linkages create economic, social or environmental ‘dis-benefits’ that are not fully accounted for in current financial flows or behaviours, then there is a case for more localisation in certain markets or sectors (looking through a traditional economic theory lens).

Another more intuitive way to answer this question could be that the majority everywhere would be better off simply because the power and wealth of the 1% (for want of a better description) would be diminished by appropriate localisation.

Overall, we suggest that the kind of localisation we talk about here will best serve all of our needs where it provides net benefits, and where all the relevant information about the benefits is available to consumers, producers, investors and procurement decision makers.

However, this Local Economic Blueprint project does not aim to provide a full economic theory of localisation by which we can make such benefit calculations. Clearly there are questions around local level import/export trade gaps, economic rent, imbalances of market power, inequality, efficiencies of scale and returns to capital vs labour etc. that would ideally be explored as part of any such theory. At the same time, we recognise that the money that leaves our area, via corporates for example, can still have some indirect benefit to our local community through perhaps providing employment elsewhere, that in turn reduces our share of the potential national burden of welfare costs.

At this stage, we are taking what we feel is a practical and sensible position that our economic system needs to be rebalanced. The pendulum has simply swung too far towards globalisation and corporate power, hollowing out local economies and reducing their resilience, with growing social and environmental consequences. It’s possible that unqualified localism would be as destructive of overall economic wellbeing as is unqualified globalisation. This Local Economic Blueprint is therefore an attempt to help restore a healthy balance between local, regional, national and international trade and power.

We hope it contributes usefully to the information that’s vital for economic actors to decide to behave optimally, and in the best interests of all of us. We will continue to explore the theory of local economic development along with other organisations doing similar work, in parallel with the practical actions identified here.

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MORE ABOUT THIS WORK

The current 3 year plan that has emerged from this work is available at the TTT website www.transitiontowntotnes.org, as are the detailed reports for each sector plus more information about the project process. This work sits within TTT’s REconomy Project. The main authors are Fiona Ward, Jay Tompt, Frances Northrop, February 2013. With thanks and appreciation to our stakeholders for their participation, support and significant contributions, and to all the contributors too numerous to mention, for your time and enthusiasm. Thanks also to Jane Brady for design and to SHDC and Schumacher College for help with production costs.

NATIONAL PILOT

This work is part of a national pilot run by the Transition Network’s REconomy Project. TTT is one of three places that are exploring how best to do this kind of community economic development, based on an economic evaluation process; the other places are the county of Herefordshire and Brixton, Lambeth. Together these three pilots provide the widest possible learnings given they represent a market town, a rural county and an inner-city area.

To find out more about the national Economic Evaluation work (including what support is offered to help you run a similar process where you live), or to find out more about the over-arching national REconomy Project, please visit www.reconomy.org.