

## Impact case study (REF3)

<b>Institution:</b> University of Central Lancashire		
<b>Unit of Assessment:</b> UoA 17 Business and Management Studies		
<b>Title of case study:</b> <u><i>The Preston Model: Community Wealth Building driving wealth generation, community investment and national policy</i></u>		
<b>Period when the underpinning research was undertaken:</b> 2002 - Present		
<b>Details of staff conducting the underpinning research from the submitting unit:</b>		
<b>Name(s):</b>	<b>Role(s) (e.g. job title):</b>	<b>Period(s) employed by submitting HEI:</b>
Dr Manley	Social Innovation Manager	2012 – Present
Professor Whyman	Professor of Economics	1999 – Present
Professor Froggett	Professor of Psychosocial Welfare	1993 - Present
<b>Period when the claimed impact occurred:</b> Since 2013		
<b>Is this case study continued from a case study submitted in 2014?</b> N		
<b>1. Summary of the impact (indicative maximum 100 words)</b>		
<p>The Preston Model (PM) is the go-to reference model for Community Wealth Building (CWB). CWB increases local economic investment by changing procurement behaviours through cooperation. The Preston Cooperative Development Network (PCDN), of which Manley was the founding Chair, drives these developments. The research has changed the socio-economic fortunes of Preston. Local procurement has increased during the research period (2012-present) from 39% to 79.2% (increase of GBP199,688,679), meaning “<b>Preston emerged as this year’s top improver</b>” [D1] according to PWC/Demos [D2]. Innovative collaboration between Preston City Council and the PCDN has led to the establishment of four cooperatives, with funding in place for a further six. Innovative use of council property has enabled the establishment of <i>The Larder</i> community café cooperative, which has supported struggling communities during the Coronavirus pandemic. Action research continues to impact the long-term development of the PM, through the creation of a Preston Cooperative Education Centre (December 2020) and a cooperative bank registered with the financial conduct authority in 2020.</p>		
<b>2. Underpinning research (indicative maximum 500 words)</b>		
<p>Since the economic crash of 2008, Preston has been faced with a grim economic and social horizon. In this context, the University of Central Lancashire and Preston City Council (PCC) created a research-into-policy partnership to create new, alternative solutions for the city. This has become known as the ‘Preston Model’.</p> <p>The University of Central Lancashire’s research has directly impacted the Preston Model through the interplay between economic and psychosocial insights into models of economic development, economic democratisation and co-operative forms of organisation. Whyman’s foundational research [1] evaluated the potential for economic democratisation and the operation of community investment funds in Sweden to facilitate regional and national economic development objectives. Insights from this work informed preliminary discussions with PCC (30/10/2012), in how this approach can help to anchor value within the local economy. Further work examined the economic potential for co-operative forms of ownership to realise economic goals [2], as explained to Councillors and stakeholders in a public seminar held at the University of Central Lancashire in November 2013. Manley’s on-going research from 2013 to the present has included five academic seminars and six academic conference presentations, both national and international. This work has complemented and extended these themes, creating an integrated and transdisciplinary research project leading to the creation of the Preston Model. By combining Whyman’s economics research with Manley’s psychosocial, behavioural and social dynamics research, our research provided PCC with a unique approach to transformative socio-economic change for Preston. Manley’s research on the effects of a worker-owned cooperative system has identified the importance of this system in effecting social change, in particular,</p>		

developing relationships, shaping identities and developing a sense of worth, local pride, citizenship and participatory democracy. Manley's cooperative research in Mondragón [4] was funded by the Government of the Basque Country and was brought to Preston for further development in 2016. This developing inter-disciplinary research programme has helped to imbue the Preston Model with its innovative and distinctive combination of economic, social, democratic and participatory objectives.

A 2013 symposium brought the Head of External Relations of Mondragón Cooperative Corporation (MCC), Mikel Lezamiz to the University of Central Lancashire, and forged the research partnership between PCC, MCC and the university. PCC subsequently funded Manley and Froggett, to conduct research into co-operative values and principles in Preston. The 2016 Report [3] concluded that there was local potential for co-operative development and listed a set of recommendations for this development to PCC. The Report's recommendations form the foundation of the Preston Model later developed by PCC.

PCC-funded action research (2017) led by Manley was disseminated through public presentations, symposiums, national media reports and presented to senior Labour Party politicians, (John McDonnell, Jeremy Corbyn and Ed Milliband).

Continuing research incorporates the use of an innovative participatory research method – social dreaming - that has directly impacted stakeholder communities in Bermuda and cooperatives in Mondragón [4, 5]. Manley and Whyman have been funded by the Creative Industries Policy and Evidence Centre (led by Nesta) for a further research project that will provide an in-depth study of the relationship between economic and social capital in the Preston Model. Manley's and Whyman's forthcoming publication focuses on the socio-economic democracy created through CWB and the Preston Model. Manley's research has recently been funded by the National Institute for Health Research as part of a joint research project to develop research into the public health benefits of the Preston Model.

COVID-19 STATEMENT: Manley and Whyman's edited volume *The Preston Model and Community Wealth Building: Creating A Socio-Economic Democracy for the Future*. London: Routledge was scheduled for publication in 2020 but has been delayed to 2021 due to the COVID-19 pandemic.

### 3. References to the research (indicative maximum of six references)

- 1) Whyman, P.B. (2004), *An Analysis of the Economic Democracy Reforms in Sweden: Background, Operation and Future*, Lewinston (NY): Edwin Mellen Press.
- 2) \*Whyman, P.B. (2012) 'Co-operative principles and the evolution of the 'dismal science': The historical interaction between co-operative and mainstream economics'. *Business History*, 54:6, 833-854
- 3) Manley, J. and Froggett, L. (2016) 'Cooperative Activity in Preston'. Preston: UCLan (UCLan CLOK repository)
- 4) Manley, J. Froggett, L. and Alejo, E. (2015) 'A Psychosocial Study of Cooperative Culture in a Mondragon Cooperative'. Preston: UCLan UCLan repository
- 5) \*Manley, J. and Aiken, M. (2020) 'A Socio-economic System for Affect: Dreaming of Co-operative relationships and affect in Bermuda, Preston and Mondragón'. *Organisational and Social Dynamics*, Vol 20.2

\* indicates peer-reviewed journal

All outputs can be supplied by the HEI on request

### 4. Details of the impact (indicative maximum 750 words)

#### **Creating and retaining wealth in Preston**

The Preston Model (PM) began following Manley's 2013 research seminar series inviting Mikel Lezamiz of the Mondragon Corporation to talk in Preston about the Mondragón socio-economic model. Mondragón, (Basque Country), is the most successful cooperative business hub in the world. Ibon Zugasti, Territorial Development Manager highlights that: "**Julian Manley has**

**provided invaluable research for the Mondragon Cooperative Corporation in the field of co-operative culture and values”** demonstrating the impact of Manley’s research [A3]. This kick-started cooperative development in Preston, achieving funding in 2015 leading to Manley’s 2016 recommendations to Preston City Council (PCC), and further funding in 2017 for research leading directly to the creation of the legally constituted Preston Cooperative Development Network (PCDN) in 2017 [B]. Further research led to significant funding from the Open Society Foundations in 2019 to create 10 worker-owned cooperatives, of which four created to date. This funding also secured the founding of the Preston Cooperative Education Centre in 2020 and a community bank, North West Mutual was approved by the Financial Conduct Authority in 2020. The Leader of Preston City Council, Matthew Brown, widely credited with the political leadership of the PM, acknowledges that Manley’s **“2016 research report ... concluded with a series of recommendations that ... have formed the basis for cooperative development in Preston ... providing an economic boost to the Preston Model project by funding new cooperatives for Preston, as well as training and consultancy services for city stakeholders.”** [A1]

The 2016 research recommendations [3] form the basis of the PM in 2020. Firstly, the creation of the PCDN. Secondly, the PCC’s alignment of cooperative development with procurement policies. Thirdly, the introduction of the Mondragón four pillars of socio-economic development: Finance, Education, Research and Development and Welfare, demonstrated through the creation of the bank and the Education Centre. One significant impact has been a creative approach to the renting out of Council property, for example *The Larder* cooperative that has been located in PCC property. *The Larder* cooperative is an ethical café that contributes profits back into communities in need. Without Manley’s research, *The Larder* would neither have become a cooperative, nor had the premises to provide for the local community. *The Larder* has supported struggling communities during the Coronavirus pandemic and its founder, Kay Johnson, has been recognised with the awarding of an MBE in 2020. Finally, establishing national and regional links, for example with the Labour Party’s Community Wealth Building Unit, which lists Manley’s report as fundamental to the development of Community Wealth Building nationally for Labour controlled councils: **“The University of Central Lancashire is one of the key anchor institutions which have been involved in pushing the Community Wealth Building work being undertaken by the Labour-led Preston City Council.”** [C]

The impacts emerging from the 2016 report have led to 4000 additional people in Preston now receiving the Real Living Wage as of 2018. A spends analysis shows that the spend from institutions retained within Preston is GBP112,300,000, a rise of GBP74,000,000 from 2012/13, leading to Preston being named the ‘Most Improved City in the United Kingdom’ in in the PWC/DEMOS 2018 report *Good Growth for Cities 2018* [D1, D2]. Public commitment to change has been raised through Manley’s public presentations, (over 40 by invitation, 2015-present), reaching over 2000 changemakers live, and many more thousands online. Manley has helped shape the public understanding of community wealth building and the Preston Model with 15 national newspaper articles, numerous international articles [E, F], TV and radio spots, directly leading to the creation of similar models in Hertfordshire, Ayrshire, Bristol, Islington, Manchester, Birmingham and Newcastle, and resulting in visits by the national media to Preston. In 2018 both *The Guardian* and the BBC held a media event at the University of Central Lancashire, which was streamed to a wider audience. Manley’s *Conversation* article ‘Preston changed its fortunes with ‘Corbynomics’ – now other cities are doing the same’ published in 2018 has been viewed 18.9k times as of January 2021 [G]. Manley also made significant presentations to influential policy-makers in Parliamentary Committee in Westminster in 2017, and to senior Labour Party figures such as Ed Miliband in Preston and London in 2017, to John McDonnell in Preston 2017 and 2018 and Jeremy Corbyn in London 2019, which helped to shape Labour Party thinking around community wealth building and the role of cooperatives in society. In Scotland, Manley is advising on the Plural Ownership Expert Advisory Group by invitation of Public Health Scotland for the period May 2020-May 2021, helping to shape future public health policy in Scotland. Through the PM, the University of Central Lancashire has formed a stronger civic partnership with PCC, actively promoting civic engagement to develop co-operatives from a student base. Before Manley’s research, there was little formal co-operation of this kind and no co-operative development. This ongoing work with PCC was recognised with a nomination by the Times Higher Education awards for the award of Outstanding Entrepreneurial University of the Year

2019. Manley's research is influencing how universities nationwide are developing civic engagement for the future [H1, H2]. This is the result of research demonstrating the value of education in cooperative development, as recorded on the PCC website [I1, I2].

### ***The International impact of Manley's development of the Preston Model***

The PM example of cooperative partnership between town and university has extended to Sapporo, Japan, with the visits of a delegation from Hokusei Gakuen University in 2019. Further collaborations with the university in Sapporo were planned for 2020 but were delayed by COVID-19. The university in Sapporo is seeking alliances with local authorities in the PM style and conversations with Manley are ongoing. These collaborations have been inspired by Manley's research as published in the Japanese national daily newspaper *Asahi* in 2018 [J].

Manley's research has directly influenced the development of Bermuda's national economic and social policy, as attested by The Hon. E. David Burt, Premier of Bermuda: **"[Manley's] work ... will help to inform the work we do here in Bermuda... Preston is a city that is in the process of re-imagining itself through self-empowerment, pride of place, and co-operative democracy. Its ripple effects are being felt nationally and politically. Bermuda can benefit from that innovativeness."** [A5] The Director of Bermuda's Economic Development Corporation, William Spriggs, regards Manley's work as **"part of our socio-economic transformation policy"** and **"is 'keenly interested in further developing our partnership with Dr Manley.'" [A4]**

In the USA, the 1Worker1Vote network is a network of businesses and organisations inspired by the Preston Model and its example of international partnerships between the likes of PDCN, MCC and the Democracy Collaborative. Through this collaboration, 1Worker1Vote is building a national network of shared ownership, worker-owned cooperative businesses, helping people to build pathways out of poverty and towards prosperity. According to Michael Peck, Co-Founder and Executive Director of 1Worker1Vote: **"Dr. Manley's research is pioneering how this is unfolding in Preston and soon throughout the United Kingdom."** [A2] 1Worker1Vote organized talks in Washington and Cincinnati where Manley outlined the Preston Model in his keynote to stakeholders, community groups, unions and cooperatives.

### **5. Sources to corroborate the impact** (indicative maximum of 10 references)

- A. International Impact Testimonials
  1. Cllr Matthew Brown, Leader Preston City Council
  2. Michael Peck (1Worker1Vote)
  3. Ibon Zugasti (The Mondragon Co-operative Corporation)
  4. William Spriggs, Director of Economic and Cooperative Development in the Bermuda Economic Development Corporation [AVAILABLE ON REQUEST]
  5. The Hon. E. David Burt, JP, MP, Premier of Bermuda.
- B. Constitution document Preston Cooperative Development Network Community Benefit Society, foundation entity for the Preston Model, responding to Manley's 2016 research recommendations. [AVAILABLE ON REQUEST]
- C. Labour Party's Community Wealth Building Unit, referencing UCLan research: <https://www.communitywealthbuilding.org.uk/>
- D. Preston 'most improved city' 2018 PWC/DEMOS report.
  1. <https://www.sustainabilitywestmidlands.org.uk/wp-content/uploads/good-growth-for-cities-2018.pdf>
  2. highest performing city in the North-West 2019, <https://www.pwc.co.uk/goodgrowth#keyfindings>
- E. Article in *Guardian* demonstrating national impact of Manley's research: <https://www.theguardian.com/commentisfree/2019/mar/06/brutal-cuts-fight-back-preston-dragons-den>
- F. Article in Moneyweek demonstrating a renewed impact of the cultural and social in economic discourse, fruit of Manley's research: <https://moneyweek.com/487565/how-the-left-behind-took-back-control-in-preston/>
- G. Article by Dr Manley in *The Conversation*: <https://theconversation.com/preston-changed-its-fortunes-with-corbymomics-now-other-cities-are-doing-the-same-106293>

## Impact case study (REF3)

- H. Times Higher Education articles demonstrating impact of Manley's research in Higher Education and the future role of universities
1. <https://www.timeshighereducation.com/news/towns-and-universities-uk-labours-new-civic-thinking>
  2. <https://www.timeshighereducation.com/features/cooperation-antidote-higher-educations-competitive-anxiety>
- I. Preston City Council's Preston Model and co-operative development web pages quoting and referencing UCLan research and pages referencing UCLan research seminar and uploading presentations and blogs.
1. <https://www.preston.gov.uk/businesses/co-operatives/preston-co-operative-initiative#>
  2. <https://www.preston.gov.uk/article/1346/Preston-meets-Mondrag-n>
- J. Japanese article in national media outlet *Asahi Shimbun* (second largest circulating newspaper in the world) emphasising the international reach of Manley's research: <https://www.asahi.com/articles/DA3S13480594.html>