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Unlocking the potential of Big Local partnerships:
The role and impact of Locally Trusted Organisations

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Acknowledgements

About this report

A locally trusted organisation (LTO) is the organisation chosen by a Big Local partnership to administer and account for funding, and/or deliver activities or services on behalf of a partnership. LTOs are a key part of the Big Local programme. This report explores the extent to which the LTO model supports resident-led decision making and control, what LTOs need to enable this to happen, and what other groups and organisations supporting resident-led change can learn from this work.

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Executive summary

This research was commissioned by Local Trust, a place-based funder supporting communities to transform and improve their lives and the places in which they live. Local Trust oversees Big Local, a resident-led funding programme providing residents in 150 areas in England with £1.15m each to spend across 10–15 years to create lasting change in their neighbourhoods. The research focuses on locally trusted organisations (LTOs), a key element of the Big Local programme.

About this research

In each Big Local area there is an unincorporated, resident-led Big Local partnership that decides how the money will be spent. An LTO is the organisation chosen by a Big Local partnership to administer and account for funding, and/or deliver activities or services on behalf of a partnership. Areas might work with more than one LTO depending on their Big Local plan and the skills and resources required. [1] All LTOs receive a contribution from Local Trust equivalent to five per cent of the partnership's spending.

Our research explores three questions:

1. To what extent does the locally trusted organisation (LTO) model support resident-led decision making and control? What contributes to the success of the model? What prevents LTOs from supporting resident-led decision making and control?
2. What do LTOs need to perform their role in a way that supports resident-led decision making and control?
3. What can others supporting resident-led change learn from this work?

The research team, from Sheffield Hallam University's Centre for Regional Economic and Social Research (CRESR) and Shared Assets CIC, examined these questions through a three-stage process. First, we reviewed existing evidence, including internal documents from Local Trust. We then ran a series of deliberative workshops. These involved Local Trust staff, representatives of LTOs, members of Big Local partnerships and Big Local reps.[2] We then interviewed additional stakeholders to examine in more detail some of the issues raised in

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[1] Each Big Local partnership is required to produce a Big Local plan as a guide and action plan that the partnership can follow, share and use to get others involved. Guidance on Big Local plans is available at https://localtrust.org.uk/big-local/programme-guidance/the-big-local-plan/

[2] Big Local reps are individuals appointed by Local Trust to support Big Local partnerships to implement their Big Local plans. They offer tailored support to a Big Local area and share successes, challenges and news with Local Trust. See Local Trust website for more information https://localtrust.org.uk/big-local/reps/

the workshops. As part of this work we prototyped a framework to help LTOs, Local Trust and Big Local partnerships to review their relationships and aspirations.

Key findings

Existing evidence: our review of evidence from Big Local and other programmes in the UK found few examples of support for resident-led change structured in a similar way to the Big Local programme. The particular role of LTOs is therefore to some extent uncharted territory. From Local Trust's previous work, it is evident that sometimes this has resulted in breakdowns of communication or a lack of shared understanding of the LTO role. Our review highlighted that there has been less evidence of what works well, and of the range of support LTOs provide to Big Local partnerships above and beyond their funding relationship. There is also a lack of knowledge about how Big Local partnerships can take on the LTO function as they consider their legacy after the end of the Big Local programme. This research aims to fill some of these gaps in the evidence.

The contribution of LTOs: by ensuring that governance systems are sound and by acting as 'bankers' for unincorporated resident-led partnerships, LTOs provide an essential service in managing risk and providing Big Local partnerships with a legal safety net. But their contribution goes much further than that. They also help to build residents' confidence, enable them to take on staff (who are employed or contracted via LTOs) and manage projects, and connect them with wider networks. These connections enable Big Local partnerships to be taken seriously by other organisations, giving them credibility with funders and partners such as local authorities.

This wider contribution builds Big Local partnerships' social, economic and cultural capital. We define social capital as **the personal attributes and skills needed to function well in society**. Examples include growing in confidence or learning skills such as chairing meetings. Economic capital concerns the **physical and financial needs that must be met** for a group or organisation to function well. Examples include being able to access and manage community spaces or use the skills and services of staff. Cultural capital concerns **reputation, standing in society** and the range of **networks and connections** a group possesses. Examples include being recognised as an organisation representing residents' interests and being invited to join other local partnerships.

Factors that enable LTOs to support residents effectively: the factors that contribute to resident-led decision making and control fall into two categories. One is about having the right structures and systems in place and managing them effectively. These relate to the governance and 'back office' functions of the LTO. The five per cent contribution payable to LTOs is one example of such a system because it provides LTOs with a dedicated resource which can support administrative costs or be used in other ways to support their Big Local partnership(s). The other category is harder to pin down, but involves all the factors that contribute to a sense of trust: listening, communicating well, and having processes for mediating disputes and removing misunderstandings.

Barriers to effective support: the main barriers were the reverse of the enabling factors - an inability to put in place effective and efficient governance and banking systems, and a loss of trust or breakdown in communication. In addition, the high level of turnover of partnership members or LTO staff in some areas has also been a significant challenge. This results in a need to continually rebuild relationships, but can also result in the loss of a shared story and common vision.

A framework to help LTOs and Big Local partnerships assess their relationships: as part of our work we tested a framework that could help LTOs, Local Trust and Big Local partnerships to review their relationships and how the support offered by LTOs changes over time. This framework was built around ten questions which capture key elements of the range of support LTOs are able to offer.

The questions do not assume that all ten forms of support are right for every Big Local partnership, or that there should be a continuous increase or improvement in the support offered. They provide a way of analysing how the relationship currently operates, what aspirations each partner has, and where there are shared priorities and ambitions. The main ways in which LTOs support Big Local partnerships are summarised in the infographic in Appendix 1. The framework could be adapted for other organisations that support community-led action.

What this research means for Local Trust and its partners in supporting resident-led decision making

Our research has shown the value that LTOs provide to Big Local partnerships. This value extends well beyond the funding arrangements between LTOs and Local Trust, and their relationships with partnerships. The research has highlighted that the relationship is dynamic, responding to different needs and aspirations among residents at different times. But the relationships are also complex and can be frustrating and challenging.

The concept of LTOs addresses shortcomings in many previous neighbourhood-based regeneration programmes. However, in practice the relationships between Local Trust, LTOs, Big Local reps, Big Local workers and Big Local partnerships have frequently proved unwieldy. [3] When the relationships work well they provide an important mesh of organisations and individuals working to a shared agenda. When they do not, there is fertile ground for misunderstanding and communication breakdown.

The recommendations below take into account the fact that the Big Local programme will end in 2026 and some partnerships will complete their work earlier, so they focus especially on learning that can be transferred beyond Big Local. However, they will also help LTOs and Big Local partnerships strengthen their relationships as they deliver their plans over the final years of Big Local.

Recommendation 1 (for Local Trust): provide a clear induction process for new LTOs (or new individuals within an organisation taking on the LTO role) showing how the LTO can support resident-led decision making, including examples of good or promising practice.

Recommendation 2 (for Local Trust): ensure there are regular reviews of the relationships between LTOs and partnerships, revisiting the partnerships' aspirations and ensuring the right support from an LTO is in place to enable residents to decide the next stages of their

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[3] Big Local partnerships can take on workers to help perform tasks associated with the project, such as project management or community development. The majority of workers are employed or contracted via the LTO. Guidance is available at
https://localtrust.org.uk/big-local/programme-guidance/workers-and-big-local/

journey. The framework prototyped through this research could help to structure and open up these conversations.

Recommendation 3 (for Local Trust and LTOs): induction and review processes for LTOs should highlight the range of skills required to support resident-led decision making and how these can be best aligned with partnerships' needs. Where possible, **LTOs** should seek appropriate training. **Local Trust** should consider whether to offer bespoke training to LTOs.

Recommendation 4 (for Local Trust and Big Local partnerships): Local Trust should work with Big Local partnerships to workshop different scenarios for their future beyond Big Local, and this work should cover the different types of support they will need from LTOs as their plans develop.

Recommendation 5 (for Local Trust and external partners): as Local Trust moves towards the end of the Big Local programme, it should work with organisations that may support residents in future to share the learning from LTOs and produce accessible, easy-to-understand guidance and resources.

Recommendation 6 (for Local Trust): Local Trust should build on its existing policy and advocacy work to encourage national and local government to increase its support for resident-led change, using opportunities such as the development of the UK Shared Prosperity Fund.

Relevance beyond Big Local

Understanding residents' needs

By characterising residents' needs in terms of social, economic and cultural capital, this research offers a starting point for any local authority or funding partner that wishes to work with residents to initiate and implement place-based change. Not all resident groups will need every form of support mentioned, but the research offers a way of understanding the range of support residents are likely to need.

Developing an understanding of residents' needs at a hyperlocal scale, and then providing the support required, is vital if residents are to be genuine partners in change rather than recipients of further rounds of top- down policy initiatives. This includes equipping the supporters – whether in local government or elsewhere – so they can do this work. The UK Shared Prosperity Fund offers an opportunity to build a culture of understanding and support that could contribute to long term resident-led change. Local Trust should build on its existing work to bring a greater community focus to government policies, [4] and work closely with local government partners over the remainder of its life to share and spread what it has learned.

Providing supportive infrastructure

While the combination of LTOs, Big Local reps and Big Local workers was perceived by some participants in this research as bureaucratic, it has provided an important safety net and enabling mechanism for resident groups. In some cases, organisations such as community

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[4] See, for example https://localtrust.org.uk/news-and-stories/blog/budget-2021-does-it-deliver-for-communities/

benefit societies or development trusts have been created to continue the work of Big Local after the programme ends, [5] leaving a legacy for local residents.

As a minimum, organisations supporting residents in the future need to be able to perform 'banking' and governance functions. But the ability to help residents develop cultural capital is just as important, and requires a different set of skills: listening, networking, facilitation, and brokering. Any organisation tasked with building social infrastructure at a neighbourhood level needs to do both the governance and the facilitative work. Such skills are not always present in local authorities, and cannot be taken for granted in third sector organisations. There is therefore a strong case for Local Trust to work with partners across local government and the voluntary and community sector to share learning from LTOs.

An enabling approach to governance

There is more to the 'banker' function than regulation and oversight. Effective governance is key to participation in society: it unlocks doors to funding, partnership building and involvement in wider decision making processes. There is scope to learn from the Big Local experience about how governance can form part of a more transformative approach to resident leadership and empowerment, and to share that learning more widely with partners as we move beyond the Big Local programme.

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[5] A Community Benefit Society is a particular organisation legal structure to serve the broader interests of the community, see a fuller definition here https://www.uk.coop/resources/community-shares-handbook/2-society-legislation/21-bona-fide-co-operative-societies/211. A development trust is another way to describe a community-owned and led organisation working to improve social, environmental and economic issues within a given area, but they may have a variety of legal forms.

Our approach to the research

1.1 The LTO role as envisaged by Local Trust

The core role of an LTO is to act as a mechanism to channel funding from the Big Local programme into the 150 Big Local areas. They enable unincorporated resident-led partnerships to remain free of the regulation and procedures that come with charitable or corporate status so they can quickly focus on the issues that matter to them and make the decisions they need to. They do not free residents of the obligations of good governance, but take on the governance role in order to remove the burdens of governance from residents. By acting as 'bankers' for resident-led partnerships, they provide security to Local Trust and to residents that the money will be properly accounted for and rules complied with. To support this function, LTOs receive a contribution equivalent to five per cent of the partnership's spending.

LTOs facilitate partnerships' work by taking on financial management and regulatory compliance on their behalf. While they do not decide what to do with Big Local funds, they must make sure money is spent in accordance with the funding terms and conditions laid down by Local Trust. [6] LTOs must report on this spending (to Local Trust and to partnerships) every six months. While a wide range of organisations have acted as LTOs, from schools to private companies, they must be legally constituted so that they can perform this role. Big Local partnerships choose their LTO and can terminate their relationship with the LTO if it is not working.

Existing research by Local Trust, which we consider in more detail in section 2, shows that LTOs perform a wide range of roles beyond the 'banker' function. Most commonly, they employ (or subcontract with) workers on behalf of Big Local partnerships. Many also manage contracts and funding agreements on behalf of partnerships. In practice, however, the contribution of LTOs to partnerships is wider and richer than this bald description would suggest.

Given their envisaged role as explained above, LTOs often operate within a complex set of relationships and procedures, as explained in the recent *Locally trusted organisations (LTOs): Scoping paper* (Local Trust, 2021). They should maintain good relationships with Big Local reps, any Big Local workers they employ, the members of the Big Local partnership, and with Local Trust. It is likely the character of each of these relationships will vary between Big Local areas, and over the course of the programme. Big Local partnership members potentially require the most support, but the LTO needs to be careful not to overstep from helping to facilitate decision making, into a more paternalistic approach where the LTO takes the lead. Local Trust recognises that it is key to a well-functioning Big Local area that

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[6] Guidance on the funding agreement for Big Local partnerships is at
https://localtrust.org.uk/big-local/programme-guidance/funding-agreements-for-big-local-plans/

each partner in the Big Local programme understands their own, and other partners', roles and responsibilities clearly. For example, LTOs should appreciate that although they may be responsible for contracting and managing workers, the Big Local partnerships should feed into deciding workers' activities and priorities.

Ideally, these different roles and ways of working should be captured in some form of written agreement such as a memorandum of understanding. Local Trust has provided programme guidance documents and other resources to help LTOs understand their role, the roles of others, and what is expected of everyone involved in the Big Local programme. However, Local Trust has found through previous research that not all LTOs may be aware of or practising this guidance, or where they are, may not have interpreted it as Local Trust intended (Local Trust, 2021). This research was intended to delve deeper into some of these complexities, and the differences between written guidance and practice on the ground.

1.2 Our research questions, methods, and limitations

The aim of the research was to explore three questions posed by Local Trust:

- To what extent does the locally trusted organisation (LTO) model support resident-led decision making and control? What contributes to the success of the model? What prevents LTOs from supporting resident-led decision making and control?
- What do LTOs need to perform their role in a way that supports resident-led decision making and control?
- What can others supporting resident-led change learn from this work?

In discussion with Local Trust, we adopted a three-stage approach to the research, which took place between November 2021 and February 2022. First we reviewed existing evidence, from Local Trust and wider sources, on how resident-led partnerships can be empowered and supported. The evidence review is presented in section 2.

Second, in consultation with Local Trust staff, we conducted seven deliberative workshops to understand the experiences and perceptions of four key groups: Local Trust staff who engage with LTOs; LTOs themselves; Big Local reps; and Big Local partnership members. Although Big Local workers were invited to the mixed stakeholder workshops, they were not targeted specifically, as they were the subject of a separate research project being conducted contemporaneously. A few Big Local workers attended workshops on behalf of their LTOs and subsequent cross-checking with the research team on the workers' project confirmed our understanding of workers' perspectives.

The workshops took place in two waves. The first three were designed to explore a wide range of experiences and perceptions of LTOs, gathering views on the range of benefits and services LTOs offer Big Local partnerships and the varying expectations of residents and LTOs. The remaining workshops were geared more to understanding the ingredients of successful LTO-partnership relationships, along with the factors that impede or support successful relationships. As part of this process, we used three of these workshops to develop and test a framework to explore how LTO-partnership relationships develop over time. This tool, along with emerging findings, was presented and discussed in a further workshop with Local Trust staff. We discuss the framework in detail in section 7.

Altogether, 42 individuals (not including Local Trust staff) took part in the workshops. Apart from Big Local reps, participants covered 40 Big Local areas and 30 LTOs. Some LTOs supported more than one Big Local partnership; and there was some overlap where both the LTO and partnership members from the same area attended workshops.

Apart from the first workshop with LTO, worker, and resident participants, where attendees responded to an open invitation sent out by Local Trust, potential participants were selected by the research team to cover a range of LTO/partnership configurations and localities, and responded to a targeted invitation. Participants were a mix of LTO employees, partnership members and Big Local workers. Rather than recruiting a representative sample (which would have been problematic given the very wide range of localities and relationships involved in Big Local) we sought to identify commonalities and differences through detailed exploration of the experiences of workshop participants. They included one group of seven organisations where the Big Local partnership was taking on corporate responsibilities. This generally means that the partnership has decided to incorporate itself, set up a new incorporated organisation, or merge with the existing LTO, in order to assume the designated responsibilities of an LTO.[7]

The third stage of the project involved interviewing a mix of LTOs, Big Local reps, partnership members and external stakeholders to explore in more detail our emerging findings, and fill any gaps in key perspectives. We have drawn on these more detailed interviews to illustrate this report.

Although we had generally good engagement in the research, there are always some limitations within any research approach. In this case, the main limitations were related to the relatively short timeframe available for the research, the continuing impact of the COVID-19 pandemic, and its impact on accessibility. The core research was conducted over a four month period, with the inevitable disruption of the holiday season in the middle, and so the workshop dates chosen did not always work for everyone who was keen to engage. We tried to include additional people who wanted to feed in through interviews, but schedules did not always align. With the COVID-19 pandemic ongoing, all workshops were conducted online in the interest of safety, but this may have had an impact on accessibility. As is often the case with similar qualitative research where participants largely self-select themselves (either positively, by agreeing to take part, or negatively by not responding to an invitation to participate), the people who turned up to the workshops may have been those with particularly good or bad experiences that they were keen to share, and those in the 'middle ground' may not have felt so compelled to take part. More targeting to get a broader sample of experiences may help tackle this in future research.

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[7] Guidance on the options and processes involved is at https://localtrust.org.uk/big-local/programme-guidance/big-local-partnerships-becoming-or-setting-up-their-own-locally-trusted-organisation/

What do we know already?

Key messages for resident-led decision making: the network of relationships residents rely on is complex and it takes time to get these right. Clarity about roles, responsibilities, and shared interests is vital.

2.1 Evidence from the Big Local Programme

The importance of the LTO role as part of the Big Local programme 'relationship triangle' (along with Local Trust and the Big Local partnerships) has been recognised in a number of the reports Local Trust has commissioned over the last few years. These include the *Locally trusted organisations (LTOs): Scoping paper* produced ahead of this research (Local Trust, 2021). This scoping paper lays out the concept and key facets of the LTO role, as well as the main challenges and opportunities that come with it.

In summary, LTOs' core role is to hold, distribute, and report on funding, to remove this administrative burden from Big Local partnerships, thereby allowing them to concentrate on how to use the money. In practice, however, many LTOs take on additional responsibilities to support the partnerships, including signposting and brokering relationships with other partners, accessing space or equipment, promoting and advertising partnerships' activities, or offering training and development. They can also deliver services and activities on behalf of the partnership and employ or subcontract paid workers to deliver activities for the partnership. As of September 2021, there were 133 organisations acting as LTOs. Some of these organisations have remained in place from the start of Big Local, but most have changed at some point since the beginning (Local Trust, 2021, pp. 4-5).

The scoping paper and the materials we reviewed as part of this research showed a number of similarities in terms of describing the LTO- Big Local partnership relationship. Some of the main findings are combined below:

- The role of LTOs in relation to Big Local partnerships varies widely (for example, just as a bank, or a much more active role, supporting community engagement or providing training for partnership members) and the perceived quality of performance is also variable.
- In most cases this relationship has reportedly worked well (for example, it is good for accountability), and this is reflected in the partnership members' surveys in 2018 and 2020,[8] where members rated the support from their LTOs as very helpful or helpful 75% and 87% of the time respectively (Local Trust, 2018, 2020).

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[8] Local Trust carries out biannual surveys of partnership members, which is the source of this information.

- However, some relationships have been more difficult, leading some groups to change their LTOs (for example, when it was thought the LTO did not have the right skills to manage its responsibilities).

There is more detail in existing materials on aspects that have been difficult, as opposed to those which have gone well (see McCabe et al., 2017, pp. 57-58; McCabe et al., 2020, p. 25; McCabe et al., 2021, pp. 13, 20; Terry, 2020, p. 16). The key issues outlined below were highlighted in the review of prior research.

- LTOs not providing regular accounting updates or not wanting to have much of a role in the Big Local programme.
- LTOs vetoing decisions which undermine change as envisioned by partnerships.
- LTOs refusing to take on building leases on behalf of partnerships.
- LTOs ultimately doing the opposite of relieving communities of money issues (such as not paying bills on time), which can take time away from the core activities of the partnership.
- LTOs, as the organisations which manage money, failing to set up appropriate contracts and commissions, or doing so in ways that differ from the partnership's expectations - giving them more power than the model intends.
- The LTO relationship being perceived as creating dependency as they handle all the 'difficult stuff' instead of building these skills in the community.
- COVID-19 further straining some relationships, as power was felt to be concentrated in fewer hands as a result of remote working.

In broader terms these issues reflect a lack of understanding amongst some LTOs of their precise role within Big Local (compared with say the partnerships, reps or workers); of how they are expected to work with partnerships; and, crucially, of the ethos and values of Big Local, which are that residents should take the lead in decision making, over the long term, at a pace that suits them, with partners being patient, non-judgemental, and non-prescriptive. This tension comes to the fore in LTOs' willingness (or reluctance) to go along with proposals that the partnerships have agreed. Indeed, a recent survey of reps quoted in the scoping paper found they feel that "only 71 per cent of partnerships have a LTO that understands the resident-led ethos and values of the programme" (Local Trust, 2021, p. 6).

This also underlines the impact of LTOs' attitude to risk. There can be a danger of imposing their own more cautious approach on the partnerships' behalf. These issues and others can contribute to a feeling amongst some partnership members that their Big Local partnership was not truly resident-led (James et al., 2014, pp. 68-69).

On the other hand, there are examples of LTOs and Big Local partnerships working well by:

- Working symbiotically and supporting each other's growth, such as through enabling access to funding (McCabe et al., 2020, pp. 13-14), or through match funding worker costs (James et al., 2014, p. 97). This may continue beyond the Big Local programme if, as is already happening in some cases, partnerships and LTOs merge to combine their resources and capacity (Local Trust, 2021, p.7).
- The LTOs adding value and understanding the ethos of Big Local with regards to resident-led decision making, for example through building the confidence of residents (James et al., 2014, pp. 92, 132).
- Having more informal and in-person spaces has allowed better relationships to be built between communities and LTOs, especially during COVID-19, whereas comfort with online technologies like Zoom can vary between Big Local groups and LTOs (Lyon et al., 2021, p. 52).

It is worth noting that the issues above are mostly based on the perceptions of reps or Big Local partnerships, as opposed to LTOs themselves; understanding LTOs' side of the story was therefore a key area of focus for this research, as Local Trust looks towards the legacy of Big Local.

2.2 Evidence from the wider literature on community-based organisations

There is a fairly extensive literature on supporting the development of small community-based organisations, but this tends not to distinguish between resident-led and other forms of representation (such as communities of interest or identity rather than place). It is also clear that this form of support is nothing new, being embodied in the growth of voluntary and community sector (VCS) 'infrastructure organisations' from the 1990s onwards. Also well established is the patchy nature of this kind of support, both geographically and sectorally (Harker and Burkeman, 2007). This wide variability means that evidence has been based primarily on case studies involving local or even organisationally specific models of support, rather than being drawn from the same approach being applied across numerous residential neighbourhoods, as in Big Local.

Much literature also focuses on organisations that are already established and active, and which already have appropriate incorporated status allowing them to act as holders of grant funding (or with ready potential to become grant holders), rather than new start-up groups like most Big Local partnerships. An important feature which differs from the Big Local programme is that the funding in the literature reviewed has been made available for a strictly defined purpose, and any resident involvement has been articulated around that. In many cases such involvement has been fundamental in the eventual shape of the projects that proceed (as with many BIG Lottery schemes such as the *myplace* youth centres (see Bashir et al., 2013), but these have tended to be one-off engagements rather than anything long-lasting.

Where neighbourhood-based decision making has been an integral aspect of programme design (as in New Deal for Communities (NDC) in England), the emphasis has mostly been on enhancing resident involvement in broad-based partnerships involving statutory and other agencies rather than promoting resident-led control. In addition, restrictive funding criteria have severely limited the scope for communities to pursue the actions or projects that they would prefer. Nor have these programmes involved much support to develop resident groups. The result is that while some individuals experienced positive gains through these programmes, at best the neighbourhoods themselves only saw moderate improvement (Batty et al., 2018; Lawless and Pearson, 2012).

2.3 Evidence from comparable programmes to support resident decision making

Communities First, Welsh Government

A concerted effort to build the capabilities of community-based organisations was a central feature of the Communities First programme in Wales, especially during its first five years. This ran between 2001 and 2017 and mainly involved a focus on action planning at the local level coordinated by community development workers. However, the sheer number of eligible areas combined with a shortage of people with appropriate developmental skills meant that progress was extremely patchy. This was not helped by high levels of staff turnover, given the high demand for such skilled and experienced workers.

While resident control did take hold in some areas, these were in the minority and mainly involved areas that were already well organised. The key seemed to be their capability to act as the 'grant recipient body' for the area. Those that did not do so tended to end up at the mercy of the local authority (and wider evidence has revealed the paternalistic attitudes that permeated many of these in Wales at the time). Overall, these poor internal relationships, alongside the continuing time and effort in trying to improve the majority of partnerships, curtailed project development and implementation (and hence neighbourhood improvement too). Consequently, the programme was rejigged to give local authorities and mainstream VCS organisations even greater control over budgets and operations in most areas. This followed a target-driven approach and a 'deficit' rather than a 'capability' model, with resident involvement recast along similar lines to NDC in England (Adamson and Bromiley, 2008; National Assembly for Wales, 2017; Pearce et al., 2020).

Local Conversations, People's Health Trust

A more recent attempt at embedding resident control over neighbourhood improvement is the Local Conversations programme run by People's Health Trust. The first projects under this banner started in 2014. The central aim is to improve health in 18 areas experiencing some of the highest levels of disadvantage in England, Scotland and Wales. In each a lead organisation described as being "already embedded within the locality and well-trusted by residents" receives grant funding of up to £300,000 over three years to promote greater resident involvement in taking action on local priorities or in attempting to influence public agencies (New Economics Foundation, 2020, p.3). This has been done by establishing resident-led steering groups in each area and delegating decision making over activities and project design and implementation to them.

Most of these steering groups have set up sub-groups specialising in particular themes, as a means of channelling enthusiasm and encouraging more residents to become involved. Along with increased and more dispersed opportunities for dialogue, this has helped to increase the diversity of participants, but this has not fed through into membership of the steering groups themselves. At the same time the proliferation of sub-groups and the urge to take quick action has led to challenges: some individuals have pursued their own agendas instead of acting on behalf of the steering group or in line with agreed aims and procedures. The report concludes with the observation that "the Trust needs to provide more support to projects to take bigger and bolder action on the local social, economic and environmental determinants of health" (New Economics Foundation, 2020, p.15), but gives no details about what form that support might take or whether the People's Health Trust has the capability to deliver it.

Coalfields Community Investment Programme, Coalfields Regeneration Trust

A little more detail is available about the innovative developmental support on offer from the Coalfields Regeneration Trust to community-based organisations in former coalfield areas across England. Since 2015 its Coalfields Community Investment Programme (CCIP) has put a range of measures in place to build the capacity of local organisations and help them become more sustainable. In doing so the aim is also to construct a network of connected groups across the former coalfields, as a means of sharing good practice, finding ways of responding to local needs, and creating opportunities for joint working and income generation. Support is provided by five Regional Development Managers in terms of an organisational diagnostic tool, local area profiling, funding searches, grant application assistance, peer networking and information sharing (including signposting to other potential support or partners), access to an online resource library, and generally acting as a 'critical friend'. In order to receive this support organisations must be legally constituted and not for personal profit, with an annual income of less than £250,000 in the most recent

financial year, and a management committee or board with at least three unrelated members.

The devolved nature of the provision is a relatively recent development, partly reflecting the scale of demand. In order to enrol, groups have to complete the Organisational Diagnostic Tool as a first step, partly to capture basic details but mainly to identify the group's aims and aspirations, to outline its plans on how it intends to achieve these and to record what support they think they need. This takes about 15 minutes to complete and is intended as a starting point for a longer conversation through which specific support actions and mechanisms can be agreed and put in place. There are then regular follow-up meetings to catch up on progress and assess any other emerging needs. Members receive twice yearly reports when they are actively receiving support.

2.4 Evidence from other case studies

Beyond the evidence from other programmes, a range of helpful lessons and insights have been distilled from case study material, although these are broad principles and procedures rather than specific courses of action.

Thus, work by Lent and Stoddert (2021) for New Local highlighted how communities can play an important role in policy decisions and service provision. These include citizens' assemblies, resident-led participatory panels and other deliberative forums; participatory budgeting; community asset transfer; and community governance, both within neighbourhoods and as formal members of decision making bodies, policy design processes and delivery groups.

Similarly, Macmillan et al. (2014) identified some key elements in building the capabilities and competencies of community organisations. The essential starting point is the adoption of a comprehensive and systematic approach which has five closely linked elements:

- a clear purpose defined and agreed by groups, support providers and funders
- an ethos tailored to the organisation's specific needs at individual, group or institutional levels
- actions emerging from a robust and thorough needs-led diagnostic process
- delivery through highly capable and trusted providers and network linkages; and
- a range of different learning mechanisms which together involve the whole organisation and take into account available resources, the existing stage of development and the external policy environment.

An important aspect of the assessment of a body's existing capabilities (and by implication its development needs) is how these needs are framed - and hence how they might be addressed or met (Macmillan, 2013). The main distinction here appears to be between the 'deficit' and 'empowerment' or 'capability' models, with the former focusing on what's considered to be lacking with respect to organisational norms (for example, governance, accountability, project management) and the latter seeking to establish what the group requires in order to meet its aims and aspirations (Institute for Voluntary Action Research, 2010).

Other issues emerging from Macmillan (2013) include the need for smaller community groups to have a solid basis for making an informed choice of support provider; and how such often intangible support is assigned value, especially in monetary terms.

More generally, there is a sense that the infrastructure organisation/community group relationship in the VCS is laced with mutual misunderstanding. Smaller groups tend to have

expectations of infrastructure support that are far higher than can be met with the resources available. Conversely, support organisations often have a standardised vision of what a voluntary sector body should entail, and therefore are unable to 'get' smaller, more informal bodies.

More positively, the literature also indicates ways in which such relationships can be improved. These mainly centre on better communication. This involves techniques such as multiple dialogue channels, regular and frequent conversations, active listening and cascading or onward referral of information and messages.

2.5 Evidence from the wider literature on inter-organisational relationships

In even broader terms, these themes and issues form the core concern of research into inter-organisational relationships (IOR). While any type of relationship between organisations may form a suitable focus of attention in this research tradition, the spotlight has predominantly fallen on relationships that (a) are based on the mutual interests of those participating (while not precluding the possibility of competitive or conflictual behaviour); and (b) involve long term collaboration (especially around shared goals, mutual decision making and joint accountability). Studies have examined both 'dyadic' (two-way) and multiple 'network' relationships.

Key concepts and aspects for those involved in making such relationships more effective include:

- Understanding the nature of the other organisation, in terms of its purpose or rationale; its culture and ethos; its leadership style and management approach; its financial basis; the relative stability of its workforce; and the wider institutional environment within which it operates.
- Using formal arrangements (for example, a legal contract) to set out tasks, responsibilities and accountability as a basis for more informal processes of cooperation and development.
- Establishment of relevant processes and mechanisms, not just for everyday actions but also in relation to forward planning, identification of development needs, assessment of progress, achievements and shortcomings, troubleshooting, conflict resolution and adaptation to changing circumstances.
- Frequent and open communication between organisations, involving active listening, constructive attitudes, mutual respect and self-awareness, including exploration of difference and diversity and a joint search for ways to incorporate or mitigate their potential effects – as opposed to unilateral imposition of solutions ("facilitative behaviours" rather than "collaborative thuggery" (Barros Estivalete et al., 2008; Huxham, 2003; Schruijer, 2020).
- Ensuring that internal communication channels are in place - and are used - where individuals directly involved in dealings with the other organisation share information about it with colleagues. This can transmit feelings of trust and associated expectations, as well as effective approaches and 'tactics' for navigating the relationship, to ensure continuity and wider buy-in beyond the interpersonal scale (Kroeger, 2012).
- Awareness of the centrality and dynamic nature of establishing and maintaining 'trust' in underpinning good relationships (Vangen and Huxham, 2003); and the cyclical steps and evolutionary learning phases that this involves. Several authors have tried to summarise this formally (Cropper et al., 2008), in essence adding to the original 'forming→storming→norming→performing' formulation of Tuckman (1965) (see also Karthik, 2002; Lusthaus et al., 2006).

- Acknowledgement of the potential 'dark side' of IORs (Oliveira and Lumineau, 2019), where opportunism, cynicism, exploitative trade-offs, unethical practices, interpersonal conflict or rivalry, accidental misunderstandings and opposing expectations can lead to dysfunctional or even failed relationships.

A particular grey area is how different organisations deal with the 'transaction costs' involved in establishing and developing the relationship, whether this is done explicitly or implicitly, and the extent to which the respective parties seek to minimise them. At the same time, excessive emphasis on making the relationship work can detract from achieving the substantive aims of the partnership, leading to 'collaborative inertia' and greater opportunity costs (Huxham, 2003).

While some literature examines the power dynamics that underpin such relationships, in most cases the organisations involved possess a certain degree of influence or leverage, along with the knowledge of how to deploy it. Little attention has been paid to situations where power (and the means to use it) are distributed unequally, as may be the case in many Big Local partnership/LTO arrangements.

Understanding the contribution of LTOs

Key messages for resident-led decision making: while LTOs are perceived as supportive, relationships are dynamic and need to be looked after. It can help to identify the different ways in which LTOs help to build partnerships' social, economic and cultural capital.

3.1 A supportive relationship

While the experiences of each Big Local partnership and LTO are individual and specific to their location and history, our research revealed an overriding view that LTOs provide valued support to resident-led partnerships. In three of our workshops, we asked participants to sum up the role of LTOs in three words. The word-cloud below (Figure 1) illustrates their views. Expressions used include "critical friend", "trustworthy" and "engaging" – but some also found the relationship "frustrating" and "challenging".

Figure 1. Views of the role of LTOs expressed by workshop participants

3.2 Differing expectations

In our initial workshops we explored the expectations of LTOs among LTOs themselves and among residents. While there were some overlaps, there were also key areas where the emphasis differed.

The core role of LTOs in providing effective governance and financial management was valued both by LTOs and residents. There was a common understanding that the 'banker' function enabled residents to plan and implement projects with confidence. At the same time LTOs provided an important check to those residents who were unfamiliar with governance issues such as reporting and accountability, avoiding conflicts of interest and managing staff and contracts effectively. This role frequently developed into a function of 'critical friend': LTOs were seen as organisations that could stand alongside resident partnerships and guide them through often complex decision making processes, removing the risks of inadvertently acting inappropriately or illegally.

The role of LTO also often chimed with LTOs' own interests and priorities. While some said the five per cent administration contribution was important, this was seldom the main motivation, nor did it fully cover the cost of the time they spent on it. Where Big Local partnerships are reaching the end of their spend the contribution is of diminishing significance, as it relates to the amount actually spent by the partnership in a particular year. When the partnership spends less, the LTO receives less, even if it is doing the same volume of work.

For some, the prospect of becoming the legacy organisation to continue the work of the Big Local partnership was an attraction. However, LTOs were also often interested in supporting residents in line with Big Local values; connecting better with communities in their area; becoming more influential through their connections with communities; and enhancing their own reputation through taking on the LTO role.

Residents valued the practical benefits LTOs could bring, including securing and managing income, employing workers, and managing contracts. LTOs have been particularly important in helping residents access and manage physical assets such as community hubs. Residents also appreciated the guidance and experience LTOs could bring as organisations that understood the workings of the voluntary and community sector and could connect residents with decision making networks. The 'critical friend' role was especially valued as a way of reducing the risks involved in initiating and completing projects.

3.3 Social, economic and cultural capital

In our workshops we encouraged participants to tell the story of the relationship between their LTO and Big Local partnership, focusing on what had worked well and the challenges that had to be overcome. From these narratives and from earlier exercises with participants, we identified a range of benefits that LTOs bring to partnerships in supporting resident-led decision making and control.

These benefits can be thought of in terms of social, economic and cultural capital. We define social capital as **the personal attributes and skills needed to function well in society**. Economic capital concerns the **physical and financial needs that must be met** for a group or organisation to function well. Cultural capital concerns **reputation, standing in society and the range of networks and connections a group possesses**. Cultural capital is

what makes a resident-led organisation a credible partner; it provides a key without which it is difficult, if not impossible, to access funding or implement an idea.

The table below summarises the range of benefits identified by participants in the research, categorised according to social, economic and cultural capitals. It is not an exhaustive list but covers the most common themes.

Social capital	Economic capital	Cultural capital
confidence	access to physical spaces	risk management, reputation
sense of being listened to	labour (workers)	due diligence and governance
skills building, mentoring	funding (for example, access to match funding)	links to local influencers
ideas and vision	asset management and transfer	access to networks
access to spaces to meet	contracts	access to decision making structures and political engagement
	marketing	access to policies and procedures
		'critical friend' role
		strategic leadership or guidance
		jargon-busting and explanation of processes
		access to models and resources such as Asset-Based Community Development
		marketing and communications
		risk management, reputation
		due diligence and governance
		links to local influencers
		access to networks
		access to decision making structures and political engagement

From the list above, it is evident that one of the key roles of LTOs is to integrate resident-led partnerships into the wider social structures that enable groups to initiate and implement the projects and activities that benefit their communities. For example, one LTO helped its Big Local partnership change its spending plan so that during the first COVID-19 lockdown, every child enrolled in the local school received a daily £3 meal voucher. That process involved risk management (making sure the partnership was acting legally); ensuring the action aligned with agreed policies and procedures; and accessing decision making structures in terms of school leadership.

3.4 Modes of relationship – building and dwelling

Our research has highlighted the complexity and variety of the relationships between LTOs and Big Local partnerships. There is thus no template that can be applied universally to guarantee the desired results in terms of enhancing resident-led decision making and control. However, it is possible to think in terms of two pillars that need to be in place to support positive and empowering relationships. We describe these as 'building' and 'dwelling' factors.

'Building' factors concern the structures and processes that need to be in place to support positive relationships. These include LTOs' 'banker' and governance roles, procedures for employing workers and managing contracts, and agreements on accountability and communication. They also include the support Local Trust offers to LTOs, and the guidance it issues on how they should operate. These factors are similar to the structures and processes needed to run any effective charity or company. They concern the activities and procedures of an LTO.

'Dwelling' factors concern the way relationships develop and mature over time. They concern attitudes and behaviours, the 'soft' skills needed to navigate dynamic and sometimes challenging relationships. 'Dwelling' relates to shared understandings of residents' histories and aspirations, the ability to listen and respond empathetically and to become partners in a common story.

For instance, one participant from an LTO commented as their offices were very close to each other "I can literally run down the road to [the worker's] office. You can connect, you can have that coffee and chit-chat". Another LTO workshop participant said "transparency, openness, communication is key - when things go wrong they go wrong, that's alright, we just both [the LTO and the Big Local partnership] need to grow and learn from each other."

These attributes require consistent and sustained co-working. Some LTOs perform the 'building' role effectively, but do not proceed beyond this. They function rather than facilitate. In some cases, this is all residents want; in others, it falls far short of residents' needs and expectations.

3.5 Change over time – pitfalls, troubleshooting and maturity

The contribution LTOs make to resident-led decision making is not a constant factor. Residents' needs and expectations change over time and LTOs must be sensitive to these changes. This requires a level of communication that extends beyond that normally associated with good financial management, and not all LTOs have appreciated this.

LTOs also exist within a shifting network of relationships involving Big Local partnerships. LTOs' needs and aspirations themselves may change: an organisation acting as an LTO may become subsumed within a larger entity that has no history of involvement with Big Local, or

may be more concerned with other priorities. In addition to the changes within LTOs themselves, some partnerships have seen extensive turnover of resident members. LTOs must also engage with Big Local reps, who support partnerships on behalf of Local Trust, and with staff at Local Trust, which provides the funding and management of the programme. While such networks of relationships are typical of the voluntary and community sector, the multiple accountabilities within the Big Local programme have proved confusing to some. In one of our workshops an attendee from one LTO who had recently taken on the role did not know which Big Local rep they should deal with. This lack of an effective induction process was highlighted by another interviewee where the LTO had joined the Big Local programme at a relatively late stage.

A further complicating factor can be the role of Big Local workers, who are accountable to the partnerships but often employed by, or via, LTOs. There can be differences within partnerships, and between partnerships and LTOs, on whether a worker is needed, what their responsibilities should be, and how much they should be paid. There are also issues of accountability. On more than one occasion in our workshops, participants said that workers had sometimes used their positions to pursue their own agendas.

One Big Local rep suggested partnerships should "think carefully about whether you need workers and what you actually need them for. Because I think some of the challenges and difficulties in Big Local have been around the worker-partnership relationship, again, it comes back to relationships, but I think sometimes it can also be about thinking that you have to have a worker you know, that you absolutely need a worker, and I don't think all Big Locals do."

For most participants in our workshops, ways had been found to overcome such challenges. Sometimes, however, this involved relatively drastic action – partnerships terminating a relationship with the LTO or deciding to take on the LTO role themselves. The role of Big Local reps in troubleshooting and mediating was often crucial. In most cases, however, a process of maturing could be charted, where difficulties had been overcome and the partnership and LTO were looking to the future. The next two sections discuss how the governance role can become part of this process of maturing and development.

Enablers and barriers

Key messages for resident-led decision making: it is vital that LTOs perform their core financial and governance functions well. But LTOs and partnerships also need to work on building and maintaining trust, so that residents feel confident to put their ideas into effect.

Through the workshops, we explored with participants what enabled the LTO to build the social, economic and cultural capital of the Big Local partnership, and what factors constitute barriers.

4.1 Key enabling factors

A key enabling factor in fulfilling the 'building' role described above is efficiency. Residents' sense of control is improved when LTOs have effective systems, dedicated and consistent staff, and are able to respond quickly to resident requests, particularly around paying invoices on time. It was noted that this can be more complicated for LTOs than residents might first think, particularly in a larger LTO where the key contact that residents have is not necessarily the person who pays invoices.

Related to this is the need for the LTO to dedicate sufficient time to the relationship, recognising that it will shift over time, and that the needs of the partnership will evolve. Several participants spoke about the value of consistency both in terms of key staff, and of following through on commitments. In a workshop a worker described the LTO role as being "hands off but always there". One LTO interviewee commented on the importance of fully involving the Big Local partnership in the process of recruiting workers:

"So, when we took on the three workers we made sure that the job descriptions were codesigned with the steering group, so you know, they had a lot of imprints of the roles that they wanted …. We also included them within the recruitment process as well so that they were part of the interview process…"

In terms of the 'dwelling' role explored above, several factors enabled a good relationship between residents and the LTO, including effective mediation. In particular, Big Local reps had an important role as mediators and translators between Local Trust, LTOs and residents. Reps are often the only people who have the 'whole' picture of the relationship and how it has evolved over time and thus often have insight into communication or other challenges. In addition, LTO staff frequently acted as mediators and translators between residents and other organisations such as local authorities and contractors. This is a really important part of building the cultural capital of residents - not just introducing them to local networks but helping them understand how best to engage with those networks and their processes once they are in contact with them. As one Big Local partnership member explained:

"[NAME of LTO staff member] explained to us in a bit more detail what that community enterprise was about which we were very grateful for because obviously, you know, I mean we're local residents so we know about the area and we know all that but when... people are trying to tell you about things and they're not really explaining it in my words, [NAME] from the [LTO], he will. I will just say to him, do you mind, if you like, he deciphers it for me and you know, tells me what it really meant...He's very helpful like that."

Clear communication between the LTO, Big Local workers, the Big Local partnership, and Local Trust was noted as important by one interviewee, and they described particular work they're going to do to "close the loop":

"Really getting that kind of tripartite relationship right, so you've got the steering group, you've got Local Trust and then you've got the LTO and workers within that [...] what we're looking to do, and we haven't started this, we've got a meeting, many meetings but we're going to do it every eight weeks where we just kind of close the loop, so get the three parties in the room so we can, you know, if there's any issues, concerns, it's not … you know, blaming whoever is out the room, so we're trying to kind of improve that area."

The ability of the LTO to listen was also valued. Many residents valued the presence of a 'critical friend' or somebody from the LTO who could attend meetings and provide feedback. Some LTOs attend every partnership meeting to support, whereas other residents and LTOs prefer more detached relationships.

One workshop attendee from an LTO summed up this balance by saying that the role is about "being supportive and facilitative, being a 'critical friend'. Not saying what's right and wrong. We consciously sit on the fence when asked for advice, the decision is for the BLP [Big Local partnership] – our role isn't to say yes or no, as long as it's legal. Whether we think it's going to work or not is irrelevant."

Residents also appreciated the sense that some LTOs "go the extra mile" and are willing to go beyond their funding obligations and respond to opportunities or challenges positively. For some LTOs, exceeding the 'banker' role is what attracted them to becoming LTOs in the first place, but it should be noted that 'extra' work isn't reflected in the five per cent fee. While it is possible for LTOs to be paid for additional services under a separate agreement with the partnership, some LTOs can devote significant time to providing additional informal support such as advice and feedback because they are invested in the success of the partnership. The role of key contacts within Local Trust was mentioned as important here in terms of clarifying roles and responsibilities; they set the tone for the role of the LTO, and their support can be crucial.

This ability to go the extra mile often depended on the skills of the individual within the LTO responsible for the relationship with the Big Local partnership. One Big Local rep with experience of several LTOs commented:

"...in all the six that I've been involved in, the person from the LTO is kind of finance, so won't necessarily know about how to put together a project, how to engage stakeholders, how to explain to residents, so all of that capacity building that you might imagine you'd want in order to have a legacy from the programme hasn't necessarily been embedded."

The alignment between the overall objectives and ethos of the LTO in its core activities (that is, outside Big Local), with the aims of the Big Local partnership can also have a positive influence in terms of creating mutually supportive and sustainable partnerships, beyond the

individual LTO staff member(s) working with the Big Local partnership, as one LTO representative explained:

"In terms of our objectives for supporting [Big Local area], [LTO]... has got a social purpose, and I head up the community investment team. So, we've got kind of objectives in terms of our communities and clearly we see, you know, this kind of particular picture, approach and structures, are kind of complementary. So, you know, it's resident-led, it's not about us, as a [LTO] saying, 'We will do this stuff to, and resolve problems for, those communities', so we see absolutely the kind of value in terms of that asset-based community-led kind of approach."

As discussed elsewhere in this report, the relationship between a Big Local partnership and its LTO often shifts - sometimes quite significantly - over time. As Big Local draws to a close many residents appreciated the ability of the LTO to support them with legacy planning, whether in a very practical way, such as taking on building leases, or in terms of being a 'critical friend' and advisor for the partnership as it evolved.

Taken together, the factors that enable the 'dwelling' part of the LTO role add up to a sense of trust. One rep summed this up: "If you have a relationship and that brings trust, and if you have trust, then you're allowed to get things wrong. You're allowed to do something a bit stupid, you're allowed to, people can give you the benefit of the doubt."

Residents find it easy to trust an organisation that listens well, supports them to mediate conflicts, and responds positively to challenges or new opportunities. One LTO described the need to "earn" the trust of local residents by being responsive and available, and "showing your worth".

The converse is also true; the key barrier to productive LTO-Big Local partnership relationships is a lack of trust, and in many cases the factors that create barriers are mirror images of those that enable or engender trust.

4.2 Key barriers

In most of the cases we encountered where there had been accounts of relationships breaking down in the past, the key issue was a loss of trust. There is no single factor that brings this about, but it usually involves an absence of shared expectations and values or a breakdown in communication. In some cases, this is aggravated by a perceived failure to perform the LTO role effectively.

Underperformance, or a lack of efficiency, was one of the most commonly cited reasons for a lack of trust in an LTO. In some instances, LTOs did not act as effective 'bankers' or provide the necessary back-office functions. A failure to pay invoices on time was regarded as particularly problematic, although it is not clear how widespread this problem has been. It is noteworthy that the variety of organisations performing the LTO role has narrowed, with an increasing reliance on traditional voluntary sector organisations such as Councils for Voluntary Services (CVSs), housing associations and Groundwork trusts. Such organisations often have a similar ethos to that of Big Local; they are also familiar with the regulatory and legal requirements of voluntary organisations.

Sometimes the issue is not that LTOs are inefficient but that they have processes in place that appear cumbersome and irrational to residents. One rep commented:

"I think sometimes the process and procedures of LTOs can be very disempowering as well, and that isn't the fault of the LTO, that is the fact of the processes they have in place … sometimes, when partnerships, they need to purchase something and, some LTOs, that whole process is just so bureaucratic and it takes away that ability to respond quite quickly … and the frustration that comes from that … obviously residents can't understand why the LTO can't provide them with the money to go and get this greenhouse from B+M to put on the allotment, you know, and why they have to order it from this place and it's going to cost more and it's going to take weeks to arrive."

We discuss governance further below, but a key factor in the loss of trust was often a perception among residents that LTOs were using governance to police residents' activities, leading to a sense of mutual suspicion. One rep commented that this could arise from a misunderstanding of Local Trust's requirements: "they read the grant letter, which does tell them they're responsible for all sort of things, so they then read that as, well, we have to be in control of everything otherwise, how can we know that the money is being spent properly."

The issue is often a question of how structures and procedures are interpreted and implemented, rather than there being specific problems with the structures and procedures in themselves. On the other hand, some LTOs were perceived as too hands-off, performing their fund-holding functions as LTOs but not providing additional support or advice. Some were seen as too concerned with the contribution from Local Trust and unwilling to share knowledge and good practice, or go the extra mile. As discussed above, the five per cent is a contribution from Local Trust towards managing the grant and supporting the partnership. However, LTOs can also provide additional support and services to partnerships outside of this and for which they can be paid, but it may be that some LTOs were not fully aware of this.[9]

Churn, or turnover of people, was also mentioned by participants, both in terms of partnership members changing, but also in terms of staff turnover at LTOs. Given the complexity of building trust between an LTO and partnership, this churn can lead to a loss of institutional memory and prevent the emergence of a deeper, trusting relationship. As noted above sometimes this leaves the rep as the only person who holds the 'story' of the whole partnership.

4.3 Understanding governance: policing or enabling transformation?

'Governance' was mentioned frequently in our workshops, both as an example of what LTOs do well – enabling good governance in the partnership – or as something that could go wrong, for example when a partnership does not take governance seriously, or an LTO's approach to governance is too heavy handed.

NCVO (2022) defines governance as "the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation." In practice it is often thought of as just what happens in board meetings, and the practical trappings of running an organisation, such as having two unrelated signatories for bank accounts, or taking minutes of meetings. While these are undoubtedly important aspects of governance, they mainly deal with the 'building' or structural parts of the LTO role. A more

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[9] See programme guidance for information about LTO support for Big Local partnerships
https://localtrust.org.uk/big-local/programme-guidance/locally-trusted-organisations/

expansive view of governance would integrate some of the 'dwelling' elements and might shed some light on the way that trust is built.

The Transformational Governance (2022) project proposes that governance goes "far beyond" what happens in board meetings "to include the formal and informal structures, policies, practices, relationships and cultural expectations that determine how decisions are made, roles and resources are allocated and collaborative activity happens." [10] From this perspective, the way decisions are made and resources are allocated pervades the whole culture of an organisation or relationship. Therefore, the attitudes and assumptions that each party brings to the relationship will affect the way that governance plays out and trust is, or is not, built.

The #BeyondTheRules (2022) project suggests that the following factors play a key role in systems of governance: accountability, responsibility, risk-holding, power and autonomy and that "looking at how these factors are balanced and distributed across a system can help to reveal how (in)justly and/or (in)effectively governance might play out in a system." [11]

A state of balance for full agency

In this conception, Power and Autonomy are enablers, and Accountability and Risk-holding are burdens. Responsibility can be either an enabler or a burden: "where we experience an imbalance between the enablers and the burdens … we see an environment conducive to corruption, inefficacy and/or injustice; conditions that erode trust and indeed our collective belief in that system."

These factors are unevenly spread across the Local Trust ecosystem, and will look different in every case. In some ways the LTO-partnership relationship is one where the Big Local partnership has power and autonomy, but financial accountability and risk-holding sit with the LTO. This is by design: LTOs are supposed to support residents to build their power and autonomy, but can also contribute to challenges, especially if the LTO does not see itself as part of the same governance system as the residents. When all parties have a clear understanding of the relationship and the different roles within it, the distribution of burdens and enablers across the system can work well. When that understanding is unclear or not shared, then conflict and mistrust can grow.

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[10] For more information on the Transformational Governance project visit https://stingy-hexagon-c88.notion.site/What-does-governance-mean-to-us-17c2a3726e0f4ff593f567c802b6a135

[11] For more on the #BeyondTheRules project visit https://provocations.darkmatterlabs.org/beyondtherules-balanced-governance-and-behaving-well-everywhere-every-day-5aa852b4843e

Building sustainable relationships

Key messages for resident-led decision making: residents are better equipped to make decisions when they (and LTOs) are clear about what LTOs are able to offer. Support from Big Local reps and Local Trust helps to put these relationships on a secure footing.

A successful LTO-partnership relationship has a number of complex contributing factors, but one of the repeated patterns we have found is that it changes over time. Particularly as the Big Local programme comes to an end, partnerships are thinking about their legacies, and the support of LTOs is vital in ensuring that the partnership's impact is sustainable. We asked LTOs in the workshops what kind of support they felt they needed, and what they thought new LTOs should bear in mind. A range of themes emerged which are discussed below.

Some types of organisations felt they needed less support than others. CVSs, for example, act as infrastructure organisations in a wide variety of contexts and saw this role as very similar. Some of the considerations below may not apply to these organisations. Small local organisations were often able to be very responsive to the partnership's needs and to act more like colleagues than people in a formal relationship; again, some of the considerations below may not apply.

It should also be borne in mind, as several participants in workshops and interviews underlined, that the relationship between partnerships, LTOs and reps has played out against a backdrop of austerity and loss of local assets and services. LTOs are an important part of local infrastructure, but they exist within a broader system. They are therefore impacted by the stresses and changes within the wider systems of local government and the voluntary sector in which they operate. One LTO chief executive told us how the Big Local partnership's plans had emerged from a wider context of austerity-driven cuts and closures in local services. Both the LTO and the partnership emerged from this experience. More positively, they are now using the provisions of the Localism Act to draw up a neighbourhood plan together. Many of the challenges and opportunities in the LTO model would remain within any alternative model, because the business of local decision making is messy and complex and affected by the dynamics of the wider social, economic and political context.

5.1 Support from Local Trust

LTOs are supported within the Big Local programme, as highlighted by the *Locally trusted organisations (LTOs): Scoping paper* (Local Trust, 2021). This support is mainly delivered through programme guidance; access to Local Trust staff (usually as part of due diligence checks, finance reporting processes and review visits); support from Big Local reps; learning and networking events; informal drop-in sessions for LTOs, and peer learning and networking spaces. However, many LTOs do not take full advantage of this support. Much of

this support is generic rather than context specific and seemed to have been absorbed or interpreted differently by different participants; some felt that their role was very clear while a minority felt that more clarity was needed. Local Trust's reps, however, do provide support tailored to individual Big Local areas.

There is also a need to ensure that this understanding is shared by everyone within an LTO who might deal with a partnership, as well as by the reps and partnership members themselves. We hope the framework introduced in section 7 can help all parties have this shared understanding.

Building on the point above, as many LTOs have changed over the course of Big Local, a need was also expressed for a sound induction process for any LTO coming into the programme at any stage. As part of this, there should be early contact between the LTO and other important stakeholders, such as the rep and staff from Local Trust. If this does not happen, as was explained by one interviewee, the work of Big Local may not get prioritised as it may be hard for the LTO to understand how it fits into their larger body of work.

A need for simpler guidance was also expressed. Some LTOs accessing the guidance through the Local Trust website felt it was too long. However, some LTOs seemed to have a productive and supportive relationship with their key contact at Local Trust and would go to them for advice.

Several participants mentioned that more shared templates and approaches for common issues would have been helpful. This was mostly mentioned in relation to taking on leases on buildings, but a shared approach to dealing with State Aid issues (which cover eligibility for subsidies from public funds) was also raised by one participant. Part of this work might involve supporting larger LTOs to scale back their processes somewhat to an appropriate scale for supporting a small community group on an issue such as procurement.

The LTO role can bring financial challenges, especially when the partnership might be spending slowly, as the contribution from Local Trust is five per cent of what the partnership spends, not five per cent of its budget. This means that while the overall income available to the LTO can be predicted, the amount it will receive in any year is variable. This makes it harder to fulfil the 'dwelling' role and go beyond the more functional aspects of the relationship. Some participants asked if there was another way of allocating LTO budgets.

Many participants valued the ability to network with other Big Local areas and LTOs through mechanisms such as Big Local Connects (an annual celebration of the Big Local programme). One LTO interviewee felt learning across the programme could have been better shared between Big Local areas:

"The evaluation of learning and the application of learning across sites I don't think has been happening. So, you know, broadly speaking they're all trying to do much the same thing, which you'd expect from a national programme, but they're all reinventing wheels themselves. So there isn't a crossover of learning or experience or has this worked."

5.2 The role of Big Local reps

The role of reps, who work with Big Local partnerships to help them implement their plans,[12] came up on several occasions when LTOs were asked about the support they need. In particular, LTOs often found reps very valuable when interfacing with Local Trust. Because

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[12] Information on the role of reps is available at https://localtrust.org.uk/big-local/reps/

they could draw on perspectives from different Big Local areas they were able to act as a more neutral 'critical friend' when challenges arose. However, the impact of the rep varied depending on the interests, skills and aptitudes of the individual rep. It was recognised that some were stronger at, for example, establishing new projects, and some were more adept at dealing with conflicts or challenges.

Where there had been challenges or changes in the LTO, it was often the reps who held pivotal roles in maintaining or restarting relationships. Some reps felt that they ended up being a go-between, trying to manage the shortcomings of a partnership or LTO in order to avoid a relationship breakdown. Some also felt that LTOs needed more support than reps were resourced to offer. When asked about how they supported the LTO, one rep commented in an interview:

"Managing the relationship with the partnership, particularly, some partnership members ... they gun for [the LTO], so they're bombarding them with, 'can I please see the worker's job description?' and, you know they've all had it, but they can't be bothered to look it up.

"Or things [from the LTO side] like 'the SLA [service level agreement] is coming up … The partnership meeting's agenda is jam packed, it's difficult to get a quorate meeting at the moment, how are we going to get this discussed properly?' And I'm thinking, don't ask me, I'm frustrated by the fact that I can't get them to get a quorate meeting together."

Some participants reflected that some reps had their own agendas and approaches, which can positively or negatively impact resident-led decision making and has the potential to add a layer of complication to relationships between a Big Local partnership and its LTO. Just as the partnership between residents and LTOs changes over the lifetime of the Big Local funding, the role of reps – and what the residents and LTOs need from the reps – also changes.

5.3 Lessons from partnerships that have taken on corporate responsibilities

The original idea of LTOs was that partnerships should be free to make decisions for their areas without the burden of becoming incorporated, with all the legal and financial responsibilities and procedures that entails. However, a minority of Big Local partnerships have taken the decision to take on corporate responsibilities in some form. This generally means that the partnership has decided to incorporate itself, set up a new incorporated organisation, or merge with the existing LTO, in order to assume the designated responsibilities of an LTO.[13] Twelve partnerships fell into this category at the time of the research. We held a workshop specifically for representatives from these partnerships.

Their reasons for taking on corporate form varied and ranged from frustration with existing arrangements to a sense of this being the next step for a maturing Big Local partnership. Some partnerships existed in some form prior to the Big Local programme, so they may have already had the confidence to begin the journey towards becoming an incorporated organisation. In other cases, the partnership and the LTO both emerged around the same time and merging the two felt like a natural progression. In several cases the key contact from the LTO ended up moving to work directly for the partnership. In such cases,

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[13] Guidance on the options and processes involved is at https://localtrust.org.uk/big-local/programme-guidance/big-local-partnerships-becoming-or-setting-up-their-own-locally-trusted-organisation/

partnerships felt more confident to move towards incorporation because they knew they could employ someone who was reliable.

Those partnerships which had accessed funding from sources outside Local Trust frequently felt they were as well or better placed to manage multiple funding streams as an LTO. While LTOs are able to hold money sourced for partnerships outside the Big Local programme, they need to account for it separately. Participants from Big Local partnerships described the "messiness" of managing different funding streams in different ways and with different rules, and the challenge of managing cashflow when they were not in charge of one of their bank accounts. For these groups, taking on roles previously done by the LTO simplified their financial operations. As they were already doing financial management, the five per cent admin contribution was a bonus.

For other partnerships, taking on corporate responsibilities happened relatively late in the programme, after the partnership had built up its skills. One participant said residents had a "totally different mindset" after 10 years of participating in Big Local.

One common theme in the workshop was the extent to which the progression felt inevitable, or natural - there was not a sense of the partnership having to make a difficult decision. Many of these partnerships are on their way to becoming full 'community anchors', and a key part of local infrastructure themselves. This might be one potential legacy model for Big Local partnerships, and in this context their ability to take on the LTO role should be celebrated. We hope this report and the accompanying resources will be helpful for any partnerships considering becoming their own LTOs by shedding more light on the LTO role and what it entails.

Transferable learning beyond Local Trust

Key messages for resident-led decision making: there will always be a need for supportive infrastructure to facilitate residents who want to improve their areas. Local government and voluntary sector bodies are likely to play a key role, but they need dedicated capacity and the skills to work positively with residents. Local Trust and its partners need to continue their work of informing wider public policy to advocate for greater support for communities.

6.1 The context

Local Trust seeks to transform the way policymakers, funders and others engage with communities and places, including places often considered 'left behind' or marginalised socially or economically.[14] At the heart of its mission is a belief that residents can be trusted to shape the futures of their own communities.

This approach is shared to a large extent by third sector organisations and charitable funders who over many years have supported community-based change and the development of 'community anchor' organisations. Support from local and national government has been much less consistent, and there is still no shared vision across the four nations of the UK of when and how to support resident-led change. As such there is a need to learn from Local Trust's experience as the Big Local programme draws to a close.

In the absence of Big Local, the key organisations supporting resident-led change are likely to be national and local government and charitable funders and foundations. Local 'anchor institutions' such as universities and healthcare institutions will also have an interest, though their concerns are often about specific issues such as public health or educational attainment. The skills, capabilities and aspirations of these organisations vary. Learning is often lost through constant changes of personnel and restructuring of organisations.

There is thus a continual need to renew the skills and knowledge that organisations require in order to support communities effectively. Local Trust's experience should be seen in that context: it is more a case of changing the tyres than reinventing the wheel. The current moment presents an opportunity to draw on and share Local Trust's learning more widely.

Two elements of the policy context are particularly salient. One is the 'levelling up' agenda, supported by the recent Levelling Up White Paper (HM Government, 2022a). This focuses on

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[14] 'Left behind' areas are defined by Local Trust as those which both lack social infrastructure and have the highest levels of socioeconomic disadvantage in the country (in line with the Index of Multiple Deprivation).

tackling economic and social disparities across a range of domains. While it shows an interest in 'pride of place' and renewing the built environment in run-down or disadvantaged areas, it has little to say about how to support residents in shaping and implementing these visions of regeneration at a local scale.

The second is the promised UK Shared Prosperity Fund, which will replace the structural funds previously distributed through the European Union to tackle disadvantage. The pre-launch guidance for this fund, which will be distributed via local authorities, includes the ambitions to "restore a sense of community, local pride and belonging, especially in those places where they have been lost" and to "empower local leaders and communities, especially in those places lacking local agency" (HM Government, 2022b). If these ambitions are followed through in detailed guidance and the actual distribution of the fund, they present an opportunity for Local Trust's learning about resident-led change to be embedded more widely within local government and its partners.

Local Trust has been active in these policy debates for some years, commenting on emerging policies and informing debate both within government and more widely. This policy work is important and should be sustained, building on Local Trust's advocacy of a Community Wealth Fund, for example. [15]

6.2 Understanding residents' needs

Regeneration policy has often been characterised by top-down understandings of residents' needs that have been blinkered to the lived experience of the multiple challenges of disadvantaged neighbourhoods, and the sense of disempowerment generated through successive short term funding programmes and initiatives. Over the last decade there has also been the backdrop of the austerity programmes imposed from 2010, which removed many public services from communities and stripped capacity out of local government. Funders often lack both the knowledge of what residents want and need, and the capacity to acquire that knowledge.

By characterising residents' needs in terms of social, economic and cultural capital, this research offers a starting point for any local authority or funding partner that wishes to work with residents to initiate and implement place-based change. Not all resident groups will need every form of support mentioned in this research, but the research offers a way of understanding the range of support that residents are likely to need. Such conversations need to accompany participatory vision-setting exercises such as Planning for Real: residents need not only to be able to articulate a shared vision for their areas, but to understand the support they will require to bring that vision to fruition.[16]

Developing an understanding of residents' needs at a hyperlocal scale, and then providing the support required, is vital if residents are to be genuine partners in change rather than recipients of further rounds of top-down policy initiatives. This includes equipping the supporters – whether in local government or elsewhere – so they can do this work. The UK Shared Prosperity Fund offers an opportunity to build a culture of understanding and support that could contribute to long term resident-led change, but there is a limited opportunity to inform this process through the learning from Big Local. Local Trust should consider how it might work specifically with local government partners over the remainder of

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[15] For more on the Community Wealth Fund see https://localtrust.org.uk/policy/community-wealth-fund-alliance/
[16] More information on Planning for Real is available at http://www.planningforreal.org.uk/about-us/

its life to share and spread what it has learned about how to support residents, alongside its wider policy work in this space (see section 6.1).

6.3 Providing supportive infrastructure

While the structures provided by Local Trust through LTOs and Big Local reps have sometimes been perceived as bureaucratic and unwieldy, they have provided an important safety net and enabling mechanism for resident groups. In some cases, they have already led to the creation of legacy organisations that will take forward the work of Big Local after the programme ends.

As the range of LTOs demonstrate, no single type of organisation is uniquely equipped to provide the range of governance and facilitative support that resident groups may need. However, it is not surprising that established third sector organisations such as CVSs, Groundwork trusts and housing associations feature strongly among the list of organisations acting as LTOs. They not only have knowledge of the charitable sector and financial management and regulation, but also deal on a daily basis with resident-led groups of different varieties. They also have an ethos that, at least in some respects, is comparable to that of Big Local.

While our research found no evidence to suggest a preferred model of support, it was clear that the 'locally trusted' character of LTOs made a difference. It is important to distinguish 'locally trusted' from 'trusted local organisations': the locality of the LTO is not always key, but the ability to gain and sustain the trust of residents at a local level is vital. In practice, some residents find that LTOs work best when locally based – some participants in our research spoke of the benefits of being able to walk down the road and have a cup of tea with somebody from the LTO to sort out a problem or make a decision.

As a minimum, organisations supporting residents need to be able to perform the 'banking' and governance functions. But the ability to help residents develop cultural capital is just as important, and requires a different set of skills: listening, networking, facilitation, and brokering. Any organisation tasked with building social infrastructure at a neighbourhood level needs to do both the governance and the facilitative work. Such skills are not always present in local authorities, and cannot be taken for granted in third sector organisations. There is therefore a strong case for Local Trust to work with partners across local government and the voluntary and community sector to share learning from LTOs on how to provide support effectively over a sustained period.

6.4 An enabling approach to governance

As discussed above (section 4.3) there is more to the 'banker' function than regulation and oversight. Effective governance is a key to participation in society: it unlocks doors to funding, partnership building and involvement in wider decision making processes. The potential of good governance appears sometimes to have been taken for granted or overlooked in the day-to-day relationships between Local Trust, reps, LTOs and partnerships. Too often it is viewed as a policing function or as unwelcome bureaucracy. There is scope to learn from the Big Local experience about how governance can form part of a more transformative approach to resident leadership and empowerment, and to share that learning more widely with partners as we move beyond the Big Local programme.

A prototype framework for understanding the impact of LTOs

Key message for resident-led decision making: by categorising and prioritising the types of support residents need, partnerships will be better able to make long term decisions and to know how LTOs can help.

7.1 Why have a framework?

Our research has highlighted that the relationships between LTOs and Big Local partnerships are dynamic and complex. This has led us to consider how Local Trust and Big Local reps can best understand and support the development of these relationships over the remaining years of Big Local. While relationships between LTOs and partnerships vary according to locality, histories and the changing challenges they face, there are commonalities that can assist our understanding of how partnerships are working and maturing.

Through the workshops we considered how to present aspects of social, economic and cultural capital in a way that captured their key elements without being overly complicated. We began by considering a typology of LTOs on a scale ranging from 'functional' to 'facilitative' but it was soon clear that this would not capture the range of benefits provided by LTOs or the dynamism of their development over time. We then developed a simple questionnaire covering nine aspects of the support provided by LTOs and tested this with workshop participants. Following feedback, we added a tenth overarching question regarding the support LTOs provide in helping to build sustainable resident-led partnerships for the future beyond the Big Local programme.

The purpose of the framework is to enable Big Local partnerships, LTOs and reps – as well as Local Trust – to understand how relationships between partnerships and LTOs are perceived and how they might be changing.

It is important to stress that the ten categories do not represent performance indicators or even desired outcomes to be benchmarked between partnerships or LTOs. Rather, they are a summary of some of the key areas in which LTOs have been able to support Big Local partnerships in practice. They are not all necessarily feasible or even desirable in every

situation. Rather, they provide a starting point for conversations about which outcomes are considered desirable locally, how LTOs are contributing to these, and what progress is being made.

7.2 How it works

Our concern in developing the framework was to provide a simple and adaptable aid that could be used in a variety of circumstances. In doing so we were aware that it will not cover every aspect of the work LTOs do or the benefits they provide. The intention is to enable partnerships and LTOs to map out key features of the relationship quickly in order to then consider how the relationship is working or might adapt to changing circumstances or new challenges.

During the course of the workshops we developed a series of questions to tease out key aspects of the relationships between LTOs and Big Local partnerships. The table below shows the questions as used in our workshops. The purpose was to identify areas of social, economic and cultural capital that LTOs could help to build within Big Local partnerships.

The intention was not to create an expectation that LTOs should support partnerships in each area: rather the purpose was to identify what types of support the partnership wants, and how this might change over time. The questionnaire could also be adapted for organisations outside the Big Local programme that might support resident-led initiatives in future.

The first three questions cover aspects of social capital: growing in confidence; mentoring and skills building; and generating aspirations and ambitions for the Big Local area. The next three concern economic capital: accessing spaces or assets; taking on workers; and accessing funding and contracts. The third group is about cultural capital: connecting residents with local networks; providing effective governance and risk management; and providing access to decision making structures. The final question is about building a sustainable resident partnership for the future.

Figure two below shows a response from one workshop participant to the questionnaire in the form of a radar diagram, with the green line representing the respondent's initial involvement in Big Local and the orange line showing their perception of the current situation. The response shows that the contribution of LTOs is not always seen in terms of a progression, where the desired result is to achieve higher scores on all the questions; rather it is about matching the work of the LTO to the needs of the partnership, some of which will grow while others may recede over time.

Table 1: The questions behind the proposed framework

On a rating between 1 and 10, where 1 is least and 10 is most, which of the following statements apply to your LTO's relationship with the Big Local Partnership? In column A give your view of how things were at the start of the programme, and in column B please give your view on how things are now.	A. Where was the relationship at first?	B. Where is the relationship now?
The LTO has given residents confidence and a voice		
Mentored residents and grown skills		
Helped to generate aspiration and ambition		
Provided access to physical spaces and assets		
Enabled residents to employ workers		
Provided access to funding and contracts		
Plugged residents into networks		
Provided effective governance and risk management		
Given residents access to decision making structures		
Built a sustainable resident partnership for the future		
Any other comments?		

Figure 2. Example response to questionnaire visualised as a radar diagram

Example response to diagnostic questionnaire
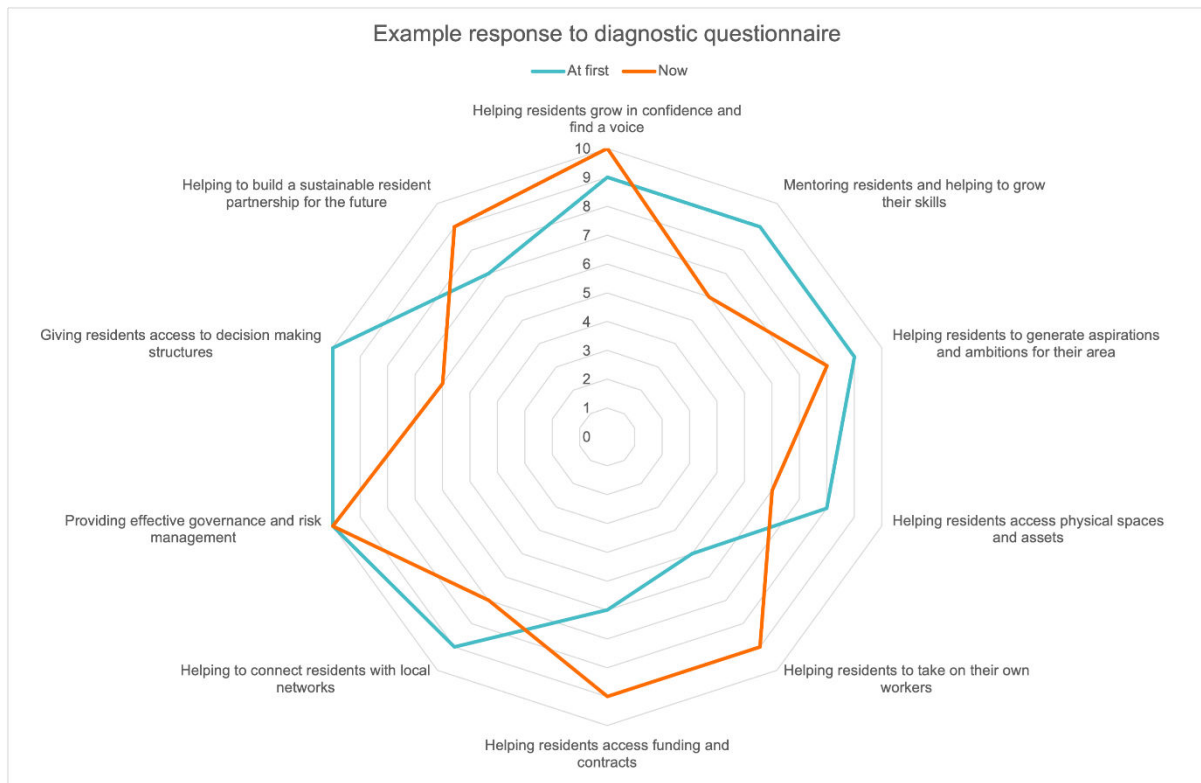
7.3 What the framework can tell us

Responses to the questions do not represent a definitive statement of the LTO's or partnership's performance. They tell us how participants *perceive* the relationship. If perceptions differ radically among different members of a partnership or LTO, or between the partnership and the LTO, this can show areas of potential concern where more clarity and direction may be needed in articulating the partnership's needs or the LTO's response. If similar scores are given in response to each question, that may indicate a need to articulate priorities more clearly.

The tool can also be used as part of a reviewing or visioning process to show how participants would like the relationship to develop in future, or as a way of reviewing whether the LTO is the right one for a particular Big Local partnership. What it cannot do is offer a substitute for detailed discussion and conversation between LTOs and partnerships, or between Big Local reps and partnerships. It is a way of informing those conversations and helping to direct them, providing a rounded assessment of the support the partnership wants and is receiving.

Where such a process leads to a request or expectation for assistance beyond the 'core' role of LTOs, it is important to bear in mind that additional services need not be provided by LTOs directly. They could be provided by a third party under a separate contract, or provided by the LTO with additional payment being made from Big Local partnership funds to cover the extra work.

7.4 How the framework might be used within and beyond Big Local

Working with Local Trust staff, we considered a range of potential scenarios and applications of the framework. These are presented here as possibilities rather than being prescriptive, and we envisage further testing and refinement of the framework in practice.

It was felt that the framework would be of use to Local Trust as a way of gaining insight into the development of Big Local partnerships. LTOs could use it to assess and modify the support they provide to partnerships; and partnerships themselves could use it to gain a better understanding of their expectations of their LTO and to assess the support the LTO provides. It was felt this would be especially helpful to partnership members who do not usually have direct contact with the LTO. Big Local reps could also use the framework as part of the ongoing support they provide to partnerships.

The framework could be applied in a range of situations. These include:

- **Inception for new LTOs:** at the beginning of a relationship, discussing and agreeing the types and levels of support expected and required (there is currently no formal induction process for LTOs, but since many partnerships change their LTO, this should be considered for the remainder of the Big Local programme).
- **As part of a review process for LTOs** to help them decide how to resource and plan the support they offer, and to identify alternative sources of support where appropriate.
- **Regular finance reviews** for LTOs, to accompany the checks routinely done by Local Trust and to expand the conversation beyond the funding relationship between LTOs and Local Trust.
- **Reviewing and troubleshooting**: where relationships have become difficult, it could be used as part of a broader conflict resolution process to review LTOs' and partnerships' expectations and understandings of the support provided, and their aspirations for the relationship in the future; it could also be used as a way of reviewing and revising the memorandum of understanding between a partnership and its LTO and when an LTO ceases to act as LTO for a partnership.
- **Big Local workers and commissioned services**: considering their role in the partnerships' activities (for example, through reviewing workers' job specifications or what should be included in service level agreements).
- **Decision making**: the framework could help partnerships in deciding whether to change LTO or to become their own LTO.
- **Communication**: articulating the role of LTOs across and beyond the Big Local programme.
- **Legacy planning**: deciding what support LTOs should provide as partnerships reach the end of their spending.

There may also be scope to develop and adapt this framework beyond the Big Local programme, as an aid to planning and review within organisations supporting resident-led initiatives. These could include Big Local legacy organisations as well as traditional voluntary sector infrastructure bodies such as CVSs. In the remaining years of Big Local it could be used as a communication tool within the 'deep dives' into Big Local areas that showcase the programme for external partners. When LTOs withdraw from their role the framework could be used to inform exit interviews (these do not currently happen, but would benefit both the LTO and the partnership, informing future decision making by the partnership). More broadly, it could be incorporated within other programmes and proposals to build social infrastructure, such as current proposals for a Community Wealth Fund to secure long term investment in disadvantaged neighbourhoods or place-based initiatives led by local

authorities (for example, as part of the work to be supported by the UK Shared Prosperity Fund). [17]

In all these cases it should be stressed that the framework is auxiliary to the process of partnership-building and deliberation between partners; it is a way to articulate aspirations and needs that draws on the experience of resident-led partnerships and captures some key contributions and challenges in the field of resident-led change.

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[17] For more on the Community Wealth Fund visit https://communitywealthfund.org.uk

Conclusions and recommendations

Our research has shown clearly the value that LTOs provide to Big Local partnerships. This value extends well beyond the contractual arrangements between LTOs and Local Trust. The research has highlighted that the relationships between LTOs and Big Local partnerships is dynamic, responding to different needs and aspirations among residents at different times. But the relationships are also complex and can be frustrating and challenging.

We set out some conclusions below for the main parties involved in the Big Local programme and for others involved in supporting resident-led groups. In doing so we are mindful that Big Local partnerships are nearing the end of their work, so our conclusions focus especially on learning that can be transferred beyond Big Local.

8.1 Learning for Local Trust

As funders and overseers of the Big Local programme, Local Trust drew on extensive prior learning in structuring the programme as it did. In particular, it recognised the need for consistent support for resident-led groups that would remove bureaucratic burdens and deal with financial and governance issues that are often complex. The concept of locally trusted organisations addressed shortcomings in many previous neighbourhood-based regeneration programmes.

However, in practice, the relationships between Local Trust, LTOs, Big Local reps, Big Local workers and Big Local partnerships have frequently proved unwieldy. When the relationships work well they provide an important mesh of organisations and individuals working to a shared agenda. When they do not, there is fertile ground for misunderstanding and communication breakdown. In our research we heard accounts both of successful and supportive relationships, and of relationships that were problematic. The attempt to overcome the bureaucratic pitfalls of previous programmes sometimes resulted in new forms of bureaucracy that partnerships found frustrating. LTOs sometimes acted as if they regarded their role as policing partnerships rather than supporting them.

The research highlights the importance of clear induction processes for LTOs alongside Big Local partnerships, so that they understand their role and lines of accountability. This does not currently happen, beyond an introduction to LTOs' contractual responsibilities and relevant Local Trust guidance. The process needs to be repeated when there is a change of LTO or of the key individuals within a partnership, when new workers are taken on or when staff change within the LTO. It is thus an ongoing need, not just something to do at the start of a programme.

Alongside this, there needs to be a broader understanding of the potential of the 'banker' function of LTOs. The funding relationships between Local Trust, LTOs and Big Local partnerships are frequently seen as a set of parameters that LTOs should work within, rather than being a platform from which LTOs can enable resident-led change. As discussed in section 4.3, governance can be enabling and transformative. However, this potential needs to be understood and it requires skills and behaviours within LTOs that extend beyond providing effective funding management. Big Local partnerships also need to be aware of the skillset they require when choosing their LTO, and may well need support in doing this. Local Trust can play an important role in communicating this potential clearly and explaining both to LTOs and to residents what the 'banker' function could mean from residents' perspective.

Local Trust could also actively communicate the dynamic nature of the LTO/Big Local partnership relationship, explaining how LTOs can help residents on a journey of neighbourhood-based change. For many partnerships this may involve a move towards becoming their own LTO or setting up some form of incorporated legacy organisation. LTOs need to understand how they can help Big Local partnerships on this journey, providing more intensive support or stepping back at appropriate times.

Recommendation 1: Local Trust should clearly communicate LTOs' role and potential, providing examples of good or promising practice as illustrations of what can be done. There should be a formal induction process for new LTOs, and for new staff taking on the LTO tasks within an organisation. Where there is a change of Big Local partnership chair or members, they should also have an opportunity to learn about the role and responsibilities of LTOs. These iterative induction meetings would help to refresh LTO/partnership relationships, and might cover a) introduction of key personnel (including the relevant rep) to each other and learning about their respective roles; b) outlining what is involved in the partnership's approach to resident-led decision making; and c) exploring whether, and how, the LTO might support resident-led decision making beyond its funding relationship.

Recommendation 2: Local Trust should ensure there are regular reviews of the relationships between LTOs and partnerships, revisiting the partnerships' aspirations and ensuring the right support from LTOs is in place for the next stages of their journey. These should include exit interviews where an LTO is ceasing to act as LTO for a partnership. The framework described in section 7 could help to structure and open up these conversations. While these reviews should cover all aspects of the relationship, there should be a specific focus on how the LTO supports resident-led decision making.

8.2 Learning for LTOs

There are obvious overlaps between the learning for Local Trust and for LTOs, workers and Big Local partnerships. Clarity about the role and a process of regular review are essential. For LTOs in particular, there needs to be an awareness of the dangers of adopting a controlling or policing role, and of the potential of good governance in enabling residents to take more control of their neighbourhoods and futures.

Alongside this, LTOs need to understand who they are working for. They may be paid by Local Trust, but their role is to support residents in achieving the ambitions they set for themselves, whether or not the LTO shares those ambitions. LTOs need skills in resolving differences of opinion and conflicts, particularly where an LTO might regard residents' ambitions as unattainable or ill-advised. There is sometimes a fine line to be drawn between providing informed advice and seeking to take control, and LTOs need to know when and how to step back and ensure residents set the agenda.

This requires a set of skills and behaviours within LTOs that extend beyond the back-office functions of many voluntary sector infrastructure organisations. LTOs need to be skilled at listening, networking, mediating and building trust. They also need to understand how to work supportively with residents who may be unused to managing projects and unaware of the complexities involved in implementing their ideas. It has been apparent from our research that not all LTOs possess these skills or know that they need to.

Recommendation 3 (for Local Trust and LTOs): induction and review processes for LTOs should highlight the range of skills required for the role and how these can be best aligned with partnerships' needs. These should be highlighted in guidance for LTOs, but it should be recognised that these skills are better learned through networking and conversation than through documentation. Local Trust should consider whether there should be a regular skills review for LTOs and ensure training is available in community development and partnership building where this is not accessible by the LTO directly.

8.3 Learning for Big Local partnerships

In addition to the need for clear communication discussed above, and for appropriate training for partnership members, residents could benefit from an awareness of the variety of potential progression routes for their partnerships as they move towards the end of the programme, and knowing what support they will require from LTOs as they choose their futures. Too often partnerships have been through painful processes of changing their LTO because there has not been a shared sense of direction.

Recommendation 4 (for Local Trust and Big Local partnerships): Local Trust should work with Big Local partnerships to workshop different scenarios for their future beyond Big Local as they approach the spend-out stage, and this work should cover the different types of support they will need from LTOs as their plans develop. In particular, these future-oriented workshops should focus on how resident-led decision making can continue to be built and supported.

8.4 Learning for other organisations

For other organisations working with residents to achieve neighbourhood-based change, the research shows a clear need for the range of support currently provided via the LTO model. Effective governance and financial security are key enabling mechanisms for residents who want to improve the places where they live.

There is a wide variety of organisations that could support resident-led decision making and control in future, ranging from local authorities to traditional voluntary sector infrastructure organisations such as CVSs, housing associations, or environmental organisations such as Groundwork trusts. The Big Local programme has also shown the scope for a range of other organisations to support resident-led action, including schools and faith organisations. For some organisations without a tradition of community development, this role may involve a steep learning curve.

Organisations could benefit from resources that bring together the learning from the LTO model and showing the range of approaches they could adopt – from community organising and asset-based community development (ABCD) principles through to the development trust or 'community anchor' model advocated by organisations such as Locality. It is important that such resources do not simply cover structures and functions, but also highlight the skills and behaviours required to support residents effectively (see infographic in Appendix 1).

Recommendation 5 (for Local Trust and external partners): as Local Trust moves towards the end of the Big Local programme, it should work with organisations that may support residents in future to share the learning from LTOs and produce accessible, easy-to-understand guidance and resources. However, it should be recognised that the key resource in supporting residents is people and their time: facilitation and listening should be emphasised rather than simply producing more documentation.

Recommendation 6 (for Local Trust): Local Trust should build on its existing policy and advocacy work to encourage national and local government to increase its support for resident-led change, using opportunities such as the development of the UK Shared Prosperity Fund.

Appendix 1: Visualising how organisations can support resident-led partnerships

The infographic below visualises the key support needs within resident-led partnerships and how organisations that hold funds on their behalf can support them.

The ten icons in the inner circle show the types of support that resident-led partnerships value. These emerged from our workshops with LTOs and Big Local partnerships (see section 7). The examples summarise key areas in which LTOs have been able to support Big Local partnerships in practice. They provide a starting point for conversations about which outcomes are considered desirable locally, how LTOs are contributing to these, and what progress is being made.

On the outer circle are the behaviours that enable LTOs to provide the types of support shown in the inner circle. While the inner circle shows *what* happens when LTOs support residents effectively, the outer circle highlights *how* those relationships can be nurtured.

Figure 3. How supporting residents inspires community-led change

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The Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University is a leading applied policy research and evaluation centre. For over thirty years we have undertaken critical, theoretical and empirical research into key regional, social and economic patterns within the UK and internationally, influencing policy design. We have deep experience of policy evaluation, helping to establish the impacts of programmes, interventions and strategies, while understanding 'what works' in terms of policy design.

Shared Assets

Shared Assets is a think and do tank working to create a socially just future through practical projects that build new relationships between people and their places. We are interested in the infrastructure needed to support productive relationships between people and place. We work with communities, landowners, researchers and activists to create a world where our relationship to the land and local places is based on stewardship, evidence and justice. Our consultancy work supports the practical creation of new business and governance models that create shared social, environmental and economic benefits.

Local Trust

Local Trust is a place-based funder supporting communities to transform and improve their lives and the places in which they live. We believe there is a need to put more power, resources, and decision making into the hands of communities. We do this by trusting local people. Our aims are to demonstrate the value of long term, unconditional, resident-led funding, and to draw on the learning from our work delivering the Big Local programme to promote a wider transformation in the way policy makers, funders and others engage with communities and place.
www.localtrust.org.uk