

**Economic Benefit
of
Community Buildings**

Final Report

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1. Summary

In this Report, the Research Team set out the results of a study into “*The economic benefit of community buildings*”.

The rationale for this piece of work arises from a desire to investigate the wider significance of community buildings within their communities. Community buildings provide important social functions but the research aimed to demonstrate how they also contributed to the economic life of their local areas.

In 1997, a study by Paul Marriott (JRF 1997) identified 18,809 community buildings in England and Wales. It concluded that community buildings played a vital role in local communities but that specialist support and access to information were vital if they were to expand and develop their activities to meet local needs. In this report we suggest ways in which this support can be given.

The research involved the use of multiplier theory as a way of quantifying the economic benefit of two case studies, one village hall and one resource centre. It demonstrated a high level of local spend by community buildings and thus economic spin offs for local communities.

-This has been a short piece of work and, like much research raises other issues for potential future study. The two communities studied for example could benefit from a longer term research project which considered all aspects of community life and social capital, including the role of a community building.

2. Background

2.1 Rationale for Research

The need for an investigation into the economic benefit of village halls arose from work undertaken by Jon Matthews and Liz Bickerton with a range of community buildings in Powys. The researchers were aware that some community buildings in Powys are in the process of planning exciting economic development projects. One example is Bwlch Y Sarnau where the community plan to develop an innovative community tourism initiative. It seemed an apt time to explore the potential for economic benefit arising from investment in community buildings.

Through the researchers’ experience of developing projects for European money the issue of economic benefit to qualify for European Structural Funds was often being raised by funding organisations. Examples include the Objective 2 bid for the Fiveways Resource Centre and Village Hall initiatives such as that at

Boughrood and Llyswen that had gained European money through the PAVO Spirit Fund. Making a case for economic impact was difficult in the researchers' experience, due to the lack of investigation into this aspect of their work.

The research also came at a difficult time for community halls in Powys. During the research, Powys County Council announced a reduction in the revenue support grant made available to village halls. In some respects this was distracting for the case studies but in other respects it reinforced the need to promote the regeneration impact of such buildings.

2.2 Rationale for the Selection of the Two Case Studies

This funding background formed part of the rationale for the selection of the two case studies. In this short piece of work the Research Team chose two examples of buildings which had received grant aid. In the case of Llangors Village Hall this came from the Lottery. The Arches in Rhayader had been successful in attracting European Objective 2 assistance.

Another reason for the choice of case studies arose from a desire to compare and contrast two different types of community building. Llangors is a traditional village hall providing a space for a range of community activities who book the hall as and when they need it. Rhayader Arches provides office accommodation as well as community drop in facilities for a range of voluntary and community groups.

The final rationale for the choice of buildings was that the case studies provided the opportunity for comparing and contrasting community buildings in different types of communities in rural Powys. Rhayader is a small market town with shops, facilities and services servicing a wide rural area. Llangors is a small village community with two public houses, one shop and a Primary School.

The case studies will be described in more detail in Section 5 below.

2.3 Powys Background

By road Powys is approximately 120 miles north-south by 47 miles east-west at the widest point (518,018 hectares). Except for a small area of Severn flood plain in the Northeast, the county is mountainous, broken up by 3 major rivers (Severn, Wye and Usk) and their tributaries. Much of the land is relatively infertile and/or inaccessible. (over 80% of the county comprises land above 1000 feet).

Powys had a population of 126,354 at the 2001 census (a rise of 5.6% since the 1991 census, compared to Welsh average of 1%) 49 per cent were male and 51 per cent were female.

The county is the most sparsely populated county in England & Wales (0.2 person per hectare, the lowest in the whole of Great Britain, (2001 Census).

It also has a higher proportion of elderly people than either Wales or the UK as a whole (people aged 75 and over 9.6%, England 7.6%, aged 60 – 74 for Powys 16.1% for England and Wales 13.3%) and a higher number of retired people (15.86% Powys, 14.81 % Wales and 13.54 England :(Census 2001).

There is a net outward migration of 15-19 year olds and inward migration of old people. Newtown the largest town, has a population of just over 10,000, and only 4 other towns have populations over 3,000.

3. Previous Investigation into Community Facilities.

In establishing the parameters for the current research, the researchers considered the range of material which had already been undertaken of relevance to the study. This material included reports on the activities of community buildings and consideration of the value of voluntary sector activity generally.

Marriott (1997) identified 18,809 community buildings in England and Wales and estimated that they were used by about 4.4 million people per week. According to PAVO records, there are approximately 185 Community Buildings in Powys, including community centres, miners welfare halls and church halls.

In Rural England, the Network of County Rural Community Councils, (RCCs) provide a dedicated support service for village halls. Some of these RCCs have commissioned research into the range of activities and economic development activity taking place in Village Halls. Norfolk RCC for example (Norfolk RCC 2003) concluded that, " Village Halls have an important role within the community and economy and contributing substantially to the local economy by employing and using local businesses" (Norfolk RCC 2003 p5).

This survey was conducted by means of a questionnaire to village halls in the county of Norfolk. It differs for the objectives of the Powys research because of this broad canvas. Its aim was focussed on a description of the breadth of activity in village halls rather than to systematically investigate the impact of a community building on its local community. What the Powys research aims to achieve is an investigation into the economic benefits of two case study community buildings. In this respect it is much more focussed on understanding the importance of a wide range of activities to the economic benefit of a case study community.

The research has also been influenced by work undertaken by Wales Council for Voluntary Action (WCVA) which has an ongoing investigation into the impact of the Voluntary Sector in Wales. In a paper setting out their objectives in 2001, *“Progress reviewing and developing a methodology for researching the impact of the work of the third sector – scoping paper from Wales”* (WCVA 2001), they outlined four approaches to this work.

The first was **Added Value** which costed the contribution of the unpaid committee and volunteers.

The second was the **Multiplier Effect**, defined by WCVA as “ an attempt to quantify the benefit an organisation brings to a community in addition to its direct work” (WCVA 2001 p3). This approach is particularly pertinent to the current research and is discussed in more depth in the Section 4 on methodology below.

The third was **Longitudinal Evaluation**, which requires a baseline to be established, followed by an evaluation each year, over a number of years.

The fourth was **Social Audit**, a methodology which included a range of questions aimed at achieving a rounded view of the impact of a community group. This methodology has been particularly useful for community enterprises.

This research has taken as its focus the multiplier effect.

-Part of the background to this study has been an appreciation of other attempts to calculate the value of various voluntary sector activity. In research undertaken by Network Wales and WCVA in 1993 called, *“What are you worth”*, researchers highlighted the value of co-ordinated voluntary key services to community regeneration. They calculated that in Wales, for every £1 of statutory money voluntary organisations received, £2.30 was released from other sources and over £20 generated - much of this going into the local economy.

It is worth pointing out, by means of background, that the studies undertaken within the voluntary sector have concentrated on large samples of organisations and even in the more localised studies such as in Carmarthenshire (–WCVA 2000) and Rhondda Cynon Taff (WCVA 2000a) the aim was to measure the impact across a larger area (in these two cases local authority areas) rather than unpacking the issues at community level as in this study.

Finally the research has considered previous work on multiplier effects conducted in slightly different contexts. Previous work undertaken by Christie (1998) and Christie and Matthews (2003) into the multiplier effects of regeneration investment into environmental projects for example, has

demonstrated that these activities have demonstrable economic benefits to a local area. These benefits include job creation and wealth generation.

Within the timescale available for this research, the research team aim to provide some basic data from which other research can build and continue to explore the benefits which accrue to communities through investment in local resources.

4. Description of The Case Studies

The rationale for the selection of these two case studies has been described in Section 2 above. Each of the case studies is now described in turn.

4.1 Rhayader Arches

The Arches is a community building in the Town of Rhayader. Rhayader is a small Market Town 6 miles north-west of Llandrindod Wells. It had a population of 2,075 (2001 census).

The Arches is owned by Rhayader and District Community Support (RDCS) who purchased the building in 2001. The building was initially a Post Office and later turned in to a shop and flat. Once purchased by RDCS it was converted into office accommodation and a telecentre.

The building was purchased with grant assistance from European Regional Development Fund, Welsh Development Agency, -Wales Council for Voluntary Action, Wales Assembly Government, Esmee Fairbairn Foundation and Powys County Council.

The building presently provides office accommodation to five projects:

Rhayader and District Community Support – A charity providing support to people of Rhayader and district and also a volunteer bureau. Support offered includes community transport schemes such as a community car scheme, information, a telecentre (see below) advice and sign posting to other agencies.

Rhayader 2000 – A community Development organisation promoting economic regeneration of the town

Chwarae Teg – Women to work project

Cambrian Images – a not for profit organisation running a photo library

Tele Centre (project of RDCS) with 12 Computers offering free access to local people

Also within the building is a small office to allow outreach for other organisations wishing to have space for only a few hours a week, including:

Employment Service
Pensions Service
Citizens Advice Bureau

4.2 Llangors Village Hall.

Llangors lies 12 miles south east of Brecon. The village hall is situated on the western edge of the village. Llangors has two pubs, a shop and a post office. It has a population of 1,045 (2001 census).

Llangors Village Hall is run by a volunteer committee. It was built in 2000 with grant aid from the Cynnal Scheme, part of the Millennium Halls Initiative (Lottery funded).

The Hall consists of:

- A large hall (with roof space suitable for Badminton).
- A smaller meeting room.
- Large entrance hall.
- Toilets, kitchen and storage.

Activities at the Hall can be divided into two distinct types:

- Regular (weekly or monthly) local club or society activities.
- One off events including annual local events and non local club bookings.

The regular activities are listed as:

Monday	Cubs Art Club Camera Club (2 nd Monday Month)
Tuesday	Short Mat Bowls

Wednesday Badminton

Thursday Youth Club

The bookings diary -demonstrates that one off bookings include:

- Birthday parties.
- PAVO Village Hall meetings.
- Team Building Training Events (private sector).

A number of community events occur in the Hall each year. These include:

- The Carnival
- The Art Exhibition.
- The Water Festival

The Hall has a number of resources for clients to use. It advertises the possibility of hiring an overhead projector, flip chart and screen.

The Hall has a photocopier for public use and a tourist information point in the foyer.

5. The Research Methodology

In this research we have used multiplier theory. The theory underlying multiplier analysis is as follows. The initial round of spending created by the original injection into an economy is known as the **direct expenditure**. As the recipient businesses of the direct expenditure then re-spend this money in successive indirect rounds, the number of transactions rise and the overall output expands. With this expansion in output comes an increase in the wealth of local residents, who consequently increase their consumption expenditure (**induced effects**).

The overall impact on the level of economic activity is expressed in terms of the changes in output, income or employment that arise in the recipient economy. This is expressed numerically by the Multiplier coefficient, which is calculated by dividing the sum of the direct, indirect, and induced effects with the direct effects. The ultimate size of the multiplier coefficients is thus a reflection of the extent to which injections of expenditure are retained within the local economy. Various factors will affect the size of an economy's multiplier coefficient.

The research used an application of multiplier theory broadly based on the tool developed by the New Economics Foundation called LM3 (2002). The LM3 tool is described by NEF as a, "*.....simple way to demonstrate the positive impact that can be gained in a regeneration area through greater local circulation of the regeneration funding*".

LM3 aims to provide an accessible way for local people to measure the impact of regeneration activity. The tool begins by measuring income, sales and turnover which is called "*income*". It then measures how that income is spent. NEF (The Money Trail 2002) uses the example of a Tayside B&B. The B&B has an income of £100,000. This income is called Round 1. Round 2 is how much the B&B spends locally. In the NEF example this comes to £80,000. Round 3 describes how much of this local spending is then respent by the B&B's local staff and suppliers in the local area. In the Tayside example this comes to £40,000.

The money from all three rounds is added together (£220,000), divided by the initial income (£100,000) to get the local multiplier for the three rounds, in this case 2.20 (NEF 2002).

It is this simplicity of application which makes it most appropriate for the current research. However, there are some issues with LM3 in the context of the current research. The most pertinent of these is the fact that LM3 is exclusively about linear money flows within a community, whereas the community buildings

research is concerned partly with more indirect benefits to the economy of a local area.

We have thus chosen two slightly different approaches in the methodology applied to each of the two case studies. The Rhayader Arches model will be similar to the LM3 model and linear in its analysis. The Llangors Village Hall case study although broadly following the approach of LM3 will have differences. In the Llangors case, the research has sought to develop a wider appreciation of the impact of a resource such as a village hall and aims to measure a sample of the events/ activities which take place at the hall for their impact in the local economy. Two events have been selected and their impact on the local economy measured.

Because of the limited time available for the study the research will need to derive some of its conclusions using established multiplier effects. These will be derived from previous research work undertaken. Examples are included in the attached bibliography.

A questionnaire was devised by the research team as a vehicle for gathering information about case study income and spending. A copy of the questionnaire is appended as Appendix 1.

The questionnaire is divided into two tables. The first table asks for information on income and lists examples of where this income may be derived (grants, donations, rentals etc). The second table asks for details of spending (staff utilities, supplies etc.)

For each table, case studies have been asked to indicate whether income or spend refers to *local* (area of influence for resource) *local* (within 25 miles) and *non local* (outside 25 miles radius).

6 The Approach in Each Case Study

6.1. Rhayader Arches

The Multiplier Study has been undertaken on RDCS as a whole rather than the income generated specifically from the building. There are several reasons for this decision:

RDCS bought the Arches to enable it to expand its services; it is not a stand alone project with dedicated staff.

The staff that run the building are funded from a mixture of income derived from projects that RDCS run such as community Transport, Volunteer bureau. It would be difficult to extract the hours spent specifically upon the running / managing of the building.

Income that RDCS generates via the rent of Arches enables other parts of the project to develop and be sustained.

One of the outputs of this research is that it is relevant to other organisations in accessing the money a community building may generate for their local economy. For this reason the multiplier study was not extended to the income of other organisation renting accommodation. This it was felt would complicate and possible over exaggerate the benefits the building may bring.

The methodology applied to RDCS followed closely the New Economics foundation Tool, LM3. The process has three stages:

Identifying income
Direct expenditure
Induced expenditure

i. Identifying Income

The total income for RDCS was calculated from all sources of income that the organisation receives.

This income includes:

Grants
Income from office rental and meeting room
Telecentre income (membership fees from non-locals)

ii. Initial Spend (Direct Expenditure)

The next stage was to identify where RDCS spent its income. The expenditure was calculated over a 12 month period on the main areas of expenditure:

Staff Wages
Volunteers

Office consumables
Sub Contractors (Cleaner)

The expenditure is further divided into three areas:

Local (Rhayader Town)
Within 25 miles
Non Local

This information identifies how much of the initial spend is spend locally or leaves the area. Businesses and expenditure at a local level are further explored in the next stage.

iii. Induced Expenditure

This is the expenditure that occurs as a result of the initial spend. In the case of RDCS the main area of expenditure was the staff wages followed by ~~office supplies-volunteer expences.~~

As both these areas were local, a second survey was undertaken to elicit values of expenditure from staff and the office supplies business used. For the business the same survey as the first round was used, but for staff a new survey was produced based on the New Economics Foundation model (see Appendix for a copy of the personnel survey).

This expenditure was again broken down into the three area categories.

Local (Rhayader Town)
Within 25 miles
Non Local

6.2 Llangors Village Hall

The study on Llangors followed the same general methodology as that employed in Rhayader Arches. However, because of the nature of the use of the building ,(i.e. bookings from groups rather than rentals as in the Rhayader Arches) the researchers decided to consider in more depth two examples of activities which happen in the hall. The methodology thus involved:

Identifying income
Direct expenditure
Expenditure by sample of activates operating in the hall.

i. Identifying Income

The total income for Llangors Village Hall was calculated from all sources of income that the organisation receives.

This income includes:

Grants
Lettings
Fundraising

ii. Initial Spend (Direct Expenditure)

The next stage was to identify where the Village Hall spent its income. The expenditure was calculated over a 12 month period on the main areas of expenditure:

- Insurance -
- Fees
- Maintenance
- Caretaker-

In the financial year examined the hall had also spent money on improving the car park and undertaking a Youth and Drama Project. Both these items of expenditure had been grant aided.

The expenditure is further divided into four areas:

Local (-Influence of village hall)
Within 25 miles
Non Local

The area of influence for the village hall was Llangors and surrounding rural area. It did not include the market towns of Talgarth (4 Miles), Crickhowell (-10 miles) and Brecon; (-12 miles).

iii. Expenditure of Activities

Unlike the Rhayader Arches case study the researchers felt that it was important to sample the expenditure of activities which occurred in the Hall. Two examples

were chosen in Llangors. The activities chosen were the Art Class and the Annual Carnival.

The rationale for choosing these two events were:

They were both mentioned as important events by members of the Village Hall Committee during interviews. They were significant to the community.

They both had the potential to involve local residents and visitors to the community.

They were of different scales and therefore were useful comparisons of small and large scale initiatives. The Art Class fell into the category of regular local activity but with the added element of the annual exhibition and sale of works. The Carnival was the major village event of the year.

7. Results

The results for each building are shown under three headings:

Income
Initial expenditure
Induced expenditure

From these figures the multiplier value is gained.

7.1 Rhayader Arches

The figures used are based upon 2003 financial year. However the total income does not represent a true picture of income this is because ~~in that~~ grants received in the year ~~are to cover~~ expenditure for more than a single year. Income also is included that relates to the building costs.

Round 1

	Annual Total	Annual Local	Annual Within 25 miles	Annual Non Local
Grants	£88,697		£22,030	£66,667
Donations	£1,033	£1,033		
Rents	£7,335	£7,335		
Income generated	£2,331	£2,331		
Other				
(Bank interest)	£179			£179
	£99,575	£10,699	£22,030	£66,846

An alternative value for income this is £55021 which (as shown blow) is the total expenditure of the project (including non local spend). It will be this income that is used in the study.

Round 2

This is the expenditure of the RDCS in financial year 2003. Clearly it is staff where most expenditure lies. The next largest for local expenditure is volunteer costs, sub contractors and office supplies.

Item	Annual Total	Annual Local	Annual Within 25 miles	Annual Non Local
Staff (including NI, pension, travel)	£33,404	£27,168	£6,236	
Utilities – water, electricity gas.	£3,211			£3,211
Office Supplies (consumables)	£2,507	£2,507		
Subcontractors	£3,198	£3,198		
Rent and mortgage	£1,354		£1,354	
Repairs and maintenance	£108	£108		
Insurance	£492		£492	
Taxes	0			
Other (Bank charges, Volunteers, legal fees, miscellaneous expenses)	£4,423		£3,205	£1,218
Total	£55,021	£39,305	£11,287	£4,429

Total Spent Locally £39,305

Round 3 - Induced Expenditure

For induced expenditure the four areas with the largest spend were examined in more detail:

Staff

Office Supplies

Sub contractors

Volunteers

For the staff expenditure, a survey of staff was undertaken. This gave a local re spend of 34%. (The individual level of spend of staff has been kept confidential)

$$£27,168 * 34\% = £9,237$$

The Sub-contractor is the cleaner for the building the same local spend was given for the cleaner as for staff.

$$£3198 * 34\% = £1,087$$

Office suppliers are purchased locally from Office Solutions. This is a business run from the town that employs all local staff. Although unable to get figures of spend, from discussion with the owner a fair estimate on spend locally would be 10%, the majority of income paying wholesalers based outside the county.

$$£2507 * 10\% = £250.7$$

The volunteer expenditure was to cover the cost of car journeys. Therefore using data from New Economic Foundation (the Money Trail) Fuel gives a re-spend of 2.15% to the local economy.

$$£6324 * 2.1\% = £132.80$$

This is a low estimate as it is based purely upon fuel expenditure, the price of which is controlled largely through taxation and therefore little actual money is put into the economy from it. Mileage allowance allows for costs other than petrol, i.e ware on the car. Such repairs are likely to be undertaken in a local garage which garage that would give a greater margin of profit to the local business.

Total re-spent locally

Staff	£9,237
Cleaner	£1,087
Office Supplies	£250
Volunteers	£132

Multiplier

$$\frac{£55,021+£39,305+£10,707}{£55,021} = 1.91$$

7.2 Llangors

The study on Llangors while following the same general methodology has been complicated by the activities undertaken within the village hall.

The methodology was therefore altered to account for this -Round 1 and 2 are the same, but round 3 rather than calculating the re spend of village hall , activities undertaken in the hall were included.

Round 1 Income

Income for the Village Hall for the year is skewed due to an insurance fire claim that was paid out. Taking this amount into account the income for the village hall is £20,790.92. The Hall wished detail of income and expenditure to remain confidential.

Round 2 Direct expenditure

As stated above the hall wished for details of expenditure to remain confidential. The overall figures of expenditure are £2,953 spent locally and £17,471 within 25 miles.

Round 3 Induced expenditure

The Village Hall enables a variety of activities to be undertaken. In this study two examples have been taken, a carnival and an art class to illustrate the additional impact they have upon the economy.

Rather than pursue in more detail the spend associated with round 2, the spend associated with activities that occur due to the hall has been calculated. In each case it is the value of spend locally that is of interest.

Two examples were used:

Carnival

Income	Total	£4,762.50
Expenditure	Total	£2,785.40
	Local	£764.36
	Within 25 miles	£1,708.80

Art Class

Income	Total	£1,042.00
Expenditure	Total	£992.00
	Local	£200.00
	Within 25 miles	£792.00

Number of activities held a year

The multiplier given below is based upon these two activities which represent the main events held. However there are many other activities held each year in the Hall. Our figure will therefore underestimate the true impact that the hall has on the local economy.

Multiplier

Local expenditure

$$\frac{£20,790.9 + £2,953 + £964}{£20,790.9} = 1.2$$

If spend it also included within 25 miles

$$\frac{\pounds 20,790.9 + \pounds 17,471 + \pounds 3,465}{\pounds 20,790.9} = 2.0$$

8. Analysis

8.1. Multiplier

The multiplier for each of the buildings are:

Arches 1.91
Llangors 1.2; (within 25 miles) 2.0.

So for every £10 generated by The Arches (through rent, grants etc) and additional £9.10p is generated within the local economy

For Llangors village Hall the money generated in the local economy is not as high at £2 for every £10 generated. However for income within 25 miles the figure is more impressive, doubling the income generated at an additional £20-10 for every £10 generated.

An ideal multiplier would give a value of 3.0 i.e. all money is retained within the local economy. However as it is assumed that most people pay some tax (of around 30%) a more realistic ideal is 2.23.

ie If initial income was £100

Round 1	£100
Round 2	£70
Round 3	£49
Total	£219
Multiplier	2.19 (219 / 100)

Therefore the levels of spend within the local economy for both buildings are very good.

If the proportion of spend (compared to total income – Round 1) is examined at each round, Rhayader can be seen to have a high proportion of spend in Round 3. Llangors, with spend taken into account within 25 miles, has an 84% retention rate but this falls to 12% for the subsequent round. A direct comparison of the two buildings is not appropriate as the induced expenditure for Llangors was calculated differently to that of the Arches.

	Round 2	Round 3
Arches	71%	19%
Llangors (Local)	14%	4%
Llangors (within 25 miles)	84%	12%

8.2 Significance of findings

These figures demonstrate that for Agencies or Authorities wishing to stimulate and develop the local economy and economic regeneration, community buildings are an effective way to generate income, effectively doubling the amount of money they attract each year.

For both buildings income a significant proportion of income generated is from outside the area. For the Arches approximately 80% is non-local (mainly rents) and approximately 50% for Llangors. Therefore not only is money that these buildings generate re spent locally, but at least half is generated from outside the area, bringing new money to the town / village.

Both buildings are owned by the community. If they rented them there would be an effect upon the multiplier. For example if the Arches were rented this would result in less income, as income is generated through rental of office space. Rents would also be paid on the space occupied, which ~~as~~ at market prices (even reduced for a Charitable organisation) would be around £100 a week for such a large premises)

This would have ~~the~~ had the effect of reducing the multiplier value to 1.75. Still good but would be an increased leakage from the local economy

8.3 A Comparative analysis of Rhayader Arches and Llangors Village Hall.

In the introduction to this research we said that part of the rationale for choosing these two case studies was that they represented two different types of community building. Rhayader Arches provides office accommodation whereas

Llangors is a traditional village Hall. Despite these differences, both buildings give a high rate of local spend. For the Arches this is mainly through staff expenditure, which is the main cost to RDCS. A third of staff expenditure is also kept locally, this may however be due to poor transport and large distance to alternative shops which prevents non local expenditure.

The village halls greatest benefit to the local economy comes from its ability to host events, which generated money locally and provided support for local private sector operations. On one visit to the Hall for example the researchers found a team building course taking place-. The participants were high powered executives and had used local outdoor facilities. Llangors was ideally placed to provide complementary lecture and indoor activity space.

8.4 Improving the amount spent locally.

Money that is not spent locally is referred to a leakage, i.e. money that has *leaked* from the local economy. Some of this is through taxation to central government and therefore unavoidable. However other areas of spend can be examined to identify ways in which local spending can be increased.

For Llangors the opportunity to spend more locally is limited by the lack of shops in the village. The close proximity of Brecon and Abergavenny are significant factors to the large amount spent within 25 miles. Both being large (relatively for Powys) towns where most products can be purchased.

As already stated both buildings are good models in maintaining money in the local economy. It is therefore a worthwhile exercise to identify what it is that they do well in keeping money locally.

Employ local staff – as a main component of expenditure this is a major contributing factor. Both RDCS and Llangors employ local staff and a total of six full time and three part time people are employed by organisations in Rhayader Arches.

Purchase locally – The availability of a local office suppliers fortunate in achieving this in Rhayader. Llangorse despite only a few shops does extremely well to spend money locally on maintenance, publicity and consumable items.

Use of local resources – RDCS uses volunteers to undertake much of its community based work, the expenditure associated with this (out of pocket costs) helps keep money within the local economy. Unfortunately most of this is fuel costs, which goes mainly in taxes.

Overall both projects, whether consciously or not spend to a large proportion of their income in the local area.

9. Recommendations

In addition to the points made in the section above the researchers would like to make a number of recommendations resulting from the research.

Firstly the opportunity for quantifying the range of economic activity throughout Powys in community buildings could be undertaken as a separate piece of work-. This could be achieved by a simple questionnaire circulated to all buildings, using the Norfolk research as a model.

Secondly the need for specialist support and advice to enable community buildings to fulfil their potential and increase local economic impact. The research has shown that community buildings have the potential to provide a economic regeneration hub for the surrounding communities but they need advice-, access to funding and support as they develop new ideas.

The third recommendation, following from the second, identifies that some village halls have the potential for innovative economic regeneration schemes. The photo library in the Rhayader Arches is one example of this. The groups that run community buildings in Powys need to build on local assets such as the Lake at Llangors or the mountains accessible to both communities. Opportunities for community tourism, community businesses and other enterprises could be grown from a systematic appraisal of local assets.

Finally the researchers would like to emphasise the importance of community owned assets as a means of generating local economic benefit. The multiplier effect potentially would have been reduced if rent had been paid to an interest outside the community.

Appendix 1.
Measuring Local Money Flows
Community Building Spending Survey

Name of Building

Please complete as either actual amounts or %

Table 1

Income Type	Annual Total	Annual Local *	Annual Within 25 miles	Annual Non Local
Grants				
Donations				
Room Rental				
Other (please list)				
TOTAL	100%			

Table 2

Item	Annual Total	Annual Local *	Annual Within 25 miles	Annual Non Local
Staff (including NI, pension, travel)				
Utilities – water, electricity gas.				
Supplies (consumables)				
Subcontractors				
Rent and mortgage				
Repairs and maintenance				
Insurance				
Taxes				
Other (please list)				
TOTAL	100%			

Local refers to immediate area served by the resource.

Appendix 2

Personnel Expenditure

Measuring Local Money Flows

Community Building Spending Survey

Name of Building

Employer Company

Where do you live? (Please circle)		Local	Non Local- Please state where.	
How do you spend your income?				
You may use monthly or annual figures, but please be consistent for all items below.				
If you do not wish to disclose £ figures, please use this survey to assist you in completing survey B .				
For each row (e.g., 'Food'), the 'Total £' should be the total of '£ Local' and '£ Non-local'				
				P l e a s e n a m e t h e m a i n l o c a l b u s i n e s s / e s y o u u s e f o r e a c h c a t e g o r y .
Item	Total £ (Local+Non)	£ Local	£ Non-local	
<i>Example - using £ figures</i>	<i>£1,400</i>	<i>£560</i>	<i>£840</i>	<i>John's Shoes</i>
Income tax				
Food (excl. restaurants/take-away)				
Entertainment (e.g. restaurants, video rental, betting, sport, pub)				
Clothes				
DIY/Garden/Household appliances and items				
Transportation (e.g. taxis, car tax, bus fares, petrol)				
Services (e.g. babysitting, window cleaners)				
Rent/Mortgage				
Council Tax				
Home costs (fuel and water, phone, TV tax, etc.)				
Loan Repayments				
Savings				
Other (please specify)				

Economic Benefits of Community Buildings

Final Report

Total Spending =	£			
If you rent, please circle one of the following:				
	Private Landlord (Local)	Private Landlord (Non-local)	Housing Association	

If you have any questions regarding this survey please do not hesitate to contact

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