Community Wealth Building

A Case for Waterford City & County

Prepared by

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for

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About The Author

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Since graduating she has progressed into a Masters degree in International Human Rights Law and Public Policy at University College Cork.

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The Case for Waterford City & County

In a 2020 publication for The Democracy Collective – the American thinktank credited with the global expansion of Community Wealth Building – the Republic of Ireland was succinctly described as the "extractive economy par excellence" (Guinan and Byers). For decades, the Irish economy has existed on a basis of foreign direct investment and financialised property speculation, which has resulted in what can be called an 'agglomeration' economy. This method of building central financial hubs which concentrate capital and power in large cities – i.e. Dublin and Belfast – is commonplace in Ireland and across the United Kingdom. However, despite promises of the 'trickling downwards' impacts of this system for smaller communities, many areas of Ireland and the UK remain starved of investment and their share of this concentrated wealth (McInroy, 2020). Indeed, between 2009 and 2024, the UK's 20 wealthiest families saw a 355% increase in wealth, with the real median wealth growth over the same period being 7% (The Burnham Programme, 2026). Community Wealth Building is a practical economic framework which turns public investment into local benefit, by allowing for increased control and ownership of assets by local communities. This system has been subject to amplified media attention in 2026 with the recent appointment of Andy Burnham, vocal supporter and implementer of Community Wealth Building policy, to Prime Minister of the UK. To those with expertise in this area, it would seem that "few places have a more urgent need or stronger case for Community Wealth Building than does Ireland" (Guinan and Byers, 2020). It is the position of Buíon Phort Láirge that Community Wealth Building policy would be a welcome addition to Waterford City and County.

What is Community Wealth Building?

Community Wealth Building (CWB) is a development strategy which centres the building of collaborative, inclusive, sustainable and democratically controlled local economies. This system stands opposed to the traditional system of locational tax incentives and public-private partnerships which allow billions to leak out of local economies, in an effort to subsidise corporations with little loyalty to the communities in which they operate. Using this approach, local economies are reshuffled to allow for wealth to be recirculated and be broadly held through alternative models of ownership. It is a widescale economic system change, beginning at a local level (Guinan and O'Neill, 2019).

A very simple example of CWB in the local community could be the following scenario:
- A local Council in Ireland's south-east needs to provide meals to schools in the community. Instead of giving the contract to a large national catering company based in Dublin, the contract is divided between local farmers, food cooperatives, local catering services, and community enterprises. The money spent by the Council remains in the local economy and creates a wider circle of benefits – local farmers sell their produce to the schools, local workers are employed to deliver and prepare the food, and those workers will be encouraged to spend their money in other local businesses.

According to Guinan and Byers, "the estimate of the multiplier from buying local is eight, which means that if you buy from a large multinational then that money leaves your community right away, but if you buy from a local business it stays local and is spent a further eight times" (2020).

Key Elements of Community Wealth Building

Anchor Institutions

The phrase 'Anchor Institutions' is used to refer to organisations which have an important presence in an area, usually due to being large scale employers, the largest purchasers of goods and services in the locality, owning large areas of land and having relatively fixed assets. Anchor institutions are often tied to a place by their mission, histories, physical assets and local relationships, such as local authorities, health services (HSE), universities, trade unions, large local businesses, housing associations, and the combined activities of the community and voluntary sector (CLES, 2019).

As an economic model, CWB utilises the spending and investment of these place-based public and private anchor institutions, leveraging the existing flows of capital in an area and 'anchoring' those flows by supporting the creation of businesses that can meet the needs of those large institutions, eventually limiting the need to outsource their spending away from the local community (Dubb, 2016).

The Five Pillars of Community Wealth Building

CWB has gained legitimacy in many places – Cleveland, Ohio and Preston, Lancashire most notably – guided through a blend of five core principles:

1. Plural Ownership of the Economy – CWB contends that small enterprises, community organisations, cooperatives and forms of municipal ownership are more economically generative for the local economy, than large corporations or public limited companies.

2. Making Financial Power Work for Local Places – CWB seeks to increase flows of investment within local economies by harnessing the wealth that already exists locally, as opposed to attracting national or international capital.

3. Fair Employment and Just Labour Markets – The approach of anchor institutions to employment can have significant social impacts on local communities and stimulate local economies e.g. hiring from socially disadvantaged areas, commitment to paying the living wage standard, and building progression routes for workers.

4. Progressive Procurement of Goods and Services – Development of dense local supply chains involving SMEs, social enterprises, cooperatives, employee owned businesses, and other community business models.

5. Socially Productive Use of Land and Property – Anchor institutions are often major local asset holders, providing a base for building local wealth. CWB seeks to deepen local ownership and use of these assets so that financial gains are retained by citizens. Aims to expand community use of public assets, recognising that much public sector land and facilities form part of the commons and can support greater citizen ownership (CLES, 2019).

Community Wealth Building in Action

The Preston Model

At the beginning of the 2010s, the city of Preston in Lancashire, UK was the 'poster child' for economic deprivation, suffering from rising poverty levels and ravaged by recession (Guinan and Byers, 2020). However, with the help of the Manchester-based 'Centre for Local Economic Strategies' (CLES), Preston has now become the international example of the transformative power of CWB.

There were a number of practical steps taken by Preston City Council in an effort to thoroughly implement CWB principles into the local economy. These included:
- Becoming the first Living Wage Foundation accredited employer in the north of England, and taking an active role in encouraging local anchor institutions (e.g. Lancashire County Council, UCLan, OPCC Lancashire, Community Gateway Housing Association) to pay the Living Wage to employees.
- Working closely with anchor institutions and conducting an analysis of procurement practices of each anchor institution, mapping the financial value and geographical location of their top 300 suppliers.
- Developing an in-depth knowledge of local suppliers, and identifying which contracts, usually given to suppliers based outside of Lancashire, could be opened up to greater local competition.

The impact of the work done by CLES and the anchor institutions of Preston was widely felt, both economically and socially.
- On their first procurement analysis of the 2012/13 period, CLES found that of the annual £750m spent by the anchor institutions, only 5% of this was spent within Preston, and 39% was spent within the wider Lancashire border. This meant that over £458m was leaking out of the Lancashire regional economy. The most recent anchor institution analysis, conducted in 2016/17, found that £112.3m was now being spent within the Preston area alone, a rise of £74m from the baseline. The money retained in the wider Lancashire area also dramatically increased from 39% to 79.2% (CLES, 2019).
- Intertwined with these economic benefits came social benefits for the people of Preston and wider Lancashire. A 2015 study by the University of Liverpool showed that there were increases in general life satisfaction and a decrease in the prescribing of antidepressants and prevalence of depression among the Preston population after the introduction of CWB measures (Rose et al., 2023).

The Community Wealth Building (Scotland) Act 2026

The Community Wealth Building (Scotland) Act 2026 was introduced by the Scottish Parliament earlier this year, and provides a concrete legislative example of how CWB can be implemented on a governmental level. The Scottish Act requires ministers to prepare CWB ‘statements’ which outline the measures that they intend to take to encourage sustainable economic growth and to narrow wealth inequality between Scottish communities (s.1(2)).

Alongside this, local authorities working jointly with relevant public bodies relating to it, must prepare and publish a CWB action plan for the area of the local authority in question (s.5(1)). These legal specifications, among others, mean that the principles of CWB must be taken into consideration by local authorities when implementing financial, social, and environmental measures.

Ireland and Community Wealth Building

As stated above, economic inequality is deeply embedded in many areas of Irish society. According to the Central Statistics Office, the top 10% of the population holds approximately 50% of Ireland's net wealth, while the bottom 50% of the population hold roughly 8% (2023). Ireland's foreign direct investment-centric economic structure has meant that often taxation, labour regulation, and infrastructure are shaped to fit the needs of multinationals, limiting the capabilities for democratic economic planning and any focus on socially beneficial goals in communities (Siedschlag et al., 2017).

CWB has been proven in Preston to be beneficial in narrowing this gap by circulating wealth locally in communities, instead of waiting for the 'run-off' to trickle down from higher echelons. CWB in Ireland has gained some traction in the last five years, and is continuing to grow. Some local councils have already begun to implement CWB pilot projects, such as targeted recruitment campaigns in socioeconomically challenged areas of Dublin City implemented by Dublin City Council.

The North West Community Wealth Building Partnership, based in Derry, was also established in 2024 to promote and aid local communities in delivering CWB goals, with a "focus on building local ownership and control of assets, creating opportunities for local business development, and promoting economic mobility for all residents" (North West Community Wealth Building Partnership, 2024).

Position of Buíon Phort Láirge

Buíon Phort Láirge is a not-for-profit, volunteer-led organisation that takes a bottom up approach to the development of local services and programmes, focusing on local community groups, community networks and community based social enterprises in Waterford City and County (Buíon, 2026).

Given the nature of the work of this organisation, CWB measures which promote social and economic equality are deeply encouraged by Buíon, and are already taking place across Waterford City and County. For example, Buíon will be providing an after-school programme to a local DEIS school from January 2027, employing local staff and recirculating any profits made back into the organisation. This contract could have been allocated to a large for-profit company based in Dublin, but the current scenario means that the benefits of this programme will be completely retained in the local area.

There are ample ‘anchor institutions’ which could be utilised in Waterford (e.g. SETU, University Hospital Waterford), while collaboration and a willingness to work towards common social and economic goals is essential. Buíon Phort Láirge, as an organization, are of the opinion that it would be in the best interest of Waterford City and County for the benefits of CWB to be taken into consideration by local authorities, and for an increased effort to be made to encourage their implementation.

Buíon Phort Láirge
Supporting People & Communities

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