

SMART RURAL

Plugging the Leaks workshop

Wednesday 24th February 2021

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Plugging the Leaks

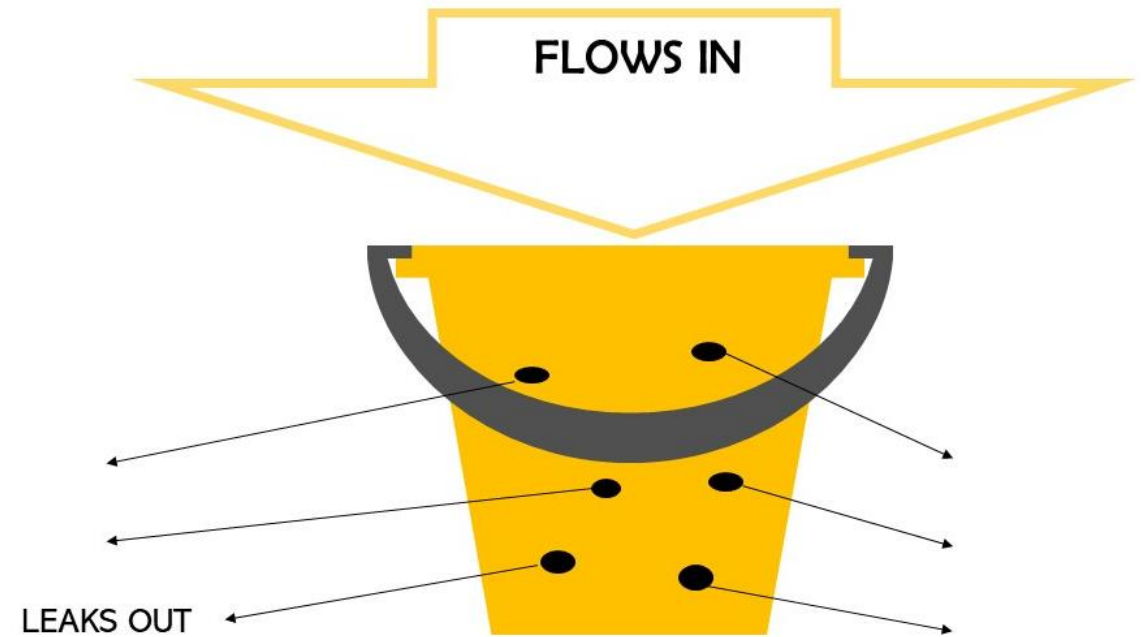
‘The problem is not necessarily that too little money flows into a neighbourhood. Rather it is what consumers, public services and businesses do with that money. Too often it is spent on services with no local presence, and so immediately leaves the area.’ National Strategy for Neighbourhood Renewal (NEF, Plugging the Leaks, 2002)

An opportunity for local people to come together to

- Look at their local area economy
- Understand the issues that they can address
- Opening up the space for debate, ideas and local enterprise
- Form a comprehensive plan for putting it all into practice

The Leaky Bucket concept

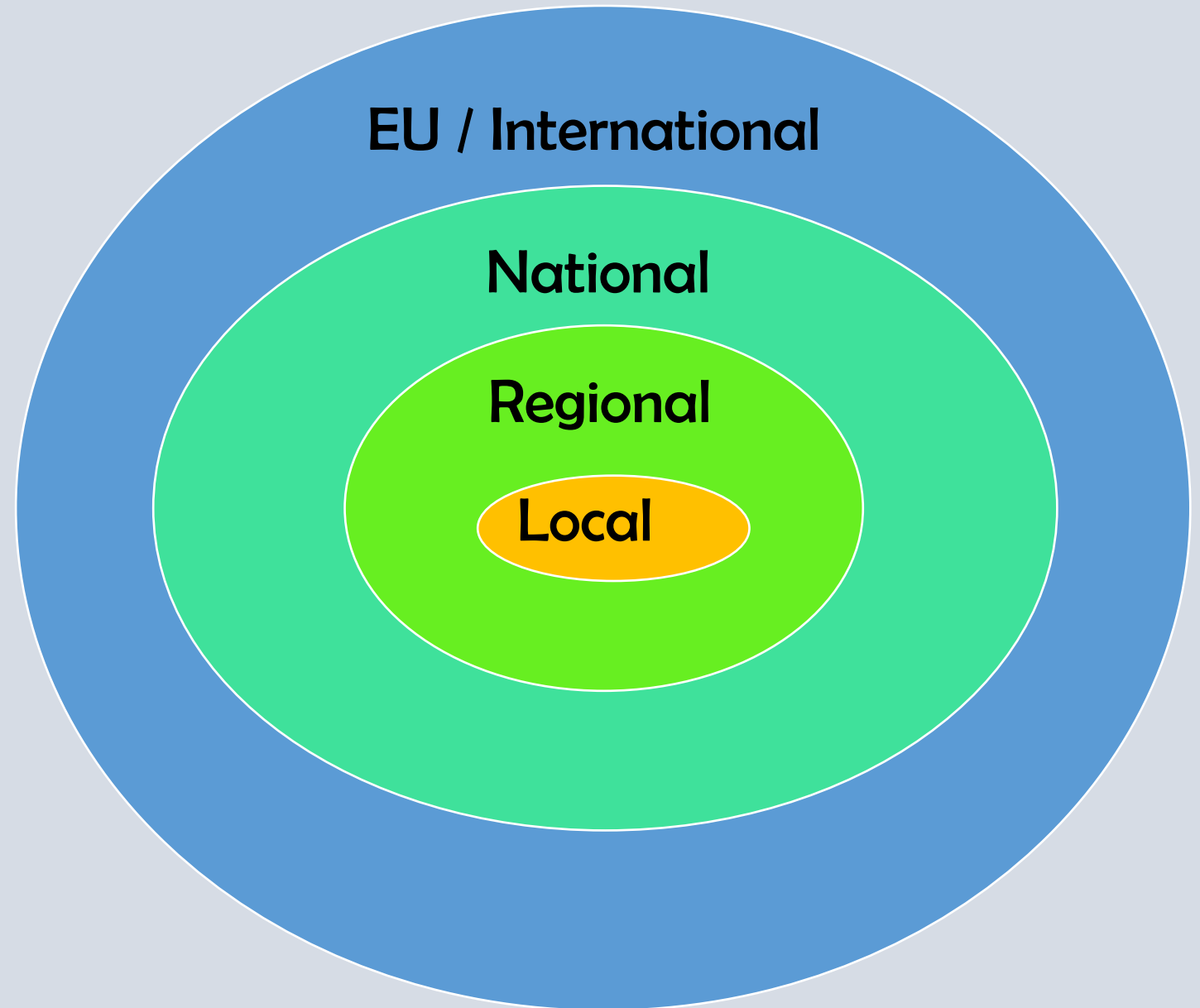
- Think of your local economy area as a leaky bucket –
- Money pours into the bucket but often leaks out faster.
- Why not work together to plug the leaks and increase the wealth of your local area?



Opportunities that can be explored:

- Agriculture (organic, specialist products)
- Horticulture
- Forestry
- Fishing
- Tourism
- Education/Health
- Sustainable Development
- Renewables / Energy
- Cultural Industries
- Arts & Crafts
- Heritage
- Processing local products / adding value
- I.T. Assembly / I.T. Software
- Retail
- Social Enterprise

What product
or service did
you last buy
and from
where?



EU / International

Laptop, mobile phone, food (multinational supermarket chain), data use and management (?)

National

Dog food (?), cooker spare part, electric payment, food (national chain)

Regional

Bus ticket, food (independent town store), property tax

Local

Food (local), bread, a painting (?), bag of potatoes, milk, food blender

Money Go Round

Illustrating how money can circulate in the local economy and why it doesn't.

Practical exercise - €10 income – spending decisions:

Money used on non-local purchases – in the middle of the table

Reminder of money – local purchases – passed on to the next person in the group – repeat process until last person receives money or until the money runs out – whichever comes first

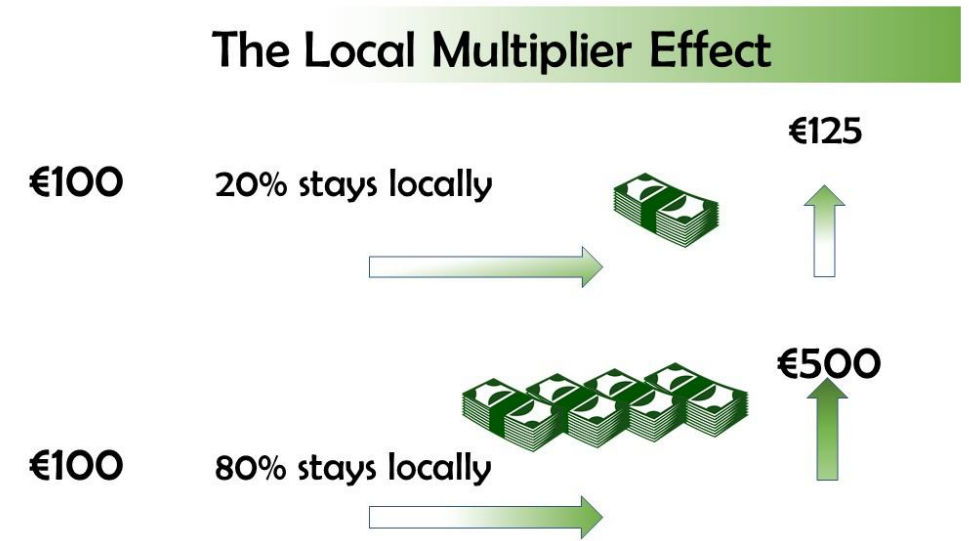
SPENDING RECORD	
NAME	AMOUNT SPENT LOCALLY
Person 1	10€
Total amount spent locally:	

Working out the multiplier effect on the 10€ income based on the local spending pattern

Multiplier = (total amount spent locally) / (original income)

The Local Multiplier Effect

80% Stays Locally		20% Stays Locally	
Enters €	Remains €	Enters €	Remains €
100	80	100	20
80	64	20	4
64	51	4	1
51	41	1	
41	33		
33	...		
Total	€500	Total	€125
Multiplier	5	Multiplier	1.25



The Leaky Bucket



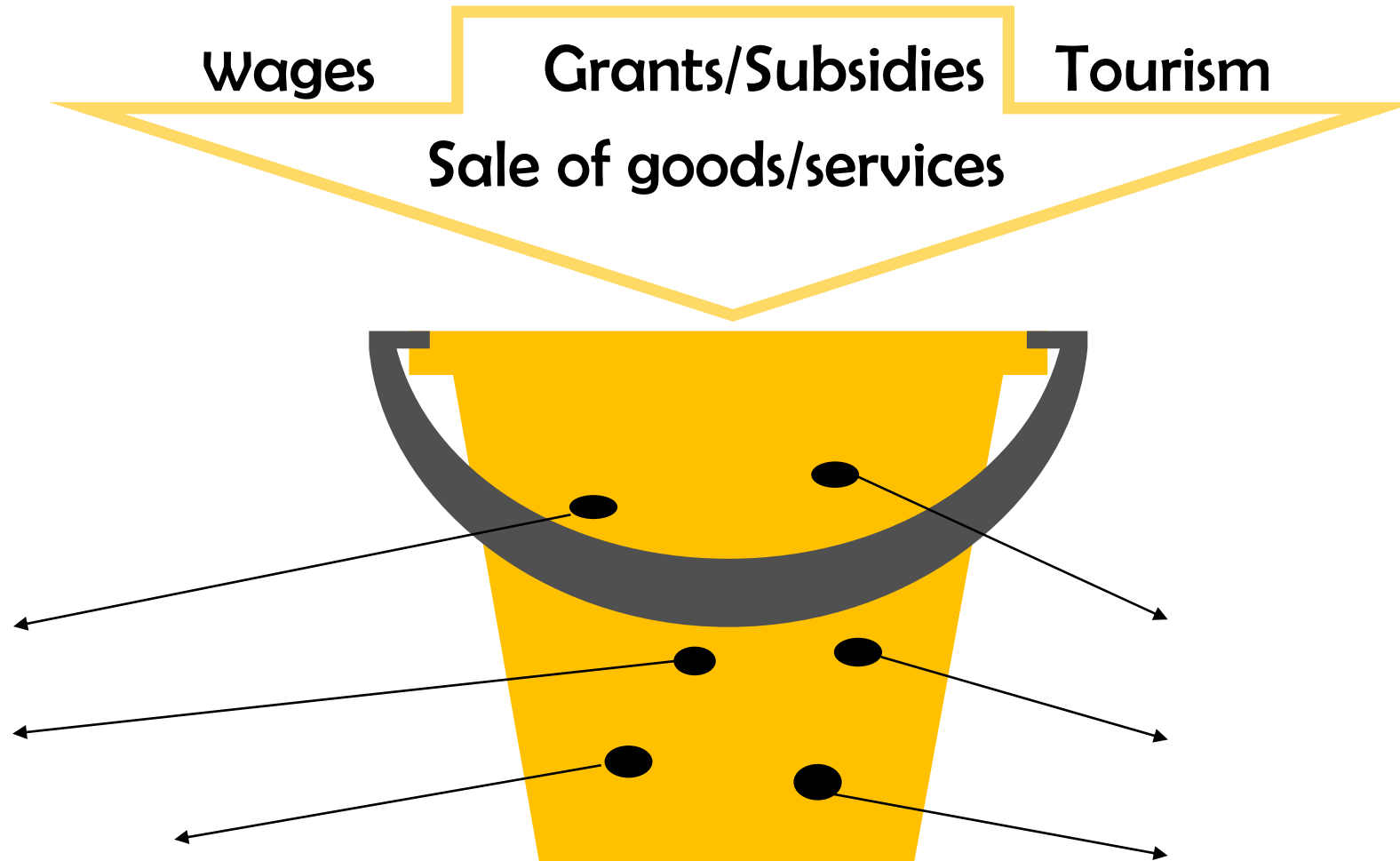
The Leaky Bucket – Flows In – Mentimeter exercise

Where does the money come from? - Flows In

Mentimeter



The Leaky Bucket – Flows In



The Leaky Bucket – Leaks Out – Mentimeter exercise

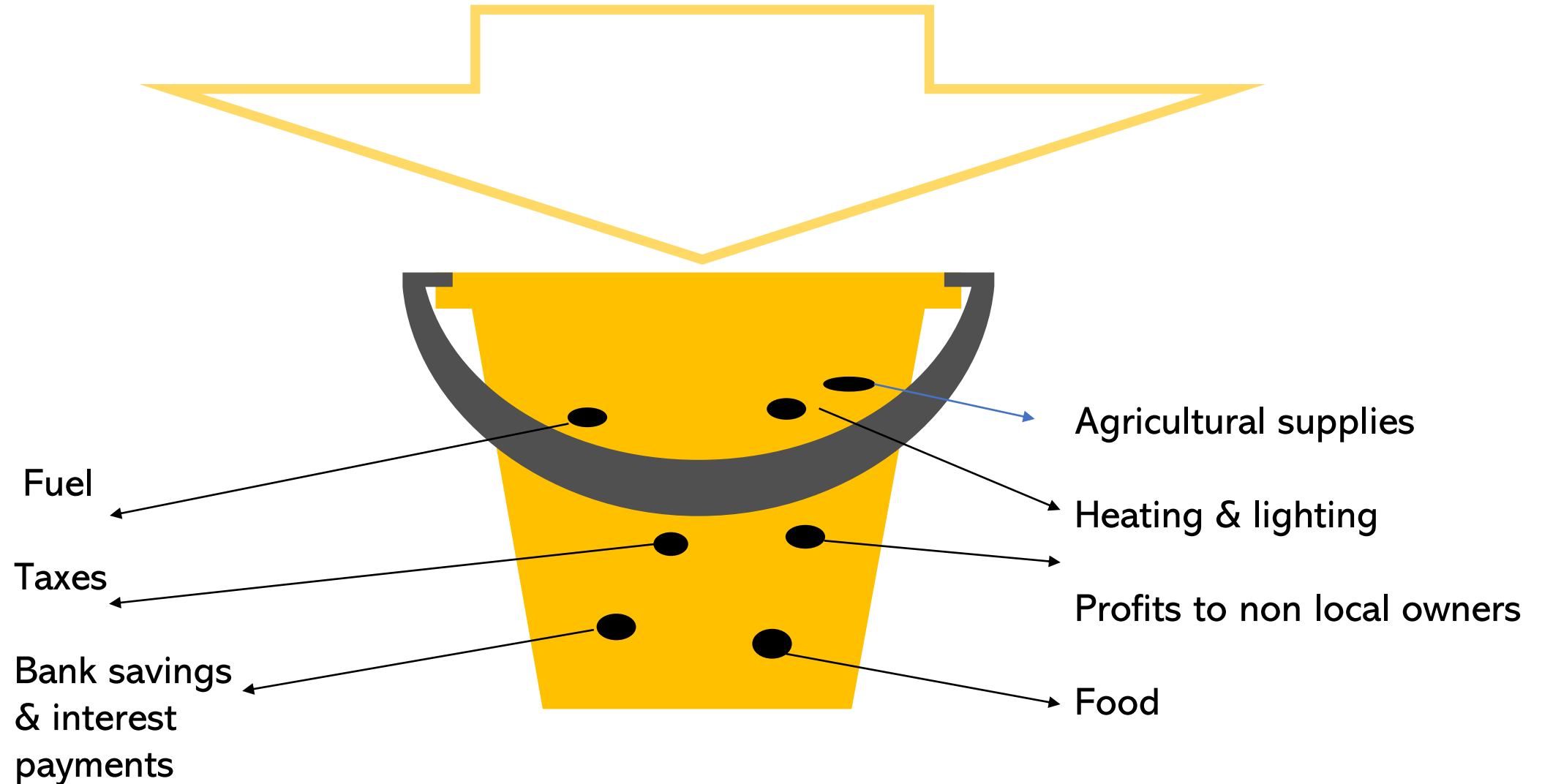
Where does the money go? - Leaks out

Mentimeter



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The Leaky Bucket – Leaks Out



The Leaky Bucket – Leak Plugging Ideas - Mentimeter exercise

Food was identified as one of the leaks. What could you do in your community to stop money leaving?



Restaurants use local food

Buy locally grown vegetables

Pomote local producers

Locals farmers market

Local community markets, where local people can sell products weekly

Bring more money from outside

Short chains, cooperatives, shared purchases, commons

Start produce local food

More promotion

farmers to produce better quality products

Use local what is possible bread, vegetables

Diversity of products

Promote locals and help start up new products locally

Promote to use a local community market anda a network of local producers and get the products into restaurants

The Leaky Bucket – Leak Plugging Ideas





Local Business
Hub



Transport



Energy saving
& Recycling



Heritage/culture
tourism

Plug Trees - Ideas / Themes for action



Local products

*Key theme: **Retail***

- Less importing of produce that is or should be grown locally
- Develop some local "LETs" system (or time/food/work bank)
- Bring small village shop back to sell local produce /Buying more locally
- Save money on administration

*Key theme: **Services***

- Mapping out providers delivering services locally
- Training
- Integrated transport
- Intergenerational day care
- Support for local businesses / service providers
- Broadband connectivity
- Provide good child care / day facilities

*Key theme: **Local products***

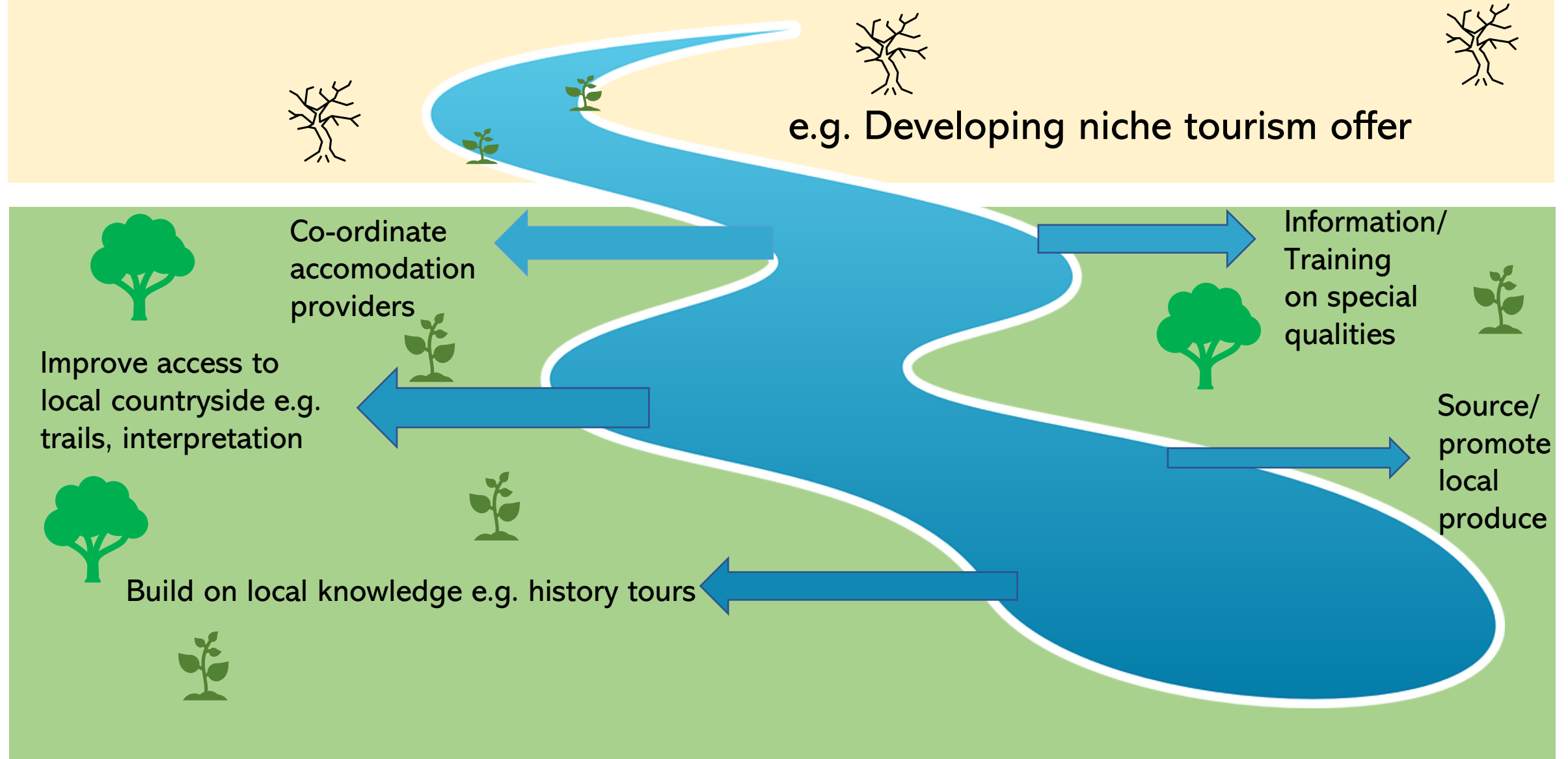
- Establish reliable and efficient small holders - working together in a cooperative fashion
- Supporting local shops / Shopping locally/Buying local products
- Get supermarkets to stock local produce
- Grow your own vegetables

*Key theme: **Employment/Business***

- Reduced rates for local business people
- Purchase white goods form local business suppliers
- Support of local businesses/entrepreneurs
- Local employment for young people
- Local investments
- Using the fishing industry locally

Irrigation Channels

Looking at ways of making the most of all flows of money into the area (adding value).



Irrigation Channels - Mentimeter exercise

Imagine a major flow into your local economy is agriculture e.g. sheep farming. What one idea would keep money circulating in your area for longer?



Locals processing of mutton

Promoting touristic activities linked to the agriculture or sheep/goat farming

Using the fleece in workshops for tourists or groups, making unique products with meat and fleece and sell them locally.

Wool saved, local crafts developed

Refine it locally

a farmers' cooperative

Transformation products, local shops, restaurants

Local butcher buy meat / fleece for sale

Cooperative

Creating an ecosystem around it

Promote consumption of local products

Meat, wool, make beanies and so on

Local restaurants

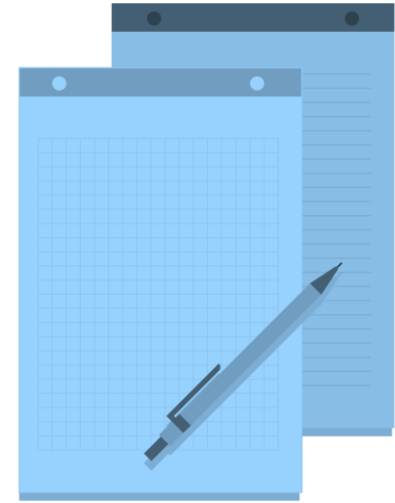
Irrigation Channels – Tourism example

TOURISM (major flow)	
CHANNELS	SHOWELS
Accommodation	Local produce
	Retreat
	Training
	Variety (eco farm, log cabins, tents, wind mill)
Local forest	Herbs
	Visitor centre
	Conservation programme
Information	Nature specialists
	Local products
	Images
	Culture
Events	Fishing festival
	Outdoor activities
	Heritage Trails
Crafts	Wood carving
	Workshop
Business	Joint local purchasing
	Business Forum
	Local products and souvenirs
Training	Employment
	Business Development
Marketing	Environment
	IT
	Web
	Sell products via website

From Ideas to Action

Project planning starts! Think about:

- Strengths and opportunities that exist
- Challenges might face
- Resources needed (including skills and training)
- Who might help (organisations or individuals)
- Actions/ next steps and by whom
- Timescales
- Establishing a working group
- How will communicate with the wider community



Any questions?

Further reading:

<https://neweconomics.org/uploads/files/plugging-the-leaks.pdf>

<https://www.smartrural21.eu/roadmap-step/financing/>

<https://ec.europa.eu/environment/circular-economy/>

Thank you!

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