
NORTH AYRSHIRE COUNCIL

11 June 2019

Cabinet

Title: Community Wealth Building Update and Next Steps

Purpose: To update the Cabinet on recent work to progress Community Wealth Building in North Ayrshire, and regionally as part of the Ayrshire Growth Deal, and to seek approval to establish a new Community Wealth Building Commission.

Recommendation: It is recommended that Cabinet:

1. Notes the progress of developing Community Wealth Building proposals and plans for North Ayrshire.
2. Notes the update on the inclusion of a Community Wealth Building Fund as part of the Ayrshire Growth Deal Heads of Terms.
3. Agree that a new Community Wealth Building Commission be established to lead the development of this work.
4. Agree the Leader of Council chairs the Commission and agree the participation of proposed Elected Members.

1. Executive Summary

- 1.1 This report provides Cabinet with an update on recent work to progress Community Wealth Building in North Ayrshire and outlines proposed next steps. The Council is recognised for its leading role in defining policy and practical solutions to achieving inclusive growth and Community Wealth Building is at the forefront of our proposed workplan to achieve an inclusive local and regional economy.
- 1.2 This report covers four main areas: an update on progress so far; the commission of the Centre for Local Economic Strategies (CLES) to undertake a local wealth building diagnostic for the Council and make recommendations to support the development of an ambitious Community Wealth Building Plan; proposals to establish a Community Wealth Building Commission; and the inclusion of a £3m Community Wealth Building Fund as part of the Ayrshire Growth Deal (AGD) Heads of Terms.

2. Background

- 2.1 Community Wealth Building (CWB) is an alternative approach to traditional economic development, which seeks to develop resilient, inclusive local economies, with more local employment and a larger and more diverse business base. Community Wealth Building is an approach which seeks to use the economic levers available to local authorities and other “anchor” institutions such as the NHS, further and higher education institutions, and larger private sector organisations, to support their local economies. At the heart of the Community Wealth Building approach are five pillars for harnessing existing resources to enable local economies to grow and develop: Procurement; Employment; Land and Assets; Financial Power; and Democratic Ownership of the Local Economy.
- 2.2 A Community Wealth Building Officer Working Group has driven CWB work in four main areas: support to local businesses in relation to Council procurement, reviewing the “Quick Quote” procurement process to enable more local companies to bid for work, validating the Council’s procurement “wave plan” which sets out the Council’s future tendering requirements over the next 2 years and developing a commissioning brief to engage with CLES, details of which are set out below.
- 2.3 A paper on CWB was presented to the Strategic Management Team of the Community Planning Partnership on 14th March. The paper recommended that CPP partners support the development of a CWB approach in North Ayrshire by agreeing to participate in the work that will be undertaken by CLES. The CPP partners agreed to the recommendation and will work with the Council and CLES on the development of a CWB Strategy.
- 2.4 In addition, CWB is at the heart of the proposed Council Plan 2019-2024 for consultation. Under the priority outcome ‘North Ayrshire has an inclusive, growing and enterprising economy’ the Plan highlights our ambitions to develop and implement a CWB approach to grow an inclusive economy in North Ayrshire.

North Ayrshire Community Wealth Building Plans

- 2.5 At the meeting of the Council’s Corporate Procurement Board on 31st January 2019, a paper was presented on CWB, proposing North Ayrshire commission CLES be commissioned to develop a Community Wealth Building Plan. CLES are the acknowledged experts in relation to CWB in the UK, working with several English local authorities, most prominently Preston City Council. A robust research brief was agreed with CLES and an initiation meeting has taken place with CLES with work getting underway at the end of April. CLES will undertake a local wealth diagnostic for North Ayrshire, engaging with senior Elected Members and Council officers and will develop a set of recommendations and actions across the five pillars of CWB.
- 2.6 CLES will deliver their draft, detailed action focused report by the end of June, with presentation of the findings to a newly proposed Community Wealth Building Commission and the CPP in September. The report will help inform a potential second phase of research, working with our Community Planning Partners and wider regional partners. The report will also inform the development of the AGD Community Wealth Building Fund project.

Ayrshire Growth Deal: Community Wealth Building Fund

- 2.7 The Heads of Terms for the Ayrshire Growth Deal were signed by the three Ayrshire Councils, Scottish and UK Governments on 8th March 2019. The Heads of Terms included a £3 million Community Wealth Building Fund.
- 2.8 Within the Heads of Terms, there is agreement that the Scottish Government will work with the three Ayrshire authorities to co-produce a Community Wealth Building Fund project as part of the wider Growth Deal portfolio and that it will be included in the final Growth Deal document to be submitted to government(s) by the end of 2019.
- 2.9 An initial meeting has taken place with the Scottish Government and officers from the three Ayrshire Councils with the view to convening a regional officer working group to develop the project proposal over the spring and summer. A report will be submitted to the next Regional Partnership meeting in June.

North Ayrshire Community Wealth Building Commission

- 2.10 Community Wealth Building is a key element of the new proposed Council Plan 2019-2024. As outlined above there is a substantial amount of work being progressed to take forward CWB. As such, it is proposed that a new Community Wealth Building Commission is established to oversee and direct this work, ensuring that CWB is at the centre of Council policy and programmes.
- 2.11 The proposal is that the new Commission will be chaired by the Leader of the Council. Membership will include the Portfolio Holder for Economic Growth and the Leader of the Opposition as key members. The wider membership of the group will be drawn from the Council services that play a critical role across the five pillars of CWB. Working with wider local and regional anchor institutions will be critical to the success of the approach. Recruitment of CPP partners for participation will be undertaken as an open invitation from the Chair.
- 2.12 The proposed remit for the Community Wealth Building Commission is set out in Appendix 1.

3. Proposals

- 3.1 It is recommended that Cabinet:
 - i. Notes the progress of developing Community Wealth Building proposals and plans for North Ayrshire.
 - ii. Notes the update on the inclusion of a Community Wealth Building Fund as part of the Ayrshire Growth Deal Heads of Terms.
 - iii. Agree that a new Community Wealth Building Commission be established to lead the development of this work.
 - iv. Agree the Leader of Council chairs the Commission and agree the proposed participation of Elected Members.

4. Implications/Socio-economic Duty

Financial:	The cost of work so far has been met from existing Economic Growth service budgets. The Community Wealth Building Strategy may have financial implications in terms of how delivery is actioned, and possibly an impact on the use of the Council's financial powers, however it is too early to identify any implications at this point. The £3m AGD Community Wealth Building Fund is funded fully by the Scottish Government.
Human Resources:	The Community Wealth Building Strategy may influence future workforce and recruitment plans however it is too early to identify any implications at this point.
Legal:	In governance terms the Commission is neither a committee of the Council nor an independently constituted external body. It is a form of working group and does not have powers delegated to it. Accordingly, Cabinet has power to constitute the Commission and appointments do not require to be made by Council. Any recommendations of the Commission will be actioned through the delegated powers of those Council or CPP officers serving on it, or by Cabinet or the relevant Community Planning Partner.
Equality/Socio-economic Duty:	No direct implications at this point however the Community Wealth Building Strategy will have a focus on ensuring an inclusive economy where all people and places benefit.
Children and Young People:	No direct implications, however it is widely recognised that employment and income is key to reducing child poverty.
Environmental & Sustainability:	No direct implications, however the outcomes of the work with CLES may result in more local purchasing and procurement from the Council, shorter supply chains and thus a smaller environmental impact due to transport goods, for example.
Key Priorities:	The Council's ambitions to develop Community Wealth Building initiatives will be progressed as part of our priority outcome to achieve an Inclusive, growing and enterprising local economy.
Community Benefits:	The work with CLES will include an assessment of how the Council's current Community Benefit policy and practice can be developed to support Community Wealth Building.

5. Consultation

- 5.1 Engagement has taken place with the Council's Corporate Procurement Board, the CPP, the Team North Ayrshire Board and a presentation will be delivered to the Economic Development and Regeneration (EDR) Board in June. Further engagement will be required as part of the development of a Community Wealth Building Strategy.

Karen Yeomans
Executive Director, Economy and Communities

For further information please contact **Andrew Noble, Inclusive Growth Programme Manager**, on **01294 324370**.

Background Papers

Appendix 1: proposed remit for North Ayrshire Community Wealth Building Commission

APPENDIX 1: PROPOSED REMIT FOR NORTH AYRSHIRE COMMUNITY WEALTH BUILDING COMMISSION

1. Remit

- To progress and promote the development of a strategic approach to community wealth building in North Ayrshire.
- To support the implementation of a Community Wealth Building Strategy.
- To commission research and gather evidence on barriers to Community Wealth Building as required.
- Provide regular updates to the Community Planning Board and Council Cabinet
- To recommend to Cabinet and the CPP the approval of a Community Wealth Building Strategy.
- To encourage involvement of businesses, Government agencies and local organisations in community wealth building initiatives.
- To promote best practice among stakeholders.
- To oversee North Ayrshire's contribution to the development of the Community Wealth Building Fund project, part of the Ayrshire Growth Deal including through the Ayrshire Regional Economic Partnership.
- To review policy and practice to deliver a more inclusive economy.

2. Membership

The Commission will be chaired by the Leader of the Council. The maximum membership of the Commission will be 15 members.

- Chair: Leader of the Council
- Portfolio Holder for Economic Growth
- Leader of the Opposition
- Head of Economic Growth
- Head of Connected Communities
- Head of Commercial Services
- Head of Physical Environment
- Head of Finance
- Head of HR
- 5-6 representatives from the CPP via open invitation from Chair

3. Frequency of meetings

- The Community Wealth Building Commission will meet quarterly.
- The Chair may, at any time, convene more frequent or additional meetings.

4. Reporting Arrangements

- The Group will submit reports to the Community Planning Partnership Board and to the Council Cabinet as required.

5. Secretariat

- The Lead Officer for the Commission will be Head of Economic Growth. However cross Council and CPP collaboration and participation will be required to deliver the ambitions of the Strategy.
- The Economic Growth Policy Team will act as the Secretariat to the Commission.
- The key tasks of the Secretariat are as follows:
 - Development of meeting agendas in partnership with the Commission Chair;
 - Drafting and coordination of Commission reports as required;
 - Communications with the Commission's membership;
 - Lead contact for engagement with CLES and ensuring progress towards the aims of the CLES research brief;
 - Development of the North Ayrshire Community Wealth Building Strategy;
 - Measuring and reporting progress towards the ambitions of the Strategy;
 - Commissioning or undertaking any further research required including identifying areas of best practice;
 - Invitation of any external speakers;
 - Organisation of events and workshops as required including thematic sessions on the five pillars;
 - Undertaking further consultation and engagement as required.