



## Integration Joint Board

### 15<sup>th</sup> June 2023

<b>Subject:</b>	<b>Community Wealth Building update</b>
<b>Purpose:</b>	<ul style="list-style-type: none"> <li>Awareness</li> </ul>
<b>Recommendation:</b>	It is recommended that the IJB notes the work which has been carried out that supports the Community Wealth Building agenda and agrees to receive future updates.

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	x
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
CWB	Community Wealth Building

<b>1.</b>	<b>EXECUTIVE SUMMARY</b>
1.1	Community Wealth Building (CWB) is an approach to economic growth which supports the local economy. North Ayrshire Council has been at the forefront of developing CWB in Scotland.
1.2	The IJB has signed the 'anchor charter' to demonstrate its commitment to CWB alongside other Community Planning Partners.
1.3	This report provides an initial update on the work which is being taken forward.
<b>2.</b>	<b>BACKGROUND</b>
2.1	North Ayrshire Council was the first in Scotland to adopt a 'Community Wealth Building' strategy. Community Wealth Building is an approach to economic development that aims to ensure fair and resilient local and regional economies and seeks to use the economic levers available to local authorities and partner organisations, known as 'anchor institutions', to support the local economy.
2.2	The Integration Joint Board signed the 'Anchor Charter' in October 2021 and became an anchor institution alongside partners including the 3 Ayrshire Councils, the other



	Integration Joint Boards, NHS Ayrshire and Arran, Ayrshire College, and TACT (The Ayrshire Community Trust). This is attached at Appendix 1 for information.
2.3	A Community Wealth Building Commission has been established, chaired by the Leader of North Ayrshire Council, which brings together the anchor institutions to drive forward progress.
	<u>Community Wealth Building approach</u>
2.4	<p>The Community Wealth Building approach is built around a number of 'pillars' which harness existing resources. These are:</p> <ul style="list-style-type: none"> <li>• <u>Procurement</u> – we commit to using our spend to support a diverse local business base.</li> <li>• <u>Employment</u> – we commit to being a fair employer.</li> <li>• <u>Land and Assets</u> – we commit to the productive use of our land and assets to support communities and enterprises.</li> <li>• <u>Financial Power</u> – we commit to harnessing and growing local wealth.</li> <li>• <u>Plural Ownership</u> – we commit to supporting plural ownership of the local economy.</li> <li>• <u>Climate Action</u> – we commit to becoming a net-zero carbon organisation.</li> </ul>
2.5	A working group has been established to take forward the Community Wealth Building agenda within the Partnership, chaired by the Head of Service (Finance and Transformation) and with senior representation from across other service areas. An action plan is being developed by the group to take forward the Partnership's approach to CWB. This work has only begun to progress in recent months following the need for the Partnership to prioritise its operational response to the pandemic in the period following the signing of the anchor charter.
2.6	Work so far in the Partnership has focussed on the first two pillars – procurement and employment – as almost all of the Partnership's financial resources are spent either on staffing costs or on purchasing services from other organisations and whilst the Partnership has an influencing role around the other pillars there isn't any direct control. Each of the pillars is supported by several 'anchor pledges' and the action plan will be structured around these.
2.7	The anchor pledges for our key areas of focus are as follows:
	<b>Procurement</b>
	<ul style="list-style-type: none"> <li>• 'Commit to undertaking supply chain and spend analysis and work towards increasing local spend where possible' – this analysis has recently been completed for 2021-22 spend and is now being refreshed for 2022-23 following the closure of accounts. The findings of this analysis will help to support our action plan in this area.</li> </ul>



	<ul style="list-style-type: none"> <li>• ‘Proactively engage with other Anchor Institutions to identify and progress joint procurement opportunities, while supporting local businesses to bid and respond’ – we will continue to engage with other local anchor institutions around opportunities for joint procurement and the recent changes to the Quick Quotes process by the Council will help to support local organisations to bid for smaller contracts.</li> </ul>
	<b>Employment</b>
	<ul style="list-style-type: none"> <li>• ‘Work towards becoming a Living Wage employer’ – both the Council and NHS pay the living wage to all of their staff and have done so for a number of years. The Partnership also supports adult social care providers and care homes to pay their staff the Living Wage through our contract rates which fund the payment of the £10.90 rate to employees from April, in line with the Scottish Government Policy. Our Contracts and Commissioning Team have also been working to support providers around developing the Fair Work approach, in line with the Fair Work Convention’s framework.</li> <li>• ‘Seek to recruit locally and from priority groups where appropriate’ – a significant proportion of the Partnership’s workforce lives in North Ayrshire. Much of our recruitment is targeted at local people; a good example of this is the in-person recruitment events which are being held by Care at Home.</li> <li>• ‘Commit to providing secure, safe employment, addressing gender pay imbalance and developing strategies for in-work progression and wellbeing support’ – this is in place through the policies of the partner organisations who employ the Partnership’s staff.</li> <li>• ‘Ensure workers are respected and have access to trade union membership’ – staff have access to trade union membership where they choose to take this up. We have the Staff Partnership Forum in place which supports regular engagement between senior management and trade union representatives and both Council and NHS staff representatives are members of the IJB.</li> </ul>
	<b><u>Future Developments</u></b>
2.8	A consultation on ‘Building Community Wealth in Scotland’ was launched by the Scottish Government in January 2023. This sought to gather views on whether new legal measures or changes to existing laws are required to accelerate implementation of CWB across Scotland. It included a proposal for the advancement of CWB through a new CWB duty as well as open questions to seek views on potential legislative changes required to advance activity across all pillars of CWB.
2.9	This followed a commitment in the Scottish Government’s 2021-22 Programme for Government, which stated “Building on the development of the approach across Scotland, we will take forward a Community Wealth Building Bill in this Parliament, to enable more local communities and people to own, have a stake in, access and benefit from the wealth our economy generates. The Bill will cement and augment the role local authorities and other public sector anchor organisations, such as Health Boards,



	play in supporting local economic development and advancing a wellbeing economy, legislating for them to consider their economic footprint within a wider place system.”
2.10	Partnership officers were part of the local consultation process which was undertaken by the Council; this informed the submission to the national consultation which closed at the end of April. Further clarity is awaited on the form the new legislation will take but if this is introduced through Parliament it will place CWB on a more statutory footing moving forward.
<b>3.</b>	<b>PROPOSALS</b>
3.1	The IJB is asked to note the work which has been carried out that supports the Community Wealth Building agenda and agrees to receive future updates once our action plan is fully developed.
<b>4.</b>	<b>IMPLICATIONS</b>
4.1	<u>Financial</u> CWB aims to direct spend into the local economy.
4.2	<u>Human Resources</u> None.
4.3	<u>Legal</u> None.
4.4	<u>Equality/Socio-Economic</u> A CWB approach will help support the local economy through employment for local people, both directly and indirectly.
4.5	<u>Risk</u> None.
4.6	<u>Community Wealth Building</u> The report describes the Partnership’s approach to CWB.
4.7	<u>Key Priorities</u> CWB supports the IJB’s strategic priorities of ‘Develop and Support our Workforce’ and ‘Tackle inequalities’.



<b>5.</b>	<b>CONSULTATION</b>
5.1	No consultation has been required in the preparation of this report.

**Caroline Cameron, Director**

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Appendices

- Appendix 1, CWB Anchor Charter

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**Community Wealth Building**...uses the economic levers available to Anchor Institutions to develop resilient, inclusive local economies with more local spend and fair employment, as well as a larger and more diverse business base, ensuring that wealth is more locally owned and benefits local people.

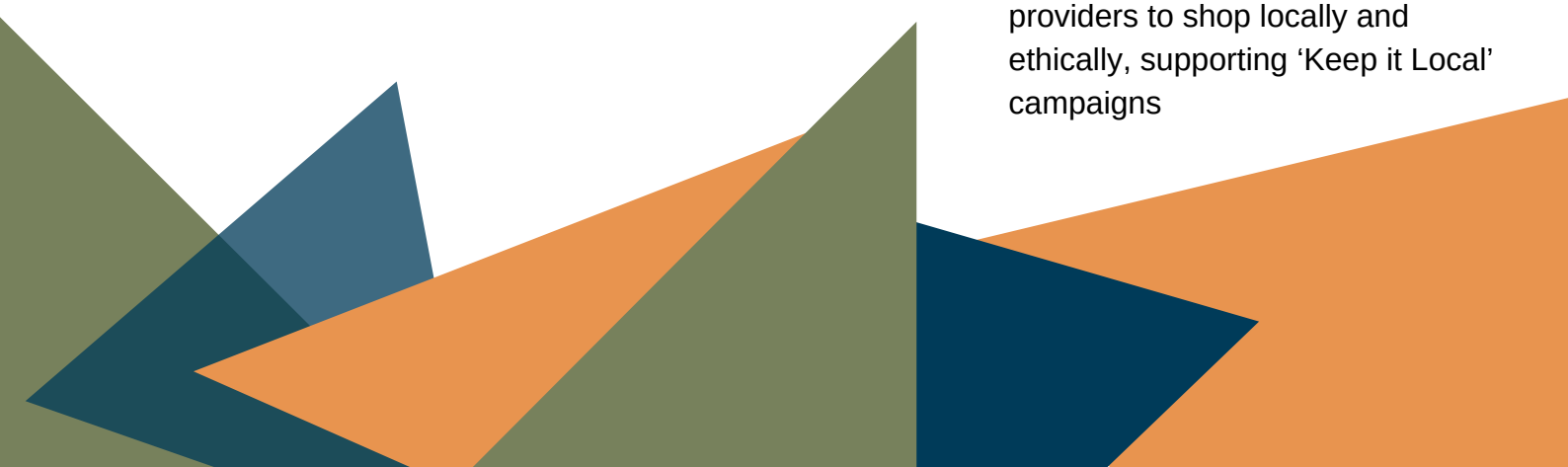
**Anchor Institutions**...are organisations which are rooted in particular places by their mission, histories, physically fixed land and assets, and established local relationships.

## Anchor Charter Mission Statement

To commit to long-term collaboration between Ayrshire Anchor Institutions, supporting shared Community Wealth Building goals to improve collective wellbeing and create a strong, resilient and inclusive local and regional economy. This includes a commitment to the embedding of Community Wealth Building principles and reporting on progress to the CWB Commission.

Pillar Purpose	Pillar Objective	Anchor Pledge
<b>Procurement</b>  We commit to using our spend to support a diverse local business base	Maximise economic, social and environmental benefit for the community through development of dense local supply chains comprising local SMEs, employee owned businesses, social enterprises, cooperatives and other community owned enterprises.	<ul style="list-style-type: none"><li>• Commit to undertaking supply chain and spend analysis and work towards increasing local spend where possible</li><li>• Proactively engage with other Anchor Institutions to identify and progress joint procurement opportunities, whilst supporting local businesses to bid and respond to opportunities</li></ul>

Pillar Purpose	Pillar Objective	Anchor Pledge
<b>Fair Employment</b>  We commit to being a fair employer	Creating fair and meaningful employment opportunities by recruiting from priority groups, paying the living wage and building progression routes for workers.	<ul style="list-style-type: none"> <li>• Work towards becoming a Living Wage Employer</li> <li>• Seek to recruit locally and from priority groups where appropriate e.g. young people, people with long-term health problems, people experiencing poverty</li> <li>• Commit to providing secure, safe employment, addressing gender pay imbalances and developing strategies for in-work progression and wellbeing support</li> <li>• Ensure workers are respected and have access to Trade Union membership</li> </ul>
<b>Land and Assets</b>  We commit to the productive use of our land and assets to support communities and enterprises	Anchors are often major land holders and can support equitable land development and ownership models, including the imaginative use of assets for community and wider social and economic use.	<ul style="list-style-type: none"> <li>• Commit to undertaking an asset review to identify opportunities for Community Wealth Building</li> <li>• Proactively support communities who wish to use or develop under-utilised assets</li> </ul>
<b>Financial Power</b>  We commit to harnessing and growing local wealth	Increase flows of investment within local economies by harnessing wealth that exists locally.	<ul style="list-style-type: none"> <li>• Seek to invest in environmentally sustainable, local economic development opportunities</li> <li>• Support and promote progressive finance initiatives including local credit unions</li> <li>• Encourage staff and service providers to shop locally and ethically, supporting 'Keep it Local' campaigns</li> </ul>





Pillar Purpose	Pillar Objective	Anchor Pledge
<b>Plural Ownership</b>  We commit to supporting plural ownership of the local economy	Advance inclusive economic ownership models such as local SMEs, employee owned businesses, social enterprises, cooperatives, community enterprises and mutually owned companies and thus enable more wealth generated locally to stay within the community.	<ul style="list-style-type: none"> <li>• Proactively engage with communities to co-produce local services and initiatives</li> <li>• Commit to involving local SMEs, employee owned businesses, social enterprises, cooperatives and community owned enterprises within local supply chains</li> </ul>
<b>Climate Action</b>  We commit to becoming a net-zero carbon organisation	The global climate emergency requires immediate and sustained action to reduce carbon and greenhouse gas emissions and remove them from the atmosphere.	<ul style="list-style-type: none"> <li>• Commit to a timescale for achieving net zero carbon and greenhouse gas emissions</li> <li>• Support and encourage environmentally sustainable supply chains</li> <li>• Consider strategies to embed environmental benefits through, for example, capital investment projects, active travel and sustainable energy generation</li> </ul>



## We commit to this Anchor Charter to deliver Community Wealth Building in Ayrshire



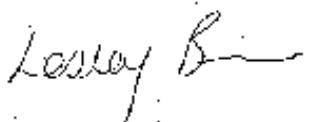
Councillor Joe Cullinane  
Leader of North Ayrshire Council




Councillor Douglas Reid  
Leader of East Ayrshire Council




Councillor Peter Henderson  
Leader of South Ayrshire Council

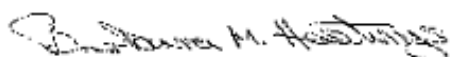
Lesley Bowie  
Board Chair, NHS Ayrshire and Arran



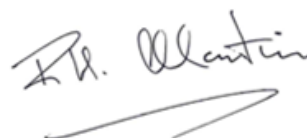

Carol Turnbull  
Principal, Ayrshire College




Mark Newlands  
Head of Partnerships, Scottish Enterprise

Barbara Hastings  
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