

# **AYRSHIRE REGIONAL ECONOMIC PARTNERSHIP BOARD**

**29 JANUARY 2021**

## **COMMUNITY WEALTH BUILDING UPDATE**

### **Report by the Chief Executive, North Ayrshire Council**

#### **PURPOSE OF THE REPORT**

The purpose of this report is to provide an update on regional Community Wealth Building activities including the launch of the Ayrshire Community Wealth Building Anchor Charter.

#### **REGIONAL COMMUNITY WEALTH BUILDING UPDATE**

##### **Background:**

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 seeks to use the economic levers available to local authorities and other 'Anchor Institutions' by focusing on five pillars for harnessing existing resource to support the local economy: procurement; employment; land and assets; financial power; and plural ownership of the economy.
2. At its meeting in September 2020, the Board received a report on the updated membership of the Community Wealth Building Commission and plans for a regional Community Wealth Building Anchor Charter.

##### **Anchor Charter**

3. The Community Wealth Building Commission agreed the Ayrshire Community Wealth Building Anchor Charter at its meeting in September 2020 with the Charter being launched in October as part of Challenge Poverty Week in Scotland. The aim of the Anchor Charter is to embed Community Wealth Building principles across local and regional Anchor Institutions. The Anchor Charter pledges are aligned to the five pillars of Community Wealth Building (procurement, fair employment, land and assets, financial power, plural ownership) and there is also the inclusion of a sixth pillar of 'Environment' to encourage progress to achieving net zero. The Anchor Charter has been reviewed by the Community Wealth Building Expert Advisory Panel to ensure national and international best practice.
4. The Charter is attached as Appendix 1 of this report for reference. The signatories to the Charter are: East, North and South Ayrshire Councils, NHS Ayrshire and Arran, Ayrshire College, Scottish Enterprise, and The Ayrshire Community Trust (TACT). Anchor Institutions signing the Anchor Charter are required to demonstrate on an annual basis how they have worked towards or delivered the pledges within the Charter.
5. It is hoped that more Ayrshire Anchor Institutions will sign up to the Charter in coming months. In anticipation of managing the engagement of these organisations, which includes annual updates on progress against the pledges, it was agreed by the Commission that consideration is given to the formation of a Community Wealth Building Ayrshire Anchor Network aligned to the Community Wealth Building Commission. The Lead Officer Working Group will be responsible for bringing forward

proposals for an Anchor Network to a future meeting of the Commission, however it is suggested the Network could meet on an annual basis to share successes, best practice and seek opportunities for collaborative working. As part of its updated remit (see section 6 of this report), the Commission will be responsible for monitoring the implementation of the Anchor Charter.

#### Community Wealth Building Commission Updated Remit and Workplan

6. At its meeting in December 2020, the Commission agreed a revised remit and workplan following the expansion of the Commission in summer 2020, with a focus on collaborative opportunities to delivering Community Wealth Building. The revised Terms of Reference (ToR) and the indicative workplan are attached within Appendix 2 and Appendix 3 respectively for information.
7. A Commission Lead Officer Working Group, comprising officers appointed by Commission members (and wider regional Anchor Institutions as required) will be created to take forward the Commission's agreed areas of focus and to develop and embed Community Wealth Building practices across Ayrshire. As part of the workplan, the Commission agreed the following Community Wealth Building pillars as key workstreams: Procurement (Lead Organisation – South Ayrshire Council); Fair Employment (Lead Organisation – TBC); Land and Assets (Lead Organisation – Scottish Enterprise). The workstreams will be aligned to wider regional activity including the Ayrshire Growth Deal and the Regional Economic Partnership recovery workstreams, and seek to add value and additionality to activity already underway within individual Commission members. As part of this, in addition to the Joint Committee Ayrshire Growth Deal governance procedures, the Commission will oversee the implementation of the £3 million Ayrshire Growth Deal Community Wealth Building Fund project to ensure regional Community Wealth Building opportunities are maximised.

#### Next Steps:

8. To further support the delivery of Community Wealth Building in Ayrshire, the Commission Secretariat are preparing an Expression of Interest (EOI) for Health Foundation 'Economies for Healthier Lives' funding on behalf of the Commission with support from NHS Ayrshire and Arran and the Centre for Local Economic Strategies (CLES). This funding (four grants of up to £500,000 available across the UK) would support the advancement of work focused on health boards as Anchor Institutions specifically as well as supporting the development of an Anchor Network and Anchor 'toolkit' for Ayrshire. This EOI is being developed at extreme pace to meet the January 2021 deadline. Subject to a successful EOI, the Commission will receive an update at its meeting in March 2021. A formal application would require to be developed and submitted in May 2021, with full Commission involvement required at this stage including letters of support.
9. An update on the Ayrshire Growth Deal Community Wealth Building Fund is subject of a separate agenda item. The Board noted at the September 2019 and 2020 meetings that Community Wealth Building plans should be wider than this particular project. To ensure that Community Wealth Building is embedded throughout the whole of the Ayrshire Growth Deal, the Programme Management Office (PMO) is working with

Project Leads to ensure there is a focus on the relevant Community Wealth Building pillars within projects and to capture activity. In addition, the Board will also be aware that the PMO has established an Ayrshire Growth Deal Procurement Group which is exploring best practice including for community benefits and is finalising a regional Community Benefits tracker.

#### **FINANCIAL IMPLICATIONS**

1. There are no financial implications arising from this paper.

#### **HUMAN RESOURCE IMPLICATIONS**

2. There are no human resource implications arising from this paper. Secretariat for the Ayrshire CWB Commission is provided by North Ayrshire Council and resource to deliver the CWB workstreams will be met through existing resources, as well as the AGD CWB Fund.

#### **LEGAL IMPLICATIONS**

3. There are no legal implications arising from this paper.

#### **RECOMMENDATIONS**

4. The Board is asked to:
  - a) Note this update on Community Wealth Building in Ayrshire.

**Members requiring further information should contact:**

Craig Hatton, Chief Executive, North Ayrshire Council

Attachments:

Appendix 1 – Ayrshire Community Wealth Building Anchor Charter

Appendix 2 – Ayrshire Community Wealth Building Commission Terms of Reference  
(updated and agreed December 2020)

Appendix 3 – Ayrshire Community Wealth Building Commission Indicative Workplan (agreed December 2020)

**Appendix 1 – Community Wealth Building Anchor Charter (PDF)**

## **Appendix 2 – Community Wealth Building Commission Terms of Reference**

### **AYRSHIRE COMMUNITY WEALTH BUILDING COMMISSION**

#### **TERMS OF REFERENCE**

**(UPDATED DECEMBER 2020)**

#### **1. Remit**

- To progress and promote the development of a collaborative approach to Community Wealth Building in Ayrshire, ensuring Ayrshire remains at the forefront of Community Wealth Building in Scotland;
- To encourage wider local and regional Anchor Institutions in Community Wealth Building initiatives;
- To share highlights, success stories and promote best practice among Anchor Institutions;
- Monitor the implementation of the Community Wealth Building Anchor Charter;
- To oversee the implementation of the Ayrshire Growth Deal Community Wealth Building Fund project to ensure regional Community Wealth Building opportunities are maximised;<sup>1</sup>
- To nominate relevant officers from member organisations (and wider regional Anchor Institutions as required) to join the Community Wealth Building Lead Officer Working Group;
- To agree a Commission Workplan and areas of focus for the Lead Officer Working Group;
- To support, oversee and guide the work of the Lead Officer Working Group;
- To seek advice and challenge from the North Ayrshire Community Wealth Building Expert Advisory Panel where relevant, such as on joint workstream activity and progress;
- To commission research and gather evidence on barriers to Community Wealth Building as required.

#### **2. Membership**

The Commission will be chaired by the Leader of North Ayrshire Council.

The Membership of the Commission is as follows below. Members are asked to nominate an appropriate substitute to contribute to meetings should they be unable to attend.

- Commission Chair: Leader of North Ayrshire Council
- North Ayrshire Council representatives:
  - North Ayrshire Council Cabinet Member for Post-Covid Renewal
  - North Ayrshire Council Leader of the Opposition

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<sup>1</sup> Please note this does not replace the formal governance of the Ayrshire Growth Deal through the Ayrshire Regional Economic Partnership and Joint Committee.

- Chief Executive, North Ayrshire Council
- Executive Director of Place
- Head of Economic Development and Regeneration (Lead CWB Commission Officer)
- Executive Director of Communities
- Director of Health and Social Care Partnership
- Chair of the North Ayrshire Integration Joint Board
- East Ayrshire Council representatives:
  - Leader of East Ayrshire Council
  - Depute Leader of East Ayrshire Council and Cabinet Member for Housing and Communities
  - East Ayrshire Council Leader of the Opposition
- South Ayrshire Council representatives:
  - Leader of South Ayrshire Council
  - Director of Place
  - Service Lead – Director Support, Place Directorate
- Board Chair, NHS Ayrshire and Arran
- North Ayrshire Area Commander, Police Scotland
- Vice Principal (Finance), Ayrshire College
- Area Commander and Group Manager, Scottish Fire and Rescue
- Head of Partnerships, Scottish Enterprise
- Co-Leader (Third Sector), The Ayrshire Community Trust

Other regional Anchor Institutions may be invited to participate in specific Commission meetings as required. Proposals will be considered for an Ayrshire Anchor Network, aligned to the Commission, for those Anchor Institutions willing to sign the Charter to monitor commitment and share learning and good practice.

### **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 Commission will submit reports to respective Community Planning Partnership Boards, Council Cabinets, and the Ayrshire Regional Economic Partnership as required.

### **5. Community Wealth Building Lead Officer Working Group**

- The purpose of the Lead Officer Working Group will be to take ownership of the Commission Workplan and progress actions as directed by the Commission;
- The Lead Officer Working Group will comprise of relevant officers from Commission Members (and wider regional Anchor Institutions as required) who will be responsible for progressing CWB actions and will report on progress to

the Commission. A lead organisation and officers with relevant expertise will be required to support and progress workstreams;

- The Lead Officer Working Group will meet on a quarterly basis. Additional workstream meetings may also be required;
- The Lead Officer Working Group will be responsible for monitoring and reporting to the Commission on Anchor Charter progress;
- The Lead Officer Working Group will receive updates on the implementation of the Ayrshire Growth Deal Community Wealth Building Fund as relevant;
- The Lead Officer Working Group will be responsible for bringing forward proposals for a Community Wealth Building Ayrshire Anchor Network. The remit of an Ayrshire Anchor Network may cover the following:
  - To share progress and best practice, seek opportunities for collaborative working and showcase successes;
  - Organisations wishing to sign the Anchor Charter will be asked to join the Ayrshire Anchor Network;
  - The Network will meet on an annual basis, which may take the format of a showcasing best practice event;
  - Network members will be asked to provide a baseline measurement of current Community Wealth Building activity and complete a plan of proposed actions towards the Charter Pledges. The Lead Officer Working Group will seek annual updates on progress as part of reporting Anchor Charter development to the Commission.

## **6. Secretariat**

- The Lead Officer for the Commission will be the Head of Economic Development and Regeneration at North Ayrshire Council. However, Ayrshire wide, cross Council collaboration alongside CPP and wider organisation participation will be required to embed a Community Wealth Building approach across Ayrshire.
- The North Ayrshire Council Economic 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;
  - Commissioning or undertaking any further research required including identifying areas of best practice;
  - Invitation of any external speakers and organisation of events and workshops as required;
  - Collating feedback from the Community Wealth Building Expert Panel as required;
  - Secretariat for Lead Officer Working Group;

- Receiving and collating progress on the implementation of the Anchor Charter;
- Undertaking further consultation and engagement as required.



## **Appendix 3 – Community Wealth Building Commission Workplan**

### **Ayrshire Community Wealth Building Commission**

#### **Draft Future Workplan**

#### **1. Remit of the Ayrshire Community Wealth Building Commission**

The details of the Remit of the Commission are included within the updated Commission Terms of Reference. In summary, it is intended that the Commission will undertake the following:

- To progress and promote the development of a collaborative approach to Community Wealth Building in Ayrshire, ensuring Ayrshire remains at the forefront of Community Wealth Building in Scotland;
- To encourage wider local and regional Anchor Institutions in Community Wealth Building initiatives;
- To share highlights, success stories and promote best practice among Anchor Institutions;
- Monitor the implementation of the Community Wealth Building Anchor Charter;
- To oversee the implementation of the Ayrshire Growth Deal Community Wealth Building Fund project to ensure regional Community Wealth Building opportunities are maximised;
- To nominate relevant officers from member organisations (and wider regional Anchor Institutions as required) to join the Community Wealth Building Lead Officer Working Group;
- To agree a Commission Workplan and areas of focus for the Lead Officer Working Group;
- To support, oversee and guide the work of the Lead Officer Working Group;
- To seek advice and challenge from the North Ayrshire Community Wealth Building Expert Advisory Panel where relevant, such as on joint workstream activity and progress;
- To commission research and gather evidence on barriers to Community Wealth Building as required.

#### **2. Frequency of Meetings**

It is proposed the Commission continues to meet on a quarterly basis, with a Community Wealth Building Lead Officer Working Group to also meet four times a year and progress actions between Commission meetings.

#### **3. Commission Workplan**

It is intended that the Commission (and Lead Officer Working Group) takes forward a programme of work to develop and embed Community Wealth Building practices across Ayrshire. The suggested workstreams are aligned to the Community Wealth Building pillars and have been identified as priority areas which are likely to be relevant to all Commission members. These proposed workstreams are: Procurement, Fair Employment, and Land and Assets.

It will be necessary to identify a lead organisation to progress each of these workstreams in collaboration with other Commission members. To ensure an effective, evidence-based approach, it will be important to ensure participation from officers with relevant expertise and to this end, Commission members will be asked to nominate relevant officers to join the workstreams. For example, procurement leads will be required to drive forward the Procurement actions; employability and HR officers are essential to progress Fair Employment; asset management, regeneration and planning officers are required to drive forward the Land and Assets workstream.

Activity will be undertaken by the Lead Officer Working Group, which shall agree on the actions to be progressed. Development of the Anchor Charter and CWB Ayrshire Growth Deal Fund will help enable and drive forward workstream actions. Workstream progress updates will be provided to the Commission as required. The North Ayrshire CWB Expert Advisory Panel will be asked to advise on joint workstream activity and progress as required. The Commission or Lead Officer Working Group may wish to consider external presentations on these areas as appropriate.

It is acknowledged that resource capacity may prevent all workstreams from being progressed simultaneously and as such, the Commission and Lead Officer Working Group are asked to consider prioritisation and phasing of these workstreams.

The workstream objectives and any proposed actions are outlined as follows. These will be further developed by the Lead Officer Working Group following feedback from the Commission in December 2020.

***i. Procurement Workstream***

**Objective:** 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.

**Background:** At a Procurement Workshop held in November 2019 with Commission members, it was proposed that a short-life procurement working group was convened to take forward the following actions:

- Agree procurement leads to do further analysis of the data to assess opportunities for CWB approach;
- Identify opportunities for joint procurement on a regional basis (energy supply was noted as a possible example);
- Explore opportunities for the “Quick Quote” approach within the NHS and opportunities to provide supplier awareness and development support;
- Engage with Scottish Enterprise and Scottish Government on their evidence review on price sensitivities and impact of purchasing more locally / regionally.

Wider Commission feedback includes maximising the Supplier Development Programme in Ayrshire; pushing for flexibilities for national agencies/bodies in their spend and restrictions of national frameworks (see asks made as part of NA CWB strategy and AGD CWB Fund, and NA Economic Recovery and Renewal Approach).

**Proposed Actions:**

- Update procurement spend analysis and undertake further consideration of the data to assess opportunities for CWB;
- Identify opportunities for joint procurement on a regional basis;
- Identify opportunities for supplier awareness and development for businesses and the third sector across the Ayrshire region, including raising awareness of potential tender opportunities such as through Quick Quotes (additional support from the AGD CWB Fund may potentially help support the delivery of these ambitions);
- Engage with Scottish Government on the benefits for more local procurement and barriers which may prevent this.

**ii. Fair Employment Workstream**

**Objective:** Creating fair and meaningful employment opportunities by recruiting from priority groups, paying the living wage and building progression routes for workers.

**Proposed Actions:**

- Promote the Living Wage and Fair Work to Ayrshire businesses and the third sector (additional support from the AGD CWB Fund can support the delivery of these ambitions through the Fair Work Ayrshire programme and the work of the CWB Business Locality Officers);
- Explore areas for collaboration on workforce development and planning including apprenticeships and local recruitment;
- Promote the Living Wage Accreditation of the three Ayrshire Councils;
- Further actions to be agreed by the Commission and Lead Officer Working Group.

**iii. Land and Assets Workstream**

**Objective:** 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.

**Proposed Actions:**

- Analysis of the scale and key issues of vacant and derelict land in Ayrshire and explore collaborative innovative solutions;
- Ensure productive use of public sector buildings and assets in the region and opportunities for co-location and community use as appropriate;
- Link to proposals for a regional Energy Masterplan being progressed via the Ayrshire Regional Economic Partnership Clean Growth group as appropriate (tying into any joint procurement actions regarding this);

- Further actions to be agreed by the Commission and Lead Officer Working Group.

#### **4. Commission Standing Reporting Requirements**

In addition to the workplan areas of focus, the Commission will receive reports on the following matters:

- Annual Anchor Charter progress report – October 2021
- Annual North Ayrshire Community Wealth Building Strategy update – TBC Spring (June) 2021
- Progress and update reports on the Ayrshire Growth Deal Community Wealth Building Fund (subject to agreement of the Regional Economic Partnership).<sup>2</sup>

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<sup>2</sup> Please note this does not replace the formal governance of the Ayrshire Growth Deal through the Ayrshire Regional Economic Partnership and Joint Committee.

**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.

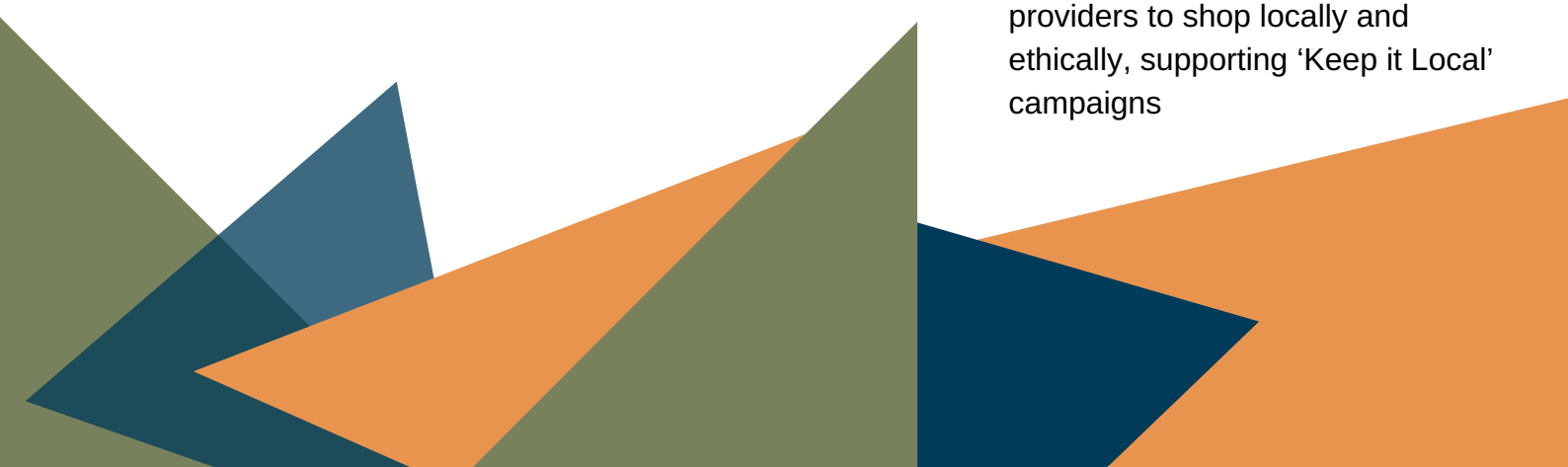
**Anchor Institutions**...are organisations which are rooted in particular places by their mission, histories, physically fixed land and assets, and established local relationships.

## 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



Mark Newlands  
Head of Partnerships, Scottish Enterprise



Carol Turnbull  
Principal, Ayrshire College



Barbara Hastings  
Chief Executive Officer, TACT

