

Report of	Meeting	Date
Director (Change and Delivery) (Introduced by Cabinet Member for Communities, Social Justice and Wealth Building)	Scrutiny Committee	Tuesday, 12 July 2022

Is this report confidential?	No
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Is this decision key?	No
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Community Wealth Building

Purpose of the Report

1. To present an update on the Community Wealth Building project to South Ribble Borough Council Scrutiny Committee.

Recommendations to Scrutiny Committee

2. The recommendation is that the committee notes the report as an update.

Corporate priorities

3. The report relates to the following corporate priorities:

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background to the report

4. The Community Wealth Building project aims to create a fairer and more prosperous South Ribble economy. Community Wealth Building as a concept provides a framework to ensure that development in South Ribble achieves measurable economic benefits for the residents of South Ribble. This starts with the Council as a community leader and

major local employer with the ability to set the standard and lead the way, but then extends to our partners, businesses and residents.

5. The core principles of Community Wealth Building are grounded in a local focus that:
 - Protects local land and buildings by using or developing them for the benefit of the local community, creating social value (i.e. something that is valuable for local people).
 - Supports local businesses, independent traders and groups of residents working together (known as co-operatives) decisions about local livelihoods are made in South Ribble not by remote shareholders or national companies.
 - Local suppliers are used to create local jobs, increasing resident's wealth and their local spend. Benefits ripple as money re-circulates locally.
 - Rather than big national banks, local member owned non-profit credit unions retain money locally and are more accessible, allowing for investment based on community priorities

A comparison of how Community Wealth Building compares to traditional economic development is included at Appendix A.

Year 1 progress update

6. Year one has progressed as planned, embedding the core principles and practices of Community Wealth Building in Council culture and processes. During year one core practices of Community Wealth Building have been embedded within Council processes, improving the Councils support of locally owned and socially responsible businesses.
 - Procurement processes have been enhanced to weigh social value in decisions, increasing the value of Council spend for the community.
 - Now an accredited Living Wage employer the Council sets an example of fair employment practices within the local economy.
 - A newly established branch of Unify credit union within the borough allows residents to access local, member ran financial products.
 - Year one of the project has developed this infrastructure to support and enable Community Wealth Building in South Ribble.

Key Actions Delivered

7. Progressive Procurement

- We have established the Social Value Portal as part of the tendering process, allowing the council to objectively weight the local social and economic impact as part of larger procurement decisions. This means existing spending can better drive local investment and employment in communities by including the added benefits of procuring from local, socially progressive, businesses in decisions. Three procurements have been through the portal process so far. The largest of these, for Jubilee Gardens Extra Care construction, resulted in a pledge of over £8.4m of Social and Local Economic Value to the area. This is a great example of how the process is able to secure significant additional local economic value by weighting procurement decisions of large construction projects in favour of companies with higher local re-spend and job creation rates (see Appendix B for the full breakdown of the West Paddock pledge).
- There are currently two further procurements live on the Social Value Portal and we are set to use the process in Leyland Town Deal procurements over the coming months which will secure further added social and local economic value for the area.
- These outcomes from the Social Value Portal have been mapped directly to wider corporate strategy priorities, allowing the impacts to be measured against wider organisational objectives.
- Officer training has been developed and widely attended, helping teams that complete procurement activities understand the new process and its aims in the wider organisation.
- A Shared Social Value Policy has been delivered offering a framework for officers in the Council and guidance on the use of the Portal to deliver additional social value locally (see Appendix C).

8. Business Engagement

- A Social Value Toolkit has been created by the Skills and Investment Team to aid local businesses to increase their social value offerings, the draft is currently being reviewed pending release.
- Video content, banners and a handout have been created to engage businesses with Community Wealth Building and Social Value. These are being shared at business events including the town deal 'meet the buyer' event (see Appendix D).

9. Credit Union offer accessible to all residents

- Refurbishment to an existing asset was completed to create a central space for the Unify Credit Union to operate a local branch from.
- Two employees have been recruited for the local branch with a third employee set to be recruited as an apprentice, creating quality opportunities in the community.
- Referral pathways between the Council and partner services have been established allowing for local financial accessibility to be improved.
- A monitoring process for the Credit Union has been agreed and implemented with performance on track to meet the Y1 target of 200 new savers.
- a. Promotion of the Credit Union offer has been widely circulated to residents with the annual Council Tax leaflet.

10. Organisation Development and Partnership Working

- Accreditation as a Living Wage employer has been achieved, ensuring the Council sets a good example of fair employment and leads the way for local partners.
- e-learning modules and staff communications have been created to increase knowledge of both Community Wealth Building and the Social Value Process.
- A simple one-page summary of Community Wealth Building has been finalised in a Council branded format allowing key messaging about the project to be quickly communicated (See Appendix A).
- Engagement with other councils and external organisations which support Community Wealth Building has been undertaken using a co-operative ethos through the CCIN (Cooperative Councils Innovation Network) to learn from others and share best practices.
- SRBC is now embedded within the Preston Anchor Network and has invited South Ribble anchor groups previously not included, working on this wider footprint provides a practical geography to influence external partners.
- Engagement with Runshaw College has begun to seek the inclusion of course content on social value, fair business practices and alternative models of business.
- A project to support local cooperatives has been scoped and a delivery plan initiated with initial discussions with community groups showing promising engagement and enthusiasm for the spirit of cooperation in the borough.

Next Steps

11. Forward Plan

- Deliver the corporate strategy project for supporting communities to develop the skills to create community cooperatives for a fairer and more varied local economy. Including a pilot project to promote food co-operatives (see Appendix E).
- The Supplier Social Value Toolkit will be released ensuring that local businesses understand what role they can play in improving the quality of work in the local economy.
- Community Wealth to be further promoted to local businesses using existing business support functions at future business events.
- Further evaluate and review council processes and measures to ensure they are fit for purpose including reviewing the Social Value Portal procurement value threshold.
- Scope options for how new and existing assets, such as those created through the Town Deal, will be owned and managed that accounts for social value and the retention of wealth within the borough.
- Further targeting of key groups for the Credit Union offer and further engagement with local employers to promote payroll deduction memberships.
- Deliver officer training on supporting and developing employee owned business models in the community.

Summary of Year 1 Position

12. Delivery of Year 1 of the Community Wealth Building Project has ensured the Council has solid foundations on which to sustainably develop Community Wealth over the long term. The principles of Community Wealth have been successfully embedded into the Councils culture, practices, and processes, ensuring lasting change. The Council, itself now an example of good practice, stands well positioned to shape the local economy by spreading practices through cooperation with partners, the community, and local businesses.

Comments of the Statutory Finance Officer

13. There are no direct financial implications arising from this report. The current level of reserves stand at £150k for Community Wealth Building and £83k for Credit Union; these will be drawn down as required.

Comments of the Monitoring Officer

14. There are no direct legal implications of this report.

Appendices

Appendix A – Community Wealth Building A4 Summary

Appendix B – Example of Progressive Procurement Using the Social Value Portal

Appendix C – Social Value Policy

Appendix D – Business Engagement A4 Examples

Appendix E – Food Co-op Pilot Flyer

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