



**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE
SERVICES COMMITTEE ON 19 OCTOBER 2021**

**SUBJECT: ROUTEMAP TO COMMUNITY WEALTH BUILDING STRATEGY
AND DELIVERY**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND
FINANCE)**

1. REASON FOR REPORT

- 1.1 To provide the Committee with details of the Routemap to Community Wealth Building (CWB) Strategy and Delivery for Moray and request that the Committee agree to the proposed timescales and governance arrangements.
- 1.2 This report is submitted to Committee in terms of Section III (F) (2) of the Council's Scheme of Administration relating to the exercise of functions that promote economic development.

2. RECOMMENDATION

2.1 It is recommended that the Committee agree:-

- (i) to the establishment of a Moray Anchor Network to oversee the coordination of the Community Wealth Building Strategy;**
- (ii) the proposed timescales for development of a Community Wealth Building Strategy for Moray**
- (iii) that a further report is considered for a future meeting of full Council regarding Elected Member representation on the Moray Anchor Network**

3. BACKGROUND

- 3.1 The CWB approach aims to retain wealth within the local economy, through restricting extractive practices and providing increased control and benefits for local people. The CWB approach is constructed around five core pillars:
- Progressive Procurement
 - Fair Employment and Just Labour Markets

- Shared Ownership of the Local Economy
- Socially Just Use of Land and Property
- Making Financial Power Work for Local Places

- 3.2 At its meeting on 28 October 2020, Council approved the allocation of funding for the employment of a CWB Officer, to develop and implement a CWB strategy for Moray (Paragraph 16 of the minute refers). Recruitment for the post was successful with the Officer starting in June of this year. However, the officer has subsequently been successfully recruited to the post of Senior Economic Officer for Strategy and Development, with the now vacant CWB Officer post advertised on 17 September.
- 3.3 The Council Procurement Strategy for 2021/2022, which incorporates measures targeted towards delivery of CWB outcomes, was approved by the Economic Growth, Housing and Environmental Sustainability Committee at its meeting on 8 June 2021 (Paragraph 12 of the minute refers).
- 3.4 The [Scottish Government](#) is committed to exploring how CWB can be utilised as an approach to delivering inclusive growth across Scotland, with several projects already in development to facilitate this. The Scottish Government have enlisted the support of prominent CWB advocates to help embed the approach within national economic development. A briefing note outlining the benefits of the CWB approach has been prepared for Elected Members and is available on the Scottish Centre for Regional Inclusive Growth ([SCRIG website](#)).

4. ESTABLISHING A MORAY ANCHOR NETWORK

- 4.1 It is proposed that a Moray Anchor Network be formed to coordinate the development and implementation of the strategy. This network will consist of representatives from public, private, and third sector anchor institutions, who hold a significant stake in the local economy. Including, for example, the Council, Highlands and Islands Enterprise, NHS Grampian, Moray College UHI, Ministry of Defence, Scottish Fire and Rescue, Police Scotland, Moray Chamber of Commerce, and tsiMORAY.
- 4.2 Initial research has shown that local political support and leadership in forming an anchor partnership has been essential in securing buy in from external partners. In both Preston and North Ayrshire, who have successfully implemented local CWB strategies, this has taken the form of the Council Leader serving as Chair of the anchor partnership. It is proposed that a separate report to Council be prepared regarding Elected Member representation and chairing of the anchor partnership.
- 4.3 The Moray Anchor Network will work in collaboration with the Moray Economic Partnership and Community Planning Partnership, to support delivery of the outcomes of the Moray Economic Strategy, Moray Economic Recovery Plan, and Local Outcome Improvement Plan.

5. **A ROUTEMAP TO BUILDING COMMUNITY WEALTH**

- 5.1 The Routemap to CWB Strategy and Delivery provides a framework and timeline for the development and implementation of the strategy. The Routemap has been included as **APPENDIX 1** and is supported with a supplementary document, which provides early considerations of how the CWB approach may be applied in Moray in **APPENDIX 2**.
- 5.2 The routemap to creating the strategy will be completed in the phases and timescales outlined below, dependent upon successful recruitment to the vacant CWB officer post:

Planning (June – December 2021)

- Peer learning from colleagues within other local authorities who have more established community wealth building practice
- Research and analysis of the current landscape in Moray to provide a baseline for the five pillars
- Reinvigoration of supplier development forum to address current levels of leakage from Council procurement spend

Development (December 2021 – September 2022)

- Consultation with local stakeholders and partners to support development of the strategy
- Establishment of a Moray Anchor Network
- Creation of CWB action plans for Moray Growth Deal and Levelling Up Fund projects for the end of March 2022
- Preparation of draft strategy for the end of June 2022
- Public consultation on draft strategy for the end of August 2022
- Finalising and publicising strategy for the end of September 2022
- Developing draft action plan to support strategy delivery

Implementation (September 2022 onwards)

- Integration into existing local strategies
- Finalising action plan for delivering against performance indicators identified in strategy
- Reducing leakage of local procurement spend
- Maximise community benefits from public land and assets
- Support growth of social enterprise in industries where the third sector is currently underrepresented

Monitoring (September 2022 onwards)

- Review of progress against indicators identified in strategy, including annual reporting to Council
- Inclusion of CWB considerations in relevant committee reports

- 5.3 In addition to progressing the Strategy, the CWB Officer will work with colleagues to embed a CWB approach in the Moray Growth Deal projects and develop a CWB action plan to support the Council's bid to the UK Levelling Up Fund.
- 5.4 As suggested in the report to Council on 28 October 2020, the initial focus in delivering CWB has been to build upon the previous work of the procurement

service to reduce the current level of leakage from the local economy through Council procurement spend (Paragraph 16 of minute refers). Through collaboration between procurement and economic development colleagues, a supplier development forum has been reinvigorated with the intent of supporting local SMEs and social enterprises to tender for Council contracts and participate in supply chains. The forum will include internal colleagues from Procurement, Business Gateway, Community Learning and Development, and Climate Change, alongside external colleagues from Highlands and Islands Enterprise and tsiMORAY. The forum will provide support and assist in the direction of activities delivered via the Supplier Development Programme.

- 5.5 An example of where Community Wealth Building has been delivered successfully is in Preston. In the space of 5 years, public anchor institutions in the city increased their level of procurement spend within Preston from 5% to 18.2%. This equates to an additional £74M being retained in the economy annually. Further information about the impact of CWB in Preston can be found in a report by the Centre of Local Economic Strategies: How We Built Community Wealth in Preston, which has been made available as a background paper. Further case study examples of how CWB has been delivered in other local authority areas are available on the [SCRIG website](#).

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The proposals will contribute to achieve the corporate plan priority to promote economic development and growth, also the LOIP priority of a growing and sustainable economy.

(b) Policy and Legal

The Council considers support for economic development issues on their merits, against the objective to facilitate sustainable economic growth and the desired outcomes of the Ten Year Plan and Corporate Plan.

(c) Financial implications

There are no financial implications arising directly from this report.

(d) Risk Implications

CWB requires an alternative perspective on risk that balances financial cost, with social and environmental cost.

The risk in relation to CWB is to do nothing. As other local authorities adopt CWB practices to strengthen their local markets and grow their business bases, Moray could find its economic position weakened with increased leakage of local spend, as suppliers from outwith the area are upskilled in tendering for public contracts and supply chain participation.

There is also risk posed to the estimated delivery timescales, in the event that there are delays in the recruitment of a new CWB Officer.

(e) Staffing Implications

The CWB Officer post is for a fixed term of 2.5 years. The actions detailed in this report do not require any further staff resource at this time. The actions relating to development of the CWB strategy will be undertaken by the CWB Officer and Senior Economic Officer for Strategy and Development. Supplier development and procurement activities will be undertaken by officers from Procurement, Strategic Planning and Development, Economic Growth and Regeneration, Community Learning and Development, and Business Gateway. Departmental lead officers will be responsible for supporting local delivery and contract management in procured contracts.

(f) Property

There are no property issues arising directly from this report.

(g) Equalities/Socio Economic Impact

The actions detailed in sections 4 and 5 aim to promote equality and growth in the local economy through the development and implementation of a CWB approach. The draft CWB Strategy will be accompanied and informed by an Equalities Impact Assessment.

(h) Consultations

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Payments Manager, Paul Connor (Principal Accountant), the Equal Opportunities Officer and Lissa Rowan (Committee Services Officer) have been consulted and their comments incorporated.

7. CONCLUSION

- 7.1 This report outlines the routemap to developing a CWB strategy and the expected steps in its initial implementation.**
- 7.2 A CWB approach will support the previously approved actions listed within the economic recovery plan relating to progressive procurement.**
- 7.3 Developing a CWB strategy is a key component of the economic recovery of Moray. The actions detailed in this report should be viewed as integral to the delivery of the economic recovery plan.**

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Background Papers:
Ref: