



REPORT TO: CORPORATE COMMITTEE 8 NOVEMBER 2022

SUBJECT: COMMUNITY IDENTIFIED BENEFITS

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

1. REASON FOR REPORT

- 1.1 To request amendments to the Council procurement process to create a list of Community Identified Benefits, to be used as a platform for direct engagement with community groups in the delivery of community benefits clauses associated with Council contracts. This activity is linked to the development of a Community Wealth Building (CWB) approach within the Council.
- 1.2 This report is submitted to Committee in terms of Section III (B) (21) of the Council's Scheme of Administration to formulate, supervise the implementation of and review as necessary the policies and practices of the Council in relation to its procurement arrangements

2. RECOMMENDATION

2.1 It is recommended that the Committee:-

- (i) approve the creation of a list of Community Identified Benefits to coordinate delivery of community benefits within Council procurements; and**
- (ii) agree to the proposed changes to the Procurement Strategy to reflect the adoption of a list of Community Identified Benefits and increased focus upon delivery of community benefits in contracts of all values.**

3. BACKGROUND

- 3.1 CWB aims to retain and recirculate existing wealth within the local economy, through supporting local businesses and business models which are more likely to spend, employ and invest locally, while also providing increased control and benefits for local people. This includes providing increased opportunity for community decision making. 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, Moray Council approved the recruitment of a CWB Officer to develop and implement a CWB strategy for Moray. (paragraph 16 of minute refers) With a CWB Officer initially recruited in June 2021. However, the officer was subsequently recruited to the post of Senior Officer for Economic Strategy and Development. With a replacement officer only successfully recruited to the post in July 2022, this has resulted in unexpected delays to progressing the strategy due to a lack of existing resource.
- 3.3 It was agreed that the initial focus of CWB would be to reduce the leakage from the local economy through public procurement spend. Given that community benefits are intrinsically linked to procurement, and the proposed model below had already been successfully implemented in numerous other local authorities who were not already adopting a CWB approach, it was decided to progress with developing the project as a forerunner to the CWB Strategy.
- 3.4 A Routemap to CWB Strategy and Delivery was approved by the Economic Development and Infrastructure Services Committee on 19 October 2021 (paragraph 12 of the minute refers). In support of this, a supplier development forum was reinvigorated, consisting of procurement officers from the Council, NHS Grampian, Highlands and Islands Enterprise, and UHI Moray, alongside internal and external business and community support representatives. The remit of this group is to support local businesses and social enterprises to tender for public contracts and participate in supply chains. The CWB Strategy is currently under preparation ahead of a draft being reported to committee in early 2023. The proposals in this report align with the CWB pillars above enabling considering ahead of the strategy itself.

4. COMMUNITY BENEFIT PROCESS

- 4.1 Community benefit requirements are defined in the Procurement Reform (Scotland) Act 2014 as a contractual requirement relating to one or more of the following:
- training and recruitment
 - availability of sub-contracting opportunities
 - activities otherwise intended to improve the economic, social or environmental wellbeing of the authority's area
- 4.2 All public sector contracting authorities are required to consider including community benefit requirements for all regulated procurements where the estimated value of the contract is equal to or greater than £4m. However, research has shown that community benefits can also be widely achieved in procurements under the £4m threshold.

- 4.3 There is a commitment within the Moray Council Procurement Strategy to ensure that all relevant contracts have considered the inclusion of community benefits that will, in particular, benefit the local Moray community. Embedding community benefits into the procurement process works well for high value, longer term projects where high level community benefits can be requested. However, this does not define the process for managing delivery of community benefits, nor maximise delivery of community benefits from lower value projects.
- 4.4 At present, delivery and monitoring of community benefits (within a contract of any value) is the responsibility of the Contract Manager. There is no coordinated procurement resource for collecting this information at present. The procurement team only collect the number of community benefits within tenders, which is then reflected in the procurement Annual Report.
- 4.5 Creation of a coordinated system to manage the delivery of community benefits would ensure uniformity across all contracts and provide opportunity to grow the number of community benefits delivered. This system could encourage increased provision of community benefits in contracts below the £4m threshold. The Procurement Strategy, which is the subject of separate report to the same meeting of this committee, would need to be updated to reflect any changes to community benefit policy as per the Procurement Reform (Scotland) Act 2014.

5. COMMUNITY IDENTIFIED BENEFITS

- 5.1 Requesting that suppliers identify the benefits to be delivered does not always meet the needs of the community or the priorities of the Council. To remedy this, it is proposed that a list of Community Identified Benefits be developed to better align the needs of local communities with the delivery of community benefits. Through this platform, community organisations will be able to request support via provision of a service of material good. Council suppliers will then select the community requests to deliver in meeting their community benefit obligations.
- 5.2 This approach has already been successfully implemented in a number of other Local Authorities. [Perth and Kinross Council](#) pioneered this innovative way for local organisations to place requests for what they needed through creating the first Community Benefits Wish List, and which is now being used as an exemplar of best practice by Scottish Government. To date, in excess of 70 individual wishes have been delivered by suppliers, including placements for prison leavers, financial support for local charities, employment opportunities and careers workshops for young people. The website also includes a [Map of Community Benefits Delivered](#), highlighting the suppliers which have provided the benefits, the recipient organisation, and the communities who have benefitted. These include the donation of a number of recycled laptops to Alyth Youth Partnership from a national decorating firm, contracted to the Council via a Housing Planned Maintenance Framework.

- 5.3 [North Ayrshire Council](#) have also developed a Community Benefits Wish List, linked to its commitment to the CWB approach. The platform has been well received by both communities and suppliers, with a range of online case studies detailing the wishes that have been delivered since its launch last year demonstrating the success of the approach. North Ayrshire Council have also published a selection of [Case Studies](#) of the community benefits delivered through the Wish List. These include a local bakery who have supported the Ayrshire Fairer Food Network with 720 freshly baked rolls each week at no cost to support its network of community larders.
- 5.4 Creation of a list of Community Identified Benefits, would result in a number of positive impacts:
- Effective community engagement
 - Fostering relationships between communities and private sector
 - Meaningful delivery of community benefits
 - Empowering and meeting the needs of local communities
 - Enhancing the social responsibility of Council suppliers

6. PROPOSALS

- 6.1 To explore the creation of a list of Community Identified Benefits for the Council, a cross section working group was formed consisting of the Payments Manager, Principal Accountant, and Senior Officer Economic Strategy and Development. With further support and input provided by the Community Learning and Engagement Team Manager. This group have outlined high level actions for designing and implementing the Community Identified Benefits platform. These were presented initially via a Three Minute Brief to Corporate Management Team (CMT) on 4 August 2022.
- 6.2 The list will be published on the procurement pages of the Council website. The platform will be promoted to local communities through the officers within the Community Support Unit and local partners such as tsiMORAY, with further communications via press releases and social media channels. Local community groups and third sector organisations will be invited to submit benefit ideas, which could take the form of anything from material goods, sponsorship, to volunteer expertise or labour. Officers propose not to accept requests for monetary benefits.
- 6.3 Contract managers will retain responsibility for ensuring the delivery of community benefits, with a process devised for capturing and collating this information.
- 6.4 A project group will be formed to refine the process for implementing, managing and monitoring the platform. This will include the CWB Officer alongside officers from the Payments and Community Support Unit sections. It will be the responsibility of this cross-section team to:
- Review new wish submissions
 - Monitor supplier delivery of wishes
 - Liaise with internal and external stakeholders
 - Awareness raising campaign across Council services

6.5 The next steps and estimated timescales for implementation are outlined below should the proposals be approved.

Project stage	Responsibility	Timescales
Stakeholder Engagement <ul style="list-style-type: none"> Liaison with key partners and stakeholders, including Community Learning and Development, IT, tsiMORAY, and CPP Community Engagement Group. Engagement with key third sector stakeholders in the design of the process Liaison with Community Engagement Group 	Project Team	November 2022 – February 2023
IT / Technical Development <ul style="list-style-type: none"> Design of efficient and effective process Creation of new page on Council website to host the Community Identified Benefits, as well as a portal for communities to upload their requests 	ICT, Project Team	November 2022 – February 2023
Procurement Process <ul style="list-style-type: none"> Incorporate the list of Community Identified Benefits into CB tender development process and non-cash benefit reporting Devise process for contract managers to coordinate contractor selection of wishes and to record delivery 	Procurement, Project Team	November 2022 – February 2023
Marketing and Communications <ul style="list-style-type: none"> Design of communications action plan to ensure promotion of new feature Widespread promotion via partners including tsiMORAY, Joint Community Councils, and CPP 	Corporate Comms, Project Team, External Partners	January 2023 onwards
Delivery and Monitoring <ul style="list-style-type: none"> This would be the responsibility of the existing cross-section staff who are appointed with responsibility for overseeing the list of Community Identified Benefits Identification of appropriate community partners to support delivery of community wishes 	Project Team, External Partners	March 2023 onwards

7. 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

Any changes to the community benefits process will need to be reflected in the Procurement Strategy as per the Procurement Reform (Scotland) Act 2014.

(c) Financial implications

There are no financial implications arising directly from this report.

(d) Risk Implications

There are no risk implications arising directly from this report.

(e) Staffing Implications

The design, implementation, and ongoing operation of the Community Identified Benefits will be supported with existing staff resource. This will include the CWB Officer alongside officers from Procurement and Community Support Unit. All of the relevant sections have been consulted throughout the development of the proposals and have agreed to provide resource for ongoing support of the Community Identified Benefits platform. Contract managers will retain responsibility for managing community benefits within contracts, this will require no additional resource.

The ICT service will be required to provide assistance with the design of the online interface for submitting and hosting community wishes. The Information Systems Manager has been consulted on this and has agreed to provide ICT support in developing a system for data collection which will be hosted on the Council website, advising that this should be feasible within the proposed timescales. Officers have been assigned to assist with the current scope of work.

Communications activity will require the support of the corporate communications team to create a campaign of press releases social media posts to ensure awareness of the new list of Community Identified Benefits. Further external support will be requested from stakeholders including HIE, tsiMORAY, and Chamber of Commerce to assist with this.

(f) Property

There are no property issues arising directly from this report.

(g) Equalities/Socio Economic Impact

The proposals aim to promote equality through the development and implementation of a CWB approach.

(h) Climate Change and Biodiversity Impacts

There are no biodiversity issues arising directly from this report. However, community identified benefits may include opportunities to enhance the environment or contribute to tackling climate change, for example through providing opportunity for recycling materials from building projects, or through contributing to access projects or community green space management.

(i) Consultations

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, Payments Manager, the Chief Financial Officer, Principal Climate Change Officer, the Community Learning and Engagement Team Manager, the Information Systems Manager, the Senior Communications Officer, the Equal Opportunities Officer and Committee Services Officer have been consulted and their comments incorporated.

7. CONCLUSION

- 7.1 The proposals will encourage suppliers to work in partnership with the Council and to support local communities in a real and sustainable way. This provides opportunity for positive engagement and public relations both for the Council and the suppliers in receipt of public contracts. Communities will benefit from receiving essential support in the delivery of projects and activities.**
- 7.2 Creation of a Community Identified Benefits platform would reaffirm the Council's commitment to the Community Wealth Building approach, through maximising local impacts through Council spend.**

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Background Papers:	
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