



**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE
SERVICES COMMITTEE ON 30 APRIL 2024**

**SUBJECT: MORAY COMMUNITY WEALTH BUILDING STRATEGY AND
ACTION PLAN**

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

1. REASON FOR REPORT

- 1.1 To present to committee for approval the Moray Community Wealth Building Strategy (CWB) as set out in **APPENDIX 1**.
- 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 statutory functions that promote economic development in term of paragraph 171 of the Local Government (Scotland) Act 1994.

2. RECOMMENDATION

2.1 **It is recommended that the Committee:-**

- (i) **notes the consultation that has taken place with Stakeholders; and**
- (ii) **approves the Moray Community Wealth Building Strategy and Action Plan as set out in Appendix 1.**

3. BACKGROUND

- 3.1 The CWB approach aims to retain wealth within the local economy, through restricting extractive practices and placing increased control and benefits in the hands of local people. CWB is constructed around five pillars:
- **Spending** - Using public spend to deliver community benefit, fair work and build local supply chains.
 - **Workforce** - Ensuring the workforce are in well paid jobs that benefit from an effective voice, security and flexibility.
 - **Inclusive Ownership** - Stimulating the development and growth of locally owned enterprises that generate community wealth.
 - **Land and Property** - Ensuring that communities maximise benefit and generate wealth from local land and property.

- **Finance** - Ensuring that the flows of wealth generated within the local economy works for the wellbeing of communities and businesses.
- 3.2 The Scottish Government has embedded CWB within its approach to economic development within both the **National Strategy for Economic Transformation (NSET) and National Planning Framework 4 (NPF4)**. The Scottish Government's vision for Scotland is to create a Wellbeing Economy based around an economic model that prioritises the collective wellbeing of current and future generations.¹
- 3.3 On 30 May 2023, the Planning and Regulatory Services Committee approved the guidance created to support NPF4 Policy 25 Community Wealth Building (paragraph 10 of the minute refers), which requires developers to submit a Community Wealth Building Plan with their application. The Plan is required to set out details and targets to increase spend within the local economy including maximising opportunities within the local supply chain and maximising local employment and training opportunities.
- 3.4 On 20 June 2023, this committee approved a draft CWB strategy and Action Plan for a 6 week public consultation period, from 21 June to 2 August 2023 (paragraph 11 of the minute refers). The draft version of the CWB strategy and Action Plan has now been revised following the public consultation and stakeholder engagement and also in light of the impact on staffing resources of agreed budget savings.

4. COMMUNITY WEALTH BUILDING BILL

- 4.1 As highlighted in the Scottish governments 2021-22 plan for government, is a plan to introduce legislation on CWB during this Parliamentary session. On 31 January 2023, the Scottish Government published a consultation on CWB in which views and comments were sought on what future CWB legislation should look like and where existing law and policy could be changed to advance action on CWB.
- 4.2 Results of the consultation were published on the Scottish Government website. The results highlighted that 63% of respondents were in favour of the introduction of a CWB duty. This duty could involve public bodies to produce a collective CWB place-based strategy and action plan which contains specific actions across the five CWB pillars to advance the CWB model of economic development in their local authority area.
- 4.3 Acknowledging the positive impact of embedding a CWB approach to economic development, is the reason why this CWB strategy has been developed for Moray. This means that Moray Council will be in delivery of CWB action plan once the CWB duty comes into force.

¹ [Scottish Government, Creating a Wellbeing Economy](#)

5. MAXIMISING NET ECONOMIC IMPACT DRAFT SUPPLEMENTARY PLANNING GUIDANCE

- 5.1 National Planning Framework 4 (NPF4) was approved on 13 February 2023 and introduced a suite of new policies which now form part of the Development Plan for Moray. Policy 11c) has introduced a step change in the assessment of renewable energy developments, including a requirement that proposals for energy developments will only be supported where they “maximise net economic impact, including local and community socio-economic benefits such as employment, associated business and supply chain opportunities.
- 5.2 A report to a special meeting of Moray Council on 24 April 2024 considered a report seeking approval of draft supplementary guidance to implement NPF4 Policy 11c).(the minute reference is not yet available)

6. MORAY ANCHOR NETWORK

- 6.1 To support the development and implementation of the Strategy, a Moray Anchor Network (MAN) has been formed. Following a suggestion during this committee on 20 June 2023 (paragraph 11 of minute refers), the Federation of Small business has been invited to join the Anchor Network to support the representation of small and micro business in Moray.

7. PUBLIC CONSULTATION

- 7.1 Following its approval, the draft strategy and action plan was subject to a 6 week public and stakeholder consultation. During the consultation process, the draft strategy was made available for comment via the Council’s website and was shared with key internal and external stakeholders, with comments invited by 2 August 2023. Responses received and any amendments proposed were incorporated where relevant within the final strategy.
- 7.2 In terms of feedback, a total of 7 responses were received, including 2 from members of the public, 2 from third sector businesses, 2 from membership bodies representing the sector, and 1 from a public sector organisation. A number of emails were received in relation to the consultation however they did not fill out the appropriate consultation questions. Such responses were still considered as part of the consultation review. A full overview of the consultation is presented in **APPENDIX 2**.
- 7.3 The consultation has been valuable in informing the development of the final CWB strategy. A number of minor changes have been made to the strategy to reflect the feedback that was received from stakeholders and the public. The key amendments were;
- The procurement objectives and actions around community benefit and fair work have been altered to ensure that they are realistic and achievable in the current environment.
 - Land and Property objectives have been adjusted to reflect the support needed for communities to acquire control or manage public assets.

- Adjusted developer obligations action within Land and Property pillar to have the main focus of developer obligation in delivering community infrastructure.

7.4 The results from the consultation and stakeholder consultation showed a broad support for the aims and actions of the strategy. However, there was recognised need for ongoing engagement with key private, third and public stakeholder groups when delivering the strategy and action plan. It is also important that during delivery, the messaging surrounding CWB is easy to understand for all communities within Moray.

8. STRATEGY & ACTION PLAN

8.1 The CWB strategy sets out a 10 year vision to create a more sustainable and inclusive economy for Moray that retains the wealth and skills within our local communities. The strategy is a five-pillar approach that focuses on: Spending, Workforce, Inclusive Ownership, Land & Property, and Finance. The aims, objectives, and actions identified under each pillar have been informed by engagement with key partners and in consultation with the community.

8.2 The strategy will be implemented by the Moray Anchor Network, in partnership with Moray Council and other stakeholders. The delivery of the action plan will be reported to the Anchor Network, Moray Economic Partnership, and this Committee on an annual basis.

9. DELIVERY OF STRATEGY AND ACTION PLAN

9.1 As shown in **APPENDIX 1** there are a number of actions that cannot be progressed at present due to resourcing constraints. Acknowledging limitations in resourcing, the CWB action plan has a number of 'on hold' actions. It is recognised that the effectiveness of the CWB strategy may be undermined given the number of actions on hold. Officers will be looking at alternative ways that staff resources can be funded to progress those actions.

10. COMMUNICATION OF CWB

10.1 To ensure the successful implementation of the CWB Strategy communication of the strategy and awareness raising of the term Community Wealth Building is needed for our communities and businesses.

10.2 A communication plan and promotional campaign will be embedded within the Moray Economic Partnership (MEP) Communications plan across all five pillars of CWB. This will include meaningful engagement with all MEP and CPP stakeholders and Moray Growth Deal project managers, to ensure alignment of delivery. The communications activities will be delivered using existing resource across the partnership.

11. **SUMMARY OF IMPLICATIONS**

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

The Strategy and Action Plan will aim to support the corporate plan priority of driving economic development to create a vibrant economy for the future as well as delivering on the LOIP priority of a growing and sustainable economy.

(b) Policy and Legal

The CWB Strategy and Action Plan links to objectives embedded within National policies of NSET, Fair Work, NPF4 and the future implementation of the CWB Bill as set out in the strategy document.

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 LOIP and Corporate Plan.

(c) Financial implications

There are no new or additional financial implications arising directly from this report of the approval of the final strategy.

(d) Risk Implications

CWB requires an alternative perspective on risk that balances financial cost with socioeconomic and environmental impact. Moray has an opportunity to be a step ahead of many other authorities in adopting this approach.

With the Scottish Government in the process of preparing a CWB Bill, the likelihood is that other local authorities will adopt CWB practices to strengthen their local markets and grow their business bases. It is key that Moray businesses are provided with the same opportunity to ensure the economy does not 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. However, the strategy and actions take a proportionate approach to delivering upon this in light of current resource availability and ahead of national legislation being adopted.

(e) Staffing Implications

There is no longer a dedicated CWB Officer post. However, coordination and monitoring of the strategy will be led via existing staff resource within Economic Growth and Regeneration. Delivery of the actions will require the support and commitment of officers across a range of internal services, including Procurement, Strategic Planning and Development and Education, Resources and Communities, including contract managers, as well as the support of key external partners.

(f) Property

A key element of CWB is to work with key services within Moray Council and Anchor partners to ensure communities maximise benefit and generate wealth from local land and property. The implementation of the CWB Strategy and Action Plan will look to:

- Facilitate use of public assets to support the needs of the community by maximising the use of outdoor space for community benefit and promoting the availability of vacant, underused public assets.
- Assist local communities to take ownership of vacant or underused public assets by continuing to support communities through the Community Asset Transfer (CAT) process.
- Embed community benefit requirements into local planning policy by implementing CWB planning guidance for all upcoming major developments including wind farms and maximise local impact of Developer Obligations to support skills development opportunities and provide community infrastructure, linked to NPF4 Policy.

(g) Equalities/Socio Economic Impact

The proposed actions aim to promote equality and growth in the local economy through the development and implementation of a CWB approach. The vision of the CWB Strategy is to “create a fair and equal society where our communities have a greater stake in Moray’s economy”.

(h) Climate Change and Biodiversity Impacts

There are no biodiversity issues arising directly from this report. However, actions aimed at addressing the climate crisis share many synergies with the CWB approach. It is highly likely that increasing local spend through Progressive Procurement will have a positive impact the Council’s carbon output, through reduced transport and logistics emissions. Furthermore, activities which address the drive towards Socially Just Use of Land and Property will support both the social justice and environmental justice agendas.

(i) Consultations

The Moray Community Wealth Building Strategy and Action Plan has been subject to the consultation of CMT/SMT with comments received incorporated within the draft strategy presented to committee.

The Depute Chief Executive (Economy, Environment and Finance), all Heads of Service, the Legal Services Manager, the Strategic Planning and Development Manager, the Economic Growth and Regeneration Manager, the Communities Service Manager, the Principal Climate Change Officer, the Equal Opportunities Officer and Lissa Rowan (Committee Services Officer) have been consulted on this report with their comments incorporated.

12. CONCLUSION

- 12.1 Development of the Moray Community Wealth Building (CWB) Strategy has been a key component of the Economic Recovery Plan for Moray, while also supporting the strategic objectives of the Moray Economic Strategy.**
- 12.2 CWB provides an opportunity to take a strategic approach to addressing some of the long standing economic challenges which Moray faces. Including the lack availability of a sufficient working age population, the low wage economy, and gender pay inequalities. The committee is presented with this strategy and the opportunity to embed a new socioeconomic approach within the ways of working across the Council – and the community planning partners – to support delivery of an economy that works for all.**

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Background Papers: SPMAN-813460984-352
SPMAN-813460984-353
SPMAN-813460984-355

Ref: SPMAN-813460984-545