



## **POLICY AND RESOURCES COMMITTEE**

**Wednesday, 9 June 2021**

<b>REPORT TITLE:</b>	<b>COMMUNITY WEALTH BUILDING UPDATE</b>
<b>REPORT OF:</b>	<b>ALAN EVANS, DIRECTOR OF REGENERATION AND PLACE</b>

### **REPORT SUMMARY**

A prosperous, inclusive economy where local people can get good jobs and achieve their aspirations is a key priority for the Council. Community Wealth Building is a key part of how we will achieve this and makes a major contribution to the economic, social and health outcomes of the borough.

This report provides an update on latest developments to drive Community Wealth across Wirral, together with some an overview of actions to accelerate this approach as part of Wirral's Strategic Recovery.

### **RECOMMENDATION/S**

The Policy and Resources Committee is recommended to consider and comment on the progress made in driving Community Wealth Building in Wirral to date and endorse the approach going forward.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 Community Wealth Building (CWB) must be at the core of Wirral's strategic planning and recovery, and this approach sets out the priorities, ambition, and key deliverables for the organisation to do this.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Community Wealth Building is an intrinsic part of Wirral's commitment to build a more prosperous and fairer borough, and therefore no other options were considered.

### **3.0 BACKGROUND INFORMATION**

- 3.1 As part of our commitment to driving inclusive economic growth, in recent years Wirral Council (alongside key national players such as Preston and Salford) has been leading a Local Community Wealth Building project with the Centre for Local Economic Studies (CLES), which will help us and our partners to create a more inclusive economy. Pre-Covid, Cabinet Member for Finance & Resources Councillor Williamson launched Wirral's Community Wealth Building Strategy in February 2020. (Attached at Appendix 1). The Strategy set out a strong commitment to achieve ambitious growth that also brings benefits for local people, communities, and businesses; and helps to tackle wider social and economic disparities.
- 3.2 During 2020 the social, economic, and political landscape in the borough has significantly changed. Covid has sharply exposed existing inequalities, and it is therefore essential that our CWB Strategy is at the heart of our emerging Strategic Recovery Plans. CLES has been working with the Council to help refocus our original CWB Strategy so that we can respond to the impact of Covid and inform our Economic Recovery Plan (see para 3.4). Community Wealth is being embedded into our refreshed Wirral Plan, to help drive inclusive economic growth as well supporting a wide range of our strategic goals to improve outcomes in relation to health and social care; families; environment; housing. Projects such as The Wirral Growth Company and the Investment Strategy are being directed and informed by the principles of Community Wealth Building.

### **3.3 Activity to date**

#### **3.3.1 Social Value**

(a) Over the last 3 years, Wirral Council has sought to identify and maximise the wider financial and non-financial impacts of programmes, organisations and interventions, including the wellbeing of individuals and communities, social capital and the environment through its hugely successful embedding of Social Value measurement and management in to commissioning opportunities.

(b) To date, this programme has realised £6.2m and commitment of £12.1m in additional Social Value contributions from our supply chain. In addition, some of the non-financial benefits realised have had a tremendous impact on the lives of our communities, in particular the multi award winning programme of securing

employment and apprenticeship opportunities for care leavers. This approach has provided many meaningful opportunities with real training and career opportunities. Benefits include:

- Local Employment – creation of local employment and training opportunities
- Maximising the Wirral Pound – buying locally where possible to reduce unemployment and raise local skills (within the funding available and whilst minimising risk to Wirral)
- Community development - development of resilient local community and community support organisations, especially in those areas and communities with the greatest need
- Good Employer - support for staff development and welfare within providers' own organisations and within their supply chain
- Green and Sustainable: protecting the environment, minimising waste and energy consumption and using other resources efficiently, within providers' own organisations and within their supply chain

(c) Wirral has recently reviewed and updated its Social Value approach. The new approach is based on the same methodology of using the open-source National Themes, Outcomes and Measures (TOMs) to assign a quantitative and qualitative score to Social Value. Our performance and evidence-based approach to Social Value is considered in every procurement exercise valued at £100,000 and above; subject to the Public Contract Regulations 2015, and to lower values if applicable. Wirral Council's full list of TOMs contains 37 measures across the 4 themes of:

- Jobs: Promote Local Skills and Employment
- Growth: Supporting Growth of Responsible Regional Business
- Social: Healthier, Safer and more Resilient Communities and
- Environment: Decarbonising and Safeguarding our World.

This new approach to collecting, evaluating and monitoring Social Value information will allow us to maximise even more the Social Value Wirral receives.

### **3.3.2 Community Businesses and Co-operatives**

(a) Expansion of support to community businesses and cooperative sector - as part of our CWB approach there is a commitment to support and increase a more plural economy – including co-operatives and community businesses. We have been working closely with organisations including Power to Change and others to support this sector.

(b) Wirral was acknowledged as TrailBlazer Council for Keep it Local Capacity: The Public Services Lab, to support its local voluntary and community sector through reforms to commissioning and procurement to help them harness the local potential that exists in our neighbourhoods and communities.

(c) The Chamber of Commerce have established a Community Business Forum that puts the VCF sector on an equal footing with the rest of the industry sectors.

(d) Building on Wirral's leading approach in this field, support for socially trading community businesses was boosted in August 2020, when the Liverpool City Region Combined Authority launched the £6.5m Kindred initiative, which includes £5.5m from the LCRCA and a further £1 million from independent trust and strategic

partner, Power to Change. This approach acknowledges the value and importance of the LCR socially trading sector – sometimes known as community businesses – those companies that set out to deliver social benefits by trading commercially. They do not include more traditional charities who rely solely on donations or grant income, or those organisations who export profits from a locality. The sector employs 50,000 people, one in ten of the city region’s workforce, with 1300 socially trading organisations generating £2.9 billion per year for the city region economy. It is a significant part of Building Back Better, the economic recovery plan for the Liverpool City Region.

(e) Wirral Council is committed to doing more to support plural ownership and co-operatives and to focus on collaboration with local residents. We are exploring opportunities for more community owned businesses, community interest companies, worker owned cooperatives, and to advance the role of SMEs in our economy,

### **3.3.3 Community Bank**

(a) A key principle within CWB aims to make financial power work for local places to increase investment in local economies by harnessing the wealth that exists locally. This moves towards a more generative economic model of finance, where investors want communities to prosper, not to extract their wealth, but because they have a real stake in the local community. Wirral has been looking to achieve this through the formation of the Northwest Community Bank. The Council, alongside Liverpool and Preston Councils have agreed to invest in the North West Mutual Ltd, a Community Bank that will support the needs of residents and businesses across the North West that aims to keep the wealth of the North West in the North West.

(b) The Bank is at the initial stages of development and will take around 18 – 24 months to open, on the basis that it is granted a banking licence by the Bank of England. The Council will not own the bank or have any role in its management, it will be a shareholder and member as the bank will operate on a cooperative basis and will be owned by all of its members – account holders and investors. Recruitment is currently underway for an Interim Board who will be responsible for recruiting the key roles that will take the development of the bank forward.

### **3.3.4 Strategic rollout of Community Wealth Building**

We continue to embed CWB across our wider strategic plans and partnership. Over the last year, actions included:

(a) Linking Social Value to procurement across our partners. Wirral Health Care Commissioning now use Social Value in their hospital and care provider contracts.

(b) During Covid we committed to Real Living Wage to our Care Sector.

(c) Rolling this out with Partners and Anchor Organisations: these are the organisations which have an important presence in a place, typically large scale employers, purchasers of goods and services in the locality; overseeing large areas of land and having relatively fixed assets; organisations that do not have profit as their main motivation. Examples include local authorities, NHS trusts, universities, trade unions, large local businesses, housing associations and the combined activities of the community and voluntary sector.

Pre-Covid, work was underway with Wirral Partners to develop this approach. This included baseline assessments to scope out local spend, and workshops to agree some joint actions for increasing local spend and procurement. Although this work was paused during our response to Covid, there is a commitment to re-start it now as part of our emerging Recovery Planning.

(d) Community Wealth Building is being embedded into the heart of our refreshed Wirral Plan and Strategic Recovery Planning. It will help drive inclusive economic growth as well supporting a wide range of our strategic goals to improve outcomes in relation to health and social care; families; environment; housing and so on.

(e) Major Regeneration Projects such as The Wirral Growth Company and the Investment Strategy are being directed and informed by the principles of Community Wealth Building. The Wirral Growth company will have social value policies tailored to the individual development eg use of local labour and local spend. The Birkenhead Town centre plans were recently considered at Planning Committee. Proposals to include a S106 agreement and the Heads of Terms are currently being finalised. These include enhancements to open space, education, family housing, affordable housing, local employment as part of the application for a major redevelopment for the town centre.

(f) In acknowledgement of Wirral's flagship role in leading CWB locally, Wirral has also been tasked with leading community led growth across the Liverpool City Region. Wirral has played a key role in ensuring that CWB is at the core of LCR Recovery and Regeneration Plans. Extensive activity has been underway to highlight the value of social economy and community businesses across the City Region. Wirral has been working with key partners including Power to Change, to support and develop the Community Business sector support socially trading organisations so that they can employ local people, build community wealth and solve problems in their local community. Liverpool City partner are also working to create a Fair Employment Charter to improve working conditions for thousands of working people across the Liverpool City Region and to support employers in delivering improved working conditions as they grow and create jobs.

(g) LJMU Wirral Regeneration Research  
Work is currently underway in partnership with Liverpool John Moores University to research and produce a new approach to address the impact of environment on health, wellbeing and social outcomes and sustainable development. This research aims to identify how regeneration (such as Wirral Waters) and poverty-related activities in Wirral contribute to health, wellbeing and wider social value outcomes for people and communities.

### **3.4 Forthcoming developments**

3.4.1 Building on the Council's original Community Wealth Building Strategy, and to reflect the changing Covid context, CLES have recently been providing advice and support to identify 5 specific areas of activity for this year. These activities were chosen as the key potential workstreams with the most potential for translating Community Wealth Building principles into immediate practical action. The activity areas identified for CLES support are:

- Activity 1: Embed Community Wealth Building into Dock Branch Park Plans

- Activity 2: Exploration of a Community Wealth Building Hub
- Activity 3: Anchor Commissioning & Procurement Group
- Activity 4: Economic Baselineing
- Activity 5: Housing

**(a) Activity 1: Embed CWB into Wirral Dock Branch Park Corridor Plans**

This strand sets out a series of options for how Community Wealth Building principles can be translated into practice in one of our key placemaking projects: Dock Branch Park. The research highlights three key areas where the project team can focus their resources in designing and building a delivery plan for the project:

- Undertaking meaningful community engagement:
- Models of land management and land value uplift: A principle which ensures that the success of public investments is captured and reinvested back into the local communities.
- Local jobs and apprenticeships - the emerging delivery plan looks to partners around existing assets such as our world class Centre for Skills in Construction, and the Wirral Ways to Work Programme which supports eligible workless young people and adults to move into education, employment and training.

The project has an extremely strong alignment with national programmes and strategies including the National Levelling Up and Decarbonisation Agendas and the Prime Minister's 10-point Green Recovery Strategy; the clear understanding is that the community needs to be at the heart of this project to ensure its success.

**(b) Activity 2: Exploration of CWB Hub Model**

This initiative is developing outline proposals for a Community Wealth Building (CWB) Hub, which will set out how Community Wealth Building actions can be embedded into regeneration plans and the local business support offer, to ensure that community businesses, co-operatives and the voluntary sector are supported to grow and increase connection with local communities.

**(c) Activity 3: Wirral Anchor Commissioning & Procurement Group**

Building on our earlier engagement with partner institutions across Wirral, the Council is re-invigorating the development of the Wirral Anchor Commissioning & Procurement Group to refocus the potential of partners' Commissioning in contributing to a sustainable economic recovery through Community Wealth Building principles. This will focus of the progressive procurement of goods and services to boost local employment and retain wealth locally.

**(d) Activity 4: Community Wealth Building Dashboard**

Extensive activity is currently underway to develop a dashboard of Community Wealth Building Indicators. Wirral Intelligence Service working with procurement will produce a dashboard of indicators including systems to baseline and measure key metrics in relation to Wirral Council spend. This will enable Wirral to demonstrate clear and tangible progress in turning the CWB Strategy into reality.

**(e) Activity 5: Housing**

This activity will focus on community wealth in the context of delivering affordable housing. Work with Registered Providers is planned to understand their integral role in our local communities and their approach to Community Wealth Building to identify

best practice and understand what barriers they may have to progress further. Alongside this work will be the recognition of what local best practice community wealth is already being delivered as part of development programmes, to produce a series of recommendations to go forward.

3.5 Scoping and review will take place into the potential use of Community Investment Bonds as part of Wirral's wider Community Wealth Building approach.

### **3.6 Conclusion**

Since the CWB Strategy was agreed in February 2020, considerable progress has been made and Wirral is clearly becoming a national leader in Community Wealth Building. As we move into Strategic Recovery, Community Wealth Building will be more important than ever; intrinsic to everything the Council does and will be embedded into all our activity going forward.

## **4.0 FINANCIAL IMPLICATIONS**

4.1 There are no direct financial implications at this time.

## **5.0 LEGAL IMPLICATIONS**

5.1 There are no direct legal implications

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

6.1 No adverse implications for Staffing, ICT and Assets

## **7.0 RELEVANT RISKS**

7.1 There are no relevant risks.

## **8.0 ENGAGEMENT/CONSULTATION**

8.1 Wirral's approach to Community Wealth Building is based on what people have told us is important, and is being delivered through strong engagement with staff, residents, businesses and partners as part of a collaborative approach.

## **9.0 EQUALITY IMPLICATIONS**

9.1 The fundamental aim of Wirral's Community Wealth Building Strategy is to tackle inequalities and improve equity for all our residents. It will address the existing socio-economic and health inequalities in the Borough, help us to do things differently and make a fairer, more inclusive Wirral. Equality Impact Assessments will take place as specific projects are implemented.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

10.1 Community Wealth Building reflects the Council's strong commitment to improve the environment, with clear actions to address environment and climate emergency such as increasing procurement from local businesses, thus shortening supply chains and lowering emissions.

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## **APPENDICES**

Appendix 1: Wirral Community Wealth Building Strategy

## **BACKGROUND PAPERS**

Wirral Community Wealth Building Strategy

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Cabinet	24 <sup>th</sup> February 2020