

Report to:	Cabinet
Date:	10 December 2020
Title:	Community Wealth Building
Report of:	Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning
Cabinet member:	Cllr Zoe Nicholson, Deputy leader of the Council and Cabinet member for finance and assets
Ward(s):	All
Purpose of report:	To provide Cabinet with the results of a diagnostic investigation undertaken into Community Wealth Building and to seek endorsement of the resultant Reimagining Lewes District Action Plan.
Decision type:	Key
Officer recommendation(s):	<p>(1) To note the progress made in relation to community wealth building</p> <p>(2) To note the findings of the diagnostic study undertaken by the Centre for Local Economic Strategies set out at Appendix 1, and</p> <p>(3) To agree the Reimagining Lewes District Action Plan set out at Appendix 2.</p>
Reasons for recommendations:	The Council is committed to developing a Community Wealth Building approach as part of the Corporate Plan adopted in February 2020.
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1 Introduction

- 1.1** In its Corporate Plan, adopted in February 2020, the council has made a commitment to community wealth building (CWB). The principles of CWB are to use the combined power of institutions, businesses and communities in order to retain as much wealth as possible in the local economy; creating opportunity locally, creating new local jobs and new locally owned enterprises. As has been set out in previous reports, the CWB approach comprises five pillars, which are;

- Shared ownership of the economy between public, business and community sectors
- Making financial power work for local places
- Fair employment and just labour markets
- Progressive procurement of goods and services
- Socially productive use of land and property

- 1.2 The council commissioned the Centre for Local Economic Strategies (CLES) to undertake a diagnostic study and consequently offer recommendations to the council on how it could deliver a CWB based approach to its work. This report presents the outcomes of that study and seeks Cabinet's consideration of recommendations and a suggested work programme arising from it.
- 1.3 Cabinet will recall that, alongside considering how the council itself will adopt a CWB approach to its work, dialogue has also been taking place with key partners, through recent Recovery Summits, and in other forums, as to how a wider CWB approach could be adopted with the district to assist recovery.
- 1.4 In the Corporate Plan, the CWB approach sits alongside Sustainability and carbon reduction as the two main policy drivers for the council. It should be noted that there are close synergies between these two areas of work. Enabling a green recovery is a central part of delivering CWB. Conversely, the action plan set out at Appendix 2 of this report will be key to delivering elements of the Sustainability and Climate Change strategy (due for adoption in February 2021) and achieving zero net carbon by 2030.

2 Key findings of the diagnostic study

- 2.1 CLES undertook their diagnostic study during the summer of 2020. This involved in-depth interviews with a range of council staff and partners, as well as consideration of various council policy and strategy documentation.
- 2.2 The study aimed to provide the council with an assessment of how its current approaches aligned with CWB principles, and to provide recommendations regarding further actions that could be taken to better embed CWB, both within the council and the district more widely. Appendix 1 sets out a summary of CLES's findings. It is encouraging to note that the council is considered to already be taking a strong CWB approach however, a number of key recommendations are made to enable the council to achieve a joined up, strategic approach. CLES commented that;

“Community Wealth Building stands at the heart of LDC’s core aspirations to tackle climate emergency and build a fair and sustainable local economy. “Building Community Wealth” is one of the three major focus areas of LDC’s Corporate Plan for 2020-24, which sets out the ambitions to “encourage local use of our financial resources, as much as possible” and to “prioritise investment into local economies”. LDC has had considerable success in getting these issues on the regional political agenda, both at East Sussex Level, and in the Greater Brighton region - and is looked to, and has been tasked to lead on issues of progressive procurement and supply chain decarbonisation. A wide

range of good practice already exists to support these objectives, across various departments within LDC.

However, despite these clear high-level ambitions, and despite many pockets of good practice, LDC's community wealth building efforts have yet to be drawn together into a coherent, joined-up strategy.... While much impressive activity is taking place around economic regeneration, particularly in the Newhaven Enterprise Zone, the council does not currently have any explicit wider economic development strategy. Similarly, while a range of good practice exists around the development of its own workforce, it does not yet have a systematic workforce strategy linked to its wider community wealth building objectives."

2.3 It is noted that the council has already implemented a range of actions which promote local wealth building, such as;

- Retaining an in-house waste and recycling service
- Recent insourcing of some services, with more planned
- A new East Sussex-based social enterprise procured for the management of Newhaven Enterprise Centre earlier this year
- Implementation of a Local Employment and Training pilot in Newhaven (Technical Guidance Note agreed at Cabinet 9 July 2020)
- Bidding to the Future High Streets Fund for Newhaven, with a focus on creation of small, start-up space focused on local entrepreneurship
- Ongoing delivery of LEAP programme to provide local skills needed to start and grow a business locally and provide advice to existing businesses
- Implementation of 'EatLocal' and 'ShopsLocal' websites to promote local suppliers, producers and independent retailers
- A MakeLocal site is also under development to support the local creative and manufacturing sectors

2.4 The recommendations made by CLES have been encapsulated in a Reimagining Lewes District Action Plan which is set out at Appendix 2. Cabinet is asked to agree this action plan for implementation.

2.5 In the Reimagining Lewes District Action Plan, Cabinet's attention is drawn to action 4.3 which is to review potential asset disposals through a lens of community wealth building. To progress this action, in line with the programme of work already agreed through Recovery and Reset, a feasibility study is currently being undertaken into future accommodation options for the council, looking at all buildings, including Southover House. The recommendations of this study will be considered by the Strategic Property Board shortly.

3 Community Wealth Building in the District

3.1 As well as considering its own direct role in relation to CWB, the council has been working to influence the development of recovery plans, both of Team East Sussex *East Sussex Reset - Six missions: Recovery as opportunity*¹ and the

¹ <https://www.eastsussex.gov.uk/media/16223/east-sussex-reset-recovery-as-opportunity.pdf>

Greater Brighton Economic Board² to encourage CWB principles to be applied. This has resulted in 'think local, act local' being embedded as a key mission in the Team East Sussex Plan. The plan encourages "businesses and public sector organisations to focus their procurement on local contractors, suppliers and providers". The Greater Brighton Economic Board has also committed to a three pillared approach to recovery bringing together economic resilience, environmental resilience and social resilience, in order to tackle inequality and promote social inclusion.

- 3.2 To further influence CWB in the district, the council has run two Recovery Summits, in July and October this year. These have engaged key local organisations and partners in dialogue around the CWB agenda. The events focused on how the challenges faced in light of the Covid-19 pandemic can be tackled in a way which builds community wealth. A third event is planned for January 2021, which will continue the exploration of key identified areas, including;

- Targeting and addressing inequality in the district
- Widening the mutual interest in anchor institutions as a power for good via the East Sussex Recovery strategy work
- Digital inclusion
- How we re-use, re-think and re-purpose the assets we all use and own across the district
- Connecting the greening of our economy with creating employment opportunities

A wide range of local stakeholders have attended these two events and have shown a real interest and commitment to working collaboratively on these areas. Through the Reimagining Lewes District Action Plan further work will be undertaken to mobilise a district-wide approach, in particular focusing on working with others to enable the development of the green economy.

4 Outcome expected and performance management

- 4.1 The Reimagining Lewes District Action Plan at Appendix 2 will be embedded into the service plans of relevant teams across the council to enable implementation as part of the councils' core business. Progress against these plans will be reported regularly to the Lead Cabinet Member, with reports to Cabinet annually.

5 Consultation

- 5.1 As part of the diagnostic study, CLES engaged widely with key partners and stakeholders. In addition, as a precursor to the second Recovery Summit, a survey was undertaken with key partners to capture information about their involvement and contributions to CWB driven recovery. The responses received will help to shape planning for the third Summit in January 2021.

6 Corporate plan and council policies

² <https://greaterbrighton.com/covid-bounceback-plan-agreed-by-greater-brighton/>

- 6.1 One of the four main themes in the Corporate Plan adopted in February 2020 is Community Wealth Building. It is stated that *“We need a people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of people”* the plan goes on to commit that *“We will work with key local institutions, our county council, local businesses, police and NHS partners to provide more local employment. We will change the way we outsource services, supporting more local businesses to deliver council services, and we will bring services in-house or establish social enterprises where additional social value can be demonstrated.”*

7 Financial appraisal

- 7.1 There are no specific financial implications directly associated with this report at this stage. Should there be financial considerations as a result of adopting the Action Plan then these will be quantified when progressing the workstreams and addressed accordingly in accordance with the overall Budget and Policy Framework.

8 Legal implications

- 8.1 There will be a need to address the detailed legal issues that arise in taking forward individual elements of the Reimagining Lewes District Action Plan as they develop further. However, there are existing legislative general provisions which support the overall Community Wealth Building Approach as follows:
- a) Local Government Act 1999: As a best value authority the council must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
 - b) Public Services (Social Value) Act 2012: This provides that the council must consider how what it procures might improve the economic, social and environmental well-being of the relevant area; and how in conducting the procurement process, it might act with a view to securing that improvement.
- 8.2 The Government also published a Procurement Policy Note in September 2020 launching a new model to deliver social value through its commercial contracts. The PPN requires social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject-matter of the contract, rather than just ‘considered’ as currently required under the Public Services (Social Value) Act 2012. It notes that unnecessary burdens should not be placed on commercial teams or suppliers.

[009681-LDC-CJEC 10 November 2020]

9 Risk management implications

- 9.1 There are no direct risks implications arising from this report. Following consideration by Cabinet, risk analyses and risk management of the Reimagining Lewes District Action Plan will be undertaken, as the various proposed workstreams are progressed.

10 Equality analysis

- 10.1 As is stated at para 3.2 of this report, targeting and addressing inequality in the district is central to what the CWB agenda is aiming to achieve. Potentially it will go far in supporting the council to meet its Public Sector Equality Duty, particularly around advancing equality of opportunity. Following consideration by Cabinet, an equality and fairness analysis will be undertaken on the action plan to ensure all opportunities for reducing inequalities through this work are maximised, and due consideration given to the make-up of our local communities.

11 Environmental sustainability implications

- 11.1 Within the Corporate Plan the objectives around CWB, carbon reduction and sustainability are intrinsically linked. For example the council has committed to use its power as a public sector body to buy and procure locally, and create local supply chains and ecosystems of enterprises, focussing on decarbonising our housing stock, through use of circular economy principles. It is also stated in the Corporate Plan, in relation to CWB, that the council will develop local skills, supply chains and employment through partnership working with public sector organisations, social enterprises, cooperative businesses, as well as other forms of business, particularly focussing on clean, green technologies.

12 Appendices

Appendix 1 – Executive Summary of CLES Diagnostic Report
Appendix 2 – Reimagining Lewes District Action Plan

13 Background papers

None