


# REPORT TO

## ECONOMY, SKILLS, TRANSPORT AND ENVIRONMENT SCRUTINY BOARD

**24 September 2020**

<b>Subject:</b>	Community Wealth Building & Inclusive Economy Action Plan
<b>Cabinet Portfolio:</b>	Cabinet Member for Skills and Employment
<b>Director:</b>	Executive Director - Neighbourhoods Alison Knight
<b>Contribution towards Vision 2030:</b>	
<b>Contact Officer(s):</b>	Nicky Denston – Service Manager, Business Excellence

### **DECISION RECOMMENDATIONS**

**That :**

1. The Board considers the key themes of the community wealth building and inclusive economy action plan and determines they are what is required to support community wealth building and economic recovery in Sandwell.

## **1 PURPOSE OF THE REPORT**

- 1.1 To articulate the key themes and actions of the community wealth building and inclusive economy action plan and to provide assurance to the Board that the economic impacts of covid-19 have been identified and considered as part of the development of the action plan.

## **2 IMPLICATIONS FOR VISION 2030**

- 2.1 Community wealth building completely supports Vision 2030 and the work being undertaken by the Council, businesses, voluntary and community sector organisations and anchor institutions to create and retain wealth in Sandwell positively impacting on all 10 of the ambitions.
- 2.2 Community Wealth Building should be viewed as an important pillar of Sandwell Councils broader commitment to ensuring an inclusive economy for our communities. It is also an essential driver for Sandwell's recovery from covid-19 and its impacts on the economy and its residents.

### **3 BACKGROUND AND MAIN CONSIDERATIONS**

#### **Community Wealth Building**

- 3.1 Community Wealth Building in a local authority context describes a set of objectives, policies and actions where a local authority commits to using its institutional power to ensure the wealth created by a local economy benefits that economy and its communities directly and to the maximum possible benefit. This may include for example procuring more services locally and or using providers who use the local supply chain and local labour.
- 3.2 In July 2019 Sandwell Council Committed to becoming a strong community wealth council through the Sandwell Summit which launched the principle of community wealth and sought views from business, voluntary sector and anchor institutions on how best to take this agenda forward.
- 3.3 In the months that followed work has included research and consultation on possible tangible and strategic actions for SMBC to take to ensure a strong agenda for local wealth capture. We engaged with The Centre for Local Economic Strategies (CLES), a thinktank who have been heavily involved in the development of several initiatives across the country to support better community wealth outcomes. Their knowledge, expertise and independence has been important to support the development of a community wealth building agenda in Sandwell. They undertook a diagnostic of community wealth activity in the Council and developed a set of recommendations to deliver improvements.
- 3.4 The diagnostic report assessed Sandwell Council against five community wealth building pillars as identified by CLES:
  - Fair employment and just labour markets;
  - Plural ownership of the economy;
  - Making financial power work for local places
  - Progressive procurement of goods and services

- Socially just use of land and property

3.5 The final diagnostic report included a series of recommendations as well as some notable strengths for the council and its strategic partners to work on. These included:

- A healthy voluntary and community sector demonstrating good working relationships
- A developed understanding of our land and assets
- Provision and protection of grant funding for the voluntary and community sector

3.6 The recommendations from the diagnostic report have been developed into a community wealth and inclusive economy action plan. This plan has been reviewed considering covid-19 in consultation with key stakeholders and reflects opportunities for the short and longer term to aid Sandwell's economic recovery.

## **Sandwell's Inclusive Economy Deal**

3.7 The Inclusive Economy Deal was agreed at full council on the 10 March 2020. The first of its kind in the country, the deal is an informal agreement between the council and everyone who lives or works there, to work together to create a better Sandwell and deliver wealth for all. There are three distinct deals within the Sandwell Inclusive Economy Deal; Resident, Business and Voluntary and Community Sector.

3.8 The primary focus of this approach is to make Sandwell a better place to live, work and do business – improving individual and community wellbeing, living standards and employment opportunities while also encouraging sustained investment to benefit residents and businesses across our six towns. Its aim is to offer better living standards, greater employment opportunities and ensure new investments reach all residents and businesses. This demonstrates the connectivity between the work on community wealth and inclusive economy.

3.9 Turning the inclusive economy deal into tangible actions for delivery is key to delivering improvements required across Sandwell in health and wellbeing, educations, skills, employment and deprivation. The development of a joint action plan ensures there is clear synergy and a focus on the real priorities for Sandwell.

## **4 CURRENT POSITION**

4.1 The community wealth building and inclusive economy action plan is structured around the five pillars of community wealth building and has been developed by building on our existing strengths, identifying current

and proposed initiatives, exploring gaps and developing solutions. It will form the work programme for the community wealth building and economic resilience delivery group. This group is an officer group involving representatives from across the council who have an active role in supporting community wealth building and inclusive economy activity.

4.2 The progress against the actions will be considered by the community wealth and economic resilience board. This board provides strategic oversight of the agenda and provides the platform for real and effective collaboration on the issues and actions which will support community wealth building principles in Sandwell and aid its economic recovery. This is an exciting opportunity to make a real difference at a local and regional level and includes representatives from the voluntary and community sector as well as key anchor organisations such as the NHS, Sandwell College, University of Wolverhampton, West Bromwich Albion Football Club, West Midlands Police, Black Country Chamber of Commerce and the West Midlands Combined Authority. The board will be chaired by Councillor Rajbir Singh, Cabinet Member for Skills and Employment.

4.3 The action plan has developed significantly over the past couple of months and demonstrates some key themes and proposed activities. These include:

**Sandwell as a community wealth building council:**

- Development of an Anchor Network in Sandwell
- Support the development of a Sandwell-wide Anchor Charter identifying clear commitments
- Creation of a community wealth builder in residence as a dedicated resource to support our activities

**Pillar 1 - Progressive procurement of goods and services:**

- Complete a review of financial regulations to provide greater flexibility to the council and its suppliers
- Launch of the social value portal
- Complete a desk-based market analysis of council spend by type, supplier, location and social value
- Investigate opportunities for increasing the council resource dedicated to working with companies on social value outcomes, monitoring and acting where outcomes are not delivered
- Introduce a new ICT system; Oracle Fusion in 2021 which will provide more detailed and accurate information of spend activity

**Pillar 2 - Fair employment and just labour markets:**

- Complete a modelling exercise to analyse the impacts of implementing the Living Wage in Sandwell Council
- Undertake a 'light touch' Investors in People accreditation in 2021 and use the recommendations to develop the employee offer
- Develop an employee viability proposition which articulates what it is like to be an employee of the council

- Introduce additional modules to the Leaders 2030 programme which focus on community wealth
- Work with anchor partners to develop reciprocal secondment and work experience placements for employees

**Pillar 3 - Socially productive use of land and assets:**

- Embed community wealth building policy into the developing Asset Strategy
- Complete a mapping exercise of our assets illustrating their community wealth building impacts and ensure this a key feature of future economic development decisions
- Ensure community wealth building principles feature highly within the Towns Fund programme

**Pillar 4 - Making financial power work for local places:**

- Take a lead role in prompting the Pension Fund to become more progressive and identify opportunities which would directly benefit Sandwell and its residents

**Pillar 5 - Plural ownership of the local economy:**

- Work with the voluntary and community sector to increase its capacity and capability to manage assets and deliver services on behalf of anchor organisations including the council
- Improve our existing offer and support to local businesses and those interested in locating within Sandwell
- Gain a more informed understanding of the different community models and funding streams available to support local communities to do more for themselves
- Complete an options appraisal for setting up a municipally owned energy company

4.4 As indicated covid-19 has influenced the development of the action plan and some specific actions have been developed to support the economic recovery of Sandwell. These include:

- Complete a comprehensive assessment of the impact of covid-19 on local businesses
- Explore opportunities to link into the Future Jobs fund with the West Midlands Combined Authority
- Map local needs and flows of goods and services and how this has been impacted by covid-19

## 5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

5.1 As part of the development of the action plan, meetings have been held with key stakeholders from across the council. Consultation with the voluntary and community sector has been through attendance at the SCVO Leadership Forum. During the past six months, there has been continued dialogue with The Centre for Local Economic Strategies (CLES). This will be ongoing through the governance structure that has been developed.

## **6 ALTERNATIVE OPTIONS.**

- 6.1 If the council chooses to take no action on the community wealth agenda in Sandwell it will not support the Council's vision and ambitions and will have a negative impact on our residents, particularly following the effects of covid-19. It could also prevent improvements for Sandwell in the deprivation indices in future years.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 The community wealth building and inclusive economy action plan will support the retention of wealth in Sandwell and support its economic recovery and future growth.
- 7.2 There is the potential for additional resources to be invested in specific actions and projects contained within the action plan. These will either be resourced within existing service budgets or funding requested via the community wealth and economic resilience board.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 Changes to procurement processes are required to be legally compliant.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 An Equality Impact Assessment is not required at this point. Equality is a core focus of community wealth and any impacts will be addressed as part of the initiation and delivery of actions and projects.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

- 10.1 Any information used to compile this report is subject to information governance legislation and is managed in accordance with the council's policies and protocols. A Data Protection Impact Assessment is not required.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

- 11.1 There is no requirement to carry out a Crime and Disorder and Risk Assessment.

## **12 SUSTAINABILITY OF PROPOSALS**

- 12.1 The contents of the action plan will ensure that the Council's assets and resources are utilised in the most effective way that best delivers community wealth for the residents of Sandwell.
- 13 **HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**
- 13.1 The Council aims to maximise the benefit from all money invested in Sandwell. To achieve this, it will require the commitment of businesses, voluntary and community sector and anchor institutions in the borough to embed social value into everything they do. We will demonstrate strong leadership and commitment around social value through our procurement processes and by improving the way we capture social value created through our supply chain.
- 14 **IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**
- 14.1 Develop a community wealth building approach to the Council's land and building assets will deliver a socially just use of land and property as well as encouraging anchor institutions to explore their land and stock leading to more joined up approaches.
- 15 **CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**
- 15.1 This report and the associated action plan demonstrate there is a real need to build and retain community wealth in Sandwell and in addition support the economic recovery of the borough due to the impacts of covid-19. The work undertaken identifies clear opportunities to make tangible improvements as a council and in partnership with other organisations within the borough.
- 16 **BACKGROUND PAPERS**
- 17 **APPENDICES:**

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