

COMMUNITY WEALTH BUILDING COMMISSION

Minutes of meeting held via Confero and in the Council Chamber, Council Offices, Almada Street, Hamilton on 6 September 2022

Chair:

Councillor Joe Fagan

Present:

South Lanarkshire Council

Councillors Alex Allison, Robert Brown, Margaret Cooper, Kirsten Robb, Margaret B Walker
P Manning, Executive Director (Finance and Corporate Resources)

Federation of Small Businesses

A Aird, Group Chair

NHS Lanarkshire

Dr J Pravinkumar

University of the West of Scotland

T Adamson, Estate Environmental Manager

VASLan

S Sweeney, Chief Executive Officer

Also Attending:

South Lanarkshire Council

Community and Enterprise Resources

I Ross, Project Manager

Finance and Corporate Resources

H Calley, Administration Officer; N Docherty, Administration Assistant; C Fergusson, Head of Finance (Transactions); R Leith, Community, Participation and Development Manager; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; N Reid, Improvement and Community Planning Manager; S Somerville, Administration Manager; J Taylor, Head of Finance (Strategy)

Social Work Resources

C Brown, Planning and Performance Manager

Apologies:

South Lanarkshire Council

Councillor John Ross; C Sneddon, Chief Executive; S Sengupta, Director, Health and Social Care

NHS Lanarkshire

H Knox, Chief Executive

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Community Wealth Building Commission held on 28 June 2022 were submitted for approval as a correct record.

The Commission decided: that the minutes be approved as a correct record.

3 Input from CLES/Scottish Government

N McInroy and T Jackson, Scottish Government gave a presentation on Community Wealth Building (CWB) in Scotland.

Nationally, progress had been made in the following areas:-

- ◆ **Policy**
 - ◆ National Strategy for Economic Transformation (NSET)
 - ◆ engagement across a range of Scottish Government policy areas and planned legislation
- ◆ **Practice**
 - ◆ 5 pilot areas – Clackmannanshire, South of Scotland, Western Isles, Tay Cities/Fife and Glasgow City Region
 - ◆ committed £3million to advance CWB through Ayrshire Growth Deal
 - ◆ well over half of local authorities were looking at or currently implementing CWB
 - ◆ industry and economic sectors were integrating CWB
- ◆ **COVID Recovery Strategy**
 - ◆ support given to all 32 local authorities to develop plans
- ◆ **Partnership with Economic Development Association Scotland**
 - ◆ knowledge sharing

The following was considered as good general practice in terms of CWB:-

- ◆ to develop a CWB Action Plan
- ◆ to develop a baseline and set of outcomes on which to gauge progress on CWB actions
- ◆ to establish CWB commissions linked to community planning partnerships
- ◆ to establish Anchor Charters to ensure all partners understood and advanced their role as employers, purchasers and land and property owners
- ◆ to establish Fair Work/Employment Charters to ensure all partners advanced fair work convention principles
- ◆ to change internal working practices, for example linking economic development and procurement, linking business support, procurement and employability services

Details were given on practical examples in terms of the 5 CWB pillars.

N McInroy and T Jackson responded to members' questions on:-

- ◆ the extent of the level of engagement developed and buy-in from anchor institutions and how the Scottish Government was looking to address barriers
- ◆ local banking and how it was difficult to capitalise on community banking due to resources
- ◆ strengthening community groups and reviewing community benefits/assets

The Commission decided: that the presentation on progress of CWB nationally be noted.

S Sweeney and T Adamson left the meeting following this item of business

4 Local Spend Update

A report dated 14 July 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the Council's current position in terms of local spend to support the Community Wealth Building Strategy.

At its meeting held on 7 February 2022, the Commission noted performance information on the level of local spend. A geographical evaluation of the 2020/2021 spend was also given, together with a wider analysis.

Details were provided on the Council's performance in recent years compared to the average position across Scotland.

The Council's 2021/2022 spend with local enterprises had returned to the pre-pandemic position. This was directly related to increased spend with local suppliers for works, goods and services adversely impacted by COVID-19, including construction, furniture and transport.

The Improvement Service's Local Government Benchmarking Framework (LGBF) indicators had shown that South Lanarkshire had a lower proportion of procurement spend on local enterprises than North Lanarkshire and the Scottish average.

One of the highest areas of spend where there were opportunities to improve local spend was in construction. As part of the further exploration into the apparent variance in spend on local small and medium-sized enterprises (SMEs) in North and South Lanarkshire, some high level analysis of the construction sector had been undertaken. The latest Enterprise Count data for 2021 complemented the Scottish Government's Businesses in Scotland data by showing that there were more medium-to-large sized construction enterprises in North Lanarkshire than in South Lanarkshire.

The improved scope of quick quote to facilitate more spend with local SMEs would provide opportunity to close this gap. However, further investigation had shown that there were low numbers of South Lanarkshire construction trades registered with Public Contracts Scotland (PCS) and were, therefore, not actively engaged in public sector procurement. Feedback, through sector engagement, informed that the preferred route to gaining new business for small companies was via business-to-business referral and networking. The perceived complexity of public sector procurement and the required investment in completing tender submissions were potentially deterring some small businesses that might lack sufficient administrative resources.

Further supplier engagement and promotion of the free to access support, together with a campaign to encourage businesses to register with PCS would be undertaken to encourage participation in tendering exercises. A further route to promoting tender activity was through encouraging wider engagement with collaborative opportunities provided by HubSW through subcontracting and Scotland Excel to access wider public sector spend.

Further analysis of Council spend was given across the following 5 levels:-

- ◆ South Lanarkshire
- ◆ pan-Lanarkshire
- ◆ Glasgow City Region
- ◆ Scotland
- ◆ outwith Scotland

Using the Grow Local tool, the analysis of existing suppliers by the largest active spend categories had indicated that there were SMEs within South Lanarkshire in categories of spend which were largely going outwith South Lanarkshire. Discussions were taking place with services to identify the opportunities presented from the review of the management information that should allow more local businesses to bid for prospective work on a competitive basis.

To ensure the benefits of sub-contracting spend with South Lanarkshire businesses could be measured in a reliable and consistent way, contractors would be asked to quantify the level of subcontracting spend. The changes required to the contract terms and conditions would be implemented as part of the work currently being undertaken to implement the requirements of Scottish Procurement Policy Note 2 /2022 – 'Prompt Payment in the Supply Chain'.

Several actions to support the objective of increasing local spend levels and capturing spend information were detailed at Section 8 of the report.

P Manning responded to a member's question in terms of what happened at the end of Public Private Partnership (PPP) contracts and the revised approach to measure sustainability in contracts.

In response to a member's question regarding analysis of spend for localities, in particular for the Cambuslang/Rutherglen area, C Fergusson advised that he could further analyse the information in terms of types of spend.

The Commission decided:

- (1) that the report be noted; and
- (2) that the next steps, as outlined in Section 8 of the report, be agreed.

[Reference: Minutes of 7 February 2022 (Paragraph 4)]

5 Community Wish Lists

A report dated 15 July 2022 by the Executive Director (Finance and Corporate Resources) was submitted providing an update on local work undertaken to develop a Community Wish List approach.

Community benefits were contractual requirements to deliver a wider social benefit in addition to the core purpose of the contract. The Council, through its procurement arrangements and its suppliers, had delivered community benefits for residents, for example training and employability opportunities and local supply chain sub-contacts.

Community Wish Lists were an evolving concept within the public sector where communities were encouraged to put forward requests for specific needs or benefits that could be supported by the selection of suppliers delivering contracts.

Through Glasgow City Region, projects were also delivering community benefits. Work was underway to better align community benefits provided in South Lanarkshire Council and City Deal contracts with the needs of local communities.

All 8 local authorities who were part of the City Region had agreed to work together to develop a regional Community Wish List approach. The City Region had committed to develop a web-based Community Wish List interface which would allow the member authorities to have control over their own process and the content of their web page. This was expected to be available later in 2022.

The Council had identified investment funding which would support a fixed term 0.5 FTE officer post to work with communities to promote understanding and awareness of the Community Wish List approach. The postholder would have a focus on supporting groups to participate in identifying their wishes and on managing their expectations as to what the procurement system might be able to deliver for them and their area. It was anticipated that the post would be filled by September 2022.

A Community Benefits Officer was also being appointed within the Procurement Service of the Council to deliver community benefit outcomes for the Council and Glasgow Region City Deal, with a key focus on those community benefits which maximised the economic impact from the City Deal Procurement Programme and business as usual. This officer would work closely with the Community Wish List Officer.

The NHS also had a Community Benefit Gateway (CBG), which was a free and easy to use online service that connected NHS Scotland suppliers with third sector community organisations within Scotland. Details were provided on community initiatives it supported. The Community Wish List Officer would promote the CBG to community organisations.

In response to a member's question, R Leith confirmed that the development of Equality Impact Assessments would be kept under review as part of the Community Wish List approach.

The Commission decided:

- (1) that progress to develop a Community Wish List approach be noted; and
- (2) that partners consider opportunities to promote community benefit activity from their own procurement practices.

6 Community Wealth Building – Risk Register

A report dated 12 August 2022 by the Executive Director (Finance and Corporate Resources) was submitted providing an update on the risk register for Community Wealth Building (CWB).

The Commission, at its meeting on 27 October 2021, approved a risk register, with risks recorded against each of the 5 pillars within the Strategy.

In consultation with the Council's CWB lead officers, a review of the risk register and risk control plan was completed in July 2022.

The updated risk register, including the recorded control, was attached as Appendix 1 to the report. A new overarching risk, in terms of the impact of rising energy prices, inflation and interest rates, had been added with a residual score of 20, which made it the highest scoring risk. Five control measures had been identified, including business support for local businesses and cost of living support to residents. A new control action had also been added to the action plan to monitor the availability of support from government. There had also been a number of amendments to control measures.

A summary of progress in the delivery of the Risk Control Plan, which contained 22 actions, was as follows:-

- ◆ 3 actions had been completed
- ◆ 19 actions were currently on target to deliver within the timescales set or were ongoing with no issues identified

C Fergusson responded to a member's question in terms of Quick Quote and buy-in with local businesses. He advised that relevant information was contained in the Action Plan report, which was the next item on the agenda, and an update would be provided to the December meeting in terms of lessons learned and progress.

The Commission decided: that the update on the CWB risk register and progress in the delivery of the risk control plan be noted.

[Reference: Minutes of 27 October 2021 (Paragraph 4)]

7 Community Wealth Building – Action Plan 2022 Refresh

A report dated 19 August 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the draft Community Wealth Building (CWB) Action Plan 2022/2023.

At its inaugural meeting on 31 August 2021, the Commission approved an action plan to accompany the CWB Strategy. Following presentation of the Q4 report, the action plan was reviewed to remove completed actions and to refresh the remaining actions for year 2 of the Strategy.

The refreshed Action Plan would continue to be monitored and reported through the Improve system, with updates provided to the Commission at Q2 and Q4.

Officers responded to members' questions on various aspects of the report and in terms of Councillor Robb's comments on how land and buildings were used, T Little advised that this was built into action plans. In terms of how the Council ensured its banks backed community Wealth building and sustainability principles, J Taylor clarified that banks had their own sustainable investment policies; however, she undertook to check they referenced community wealth building.

The Commission decided: that the CWB Action Plan, attached as Appendix 1 to the report, be approved.

8 Community Wealth Building – Town Centre Update

A report dated 25 July 2022 by the Executive Director (Community and Enterprise Resources) was submitted providing an update on town centre project work across South Lanarkshire which met Community Wealth Building (CWB) objectives.

The Council received funding from the Scottish Government, in common with all local authorities, to support town centres to bring forward transformational change for the communities they served.

The Council chose to invite bids from communities to deliver the most effective programme of projects. The outcome of this approach had been a number of innovative and community focused projects which supported the towns and their communities but were also delivering CWB objectives and supporting 20-minute neighbourhoods. Those projects and initiatives, which linked directly to each of the CWB pillars, were detailed in appendices 1 and 2 to the report.

The Town Centre Action Plan (TCAP) presented an opportunity to continue to build on the work to prioritise town centres as a central economic objective. It was widely recognised that there was no single approach which would address the challenges of all towns and while the TCAP provided a useful baseline, officers and communities required to tailor their approach to maximise the opportunities based on local need. To date, action plans had been delivered for Cambuslang, Hamilton, Blantyre and Larkhall.

Officers in Economic Development were working with all key stakeholders and had commissioned the following 2 key pieces of work to set the direction of the Council's work around town centres going forward which would inform and align with existing and emerging funding opportunities around town centres:-

- ◆ Town Centre Visioning – this would set out how the Council delivered on the strategic aims and objectives at a local level
- ◆ Transition to Net Zero – this would set out a practical approach to working towards net zero across towns

I Ross responded to a member's question in terms of the Council's strategy and approach.

The Commission decided: that the report be noted.

9 Community Wealth Building Commission – Annual Report

T Little, Head of Communications and Strategy advised that, following approval of the draft Annual Report 2021/2022 at the Commission's meeting held on 28 June 2022, a copy of the final document was attached for information.

The Commission decided: that the finalised Annual Report 2021/2022 be noted.

[Reference: Minutes of 28 June 2022 (Paragraph 5)]

10 Urgent Business

There were no items of urgent business.