

Report

Report to:	Community Wealth Building Commission
Date of Meeting:	28 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Community Wealth Building and the Role of Charters
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide an overview, with examples, of how charters have been used to support Community Wealth Building (CWB).

2. Recommendation(s)

2.1. The Commission is asked to approve the following recommendation(s):-

- (1) that the contents of the report, be noted;
- (2) that the Progress Group be tasked with evaluating the potential benefits of developing a charter for South Lanarkshire; and
- (3) that a report with recommendations be brought to a future meeting of the Commission.

3. Background

- 3.1. The South Lanarkshire CWB Strategy aims to develop resilient, inclusive local economies, with more local employment and a larger and more diverse business base. It sets out South Lanarkshire's ambitions across each of the 5 pillars of CWB, covering spending, workforce, land and property, finance and building the generative economy.
- 3.2. This report looks at examples of how charters and anchor frameworks have been used in different localities to support CWB and suggest ways in which the CWB Strategy might be supported by means of a Charter for South Lanarkshire.

4. Charters in Practice – Examples from the UK and Elsewhere

- 4.1. There are limited examples of the use of Charters in Scotland. In October 2020, the CWB Commission in Ayrshire launched the **Ayrshire CWB Anchor Charter**, which commits local and regional Anchor Institutions to a range of pledges across the 5 pillars of CWB and a '6th pillar' of Climate Action. The 2021 annual report indicated that 7 organisations had signed up to the Charter - the councils of East, North and South Ayrshire, NHS Ayrshire and Arran, Ayrshire College, Scottish Enterprise and The Ayrshire Community Trust.
- 4.2. The Ayrshire Charter covers the 5 pillars of CWB with a short description of the purpose of each pillar, the objectives of the pillar and the "anchor pledges" associated with it. The pledges are relatively high-level statements, some examples of which are given below:

Procurement	◆ Commit to undertaking supply chain and spend analysis and working towards increasing local spend wherever possible
Fair Employment	◆ Work towards becoming a Living Wage Employer ◆ Seek to recruit locally and from priority groups where appropriate, for example, young people, people with long-term health problems, people experiencing poverty
Land and assets	◆ Commit to undertaking an asset review to identify opportunities for Community Wealth Building
Financial power	◆ Support and promote progressive finance initiatives, including local credit unions
Plural ownership	◆ Proactively engage with communities to co-produce local services and initiatives
Climate action	◆ Support and encourage environmentally sustainable supply chains

4.3. The Ayrshire Anchor Charter is attached in full at appendix 1.

4.4. In April 2022, a **Fife Anchor Charter** was approved by the Council and its partners including NHS Fife, Fife College, Fife Voluntary Action and the University of St Andrews. The Fife Charter is essentially the same as the Ayrshire Charter, though it lacks the additional 6th pillar on climate action. In Fife, the partners have taken the approach of agreeing the charter first (as part of the Fife Recovery and Renewal Plan 2021 to 2024) and then looking to develop a delivery plan covering all 5 pillars of CWB. The Fife Charter is attached at appendix 2.

4.5. A different approach is illustrated by **Stirling Council**, which has adopted a charter which focuses on “the progressive procurement of goods and services”, the first of the 5 pillars of CWB. The charter pledges to “support Stirling Council’s 10-Year Thriving Stirling Strategy by embedding Community Wealth Building principles within procurement practice to ensure social, economic and environmental wellbeing for Stirling’s communities and strive to create a strong and inclusive local economy.”

In addition to this pledge, the Stirling Charter includes a number of actions which are similar to those already embedded within the South Lanarkshire Action Plan, including analysis of local spend, improving access to public sector contracts, work with the supplier development programme and the inclusion of community benefits clauses in council contracts. The Stirling Procurement Charter is attached at appendix 3.

4.6. Looking further afield, the **Leeds Anchor Network** draws membership from over a dozen organisations which are “locally-rooted, have high spend, provide vital services and are influencers, enablers and champions within the city.” These include NHS Trusts, universities and colleges, Leeds City Council, Yorkshire Water, British Library and Northern Gas Networks. The network uses a Progression Framework developed with support from the Joseph Rowntree Foundation and others to set out the commitments and behaviours expected of an anchor organisation.

4.7. While the progression framework is not a charter as such, it serves a similar function in providing a set of principles to guide behaviour and action. The framework covers similar ground to CWB but uses different terminology:-

- ◆ employment – being a good employer
- ◆ procurement – creating value through supply chains
- ◆ bricks and mortar – using infrastructure to benefit local communities
- ◆ service delivery – designing and delivering services that meet local people's needs
- ◆ corporate and civic behaviours – making an institutional commitment

4.8. Examples from the Leeds Progression Framework are shown in appendix 4.

4.9. NHS England, in collaboration with Health Improvement England and the Health Foundation, has championed the idea of the NHS as an anchor institution, able to influence the health and wellbeing of communities by acting as anchors in 5 areas:-

- ◆ employment – widening access to quality work
- ◆ procurement and commissioning for social value – purchasing for social benefit
- ◆ use of capital and estates – using buildings and spaces to support communities
- ◆ environmental sustainability – reducing environmental impact
- ◆ as a partner in a place – working closely with communities and partners

4.10. A Health Anchors Learning Network has recently been created to provide opportunities for participants to learn with peers and experts about how anchor organisations can consciously use their resources, influence and work in partnership to improve the social determinants of health and help reduce inequalities.

4.11. As part of its commitment to CWB, the London Borough of Stevenage launched a co-operative and Inclusive Economy Charter in 2020. The Charter is loosely defined and is designed to encourage communities, organisations and businesses to work together, helping to shape the economy and to share the benefits of growth. Businesses, residents and community groups are invited to sign the charter and make a pledge to play their part in improving the lives of local residents. Examples of actions which can be taken by local organisations and residents include:-

- ◆ providing careers advice in schools
- ◆ mentoring someone who wants to become self-employed
- ◆ offering work placements to people who need extra support
- ◆ supporting employers to become disability confident
- ◆ shopping locally or volunteering with a community group
- ◆ purchasing goods or services from others in the local area
- ◆ supporting co-operatives to start up and grow
- ◆ investing in local charities to provide wellbeing training for your staff
- ◆ pooling budgets and involving local people in how they are spent

4.12. The Stevenage Charter is an inclusive approach which encourages everyone to play their part. Local organisations and residents are invited to sign the charter and to make a Charter Pledge via an online form. This provides a mechanism to gauge the reach of the Charter as well as to gather evidence of the ways in which CWB is being supported locally.

5. What Do These Examples Tell Us?

5.1. As the examples above illustrate, there is no one-size-fits-all charter for CWB. Different approaches have been adopted by different localities at different times, depending on local circumstances, opportunities, existing networks and the level of maturity of CWB.

- 5.2. A charter typically sets out high level commitments which can be couched in terms of pledges, aspirations and model behaviours. They are less definite and goal-oriented than strategies or action-plans, though they may lead to co-ordinated action through shared plans and strategies.
- 5.3. Charters can be aimed at a range of different audiences from the larger anchor organisations in a locality to local businesses, community groups and even individual residents. By signing or adopting the charter, the organisation or individual pledges to do their part in supporting CWB. Some charters are couched in terms of a contract or deal, with signatories pledging to “do their bit” and uphold their side of the bargain.
- 5.4. A charter can cover several pillars of CWB or focus exclusively on a single pillar such as procurement or workforce. Even within a charter, which covers several pillars, the level of detail contained within the pledges can vary from single, broad pledges to multiple pledges in more detail.
- 5.5. Charters may be used at the start of a CWB process or may be brought in to boost engagement and awareness at a pivotal point as collaborative working is established. In several of the early adopters of CWB ideas in the UK, charter-type agreements were instrumental in co-ordinating support, usually around a single topic or pillar such as procurement or employment. These “proof of concept” agreements pave the way for collaborative working across a broad spectrum of activity.
- 5.6. In summary, charters may be seen as having several useful features and associated benefits:-
- ◆ less prescriptive than a plan or strategy
 - ◆ potentially more open and inclusive
 - ◆ adaptable/customisable in terms of scope and detail
 - ◆ raise awareness and provide a locus for discussion
 - ◆ co-ordinate support and invite participation
- 5.7. It is worth noting that South Lanarkshire, through the CWB Strategy and Action Plan, is already progressing a full range of actions which are entirely compatible with the pledges contained within the CWB charter examples in section 4 above.

6. Conclusions and Recommendations

- 6.1. Presently, CWB enjoys a high level of support in Scotland and is recognised by major public sector organisations as a viable approach to economic development which is worth exploring with local partners.
- 6.2. South Lanarkshire has a comprehensive Strategy and Action Plan, which is now in its second year. Developing a charter along the lines of the one adopted by Ayrshire and Fife may help widen participation and access to CWB in South Lanarkshire as well as raising awareness of what CWB is and what the Commission seeks to achieve.
- 6.3. If the Commission was to consider a charter for South Lanarkshire, questions which would need to be addressed include:-
- ◆ whether, in light of the South Lanarkshire CWB Strategy and Action Plan, a charter would add anything to the collaborative work already taking place;

- ◆ how would a charter interact with other frameworks or charters already in place or in development;
- ◆ should the charter cover all 5 pillars of CWB or should there be a pillar-by-pillar approach;
- ◆ should the charter contain any additional commitments such as the climate change pledges in the Ayrshire Anchor Charter; and
- ◆ is a charter the appropriate mechanism for South Lanarkshire or would a self-assessment framework such as that described by NHS Lanarkshire be more effective?

6.4. The Commission is asked to note the contents of this report and approve the recommendation that the Progress Group be tasked with assessing the questions above, with a report and recommendations coming back to a future meeting of the Commission in 2023.

7. Employee Implications

7.1. There are no direct employee implications.

8. Financial Implications

8.1. There are no direct financial implications.

9. Climate Change, Sustainability and Environmental Implications

9.1. There are no climate change implications as a result of this report.

10. Other Implications

10.1. None.

11. Equality Impact Assessment and Consultation Arrangements

11.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

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18 January 2023

Link(s) to Council Objectives/Values/Ambitions

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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