

Report

Report to:	Community Wealth Building Commission
Date of Meeting:	5 September 2023
Report by:	Steven Sweeney - CEO, VASLan

Subject:	Third Sector and Community Wealth Building
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ provide an update on third sector perspectives of Community Wealth Building

2. Recommendation(s)

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

- (1) we collaborate to raise awareness of Community Wealth Building (CWB), as part of wider community engagement around the Local Governance Review, including identifying with communities, opportunities for them to get involved; and
- (2) we undertake additional research to understand the gaps between what is being bought locally by public sector partners and sold locally, to support local Social Enterprises to realise the market opportunity

3. Background

3.1. Voluntary Action South Lanarkshire (VASLan) is the Third Sector Interface (TSI) for South Lanarkshire. Our vision is to see “Resilient and empowered communities creating a stronger, fairer and more equitable South Lanarkshire with volunteers and thriving local third sector organisations at its heart.” Our mission is to “enable volunteers and local third sector organisations to deliver transformational change.” Our values are respect, integrity, inclusiveness and commitment.

3.2. We have 4 main functions as a TSI which are to build capacity, facilitate sector voices, connect partners and be a source of and for third sector intelligence. Our current organisational strategy “Moving to Action 2022-24” has 6 strategic objectives:-

- to reprioritise volunteering in South Lanarkshire for individuals, third sector organisations and across the Community Planning Partnership
- to support VASLan members to proactively access the capacity building supports available to them, as and when they require it
- to develop flexible, well organised, well managed third sector organisations, which supports future third sector growth
- to raise the visibility of volunteering and third sector organisations, and their active contributions to society within the general public, the third sector itself, the private sector, across health and social care, and the Community Planning Partnership

- v. to accelerate partnership and collaborative working within South Lanarkshire's Third Sector
- vi. to continue internally as a sustainable organisation with sound governance

3.3. As part of our strategic engagement role, we represent the third sector locally and cross-sector with Community Planning Partners. We have sat on the Community Wealth Building Commission since its inception and have had the opportunity to Chair the Progress Group since January 2022. We acknowledge that to date, this has been very local authority driven but with an openness for cross-sector partner contributions. This paper is intended to outline the third sector's relationship with Community Wealth Building to date.

4. The Economic Footprint of the Third Sector

4.1. Neil McInroy presented to the Community Wealth Building Commission in 2022 and noted that a good place to start regarding the third sector and Community Wealth Building, would be the sector's economic contribution to South Lanarkshire. Below are details from VASLan's CRM system which notes by locality annual revenues, numbers of employees and volunteering. Perhaps this data can complement the area profiling tool and complement locality discussions.

Locality	Annual Revenue	No of Employees	No of Volunteers	Volunteer Hours	Volunteer Value
CamGlen	£19,213,142	113	1,138	7,608	£75,319.20
Clydesdale	£48,261,376	85	667	50,388	£498,841.20
East Kilbride	£20,139,651	142	624	115,800	£1,146,420
Hamilton	£18,812,208	263	949	88,608	£877,219.20
Total	£106,426,377	603	3,378	262,404	£2,597,799.60

5. Current Context

5.1. Following on from the pandemic, costs crisis and other ongoing challenges, the current context within the public sector and other bodies is well documented. The third sector, volunteers, community organisations and social enterprises, are our line of sight for what is actually happening within our communities. To frame progress to date against the strategic objectives, the following data gives us a sense of the current operating context in which volunteering predominantly sits:-

- ◆ according to OSCR's Sector Overview Report from July 2023, 77% of community organisations have an income profile of £100k or less
- ◆ based on SCVO's Third Sector Tracker Report from Winter 2022/2023, 67% of community organisations are having challenges recruiting and retaining volunteers, with only 89% confident they will still be operating in 12 months' time
- ◆ many grant makers have less funding available, whilst taking pauses to review strategic impact
- ◆ in South Lanarkshire over the past 12 months, based on our intelligence, 20 organisations have ceased to exist, along with 33 services of existing organisations. Predominantly lack of funding has been cited as reasons for ceasing. We currently have 1,603 organisations and 2,576 active third sector services but trends and analysis suggest this will decline further over next period
- ◆ there is a lack of capacity in the sector locally, based on intelligence specifically around community transport, befriending, counselling, mental health supports and broader social prescribing activities

Of course we could and should ask the question locally whether there is more that can be done by public sector partners to support the third sector as part of a whole-systems approach. Equally, there is acknowledgement that this is largely a national issue and there is a need for cross-sector joint lobbying of national stakeholders if we are to see core investment and fair funding arrangements for the third sector. At a local level, Social Enterprise and Community Wealth Building has been identified as the best route of support for the sector. Community Wealth Building Commission members are invited to consider the risks associated with the above economic footprint being removed from South Lanarkshire communities

6. Third Sector Locality Networks

- 6.1. The Third Sector Locality Networks, supported by the Health & Social Care Partnership, were formed in the summer of 2022 as part of our voice and to influence work, to ensure the third sector is heard with regards to what matters to them, testing local views, etc. This replaced the pre-pandemic Locality Forums, with increased autonomy and direction provided by lead third sector partners, as opposed to VASLan themselves.

<u>Clydesdale Locality Network</u> (Third Sector Locality Network - Lanark - YouTube) Third Sector Locality Network Meeting - Clydesdale 2023 - YouTube Third Sector Locality Network Clydesdale - June 2023 - YouTube	
Lead Partners	CCI & Healthy Valleys

<u>East Kilbride Locality Network</u> (Third Sector Locality Network - East Kilbride - YouTube) Third Sector Locality Network Meeting - East Kilbride 2023 - YouTube Third Sector Locality Network East Kilbride - June 2023 - YouTube	
Lead Partners	Connected East Kilbride

<u>CamGlen Locality Network</u> (Third Sector Locality Network - Cambuslang and Rutherglen - YouTube) Third Sector Locality Network Meeting - Rutherglen - YouTube Third Sector Locality Network - CamGlen - YouTube	
Lead Partners	VASLan (placeholder as lead partner application still open)

<u>Hamilton Locality Network</u> Third Sector Locality Network Meeting - Blantyre at the David Livingstone Birthplace 2023 - YouTube Third Sector Locality Network - Hamilton - YouTube	
Lead Partners	David Livingstone Trust & LAMH

- 6.2. Within all these local conversations, we also asked local people what Community Wealth Building is and how they could get involved or contribute. The majority of responses suggested that there is a lack of awareness of what Community Wealth Building is, and how they can get involved.

This was consistent across all localities and identifies a clear gap and need for a partnership approach in better engaging with our communities in 2023 around Community Wealth Building, to increase participation at a local level.

- 6.3. In Spring 2023, in response to the above point, we ran some further engagement sessions with third sector partners to better understand how they would like VASLan to support communities improve their understanding and participate in Community Wealth Building. A subsequent further 2 sessions took place in partnership with NHS Lanarkshire, exploring their new strategy development through a Community Wealth Building lens, allowing for direct dialogue between volunteers, community organisations, Social Enterprises, and public sector colleagues from NHS Lanarkshire. With the development of a Community Wealth Building Charter as a communication tool with communities, it is important we follow this up with in person conversations.
- 6.4. Therefore, it is proposed that partners collaborate on community engagement activities to promote Community Wealth Building. It is further proposed that the Scottish Government/COSLA's Local Governance Review (LGR) provides an ideal opportunity to kickstart this piece of work and that CWB be added to a Community Planning Partnership programme of community engagement that is scheduled to take place across September and October to discuss shared decision-making in the context of the LGR.

7. Social Enterprise in South Lanarkshire

- 7.1. Details of the Social Enterprise Strategy and Action Plan were presented to the Community Wealth Building Commission in June 2023. The Strategy can be found here: [South Lanarkshire Social Enterprise Strategy 2023-27](#). Meanwhile, South Lanarkshire Council and VASLan, in partnership, have generated some of the following quick wins to build momentum:-
 - ◆ multi-agency South Lanarkshire Social Enterprise Steering Group (SESG) established to provide local collective leadership
 - ◆ Social Enterprise Network (SEN) to facilitate third sector voice and drive the priorities of the membership
 - ◆ South Lanarkshire Social Enterprise Census commissioned, with key statistics shared in strategy document, further analysis of local intelligence underway with SEN and SESG taking forward
 - ◆ awareness raising and interest generating around models of democratic finance. SLC has committed to an initial £50k Community Bond Pilot with Officer and SEN workshops, ongoing engagement and the gathering of potential project ideas currently in action
 - ◆ Social Enterprise Small Grants Funding Pot launched in April based on 50% match funding, 3 grants worth £11.5k allocated to date
 - ◆ Climate Confident South Lanarkshire programme of work underway as a digital solution with wraparound support, 15 of 30 spaces taken so far
 - ◆ the Social Enterprise Accelerator ran by Inspirent was a huge success, 15 Social Enterprise Leaders supported through an intensive training package of support. Currently procuring a further 2 courses for up to 30 Social Enterprise Leaders
 - ◆ Locator App, an online directory of third sector services including Social Enterprises, scheduled for launch in September
 - ◆ SLC has funded a part-time resource hosted within VASLan to drive forward the SEN
 - ◆ South Lanarkshire's Social Enterprise Strategy has been named as a finalist in the Market Builder Category for the Social Enterprise Scotland Awards 2023

8. Social Enterprise Network

8.1. The SEN has set out its priorities as the following:-

- ◆ network members adopt the Voluntary Code of Practice for Social Enterprises
- ◆ building relationships with other Social Enterprises providing mutual support
- ◆ a place to share knowledge and experience
- ◆ collaborative working relationships and connection across South Lanarkshire, pan-Lanarkshire and the wider Social Enterprise community, as well as with the public and private sectors
- ◆ identify emerging themes
- ◆ be an advocate for funding specifically designed for Social Enterprises
- ◆ receive relevant updates and provide feedback to strategic groups
- ◆ better services and experiences
- ◆ support consultation and dialogue on the ongoing development and effective implementation of strategies and action planning

8.2. When reflecting on the Terms of Reference for the group at our second meeting on 19 January 2023, hosted at EK Collective, there was a desire from members for us to be more ambitious, and for our voice to be heard in that regard. A conversation followed with Louise McDonald OBE, Director General for Economy, where it was acknowledged that when delivering a product or service, combined with social impact, it is inevitably more expensive.

Social Enterprises locally wish to participate in a competitive environment for contracts, as they should. However, further weightings towards Social Enterprises would be welcomed. Going one step further, with the acknowledgement of often what is being bought and sold do not always align, a need for flexibility and adaptation of business models for market potential need to be realised. Encouragement for Social Enterprises to flex their model, with a fair chance of winning contracts for products and services, whilst retaining their social value and impact, would accelerate how we build local Community Wealth in South Lanarkshire.

8.3. It is proposed that we undertake some additional research to understand the gaps between what is being bought and sold locally, to support local Social Enterprises to realise the market opportunity.

9. Employee Implications

9.1. There are no direct employee implications.

10. Financial Implications

10.1. There are no direct financial implications.

11. Climate Change, Sustainability and Environmental Implications

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

12. Other Implications

12.1. None.

13. Equality Impact Assessment and Consultation Arrangements

13.1. 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.

Steven Sweeney
CEO, VASLan

17 August 2023

Contact for Further Information

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

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