

Divisions Affected – All

PERFORMANCE AND CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

19.07.2024

COMMUNITY WEALTH BUILDING AND WIDER SOCIAL VALUE

Report by

Stephen Chandler - Executive Director of People and Transformation

RECOMMENDATION

1. **The Committee is RECOMMENDED to**
 - consider the report in the committee's policy-shaping capacity, and to provide feedback
 - **NOTE** the report, and **AGREE** any recommendations it wishes to make to Cabinet arising therefrom.

Executive Summary

2. *This paper presents an update on Oxfordshire County Council's strategic approach to tackling economic inequality through community wealth building (CWB) initiatives, aligning with the council's mission for a Greener, Fairer, and Healthier Oxfordshire. Building upon previous initiatives, the council has collaborated with the Centre for Local Economic Strategies (CLES) and anchor institution partners to explore CWB practices for Oxfordshire. The council aims to lead by example in promoting CWB principles and reviewing and strengthening its commitments to the Oxfordshire Inclusive Economy Partnership. As the council assumes strategic economic functions, there is an opportunity to integrate CWB initiatives as a key element of economic development strategies and the broader work of the council.*

This paper reports on the findings of the CLES research and looks at CWB in the context of a new draft broader definition of social value, beyond the existing policy that applies specifically to procurements affected by the Social Value Act. The purpose of engaging with Performance and Corporate Services Overview and Scrutiny Committee is to gain feedback in the first steps of a longer process to develop a more comprehensive Community Wealth Building and Social Value Strategy.

Tackling deprivation and economic inequalities in Oxfordshire – a Community Wealth Building approach

3. During 2023/24, officers developed actions and policy relating to the ‘fairer’ element of the council’s ‘greener, fairer, healthier’ visions, particularly with respect to financial inequality. Alongside short-term cost of living programmes, officers have explored interventions that can be shown in other places to have tackled cycles of deprivation over the long-term.
4. The development of Community Insight Profiles in the 10 most deprived wards in Oxfordshire, and the targeted investment of health-related grant funding in those areas, has highlighted strong evidence for the correlation between economic and health inequalities in Oxfordshire. Oxfordshire’s Health and Wellbeing Strategy also acknowledges this link, making clear that efforts to tackle health inequalities must also look at other inequalities that impact the health and life outcomes of Oxfordshire residents.
5. Members will have seen the Cost-of-Living Programme report that came to Cabinet in May 2024, and the update report to Performance and Corporate Services Overview and Scrutiny Committee in November 2023. These reports indicated how the council intends to spend the Household Support Fund and other locally funded investment. Further allocations of this fund from central government is positive news, however, as was noted at Committee in November 2023, a longer-term approach to addressing the fundamental problem of economic inequality across Oxfordshire is needed. Supported by a dedicated budget to develop a Community Wealth Building and Social Value Strategy, this paper outlines a shift in approach from short term crisis interventions to a set of longer-term actions that will inform a wider strategy.
6. The principles of Community Wealth Building (CWB) outline how the council can use its economic activities (such as procuring goods or services, employing staff and owning land/assets) to generate reinvestment in the local economy (specifically in local people) which supports Oxfordshire to become *fairer, healthier and greener*. Community Wealth Building is not limited to the economic activity of the council, it also requires us to explore our role in shaping an approach to economic development that brings benefits for people and place in Oxfordshire.
7. Funding carried forward from the 2023/24 cost of living programme will seed-fund more sustainable interventions and additional specific funding provisions made in the 2024/25 revenue budget for the development of a Community Wealth Building strategy mean that a total of £350,000 is available for CWB and related initiatives in 2024/25. Related ongoing provisions were also made in the budget from 2024/25 onwards for the development of a social care cooperative hub, and corporate membership of the Cooperative Councils Innovation Network.

Community Wealth Building – What is Oxfordshire doing well already?

8. This programme of work is not starting from scratch, there are many elements of Community Wealth Building principles that the County Council and partners in Oxfordshire are already enacting.
- Since implementing the Social Value Policy in 2022, Oxfordshire County Council has delivered £2.7million worth of social value through contracts that are above the social value procurement threshold.
 - The Oxfordshire Inclusive Economy Partnership (OIEP) has catalysed significant interest in and progress towards creating a fairer and more accessible economy in Oxfordshire.
 - Employment and skills programmes delivered in collaboration with the LEP and local voluntary sector organisations, and initiatives like the County Print Finishers that provides supported employment opportunities are successful examples of expanding access to the wealth generated by jobs in Oxfordshire. The County Council also champions apprenticeships through direct employment opportunities and through social value contributions from suppliers.
 - Oxfordshire has a strong social economy, having been recognised as a Social Enterprise Place, and being home to numerous Community Action Groups.

The CLES Recommendations Report – Key Findings

9. From November 2023 to March 2024 the council engaged in a project with CLES, the output of which was a report that highlights where Oxfordshire is doing Community Wealth Building well, and gives recommendations for further action. The research report is intended as a base-line to work from and plan future strategy and actions around.
10. Attached as Annex A is the full CWB recommendations report, developed by CLES. The report provides a challenging set of recommendations with a range of more immediate and longer-term actions.
11. The report moves thematically through the five pillars of community wealth building. Below is a summary that highlights some of the key areas that officers are seeking to take forward in the 24/25 financial year, subject to any decisions required:

Economic Development

- Work to make community wealth building a central principle of local economic development, including specific support for small businesses and entrepreneurs who are less likely to access current support and finance through, for example, the BIPC

Spending and Procurement

- Develop a definition of social value that goes beyond procurement.
- Invest in co-produced training and toolkits for contract managers/commissioning officers/procurement officers to empower them to actively promote the maximum potential of social value.
- Analyse the impact of procurement spend locally.

Land and Property

- Review the Community Asset Transfer (CAT) policy to ensure the financial sustainability of arrangements and creating a connection with business support offers.

Employment and Skills

- Develop an options paper that enshrines the Council's commitment to fair wages.
- Map OCC's recruitment profile in terms of socio-economic status.

Social Economy

- Invest in membership of the Cooperative Councils Innovation Network and ensure that members and officers are gaining maximum benefit from the membership.
- Work with key partners who support social enterprises to provide greater access for residents who live in areas of high deprivation and develop proposals for prototyping social care cooperatives.
- Review the accessibility of bureaucratic processes for VCSE organisations (e.g. level of insurance required, consistency of process, exemptions for trusted partners).
- Learn from the expertise of 'community wealth builders' in Oxfordshire who have pioneered social enterprises and community-owned projects.

12. Officers are using the CLES report as a basis to design a programme of CWB work for the 24/25 financial year. This action plan is being costed and will be outlined at Cabinet in the autumn. In the meantime, actions are being delivered as they are identified through existing delegations and in consultation with the relevant portfolio holders.
13. The next year presents an opportunity for OCC to lead and learn when it comes to embedding CWB. The actions below indicate some of the longer-term ambitions that officers will be working towards with regards to economic development:

- Continued involvement in and support for the development of the anchor network as a forum for driving forwards inclusive economy actions and county-wide place-shaping
- Support the OIEP to be in a position to deliver ambitious collaborative projects
- Integrating community wealth building principles into economic development functions that makes the most of the expertise in the County and better connects more communities to the benefits of the local economy

Defining Social Value in the context of Community Wealth Building (CWB)

14. Previous feedback from the Performance and Corporate Services Overview and Scrutiny Committee, and the outcome of the Community Wealth Building report from CLES, have led to the development of a new draft definition of Social Value. The Council's Social Value Policy, approved in 2022, provides a specific definition of generating social value which is linked to the 2012 Social Value Act. This additional statement (attached as Annex B) seeks to build on that definition into areas beyond with those specifically dealt with in the act.
15. The *draft* Social Value Definition Statement details what the council means by generating social value 'beyond procurement'. The statement will align community wealth building with efforts to develop a broader understanding of social value. The statement provides a set of definitions, and a set of principles that can guide the generation of social value beyond that which is covered by the specific requirements of the Social Value Act. It is a first draft for engagement with the organisation, stakeholders and Scrutiny and once reviewed and agreed by Cabinet at a future date, will necessarily need to be iterative as the Council changes and learns.
16. To provide greater clarity for the organisation, and avoid confusion around technical and non-technical meanings, Annex B provides definitions for social value in different contexts:
 - **Social Value** - any additional economic, social or environmental benefit generated in any areas of activity carried out by OCC in the way it conducts business, rather than in the specific services it delivers
 - **Social Value as defined in the Social Value Act** - additional economic, social or environmental benefit generated through the procurement of goods, works or services from the Council's suppliers and the supply chain as a direct requirement of the Social Value Policy and the Social Value Act 2012
17. Generating social value through council activities is just one element of community wealth building. CWB has strong connections into other policies and areas of work that seek to tackle inequalities and build community resilience.

Corporate Policies and Priorities

18. As a policy framework, CWB is rooted in tackling financial inequality, and therefore has significant cross-over with efforts to tackle health inequalities and to support community resilience.
19. The Health and Wellbeing Strategy (HWS) sets out the importance of anchor organisations in supporting communities to remain healthy and well. The HWS outcomes framework outlines actions pertaining to community wealth building, particularly in delivering its priorities relating to *financial wellbeing*, *healthy homes* and *community resilience*. Community wealth building supports ongoing efforts to tackle the building blocks of health through healthy place shaping. Principles such as 'plural ownership of the economy' are already in use as part of the Community Insight Profile programme that uses delegated grant-making to involve communities directly in access to funding.
20. The Oxfordshire Way seeks to invest in community resilience, and to give residents access to the support they may need in their own communities, and to prevent further deterioration of their situation into crisis. In terms of deprivation, community wealth building interventions seek to prevent residents from slipping into crisis by providing greater access to the wealth and support that would meet their needs. Whether that be through skills, education and good employment, or through repurposing underused land as growing spaces or as a community centre for example. Extending the Oxfordshire Way into a cross-organisational transformation programme will mean encompassing a group of intersecting approaches including innovative community-led delivery with more holistic economic development practice. In this context CWB is essential for supporting the council's commitment to increase community resilience.
21. Community wealth building principles can be found in action in work that is already ongoing across the council, including the council's approach to inclusive employment (People and Culture Strategy) as well as the approach to consumption (Circular County Strategy). The Oxfordshire Food Strategy is closely aligned with supporting CWB, as is the grant funding programme to Community Action Groups that directly support CWB initiatives already underway in the community.
22. CWB is a set of approaches that seek to widen the access that local people have to the wealth held in Oxfordshire's economy. Good community wealth builders are anchors in the local place, cognisant of the impact they have as an economic unit, as well as a service provider. Community wealth building will facilitate access to financial wealth, or property that brings investment to local people. In addition, CWB will also generate wealth for local people in the form of security, cultural capital, relationships, agency and power for example. In its role as place-shaper and partner of choice OCC has an opportunity to inform and influence other anchor organisations, supporting shared learning and the delivery of commitments to inclusive economy and climate change priorities, which were made as a system.

23. The purpose of working with CLES was to understand how the council can take steps to become a leading 'community wealth builder' and how this learning can be applied to support the council's role as an anchor and signatory to the Oxfordshire Inclusive Economy Charter.
24. A Community Wealth Building approach aligns strongly with the missions identified in the new Commercial Strategy that is in development for the County. Namely commitments around thoughtful value creation, strategic thinking about how actions impact the wider 'system' and collaboration with a variety of partners to effectively work towards shared goals.

Financial Implications

25. Provision has been made for the development of a community wealth building strategy within the 2024/25 revenue budget. A Cabinet report in May 2024 also set out how funding carried forward from 2023/24 will be used to support initial CWB actions. There are no additional direct financial implications. However, any change to policy resulting from the implementation of CWB approaches will need to be assessed separately for any financial implications.

Comments checked by:

Thomas James, Head of Finance Business Partnering,
thomas.james@oxfordshire.gov.uk (Finance)

Legal Implications

26. There are no legal implications in the report.

Comments checked by:

Paul Grant, Head of Legal and Deputy Monitoring Officer
paul.grant@oxfordshire.gov.uk (Legal)

Equality & Inclusion Implications

27. Community wealth building work will have a positive impact on residents, especially those from areas of high deprivation, by generating an increase in the wealth retained and owned by the community. Low-income and deprivation is often intersectional with issues faced by people with protected characteristics. For example, a recent Joseph Rowntree Foundation report indicated that nearly half of everyone in poverty is either a person with disabilities, or lives with a person who has disabilities¹.

¹ [Nearly half of everyone in poverty is either a disabled person or lives with a disabled person | Disability Rights UK](#)

