

TITLE OF REPORT: **Monitoring of OSC Review of the implementation of
Community Wealth Building in Gateshead**

REPORT OF: **Mike Barker, Strategic Director, Corporate Services
and Governance**

SUMMARY

The purpose of this report is to provide a summary update to the Corporate Resources Overview and Scrutiny Committee on action taken to implement the recommendations of the review on Community Wealth Building.

1. Background

- 1.1 At its meeting on 13 June 2022, Corporate Resources and Overview Committee agreed the scope for the Community Wealth Building review focussing on:
- Making community wealth building central to Gateshead strategic direction through its strategy.
 - E-learning modules to be developed on community wealth building which are available via the intranet for all staff across the Council.
 - Review spend analysis of the top 100 suppliers to identify where contracts could be delivered locally, addressing gaps in the local supply chain and those opportunities offered to local suppliers.
 - Explore the development of social enterprises through the work of Economic Development.
 - Improve SME's access to contract opportunities through improving our internet pages and having a greater presence on social media.
 - Supporting the development of a more inclusive economy by working with other organisations to embed community wealth building through the Community Practice meetings and discussions at Anchor institute meetings.
- 1.2 Following several evidence gathering sessions the Corporate Resources Overview and Scrutiny Committee agreed a final report on 17 April 2023 which included the following recommendations:

Recommendation 1 – continue to drive community wealth building through commissioning and procurement, recruitment, and economic development activity.

Recommendation 2 – procurement documentation and communications should be reviewed to ensure that there are no barriers for local SME's (where this is possible).

Recommendation 3 – undertake further investigation as to why local organisations do not engage with tender processes.

Recommendation 3(a) – further networking activity for local suppliers and CVS's should be explored by Economic Development.

Recommendation 4 – ensure that all officers engaged in commissioning and procurement activity across the Council undertake the e-learning community wealth building module.

Recommendation 5 – continue with the engagement with anchor organisations to explore joint working on the following:

- Commissioning and procurement activity
- Recruitment drives and skills development
- Reviewing of land and property assets held by anchor organisations in Gateshead to see if they could be re-purposed
- Develop a carbon reduction/energy transition approach with anchor organisations
- To undertake workforce analysis, identification of gaps with parts/cohorts of citizens more distant from the labour market –

Recommendation 6 – further develop the social value work through the newly appointed Social Value co-ordinator role and by working with the VCSE sector, schools, voluntary groups, and internal colleagues to maximise social value benefits through future procurement opportunities. Look to develop 'Our Gateshead' web page to include social value 'asks', this would allow VCSE's, schools and voluntary groups, to submit social value requests and tenderers to see what those requests are and commit to deliver them during their contract period.

Recommendation 7 – Continue to develop and grow the generative economy working with local organisation to ensure they are fit to compete to maximise their success in future tender and quotation opportunities through pre- procurement market engagement sessions and by encouraging suppliers to attend the NEPO Business Club events.

Recommendation 8 – support the development of the social economy and alternative business models, including cooperatives and community interest companies that have the potential to provide goods and services that meet community need and address gaps in Council and anchor organisation supply chains.

Recommendation 9 – consider developing a social value framework for all planning and development to maximise future planning activity to maximise social and community benefits including residents access to employment opportunities arising from major regeneration projects through the Gateshead Works Service.

Recommendation 10 – Continue to explore opportunities for collaborating with the Anchor Alliance set up by the North of Tyne Combined Authority to enable us to build on the Anchor organisations we work with.

2. What has happened since completion of the review and what is planned for the future.

- 2.1 The following progress has been made since the completion of the review: Recommendations 1, 5 & 10
- 2.2 Corporate Procurement have been working hard to bring together key organisations within Gateshead to establish the Gateshead Anchor Network organisations which include the Council, Gateshead College, Gateshead NHS Foundation Trust (GHFT) NE, and Cumbria Integrated Care Board (CICB), Connected Voice, Gateshead Job Centre, Newcastle United Foundation, Bloom and NEPO.
- 2.3 The Anchor organisations have all agreed participation going forward to look at ways we can stop the Gateshead £1 leaking out of the local economy.
- 2.4 The Council, Gateshead College, Gateshead Health NHS Foundation Trust, some of Gateshead's biggest Anchors, alongside some other Gateshead employers, held a Careers / Recruitment Fair at Gateshead International Stadium earlier this year with the aim of supporting Gateshead residents into employment. This event was well attended with over 400 people attending to find out about roles and careers across these Gateshead employers. The employers represented had the opportunity to follow up with attendees on future vacancies / careers. Some residents were interviewed and offered posts on the night. Future joint careers / recruitment fairs will be held with the intention of increasing the number of employers able to attend.
- 2.5 The Anchors will continue to work together to undertake workforce analysis and identify any cohorts of gaps in the market, and we plan to have further recruitment events in the future.
- 2.6 The Anchors are considering how we can work together to reduce carbon. We are working with the Anchors to encourage them to sign up to the Gateshead Climate Pledge, to help us achieve net zero by 2030.
- 2.7 The Anchor Alliance Group established by North of Tyne Combined Authority has been put on hold until further notice.

Recommendations 2 & 3

- 2.8 The Procurement Team are currently reviewing tender documentation to make it easier for suppliers to tender. The new Procurement Act due out November 2024, aims to implement simpler procurement processes for suppliers.
- 2.9 Following the Committee meeting in March 2023, Procurement and Economic Development approached Northumbria University to

produce a report on Community Wealth Building. The report was received in October 2023 and the recommendations are currently being considered by officers as some of them will not be permissible under the new Procurement Act which is due to come into place November 2024. The University also provided an excel spreadsheet identifying all Not-for-Profit organisations in Gateshead, including VCSE's, charities etc which are based in Gateshead. The Procurement Team plan to engage with these organisations to understand the barriers to tendering. Economic Development have also invited this cohort of organisations to join their Gateshead Business Newsletter to get information on upcoming business and procurement events.

Recommendation 3 (a) & 7

- 2.10 As part of its work to attract, retain and develop business in the borough the Council's Business, Employment and Skills service relaunched the Gateshead Business Network in March 2023 following its suspension in response to COVID restrictions.
- 2.11 The Gateshead Business Network complements other business networks available to local companies, offering inclusive and regular events that all businesses can participate in free of charge. Events have been held on 22 March, 14 June, and 25 October 2023.
- 2.12 The Network is promoted through the Business Gateshead e-newsletter that also provides local businesses with the latest information on funding, support programmes and other business opportunities.
- 2.13 The Council plans to have an event in November where businesses will be invited to hear about upcoming tender opportunities, be provided with an overview of what we expect from a supplier, discuss Social Value, and take on board any feedback about barriers to tendering.
- 2.14 The Council's Business, Employment and Skills Service has worked with the Gateshead Local Enterprise Group and wider partners to increase the number of locally owned and generative enterprises in Gateshead and support their development. Since their update to the Corporate Resources Overview and Scrutiny Committee in March 2023 they have:
 - Continued to provide a responsive enquiry handling service ensuring local firms can access the support they need, helping 351 businesses to navigate the range of local and national programmes available.
 - Supported 101 people to become more enterprise ready through community-based workshops and a programme of business start-up bootcamps delivered from Northern Design Centre.
 - 34 new businesses have been supported to commence trading so far in 2023/24;

- A Gateshead Connect service has been introduced with 2600+ supplier matches to 9 new contract opportunities.
- Commissioned a range of projects through the Council's Shared Prosperity Fund (UKSPF) programme to stimulate entrepreneurship within our communities particularly among under-represented groups and enhance existing capacity to meet demand.
- UKSPF was also used to commission projects that will support high value-added industries and growth sectors, to increase the number of jobs and Gateshead's market share, and to improve the resilience, security & stability of customer facing businesses through improved productivity and more responsible employment through programmes enabling digitalisation, scale up and investor readiness or innovation supporting the introduction of new products processes or access to new markets.
- The Council is working with social enterprise specialists, North East Business and Innovation Centre, to develop the existing ecosystem to promote a thriving social enterprise sector through the establishment of a network giving members the opportunity to network and learn from one another and advocating for this strong, economically, and social impactful sector.

Recommendation 4

- 2.15 Community Wealth Building training is now live via the Learning Hub, this is available to Members and Officers. There are two types of courses; a short course to give an overview, and an in-depth course for those involved in procurements. Since the training going live 12 months ago, 34 people have completed the short version, and 54 people have completed the in-depth training. Going forward, all Officers undertaking or participating in a procurement will be required to undertake Community Wealth Building Training.
- 2.16 The Council is also in process of drafting a Community Wealth Building Policy to embed of all the principles Council wide.

Recommendation 6 & 9

- 2.17 The Council has been working on developing 'Our Gateshead' a web page to support the delivery of social value in Gateshead, following consultation on the page with the VCSE's it was proposed the page was renamed to the 'Gateshead Exchange'. The Committee will receive a demo of the page which is now live on the Councils Internet and Intranet pages. Gateshead Exchange is designed to bring suppliers, schools, colleges, community groups and voluntary, community and social enterprises (VCSEs) together to provide social value to the communities of Gateshead.
- 2.18 The concept is simple. Local voluntary organisations, social enterprises,

schools, community groups, or any other type of organisation based in Gateshead can submit a 'Request support' form detailing their needs. Suppliers can view the page on the Gateshead Exchange and tailor their social value offers to the real needs of the people of Gateshead. Providers can also help by submitting an 'Offer Support' form highlighting what services or offers they can provide. By using Gateshead Exchange, we can identify the needs within Gateshead so the offers of support to be focussed on what is actually needed most in the Borough and to help Gateshead to Thrive.

What impact has this had across the Council?

2.19 Implementing the actions outlined above has enabled the Council to evidence progress in implementing Community Wealth Building and start to measure the impacts. Community Wealth Building is now considered across a range of activities undertaken by the Council and will help to retain wealth within the Borough.

What will we do next?

- 2.20 During the next 6 months the following actions are planned:
- Recommendation 2 – the review of procurement documentation will be completed, and new documentation implemented in accordance with the Procurement Act.
 - Recommendation 4 – officers involved in commissioning and procurement activity will have to complete the Community Wealth Building Training when they participate in a procurement process. The draft Community Wealth Building Policy will also be shared.
 - Recommendation 5 – the Anchors will continue to meet and explore opportunities for further joint working to retain maximum wealth in Gateshead.
 - Recommendation 8 – the Council will continue support the development of the social economy and alternative business models including intensive work with the 2 groups that are interested in progressing the Community Asset Transfers of the leisure centres that were closed by the Council.
 - Recommendation 9 – the Council will continue to support Gateshead to Thrive through the development of Social Value within the Borough, through promoting Gateshead Exchange and the use of Social Value Toolkit in procurements.

Recommendation of this report?

- 6.1 The views of the Overview and Scrutiny Committee are sought on:
- Whether the Committee is satisfied with progress against the actions to date?
 - Whether the Committee is satisfied with the impacts to date?