

Community Wealth Building 2.0

Leading Resilience and
Recovery in Preston



Preston
City Council





Foreword from Councillor Matthew Brown

The following strategy is built on a rich foundation of Community Wealth Building in Preston. We have played a strong and well-recognised role in pioneering various streams of Community Wealth Building including progressive procurement, accreditation as the first local authority in the north of England to pay the Real Living Wage and progressing ambitions around a more inclusive economy through our work with the North West Mutual Bank, the credit union Clevr Money and by promoting cooperatives. We have worked innovatively with the city's anchor institutions on projects committed to the regeneration and municipal ownership of key assets in the city centre and have promoted and developed opportunities for local employment, apprenticeships and training through major work-streams such as the Preston, South Ribble and Lancashire City Deal.

Now, in the context of COVID, the need and opportunity for Community Wealth Building to be at the forefront has never been more important.

We believe that we can extend our agenda of progressive procurement, promote the Real Living Wage more widely, especially for key workers, advance our ambitions for democratising the economy and expand this agenda in a variety of other ways to lead a resilient and inclusive recovery in Preston.

It has been a very difficult few months, but we are optimistic that this strategy can influence and guide how we move forward in a way that contributes to the wellbeing and resilience of our communities and economy leaving us better prepared not just for the threat of future pandemics but the growing threat of the climate emergency.

Councillor Matthew Brown

Leader of Preston City Council

“Now, in the context of COVID, the need and opportunity for Community Wealth Building to be at the forefront has never been more important.”





Foreword from Councillor Freddie Bailey

The case for Community Wealth Building is stronger than ever, with the pandemic having a clear and significant impact on our residents, communities and businesses. It is vital that everything we do contributes to recovery and the development of a resilient and inclusive economy for Preston.

We are committed to providing value for our communities wherever possible and I believe this has been aptly demonstrated over the last number of months, while our councillors and officers have worked tirelessly with key partners and local organisations to manage and contain the pandemic in the city. As Community Wealth Building has always been in Preston, this strategy focuses on partnership and collaboration, both within the Council and with external partners and stakeholders. We are grateful for the considerable support and collaboration we continue to receive from anchor institutions, local organisations, and community and faith groups in developing this agenda. We value these relationships and recognise how key they are to the delivery of Community Wealth Building and the benefit they provide to the city.

Our ambitions for Community Wealth Building in Preston continue to grow, but we are proud to present the following strategy which is action-based and objective-led, focused on the need for recovery and resilience following an extremely difficult period of time for us all.

Councillor Freddie Bailey

Cabinet Member for Community Wealth Building

“It is vital that everything we do contributes to recovery and the development of a resilient and inclusive economy for Preston.”

Community Wealth Building 2.0

Leading Recovery & Resilience in Preston

Community Wealth Building is about creating a resilient and inclusive economy for local people. It reduces the wealth flowing out of the local economy so that it can be shared more widely and recirculated for the benefit of local people and businesses.

The case for Community Wealth Building is stronger than ever in the face of the devastating economic and health consequences of Covid-19. Significant sectors of the local economy have been severely affected with the loss of many jobs. The effect of income inequalities on the city's health and well-being have been starkly revealed by the disproportionate impact of Covid-19 on lower income groups, including those of Black or Asian heritage. The pre-Covid world's lack of resilience to external shocks has been unambiguously exposed, and the even greater threat posed by the climate emergency is more stark than ever.

In response, Community Wealth Building (CWB) can make a significant contribution to the development of a stronger, local economy which is more resilient to the challenges ahead.

Preston City Council has been building community wealth since 2012. Using its influence as an employer, a major purchaser of goods and services and as a leader of place it has successfully promoted inclusive growth of the local economy. This approach has become widely known as 'The Preston Model'. Among its achievements, the Council has:

- Increased procurement spend in the local economy and encouraged other local public sector partners (or 'anchors') to do the same.
- Encouraged suppliers to add to the 'social value' of their contracts by providing training and employment opportunities.
- Become the first local authority in the north of England to be accredited by the Real Living Wage Foundation, and has encouraged many other employers in the city to do the same.
- Ensured that extending local employment, apprenticeship and training opportunities is central to the City Deal and integrated within its own planning process.
- Supported greater diversity of ownership in the local economy by: investing directly in key assets in the centre of the city; bringing services back in-house and promoting worker cooperatives and community businesses.
- Encouraged more financial wealth to be retained locally by contributing to the establishment of a regional development bank and encouraging the Lancashire County Pension Fund to invest in the city.

“Community Wealth Building is about creating a resilient and inclusive economy for local people.”



This track record provides a solid foundation on which to build a new strategy to support a resilient and inclusive recovery from the pandemic. The Preston Partnership’s City Investment Plan and the Stoneygate Regeneration Framework are significant new opportunities to align city centre regeneration with the principles of Community Wealth Building. CWB will also be at the heart of the Council’s response to the climate crisis, ensuring that a green and fair recovery creates local jobs and training opportunities as well as new opportunities for community ownership and investment.

Preston’s experience during the pandemic is reflected with a renewed focus on faith, voluntary sector and community organisations and trade unions. The contribution made by these organisations in response to the pandemic cannot be overstated. The recent establishment of a Preston branch of Citizen’s UK to bring together many of these organisations will support the development of a shared, community-wide agenda for a resilient and inclusive recovery. This will include ‘reimagining the high street’ as the impact of the pandemic on the retail, hospitality and commercial sectors becomes clearer in the months ahead.

Beyond Preston, CWB’s commitment to local, inclusive and resilient development has never been more relevant to the challenges facing the Lancashire region at the beginning of 2021. With its experience and track record in delivering CWB, Preston will contribute to strategic development at the county and regional level including through Lancashire Leaders and the Lancashire Enterprise Partnership.

This document identifies priorities for the new strategy, clustered under eight different themes. Together these provide the framework to support the delivery of an inclusive and resilient recovery in Preston.



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1. Progressive procurement of goods and services

Local authorities and other public sector organisations buy - or 'procure' - a whole range of goods and services. 'Progressive procurement' is about using this purchasing power to encourage local and more diverse forms of enterprise to bid for contracts.

Local economic recovery from Covid-19 will be supported with a renewed focus on progressive procurement to promote local businesses and jobs and to increase social and environmental resilience. Specific priorities will include:

- New procurement practices to extend opportunities for local SMEs, worker cooperatives, social enterprises and businesses to bid for contracts.
- The roll out of a procurement 'framework' within the Council to ensure that procurement exercises take into account the wider benefits for employment and training, community development, health and well-being, the environment, and climate resilience.

2. A commitment to social value

'Social value' is the wider benefit gained by a local community from the delivery of public contracts or services. These benefits include employment, training, a strengthened civil society, improvements to the local environment and mitigation of the climate risk. At a time of unprecedented crisis, the Council will increase its contribution to social value by:

- Including a community benefit/social value policy within the Local Plan to encourage all developments above an agreed threshold to maximise social value.
- Ensuring that all qualifying new housing developments deliver an Employment and Skills Plan.
- Seizing new funding opportunities, including central government programmes, for apprenticeships, training and skills development.
- Exploring options for staff to contribute to mentoring and volunteering programmes.
- Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to support the further development of this sector.
- Engaging with representatives of civil society including the newly formed Preston Chapter of Citizens UK and local trade unions.
- Developing a Climate Action Plan and implementing measures to reduce the carbon footprint of the Council.

3. A more diverse and democratic economy

Community action during the pandemic has created a surge of interest in alternative models of business enterprise, including worker cooperatives. This has the potential to create a more diverse, inclusive and economically democratic business community in Preston. Decarbonisation creates further opportunities for cooperative development and community and municipal energy. In addition the Council remains committed to municipal ownership and development of key assets to regenerate the centre of Preston

Preston is well placed to support this. Specific priorities will include:

- Accessing funding streams to support the development of new cooperative enterprises.
- Promoting cooperative education and training.
- Promoting the conversion of businesses to worker or employee owned ventures.
- Prioritising cooperative activity to address economic inclusion and promote social justice, including for those communities most affected by C-19.
- Linking progressive procurement to cooperative development.
- Promoting community energy to deliver decarbonisation and community wealth.
- Exploring opportunities for public/private investment in district heating in Preston.
- Municipal development of a £35 million cinema and restaurant complex and the Harris Museum.

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4. Decent and fair employment

The pandemic has highlighted the role of key workers in delivering essential services but many of these workers are paid the minimum wage. Preston City Council became a Real Living Wage employer in 2012. It will redouble its efforts to encourage other employers to do the same in recognition of the commitment and sacrifice of key workers.

Increasing public sector recruitment from under-represented and deprived communities can play a key role in delivering community wealth. As the pandemic worsens pre-existing inequalities, such targeted recruitment has an even more important role to play. To encourage this, the Council will engage with partners across the public sector to explore opportunities to target recruitment from neighbourhoods disproportionately affected by Covid-19.

In response to the unemployment crisis created by Covid, CWB's commitment to the workforce will extend beyond fair and just employment to supporting the creation of new jobs, retraining and skills, especially for young people and marginalised communities. As central government announces new employment, training and other economic stimulus programmes, the Council will work with community, public and private sector partners to maximise employment and training opportunities in Preston.

5. Making financial power work for local places

Recovery from Covid 19 and resilience to future pandemics and the climate emergency requires investment in the local economy. A just recovery must also address financial exclusion. Both are priorities for the new strategy.

Preston City Council, Liverpool City Council and the Wirral have committed to setting up the North West Mutual Bank (NWMB), a new regional cooperative bank which will improve access to financial services, retain banking profits in the North West and recycle regional savings into business loans and mortgages. Delivering the NWMB is a priority in the new strategy.

PCC employees are members of the Lancashire County Pension Scheme (LCPS). Directing a share of pension fund investment into the local economy is a key ambition for CWB. Opportunities for local investment will increase in response to growing demand for renewable and clean energy. Working with other Councils from across Lancashire, the Council will use its influence to promote a strategy of regional investment, including a shift towards investment in decarbonisation.

Community municipal bonds and community shares are financial innovations which mobilise local savings to invest in projects which deliver community benefits. As the Council seeks to support local recovery from the pandemic and invest in social and climate resilience, it will work with local enterprises and community partners to explore their potential in Preston.

6. Using the Council's assets for social and environmental benefit

Local authorities are significant owners of land and property. A key commitment of CWB is to use these assets to deliver social and environmental benefit. To support a resilient and inclusive recovery from Covid, the Council will:

- Prioritise opportunities to contribute Council owned land to build affordable homes with local delivery partners.
- Engage with other anchors and key landowners to unlock all housing development opportunities within the urban area.
- Deploy its influence and assets in line with its stated vision to deliver 'a high quality 'urban village' environment which reflects the character and heritage of the city centre.
- Work closely with other anchors and community partners to 'reimagine' and deliver a vision for the city where active travel, public and green spaces, clean energy and affordable housing replace cars, shops and office blocks.
- Prioritise joint working with community groups to explore how Council assets can contribute to the development of community owned projects to meet growing demand renewable energy.
- Prioritise opportunities for managing Council parks and woodland to increase carbon capture and improve the local environment.

7. Harnessing the 'power of place' through collaboration with other anchors

Preston City Council's commitment to Community Wealth Building extends beyond what it can achieve in isolation to what can be delivered in partnership with other anchors. Anchor collaboration is at the heart of CWB and remains central to this new strategy. Specific priorities include to:

- Consolidate and extend the 'progressive procurement community' across Preston and Central Lancashire
- Pilot cooperatives for people leaving prison with local partners from the Ministry of Justice and the NHS.
- Encourage anchors, including local NHS providers, to explore options for targeting recruitment in areas of greatest deprivation and unemployment.
- Assess the feasibility of options for district heating in partnership with UCLan and Lancashire County Council and other anchor institutions.
- Explore options for community energy projects with other anchors and local community groups.

8. Place Leadership

The Council will use its influence with the Lancashire Enterprise Partnership, Lancashire Leaders and the emerging Lancashire Combined Authority to:

- Prioritise an inclusive and resilient recovery focussed on social and green infrastructure (housing, renewable energy, transport) and low carbon jobs.
- Ensure that the City Deal, the Stoneygate Masterplan, Transforming Cities and the Town Deal drive a resilient and inclusive recovery.
- Represent the views and interests of community partners at the county level.
- Press for central government spending in the regions to take account of community interests.
- To develop a place-based approach with UCLan and other anchors in response to the climate emergency

To deliver this agenda, the Council Leadership will press for a sustainable recovery and for communities to be at the heart of the LEP's recovery strategy and the proposed Greater Lancashire Plan.





Preston
City Council

www.prestoncommunitywealth.org