



Doncaster Council

Report

25 February 2020

**To the Chair and Members of the
Cabinet**

Community Wealth Builders

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr Nigel Ball	All	Yes

EXECUTIVE SUMMARY

1. This report provides an overview of the recent submission to European Regional Development Fund (ERDF) for investment of approximately £505,530 for The Community Wealth Builder Programme.
2. Doncaster is a Metropolitan Borough located in the heart of England in the metropolitan county of South Yorkshire and the Yorkshire and Humber region. The population is rooted in Doncaster's industrial past and this presents a significant challenge in connecting people, places and businesses to economic and social opportunities.
3. Despite being a Metropolitan Borough, large areas are rural in character and the largest land use (67%) is agriculture. Levels of unemployment and deprivation vary significantly across the Borough and we have pockets of disadvantage that can 'lock people in' to a cycle of poor outcomes. Many of these areas have not fully recovered from the decline of traditional industries, particularly the demise of the mining industry in the 1980's.
4. Team Doncaster has been working resolutely on addressing the lack of support for local people to gain a better understanding of enterprise acumen i.e. the knowledge and skills to succeed. CWB programme will provide non-financial support such as signposting to business forum, to new and existing social enterprises, by providing enterprise development packages, information, and networking opportunities that will increase the likelihood of survival and growth and continue to deliver social value.
5. The Community Wealth Builder (CWB) programme will provide non-financial support to new and existing social enterprises, by providing business

development packages, information, and networking opportunities that will increase the likelihood of survival and growth and continue to deliver social value. The programme will engage with anchor institutions i.e. those private or public place-based entities that are rooted in the local community by mission, invested capital, or relationships to customers, employees, and residents. Therefore leveraging the power of the anchor institutions economic assets to address social and economic disparities through the revitalisation of small and medium-sized enterprises.

6. The programme will be Borough wide for 2 years and 6 months; we will recruit two experienced Social Enterprise Officers, procure external support to aid the bespoke delivery of the contract and procure a digital platform.
7. The aims of CWB programme is to deliver a local economic growth approach, framed around the co-operative values of self-help, participation, social responsibility and democratic accountability.
8. The approach will be to engage anchor institutions i.e. those private or public place-based entities that are rooted in the local community by mission, invested capital, or relationships to customers, employees, and residents. The purpose of engaging anchor institutions is to leverage the power of their economic assets to address social and economic disparities through the revitalisation of small and medium-sized enterprises and the creation of new social enterprises.
9. CWB programme will seek to offer anchor institutions a robust and realistic opportunity to buy more quality goods and services locally; meaning that social enterprises can innovate, thrive and create sustainable employment. CWB programme has a specific focus on furthering the proliferation and expansion of social enterprises (i.e. those enterprises whose primary objective is to achieve social impact rather than generating profits).

EXEMPT REPORT

10.No

RECOMMENDATIONS

- 11.To agree to receive funding of £505,530 from European Regional Development Fund.
- 12.To use the funding to recruit two experienced Social Enterprise Officers, procure external support to aid the bespoke delivery and procure a digital platform.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- 13.Community Wealth Building (CWB) is an approach to local economic growth framed around the co-operative values of self-help, participation, social responsibility and democratic accountability
14. The purpose of engaging anchor institutions is to leverage the power of their economic assets to address social and economic disparities through the revitalisation of Small and Medium-sized Enterprises (SMEs). Anchor institutions spend millions of pounds annually on goods and services – but all

too often that spend results in limited additional benefit for the local economy. Part of the reason for this is that often contracts are too large for social enterprises, and that local SMEs (including social enterprises) do not have the business acumen to deliver services that meet the challenging agenda of anchor institutions.

15. CWB seeks to address these issues by offering anchor institutions a robust and realistic opportunity to buy more quality goods and services locally; meaning that local businesses, social enterprises, and co-operatives can innovate, thrive and create sustainable employment.
16. By supporting pioneering new approaches to CWB throughout the Sheffield City Region (SCR), through the emergence of social entrepreneurs, community owned enterprises and cooperatives, ERDF will enable them to bring new products and services to the market place and ensuring that these products and services meet the purchasing needs of anchor public and private sectors organisations. This work would include working with the developing and established social enterprises to enhance their social value by, for example, shaping their hiring practices to enable recruitment of those low-skilled members of the community who struggle to find employment with other companies.
17. By investing in their wealth locally, and ensuring regeneration in their local context, anchor institutions will benefit from improving the welfare of their local communities. Through their engagement with social enterprise, anchor institutions will help to develop more resilient and healthy local communities with reduced inequalities and improved employment levels. Key anchor institutions such as hospitals and local authorities will benefit from this by seeing a reduced pressure on services.

BACKGROUND

18. In Doncaster, just 56.2% of enterprises that started up in 2013 had survived into their third year, and only 39.9% had survived to a fifth year.
19. The large majority of businesses in Doncaster are either micro (89.3%) or small to medium sized (10.3%).
20. By 2021, Team Doncaster's engagement and support with communities will be transformed, with Well Doncaster's principles embedded at the heart. The Doncaster Growing Together (DGT) Borough Strategy has set out to change the way that public services deliver community wealth support.
21. The Well Doncaster programme has very broad objectives spanning health inequalities, community resilience and worklessness; the community wealth programme complements the Well Doncaster agenda as the delivery is to work across the borough to influence the opportunities where we can create the right conditions for people to aspire to develop their own social enterprise.
22. Therefore, a programme of intensive assessment of the prevailing market and business planning will support suppliers and stimulate new suppliers within the social enterprise and community sector. This support would vary from increasing business acumen to product development, and ensuring their

readiness to supply. CWB will support a minimum of 35 community-based companies, social enterprises and cooperatives, to become competent to supply and to win new business. This support will enable these locally based enterprises to generate more income and employment opportunities.

23. This work compliments existing provision delivered within the SCR Growth Hub and other provision delivered in the SCR Local Enterprise Partnership (LEP) area. Launchpad has a relatively generic focus in that it supports entrepreneurs of all types to develop their business ideas and start trading. The CWB programme will have a narrower focus since it will target its support towards those SMEs with a social and community focus.
24. Both the two dedicated members of staff and the procured service will support new and existing social enterprises: A programme of intensive assessment of the current market will inform the design and delivery of support to existing enterprises and stimulate new social enterprise. The support will vary from increasing enterprise acumen to product development and ensuring their readiness to supply. This support will enable enterprises to generate more income and employment opportunities.
25. CWB will provide at least 12 hours of assistance designed to create and develop social enterprises. The activity will foster a wider culture of social entrepreneurship in the SCR. From engaging in this support, participants will be better able to develop their products and services and will have a greater awareness of the procurement arrangements and timelines for the region's major purchasers.
26. The tailor made provision will provide support will be constructed in a modular way and be delivered in a range of methods offering options for the client to have a bespoke experience, tailored to their own business and development needs.

OPTIONS CONSIDERED

Option 1

27. Accept the funding
28. Our approach to becoming a community led health and wealth borough will be enable by accessing the funding and resourced offered by the European Regional Development Fund to proceed with the Well Doncaster work which is an integral part of the local solutions approach.

Option 2

29. Not accepting the funding.
30. Not accepting the funding would jeopardise the approach to becoming a community led health and wealth borough and the strengthening our communities

REASONS FOR RECOMMENDED OPTION

31. Option 1 brings additional funding to Doncaster and benefits local residents through employment opportunities and also has the potential to improve quality of life and wellbeing.

32. Option 1 capitalises on local Community Wealth Builder expertise, provides additional support to our communities and will develop further social enterprises.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

33.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>The Community Wealth Builder's approach is to build on what is strong in the community and enable people to use their skills and hobbies to develop into employment.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>The Community Wealth Builder contributes to Doncaster Growing Together (DGT) Borough Strategy has set out to change the way that public services deliver community wealth support</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or 	<p>Employment supports better health outcomes for families, creates better opportunities and increases the likelihood of educational attainment.</p>

	<p>better</p> <ul style="list-style-type: none"> • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>The Community Wealth Builder will focus on those residents who are the most in need of support into employment that gives social value to the borough.</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>The Community Wealth Builder will utilising the community insight from the Asset Based Community Development work undertaken by Well Doncaster to ensure that we build on the assets that we have and enhance community capacity to improve people's lives and to aid better employment opportunities.</p>

RISKS AND ASSUMPTIONS

34. By not delivering this ERDF call;

- a. Social Business start-up levels could fall and the perceived barriers to start up would increase.
- b. There would be no large-scale locally targeted support to encourage entrepreneurship and business creation in Doncaster.

35. The lack of competitor bids demonstrates the difficulties and constraints of providing a service across the entire SCR (which this call is explicit must happen) and because of the difficulties in raising the required eligible match for a project of this size. European funding, however clear monitoring processes and collection of output evidence have been established for this project, to mitigate against and minimise any risks and implications. The procured external contract will be over OJEU threshold and therefore poses a reduced risk within the MHCLG audit process.

36. The successful contractor will be paid retrospectively for outputs and service delivery, with a robust process for validating claims, led by Public Health Programme Manager.

Financial & Legal/compliance	If we do not receive this investment, we will not receive significant investment into addressing social Enterprise in Doncaster.
Organisational	Without this funding the staff capacity to work on this challenge is significantly affected.
Reputation / Stakeholder Management	The CWB will be overseen by a group of strategic stakeholders who are committed to addressing social enterprise and the impact of worklessness across the Borough.
Strategic Planning & Service Delivery	The CWB is a core element of Team Doncaster plans to increase employment opportunities across within Doncaster.

LEGAL IMPLICATIONS [Officer Initials NJD Date 6th February 2020]

37. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the Council the power to purchase goods and services.
38. The Council must comply with the terms of the ERDF to ensure that any obligation are complied with in order to avoid clawback.
39. Where the funding is used to pay for services, the procurement of those service must be in accordance with the Councils contract procedure rules.

FINANCIAL IMPLICATIONS [Officer Initials...HR..... Date.....30/01/2020.]

40. Doncaster Council has received confirmation in principle from the Ministry of Housing, Communities and Local Government that the Sheffield City Region Community Wealth Builders scheme has been successful in their bid of £505,530. The formal funding offer has not yet been received and therefore would advise caution on commencement of the scheme until this is in place. Any conditions of the grant must be adhered to, to mitigate any financial risk to the Council.
41. As this grant has not been included in the MTFP as part of the budget setting process, acceptance of the grant is subject to key decision rules.
42. The ERDF grant forms 60% of the total cost of the scheme (£849,629), the remaining 40% will be funded from the Well Doncaster budget within Public

Health. The expenditure identified in the bid is be a mixture of in-house costs and commissioned work. Based on the approved bid the funding is to cover the following costs:

	2019/20	2020/21	2021/22	2022/23
Staffing & related costs	£52,027	£217,222	£225,234	£57,435
Consultancy	£0	£122,316	£122,316	£30,579
Marketing & Events	£2,000	£10,000	£9,000	£1,500
Total Spending Plan	£54,027	£349,538	£356,550	£89,514

HUMAN RESOURCES IMPLICATIONS [Officer Initials BT Date...24/01/2020]

43. As far as the recruitment to the 2 new temporary posts are concerned, Job Role Summaries have been submitted to HR for evaluation purposes and they align with the existing generic posts of Public Health Improvement Officer (Grade 8 under JE ID 6493) and also the Public Health Project Officer (Grade 7 under JE ID 6294). New Position Reference Numbers have been applied for and HR Rotherham have created the new posts to progress advertising within the forthcoming DMBC Recruitment Programme.

TECHNOLOGY IMPLICATIONS [Officer Initials...PW Date...21/01/20]

44. There are no direct technology implications in relation to the decision to agree to receiving funding from the European Regional Development Fund for the Community Wealth Builder Programme. However, some of the funding will be used to procure and maintain a digital platform. This was considered and agreed by the Technology Governance Board (TGB) at their meeting on 15/1/20. ICT resources will need to provide input to the procurement process to ensure that the platform meets the necessary technical and security requirements and standards

HEALTH IMPLICATIONS [Officer Initial VPHDate16.01.20.....]

45. Creating a more employment opportunities for our local residents shows investment in developing greater human, economic, social and environmental capital. Therefore, ensuring a vibrant economy will contribute to good health and wellbeing. New social businesses are a key contributor to the economy and this proposal should contribute to improved health and wellbeing.

EQUALITY IMPLICATIONS [Officer Initials...VPH Date.....16.01.20.....]

46. Decision makers must consider the Council's duties under the Public sector Equality Duty at s149 of the Equality Act 2010. The duty requires the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic. Community Wealth Builder will be inclusive and is accessible to all. It is open to any new or emerging social business in

Doncaster subject to ERDF displacement rules.

CONSULTATION

47. A collaborative approach with partners will be established in answer to demand and call for New Business Support; this will be undertaken with support from Business Doncaster.

48. The Community Wealth Builders will build on the already established partnerships such as the Local Delivery Group, The Growth Hub and Launchpad Project Board.

BACKGROUND PAPERS

49. Match funding for European structural investment fund (ESIF) new business activity.

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

50. Community Wealth Builders (CWB)

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