

# The Highland Council

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| <b>Agenda Item</b> | <b>7</b>         |
| <b>Report No</b>   | <b>ECI/03/25</b> |

**Committee:** Economy and Infrastructure

**Date:** 13 February 2025

**Report Title:** Community Wealth Building Strategy Update

**Report By:** Assistant Chief Executive – Place

## 1 Purpose/Executive Summary

- 1.1 Community Wealth Building (CWB) provides an alternative approach to economic development and a practical response that aims to keep wealth within a local area. It is often described as a people centred approach to economic development and aims to ensure every area and community can participate in, and benefit from, economic activity.
- 1.2 At the Council meeting in September 2024, a CWB Strategy and Action Plan as detailed in Appendix 1 was agreed, along with a commitment to provide bi-annual progress reports to the Economy and Infrastructure Committee.

## 2. Recommendations

2.1 Members are asked to:-

- **Consider and note** updates on progress against the CWB action plan;
- **Note** the updates; and
- **Agree** that a stand-alone Highland Social Value Charter update report be brought to the 29 May 2024 meeting of the Economy and Infrastructure Committee.

## 3 Implications

- 3.1 **Resource** – The strategy is being delivered within existing budgets. It therefore aims to embed CWB as an approach into our activity and adapting our approaches to maximise the opportunities this approach brings to our communities and the local economy. The action plan has been aligned to the Council's Operational Delivery Plan and the Highland Outcome Improvement Plan.

- 3.2 **Legal** – No immediate legal implications. However, the Programme for Government 2024-25 confirmed that a CWB Bill will be introduced in Year 4 of the current session of parliament. The Bill will seek to address economic and wealth inequality by supporting the retention of more wealth in local and regional economies by ensuring consistent implementation of the CWB model of economic development across Scotland.
- 3.3 **Risk** - CWB encompasses a considerable range of activity. A core consideration is about embedding CWB approaches in our business-as-usual activity. It is also important to note that whilst elements of community wealth building are directly at the hands of the Council, partnership working will be fundamental to realising other benefits.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – there are no implications.
- 3.5 **Gaelic** – there are opportunities to be realised through the development of skills and employment pathways related to Gaelic language and culture and wider economic benefits through the promotion of Gaelic culture.

#### **4 Impacts**

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 **Integrated Impact Assessment - Summary**
  - 4.3.1 An Integrated Impact Assessment screening was undertaken as part of the development of the Community Wealth Building Strategy. This concluded that no negative impacts were identified and positive impact anticipated, particularly in relation to socio-economic impact.

## 5 Action Plan Update

5.1 The action plan sets out the intended outcomes and proposed actions for each of the 5 pillars of Community Wealth Building:-



By delivering against these pillars, the aim is to increase the flow and retention of wealth within a local area. It is important to note however, that many of the actions contained in the plan have their own governance arrangements in place to ensure successful implementation and scrutiny. Consequently, the following paragraphs highlight notable areas of progress against the agreed actions, as opposed to an exhaustive assessment.

### 5.2 Spending

On the 5 September 2024, the Communities and Place Committee agreed the Highland Community Benefit Policy (Procurement). The policy:-

- Sets out the Council's overall approach and aspirations relating to Community Benefits & Social Value.
- Provides a consistent approach to Community Benefits / Social Value delivery across all Council services and stakeholders, including capital and engineering projects, linked where required, and supporting the Joint Procurement Strategy.
- Works in parallel with procurement activity to ensure that we meet our legislative duties to sustainable procurement but recognising that to maximise community benefit opportunities, we must go beyond our legislative duty and seek benefits from all procurement activity.
- Focuses on directing community benefit activity towards employment, education, skills development and training to support the Council's Workforce for the Future Strategy

Significant work has already been undertaken to develop the key components of this policy:-

- Engagement with third sector partners to engage and encourage communities across Highland to submit their support requests to the Highland Project Bank.
- The policy will be cross referenced in the Annual Procurement Report and the Joint Procurement Strategy, with performance relating to community benefit outcomes being reported to the Corporate Resources Committee as part of the Annual Procurement Report.
- The policy content and review relating to outcomes against Highland priorities will be reported to the Communities and Place Committee in September 2025.

### 5.3 Fair Employment

Agenda Item 10 provides an update on the Council's Workforce for the Future portfolio.

During 2024, the Council was informed that it had been successful in its bid to the Scottish Government's Addressing Depopulation Fund. The purpose of the Fund is to support the implementation of bespoke, pathfinder measures in support of population attraction and retention in your local authority. This funding of £60,000 applies within the current financial year and is indicatively to continue in 2025/26 (further £60,000).

The focus of the Council's Addressing Depopulation Funded projects is to develop learning around innovative childcare solutions:-

#### *Rural Childcare Practitioner feasibility:-*

This project aims to explore the possibility of new type of childcare provider – a new model which has the nurturing nature of a childminder but also the ability to deliver childcare within the local community such as running holiday clubs in the local village hall. Current legislation in Scotland does not allow for this hybrid model but there is significant interest to ascertain the circumstances in which this could be viable. Both in a practical and financial context.

#### *Single Care Model feasibility (including international research on Integrated Care Models):-*

This project is exploring possible options for care provision across the age spectrum within a rural community where there have been difficulties with recruitment of staff within adult care as well as childcare. This would not be intergenerational – but a care service within a community which can provide child and adult care due to small numbers and ensuring a viable service. This could also include shared intergenerational staff team based in care home with childcare provision on site.

#### *Subsidised Childminder feasibility:-*

This project is investigating subsidy interventions that could potentially allow a rural childminder to enhance their income to the value of the Living Wage, thereby creating a model which is not dependent on a minimum number of children in their care.

## 5.4 Land and Property

In July 2024 the Council declared a Housing Challenge in the Highlands, in recognition of the additional pressures on the housing market over the next 10 years; the impact of economic growth associated with the Inverness and Cromarty Firth Green Freeport and the pressure associated with an increase in workforce coming into the area to deliver the SSE infrastructure works required to deliver the new transmission line.

5.4.1 In October 2024 the Council facilitated a Housing Summit designed to bring together all parties from National, Local government and private sector interests, both large and small, from across the fields of energy, housing development and commerce, to focus on the Housing Challenge. The summit provided the opportunity to drive collaborative action in the co-design and delivery of a strategic action plan which, addresses the housing needs in the short, medium and long-term future.

5.4.2 A number of commitments were made by the Council at the summit:-

- The Council will commence a planning advisory service which will enable developers to meet senior officers to resolve issues to support a smooth planning process – this has commenced.
- The Master Plan Consent Areas - secondary legislation has recently passed and work is beginning to develop the scheme which will be progressed including engagement with key stakeholders.
- £6m of second homes council tax monies will be repaid to the landbank to support the delivery of further affordable homes – this was agreed at Council in October.
- A call for sites for the Highland Local Development Plan will be initiated immediately in advance of the original timeframe – the call for sites will be issued by the end of January.
- The Social Value Charter will be advanced to ensure maximum benefit to the affordable housing programme – an update on this is provided below.

Work is also progressing on the development of invest models to support the delivery of the Housing Challenge.

5.4.3 A draft action plan has been developed based upon the discussions at the summit. Sector specific engagement will take place to further inform this over the next two months – developers, public sector partners, investors - with a view to the final action plan being considered at Council in March. A further summit will be held in May 2025, which will report on progress to date and next steps.

## 5.5 Financial Power

On the 27 June 2024, the Council agreed to adopt and the immediate use of the Highland Social Value Charter in all engagement with renewable energy investors in Highland. The Assistant Chief Executive – Place subsequently wrote to forty-five companies responsible for 103 live energy applications in the planning system, inviting them to meet with Council officers to discuss the charter and explore opportunities for collaborative working. The ultimate objective being to agree the terms of a 'Partnership Agreement' in accordance with the objectives of the nine-point charter.

5.5.1 To date, twelve companies have accepted that offer and have engaged positively:-

1. Eden Renewables;
2. EDF Energy Renewables Ltd,
3. E Power Ltd,
4. Gilkes Energy Ltd,
5. Glen Earrach Energy Ltd,
6. ILI Energy;
7. Koehler Renewable Energy UK Ltd,
8. Nadara Ltd,
9. Renewable Energy Systems Ltd,
10. SSE PLC,
11. Statera Energy Ltd, and
12. Vattenfall Wind Power Ltd

Those that have not responded will now receive a follow up invite urging them to do so.

5.5.2 The Council has been engaging positively with Dounreay and the Nuclear Decommissioning Authority.

5.5.3 The Council has embedded the Social Value Charter within its processes to ensure any new developments coming through at pre-planning or planning stage are automatically notified to the CWB team. They will then arrange to meet with the developer. The detail of discussions remains separate from the planning process, with the detail not provided to planning officers.

5.5.4 The Council continues to work with HIREP members to develop thinking around potential governance arrangements for the management and distribution of any strategic funds collected at the local authority level. As agreed previously, this will be a partnership approach involving partners, developers and community representative.

5.5.5 Furthermore, the Council also continues to work closely with the Centre for Local Economic Strategies (CLES) to embed CWB thinking across the organisation and beyond. In the coming weeks and months, CLES will be facilitating workshops with members of the Highland Community Planning Partnership to inform the creation of the proposed Strategic Investment Plan which will set out the investment priorities of Partnership around:-

- Housing;
- Connecting People and Places;
- Employment and Employability; and
- Addressing inequalities

This Strategic Investment Plan will allow all stakeholders to identify strategic projects that could be supported through the Fund, subject to the agreed formal Governance arrangements.

5.5.6 In addition, the Council participates in the HIREP CWB Group and the Scottish Local Authorities CWB Practitioners Network. Both groups aim to progress and promote the development of a collaborative approach to CWB across the region and across Scotland. In particular opportunities for facilitating joint working, promoting best practice and advancing specific activity around agreed CWB pillars have been identified as key objectives.

5.5.7 A detailed progress update on the Highland Social Value Charter will be brought to the next meeting of the Economy and Infrastructure Committee.

## 5.6 Inclusive Ownership

A core commitment from the final priority area was delivering local priorities. The key delivery mechanism for this is the creation of Area Place Plans. In November 2021, Highland Council and the Highland Community Planning Board agreed to develop a Place Based Framework across each Committee Area within Highland, including the development of an Area Place Plan (APP) for each Area. The aim was to consolidate local priorities already within existing plans and draw together community aspirations with priority issues and outcomes for local development and community planning to secure a clear, shared and accepted way forward for each area. The process means understanding communities and delivering a shared vision by targeting resources, investment and action, achieved by working and collaborating together and provides a method to track and promote the impact of both spending and project delivery.

5.6.1 Work has progressed over the last 18 months on development of the plans and the status of each Plan is as follows:-

### **Black Isle**

- Community Led, this Local and Area Place Plan was agreed by Committee in August 2024 and a local steering group is now overseeing delivery of the actions and priorities.

### **Caithness**

- Highland Council is leading the preparation of an Area Place Plan (APP), with a stakeholder group formed to deliver the plan in draft by mid-2025.

### **Dingwall and Seaforth**

- Highland Council is leading the preparation of an Area Place Plan under the guidance of a steering group of public and third sector stakeholders, working towards adoption of the Plan in February 2025.

### **Easter Ross**

- Easter Ross Community Partnership is presently developing a plan for its area which will be considered by Area Committee in May 2025.

### **Inverness and Area**

- The Inverness Strategy package provides a portfolio for those with a shared interest in the future of development and investment across Inverness and the wider area. It will be considered by City Committee in February 2025.

### **Nairn**

- Community led, the local place plan for Nairn will set out the priorities and future vision for Nairn and Nairnshire. This will be considered at Area Committee in May 2025.

### **Lochaber**

- Highland Council has finalised the collaborative preparation of an Area Place Plan which collates an overview of local priorities development, investment and service delivery across the area. Area Committee will consider the Plan for adoption in January 2025.

## **Sutherland**

- Highland Council in collaboration with Sutherland Community Partnership and Kyle of Sutherland Development Trust is preparing an Area Place Plan (APP) which collates an overview of local priorities development, investment and service delivery across the area – it is anticipated this will be adopted in June 2025.

## **Wester Ross, Strathpeffer and Lochalsh**

- On behalf of the Council and partners, Wester Ross UNESCO has prepared the Area Place Plan (APP) which collates an overview of local priorities development, investment and service delivery across the area - identified through stakeholder and public engagement, in addition to reviewing the content of existing plans and strategies across public and community partners. Adopted by the Area Committee in January 2025, the APP will comprise a key source of evidence for consideration in development planning, future service delivery and community action.

Designation: Assistant Chief Executive - Place

Date: 16 January 2025

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Background Papers: Developing a Community Wealth Building Strategy - [March 24](#)  
Community Wealth Building Strategy – [September 24](#)

Appendices: Appendix 1 – Action Plan



## What we will do to deliver - Action Plan

| Objective       | Outcome  | Actions  | Lead   | Timescales  |
|-----------------|--|--|--|---|
| Spending        | Increase community benefit from procurement activity                 | Implement the Community Benefit from Procurement Policy: <ul style="list-style-type: none"> <li>• Develop Highland Project Bank</li> <li>• Updated procurement documentation</li> <li>• Guidance for staff and suppliers</li> </ul>  | Community Benefit Manager & Strategic Commercial Manager   | By December 2024  |
|                 | Maximise local spend through procurement practices                   | <ul style="list-style-type: none"> <li>• Develop a targeted supplier development programme which will support Highland SME's, Social Enterprises, Supported Businesses and the Third Sector to develop tendering skills, and gain experience in identifying and bidding for contract opportunities across the public sector.</li> </ul>  | Strategic Commercial Manager   | March 2025  |
|                 | Build capacity within third sector to support commissioning activity | <ul style="list-style-type: none"> <li>• Develop and deliver a thematic approach to capacity building</li> </ul>   | Person Centred Solutions Portfolio   | March 2027  |
|                 | Supporting small business growth and development                     | <ul style="list-style-type: none"> <li>• Work to support Highland based businesses to start up and grow</li> </ul>   | Economy & Regeneration Team  | Ongoing   |
| Fair Employment | Developing a workforce for the future                                | <ul style="list-style-type: none"> <li>• Establish a Partner Sector Skills Board and 7 sector reference groups to identify skills needs, gaps and build career pathways</li> <li>• Create an Employer Charter that will support fair work and the living wage</li> <li>• Develop a joint talent attraction and marketing programme for Highland (internal retention and external attraction)</li> <li>• Develop a shared approach to promoting the offering of public sector agencies in Highland – e.g., apprenticeships, housing, skills and training, upskilling = career pathways, benefits</li> </ul> | Workforce for the Future Portfolio<br><br>Workforce for the Future Portfolio<br><br>Sector Skills Board<br><br>Sector Skills Board | March 2025<br><br>November 2024<br><br>December 2025<br><br>December 2025 |

| <b>Objective</b>  | <b>Outcome</b>   | <b>Actions</b>  | <b>Lead</b>  | <b>Timescales</b> |
|-------------------|--|---|--|-------------------|
| Fair Employment   | Maximising skills and innovation opportunities from the Green Freeport | <ul style="list-style-type: none"> <li>Implement the 10-point skills plan as part of the Green Freeport Delivery</li> </ul>   | Green Freeport Partnership   | Ongoing           |
|                   | Delivering childcare solutions   | <ul style="list-style-type: none"> <li>Develop multi-generational models for childcare</li> </ul>   | Person Centred Solutions Portfolio   | March 2026        |
|                   | Improved local transport solutions                                     | <ul style="list-style-type: none"> <li>Develop the evidence base to identify community transport gaps and opportunities across Highland</li> </ul>  | Transport Partnership  | March 2026        |
| Land and property | Supporting community and local ownership                               | <p>As part of the asset rationalisation process:</p> <ul style="list-style-type: none"> <li>Pro-actively engage with local communities on potential uses for assets that align with community aspirations and delivery of local priorities</li> </ul>                         | Community Support and Engagement Team  | Ongoing           |
|                   | Increasing the supply of affordable housing                            | <p>As part of the Housing Challenge:</p> <ul style="list-style-type: none"> <li>Develop options for increasing finance for housing</li> <li>Develop options for increasing the number and variety of developments</li> <li>Develop options to increase land supply</li> </ul> | <p>Chief Officer – Economy and Planning</p> <p>Chief Officer – Housing and Communities</p> | March 2027        |

| Objective           | Outcome                                      | Actions  | Lead   | Timescales |
|---------------------|--|--|--|------------|
| Financial Power     | Maximising community benefit from renewables | <ul style="list-style-type: none"> <li>• Implement the Social Value Charter for Highland including creation and delivery of a Strategic Investment Fund</li> <li>• Promote the aims and opportunities of the Social Value Charter with stakeholders and communities</li> </ul> | Assistant Chief Executive Place  | March 2025 |
|                     | Attracting inward investment                 | <ul style="list-style-type: none"> <li>• Work with potential investors, landowners, ports and developers to maximise the benefits of inward investment to the local supply chain.</li> </ul>   | Assistant Chief Executive Place<br><br>Highlands and Islands Regional Economic Partnership | Ongoing    |
|                     | Supporting business growth and development   | <ul style="list-style-type: none"> <li>• Work to identify and secure funding to encourage and support Highland based businesses to start up and grow</li> </ul>  | Economy and Regeneration Team - Business Gateway and HOIL                                  | Ongoing    |
| Inclusive ownership | Increasing community ownership in Highland   | <ul style="list-style-type: none"> <li>• Work to promote different models of community ownership including social enterprises, co-operatives and community owned enterprises</li> </ul>  | Economy and Regeneration Team  | Ongoing    |
|                     | Delivering local priorities                  | <ul style="list-style-type: none"> <li>• Work with local partnership – community, third, public and private sector – to deliver local priorities and aspirations through place planning</li> </ul>   | Community Support and Engagement Team  | Ongoing    |