



Summary

North Ayrshire Council is set to become the first in Scotland to adopt a 'Community Wealth Building' approach to economic development.

It is a radical and bold approach which will see the Council – along with other established institutions - use the economic levers available to them in order to create a more resilient local economy, with more diverse businesses, to create more well-paid jobs for local people

The Council is currently working on its Community Wealth Building Strategy which will inform the direction taken over the coming months and years.

Details of Community Wealth Building

Community Wealth Building (CWB) has been described as a 'game-changer' with the potential of transforming the North Ayrshire and wider Ayrshire economy.

The public sector in Ayrshire spends billions of pounds each year and Community Wealth Building will look at harnessing these resources to create a new inclusive economy that delivers economic, social and environmental justice for the citizens of North Ayrshire.

The CWB approach has proved successful in Preston, Lancashire, and in areas of America.

The Centre for Local Economic Strategies (CLES) - recognised experts in the UK for Community Wealth Building – recently undertook an extensive study of North Ayrshire. Their report reinforced the Council's view that new ways of working are needed to help deliver social, economic, and environmental justice for local residents.

We are now working with partner organisations to create a strategy that will help us deliver a Community Wealth Building approach that supports local businesses and creates new democratic models of ownership, including worker co-operatives, to create good, well paid jobs. Publicly owned land and assets will be used for the common good and be an enabler for a vibrant, democratic economy.

How does Community Wealth Building work in practice?

Community wealth building has five 'pillars' which local authorities and other well-established 'anchor' organisations - such as the Council, NHS, further and higher education institutions, and larger private sector organisations - can leverage to support and develop local economies:

1. Procurement - Progressive procurement develops dense local supply chains of local enterprises, SMEs, employee owned businesses, social enterprises, cooperatives and other forms of community owned enterprise.

2. Employment - Recruitment from lower income areas, commitment to paying the living wage and building progression routes for workers are all examples of the actions anchor institutions can take to stimulate the local economy and bring social improvements to local communities.
3. Land and Assets - Anchors are often major land holders and can support equitable land development and the development of under-utilised assets for community use.
4. Financial Power - Local Wealth Building seeks to increase flows of investment within local economies by harnessing the wealth that exists locally.
5. Democratic Ownership of the Local Economy - Cooperatives, mutually owned businesses, SMEs and municipally owned companies enable the wealth generated in a community to stay in that locality.

