CitiesFitforFuture
Productive Cities in Practice
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Innovative Public Investment and Procurement

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Innovative Public Investment and Procurement

• Community Wealth Building – what it is, why we do it, and progress so far

• Our Procurement Journey and Making Spend Matter
Community Wealth Building

CWB is a different approach to what is considered “usual” economic development.

It seeks to redirect wealth back into the local economy and place control and benefits into the hands of people and communities – a bottom up rather than top down approach.

Preston began working on Community Wealth Building in 2011 in response to three things: a change in political leadership; the impact of the financial crisis and austerity; and the loss of a traditional inward investment project to the City.
Community Wealth Building (CWB)

CWB is based on Five Key Principles:

- Progressive procurement of goods and services
- Plural ownership of the economy
- Fair employment and just labour markets
- Making financial power work for local people and places
- Socially productive use of land and property
# Progress so far

<table>
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<th>Progressive Procurement</th>
<th>Democratising the economy</th>
<th>Fair Employment</th>
<th>Making financial power work for local places</th>
<th>Socially productive use of land and assets</th>
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<tr>
<td>Understanding of how much is spent, where and who with which is used to inform procurement processes and practices</td>
<td>Municipal regeneration of Preston - the Market Hall, cinema &amp; restaurant complex and the Harris Museum</td>
<td>The Real Living Wage</td>
<td>Registration of North West Mutual Bank, Clevr Money and Lancashire Community Finance</td>
<td>Local employment, apprenticeship and training opportunities at the heart of the City Deal (an €1bn infrastructure deal)</td>
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<td>Local procurement group, bringing together procurement leads from anchor institutions and SME sector representatives</td>
<td>Open Society Foundations’ (OSF) funding for cooperative development including 10 worker cooperatives</td>
<td>Insourcing of services by Preston anchors</td>
<td>Investment of £18 million from the Lancashire County Pension Fund in student accommodation</td>
<td>Central Lancashire (covering Preston, South Ribble and Chorley) Skills and Employment Supplementary Planning Document</td>
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PRESTON'S PROCUREMENT JOURNEY

City: Improving Community Wealth Building and taking forward the Good Practice

City: URBACT Good Practice Label for collective work on spend analysis and procurement

PCC: Start Community Wealth Building
- New public procurement strategy + internal procurement champions' group

City: 1st conversation with Leaders of 6 Preston based "Anchor Institutions"

URBACT Procure Network 2015-2018:
- Co-operation with 10 EU cities to progress public procurement

City: 1st Living Wage public authority in the North West
- Alternative economic development model thinking

2011
- 1st Living Wage public authority in the North West

2012
- URBACT Procure Network 2015-2018:
  - Co-operation with 10 EU cities to progress public procurement

2013
- 1st conversation with Leaders of 6 Preston based "Anchor Institutions"

2014
- Anchors + CLES:
  - 1st collective spend analysis
  - Results:
    - 5% of spend within Preston
    - 39% within Lancashire

2015
- Anchors + CLES:
  - 2nd spend analysis + leakage and gaps in supply chain

2016
- Anchors + CLES:
  - 3rd collective spend analysis
  - Results:
    - 18% of spend within Preston
    - 79% within Lancashire

2017
- URBACT Making Spend Matter Network 2018-2020:
  - Transfer of the Good Practice to 6 EU Cities

2018
- Shift from Preston to Lancashire wise approach

City: Recession + Austerity
- External investments
- No collective objective for Preston

For more information about Community Wealth Building visit www.preston.gov.uk/thecouncil/thepreston-model
Making Spend Matter

EU URBACT funded Transfer Network, began April 2018, will conclude early June 2021

Objective: to transfer Preston’s identified good practice of using the analysis of procurement spend as an evidence based tool to improve procurement processes and practices to six cities across Europe – Pamplona (Spain), Vila Nova de Famalicão (Portugal), Schaerbeek (Belgium), Kavala (Greece), Bistrița (Romania) and Koszalin (Poland)
Network Activities

Split into two aspects:

Core Transfer of Basic Spend Analysis: Taught the 6 cities how to undertake spend analysis themselves, with the objective of them adapting it to their own contexts and considering how they will reuse it in the future.

Optional Transfer: opportunity to explore further aspects of the Good Practice, for example engaging with SMEs, the use of social and environmental criteria, how to undertake advanced spend analysis and how to develop a Strategic Procurement Plan / Social Value Procurement Framework.
Lessons Learned

• Political and organisational buy-in is key

• Change takes time

• Important to invest in relationships, both internal and external

• Pushing boundaries is good but it is important to recognise that there are some things you don’t have to control over, and need to adapt accordingly

• Procurement isn’t dull. And it isn’t boring!
Thank You

For more information follow us on:

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