

Briefing Note in respect of Motion to Council on Local Procurement

19th July 2017

Introduction

This briefing note is to provide relevant information and context to inform consideration of the Council Motion on local procurement.

Background

The event on the 24 May 2017 related to Preston City Council's "Community Wealth Building" approach, an important element of which is local procurement. This is part of a wider agenda around inclusive economic growth - growth that is good for all or "good growth".

Preston City Council's work has been interesting and has engaged a number of anchor institutions, including the Council itself, in actively procuring services and supplies locally wherever this is possible and feasible. The key principle is to keep local spend in the area and recirculate it many times, retaining wealth in the locality.

Current work

Lancaster City Council has already engaged in discussion with Preston CC to explore the potential of a similar kind of approach for Lancaster district. It is clear that, in the first place, reliable data will be important to create an initial baseline but also to inform what actions are required to encourage and facilitate this approach. For example, there may be a need to work with businesses to help them to raise awareness and to build the skills and capacity to bid for local contracts and to meet service and product delivery requirements for new markets and to encourage more intertrading between businesses.

Locally, there is interest in this approach and some business organisations and individuals are already working on how to develop opportunities through procurement but also potentially by building a "Money loop" that helps to recirculate spend. This is clearly part of the overall picture and the Council can gain a great deal by working alongside these partners.

Initial discussions with members as part of the development of the Economic Growth Strategy will inform how a more formal approach can be developed moving forwards.

Conclusions

Initial work on "Local Wealthbuilding" has commenced informally but it is expected that a number of steps will allow for the framework for a local approach to be developed.

- Working with Preston CC to share their learning and experiences
- Establish a small group to explore opportunity for the Council
- Establish baseline data
- Engage other anchor institutions at an early stage

A future report would include proposals for specific actions and to identify any resource requirements.

Section 151 Officer's comments:-

The Section 151 Officer has been consulted and has no further comments.

Monitoring Officer's comments:-

The Monitoring Officer has been consulted and has no further comments.