

## ITEM No ...3.....

**REPORT TO:** POLICY & RESOURCES COMMITTEE – 25 JUNE 2018

**REPORT ON:** CORPORATE PROCUREMENT – COMMUNITY BENEFITS POLICY REFRESH AND UPDATE REPORT

**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**REPORT NO:** 153-2018

### 1 PURPOSE OF REPORT

This report provides an updated Community Benefits Policy, for agreement, to replace that approved by Committee in September 2012. This new Community Benefits Policy, displayed in Appendix 1 provides the opportunity to refresh the approach in light of policy and legal changes, local priorities, and developments and innovations within the programme. The report also provides an update on Community Benefits which have been secured as part of Dundee City Councils Community Benefits Approach.

### 2 RECOMMENDATIONS

It is recommended that the Committee:-

- i. Agree adoption of update Community Benefits Policy (Appendix 1) which aims to secure maximum economic and social benefits from procurement for the people of Dundee.
- ii. Note progress of the Community Benefits approach to date (Appendix 2).

### 3 FINANCIAL IMPLICATIONS

There is no direct financial implication associated with this report. Community Benefits are intended to be delivered in a way which is cost neutral to the procured contract, with contractors giving their time to deliver community benefit elements. The Community Benefits programme is coordinated by the Community Benefits Officer, based in the Corporate Procurement Team.

### 4 BACKGROUND

#### 4.1 Community Benefits Update

##### 4.1.1 Introduction

This section provides an update on Community Benefits which have been secured as part of Dundee City Council's Community Benefits Approach. It also highlights recent Policy changes and the implications this will have for the programme.

##### 1.2 Policy Context

The Scottish Government is clear that public sector organisations including local authorities should be using their procurement activity to leverage community benefits for the communities they serve. The Procurement Reform (Scotland) Act 2014; and the 2014 EU Procurement Directive provided increased focus in the area of Community Benefits and Sustainable procurement.

The Procurement Reform (Scotland) Act 2014 builds on the work achieved so far in the reform of public procurement in Scotland. It establishes a national legislative framework for sustainable public procurement, ensuring that the public sector maximizes the economic benefit from effective and efficient procurement spend. It is intended to promote an approach that is 'both business friendly and socially responsible'.

The Act requires that Community Benefit considerations are included in all relevant contracts over £4,000,000. It further indicates that Community Benefits should relate to areas including training and recruitment, the availability of subcontracting opportunities or activities which otherwise improve the economic, social or environmental wellbeing of the authorities area in a way which is additional to the main purpose of the contract. Community Benefit clauses are additional requirements which deliver wider benefits in addition to the core purpose of the contract. These clauses take the form of a menu of different requirements which can be added to contracts to provide economic, social or environmental benefits.

Further information on the national and local policy context is provided the Community Benefit Policy in Appendix 1.

#### 4.1.3 Outcomes Generated

Information on the details of outcomes achieved are provided in Appendix 2 the Community Benefits Update. The Procurement Reform Act requires organisations to report on number of contracts over and under £4,000,000 which include Community Benefits.

13 Contracts over £4,000,000 with Community benefits (Detailed in Appendix 2)

33 Contracts under £4,000,000 with Community Benefits (including 9 Home Care contracts)

Given the nature of contracts, covering more than one financial year, information is provided cumulatively since the beginning of Community benefit programme rather than being presented annually. The monitoring information provided dates from February 2014 (start of Waterfront 4) to end of March 2018.

While community benefits is now implemented across the range of council's procurement activity the largest projects remain in the Construction Area resulting in

<b>Supplier Development</b>	
Local Construction Spend (within 35 miles)	£55,306,812
Average Percentage of Spend which was local (within 35 miles)	48%
Average Local Labour (within 35 miles)	73%
<b>Employment and Skills</b>	
Employment Opportunities Created	186
New Start Employment Opportunities (previously unemployed, redundant, graduates or new entrants)	84
Project Initiated Modern Apprenticeships	73
Existing Modern Apprentices	203
Work Experience Opportunities	268
<b>Awareness Raising Activity</b>	
Awareness Raising Events and Activities Delivered	300
Individuals Supported through Awareness Raising	8473

For Capital Construction projects activity is shown cumulatively and includes recent and current Waterfront, School, Housing and Partnership Activity undertaken for NHS Tayside. Details of each of these areas and a full breakdown of outcomes is provided in Community Benefits Update in Appendix 2.

## 5. **Community Benefits Policy Update – Key Elements**

### 5.1 **When to use Community Benefits?**

Dundee City Council has a wealth of experience in the development and delivery of Community Benefits activity. To ensure maximum benefit to the City continues to be achieved and to align with Procurement Reform Act requirements, the new approach proposed targeting resources and recommends that contracts are considered for

- Works Contracts > £250,000
- Goods and Services >£100,000

It is proposed that this be used as a guide only, with further guidance provided by the Category Officer and Community Benefits Officer. It is also recognised that for some contracts, even above these threshold it will not be appropriate to include Community Benefits. It is proposed that contract managers should consider inclusion and record a justification if Community Benefit activity is not included.

### 5.2 **What Community Benefits will be included?**

The new policy, builds on the areas identified in the original policy and focuses on the development of Community Benefits in the areas of

- **Supplier Development** including Small to Medium Enterprise and social enterprises development activities and developing guidance to encourage local suppliers to compete for council contracts.
- **Employment and Skills Activity** including activities to secure new employment opportunities including Modern Apprenticeships, share vacancies and secure work experience opportunities
- **Community and Awareness Raising Activity;** including development of awareness raising activity, community programmes and donation of materials.

A detailed breakdown of each element is provided in the Community Benefits Policy in Appendix 1. The programme would continue to be flexible enough to respond to new opportunities and record Community Benefits which contractors offer out with these areas. For Construction Contracts we would propose to continue to use the Client Based Approach developed by Construction Industry Training Board (CITB) to set Employment and Skills targets enhanced by supplier development requirements developed through experience. For non-construction contracts targets will be agreed keeping to a similar menu of requirements and proportionate to the value of the contract and relevant to the subject matter of the contract and the skills and talents of the contractor.

The approach is flexible enough to incorporate the requirements of different frameworks, while continuing to ensure that maximum value is sought from each contract. Mechanisms will also be put in place to ensure delivery and recording of benefits secured from Scotland Excel contracts, an area which is currently under utilised.

Community Benefit requirements will be mandatory in nature and voluntary community benefits will only be recorded when the contractor offers something which is additional to their Community Benefit requirements.

### 5.3 **Ownership, Reporting and Monitoring**

It is proposed that while the Community Benefits Officer continues to support coordination of Community Benefit activity that responsibility for delivering the policy be shared across a range of stakeholders which include

- Category Officers and Corporate Procurement Team
- Service Areas and Contract Managers
- Internal Support Partners including Skills for Learning and Work Team and Employability Teams
- External Support Partners including contracted providers, Jobcentre Plus, Skills Development Scotland and Dundee and Angus College

This Council wide approach to deliver Community Benefits will require greater involvement from Services, requiring them to

- Support the Delivery of the Community Benefits Policy
- Engage with Commodity Owners and Strategic Leads to identify and agree Community Benefit Outcomes, with support as required from the Community Benefits Officer
- Support Community Benefits Evaluation as required
- Support on-going contract management

## 6 **COMMUNITY BENEFIT REPORTING**

The Community Benefits will be included in the Corporate Procurement Strategy and subsequent procurement reports.

As one of the biggest challenges for the Community Benefits programme is to monitor and report on activity over a diverse range of contracts, community benefits areas and timescales. Funding has been secured to develop a monitoring and reporting tool using the Hanlon system. This system has already been purchased for school work experience and modern apprentice monitoring. The new unit for community benefits will be built onto the existing programme and is being developed jointly with Angus Councils Community Benefit approach. This programme will make monitoring and tracking of programmes more effective and allow for more responsive monitoring.

As agreed, Community Benefits will report on progress within Dundee City Council on a 6 monthly basis.

## 7 **CONCLUSION**

The approach to Community Benefits in Dundee meets the requirements of the Procurement Reform Act and continues to maximise the economic and social benefits for the citizens of Dundee from Corporate Procurement.

**8 POLICY IMPLICATIONS**

**8.1 Dundee City Council Corporate Procurement Strategy 2018 - 2020**

The Community Benefits are delivered as part of the Procurement Reform project. This is fully aligned to the delivery of the Council's Corporate Procurement Strategy 2018 - 2020 and its objectives. This strategy is presented in paper 216-2018.

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness & Poverty, Environmental and Corporate Risk. A copy of the impact assessment is available on the Council's website at [www.dundee.gov.uk/ia](http://www.dundee.gov.uk/ia).

**9 CONSULTATION**

There has been ongoing constructive and positive dialogue within the project group comprising officers from the procurement team and Council Services.

The Council Management Team have been consulted on and are in agreement with the terms of this report.

**10 BACKGROUND PAPERS**

None

**GREGORY COLGAN  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**25th JUNE 2018**





## Dundee City Council – Community Benefits Policy

June 2018





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## 1. Introduction

1.1 Dundee City Council is committed to securing maximum economic and social benefits from City Council Procurement within legal frameworks and has had a Community Benefits Policy which has been mandating Community Benefits activity into council contracts since September 2012. This updated Community Benefits Policy provides the opportunity to update and refresh the Council Community Benefit approach in light of policy and legal changes, local priorities and developments and innovation within the programme.

1.2 Community benefit requirements in procurement, form part of the Scottish Government's aim of delivering procurement that improves public services for a prosperous, fairer and more sustainable Scotland. Public procurement contracts can help realise a wide range of social and environmental benefits, including more and better employment opportunities. Community benefits have been shown to contribute to local and national outcomes relating to employability, skills and the reduction of inequality.

## 2 What are Community Benefits?

2.1 Community Benefits are defined in the Procurement Reform Act as follows 'a community benefit requirement is a contractual requirement imposed by a contracting authority relating to:-

- i. training and recruitment, or
- ii. the availability of subcontractor opportunities, or
- iii. requirements which are otherwise intended to improve the economic, social or environmental wellbeing of the authorities area in a way which is additional to the main purpose of the contract which the requirement is included.

Community Benefit clauses are additional requirements which deliver wider benefits in addition to the core purpose of the contract. These clauses take the form of a menu of different requirements which can be added to contracts to provide economic, social or environmental benefits.

2.2 Community Benefits clauses are well established within Scottish Procurement. Dundee City Council began using the clauses in 2010 and in September 2012 Dundee City Council approved a Community Benefits from Procurement Policy which introduces a Council wide approach intended to secure the maximum economic and social benefits from City Council Procurement within the current legal framework. The policy focuses on the development of Community Benefits in the areas of

- **Supplier Development** including Small to Medium Enterprise and social enterprises development activities and developing guidance to encourage local suppliers to compete for Council contracts.
- **Employment and Skills Activity** including activities to secure new employment opportunities including Modern Apprenticeships, share vacancies and secure work experience opportunities
- **Community and Awareness Raising Activity** including development of awareness raising activity, community programmes and donation of materials

While the Community Benefits have been included in goods and service contracts for some time, the majority of activity remains in Capital Work contracts. The new revised approach intends to continue to imbed Community Benefits into new contracting areas while recognising the considerable growth projected in construction contracts

### **3 Aims of Community Benefit Policy**

3.1 Dundee City Council, through its Community Benefits policy is committed to securing maximum social and economic benefits from its procured activity. The Community Benefit Policy Seeks to:

- Support the delivery of council priorities
- Consider the inclusion of community benefits in all relevant procurement activities, but prioritise resources at those with most likelihood of delivering an impact
- Expand types of Community Benefit outcomes based on lessons learnt from previous activity
- Develop common approach with partner councils and continue to support public sector partners with their Community Benefit activity
- Support the development of the partnership infrastructure which supports contractors to achieve their outcomes
- Invest in the development of a monitoring system to record Community Benefit activity more efficiently and better target resources.

### **4 Policy Context for Community Benefits**

4.1 These aims are aligned to and support recent changes in procurement legislation, regulations and statutory requirements and priorities at a national and local level.

In terms of the national context, the Scottish Government is clear that public sector organisations including local authorities should be using their procurement activity to leverage community benefits for the communities they serve. This is articulated in a range of key policy documents and legislation including the Local Government in Scotland Act 2003, Developing the Young Workforce, Procurement Reform Scotland Act 2014, the Sustainable Procurement Duty and Scottish Government Sustainable Procurement Action Plan. Community Benefit activity contributes to the following national priority outcomes:-

- Outcome 2: We realise our full economic potential with more and better employment opportunities for our people.
- Outcome 3: We are better educated, more skilled and more successful, renowned for our research and innovation.
- Outcome 4: Our young people are successful learners, confident individuals, effective contributors and responsible citizens.
- Outcome 7: We have tackled the significant inequalities in Scottish society.

4.2 Locally this Community Benefits Policy supports the Local Outcome Improvement Plans long term vision for Dundee to be framed around jobs, social inclusion and quality of life working toward a vision for Dundee which :-

- Will have a strong and sustainable city economy that will provide jobs for the people of Dundee, retain more graduates and make the city a magnet for new talent
- Will offer real choice and opportunity in a city that has tackled the root causes of social and economic inclusion, creating a community which is healthy, safe, confident, educated and empowered
- Will be a vibrant and attractive city with an excellent quality of life where people choose to live, learn, work and visit

4.3 This also links to the following strategic priorities for Dundee:-

- Fair Work and Enterprise

- Close the Jobs gap
  - Reduce unemployment
  - Raise productivity to Scottish average
- 4.4 Sustainable procurement and as part of this Community Benefits can contribute to inclusive growth. The Tay City deals ambition for the economic region has the potential to be one of the most productive, knowledge led economies in Europe, with a commitment to incorporate social outcomes alongside economic goals with a commitment to ensure that as we become smarter we also become fairer by creating equality of opportunity for all.
- 4.5 The Community Benefits programme is also in a position to contribute to addressing some of the inequalities and challenges which exist in Dundee including a youth employment rate of 19.5%) NOMIS Jan –Dec 2016 – 16 – 24, a City which has twice the rate of Scottish male youth unemployment and an issue with long term unemployment with over 40% of JSA claimants in Dundee City claiming for over 2 years.
- 4.6 Sustainable procurement and Community Benefits contributed to the Dundee Fairness Action Plan 2016 through supporting its Work and Wages theme through expanding the Scottish Living Wage Commitment and Securing community benefits through the central Waterfront and other developments specifically contributing the following outcomes. To
- Promote the Living Wage in Central Waterfront locations and business
  - Maximise Community benefits delivered through Dundee City Council procurement (including the Living Wage)
  - Maximise community benefits including Foundation and Modern Apprenticeship and work placements through new housing developments

## **5 When to use Community Benefits?**

- 5.1 The Procurement Reform Scotland Act 2014 for the first time requires contracting authorities to consider, before carrying out procurement whether to impose community benefit requirements for all contracts over £4,000,000. Dundee City Council already operates consideration of Community Benefits significantly below this figure. To ensure maximum benefit to the City while ensuring that requirements are proportionate it is recommended that contracts are considered for:-
- Works Contracts > £250,000
  - Goods and Services >£100,000

This will be used as a guide only, recognising that some contracts, even above these thresholds will not be appropriate but that contract managers should consider inclusion and record a justification if Community Benefit activity is not included. Guidance will be provided by the relevant Category Officer and Community Benefits Officer.

- 5.2 For Construction Contracts the employment and skills minimum targets are provided using bench marks based on the Client Based Approach developed by the Construction Industry Training Board (CITB) and endorsed by the Scottish Government. This provides a range of minimum targets based on the type and estimated value of the contracts. Contractors are given the opportunity to increase these targets during the tender process but when agreed these become a mandatory element of the contract. The Council currently uses the March 2014 version of the Client Based Approach as a guide, along with experience gained from other contracts when establishing minimum targets. It is recommended that this continue, as while updated benchmarks were produced in September 2016 they also included a change in the composition of the targets which removes among other things apprentices as a standalone element, instead combining

these with other employment types. This change does not reflect the council's priorities to support young people through apprenticeships.

- 5.3 For non-construction contracts targets will be agreed dependant on the value, duration and nature of the contract. Care will be taken to ensure that contract requirements remain proportionate to the value of the contract and relevant to the subject matter of the contract and the skills and talents of the contractor.
- 5.4 Increasingly major construction Contracts are being delivered through Frameworks, principally the HUBCO and SCAPE frameworks. These frameworks come with their own Community Benefit requirements which have to be delivered in addition to the councils own requirements. We work closely with Framework Contractors Robertson and Balfour Beatty to, where possible, amend our requirements to avoid duplication i.e. amending local spend and labour from 35 to 40 miles for SCAPE contracts. We retain the core DCC requirements into all contracts to allow us to compare contractor's performance across contracts and identify areas where more work is needed. Requirements under the SCAPE Construction Framework are particularly challenging and we require more negotiation in the future to ensure that our priorities continue to be delivered.
- 5.5 Another area which requires more development is to work more closely with our colleagues at Scotland Excel to ensure that Community Benefit requirements on Scotland Excel contracts are delivered locally. Scotland Excel's traditional approach to Community Benefits was to ask what had been delivered rather to set requirements for contractors. This is beginning to change with newer contracts and will allow us more opportunities to secure benefits from these contracts locally.

## **6 Community Benefits Approach in Dundee**

- 6.1 The Community Benefit Approach in Dundee, provides a menu of options which support the areas of Supplier Development, Employment and Skills and Community and awareness raising activities. Outcomes are constantly amended and revised dependant on experience to ensure that we continue to secure maximum benefit for the contractor while ensuring that the requirements remain proportionate and relevant.

Community Benefits are delivered as part of a wider programme of Sustainable procurement, which considered the economic, social and environmental outcomes of contracts. There is recognition that the current model focuses on economic and social elements rather than environmental. Environmental outcomes will be built into the approach in response to the outcomes of the planned Sustainability assessment and use of the prioritisation tool.

- 6.2 **Supplier Development** activities include a range of measures which are designed to support Small to Medium Enterprises (SMEs), Social Enterprises, Supported Business and within legal limits, local business, to develop and grow their businesses and be in a position to compete for Council and other contracts. Specific measures to support suppliers in this contract include

- Continuing to promote the Quick Quote Function of Public Contract Scotland for lower value procurement activity under 50K and requiring that where possible a minimum of one of the quotes must be from a local contractor.
- Support the Procurement Reform Act policy of seeking opportunities to lot contracts into smaller contracts where possible to encourage engagement with SMEs
- **Local Business Monitoring**—a monitoring requirement within our contracts for main contractors to report on the percentage of spend which is allocated to local supplier

and sub-contractors (within a 35 mile radius). This has been further developed in recent years through the increasing use of SCAPE framework contracts which provide contractors targets for spend from 10, 20 and 40 miles of site and are mandatory.

- **Subcontractor Opportunity Access** – measure to require contractor to advertise non allocated subcontract opportunities in a way which allows local subcontractors to access them i.e. Local Meet the Buyer Events or use of Public Contracts Scotland.
- **Supplier Development activity** whereby the successful contractors are required to contribute to an agreed number of employer events, these can include Meet the Buyer events, Supplier Development programme sessions or mentoring opportunities for local business or social enterprises.
- **Local Social Enterprise and Supported Business Monitoring**– this measure requests that contractors report on the actual spend which is allocated to Social Enterprises and Supported Business. To support this a catalogue of relevant Social Enterprises organisations with the capacity to support construction companies has been developed in partnership with Dundee Social Enterprise Network.
- **Supported Business** – in addition to spend monitors for construction contractors Dundee City Council remains committed to seeking opportunities to enhance contracting opportunities for supported business, through direct contracting using the Scottish Governments Supported Business framework for departmental and Welfare Fund spend and through using our influencing role to encourage contractors and partners to also work with supported business.

6.3 **Employment and Skills** activity refers to the range of measures which are put in place to secure additional employment and training opportunities for local people. Specific measures used to support employment and skills in this contract are

- **Local Labour Monitoring**- The inclusion of monitoring requirement for contractors to report on the percentage of local labour employed on site (within a 35 mile radius)
- **New Starts** - The inclusion of targets for minimum numbers of new employment starts secured through the contract. New starts would be defined as someone who had been previously unemployed or a leaver from a recognised training programme - not someone coming directly from another job.
- **Apprentice Recruitment** - The inclusion of minimum starts for new apprentices and measure engagement of existing apprenticeships.
- **Shared Apprentice Scheme** – Dundee City Council are now a partner in the Shared Apprentice Scheme. In this model young people are directly employed by the scheme which pays wage costs while young people are at college. The young people are placed with placement employers the rest of the time who pay their wages plus a 20% admin fee. The scheme not only provides varied experience for the candidates but is intended to support very small employers to take on an apprentice by removing the risk of carrying them when employers have less work. The Community Benefits programme supports the scheme by providing access to a Core of larger employers who help carry the programme. Contractors count participation in work placement weeks. If a site provides a cumulative placement of 1 year or more this can be counted as one new apprenticeship and would count against their recruitment targets.

- **Vacancy Sharing** - The requirement to share the details of new recruitment requirements with Jobcentre Plus or other employability provider. In Dundee a Construction Skills Bank has been developed in partnership with Jobcentre Plus which matches unemployed people with construction experience with the opportunities created. In addition vacancies, particularly for entry level positions are shared with Councils Skills for Learning and Work Team who have an ongoing programme of training clients for entry level Construction opportunities including provision of CSCS Cards.
- **Work Experience** - The inclusion of the requirement to provide a minimum number of school and other work experience placements provided to candidates on training programmes including Employability funded provision, Job Centre Work Experience, Skills for Learning and Work clients, College programmes and other programmes.

6.4 **Community Development and Awareness Raising** activities are those which seek to provide benefits to the wider community. Specific measures within this contract will include

- **Awareness Raising / Curriculum Support Activities** - the delivery or participation in a minimum stated number of curriculum support activities or awareness raising events which could include school activity, site visits, practical or employability training or community events.
- **Specialist Support** - The inclusion of the provision of a specialist support clause can be provided as an option in any contract, with the contractor given a percentage spend target to donate their time and services to participate in curriculum support activities or to donate time to a community group or social enterprise. For example a design or marketing company could be asked to provide marketing or design expertise to a social enterprise, community group or charity. The projects requiring assistance need to be specific and relevant to the contract. Work would also be required to identify appropriate projects or groups which would benefit from this type of support.
- **Donation of Materials** – in partnership with a local Social Enterprise contractors are asked to donate new or recycled materials in a reusable state for re-sale on a social enterprise basis. In addition the Community Benefits programme coordination of recyclable furniture and goods from vacant council or partner property. Directing goods to reuse rather than recycle and supporting an income stream for social enterprises.

## 7 Support Offered to Contractors

7.1 In Dundee one of the aims of the Community Benefits programme is to provide support to contractors to deliver their outcomes. In Home Care, Construction and the Residual Waste Contract Successful Contractor Guidance has been developed and is continuously updated to provide clear guidance for contractors on what is expected of them for each outcome, what evidence will be required and to provide links to local providers and support agencies which will support them to develop outcomes. For smaller contacts the Community Benefits Officer can provide advice and guidance for contractors on how to achieve and evidence their outcome. Additional requirements are not added into the programme until a way of supporting contractors is agreed.



## 8 Nature of Community Benefits in Dundee

8.1 Community Benefits in Dundee City Council form part of the contract and suppliers will have contractual obligations to deliver their commitments. Community Benefit requirements will be mandatory in nature and voluntary community benefits will only be recorded when the contractor offers something which is additional to their Community Benefit requirements. Contractual Community Benefits can be incorporated into contracts in the following ways:-

- **Mandatory and Evaluated** – Community Benefits can be included into the contractual obligations and evaluated as part of the tender process. Community Benefit weightings are recommended to be between 5% and 15% of the quality score dependant on the contract. For some smaller contracts the 5% may be shared with Fair Work Practice.
- **Contract Requirement** - Community Benefit requirements may be stipulated in the contract as a contractual requirement and therefore not assessed as part of the tender submission. The minimum requirement will be stipulated in the tender documents, with the Contract Officer or Community Benefits Officer agreeing with the successful contractor post award what they will deliver to fulfil this requirement.
- **Additional Community Benefits** – Additional Community Benefits which are offered by the supplier but will not be assessed as part of the tender assessment. Community Benefits offered and accepted by the Council will however form part of the contractor's contractual obligations to deliver.
- **Voluntary** – Voluntary Community Benefits will be recorded where they have been offered but had not been part of the contractors requirements. They will not form part of the evaluation, or indeed place a contractual responsibility onto the contractor, however if offered they will be accepted by the Council and Voluntary Community Benefits will be monitored and reported along with other Community Benefit activity.

## 9 Responsibility and Ownership

9.1 As Community Benefits are expanded to include more and more areas it is critical that representatives from across the council support its delivery. The Community Benefits Officer currently support the majority of activity with support from Category Officers and Contract Managers. It is recommended that with this new approach, while coordination continues to be undertaken by the Community Benefit Officer, responsibility for delivering the Community Benefits Policy will be shared across key stakeholders including:-

- Category Officers and Corporate Procurement Team
- Service Areas and Contract Managers
- Internal Support Partners including Skills for Learning and Work Team and Employability Team
- External Support Partners including contracted providers, Jobcentre Plus, Skills Development Scotland and Dundee and Angus College

9.2 This Council wide approach to deliver Community Benefits will require greater involvement from Service Areas, requiring them to:-

- Support the Delivery of the Community Benefits Policy
- Engage with Commodity Owners and Strategic Leads to identify and agree Community Benefit Outcomes, with support as required from the Community Benefits Officer
- Support Community Benefits Evaluation as required
- Support on-going contract management

## **10 Monitoring and Reporting**

10.1 The Community Benefits Officer will continue to support the programme and provide regular updates to the Corporate Procurement Manager. For Construction Contracts, successful suppliers are required to provide regular monitoring information outlining the Community Benefits delivery on their contracts. These are reviewed regularly by the Community Benefit Officer. Information recorded is shared with contract leads and regular reports are provided on request to project boards including, the V&A Project Board, Railway Station Project Board and Waterfront Project Board.

10.2 In addition community benefit updates will be provided to Policy and Resources Committee as part of the Annual Procurement report which forms part of the reporting requirements from the Procurement Reform Act.

10.3 One of the biggest challenges for the Community Benefits programme is tracking and monitoring contractors to ensure that commitments are delivered. In Construction there are 8 live major contracts with 4 more planned in the first quarter of next year including a housing development at Darby Street, the Regional Performance Sports Centre, Waterfront 6 and Waterfront Site 2. There are 8 home care contractors and 33 number of other contracts with Community Benefit requirements which are currently being supported. To address this challenge funding has been secured from the Scottish Procurement Alliance Community Benefit fund to invest in a monitoring and reporting system. The Community Benefits programme intends to invest in the Hanlon system in the coming months. The system has already been purchased to manage the redesign of the schools work experience programme and councils modern apprentices. In partnership with Angus Council, Hanlon will design a bespoke Community Benefits tracking tool to monitor the range of Community Benefit requirements. With greater integration between Tayside's procurement teams being considered, the adoption of a common assessment tool helps to future proof our approach. In addition to recording outcomes achieved more efficiently the provision of a new system will also allow an improvement in the quality of the information provided and allow us to complete sustainability checks at 6 months, although this information is usually available through monitoring it is not systematically asked or recorded.

## **11. For further Information please contact:-**

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**Introduction**

This section provides an update on Community Benefits which have been secured as part of Dundee City Councils Community Benefits Approach. The Procurement Reform Act requires organisations to report on number of contracts over and under 4 million which include Community Benefits.

13 Contracts over 4 million with Community benefits (Detailed below)

33 Contracts under 4 million with Community Benefits (including 9 Home Care contracts)

Given the nature of contracts, covering more than one financial year Information is provided cumulatively since the beginning of Community benefit programme rather than being presented annually.

**Summary of Achievements Capital Construction Programmes**

While community benefits is now implemented across the range of council's procurement activity the largest projects remain in the Construction Area. For Capital Construction projects activity is shown cumulatively and includes recent and current Waterfront, School, Housing and Partnership Activity. Details of each of these areas is provided below.

<b>Supplier Development</b>	
Local Construction Spend (within 35 miles)	£55,223,596
Average Percentage of Spend which was local (within 35 miles)	48%
Average Local Labour (within 35 miles)	73%
<b>Employment and Skills</b>	
Employment Opportunities Created	186
New Start Employment Opportunities (previously unemployed, redundant, graduates or new entrants)	84
Project Initiated Modern Apprenticeships	73
Existing Modern Apprentices	203
Work Experience Opportunities	268
<b>Awareness Raising Activity</b>	
Awareness Raising Events and Activities Delivered	300
Individuals Supported through Awareness Raising	8473

**Recent Highlights from the Construction Community Programmes**

The construction area remains the largest and most well developed area of Community Benefits. Some examples are:-

- **Insulation Installer Programme** – Building on the success of the Construction Employability pre-recruitment training programme which supports young people who have had contact with the Criminal Justice System to access employment in ground work a second programme has been developed. This one involved Hart Building who recognised that they had a potential opportunity to create a new grade of semi-skilled worker to undertake the task of insulating properties at Alexander Street and another site they had in the City. In partnership with the Community Benefits programme, the contractor co-designed the Insulation Installer Pre-recruitment Training Programme to train previously unemployed candidates for these newly created roles. Harts participated in every stage of

the programme, supporting recruitment, designing and delivering elements of the training programme and providing onsite training and work experience. The programme was very successful. All 8 candidates' secured work, Hart initially employed 4 as insulation installers and one as a labourer. When one of those candidates didn't work out they were backfilled by another graduate of the programme. This model has worked so successfully for Hart that they have gone on to replicate it in other areas. Feedback from participants was also positive including

*'Hart Builders are a smart and organised company with a Good success ratio. Also they care about the community to put together a programme like this, to help citizens get work'*

**Robertson Pre-recruitment Training programme** – again building on success of previous programmes Robertson Construction Tayside approached the council about developing a pre-recruitment training programme, which targeted placements and employment opportunities in a range of different construction disciplines based on the interest of clients and trade areas of participating subcontractors. Robertson assisted in the coordination of the training programme, sourced placement through their supply chained and supported elements of the training on their sites. The programme delivered in April 2018, and still being tracked supported 5 of the 6 participants into work, many of whom had complex barriers to work including Homelessness. Feedback from participants included

*'It was a great introduction to being on a modern site. It has allowed me to be more confident in myself'*

- **Partnership Action for Continued Employment (PACE)** is the public sectors response to supporting people who are facing or have been made redundant. The Community Benefits programme supports PACE, particularly for Construction Industry by encouraging contractors and subcontractors to attend PACE Events and share vacancies. This includes coordinating the response for apprentices who have been made redundant, this involves working with the sector skills council to identify young people, supporting them to update CVs quickly and arranging interview support if required and linking them with recruiting employers. This support is provided to individual apprentices throughout the year or groups of apprentices in the case of large scale redundancies. An example of this as the Scottish Electrical Group vacancies where 19 of the 20 redundant apprentices were able to be supported back into employment within 3 weeks of being made redundant. The Community Benefit contractors were particularly supportive with McKenna, Robertson and FES, electrical contractor at V&A supporting apprentices, all attending the PACE event and providing opportunities.
- **Share Apprentice Scheme** – Dundee City Council have become partners in the Shared Apprentice Scheme. Previously the Angus Shared Apprentice scheme this programme sees 12 young people in a variety of construction trade areas employed each year. They are employed directly by the scheme who pays their wages when they are in college or on holiday and arranges a series of paid placements for them with construction contractors. The intension of the programme is to support small and micro business to consider becoming involved in apprentice training by removing the risk of having to carry an apprentice during periods when work is slow. The Community Benefits programme supports the scheme by providing access to a core of larger companies which can support the scheme and give young people access to large scale or unusual projects. The first intake of young people from Dundee have started this year, with placements delivered on each of the major contractors sites.
- **Dundee Waterfront** – Community Benefit Contractor Agreements for Construction and End Use contractors are now in use in all Central Waterfront Developments. These agreements

require developers on the Central Waterfront to sign up the Councils Community Benefits approach in the Construction Phase and to work with partners to support recruitment in the End User Phase of developments. Waterfront construction projects continue to include mandatory community benefits with Waterfront Site 6 (Office development) recently on site and Waterfront Site 2 to commence later this year. Activity has also began to support End Use contractors on Dundee Waterfront. A pre-recruitment training programme has been developed in partnership with key hospitality contractors using a customised version of the Discover Work Teams EmployabiliTAY programme. The first HospitaliTAY programme has been developed with Brassica, a new restaurant situated in Caird Hall. This programme resulted in all 9 clients, some of whom had significant barriers to work, securing employment, 8 with Brassica. A second programme developed in partnership with Sleeperz Hotel is currently being delivered. Recruitment meetings have also been held with Heritage Portfolio and V&A Dundee.

In addition to the Construction Contracts reported there are four additional large scale construction Capital projects which are intended to be on site in the coming months. These are Darby Street Housing Development delivered in partnership with Hillcrest Housing Association, Waterfront Site 2, a housing development and mixed use development which will be delivered by Robertson; the Regional Performance Sports Centre and District Heating project which will be delivered by Balfour Beatty and the building of the Dundee and Angus Residual Waste to Energy Plant.

### **Health and Social Care**

Another significant area of activity which now includes Community Benefits is the Health and Social Care Home Care Contracts. Starting from June 2016, this programme saw mandatory Community Benefit requirements entered into Home Care contracts to create new start employment opportunities, work experience opportunities and awareness raising events. Mandatory targets were provided to 8 framework contractors, with support developed to help them achieve their targets. From June 2016 to end of May 2017 contractors employed 39 New starts (people who had been previously unemployed or were new to the industry, delivered 4 work experience opportunities and 23 awareness events, although many of these were recruitment events which included more than one provided. One of the major benefits of the programme has been to better link the Care Home contractors with employability partners including Jobcentre Plus and Dundee and Angus College. The majority of Home Care providers are now working with the Jobcentre and 2 successful recruitment events have been arranged with Dundee and Angus College linking Health and Social Care Students with work placement and employment opportunities in Home Care

### **Community Benefits in Other Procured Activity**

Community benefits have also been delivered in a wide range of other contracts. For lower value contracts, contractors are mostly likely to be asked to deliver a number of awareness raising activities, which link their skills and expertise with groups within the community who would benefit from them. Given the diverse nature of council procurement this means that activity is delivered in a very wide range of areas, some examples of this include –

- **Occupational Health Contract**– the Occupational Health contract with PAM has delivered Community Benefit activity by providing health checks for a series of Healthy Working Lives events targeting SME and high risk groups. This has been particularly successful in Construction with a Healthy Working Lives Event targeted at their predominantly male work force who are less likely to access health support. It was delivered in partnership with Robertson Construction Tayside at the Baldragon site. PAM provided a qualified nurse to undertake one to one health checks, which included BME and blood pressure checks.

- **Health and Safety Contract for the Inspection and Testing of Fire Extinguishers** – the successful contractor M&S Fire Protection are required to deliver 1 awareness raising activity per year. In the first year of their contract they delivered a short certificated Fire Safety Training session to 40 Dundee and Angus College construction students over 4 sessions. This allowed the students hands on experience and guidance from industry experts which enhanced there programmes.
- **Menzieshill High School Demolition** – De-master the successful contractor was required to deliver 2 awareness raising session in relation to this contract. They delivered health and safety and demolition information sessions to 2 assemblies of children from Hillside Primary school including showing them videos and presentations on different types of demolition methods. They also allowed Tayside Police access to the building before demolition began to practice with new equipment to gain forced entry.
- **Health and Safety Air Conditioning Units** –Representatives from the successful contractor Lovatts delivered a session to a group students from Brae view Academy's Higher Business and Employability Programmes talking about the company's own recruitment practices and career opportunities in Engineering and administration. This reinforces positive messages about progression opportunities and provided an insight into the industry.
- **Business Gateway Community Benefit Activity** – Elevator, who's contract is delivered on a Tayside wide biases have delivered a very wide and varied programme of Community Benefit activity which has included the creation of 2 new employment opportunities and delivery of more than 40 events to a wide range of audiences which are additional to their contract requirements. These have included supporting Dundee University with Entrepreneurship week, supporting D&A College staff to build enterprise into the curriculum and supported a range of school based activity including the Tayside Youth Enterprise Festival and supporting school Young Enterprise groups. They also run 2 fully funded Enterprise challenge weekends which support groups of young from Tayside to complete a programme of leadership and team work activities.

## Capital Programmes Community Benefits Summary

Contract	Local Spend	% Local Spend	% Local Labour	Employment opportunities	New Start Employment	Project Initiated Apprentice	Existing Apprentice	Work Experience	Awareness Raising Events	Individuals Supported Through Awareness Raising
<b>Waterfront</b>										
V&A	£7,049,138	9%	51%	52	22	18	50	26	28	728
Railway Station	£4,253,069	26%	43%	16	10	6	6	16	16	250
Camperdown Dock to Dundee Airport	£2,156,000	76%	76%	4	3	0	3	7	24	807
Waterfront 4	£3,705,677	41%	58%	11	7	3	0	7	7	146
Waterfront Site 6	£290,348	41%	98%	2	2	0	1	0	11	364
<b>Schools</b>										
North East Campus	£5,135,342	65%	88%	12	2	10	26	37	38	1510
Coldside Primary	£5,295,066	54%	84%	12	4	8	24	40	41	1355
Balgradon	£11,685,020	70%	76%	18	8	10	22	24	31	454
Menzieshill (Tayview)	£4,796,249	54%	79%	10	5	5	21	48	34	1533
Sidlaw View	£6,051,929	84%	73%	8	5	3	13	23	33	857
Harris	£2,414,976	24%	52%	15	7	8		21	29	411
<b>Housing</b>										
Alexander Street	£2,390,782	27%	98%	26	9	2	37	19	8	58
	£55,306,812	48%	73%	186	84	73	203	268	300	8473

## Capital Programmes – Area and Project Summaries

### Dundee Waterfront Summary

#### Dundee Waterfront Construction Contract Summary

<b>Supplier Development</b>	
Local Construction Spend (within 35 miles)	£17,454,232
Average Percentage of Spend which was local (within 35 miles)	32%
Average Local Labour (within 35 miles)	65%
<b>Employment and Skills</b>	
Employment Opportunities Created	85
New Start Employment Opportunities (previously unemployed, redundant, graduates or new entrants)	44
Project Initiated Modern Apprenticeships	27
Existing Modern Apprentices	60
Work Experience Opportunities	56
<b>Awareness Raising Activity</b>	
Awareness Raising Events and Activities Delivered	86
Individuals Supported through Awareness Raising	2295

Please note that the above summary includes Community Benefit monitoring information from the V&A Dundee, Dundee Railway Station and Concourse, Waterfront 4, Camperdown Dock to Riverside Flood Defence and Waterfront Site 6 Office Build contracts. The Camperdown Dock to Riverside Flood Defence and Waterfront Site 6 contracts are developed under the terms of a Scape Framework contract whereby local spend and labour for this project is measured at circa 40 miles.

#### V&A Dundee – BAM Construction

BAM have been on site since March 2015. This programme is now complete and the targets have all been achieved but tracking will continue until the end of the programme. Final figures were received on February 2018 and are as follows:-

- Local Contractor Information** –Contractors are asked to report on the percentage of spend allocated to local subcontractors and suppliers within a 35 mile radius, on a monthly basis. Local contractor spend in January 2018 was 14% and since the beginning of the project in March 2015 until the end of January 2018, 9% or £7,049,138 of the contract value has been spent with local subcontractors and suppliers. The highly specialist nature of the design of V&A Dundee meant that specialist subcontractors, not available locally, were required to deliver elements of the project. This has resulted in a lower level of percentage spend than other projects. BAM and some of their subcontractors used Public Contract Scotland (the public sector procurement portal) and local Meet the Buyer Events to raise awareness of available packages. Analysis of awarded contracts suggest that some smaller local subcontractors were vary of being involved in such a unique and risky project. BAM required subcontractors to provide breakdowns of their own costs to identify what had been spent locally in terms of plant, materials, subcontract opportunities and other costs and strongly encouraged them to go local when possible.



- **Supplier Development Activity** – 5 Supplier Development Events have been delivered to date, including a V&A ‘Dundee Supplier Development Information’ session on 14 August 2015 and attendance at the redundancy event held for Scottish Electric Group staff.
- **Social Enterprise Activity** – PJ Careys have engaged Hillcrest Maintenance to provide cleaning services and BAM have used Dundee Heritage Trust’s, Discovery Point for events. The iconic reception desk at V&A Dundee was also provided by supported Business Dovetail enterprise.
- **Local Labour**- In December 2017, 52% of the labour on site was local (within 35 miles) and from May 2015 to the end of December 2017 an average of 52% of labour on site was local.
- **Employment Opportunities** – 52 Employment Opportunities have been created on site since March 2015 and of those 22 are defined as ‘new start’ employment opportunities. New Start employment opportunities are those that have been filled by candidates who were previously either unemployed candidates, a new start from a training programme or those experiencing redundancy. This includes 8 staff recently made redundant from the Scottish Electrical Group.
- **Apprentices** – 18 project initiated apprentices have started in relation to this contract including a previously redundant apprentice from Pressure Fab with local company Metal Tec in January 2017. FES have taken on 7 apprentices, 2 new starts and 5 redundant apprentices from the Scottish Electrical Group including one adult trainee. There has also been 50 existing apprentices on site.
- **Work Experience** –26 work experience placements have been delivered to date, including 9 with school pupils from Grove, Braeview, Harris and Morgan participating in placements. There were also 17 work placements from Abertay, Dundee and Edinburgh Napier universities; Dundee and Angus College and employability programmes from Dundee and Fife.
- **Awareness Raising Activity** – 28 awareness raising events have been delivered to date, supporting 728 individuals. This has included visits and activities for a wide range of groups including school children, college and university students and individuals participating in employability programmes.
- **Other Community Benefits** – The total amount raised for charities on site was £2,742. Including £667 for Alzheimer Scotland, £1,425 for CLIC Sargent and £650 for ‘Movember’. BAM sponsored and supported the ‘Peoples Tower Project’ to construct a replica of the Victoria Arch.

#### **Dundee Railway Station, Hotel and Concourse – Community Benefit Update March 2018**

The contractor Community Benefits targets for this project have now been achieved. Progress to date includes:-

- **Local Contractor Spend Activity** – measures now in place to track subcontract and supply spend within 35 miles of site. Local contractor spend in March 2018 was 37% and has been an average of 26% or £4,253,069 since the beginning of the project.
- **Supplier Development Activity** – 4 Supplier development events held including a project specific ‘Meet the Buyer’ event held in November 2015 for local contractors and suppliers, involving 3 consecutive ‘Tayside Meet the Buyer’ events. While Balfour Beatty had committed to advertise all subcontract opportunities on Public Contract Scotland, concerns were raised that this may be discouraging local contractors to bid so the requirement has now been removed.

- **Social Enterprise Activity** – Hillcrest Maintenance Services continue to provide site cleaning services and Balfour Beatty also provided sponsorship to the highly successful Dundee Social Enterprise Conference held in October 2016. They have evidenced £28,000 worth of spend with social enterprises since the beginning of the contract.
- **Local Labour** – In February 2018, 59% of labour on site to date were local (within 35 miles). There has been an average of 43% 'local labour' since the project started. Note issues with site sign in system means March 2018 figures not available.
- **Employment Opportunities** – 16 employment opportunities have been created on site including 10 'New Starts'. A new start is defined as someone who has been previously unemployed, redundant or a leaver from a training programme. This includes 4 previously redundant staff from Scottish Electrical Group who have started with Balfour Beatty Kilpatrick.
- **Apprentices** – 6 Project Initiated apprentices have been delivered and the target is now achieved. 6 existing apprentices have also been provided with a similar opportunity.
- **Work Placement** - 16 work placements have been delivered including 6 school work experience placements including a placement for a young person from Connect 5. 10 work placements have been delivered to date including an Employability placement for a young person from the HELM and more recently an HND Building Surveyor student from Dundee and Angus College.
- **Awareness Raising** – there have been 16 awareness raising activities to date supporting 250 individuals. These have included site visits from a range of groups including HND Civil Engineering D&A College Group; Jobcentre staff and employability groups. More recently the Graduate Engineer on site recently took part in the Harris Academy Eco day Challenge. The contractor has been particularly strong in this area and while this target has been achieved the contractor is continuing to support new visit and talk requests.
- **Additional Community Benefits-** Balfour Beatty has provided a £550 contribution to support the Community Benefits Employability programme. This 6 week training and work placement programme supports young people who have had contact with the criminal justice system and is designed to increase their employability and will provide them with access to a guaranteed interview.

#### **Camperdown Dock to Dundee Airport Flood Protection Scheme, Balfour Beatty**

This contract began in March 2017 and is delivered through the SCAPE Civil Engineering Framework which means its Community Benefit requirements are slightly different:-

- **Local Contractor Spend** – In Scape Framework projects, contractors are provided targets for local contractor and supplier spend as follows:
  - 75% of spend within 40 miles - average at end of March 2018 of 79%
  - 40% of spend within 20 miles – average at end of March 2018 of 43%
  - 20% of spend within 10 miles – average at end of March 2018 of 39%

Scape Framework contracts are also required to provide monthly actual spend figures and percentage spend figures within 40 miles. To date £2,156,000 has been spent locally within 40 miles and represents 76% of the contract spend.

- **Supplier Development Activity** – Balfour Beatty participated in the Meet the Buyer Tayside Events in February 2017 and 2018. They have also awarded the site cleaning contract to social enterprise Hillcrest Maintenance Services.
- **Local Labour** – 76% of labour on site to date are local (within 40 miles). In February 2018, 100% of staff on site were local. (Note this information is based on site induction rather than daily signing).
- **Employment Opportunities Created** – 4 employment opportunities have been created to date and of those 3 are New Starts, i.e. filled by those who have been previously unemployed, a new entrant or someone made redundant.
- **Apprentice Opportunities** – while no project initiated apprentice opportunities have been created subcontractors have provided opportunities for apprentices on the Shared Apprentice Model. Contractors can provide a cumulative opportunity of 1 year and have it count towards their apprentice targets. 15 weeks of fitter joinery have been provided to date, with a further placement in bricklaying planned in the coming weeks. Other placement weeks have been offered but not progressed due to apprentice illness. 3 existing apprentices have been given ‘on opportunity’ work on site.
- **Work Experience** – 7 work experience candidates have been on site to date, 2 schools work placements and 5 post school. These have included a young person from Barnardo’s Employability programme, a Jobcentre work experience candidate who has progressed into employment, and various joinery placements delivered as part of the Shared Apprentice programme.
- **Awareness Raising Activity** – 24 awareness raising activities have been delivered to date with 807 people being supported. This has included an intensive programme of events with Harris Academy. In January, February and March Balfour Beatty senior staff have been going into school on a fortnightly basis supporting pupils to use Autodesk Revit software.

#### **Waterfront Site 6 Office Development**

This contract began in January 2018 and is the first element of site 6 (opposite the Railway Station) and as an Office development. This is being delivered through the SCAPE framework by Robertson Construction. In addition to SCAPE framework requirements, localised community benefit targets are:-

- 3 New Start Employment Opportunities
- 3 Project Initiated Modern Apprentice Opportunities
- 2 Existing Apprenticeships
- 4 Work Experience Opportunities
- 4 Awareness Raising Outcomes
- 585 Individuals from School and College on Visits (SCAPE)
- 390 Individuals to participate in offsite Awareness Raising Activity (SCAPE)

Progress to date until end of March 2018:-

- **Local Contractor Spend** – In Scape Framework projects, contractors are provided targets for local contractor and supplier spend as follows:-
  - 75% of spend within 40 miles - average at end of March 2018 of 41%
  - 40% of spend within 20 miles – average at end of March 2018 of 41%
  - 20% of spend within 10 miles – average at end of March 2018 of 41%

Scape Framework contracts are also required to provide monthly actual spend figures and percentage spend figures within 40 miles. To date £290,348 has been spent locally within 40 miles and represents 41% of the contract spend.

- **Supplier Development Activity** – Robertson participated in the Meet the Buyer Tayside Events in February 2018 with information on this and other projects.
- **Local Labour** – 98% of labour on site to date are local (within 40 miles). In March 2018, 99% of staff on site were local.
- **Employment Opportunities Created** – 2 employment opportunities have been created to date, both of which are New Starts, i.e. filled by those who have been previously unemployed, a new entrant or someone made redundant.
- **Apprentice Opportunities** – No new apprentices and one existing apprentice has been on site to date.
- **Awareness Raising Activity** – 11 Awareness Raising activities have taken place to date supporting 364 individuals, this has included a wide range of career and problem solving events (Spaghetti Bridges and Tower Builds) with Dundee primary and secondary schools.

#### **Dundee Waterfront 4 with Sir Robert McAlpine**

This contract come to an end in Jan 2016 and achieved all of its stated Community Benefit targets and in some cases exceeded them. Summary of activity:-

- 41% of the contract value or £3,705,677 has been spent locally (within 35 miles of site).
- 58% of labour on site was local (within 35 miles).
- 11 Employment opportunities created of those
- 7 New Start employment opportunities have been created and filled with previously unemployed candidates or young people from training programmes.
- 1 Graduate opportunity has been created.
- 3 Modern Apprentice opportunities have been created.
- 7 Work Placements have been delivered on site supporting young people and adults.
- 7 Awareness Raising events have been delivered to date supporting over 130 clients.

The company has also supported initiatives including the Mary Slessor Centre Monument and Roseangle Community Playground.

#### **New and Forthcoming Dundee Waterfront Contracts**

##### **Waterfront Site 2**

Our Enterprise have been appointed as the development partner for the development of Dundee Waterfront site 2. Planning permission for this project has now been granted with construction currently scheduled to begin in September 2018. Targets for this project have been drawn from the CITB client based approach residential framework. The residential framework has a relatively high target burden particularly for apprenticeships. Targets for this project are:-

- 2 Supplier Development Events
- 7 New Start Employment Opportunities
- 8 Project Initiated Apprenticeships
- 7 Existing Apprenticeships
- 16 Work placement Opportunities

- 7 Awareness Raising Outcomes

## COMMUNITY BENEFIT - END USER AGREEMENTS

As the construction of the Waterfront development sites progress, engagement has begun with the first organisations which will be 'End Users' for these developments. To date partnership meetings have been held with Sleeperz Hotels, V&A Dundee, Heritage Portfolio and although not technically part of the Central Waterfront, Brassica restaurant who will take one of the units at the back of the Caird Hall.

The Discover Works Team have worked with employers to develop a pre-recruitment training programme using a customised version of the EmployabiliTAY programme. HospitalityTAY programmes have been developed in partnership with Brassica Restaurants and Sleeperz Hotel. In these 2 separate programmes candidates will complete a 3 week programme of hospitality and employability training which has been catered to each employers requirements. The Brassica programme is now complete with all 9 candidates securing employment, 8 with the company and the Sleeperz programme is ongoing.

An initial meetings has been held with V&A Dundee and Heritage Portfolio, to offer recruitment support or vacancy management.

## School Contracts Summary

<b>Supplier Development</b>	
Local Construction Spend (within 35 miles)	£35,378,582
Average Percentage of Spend which was local (within 35 miles) *	59%
Average Local Labour (within 35 miles)*	75%
<b>Employment and Skills</b>	
Employment Opportunities Created	75
New Start Employment Opportunities (previously unemployed, redundant, graduates or new entrants)	31
Project Initiated Modern Apprenticeships	44
Existing Modern Apprentices	106
Work Experience Opportunities	193
<b>Awareness Raising Activity</b>	
Awareness Raising Events and Activities Delivered	206
Individuals Supported through Awareness Raising	6120

\*\*Schools included in this summary are North East Campus, Coldside Primary, Baldragon Academy, Menzieshill (Tayview), Sidlaw View and Harris Academy. North East Campus, Coldside, Menzieshill and Sidlaw View are delivered through the SCAPE framework meaning 'local for spend and staff are measured at 40 miles.

## North East Campus with Robertson Construction through the SCAPE framework

This contract began in April 2017 and is delivered by Robertson Construction under the Scape Framework. While this programme is in the early stages, progress to date towards Community Benefit targets has been strong. Community Benefit Activity delivered to date includes:-

- **Local Contractor Spend Activity** –Local contractor spend in March was 92% and has been an average of 65% or £5,135,342 (within 40 miles) since the beginning of the project. Local contractors included, Soundtex, Dundee Plant, McGills and Angus Decorating.

- **Supplier Development Activity** – Meet the Buyer event held for Robertson projects in November 2016 and involvement in Tayside Meet the Buyer, in February 2017 and 2018.
- **Local Labour** – 92% of labour on site to date are local (within 40 miles) in March 2018, an average of 88% since the project started.
- **Employment Opportunities** – 12 employment opportunities have been created on site including 2 New Starts. A new start is defined as someone who has been previously unemployed, redundant or a leaver from a training programme.
- **Apprentices** 10 Project Initiated apprentices have been recruited to date including apprentices with local firms Dundee Plant, McGills, Soundtex and Angus Decorating. These have included 2 young people who have progressed from an Employability Fund placement with the HELM into a General Construction Operative Apprenticeship. 26 Existing Apprentices have been on site.
- **Work placement-** 37 work placements have been delivered including 12 school work experience placements and 25 post school placements. These include placements for a range of Dundee and Angus College students and young people undertaking employability programmes with HELM, Barnardos and Activity Agreements.
- **Awareness Raising** – 38 awareness raising activities to date supporting 1510 individuals. This has included a lot of activity with local primary schools including site visits and in October 2017, as part of Health and Safety Week, the contractor hosted a week of themed activities for 80 young people from Craigie, Grove and Braeview Secondary Schools. Pupils undertook site inductions and a range of practical exercises to give them a better understanding Health and Safety Week.
- **Additional Community Benefits-** In addition to DCC requirements Robertson's have some additional workforce development targets as part of their SCAPE reporting. Targets for these have all been achieved and to date include 20 staff on site completing NVQs and 1895 short courses including tool box talks complete.

#### **Cold Side Primary School with Robertson Construction (SCAPE)**

This contract began in January 2017 and is delivered by Robertson Construction under the Scape Framework. The contractor has achieved their community benefit targets in most areas and in some areas exceeds them significantly. Community Benefit Activity delivered to date includes:-

- **Local Contractor Spend Activity** –Local contractor spend was 66% in March 2018 and has been an average of 54% or £5,295,066 since the beginning of the project. As this is a Scape framework they are measured at 40 miles.
- **Supplier Development Activity** – Meet the Buyer event held for Robertson projects in November 2016 and involvement in Tayside Meet the Buyer, in February 2017 and 2018.
- **Local Labour** – 82% of labour on site to date are local (within 40 miles) in March 2018, an average of 84% since the project started.
- **Employment Opportunities** – 12 employment opportunities have been created on site including 4 New Starts. A new start is defined as someone who has been previously unemployed, redundant or a leaver from a training programme.

- **Apprentices** 8 Project Initiated apprentices have been recruited to date all with local companies. These have been a trainee engineer with Kilmac, an apprentice in Partitions with Soundtex and Heating Engineers and Electricians with McGill. 24 existing apprentices have also been provided an opportunity.
- **Work placement** - 40 work placements have been delivered including 7 school work experience placement. 33 work placements have been delivered to date including a placements for university students from Dundee and Robert Gordons University, Dundee and Angus College students on a wide range of construction programmes and candidates on Employability programmes.
- **Awareness Raising** – 41 awareness raising activities to date supporting 1355 individuals. This has included site visits and workshops delivered to local schools, and customised visits for a wide range of college and university courses. The very high level of activity in awareness raising is down to stretching Scape targets in these areas which requires them to support 602 individuals to complete a site visit and 402 to complete workshop activity.
- **Additional Community Benefits-** In addition to DCC requirements Robertson's have some workforce Development targets and to date have recorded 35 staff completing NVQs and 1027 short courses delivered (including tool box talks).

#### **Baldragon Academy with Robertson Construction through the HUBCO framework**

This contract began in February 2016 and was completed in December 2017. It was delivered by Robertson Construction under the Hubco Framework. All targets were achieved and Community Benefit Activity delivered for this project includes:-

- **70%** of contractor spend local (within 35 miles) and £11,685,020 spent locally.
- **76%** of labour local (within 35 miles)
- **18** Employment Opportunities created with 8 of them new starts
- **10** Project Initiated Modern Apprentice and 22 existing apprentices supported.
- **24** work placements have been delivered including 7 school work experience placements and 17 post school.
- **31** awareness raising activities supporting **454** individuals.
- **14** subcontractor's staff have completed NVQs
- **6** individuals have received supervisory training
- **15** received leadership training
- **8** received advanced health and safety training.

#### **Menzieshill (Tayview) Primary with Robertson Construction through the SCAPE**

This contract began in May 2016 and is delivered by Robertson Construction under the SCAPE Framework. This contract came to an end in July 2016, the contractor significantly overachieved on all targets. Community Benefit Activity delivered includes:-

- **54%** of spend was local, equating to £4,796,249 (within 40 miles).
- Over £100,000 of contract spend awarded to supported business Dovetail for internal doors and windows.
- **79%** of labour on site was local (within 40 miles)
- **10** employment opportunities have been created on site including 5 New Starts.
- **5** Project Initiated apprentices and 21 existing apprentices provided an opportunity.

- **48** work placements delivered including 15 school work experience placements and 33 post school
- **34** awareness raising activities supporting 1533 individuals. .
- **36** NVQs completed and 1000 short courses or toolbox talks completed.

### **Sidlaw View with Robertson Construction**

This contract began in July 2015 and was completed August 2016 by Robertson Construction under the SCAPE framework. The contractor achieved all their targets and significantly over achieved in some areas. The following Community Benefits were secured:-

- **84%** of spend was local, equating to £6,051,929 (within 40 miles).
- Over £100,000 to supported business Dovetail
- **73%** of labour on site was local (within 40 miles)
- **8** employment opportunities have been created on site including 5 New Starts.
- **3** Project Initiated apprentice and 13 existing apprentice opportunities
- **23** work placements have been delivered including 11 school work experience placements and 12 post school work placements.
- **33** awareness raising activities undertaken supporting 857 individuals.
- **16** NVQs completed and 1430 short courses including toolbox talks delivered.

### **Harris Academy with Robertson's Construction**

This contract is complete and has achieved all of its stated Community Benefit targets which include:-

- **24%** of the contract value or £2,414,976 has been spent locally (within 35 miles of site)
- **52%** of labour on site was local (within 35 miles)
- **7** new start employment opportunities.
- **8** Project Initiated Apprentice opportunities created
- **21** work experience placements including 4 school based and 17 post school work placements.
- **29** Awareness Raising Events delivered supporting 411 individuals

### **Housing Contracts**

#### **Alexander Street – Hart Builder**

Alexander Street Development is a partnership project between Dundee City Council and Hillcrest Housing Association. Hart have been on site since September 2016, activity until the end of March 2018 includes:-

- **Local Contractor Information** –Since the beginning of the project in September 2016 until the end of March 2018 £2,473,998 or 27% of the contract value has been spent with local subcontractors and suppliers. Local contractors on site have included Pitkerro Plumbing, Care Electrical, Brakin Decorating, Sidey and Tay Doors. Harts have indicated their intension to re-profile spend information to better reflect elements of subcontractor spend which has been spent locally, it is anticipated that this will increase recorded local spend significantly.



- **Local Labour**- The site has consistently reported very high levels of local labour on site. In March 2018 100% of the labour on site was local (within 35 miles) and from September 2016 to the end of March 2018 an average of 98% of labour on site was local.
- **Employment Opportunities** – 26 Employment Opportunities have been created on site since September 2016 and of those 9 are defined as ‘new start’ employment opportunities. New Start employment opportunities are those who have been filled with candidates who was previously unemployed candidates, a new start from a training programmes or those experiencing redundancy.
- **Apprentice Opportunities** – 2 apprentice opportunity has been created on site, an apprentice bricklayer and joiner. This is an area where the contractor has struggled largely due to the amount of direct labour engaged in some of the trade areas i.e. bricklayers who are traditionally less likely to employ apprentices and an initial request to hold apprenticeship placements to support the Hillcrest Apprentice programme which did not continue. This has been offset by the contractor’s very strong performance with developing new starts through their bespoke pre-recruitment programme. 37 existing apprentices have been provided opportunities on site
- **Work Experience** – 19 work experience placements have been delivered including providing placements to 8 candidates as part of the pre-recruitment training programme and multiple placements for Castle Huntly candidates.
- **Awareness Raising** - 8 Community Benefit awareness raising activities have been delivered supporting 58 individuals, these have included visits from Dundee and Angus College, and employability groups.
- **Other Community Benefits** - Harts recognised that they had a potential opportunity to create a new grade of semi-skilled worker to undertake the task of insulating properties at Alexander Street and another site they had in the City. In partnership with the Community Benefits programme, the contractor co-designed the Insulation Installer Pre-recruitment Training Programme which intended to train previously unemployed candidates for these newly created roles. Harts participated in every stage of the programme, supporting recruitment, designing and delivering elements of the training programme and providing onsite training and work experience. The programme was very successful. Of the 8 candidates, Hart initially employed 4 as insulation installers and one as a labourer. When one of those candidates didn’t work out they were backfilled by another graduate of the programme. This model has worked so successfully for Hart that they have gone on to replicate it in other areas

### **Derby Street - Richmond Homes with Robertson Construction**

This programme is due on site later this year, outline targets agreed to date are to deliver

- **2** Supplier Development Events, including participating in Meet the Buyer events
- **7** New Start Employment Opportunities
- **8** Project Initiated Apprentice Targets
- **7** Existing Apprentices
- **3** school work placement opportunities
- **16** post school work experience opportunities
- **7** awareness raising outcomes

This project has been commissioned using the SCAPE framework which will includes additional Community Benefits targets and mandatory targets for local spending at 10, 20 and 40 miles from site.

### **Other Contracts**

#### **Dundee and Angus Residual Waste Contract**

This joint contract with Angus Council is to support the processing of residual waste in Dundee and Angus. MEB have been appointed as the successful contractor to run the Baldovie Incinerator, while they construct a new energy from waste plant on the site, thereafter manage the demolition of the existing site and run the new site for the remainder of their contract period of 25 years. The contract began at the beginning of the year and has community benefits in the construction and service elements of the contract. The targets for this project are as follows

#### **Construction Phase (referred to as Works Phase)**

- Local Spend Monitoring within 35 miles of site
- Supplier Development - 1 Meet the Buyer Event – this element has been delivered with a highly successful Meet the Buyer held in January 2018 with more than 150 business attending.
- Local Labouring Monitoring within 35 miles
- 5 New Start Employment Opportunities
- 6 New Apprentices and 4 Existing Apprentices. The contractor has agreed to the provision of an employer recruitment incentive for apprentice opportunities to encourage disadvantaged young people to access opportunities.
- 12 School Work Experience Placement's (6 per authority)
- 18 Post School Placement's (employability, college and university)
- 12 Awareness Raising visits or activities
- **£5,000 Challenge Fund** for school projects during the works phased, which will be coordinated by Developing Scotland's Young Workforce team.

#### **Service Period (start after new site is build and last for 25 years)**

- 25 Supplier Development Events (1 per year)
- 1,200 Hours of Business Mentoring (48 per year)
- Local Labour Monitoring
- 4 New Starts Employment Opportunities
- 4 New Apprentices
- 50 School Work Placements (2 per year, 1 in each authority)
- 25 Post school placements (1 per year)
- 50 Awareness Raising Outcomes (2 per year)
- 250 Environmental Awareness Events (10 per year)

#### **New and Forthcoming Projects include**

##### **Regional Performance Sports Centre (and Energy Centre)**

Balfour Beatty have been appointed under the SCAPE Civil Engineering project to undertake this development. The project is due to begin in summer 2018. Targets for this project have been drawn from the CITB client based approach Retail, Sports, Leisure and Entertainment benchmarks. Targets for this project are:-

- 1 Supplier Development Event
- 9 Employment Opportunities created (SCAPE)
- 3 New Start Employment Opportunities
- 5 Project Initiated Apprenticeships
- 2 Existing Apprenticeships
- 9 Work placement Opportunities

- **5** Awareness Raising Outcomes
- **110** Individuals to undertake school and college visits (SCAPE)

### **Menzieshill Community Centre**

This contract will be delivered by Robertson Construction under the SCAPE framework and is due to commence in summer 2018. Targets for this project are:-

- **2** New Start Employment Opportunities
- **2** Project Initiated Apprenticeships
- **2** Work placement Opportunities
- **2** Awareness Raising Events
- **401** Awareness Raising – Individuals on Site (SCAPE)
- **267** Awareness Raising – Individual supported on off-site activity (SCAPE)

### **Partners Contracts**

#### **Pharmaceutical Specialist Services, contract delivered by Robertson Construction**

This contract began in January 2017 for NHS Tayside and is delivered under the Hubco Framework. This is a highly specialised contract, with a complex Mechanical and Electrical component. As part of a partnership agreement with NHS Tayside, DCC Community Benefits Officer monitors this contract. Note this project is not reported with the other Capital Community Benefit programmes

- **Local Contractor Information** – Contractors are asked to report on the percentage of spend allocated to local subcontractors and suppliers within a 35 mile radius on monthly basis. Since the beginning of the project in January 2017 until the end of March 2018 £8,461,673, or 57% of the contract value has been spent with local subcontractors and suppliers. Local contractors on site have included WBS Keillor and McKenna Electrical.
- **Local Labour**- In March 2018 92% of the labour on site was local (within 35 miles) and from January 2017 to the end of March 2018 an average of 71% of labour on site was local.
- **Employment Opportunities** 8 Employment Opportunities have been created on site and of those 4 are defined as 'new start' employment opportunities. New Start employment opportunities are those who have been filled with candidates who was previously unemployed candidates, a new start from a training programmes or those experiencing redundancy.
- **Apprentice Opportunities** – 4 apprentice opportunities has been created on site and 9 existing apprentices have been provided opportunities.
- **Work Experience** – 6 work experience placements have been delivered for post school work placements. Placements have held for employability candidates with Advance and engineering for a Dundee and Angus College student. The specialist nature of the programme means it doesn't have targets for school aged young people.
- **Awareness Raising** 5 Community Benefit awareness raising activities have been delivered supporting 72 individuals, these have included visits from Dundee and Angus College Civil Engineering students and visits to Teddy Bear Nursery.

- **Other Community Benefits** - In addition to NHS Tayside requirements Robertson's have some additional workforce development targets as part of their HUBCO reporting. Targets for these completed to date include 6 staff from subcontractors completed NVQ, 25 staff completed Leadership and Management Training and 9 staff completed Advanced Health and Safety Training for Subcontractors.