

## **Scotland Excel**

**To: Joint Committee**

**On: 21 June 2019**

**Report  
by  
Director Scotland Excel**

### **Community Benefits and Fair Work Practices Update**

#### **1 Introduction**

In line with legislative requirements and Scotland Excel's sustainable procurement duty this report will highlight the community benefits delivered, in the period of 1 October 2018 to 31 March 2019, as a result of the Scotland Excel framework portfolio. Additionally, an update will be provided regarding Fair Work Practices which will give an analysis of suppliers and providers' Living Wage status.

Scotland Excel continually strives to be innovative in its approach to community benefits. There is a recognition that community benefits have a considerable social, environmental and economic impact within local communities and we continue to encourage and grow awareness in this regard. Our approach to community benefit commitments at point of tender has been developed to further advance the undertakings made by suppliers and to facilitate a robust process for the collection of responses. The newly developed community benefit menu has been favoured by procurement specialists when embarking on new procurement exercises and offers a focused approach across the Scotland Excel procurement portfolio. Furthermore, it aims to encourage suppliers and providers to deliver community benefits within the awarding local authority area.

#### **2 Summary**

Twice yearly suppliers and providers are requested to complete a comprehensive community benefits template. This information is collated to illustrate the variety and extent of community benefits delivered as a result of Scotland Excel frameworks. This method of collection together with ongoing contract management aims to support the delivery of the commitments made by suppliers and providers at point of tender. For the return through to 31 March 2019, community benefits have been sought from suppliers and providers who have received in excess of £50,000 spend over the preceding two quarters via a Scotland Excel framework.

Table 1 shows a summary of the social value added across the Scotland Excel procurement portfolio since 2013. The figures are complete for the 12-month period through to the end of March 2019.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Total
No of Apprentices	9	92	49	18	52	34	254
No of New Jobs	78	43	29	53	146	280	629
No of Work Placements	0	5	6	17	30	107	165
Hours of Volunteering & Mentoring	95	377	1279	1570	1637	803	5761
Hours of Work Experience	5305	28214	16734	7852	2541	667	61313
Value of Other Community Benefits	£2,474	£16,550	£46,140	£87,814	£311,549	£437,443	£901,970

*Table 1: Summary of social value added across the collaborative portfolio*

Community benefits delivered via Scotland Excel frameworks continue to be positive. Figures in terms of ‘number of new jobs’ for the current return period have seen exponential growth with Renfrewshire being of particular note. These are a result of the business associated with Agency Workers – Social Care framework, where one supplier recruited 10 new full-time employees. It is also worth noting that a total of 3 new apprentices have been recruited within Edinburgh, all of which are from priority groups. In relation to ‘hours of volunteering and mentoring’ the highest number was provided within South Ayrshire where the supplier supported a local Community Landscape project. Further, suppliers within both Fife and South Lanarkshire provided 15 work placements each for Adults and School-aged children.

As shown in Appendix 1, returns illustrate that North Lanarkshire received the most substantial amount of ‘Other Community Benefits’. This is largely made up of donations to various charities, sponsorship of local clubs and school visits.

With regard to Fair Work Practices (including the Living Wage) Scotland Excel commenced formal consideration within Tenders in early 2015. Since this time the respective position on bidders’ work practices has been outlined within Executive Sub Committee Contracts for Approval Reports. From a review of the data available since 2015 the overall position across Scotland Excel’s portfolio is:

Of the 934 suppliers appointed since formal consideration:

762 (81.6%) notified that they pay the Living Wage

- Living Wage Accredited – 153 (16.4%)
- Progress towards accreditation – 40 (4.3%)
- Committed to gaining accreditation over the first 2 years of the framework – 98 (10.5%)
- Not accredited but paying the Living Wage – 471 (50.4%)
- Not accredited or paying the Living Wage but committed to doing so within 2 years – 37 (4.0%)
- Neither accredited nor paying Living Wage – 135 (14.4%)

Scotland Excel continue to ensure transparency within the tender process and focus on aspects of fair work practices deemed relevant for each framework. Scotland Excel continue to monitor and encourage the implementation of fair working practices and to work closely with suppliers to review their progress in this area.

### **3 Next Steps**

The next community benefits data collection, analysis and review cycle will be completed in line with the Management Information process to cover the period through to the end of 30 September 2019. The results will be reviewed with the supply base and where appropriate will be incorporated into supplier performance objectives.

### **4 Conclusion**

Committee members are requested to note the content of this report.

## Appendix 1 Community Benefits by Council Oct 18-Mar 19

	Number of new apprentices	Number of new employees	Number of work placements	Hours of volunteering	Hours of work experience	Monetary value of Other Community Benefits
Aberdeen City	0.15	4.5	2			£4,151
Aberdeenshire	0.15	3.1	1.5	52		£6,292
Angus		1				£259
Argyll & Bute						£2,750
Clackmannanshire	0.33	2.41				£270
Dumfries & Galloway	0.5	8				£1350
Dundee	0.5	8.89	10.36		216	£5,593
East Ayrshire		0.5	0.1			£1,727
East Dunbartonshire		1				£2,423
East Lothian	2.33	9.96				£2,084
East Renfrewshire		4				£811
Edinburgh	3	9.64	4	2.25		£25,537
Falkirk	2	6.65				£5,420
Fife	0.25	5	15			£10,904
Glasgow	0.2	3.3	4.28		3.75	£8,676
Highland	0.15					£15,159
Inverclyde						£1,250
Midlothian						£400
Moray						£1,300
North Ayrshire	0.3	3.6	2			£604
North Lanarkshire	0.25	12.48	7.15			£42,384

Orkney						
Perth & Kinross	0.33	10.76				£7,085
Renfrewshire		17.15	4			£6,145
Scottish Borders		11.57	4			£9,530
Shetland						£248
South Ayrshire		1	3	50		£6,249
South Lanarkshire	1.5	7.69	15.37			£11,885
Stirling		4.53	2	24	40	£1,785
West Dunbartonshire						£2,030
West Lothian	0.5	14.71				£14,892
Western Isles						£1,750
Blanks		3.5	2			£30,179
<b>Total</b>	<b>12.4</b>	<b>154.9</b>	<b>76.8</b>	<b>128.3</b>	<b>259.8</b>	<b>£231,122</b>