

Scotland Excel

To: Joint Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Community Benefits and Fair Work Practices Update

1 Introduction

The purpose of this report is to provide an update on the Community Benefits facilitated and delivered from the Scotland Excel portfolio of frameworks agreements, together with an update regarding Fair Work Practices.

The requirement to include Community Benefits in the delivery of goods and services is an integral element within Scotland Excel frameworks. Community Benefits are reviewed with suppliers at contract management review meetings and reported to local authority procurement managers at their quarterly business review meetings. Additionally, the system used to capture and record Community Benefits has been reviewed and updated to address the requirements of the statutory guidance made under the Procurement Reform (Scotland) Act 2014, and to further support the drive to deliver sustainable procurement.

This report updates members on the Community Benefits return for the period to 30 Sept 2017 and provides a status update regarding Fair Work Practices.

2 Summary

Twice yearly in conjunction with the standard Management Information gathering process suppliers now complete a comprehensive Community Benefits template. This provides a clearer picture of the type (Employment, Apprenticeship, Training etc), and classification (Social, Economic, Environmental) of the Community Benefit delivered. It also allows suppliers, where necessary, to apportion the extent to which any Community Benefits shared across different public sector contracts is derived from Scotland Excel Frameworks.

Table 1 shows a summary of the social value added across the portfolio since 2013. The figures are complete to the end of 30th Sept 2017 Quarter 2.

	2013/14	2014/15	2015/16	2016/17	Apr-Sep 17	Total
No of Apprentices	9	92	49	18	32	200
No of New Jobs	78	43	29	53	71	274
No of Work Placements	0	5	6	17	15	44
Hours of Volunteering & Mentoring	95	377	1279	1570	1329	4650
Hours of Works Experience	5305	28214	16734	7852	1672	59777
Value of Other Community Benefits	£2,474	£16,550	£46,140	£87,814	£132,264	£285,242

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

The overall position regarding the social benefits being returned is extremely positive. For the latest period through to end of September Community Benefits were recorded from 104 suppliers and 25 of these suppliers recorded new jobs.

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 the position across Scotland Excel's portfolio is: Of the 494 suppliers appointed since formal consideration

- 406 (82%) notified that that they pay the Living Wage
 - Living Wage Accredited – 60 (12.4%)
 - Progress towards accreditation – 18 (3.7%)
 - Committed to gaining accreditation over the first 2 years of the framework – 77 (15.8%)
 - Not accredited but paying the Living Wage – 248 (49.9%)
- Not accredited or paying the Living Wage but committed to doing so within 2 years – 18 (3.3%)
- Neither accredited not paying Living Wage – 75 (14.8%)

One framework that should be noted is Security Services. In this framework suppliers offer the local authorities the option to contract on the basis of staff paid at Minimum wage staff and/or Living wage.

In several frameworks 100% of the suppliers committed to paying the Living Wage. These are: Telecare and Telehealth, Ground Maintenance, Asbestos, Street Lighting Bulk Renewal of Luminaires, Demolition, Fostering, Secure Care and Energy Efficiency Contractors, and Heavy Plant.

In addition to the social benefits outlined in this report it should also be noted that relevant data for environmental benefits, including the volume and weight of recycled material, is captured by contract managers as part of routine contract management activity. This data is included in the business reviews held with each corporate procurement function on an on-going basis.

3 Next Steps

The next Community Benefits data collection, analysis and review cycle will be completed in line with Management Information process to cover the period through to the end of 31st March 2018. 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, and support the measures proposed to monitor delivery of community benefits for the 2017/18 financial year.

Appendix 1 Community Benefits by Council (April – September 2017)

	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		5.3			177.0	1058.0
Aberdeenshire	1.5	5.3	0.8		17.5	3836.0
Angus	1.0					2432.8
Argyll & Bute						1200.0
Clackmannanshire	0.0					150.0
Dumfries & Galloway	0.5			8.0		975.0
Dundee	0.5	1.1			8.0	4732.7
East Ayrshire				18.0		545.0
East Dunbartonshire						749.0
East Lothian	0.5	0.4				300.0
East Renfrewshire		2.0				
Edinburgh	5.3	5.5	4.3	24.0		6506.0
Falkirk	3.2	3.7		168.0		1070.0
Fife	1.0		1.0		299.5	3567.9
Glasgow	5.9	8.2		246.2		17294.5
Highland	1.0	3.0		38.0		1357.0
Inverclyde	1.0					150.0
Midlothian	0.5	0.2				430.0
Moray	0.0					550.0
North Ayrshire		6.0	5.0	203.5	171.0	4375.8
North Lanarkshire	0.6			141.4	109.5	20288.8
Perth & Kinross	2.5	0.4	2.0	32.0		1536.0
Renfrewshire	0.3			234.0	70.0	5307.3
Scottish Borders	0.0					
South Ayrshire		1.0		216.0	174.0	3280.3
South Lanarkshire	3.5	7.0			646.0	3465.0
Stirling	1.5		0.5			2080.0
Tayside Contracts						360.0
West Dunbartonshire	0.0					900.0
West Lothian		11.0				6971.6
Unassigned	2.0	11.0	2.0			36796.2