

Scotland Excel

To: Joint Committee

On: 6 December 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 April 2019 to 30 September 2019, from 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. We recognise 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 focussed 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 from 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 30 September 2019, Community Benefits have been collated 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 6-month period through to the end of September 2019.

	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	Apr19- Sep 19	Total
No of Apprentices	9	92	49	18	52	34	21	275
No of New Jobs	78	43	29	53	146	280	192	821
No of Work Placements	0	5	6	17	30	107	27	192
Hours of Volunteering & Mentoring	95	377	1279	1570	1637	803	601	6362
Hours of Work Experience	5305	28214	16734	7852	2541	667	5879	67184
Value of Other Community Benefits	£2,474	£16,550	£46,140	£87,814	£311,549	£437,443	£560,090	£1,462,060

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 further growth with Glasgow being of particular note. These are a result of the business associated with the Social Care Agency Workers framework, where one supplier recruited 15 new full-time employees. It is also worth noting that a total of 7 new apprentices have been recruited within Falkirk. In relation to ‘hours of volunteering and mentoring’ the highest number was provided within Inverclyde where some suppliers’ staff conducted befriending and driving duties within the local area. Furthermore, suppliers within Fife provided 13 adult work placements.

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 provision of premises for use by local organisations, sponsorships, donation of equipment and provision of a sports leadership academy.

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 926 suppliers appointed since formal consideration, 768 (83%) notified that they pay the Living Wage. This is broken down within the first four columns below:

Scotland Excel continues to ensure transparency within the tender process, and focusses on aspects of fair work practices deemed relevant for each framework.

Accredited	Progress towards accreditation	Committed to gaining accreditation over the first 2 years of the framework	Not accredited but paying the Living Wage	Not accredited or paying the Living Wage but committed to doing so within 2 years	Neither accredited nor paying Living Wage
170 (18.4%)	42 (4.5%)	87 (9.4%)	469 (50.7%)	36 (3.9%)	122 (13.1%)

Scotland Excel continues 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 31 March 2020. 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 2019/20 financial year.

Appendix 1 Community Benefits by Council Apr 19-Sep 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		14.7	0.8	27		£14,541
Aberdeenshire	0.1	7	1			£34,265
Angus		0.5	0.6	50.4		£6,633
Argyll & Bute						£8,789
Clackmannanshire		4.2				£6,075
Dumfries & Galloway		5.5				£11,437
Dundee	1.5	1.5	1.3			£16,952
East Ayrshire	1	5				£13,005
East Dunbartonshire	1	12			8	£9,062
East Lothian	0.1	4.2				£10,893
East Renfrewshire		3				£6,689
Edinburgh	0.2	19.8	3	14.3	96	£32,430
Falkirk	9	6.2			200	£19,745
Fife	1.1	13.9	13	32	496	£21,083
Glasgow	0.5	32.7	3.7	105.5		£36,090
Highland	0.4				608	£14,638
Inverclyde				312		£22,481
Midlothian						£8,248
Moray	0.1					£6,016
North Ayrshire	2	4	0.1	7.8	132	£14,532
North Lanarkshire	0.3	3.2			208	£42,465
Orkney						£5,000
Perth & Kinross	0.5	2.8	0.3	7.7	5	£7,927
Renfrewshire	0.4	12.2		104	352	£10,111
Scottish Borders	0.1	1				£8,508
Shetland						£5,062
South Ayrshire	1.3	1			168	£21,994
South Lanarkshire	0.6	13.3	0.1		3602	£29,577
Stirling		10.1	2.3			£10,488
West Dunbartonshire		0.5				£23,469
West Lothian	1	11.3				£24,665
Western Isles						£5,000
Blanks		2.1	1.3		4	£55,220
Total	21.2	191.7	27.4	600.7	5879.2	£563,090