



one
scotland
SCOTTISH GOVERNMENT



Community Benefit in Procurement Network

25th June 2014



Agenda

- Introduction
- Review of Current Attitudes to CBCs
- TR&T national support
- Scottish Future Trust approach
- Update on recent developments
- Roundtable

Rick Rijdsdijk

Marion Beattie

Morag Wallace

Robin Fallas / Roddy

Stewart

Commissioners Survey

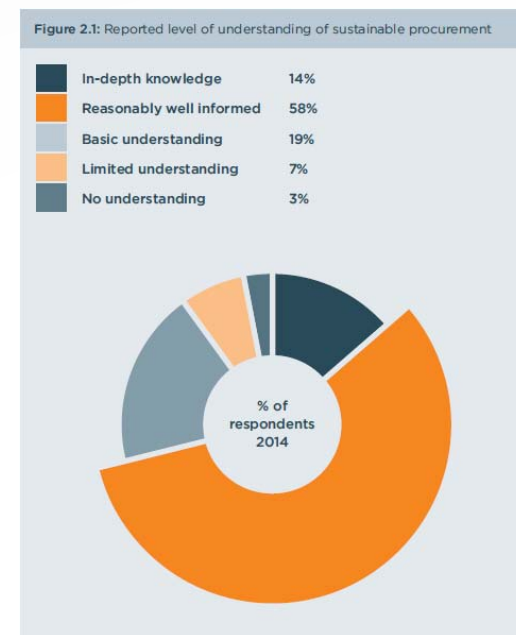


- Survey of 214 public sector staff
- Commissioning and procurement
- Sustainable Procurement and Enterprising Third Sector agendas
- Follow up from 2012 survey
- Final survey 2016

Sustainable Procurement

Increased understanding of Sustainable Procurement

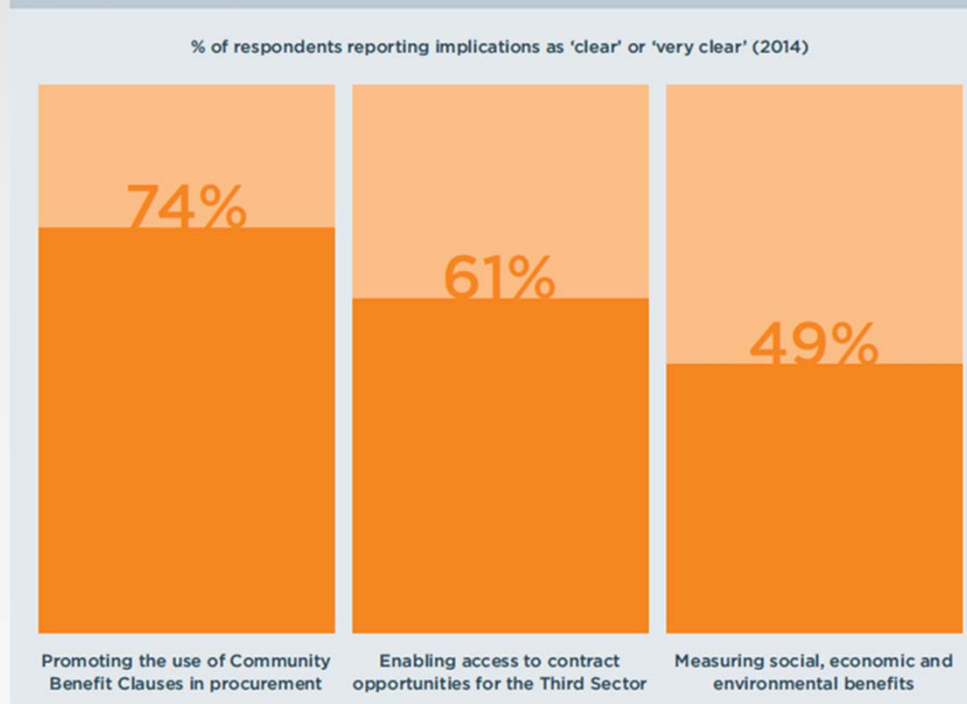
- 72% has a reasonable or in-depth understanding (up from 48%)
- Only 10% limited or no understanding



Sustainable Procurement

High awareness of the implications of the Bill

Figure 2.2: Clarity of implications for selected aspects of the Bill



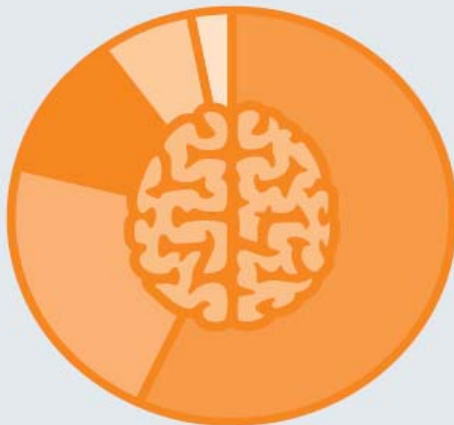
- 96% consider social value (up from 93%)
- 74% (very) clear on use of CBCs
- 61% (very) clear on enabling opportunities for Third sector
- 49% (very) clear on measuring social value

Third Sector Suppliers

Increased understanding of the Third Sector

Figure 3.1: Reported understanding of the Third Sector

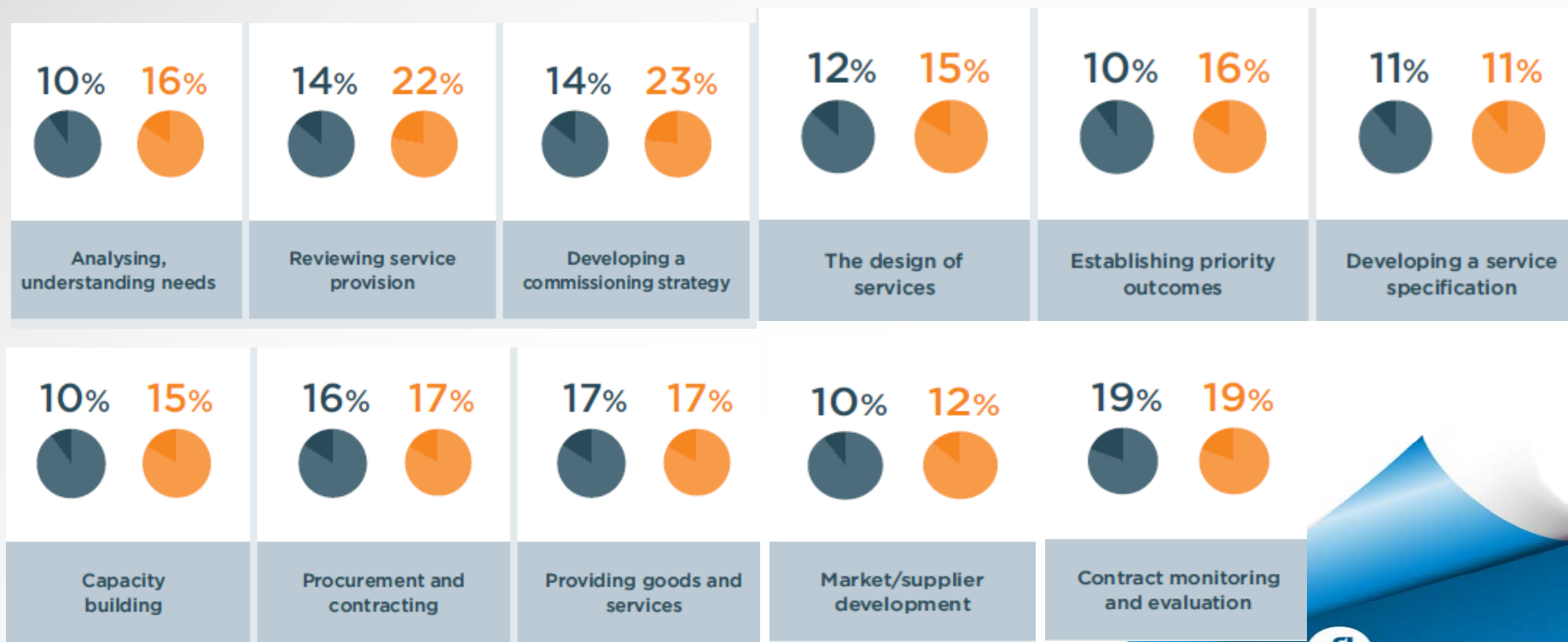
% of respondents 2014	In-depth knowledge 11%	Reasonably well informed 57%
Limited understanding 7%	No understanding 3%	Basic understanding 22%



- 68% good understanding (up from 44%)
 - Better understanding of user/community needs (79% → 88%)
 - Easier to commission high quality services (72% → 79%)
 - Useful source of innovation in service design (63% → 71%)
 - Capable to deliver high quality services (59% → 73%)
 - Skills and capacity to bid for contracts (38% → 46%)

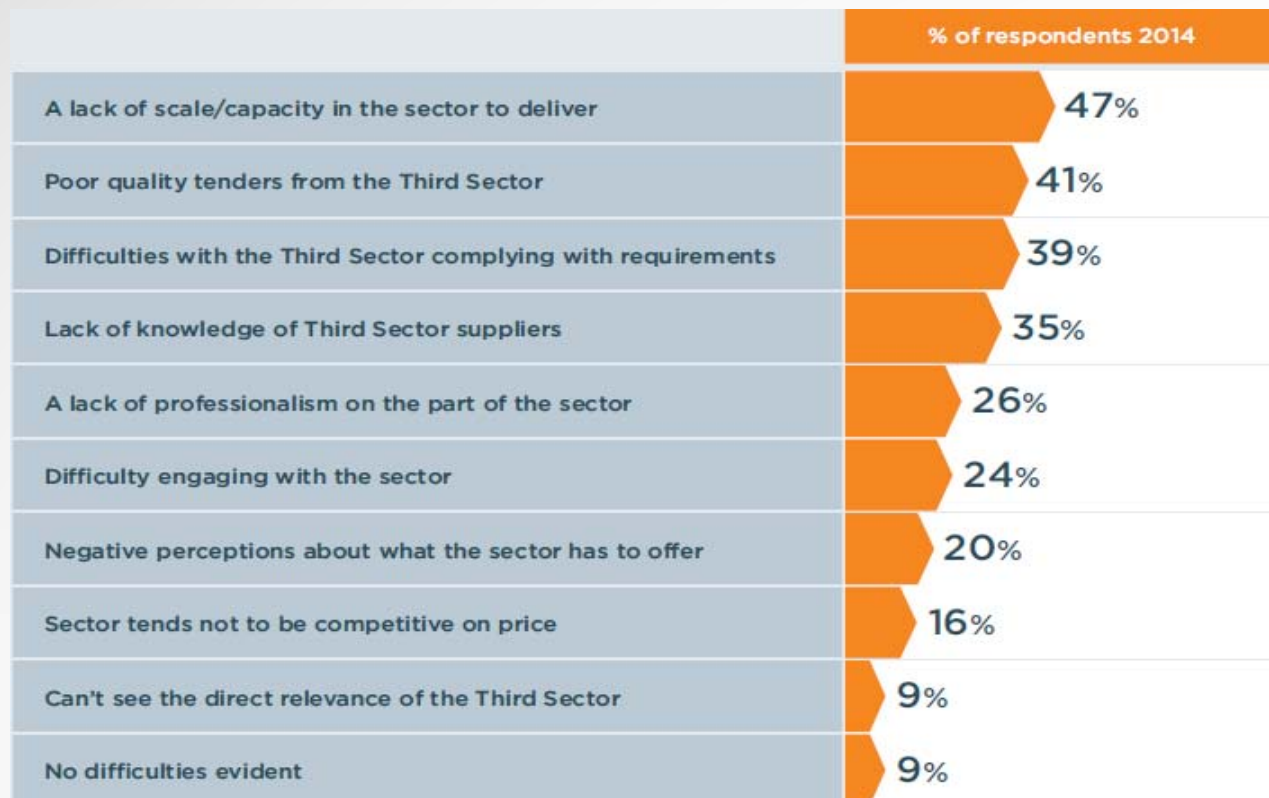
Third Sector Suppliers

Growing input throughout the commissioning cycle



Third Sector Suppliers

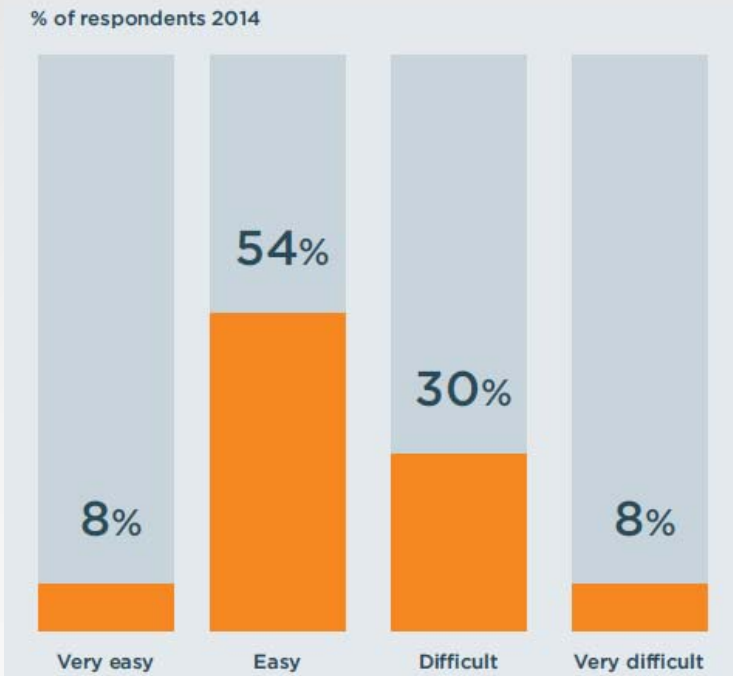
Barriers to contracting with the Third Sector



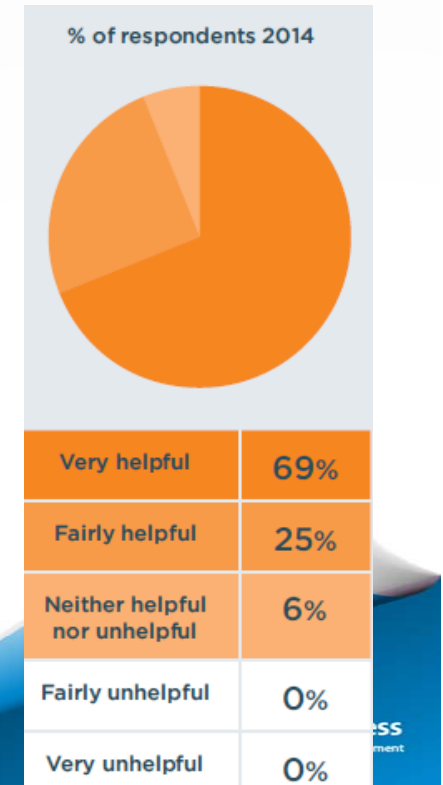
Public Social Partnerships

Increasing level of interest in and understanding of PSP model

Figure 5.3: Reported ease of use of the PSP approach














- 79% awareness (up from 68%)
- 15% involved in PSP
- 62% (very) easy
- 94% helpful (up from 41%)



Community Benefit Clauses

Growing use of CBCs

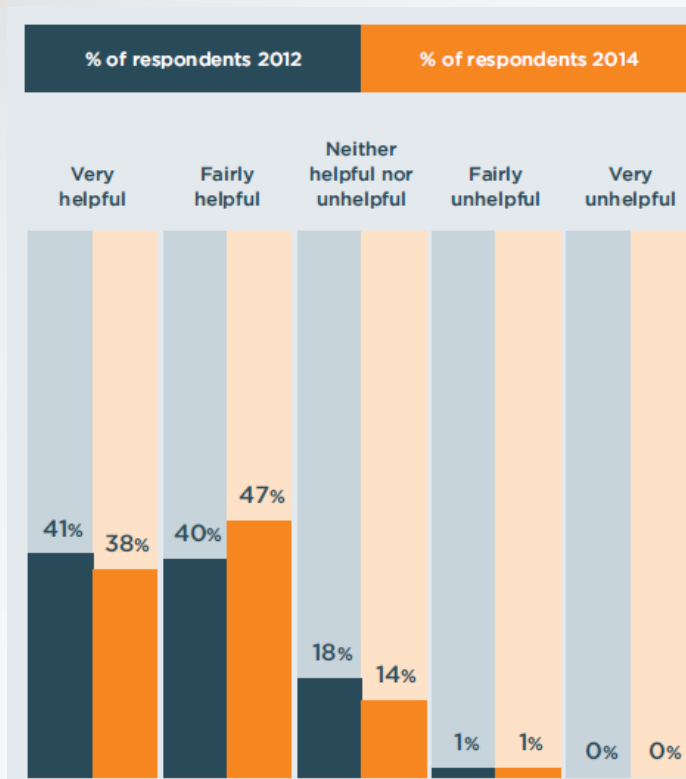
- 99% understanding of CBCs (up from 93%)
- 42% could identify CB Champion (up from 36%)
- 65% applied CBCs (up from 37%)
- More widespread coverage

	% of respondents 2014
 Building construction, maintenance and supplies	63%
 Facilities management	27%
 Environmental services	26%
 Corporate services	21%
 Roads	20%
 Professional services	16%
 Care and Social Work	16%
 Education	11%
 Medical services and supplies	9%
 Vehicles and transport	7%
 Other	6%

Community Benefit Clauses



Growing interest in identifying and valuing outcomes



- 54% follow external CBC guidance
- 47% has in-house CBC guidance
- 29% has standing orders for CBC
- 85% find CBCs (very) helpful (up from 81%)

Community Benefit Clauses



Systems in place to implement CBCs



Deciding if CBCs are appropriate for a particular contract

79%



Monitoring and measuring the impacts eventually secured

72%



Defining the outcomes that clauses are expected to deliver

78%



Consulting communities on the benefits they would wish to see

52%



Enforcing the implementation of contractual clauses by contractors

77%

Developing Markets for Third Sector Providers 2014-16



Next Steps

- Engagement and Events
- Partners for Change
- Up-skilling: Workshops and Training
- Consultancy
- Knowledge transfer and Learning



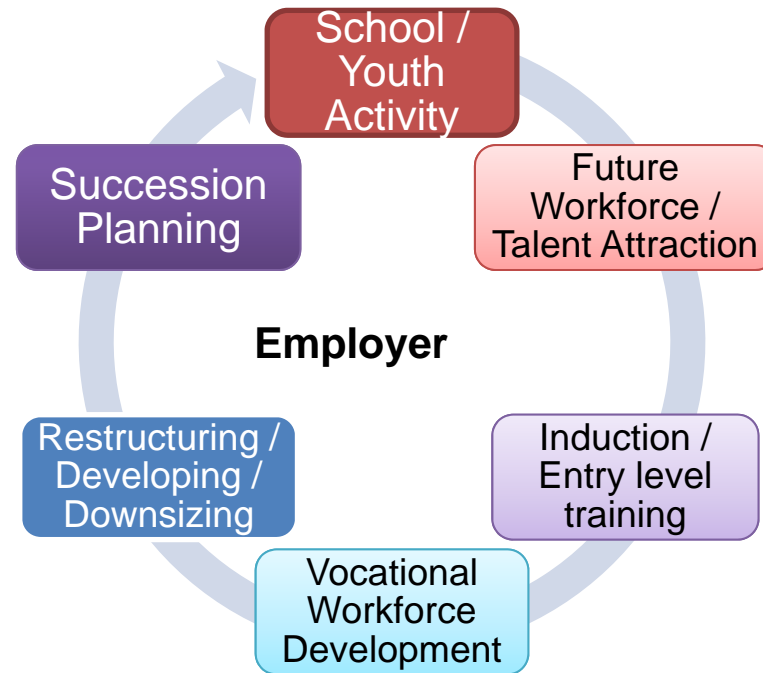
Questions?



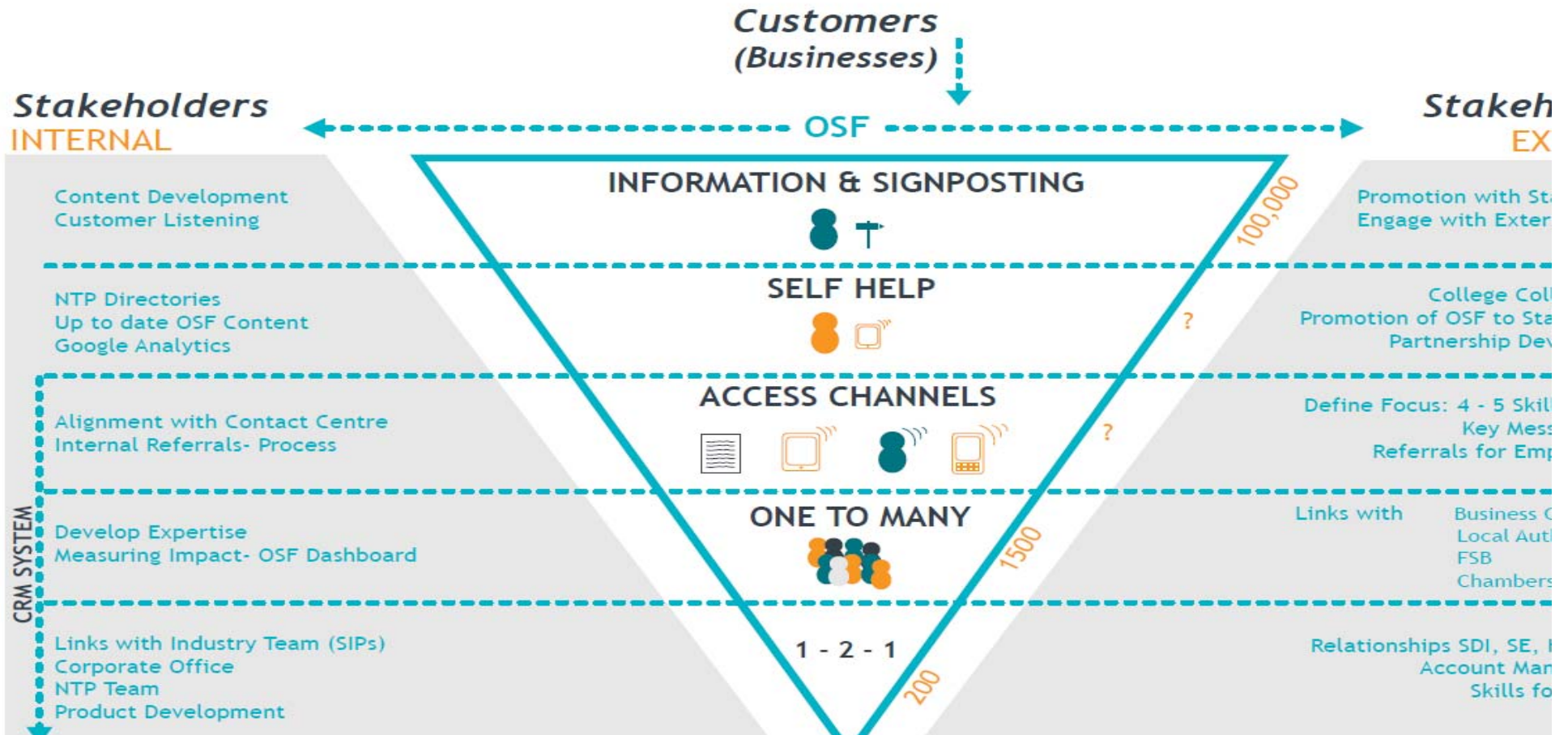
SDS Employer Services Offer



Employer / Employee Skills Cycle

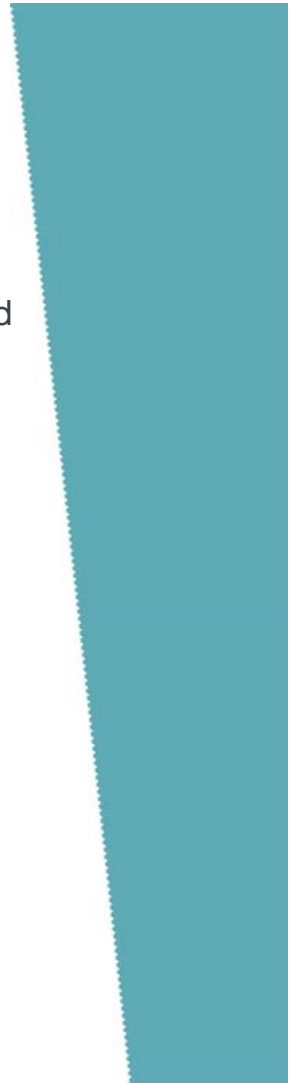


Employer Service Delivery Model



Our Skillsforce

- Developed by Skills Development Scotland (SDS) and partners to support Scotland's employers and launched in November 2012
- Provides employers **with information on the skills support available from public sector** organisations in Scotland, enabling them to quickly access the services they need
- Our Skillsforce was **a response to** what **employers** had been asking for:
 - a **simple way to find out** about the skills support available
 - a **way to inform future skills services** so that they are more effectively linked with the demands of business



Our Skillsforce - Homepage

Our Skillsforce brought to you by Skills Development Scotland

Home Funding for skills Modern Apprenticeships Skills planning & HR support Attracting new talent Spotlight on industry News Events About

Bringing together skills related support for your business
Find out more about Our Skillsforce >

Get in touch
Call us on 0800 783 6000
Sign up for our newsletter
Tell us what support you need

Funding for skills development
Helping you to identify, recruit and train a skilled workforce. [More](#)

Modern Apprenticeships
Good for your business, great for your people. [More](#)

Skills planning and HR support
Help to develop your business and your people. [More](#)

Attracting new talent
We'll help you find the best and the brightest. [More](#)

Spotlight on industry
Access a range of support, specific to your industry. [More](#)

Find funding for your business.
We'll help you find the funding your workforce needs to grow.

National support
Identify, recruit and train a skilled workforce. See the incentives available for businesses in Scotland.

Local support
Type in your local authority area to find the support available. For example Angus, Renfrewshire, West Dunbartonshire.

Modern Apprenticeships
Find out how Modern Apprenticeships can be good for your business, and great for your people.

Training course search
Find the right training for your employees. Choose from a wide range of training opportunities, there's something to suit your workforce.

Skills support request
A skills support request is a quick and easy way to let us know if you need some extra help. This service is completely free and impartial.

Scottish Apprenticeship Week 2014
May 19 - 23

Skills Development

Scottish Apprenticeship Week 2014



Our Skillsforce

- **Information all in one place**

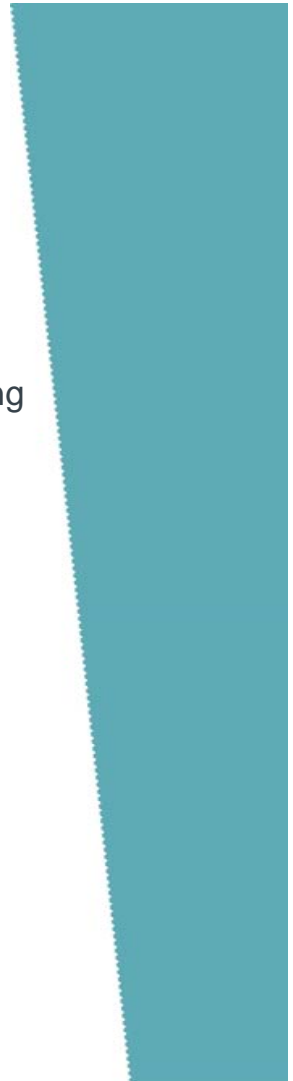
- Employers can find **information** on developing the skills of their workforce **all in one place**
- It draws **together information from national and local skills related organisations**, including Jobcentre Plus and Scotland's 32 local authorities
- Access national and local funding - covering recruitment, training and development of staff

- **Helpful and easy to access**

- Skills Support Requests feature - **employers can flag their specific skills needs** and be assisted to the best package of support available via our EET

- **A partnership approach**

- developed by SDS and partners to provide a **full and clear picture of the skills support** we (the partners) offer
- Creates a **more joined up skills pipeline** to help equip Scotland with the skilled workforce it needs to compete in the global marketplace



Our Skillsforce – Funding for Skills

Our Skillsforce brought to you by Skills Development Scotland

Home Funding for skills Modern Apprenticeships Skills planning & HR support Attracting new talent Spotlight on industry News Events About

Funding for skills

Get in touch

- Call us on 0800 783 6000
- Sign up for our newsletter
- Tell us what support you need

Local support

Type in your local authority area to find the support available. For example Angus, Renfrewshire, West Dunbartonshire.

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Funding for skills

We'll help you find the funding and support that's available both locally and nationally for your business.

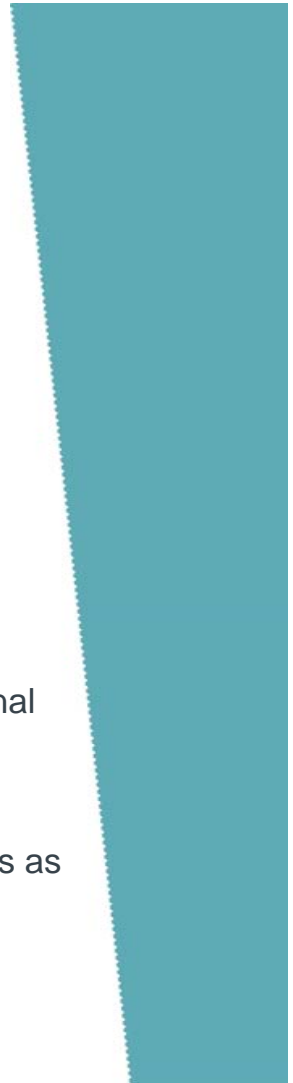
National support

Check out some of our national initiatives helping you get to grips with the funding and support available for businesses in Scotland.

- Flexible Training Opportunities**
Scottish businesses with 100 employees or less can apply for up to £5,000 towards employee training costs.
- Low Carbon Skills Fund**
Scottish businesses with up to 250 employees can apply for up to £12,500 towards employee costs.
- Employer Recruitment Incentive**
Scottish businesses with fewer than 150 employees who wish to recruit a modern apprentice can get a £1,500 incentive.
- Certificate of Work Readiness**
Could you offer a young jobseeker work experience? Help
- PACE**
The Scottish Government initiative dedicated to helping individuals and employers with
- Modern Apprenticeships**
Scotland's unique Modern Apprentice programme is hard to

Our Skillsforce

- Site was refreshed and went live on 1 April 2014
- Receives on average 6,000 – 7,000 visitors per months
- Information on national and local funding
- A dedicated Modern Apprenticeship section – [procurement framework](#) recently added
- Attracting new talent section – information on work experience/graduate internships
- Information on skills planning and HR support – including content for employers about the new national qualifications
- Industry hubs – pulls together a range of information for food and drink, tourism and energy industries as well as Skills Investment Plans
- News and events section



Our Skillsforce – Skills Planning & HR Support

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Skills planning & HR support

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Articles and publications
A series of articles and publications to give you insight into the marketplace.

Please choose Go

Skills planning & HR support

- Planning your skills**
Identify the training and skills your workforce needs to achieve your business goals.
- Recruiting new employees**
Advice and support on the best way to recruit new people.
- Creating the right culture**
Create the right environment for the job and get the best from your people.
- Health and safety in the workplace**
Create a safe working environment for all your employees.
- Succession Planning**
Find out why succession planning is the key to your business growth.
- Restructuring and downsizing**
Making changes can be challenging. Get advice and support on how to handle the transition.
- Skills Pulse Survey**
We're taking Scotland's business pulse to highlight the challenges facing employers.
- Skills planning for new businesses**
Find out how Business Gateway can help you with starting up a
- Working with education**
Helping you access the expertise, knowledge and

Our Skillsforce – Modern Apprenticeships

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Home / Modern Apprenticeships

Modern Apprenticeships

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Scottish Apprenticeship Week 2014
Find out how you can get involved this year.

Modern Apprenticeships

- What is a Modern Apprenticeship?**
It's nationally recognised, work-based training - with funding support from Skills Development Scotland.
- Funding a Modern Apprenticeship**
Discover how funding works, and how to get other financial support.
- How to employ or enrol a Modern Apprentice**
It's simple, and we'll support you all the way.
- Types of Modern Apprenticeships**
Which Modern Apprenticeship is best for your business?
- Modern Apprenticeship training providers**
Find an approved training provider near your business.
- Benefits to your business**
A modern, skilled workforce. Energy and enthusiasm. And lots more.

Procurement @ SDS – the facts!

- £160m spend per annum
- Circa 3000 IPRs / orders placed FY 2012/13
- 6.8 staff directly involved in procurement (prior to 2013, only 3.8 members of staff)
- 86% of suppliers to SDS are Scottish SMEs
- 94% score achieved in 2012 Procurement Capability Assessment (retained Superior ranking)
- Intern graduate – Emma Drysdale started 1st July
- MA in procurement – starts Tuesday 22 July
- CPT Priorities:
 - move from transactional to strategic procurement
 - review of procurement processes & procedures
 - Customer / stakeholder engagement



**Just the
Facts**

Procurement People of Tomorrow – A variety of routes into the profession

The new Modern Apprenticeship framework IN Procurement and Supply Chain (SVQ 3) IS NOW AVAILABLE :

- The training provider is the City of Glasgow College
- E-Learning is available for CIPS Level 2 through the Modern Apprenticeship in Procurement & Supply Chain
- SNHS National Procurement Office are optimising resources and avoiding THE duplication of effort through a national programme for MAs in Procurement and Supply Chain - £200k committed to the SNHS Programme
- SDS start their MA in Procurement & Supply Chain – Tuesday 22 July 2014
- The Chartered Institute of Purchasing and Supply are providing free student membership to the MAs in Procurement & Supply Chain
- MAs are vocational EARN and LEARN



It is best to have a sustainable Procurement Team to mentor and develop the MA

Procurement Qualifications Ready Reckoner based on SCQF

SCQF Levels	MA in Procurement / Scottish Vocational Qualifications (SVQS)	Educational Institution Qualifications	Professional Membership Chartered Institute of Purchasing & Supply (CIPS)	SCQF Levels
12		Doctorate (PHD)		12
11	SVQ Level 5	Masters Degree (MBA/MSC)		11
10		Honours Degree	CIPS Level 6	10
9	SVQ Level 4	Ordinary Degree	CIPS Level 5	9
8		HND in Procurement	CIPS Level 4	8
7	SVQ Level 3	HNC in Procurement		7
6		Higher	CIPS Level 2	6
5	SVQ Level 2	Intermediate 2		5
4		Intermediate 1		4
3				3
2				2
1				1

Community Benefits in the Hub Initiative

Morag Wallace

25th June 2014

Agenda

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- Hub structure
- Hub Objectives
- Value for Money
- Hub Initiative Outcomes
- Key Performance Indicators
- Benefits Achieved

hub Structure

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Private Sector
Development
Partner (60%)

Public Sector
Participants
(30%)

Scottish Futures
Trust (10%)

Shareholders Agreement

Public Sector
Participants
(TPB)

Territory
Partnering
Agreement

hubco

Supply chain
(designers &
builders etc)

Hub Objectives

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- The sustained and efficient design and delivery of facilities, executed with service user requirements taken fully into account, which achieves value for money and results in efficient use of assets
- an increasing number of services provided locally in communities through collaborative working from single sites (wherever possible and appropriate) leading to better outcomes for service users
- Reinforces joint strategic planning, investment, asset management and service delivery
- Delivers demonstrably better value for money on a stable, long-term basis than alternative procurement arrangements

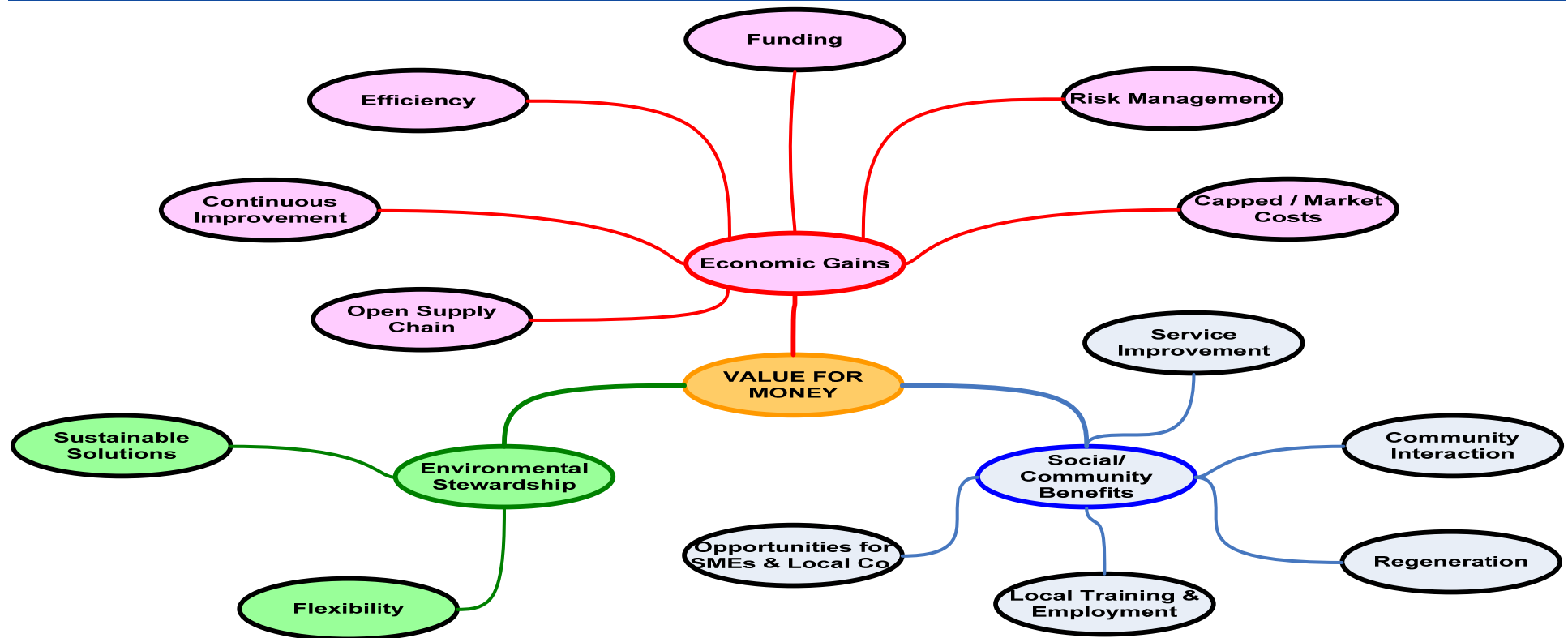
Hub Objectives

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- Is flexible in its ability to respond to evolving service strategies, and in being able to support delivery through different contractual/funding routes
- Engenders joint learning and continuous improvement in both public sector client procurement teams and their private sector partners and enables the sharing of innovation and best practice and the generation of economies of scale across Scotland
- Supports the delivery of national and local sustainability targets
- Increases opportunities for local employment & training
- Increases opportunities for the delivery of community benefits, including the provision of opportunities for SMEs and local companies

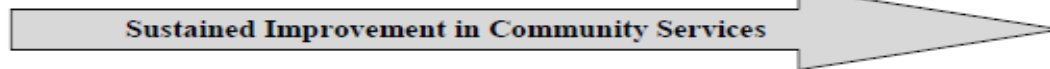
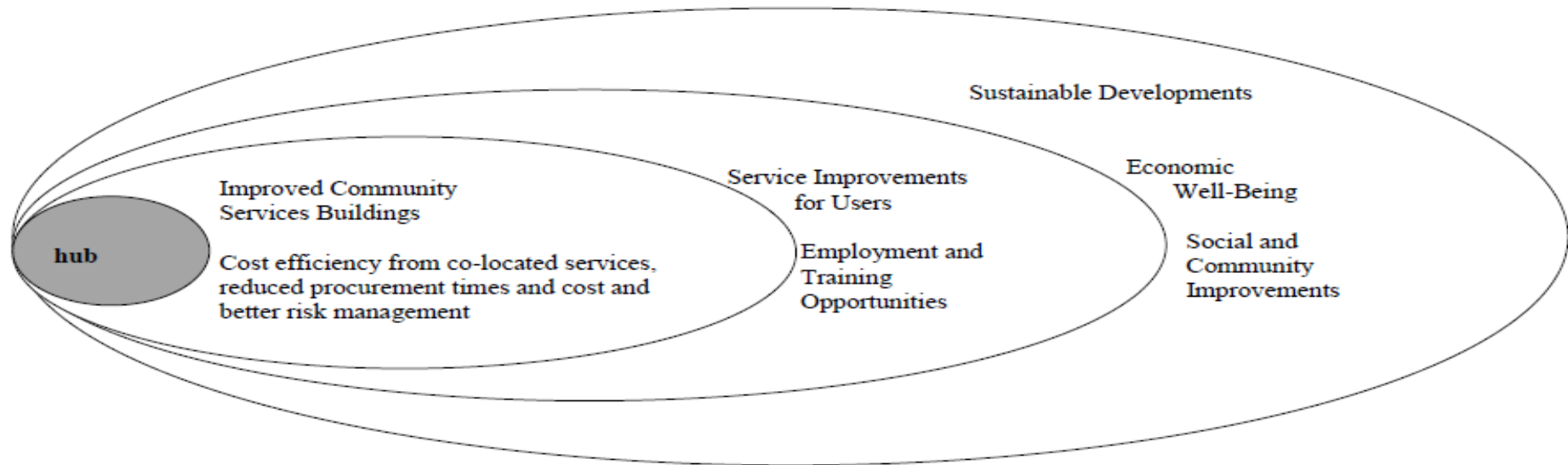
Value for Money

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Hub Initiative Outcomes

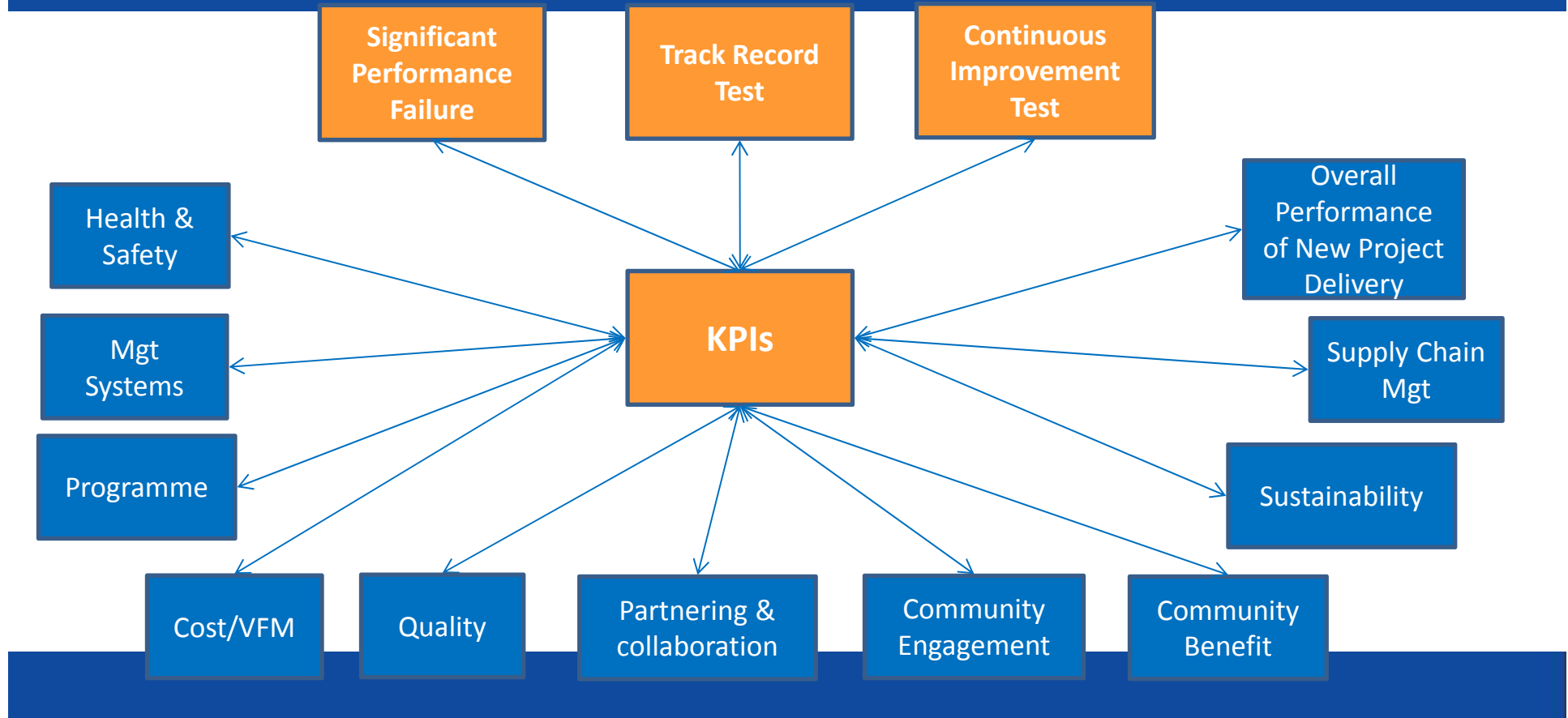
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Sustained Improvement in Community Services

Key Performance Indicators

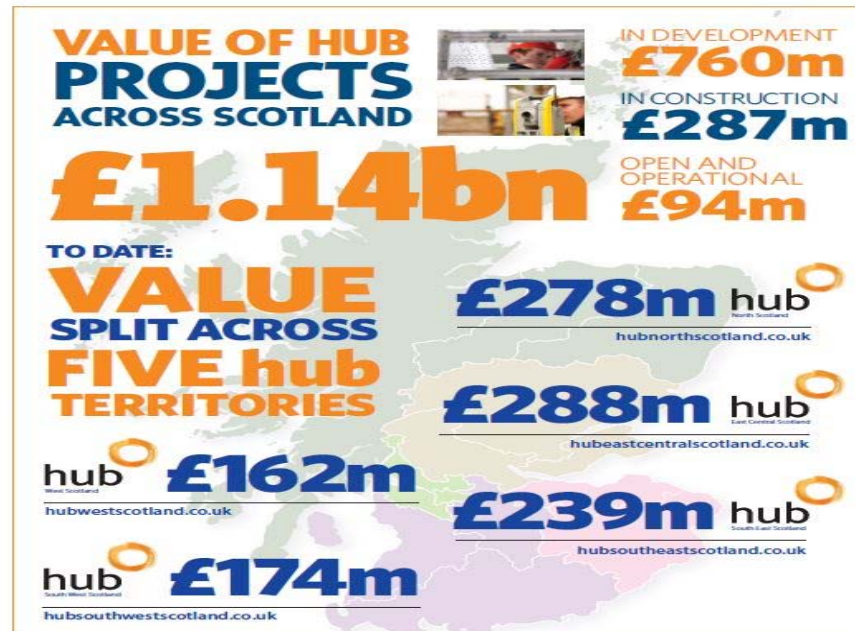
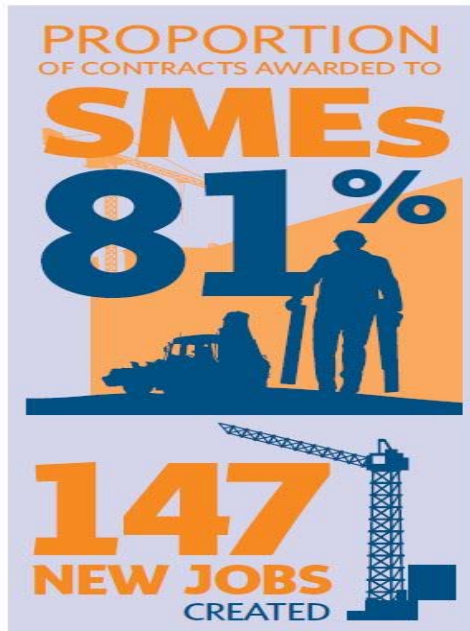
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Benefits Achieved

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Building better local services together
June 2014



Recent Developments

Robin Fallas

&

Roddy Stewart

Research and Guidance Update

- Tackling Poverty through Public Procurement - JRF
- Community Benefits in Construction - CE Wales
- Public Services (Social Value) Act 2012: One Year On
- TR&T national support - Anthony Collins
- Assessing the Impacts & Value of CBCs in Procurement - TERU

Joseph Rowntree Foundation:

- Contractors delivering TR&T recognise the business benefits of getting a more skilled and committed workforce
- Social enterprises are good at delivering social and community benefits but both they and SME face barriers when competing for larger contracts
- Significant impacts on poverty and social mobility could be achieved if the UK public sector committed to generating a year's work for a disadvantaged person for each £1M of contract value.

Joseph Rowntree Foundation – Tackling Poverty through Public Procurement

Construction Excellence: The key messages from suppliers were:

- Already delivering community benefits – albeit in their own way
- Need a level of consistency in community benefit requirements
- Greater continuity if they are to deliver sustainable benefits.
- Rigid application of targets does not guarantee delivery of sustainable employment benefits.
- Strategic view of community benefits rather than merely passing on short-term, unrealistic targets
- Coordination of employment/training support agencies by the client will improve the delivery of community benefits by the supply chain.
- Wider industry needs greater awareness of community benefits

Environment Agency - River Management Contract social value

EA is one of several public bodies preparing to commission river management services from Skill Mill Ltd, a social enterprise that provides employment & training for young offenders.

EA worked with Newcastle Youth Offending team for 2 years to prove the concept and learn from parallel work in Sheffield & Manchester.

By considering the wider social value that the provider generates, this approach allows commissioners to realise cost-effective river management, whilst improving rehabilitation outcomes for young offenders. The pilot reduced recidivism, with reoffending rates of 36% compared to a national average of 52%.

The Public Services (Social Value) Act 2012: One Year on – Cabinet Office

Gateshead Council Framework - Support for Troubled Families

Supplier engagement and use of lots

GC worked with the local third sector to co-design the service and ran an event to engage with prospective suppliers, before going to market.

Contract was “lotted” and awarded to several charities via assessment criteria considering better outcomes for families and social value.

Successful providers committed to increasing the number of third sector organisations involved in service delivery.

Contract also included a commitment to establish a sustainable family mentor volunteering programme, which includes opportunities for volunteers to progress into paid employment.

Oldham Council – Banking Services Education initiative

Council's assessment of bids was weighted in favour of quality, with 60% of the assessment criteria based on quality, and 40% to price.

Winning bid from Barclays Bank enabled the council to net an annual saving of 26% on the previous contract, whilst securing additional social value outcomes proposed by the bidder.

Proposals included work with local schools and colleges to develop students' employability and money management skills, the creation of new apprenticeships within Greater Manchester and partnership working with local stakeholders, to improve employment and social inclusion outcomes.

Anthony Collins: Award criteria relating to social value may only be used if they:

- are being used to assess MEAT in achieving value for money;
- are linked to the subject matter of the contract;
- do not confer an unrestricted freedom of choice on a contracting authority;
- comply with EU Treaty obligations, and specifically are not directly or indirectly discriminatory;
- are compatible, generally, with EU law;
- can be compared and / or assessed objectively and;
- are properly advertised in the contract notice and / or contract documents

Key Themes

- Increased understanding and adoption across public bodies
- Supplier community increasingly open CBCs
- Gradual widening of range of CB being considered & delivered

Final Q&A

Next Meeting
24th Sept