

Glasgow City Region City Deal

Sustainable Procurement Guidance Note for Suppliers

Version 0.1 - initial draft for comments

Please supply any comments / feedback on this document to citydeal@renfrewshire.gov.uk by Monday 5th September 2016.

Version	Date	Reason for Issue/Change
0.1	August 2016	Initial draft for comment
0.2	Tbc	Updated draft for review by Legal & Procurement Sub Group
0.3	Tbc	Updated draft for review by Lead Officers Group
1.0	Tbc	Final version approved by Chief Executives Group

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1. INTRODUCTION

The Glasgow City Region City Deal has a Community Benefits Strategy which provides the following key commitments:

- A consistent approach, terminology and clauses for community benefits will be used across all City Deal contracts.
- Community benefits shall be incorporated either by member authorities adopting a contractual or voluntary approach into **all** relevant City Deal contracts.
- A voluntary approach may be applied to maximise the benefits delivered.
- A points based evaluation model will be used for to assess community benefit proposal for all contractual evaluated community benefits.
- A community benefits menu has been developed and is used to obtain community benefit commitments from tenderers. This menu aims to ensure community benefits secured are aligned to the key priorities for economic development across the Glasgow city region.
- All tier 1 contractors are required to advertise relevant sub-contracting opportunities.
- A series of supplier events are being held which target SMEs to promote opportunities available to them from City Deal.
- Regular reporting of community benefits will be undertaken at a City Deal Programme level.

A copy of the agreed City Deal Community Benefits Strategy can be found on the City Deal pages on Public Contracts Scotland.

In addition to the key commitments within the Community Benefits Strategy, the following areas have secured agreement from the City Deal Cabinet members:

- Fair working practices and use of blacklisting will be considered in all tender process for City Deal contracts.
- Ethical and fairly traded products and materials will be encouraged where relevant.

This guidance note aims to support Tenderers to offer and deliver community benefits and sustainable outcomes across City Deal contracts.

2. COMMUNITY BENEFIT APPROACHES

Community benefits can be incorporated into contracts in two ways:

A. CONTRACTUAL

All contractual community benefits form part of the contract and suppliers have a contractual obligation to deliver these commitments. Appropriate contract conditions will be included to provide a remedy for failure to deliver contractual community benefits.

Contractual community benefits can be incorporated in the following ways:

- Evaluated
Community benefit proposals are assessed as part of the tender evaluation using Community Benefit criterion as specified within the Invitation to Tender (ITT).
- Mandatory
These may be delivered in 2 ways:
 1. Community benefit proposals offered by the tenderer but do not form part of the assessment under Community Benefit criterion as part of tender evaluation.
 2. Specific requirements may be stipulated within the specification, e.g. advertising sub contracting opportunities.

B. VOLUNTARY

Voluntary community benefits may be offered from a supplier, typically post award, but do not form part of their contractual obligations to deliver. Voluntary community benefits cannot form part of considerations at the tender evaluation stage.

This approach will be adopted to encourage suppliers delivering on more than one City Deal contract to offer additional community benefits as a consequence of the aggregate level of City Deal spend with that supplier.

3. FAIR WORKING PRACTICES

The Glasgow City Region City Deal member authorities are committed to achieving best value through contracts by:

- securing continuous improvement in the performance and delivery of its functions,
- maintaining an appropriate balance between quality and whole life cost,
- having regard to efficiency, economy, effectiveness and equal opportunities, and
- contributing to sustainable development.

To help ensure the delivery of high quality services in the performance and delivery of City Deal contracts and to assist in achieving the strategic aims of the City Deal, the member authorities expects to award contracts to employers who are committed to maintaining a well-managed, motivated and properly remunerated workforce demonstrated through good workforce practices.

The member authorities have adopted policies which help to meet these requirements for their own workforces. These include:

- supporting the living wage by guaranteeing a minimum standard of income for all Council employees.
- a wide range of staff training and development opportunities
- flexible working and flexi time
- offering a range of employee assistance scheme's
- a strong commitment to Modern Apprenticeships
- no inappropriate use of zero hour contracts or other forms of demand driven contracts.

To ensure the delivery of high quality services the member authorities expect tenderers to provide evidence of fair work practices and compliance with relevant employment, equality and health and safety law, human rights standards.

The City Deal contract ITT will detail how fair working practices will be assessed as part of the tender evaluation.

The standards detailed within the tender process must be maintained throughout the term of the contract. Fair working practices may form part of the standard agenda for supplier management review meetings. The discussions at these meetings may include information to validate the pay and terms & conditions of workers involved in the delivery of the City Deal contract to ensure they are compliant with the fair working practices committed as part of their tender.

Proposals from appointed suppliers to amend the their proposed project team, should include supporting information to demonstrate equal fair working practices will apply must be provided across the bidder's entire workforce for the duration of the contract

4. PROMOTING OPPORTUNITIES FOR SUPPLIERS

The Public Contracts Scotland portal has a dedicated area for the City Deal and suppliers can register for email alerts to contract opportunities advertised for City Deal

(http://www.publiccontractsscotland.gov.uk/search/search_CategoryView.aspx?ID=281).

To improve accessibility of contract opportunities for small and medium sized businesses within the Glasgow city region all sub-contracting opportunities, where an established supply chain has not been identified at tender stage, should be advertised by the main supplier on the Public Contracts Scotland portal.

5. COMMUNITY BENEFITS MENU

A menu of community benefits that should be delivered has been developed in consultation with:

- City Deal Employment and Skills Working Group
- Legal and Procurement Support Group
- Jobs & Business Glasgow
- CITB

The community benefits menu targets delivery of, but does not restrict delivery, outcomes in relation to:

- Targeted Employment and Training Initiatives
- Educational Support Initiatives
- Supply Chain Development Activity
- Vocational Training
- Community, Corporate Social Responsibility (CSR) and Environmental Initiatives
- Supported Business, Third Sector and Voluntary Sector Initiatives

The Community Benefits Menu attached to the ITT provides a definition and details of the points attributed to each outcome.

Method statements should also be provided to explain how all community benefit outcomes will be delivered.

This menu highlights the key priorities across the Glasgow city region and is aligned to the priorities of the City Deal. When offering community benefit proposals, the menu attached to the ITT should be considered.

6. EVALUATION MODEL

This section is only relevant where community benefits criterion forms part of the tender evaluation.

Points attributed to each community benefit outcome are tailored to meet the requirements for the contract and only community benefits that are expected to be deliverable from the contract advertised will be included within the community benefits menu attached to the ITT.

The ITT will detail the anticipated community benefit points to be delivered, however it is up to each Tenderer to decide what Community Benefit Outcomes they wish to offer from this list and the number of points they will provide in doing so. This should be supported with a Community Benefits method statement setting out how the Community Benefits offered will be achieved. It is expected that tenderers will propose a named individual who will have responsibility for delivery of community benefits and they should also be assessed as part of the evaluation of community benefits.

There is no limit on the Community Benefits that a Tenderer may offer and the total Community Benefits Points for these may exceed the stated expectation. However, please note that the maximum score that can be achieved for the Community Benefits Outcomes is defined within the ITT.

The evaluation of the Community Benefit Outcomes offered by tenderers will be assessed using a point based model as detailed within the ITT.

7. COMMUNITY BENEFITS DELIVERY SUPPORT

There are a variety of support organisations that may be able to assist in delivery of community benefit commitments including employability agencies, volunteer organisations and education departments within member authorities.

Noted below is support available within each member authority area:

Chamber of Commerce – <http://www.scottishchambers.org.uk/>

Skills Development Scotland - <http://www.skillsdevelopmentscotland.co.uk/> - 0800 7836000

East Dunbartonshire:

Jacqui Campbell – Jacqui.campbell@eastdunbarton.gov.uk – 0141 574 5552

East Renfrewshire:

Work East Renfrewshire Employability Service - **Email:** worker@eastrenfrewshire.gov.uk - **Tel:** 0141 577 8438

East Renfrewshire Economic Development, Community Benefits Lead – Email: lorna.wallace@eastrenfrewshire.gov.uk – Tel: 0141 577 3773

Young Enterprise Scotland, Rouken Glen – 0141 638 3576

Developing the Young Workforce Coordinator – East Renfrewshire Council Education – Email: linda.clinton@eastrenfrewshire.gov.uk – Tel: 0141 577 3305

Glasgow City:

Jobs and Business Glasgow

Jobs and Business Glasgow (North West)	Ivonne Hamilton	Strategic Operations Manager (North West)	0141 3375	274	Ivonne.Hamilton@jbg.org.uk www.jbg.org.uk
Jobs and Business Glasgow (North East)	Zoe Welsh	Strategic Operations Manager (North East)	0141 3780	274	Zoe.Welsh@jbg.org.uk www.jbg.org.uk
Jobs and Business Glasgow (South)	Rosh Campbell	Strategic Operations Manager (South)	0141 3779	274	Rosh.Campbell@jbg.org.uk www.jbg.org.uk

Inverclyde:

Shaun Lundy
Work Force Development Team Leader
Environment, Regeneration & Resources
shaun.lundy@inverclyde.gov.uk

North Lanarkshire:

North Lanarkshires Working
Adele Muir
Employability and Development Coordinator
tel 01236 638956
email muirad@northlan.gov.uk

Renfrewshire:

	Web	Telephone
Organisation		
Invest in Renfrewshire	http://www.investinrenfrewshire.com/	0300 3001180
Ready for Business	http://readyforbusiness.org/	0141 425 2914
Engage Renfrewshire	http://engagerenfrewshire.com/	0141 887 7707

South Lanarkshire:

Sandra Cuthbertson
Routes to Inclusion Development Officer
Regeneration Services
Community and Enterprise Resources
South Lanarkshire Council
154 Montrose Crescent
Hamilton
ML3 6LB
Tel 01698 454395

Email sandra.cuthbertson@southlanarkshire.gov.uk

West Dunbartonshire:

Stephen Brooks
Working 4 U Manager
Council Offices
Garshake Road
Dumbarton
G82 3PU

Tel: 01389 776938

Email: stephen.brooks@west-dunbarton.gov.uk

11 MONITORING AND REPORTING

The Suppliers' success in meeting the Community Benefit targets forms part of the City Deal contracts' Key Performance Indicators [KPIs].

All information within evaluation, monitoring and reporting will be shared with the City Deal Programme Management Office (PMO).

All appointed suppliers are obliged to provide such information as the procuring authority shall reasonably require enabling the measurement and production of performance reports for the Community Benefit KPI's at a contract, member authority and City Deal programme level.

All suppliers should provide an update of community benefits delivered on a regular basis; this should also include details of any amendments to the planned targets and detail of the achievement of outcomes. This should include comments to provide detail of any remedial action the supplier proposes to undertake where planned targets have not been met. This information should be provided by the supplier to the member authority who owns the relevant contract. The relevant member authority will discuss this with suppliers as part of their ongoing contract and supplier management process.

The supplier will be required to provide case studies summarising progress of delivery of the Community Benefits, highlighting examples of programmes / trainee profiles.

The outcomes of the monitoring and reporting may be used to target voluntary community benefit offerings from suppliers and may be used to inform targets being set for future procurement exercises to ensure sustainable outcomes.

12 GLOSSARY

Term	Definition
City Deal Contracts	A contract awarded by a City Deal local authority which relates to delivery of the City Deal objectives.
Community Benefit	An activity undertaken by a supplier to achieve sustainability in the contract. This could include targeted recruitment & training, small business and social enterprise development and community engagement.
Community Benefits Menu	A list of community benefits that may be offered by a tenderer / supplier. The menu will be tailored by the Procuring Authority to ensure it meets the current requirements relative to the City Deal Contract, before being included in a tender document or to inform discussions with suppliers when adopting a voluntary approach.
Community Benefit Points	The points attributed to each community benefit listed within the community benefit menu. The community benefit points are only used for the purposes of tender evaluation and are not considered after the contract has been awarded. All reporting is based on community benefit activities and outcomes.
Community Benefits Strategy	The City Deal Community Benefits Strategy which has been approved by the City Deal Cabinet.
Contractual approach	<p>Community benefits which form part of the contract and place a contractual obligation on the supplier to deliver the commitments. These may form part of the contract specification or the tenderer's proposal.</p> <p>The contractual approach may consider community benefits as part of the tender evaluation award criteria.</p>
Council / member authority / procuring authority	<p>Council one or more of the following Scottish local authorities, in the relevant context:</p> <p>East Dunbartonshire Council, East Renfrewshire Council, Glasgow City Council, Inverclyde Council, North Lanarkshire Council, Renfrewshire Council, South Lanarkshire Council and West Dunbartonshire Council.</p> <p>A member authority is the above listed Council's who collectively entered into the Glasgow City Region City Deal agreement with Scottish Government and UK Government.</p> <p>Procuring authority is the Council who are tendering the relevant contract to which this guidance note is being considered in relation</p>

	to.
Delivery issues	Any issues relating to the delivery of community benefits.
Evaluation Model	The approach applied when evaluating community benefits as part of the award criteria during a tender evaluation.
Fair Working Practices	Considers the remuneration package and environment offered to an organisation's employees. Fair working practices may form part of the tender award criteria considerations where it has a direct impact on the quality of contract outputs.
Invitation to Tender (ITT)	The document(s) issued by the Procuring Authority seeking offers from Tenderers.
Programme level	A view of all City Deal contracts.
Public Contracts Scotland portal	The national procurement portal (http://www.publiccontractsscotland.gov.uk/)
SME	A small to medium sized enterprise.
Supplier	<p>May also be referred to as Consultant, Contractor or Service Provider within the ITT.</p> <p>A supplier is any organisation who has been awarded a City Deal Contract by a Procuring Authority.</p>
Sustainable Procurement Tools	Sustainability test and prioritisation tool which are available from Scottish Government.
Tenderer	The firm or organisation completing and offering the Tender Submission.
Tier 1 contractors	Contractors who are directly awarded a contract from a City Deal Council, these contractors will typically have sub-contract elements of the contract to other members of their supply chain.
Voluntary approach	An approach to securing delivery of community benefits by suppliers. This approach will not form part of their contractual obligations. This approach will not inform the tender evaluation process.
Whole life costing	A price evaluation model which considers the total cost of an asset over its whole life, including acquisition, operation and disposal.