Using Investment to Deliver for the Local Economy

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outline

• **Community Benefits** – the background

• the **housing experience:**
  - i2i and the **Can Do** approach

• **Key Lessons**
Community Benefits – what are they?

- **Targeted Recruitment and Training (TR&T)** Job and training opportunities
  - for those distant from labour market
  - targeted to those areas/groups in need
  - with local businesses

- Supply chain opportunities for **Small & Medium Enterprises (SMEs)** and **Social Enterprises**

- Additional **Corporate Social Responsibility** measures

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Drivers for Community Benefits

- Labour Manifesto **Standing Up for Wales** (2011)
- Programme for Government (2011)
- Local Government Compact (Dec 2011)
- Tackling Poverty Action Plan (June 2012)
- McClelland Review: **Maximising the Impact of Welsh Procurement** (Aug 2012)
Drivers for Community Benefits

- Wales Procurement Policy Statement (Dec 2012)
- National Procurement Service for Wales (Dec 2013)
- Circular to Social Landlords (Sept 2013)
- New European Directive (March 2014)

Welfare Reform – the game changer?
too risky?

- **Revision of EU Directives**
  - “To facilitate a qualitative *improvement in the use of public procurement* by ensuring greater consideration for social and environmental criteria such as life-cycle costs or the integration of vulnerable and disadvantaged persons”

- **Social Value Act 2013**
  - “requires public bodies to consider how the services they commission and procure might improve the economic, social and environmental well being of the area”

- **Jane Hutt, AM Minister for Finance, Procurement Statement**
  - “Added value means that, wherever possible, we will utilise public procurement creatively as a strategic tool to deliver economic benefit to the people and communities of Wales through employment, training and supply-chain opportunities.”

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Welsh Housing Quality Standard

- £3 billion *plus* programme
- Decent Homes *plus*
- WHQS *plus*

if you’re going to do it, do it well:
1. *local local* jobs / regeneration
2. community ownership / control
Stock Transfer map

The North Wales Transfer arc:
A. Conwy – Cartrefi Conwy
B. Gwynedd – Cartrefi Cymunedol Gwynedd
C. Ceredigion – Tai Ceredigion

The South Wales Transfer arc:
1. Bridgend – V2C
2. RCT – RCT Homes
3. Merthyr – Merthyr Valleys Homes
4. Blaenau Gwent – Tai Calon
5. Torfaen – Bron Afon Community Housing
6. Monmouthshire – Monmouthshire Housing
7. Newport – Newport City Homes
8. Neath Port-Talbot – NPT Homes

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Deprivation in Wales

Data Source: Welsh Index of Multiple Deprivation, 2008

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demand for debt advice services

The following map highlights where demand for the charity’s services, by area, are relative to the national average (based on demand per 10,000 population).

Key
- Areas where demand for debt advice is higher than average
- Areas where demand for debt advice is lower than average

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South Wales Coalfield
the Can Do Toolkit 1

• TR&T - targeted recruitment and training
• core requirement
• adaptable for CSR
• always get ADVICE
• it’s legal
• it works
• it’s free

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the Can Do Toolkit 2

• SME Friendly procurement
• improve client side skills
• simplify procurement
• upskill SMEs
• Social Enterprises and Co-ops

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5 years on

• **5130** job and training opportunities across Wales
• **Conditions of Welsh Government Grants**
• **Social Housing Grant** – expectation of grant
• **Not just construction!**
Step-by-Step

1. Core and non core
2. policies and powers
3. business case
4. OJEU contract notice
5. pre-qualification questionnaire
6. invitation to tender
7. contract award
8. implementation + monitoring
1. Core and Non-Core

- **Core** = part of the substance of the contract, can be scored + monitored as condition of contract

- **Non-Core** = voluntary, post-contract agreement, cannot be part of tender evaluation
2. policies and powers

• Local Authorities
  – powers under ‘well-being’ provisions

• Registered Social Landlords
  – generally have powers under regeneration and community development objectives

• Other organisations
  – check governing documents
3. business case

• Consider:
  – champion
  – tenant involvement
  – target beneficiaries
  – resources available
  – what is realistic and achievable
  – do you know what you want?
4. OJEU contract notice

**Title:** 500 new kitchens and targeted recruitment and training (TR&T)

The successful contractor will be required to participate in the achievement of social and/or environmental policy objectives relating to recruitment and training and the employment of small + medium enterprises. Contract performance conditions may relate in particular to social and environmental conditions.
5. pre-qualification questionnaire

- past performance
- under technical capacity and ability
- examples:

  *please give examples and details of your involvement in the following*

  - generating employment and training opportunities for long-term unemployed
  - development of trade skills in your existing workforce*”
6. invitation to tender

Requirements must be:

– clearly defined
– measurable
– relevant to the subject matter of the contract
– achievable
– proportionate to the size of the contract

• Monitoring requirements
7. contract award

- Discuss requirements and monitoring with successful contractor
- If not core requirement, negotiate appropriate community benefit on a voluntary basis
8. implementation + monitoring

• early + often
• with KPIs
• only request info needed
• consider Data Protection Act
• Value Wales Community Benefit Measurement tool (or alternative)
Key lessons - yes you can!

• Double Default:
  1. community benefits a **CORE** requirement
  2. focus on **jobs and training**

• demonstrate value – **Value Wales Community Benefit Tool**

• Make sure procurement
  - delivers **social, economic** and **environmental** outcomes
  - is sustainable

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diolch yn fawr / thank you

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