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Welsh Government

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Community Benefits

Helping Suppliers Deliver Maximum Value for the
Welsh Pound



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Community Benefits

Delivering Maximum Value for the Welsh Pound

Across the public sector in Wales a substantial investment is made annually procuring external goods, services and works. The Assembly Government, the wider public sector and other key stakeholders are continually looking at ways in which greater value can be obtained from this investment, and one of the major aims has been to attain benefits for local communities from our procurement activity.

Sustainable procurement is often primarily associated with environmental issues, but there is now emphasis addressing the social and economic issues. The inclusion of 'community benefits' or 'social requirements' in public sector procurement is designed to ensure that wider social and economic issues are taken into account when tendering construction, service or supplies contracts.

This guide is intended to help those involved in bidding for public contracts understand what is meant by Community benefits and offer information on resources available to help and support you in delivery.

Tender Process

1. Pre qualification Stage

Clients may request details of your experience and/or commitment to achieving positive outcomes for local communities at this stage of any tendering process.

2. Tender Stage

It will be important to understand the project area where you are intending to operate and the support services able to assist you in the process (some of which are listed below at table 2). Suppliers are encouraged to research and understand the economic and social issues affecting contracting authorities and their communities. This will help you to develop your contract offer, and aid the preparation of your tender response.

Table 1 below illustrates the type of benefits organisation may ask you to deliver or which you may want be offer as part of your tender submission.

The tender will set out one of two approaches to delivering community benefits core or non core.

Non core - The non-core approach formed the basis of the Value Wales pilot undertaken in 2006 and continues to be used as a method of delivering community benefits. It is often favoured by those new to the process and in this case the social requirements may be included as contract conditions, but will not be assessed either at selection or award stage.

For the non-core approach the principles set out below will be followed:

- **The social requirements will be referred to in the initial advertisement for the contract and set out as conditions of the contract as advertised**
- **They will not be assessed as part of the procurement process (either at selection or award stage)**
- **Contracting authorities will not dictate what will be delivered, but rather work in partnership with the successful contractor to agree outputs and timescales**

Core - Where community benefits have been identified as a core part of the requirement it will be part of the subject-matter of the contract and included in the award criteria. The Contracting Authority in this case is purchasing the social outcomes and will need to consider how well the tenders meet the requirement. Award criteria will therefore address levels of quality or performance compared with the specified requirements. In line with the core approach the principles set out below will be followed:

- **Included in the original advertisement**
- **contracting authority's requirements for community benefits will be detailed**
- **Tenders will be assessed from the point of view of meeting the contracting authority's requirements for community benefits**
- **Will be included as contract conditions**

An example of a Core approach is the 'Can Do' Toolkit, developed for the Housing Sector to support the huge investment and delivery of the Welsh Housing Quality Standards. Contracting authorities using the toolkit approach are likely to ask suppliers to deliver 52 person weeks of training or employment per £1 million contract spend for example.

In either approach suppliers will be asked to provide method statements as part of their tender submission detailing how they will deliver Community Benefits for a particular procurement, scheme or project. Completion of a method statement is likely to be mandatory.

3. Contract Award

It will be important to make contact with appropriate organisations able to assist you in the delivery of your community benefits goals. The method statement submitted at return of tender is likely to become part of the contract so it is important that your submission is realistic, well thought out, and that you can deliver on any offers and statements made to the contracting authority.

Maintaining Records - As part of evidencing key performance indicators, it is likely that clients would require you to maintain records of the community benefits you have achieved, in particular information about trainees placed, training received, equality information, support provided, key achievements, etc. If you have linked with a training and employment agency they may be able to provide this information for you.

4. Post Award

It is important that successful contractors measure the positive outcomes delivered for the client. A community benefits measurement tool has been developed for this purpose and will be available from the client.

Case Studies

Suppliers successfully delivering community benefits will be encouraged to develop case studies and share best practice in support of those new to the process. Anyone wishing to provide a case study for publication should contact Value Wales - **lisa.thomas-lewis@wales.gsi.gov.uk**

Table 1 - Benefits

Benefit	Through	Beneficiaries
Training & Employment	Permanent employment	As requested by the Contracting Authorities, typically economically inactive persons
	Apprenticeship	
	Training place	
	Work Experience	
	Mentoring	
Supply Chain	Meet the buyer events	SMEs
	Main contractor advertising tier 1 opportunities on www.sell2wales.co.uk	Local Business
	Prompt payment of subcontractors	Third sector supplies
	Consider opportunities for supported factories or businesses*	Supported Factories & Businesses
	Promote equality & diversity through the supply chain	Employees

Benefit	Through	Beneficiaries
Education	Work Placements	As requested by the Contracting Authority, typically young persons
	Develop bespoke qualifications with local colleges	Local communities
	Volunteering at school/ college events - careers day; sports day	Local schools
	Visits to primary schools	Local colleges
	Volunteering days	
	Jobcentre Plus Work Experience Programme	Unemployed 18-21 year olds
Community Initiatives	Appointing a community liaison officer	
	Landscaping and building services to regenerate communal areas	
	Support for local youth groups or other community groups	
	Community newsletters	

Table 2 - Key Contacts

Benefit	Through	Beneficiaries
Training & Employment	Job Centre Plus	Local offices across Wales - further information can be obtained from Employer Direct 0845 6012001 or from the Employment & Skills section of the Business Link website http://www.businesslink.gov.uk
	Construction Skills can offer advice, guidance and support	Wyn Pritchard, Director for Construction Skills Wales Tel: 0344 994 7000
	Working Links Cymru Pan Wales	Ross Watts, Tel: 07967717640 ross.watts@workinglinks.co.uk www.workinglinks.co.uk
	Careers Wales	Freephone: 0800 1830283

Benefit	Through	Beneficiaries
Supply Chain	Tier 1 advertising	Nick Owen, Value Wales Tel:7870241623
	Supplier Development Service	For North Wales Menter a Busnes For Mid Wales Menter a Buses For South West Wales Mid & West Wales Camber of Commerce For South East Wales Venture Wales
	Prompt payment	www.promptpayment code. org.uk
	Supported Factories & Businesses	Lyndon Tobin Sector Champion 01792 512240 lyndon.tobin@swansea.gov.uk
	Constructing Excellence Wales	www.constructingexcellence. org.uk/regions/wales Tel: 029 2049 3322
Education	Careers Wales	Freephone: 0800 1830283
	Local schools & colleges	
Community Initiatives	Local Authorities	Economic Development Department
	Community First Partnerships	

Further Guidance

Further Guidance on completing tenders in which targeted recruitment and training has been specified can be found at:
http://www.whq.org.uk/i2i/about_resources.php