

Birmingham Business Charter for Social Responsibility Guidance

Here, you will find information on what the Birmingham Business Charter for Social Responsibility (Charter) is and how to become a signatory.

What is the Charter?

The Birmingham Business Charter for Social Responsibility (the Charter) is a set of guiding principles which the Council adheres to and invites all organisations to adopt as a mechanism for managing how they deliver social value.

It is a compulsory requirement of Birmingham City Council that all contractors including grant recipients must sign up to the Charter (subject to thresholds below), however any organisation can sign up to the Charter voluntarily. Often organisations sign up to the Charter to help them manage their CSR (Corporate Social Responsibility) activity.

In the interest of efficiency and in response to the consultation feedback, we have introduced the following thresholds for contracted organisations. These are minimum requirements and any organisation contracted or otherwise can become a Charter signatory.

	Tier 1	Tier 2	Tier 3
	Charter does not apply	Light touch application tailored by contract or grant type	Fully consider Social Value and all action plan measures
	Contract value or grant value as appropriate		
Contracts for Services	<£200k	£200k to £750K	Over £750K
Contracts for supply of Goods	< £1m	£1m to £5m	Over £5m
Contracts for execution of Works	< £1m	£1m to threshold in Article 4(a) Directive 2014/24/EU*	Over threshold in Article 4(a) Directive 2014/24/EU*
Grants	< £200k	£200k to £750K	Over £750K

* For current EU thresholds refer to www.ojeu.eu/thresholds.aspx

All Contractors, subcontractors and grant recipients are required to adhere to the Council's Living Wage Policy, regardless of the contract / grant size.

Why become a signatory?

There are a number of reasons why organisations should become a Charter signatory:

- It is a requirement that contracted organisations to the Council sign up to the Charter
- It is a recognised management tool to help manage the organisations Social Value
- It is increasingly demanded by public sector organisations under the Public Services (Social Value) Act 2012 to demonstrate social value.
- Driven by the public sector, main contractors are increasingly making it a requirement for sub-contractors
- The Birmingham Business Charter for Social Responsibility is recognised in the marketplace as best practice

How does my organisation become a signatory?

At the heart of the Charter process is an action plan. Any organisation wishing to sign up to the Charter needs to complete an action plan. The action plan template can be downloaded from the www.finditinbirmingham.com/charter

There is further guidance on the first sheet of the action plan about specifics of completing it. If your organisation is becoming a charter signatory as part of a tender process then the action plan needs to be submitted as part of the tender return. If your organisation is applying to become a charter signatory outside the tendering process then the action plan needs to be emailed to the Charter team (on bbc4sr@birmingham.gov.uk) at the Council. Council staff will work with you to shape your action plan until it is in an acceptable state. Once this is done then you become an accredited Charter signatory, receive a certificate and added to the list of Charter signatories on the web site. If you require any help during the process then contact the Charter team on bbc4sr@birmingham.gov.uk

What am I committing to when I become a Charter Signatory?

When you become a Charter signatory you are committing to the principles set out in the Birmingham Business Charter for Social Responsibility document and the activities you have specified in your action plan.

What makes a good action plan?

An action plan needs to be relevant, proportionate, specific and measurable.

The actions contained in an action plan need to be relevant to the contract if contracted or the business of the organisation if not contracted. The social value questions contained in the tender process will make it clear which aspects of the Charter are most relevant.

Action plans need to be proportionate to the size of the contract if contracted and the size of the company if signing up voluntarily.

Each action needs to be very specific in terms of exactly what the organisation will do. The action plan template is designed to make the actions measurable. The target date and target volume columns within the action plan are very important.

The Charter action plan is intended to cover the life of the contract if contracted, otherwise, a period of 2 years is reasonable. An annual report detailing the progress needs to be submitted. The annual report can be submitted using the same action plan form. The three columns on the right of the action plan capture the quantity and date achieved as well as a final achieved flag. Contracted organisations and grant recipients will hold regular reviews of progress against the plan.

The value of the activities will be greater if they are targeted at areas / groups with the greatest need. The action plan contains a list of Birmingham wards in order of deprivation for guidance. Targeting groups needs to be relevant to the activity and could include children in care, care leavers, homeless, elderly, fuel poverty, low income, BaME (Black and Minority Ethnic), disabled, LGBT (Lesbian, Gay, Bisexual and Transgender), etc...

Matching Projects

A number of high priority projects are available for Charter signatories to support. These projects are led by third sector organisations and deliver high priority outcomes for the City. The Council's strategic priorities are Children, Homes, Jobs & Skills and Health. Supporting these projects will need to be the primary focus of the action plans. The outcomes from these projects are expected to be included in the Charter action plan. The additional benefit of this approach is the strengthened relationships between businesses and the third sector.

What does each of the principles mean?

There are 6 principle areas under the Charter. This is a useful subdivision to help understand what is most relevant to a contract or a company. This section describes the spirit of each principle and contains some guidance and contact details on each principle.

Local Employment

Charter signatories will create employment and training opportunities for local people especially in target areas:

- Commit to create employment and training opportunities for local residents, targeting areas of high unemployment and groups facing disadvantage, including people with disabilities through activities such as work experience placements, apprenticeships, internship and mentoring.
- Seek opportunities to work with schools and colleges to help to ensure that the local young people are equipped with the right skills to match the requirements of the labour market.
- Advertise employment opportunities through the Employment & Skills Services at the Council to ensure that those opportunities are targeted at those furthest from the job market.

The Local employment measures within the Charter are:

- How many new jobs (Full Time Equivalent) will you create?
- How many Apprentices will you support?
- How many Intern placements will you create?
- How many work placement hours will you provide?

- How many hours of voluntary work hours will you provide?
- How many people will you support back to work with Coaching, mentoring, CV writing, mock interviews etc...?
- How many people will you support into employment who face challenges, e.g. ex-offenders, disabled, etc...?
- How many opportunities will you advertise with Birmingham City Council's Employment and Skills Services: eateam@birmingham.gov.uk
- What % of your staff live within 10 miles of where the service is being delivered?
- What % of your staff live within 30 miles of where the service is being delivered?
- Any Other Measure ...

The Employment and Skills Services (eateam@birmingham.gov.uk) at the Council are available to assist Charter signatories in a number of ways including:

- Providing guidance on recruitment and how to target the most disadvantaged groups
- Provide support in recruitment and training
- Provide support in offering apprenticeship

The last sheet of the Charter action plan provides a list of wards in Birmingham in order of deprivation. This is a useful guide when targeting employment. What is meant by "Local" under Local Employment and Buy Local is context dependent, however, as guidance, 30 miles from the point of delivery is reasonable.

Buy Local

Charter signatories will take account of the social, environmental and economic impacts of buying locally when commissioning and contracting, thereby reducing unemployment and raising the skill level of the local workforce.

- Support the local economy by choosing suppliers close to the point of service delivery where possible.
- Use Find it in Birmingham as the primary method of sourcing suppliers for contracts in Birmingham, increasing the accessibility of opportunities to local businesses throughout the supply chain.
- Encourage their suppliers to endorse the principle of Buy Local throughout their supply chains.
- Where possible, commit to purchasing from businesses on the Find it in Birmingham website and from social enterprises and small businesses.

The Buy Local measures within the Charter are:

- What % of your spend will be with suppliers within 30 miles of the point of service delivery
- How many procurement opportunities will you advertise on Finditinbirmingham over the next 12 months, via: www.finditinbirmingham.com
- What % of your suppliers will be registered on Finditinbirmingham?
- What % of your total spend will you post on Finditinbirmingham?
- What % of your total spend will be with SMEs (Less than 250 employees)
- What % of your total spend will be with the 3rd sector (Social Enterprises, Charities, etc.)
- Any Other Measure ...

Finditinbirmingham is the council's primary procurement portal. Registering on and advertising procurement opportunities on finditinbirmingham will ensure that these opportunities will be available to local businesses. Finditinbirmingham also runs monthly breakfast events to ensure that local businesses are exposed to main contractors. Further activity could include attending, having an exhibitor stand or

sponsoring the monthly events. Measuring the local / SME / Social Enterprise spend is an important step towards effective management of this principle.

What is meant by “Local” under Local Employment and Buy Local is context dependent, however, as guidance, 30 miles from the point of delivery is reasonable.

www.finditinbirmingham.com

Partners in Communities

Charter signatories will play an active role in the local community and support organisations, especially in those areas and communities with the greatest need.

- Build capacity by supporting community organisations with resources and expertise in areas with the greatest need, for example mentoring and working with youth organisations and services.
- Make a local impact by improving local facilities and areas, for example staff volunteering schemes.
- Provide support to third sector organisations and work with third sector organisations to deliver services and contracts.
- Have a shared sense of responsibility; consider good citizenship and safeguarding issues relating to children and vulnerable adults.
- Work with schools and colleges, offering work experience and business awareness to students, especially those from disadvantaged areas or communities.
- Make accessible all sub-contracting opportunities to a diverse supply base including the third sector and local suppliers and provide mentoring and support to assist these organisations to tender for and deliver these supply opportunities where necessary.
- Help to support the health and wellbeing of communities in which the business operates by for example linking with local schools and colleges, other local businesses and residents’ groups to help run or sponsor activities / events, which will directly benefit those living there.

The Partners in Communities measures within the Charter are:

- Paid voluntary time given for staff to do community work (hours, days, number of staff, etc)
- How many schools will you support through, becoming a governor, reading, mentoring, Career advice, CV writing, etc. Edsi.enquiries@birmingham.gov.uk
- Hours of paid voluntary time given by Staff
- What is the value of donations raised / given to Charities?
- What is the value of spend with Social Enterprises?
- Number of disadvantage individuals supported
- Number of community organisations supported
- Number of community projects supported
- Any Other Measure ...

Working in communities is best done through third sector organisations. This is because they usually have good reach in the communities and delivering through them strengthens their infrastructure and creates added value. Access to these organisations can be obtained from:

BVSC for general access to the third sector:

www.bvsc.org.uk

Birmingham City Council for community organisations:

Karen Cheney; 0121 675 8519; Karen.Cheney@birmingham.gov.uk

Social Enterprise West Midlands (SEWM) for Social Enterprises:

www.socialenterprisewm.org.uk

Schools; for a list of all schools in Birmingham:

www.birmingham.gov.uk/directory/24/online_schools_directory

Good Employer

Charter signatories will support staff development and welfare within their own organisation and within their supply chain.

- Ensure that employees are given a fair reward for their labours and help foster a loyal and motivated workforce by adhering to the Council's Living Wage Policy.
- Recognise employees' rights of freedom of association and collective bargaining, including not using blacklists in recruitment processes.
- Provide a safe and hygienic working environment.
- Shows a clear intent and positive commitment to the health and wellbeing of employees, which encourages healthy lifestyle choices that assist with addressing health issues through the adoption of policies such as the Workplace Wellbeing Charter.
- Promote diversity and inclusiveness, not discriminate in respect of recruitment, compensation, access to training, promotion, termination of employment or retirement based upon race, caste, national origin, religion, age, disability (including
- learning disability), mental health issues, gender, marital status, sexual orientation, union membership or political affiliation.
- Not operate exploitative zero hour contracts
- Have and comply with a whistle blowing policy, safeguard against harassment or intimidation

The Good Employer measures in the Charter are:

- Commitment to pay the Living Wage to staff servicing BCC contracts (except apprentices & trainees).
- How much do you spend on training per employee
- Become an accredited Living Wage organisation www.livingwage.org.uk
- Are flexible working hours provided?
- Do you have Investors In People accreditation (Gold/Silver/Bronze) or any other similar accreditation
- Become a disability Confident Employer <https://www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme>
- Do you have a Whistle Blowing Policy in place
- Staff turnover improvement target %
- Staff sickness absence improvement target %
- Do you record and report on employee diversity
- Adopt the Workplace Wellbeing Charter. www.wellbeingcharter.org.uk
- Be a Foster Friendly Employer <https://www.birmingham.gov.uk/fosterfriendlyemployer>
- Any Other Measure ...

It is a requirement that all staff working on the Council projects are paid the living wage in respect of those hours. The details will be reflected in the terms and conditions of the contract. We also encourage

organisations to become a Living Wage Foundation accredited organisation. You can find out how to do this by visiting www.livingwage.org.uk

The Living Wage is not the same as the National Living Wage. The Living Wage is set independently by the Centre for Research in Social Policy at Loughborough University as the minimum required for a wage to live on. The current rate can be found on www.livingwage.org.uk. The National Living Wage is the legal minimum wage payable to all employees who are 25 or above.

A Foster Friendly Employer is one which promotes fostering to employees, support employees who are foster carers and celebrate Fostering and foster carers.

For more information on trades union recognition go to

www.tuc.org.uk

For more information on equality at work:

<https://www.gov.uk/guidance/equality-act-2010-guidance>

For more information on health and safety in the workplace:

www.hse.gov.uk/guidance

For more information on whistle blowing policies:

www.gov.uk/whistleblowing

For more information on the working time directive:

<https://www.gov.uk/maximum-weekly-working-hours>

Support and guidance for small and medium size employers (SMEs) on good employment practice is provided by ACAS who can be contacted on:

www.acas.org.uk

Green and Sustainable

Charter signatories will commit to protecting the environment, minimising waste and energy consumption, using resources efficiently and contributing towards Birmingham's Clean Air Zone. These commitments will also apply to their supply chain.

- Reduce Carbon footprint – be aware of main impacts on carbon emissions including the indirect carbon used in manufacturing processes and the direct impact of operations and logistics.
- Measure carbon emissions and ensure a plan to reduce emissions, where possible, is being implemented using carbon measurement tools. Specific targets to be included in major contracts.
- Eliminate unnecessary waste by adopting the “reduce, reuse, recycle” philosophy.
- Be a good neighbour, minimise negative local impacts (noise, air quality), improve green areas (e.g. biodiversity, visual attractiveness).
- Protect the environment and minimise adverse impacts and instil this approach throughout the supply chain.

The Green and sustainable measures in the Charter are:

- CO2 reduction target in % or in tonnes

- Waste reduction target in %
- Waste to Landfill reduction %
- Electricity reduction %
- Gas reduction %
- % of renewable energy used
- Water consumption reduction %
- Number of individuals in Fuel poverty assisted with energy efficiency measures
- Environmental Management System (e.g. ISO14001) Introduced or maintained
- Implement a Carbon Management / Environmental Policy to reduce impact of CO2.
- Any Other Measure ...

Using the conversion tables¹, most activities can be converted to tonnes of CO2 saved.

Further information on local policy initiatives can be obtained through contacting the Sustainability Team (SustainabilityTeam@birmingham.gov.uk).

For more information on reducing waste and recycling:

www.wrap.org.uk

www.international-synergies.com

For more information about reducing the carbon component of vehicle fleets and promotion of sustainable travel for staff:

http://www.fta.co.uk/policy_and_compliance/environment/logistics_carbon_reduction_scheme.html

www.cyclescheme.co.uk/

www.cenex.co.uk

For guidance on measuring carbon emissions:

www.carbontrust.com/client-services/footprinting/footprint-measurement

For information on improving local air quality:

www.birmingham.gov.uk/air-quality

To view and download Birmingham's Green Commission Vision and Roadmap:

www.makingbirminghamgreen.com

Ethical Procurement

Charter signatories will commit to the highest ethical standards in their own operations and those within their supply chain.

- Work to the highest standards of business integrity and ethical conduct.
- Pay their fair share of taxes

¹ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting#conversion-factors-2016>

- Ensure the well-being and protection of work forces in the supply chain, which must be supported by robust systems and procedures.
- Uphold the principles of the Universal Declaration of Human Rights and the Fundamental International Labour Organisation Conventions; including the use of child and forced labour
- Adopt best practice when procuring goods and services, e.g. procure low energy products, buy Fairtrade and avoid the use of rainforest timber from unmanaged sources.
- Pay suppliers no later than the terms stated in the primary contract if contracted to the Council, otherwise adopt a similar policy such as the Prompt Payment Code.

The Ethical Procurement measures in the Charter are:

- % of suppliers paid no later than the terms of the primary contract
www.promptpaymentcode.org.uk/
- % of invoices paid within 30 days
- Adopt Birmingham City Council's Supply Chain Finance Programme
www.finditinbirmingham.com/feature/obillex
- % of spend on ethically sourced standards (e.g. fairtrade)
- % of suppliers audited on ethical practices
- Ethical Procurement policy (Introduced or maintained)
- Ethical Procurement Policy communicated to % of suppliers annually
- % weighting placed on social value when procuring
- Any Other Measure ...

As supply chains become more globally diverse, businesses need to evidence awareness of the ethical issues of their suppliers in terms of social, economic and environmental impact. The reduced costs in supplies need not have a human cost.

Businesses need to increase their knowledge of ethical procurement and the behaviours of their suppliers. There are some useful guides and references available publicly that can help to build this knowledge.

Establish a code of good practice for your supply chain setting out core values and behaviours that encourage fairness, honesty and openness, efficiency and effectiveness, and professionalism. Develop an Ethical Procurement Policy and communicate it to your supply chain and demand adherence to these standards.

Review the specification of goods and services you procure to identify more sustainable alternatives. Ethical audit programmes such as SEDEX can provide audit assurance from overseas suppliers.

Supporting Information:

The UN Universal Declaration of Human Rights establishes the basic rights and treatment of all individuals. This can be found on:

www.un.org/en/documents/udhr/index.shtml

The International Labour Organisations' fundamental conventions set out the international labour standards and are enforceable by law within the countries that have ratified it. They can be found on:

www.ilo.org/declaration/info/publications/WCMS_095895/lang--en/index.htm

Fairtrade commodities ensure that the producers are treated fairly and receive a fair price for their produce. For more information visit www.fairtrade.org.uk

The Birmingham City Council's Supply Chain Finance Programme ensures that the supply chain are paid promptly, facilitating smooth cash flow. You can find out more and register on www.finditinbirmingham.com/feature/obillex

Paying suppliers promptly ensures that the supply chain operates efficiently. It is a legal requirement under the Public Contracts Regulation 2015 that contractors and subcontractors on public contracts are paid within 30 days. The Prompt Payment Code establishes some basic principles that organisations can sign up to. There is a Challenge facility to allow suppliers to raise issues. To sign up to the BIS Prompt Payment Code visit:

www.promptpaymentcode.org.uk

Consider assessing potential suppliers on social value as well as quality and price. Local Authorities, typically, give a weighting of 10 to 20% to Social Value.

The statement "Pay their fair share of taxes" refers to aggressive tax avoidance practices. Companies should commit to paying their fair share of taxes. The Fair Tax mark www.fairtaxmark.net is a voluntary scheme where businesses are assessed and accredited on their transparency, accounting and reporting practices. This accreditation is gaining increasing credibility and includes a FTSE 100 member.

If you have any questions regarding the Birmingham Business Charter for Social Responsibility then please email bbc4sr@birmingham.gov.uk