

Summary Guide to the West Midlands Procurement Framework for Jobs and Skills

Harnessing public and third sector buying power

March 2010



The West Midlands
Economic Inclusion Panel
Tackling Worklessness

The West Midlands Economic Inclusion Panel

The West Midlands Economic Strategy, Connecting to Success' (December 2007) identified a £10 billion output gap in the region, 20% of which can be ascribed to the level of economic exclusion and Worklessness across the region. The West Midlands Economic Inclusion Panel was established in June 2008, specifically to address the challenge of Worklessness.

Funded by Advantage West Midlands, the Panel brings together leaders from across the Public and Third Sectors to identify and champion the wider and more consistent deployment of good practice in tackling Worklessness and identify and propose the means to fill crucial gaps in current employment and training provision.

IMPORTANT:

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Foreword



The UK public and third sectors exercise immense ‘buying power’. Each year the public sector alone spends around £220 billion on goods, services and capital assets. It is by far the largest customer in the UK market place and therefore has the power to exert significant influence over market opportunities. **In the West Midlands, public and third sector buying power amounts to some £16 billion annually.**

The Economic Inclusion Panel has set out an ambitious strategy for placing jobs and skills at the heart of the decision-making process that determines how this buying power is exercised. The **Procurement Framework for Jobs and Skills** aims to ensure that local people benefit directly from a region-wide strategy that places specific requirements on contractors to provide more training and job opportunities, as part of their contractual commitments.

Sustainable procurement - using buying power to secure social, economic and environmental objectives in ways that offer real long term benefits - is already a government policy priority. The widespread and consistent application of this Framework, across the public and third sectors, will place jobs and skills at the core of fair and open procurement and contracting procedures, not just for capital and construction projects, but for goods and services too. **Doing so offers the prospect of significantly reducing the unacceptably high level of worklessness in the West Midlands, ensuring a far greater proportion of employment and training provision is linked directly to sustainable job opportunities, and is designed to deliver the skills that employers demand.**

Our Commitment

We must put in place now the means to ensure that a much higher proportion of our citizens can contribute to the economy and benefit directly from the eventual economic upturn, **by securing and sustaining employment.**

Each member of the Economic Inclusion Panel is committed to using the Framework to achieve this ambition. We will champion its deployment within our own organisations; the networks that we operate in; across the whole of the public and third sector; to Government; and in our dealings with current and prospective contractors. Furthermore, we will demonstrate our commitment by regularly monitoring our progress in the practical implementation of this Framework. **This commitment is nothing less than the best of the private sector and all our customers and citizens should expect of us. And if we, as public and third sector leaders, do not champion this approach, then who will?**

A handwritten signature in black ink, reading 'Trudi Elliott'.

Trudi Elliott
Economic Inclusion Panel Chair
Regional Director, GOWM

A handwritten signature in black ink, reading 'Mick Lavery'.

Mick Lavery
Chief Executive
Advantage West Midlands

EIP Membership



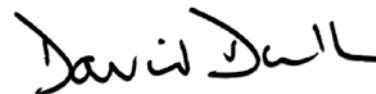
Trudi Elliott
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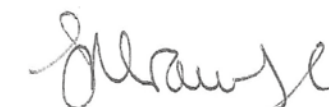

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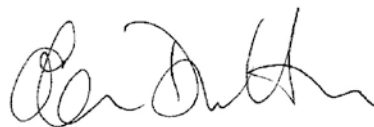




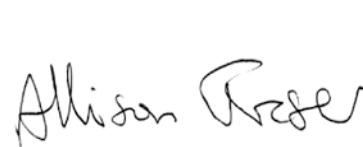
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Paul Williams
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A Summary Guide to the West Midlands Procurement Framework for Jobs and Skills



The Scale of the Challenge for the West Midlands

- 1.1 The West Midlands Economic Strategy, '*Connecting to Success*' (December 2007) identified a £10 billion output gap for the region, 20% of which was ascribed to the impact of worklessness¹ and economic exclusion - the failure to use the talent and potential of all of the people in the region.
- 1.2 In response to this Advantage West Midlands (the West Midlands Regional Development Agency) funded the establishment of the Economic Inclusion Panel in June 2008. The Panel brings together leaders from across the public, third and private sectors to consider new ways to tackle this challenge.
- 1.3 The recession has only served to increase the challenge that worklessness presents. The regional output gap now stands at £15 billion, while the latest Labour Market Statistics confirm that the West Midlands has²:
 - the highest International Labour Organisation unemployment rate of any UK region, at 9.4%, with 252,000 people out of work;
 - 180,300 people claiming Jobseekers Allowance (JSA), an increase of 33,700 on January 2009 and an increase of 87,200 on January 2008 before the start of the recession;
 - 56,415 Young People claiming JSA, compared to 31,000 in 2008, and the highest youth claimant count rate in the English regions at 10.9%; and
 - an employment rate dropping from 71.5% to 70.5% in the 12 months to December 2009 compared to a national (English) average of 72.6%.
- 1.4 In addition, the West Midlands has the highest proportion of people with no formal skills qualifications. This group have seen their job prospects erode even further over recent months, while current projections suggest there will only be 600,000 jobs nationally requiring no qualifications post-recession, compared with 3.5 million before the recession.

¹ The Economic Inclusion Panel defines Worklessness as *the proportion of the region's working age population who are not employed*. This includes people who are unemployed and people who are economically inactive e.g. people who are sick/disabled, students, people looking after the family and home, and retired people. This definition can be understood as the inverse of the employment rate.

² Source: Labour Market Statistics 17 February 2010. Latest JSA figures are for January 2010 and unemployment and ILO figures are for the period October - December 2009.

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The Economic Inclusion Panel's Response

- 1.5 The Procurement Framework for Jobs and Skills has been specifically commissioned and developed by the Panel as a strategic tool to be used by public and third sector³ organisations in the West Midlands who wish to increase access to jobs and skills opportunities for local people through the procurement exercises they undertake.

Why a separate Framework?

- 1.6 It is essential that the Framework is *and is seen to be* firmly located within the wider approach to securing sustainable development and as a key contributor to its three main elements: a sustainable environment, sustainable communities and a sustainable economy. Sustainable procurement is, of course, one way of delivering the over-arching Government objective of sustainable development. In turn, the inclusion of community benefits in procurement is about ensuring that wider social and economic issues are taken in to account when negotiating contracts to maximise the investment as widely as possible. Jobs and skills clauses, often referred to as targeted recruitment and training (TR&T) requirements, are one element of a wider range of community benefits that can be considered, including small business start up, community consultations, business/education partnerships and many others.

- 1.7 Although the Framework contributes to the wider sustainable procurement⁴ agenda, it is unlikely to achieve the necessary 'traction' if the Panel's message on tackling worklessness is subsumed within the wider sustainable development agenda, which includes the environmental and climate change debate. **The Panel is therefore committed to championing the Framework as a 'stand-alone' product and a timely response to the daunting scale of the challenge that worklessness presents for the West Midlands and the Country.**
- 1.8 Its purpose is to provide an effective lever in tackling worklessness - by embedding a requirement to consider⁵, *at every stage of the procurement process*, the contractual relevance of clauses that stipulate a commitment to TR&T initiatives or the provision of apprenticeships. Put simply, the Procurement Framework for Jobs and Skills must do 'exactly what it says on the tin': it must deliver access to more jobs, skills and training opportunities for the people of the West Midlands.⁶

³ The Government defines the third sector as non-governmental organisations that are value driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organisations, charities, social enterprises, cooperatives and mutuals. Housing Associations, also known as Registered Providers of Social Housing, are also included within the third sector. Source: Department for Communities and Local Government.

⁴ Procuring the Future: Sustainable Procurement National Action Plan – the Report of the Sustainable Procurement Task Force (DEFRA 2006)

⁵ This does not mean jobs and skills clauses can be applied to all contracts, but that they will be considered. And where it is determined that they can not be applied, the procuring organisation will look to apply either Approach 1 (A Charter) or Approach 2 (A Voluntary Agreement) instead.

⁶ It will therefore be crucial to ensure the Framework informs and underpins the City Region's work to deliver the Multi Area Agreement for Employment and Skills.



The Framework Documents

1.9 The Framework consists of three specific products:

- this **Summary Guide**, which provides an introduction to the Panel's approach to achieving its aim of embedding jobs and skills as core considerations throughout the procurement process, and the issues to be considered when doing so;
- a **Main Guide** containing information on legal and policy matters, supply-side issues and the free, public sector recruitment and training support services that are available to procurers and prospective contractors; and
- a **Toolkit for Stakeholders** containing model documents, including template jobs and skills clauses, detailed legal guidance and various tools, which can be downloaded and adapted to meet the needs of individual public and third sector organisations and prospective contractors, including SMEs and social enterprises.

1.10 The Framework aims to enable public and third sector organisations to contribute significantly to tackling worklessness, and its consequences, by:

- setting out the economic business case for placing jobs and skills 'centre-stage' in the theatre of public procurement (see Main Guide Chapter 1);
- securing public sector leadership commitment to making access to jobs and skills a **core consideration** of procurement exercises from the outset (see Main Guide Chapter 2);

- addressing specifically the real and perceived legal barriers to the use of jobs and skills clauses in contract and procurement exercises (see Main Guide Chapter 3 and Chapter 4);
- exploring the policy tensions, organisational-culture issues and decision-making structures that can either impede or facilitate action (see Main Guide Chapter 5);
- identifying and, where possible, reducing or removing the barriers that may prevent more small and medium size enterprises (SMEs), social enterprises⁷ and other third sector organisations from bidding for public sector contracts (see Main Guide Chapter 6);
- sign-posting procurers and prospective contractors to the range of free support and advice services that can help both parties deliver on the jobs and skills requirements set out in this Framework (see Main Guide Chapter 7);
- providing detailed advice and guidance (including bespoke templates) to help embed a focus on jobs and skills throughout the end-to-end procurement process - from setting strategic priorities to contract implementation and monitoring (see Document 3: 'The Toolkit for Stakeholders').

⁷ Social enterprises are commonly defined as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose or community, rather than being driven by the need to maximise profit for shareholders and owners.

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Four Approaches for Securing Contractor Support

1.11 The Framework comprises four identified approaches to securing contractor support for Targeted Recruitment and Training (TR&T) initiatives, and to thereby secure greater access to jobs and skills opportunities for local people. The four distinct approaches set out are as follows:

- **Approach 1: Charters:** through which public sector organisations share their strategic priorities and goals (specifically around worklessness) with current and prospective contractors, encourage the adoption of exemplar behaviours and practices and look to develop new customer-supplier relationships.
- **Approach 2: Voluntary Agreements:** whereby public sector organisations work with their existing contractors to secure commitments to specific jobs and skills outcomes over a specified time period, with support provided to contractors by a range of public sector agencies. This approach can be used retrospectively with longstanding contractors and in the middle of long term contracts.
- **Approach 3: The Specific Use of Contract Clauses:** whereby public sector organisations include jobs and skills requirements within specific procurement exercises, leading to a contractually agreed set of outputs and outcomes.⁸
- **Approach 4: The Strategic Application of Contract Clauses:** whereby public sector organisations deliberately adopt a 'default' position, which requires clauses specifying jobs and skills requirements to be routinely considered for their relevance to all stages of the commissioning and procurement process and for each and every procurement exercise undertaken (and measure on an ongoing basis the percentage of contracts and the proportion of expenditure to which such clauses apply, in addition to tracking outputs and outcomes).

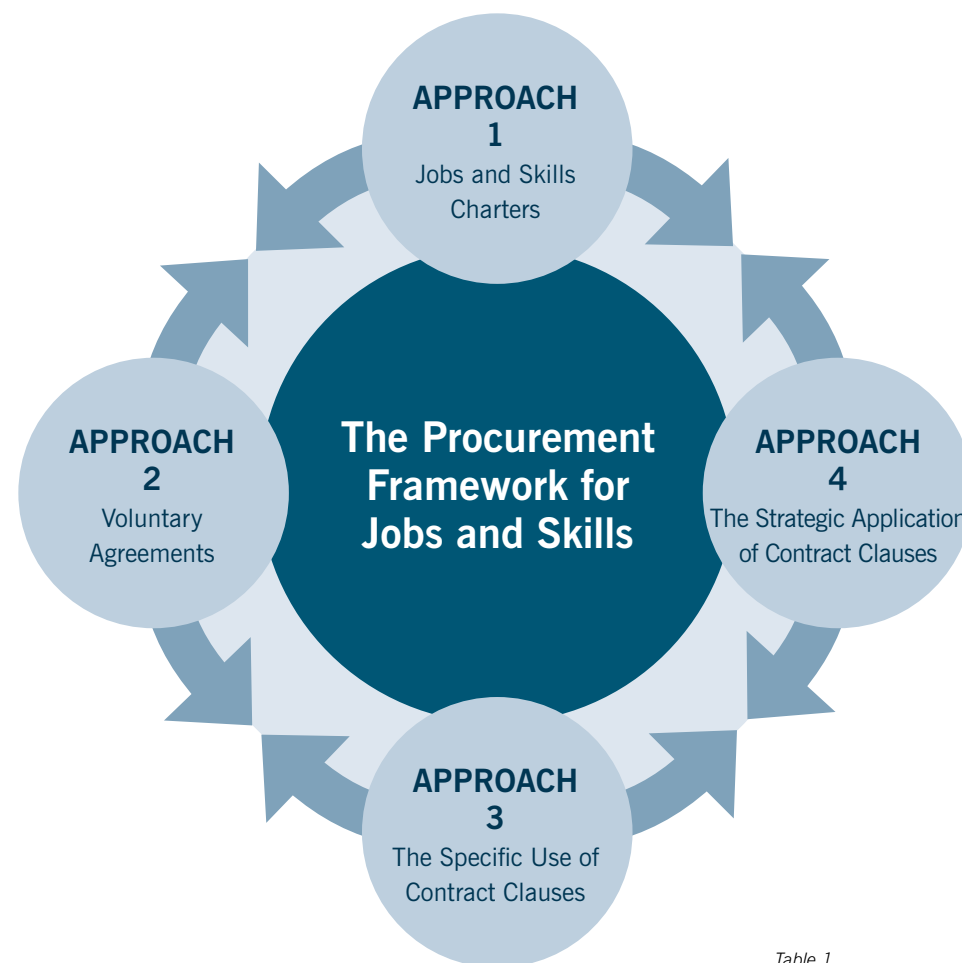


Table 1

⁸ The use of jobs and skills clauses is currently more likely to be found in relation to the procurement of Capital and Construction projects, and to be championed by those within the organisation responsible for the Corporate Social Responsibility, Regeneration or Worklessness agenda. It is, however, unlikely that such initiatives will have directly influenced the organisation's overall strategic approach to procurement.

1.12 The strategic and systematic approach set out in Approach 4 ensures that jobs and skills contract clauses are **always** considered first. If they are found not to be relevant to the contracts under consideration, the procuring organisation can move sequentially to consider the use of a Voluntary Agreement and then, if this is not considered appropriate, to introduce a Jobs and Skills Charter. As Table 1 illustrates, Approaches 1, 2, and 3 offer a range of appropriate responses which underpin the strategic approach to procurement set out in Approach 4.

1.13 The Panel has commissioned this Framework to address the need to:

- recognise that while social issues are only one dimension of a wider sustainable development agenda, and social clauses⁹ only one strand of any sustainable procurement strategy, they need to be promoted separately and forcefully to ensure that action on jobs and skills is not subsumed in the wider debate on sustainable procurement and climate change¹⁰;
- build on lessons learned from the wide range of non-contractual, voluntary agreements entered into by public and third sector organisations and private sector contractors, designed to facilitate access to jobs and skills, but based primarily on the premise of Corporate Social Responsibility;

- challenge the perceived legal barriers that constitute major obstacles to the legitimate inclusion of jobs and skills requirements in procurement exercises, as well as the need to identify and address the organisational and organisational-cultural barriers that can impede their deployment; and, most importantly,
- ensure that public sector buying power can be used as a key lever in tackling the unacceptable levels of long term unemployment and worklessness experienced by so many across the West Midlands and the UK.

1.14 The Framework has therefore been designed to support public sector leaders, chief executives and procurement teams to embed jobs and skills requirements in their organisations' procurement strategies, policies and operating frameworks, so that consideration of the relevance of jobs and skills requirements and contract clauses becomes the 'default' position for each and every procurement exercise undertaken by the public sector.

The Framework's Wider Application

1.15 While the Framework has been developed initially for launch and deployment across the West Midlands, the Panel is also committed to seeking its adoption beyond the region, by securing Government endorsement of the strategic approach to procurement that the Framework champions.

⁹ The definition of Social Clauses includes those specifying jobs and skill requirements.

¹⁰ Local Authority purchasers of Waste Recycling Services will undoubtedly have a clear and full understanding of the direct contribution such contracts make to the sustainable development agenda, but it isn't clear that the procurement process consistently addresses the relevance of a requirement that contractors should commit to recruiting and training unemployed people to undertake recycling operative duties.

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What Does Signing-up to the Framework mean for a Public Sector Body?

- 1.16 The Panel seeks to encourage public sector organisations to make a strategic level commitment to routinely evaluate the relevance of jobs and skills clauses for all procurement exercises undertaken. The more widespread and speedier the move to adopt Approach 4 of the Framework, the more quickly it will be possible to gauge the percentage of public contracts – and the proportion of annual expenditure on public contracts – that can be used to increase overall access to training and sustainable jobs for those facing unemployment and worklessness.
- 1.17 While the goal is for each organisation to commit, over time, to achieving this strategic response, it is perfectly feasible, and probably inevitable, that an organisation that consistently applies such a strategic approach will continue to also apply a combination of Approaches 1, 2 and 3.
- 1.18 Jobs and skills clauses are unlikely to be appropriate to all contracts, either because of the scale or monetary value of a contract, the nature of the contract or the current stage in the contract life-cycle.
- 1.19 That said, inserting within contracts specific jobs and skills clauses designed to deliver TR&T requirements is a key element to successfully tackling deprivation, particularly economic inactivity. The emphasis is on ensuring that numbers of ‘new entrant’ opportunities are provided by the contractors (whether they are locally based or not) with some provision for targeted recruitment, support for supply-chain initiatives and in-service training.

The Law as an Enabler of Jobs and Skills Clauses

- 1.20 The specific legal powers that confirm the legitimacy of deploying jobs and skills clauses for different organisations within the public sector are addressed in more detail in the ‘Main Guide to the Framework (see Chapter 3: The Power To Act)’. For the purpose of this **Summary Guide** it is sufficient to note that:
 - Local Authorities do have such legal power, as part of their ‘well-being’ provisions. They will also have an economic duty to undertake Local Economic Assessments, including Local Worklessness Assessments, and have recently been tasked with producing Work and Skills plans by April 2011;
 - Primary Care Trusts (PCTs), Hospital Trusts and Foundation Trusts all have wide powers to promote sustainability in their procurement. PCTs control 80% of the NHS budget and, as local organisations, are often best placed to understand the needs of the communities they serve. One of the NHS’s Purchasing and Supply Agency’s core functions is the promotion of sustainable development within the NHS and its supply chain. It is, therefore, clear that social issues in procurement are at the heart of what the Agency hopes to achieve;
 - Registered Providers of social housing¹¹, including Housing Associations, will have broad regeneration and community development objectives included in their constitutions, or possess corporate strategies that will enable them to include jobs and skills as desired outcomes. In the West Midlands, many Registered Providers are responding strategically and operationally to help their own tenants (and the wider community) improve their skills and job chances¹².

¹¹“registered providers of social housing” (shortened to “Registered Providers”) is the term used in s80(2) of the Housing and Regeneration Act 2008. This term will be applied by the Tenants Services Authority from April 2010.

¹² See the recent report: ‘Housing Associations, Help tenants open their doors to jobs and skills’ and the specific references in the Executive Summary to the role that Housing Associations can play in championing and deploying the Procurement Framework for Jobs and Skills - www.advantage.wm.co.uk/Images/NHF_Report_August_2009.



- 1.21 Each organisation can also look to its own Constitution, Business Strategy and operational aims and objectives, to provide further legal justification for action. Many, if not all, public sector organisations can also refer to their formal commitments to work within Local Strategic Partnerships to deliver against a range of national indicators on worklessness, as set out in each of the Local Area Agreements currently operating across the West Midlands¹³.
- 1.22 **European Union Law** governs the procurement framework. European case law has commented on the use of social and environmental clauses, and the following good practice can be drawn:
- **it is possible** to include jobs and skills requirements in public procurement provided that the drafting and the process does not disadvantage non-local bidders, for example by requiring them to have knowledge of the local labour market, or a local base, or use local material;
 - social requirements that address an organisation's policy objectives are allowed: they do not need to provide a financial or service benefit to the organisation – **they can for example benefit the wider community**;
 - all requirements must be able to be measured and their delivery verified.

Applying the Framework's Four Approaches

- 1.23 The overriding aim of the Framework is to provide unemployed and workless people with access to more jobs and training opportunities and thereby reduce the current rate of worklessness in the region hit hardest by the recession. It will therefore provide robust underpinning for the delivery of agreed targets for tackling worklessness set out in the 14 West Midlands Local Area Agreements. (Section 11 of the 'Toolkit for Stakeholders' provides details of the Public Service Agreement Targets and National Indicators that West Midlands Local Authorities are signed up to).
- 1.24 Many of the organisations that have now signed up to championing the Framework are more familiar with deploying charters than the specific use of contract clauses. They may, up to this point, have used charters, through which they share their strategic priorities and goals (sometimes specifically around tackling worklessness) with current and prospective contractors. By entering into such non-binding agreements they have looked to encourage contractors to adopt exemplar employment, recruitment and training practices and to develop new customer-supplier relationships¹⁴ (a 'model' Jobs and Skills Charter can be found in the accompanying Toolkit for Stakeholders).
- 1.25 By signing up to the Framework these organisations are committing to adopting the strategic and systematic approach set out in Approach 4, and thus put in place a procurement policy that requires an assessment of the relevance of jobs and skills clauses for each and every procurement and re-contracting exercise they undertake.

¹³For details of all the West Midlands Local Area Agreements (LAAs) and the specific Worklessness and skills- related Public Service Agreement Targets and National Indicators contained within, see Section 11 of the Toolkit.

¹⁴Third Sector organisations may specifically wish to explore how a Job and Skills Charter or Voluntary Agreement might be incorporated within, and this strengthen, existing COMPACTS.

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- 1.26 Although an organisation may currently be using Approach 1 only, it does not follow that it will need to move incrementally from Approach 1, through Approaches 2 and 3 to reach strategic Approach 4. The route taken will depend on the organisation's procurement requirements and the relevance of each Approach.
- 1.27 Moving from Approach 1 to Approach 4 directly will allow the organisation to assess in which procurement exercises - taking into account the relevance, scale, duration and category of contract - voluntary agreements can most effectively be deployed.
- 1.28 On the other hand, the lesson learned from deploying on an ad-hoc basis Approaches 1, 2 and 3 may provide crucial insights about the real, rather than the perceived, obstacles to be overcome in seeking to arrive at strategic Approach 4. Therefore, each organisation should decide the route they will take, determined by their business priorities, capacity and prevailing circumstances. What is crucial is the commitment to arrive at Approach 4, and to do so as quickly as possible.
- 1.29 A number of the signatories to this Framework are currently deploying voluntary agreements retrospectively to some contracts. Few of the signatories to this Framework are currently operating Approach 3, but all have committed to deploying strategic Approach 4 from April 2010. This will mean that, the West Midlands will have moved in the space of one year from a position where jobs and skills requirements were linked to a very small proportion of public sector contracts, to one where their relevance is considered for each and every procurement exercise undertaken by the vast majority of public sector organisations, covering spend and investment of up to £16b annually, and thereby significantly increase access to jobs and training opportunities. The scale of opportunity presented by such a transformation is considered in greater detail in Chapter 1 of the Main Guide, while Section 10 of the Toolkit for Stakeholders contains a number of case studies which serve to illustrate where on the path to Approach 4 some public sector bodies are currently.

The Strategic Application of Jobs and Skills Clauses

- 1.30 The Framework recommends that recruitment and training should be a core consideration whenever the public sector chooses to procure. The legal justification for deploying jobs and skills clauses is, of course, for the procuring organisation to determine, on the basis of its powers and policies, but note that the core elements of contracts must be referred to in the Contract Notices and the requirements must not be drafted so that they disadvantage non-local bidders.

The Step-by-step Guide to using Jobs and Skills Contract Clauses

- 1.31 The final two pages of this Summary Guide offer an initial, step-by-step guide¹⁵ to embedding the consideration of jobs and skills clauses in, and the issues that need to be addressed at each stage of, the Procurement Life Cycle, from identifying need, specification, selection, and tender evaluation to the award of contract.
- 1.32 Chapter 4 of the Main Guide addresses these stages and issues in far greater detail, while Section 6 of the Toolkit provides a suite of checklists, guidance, templates and ‘model’ contract clauses that can be appropriately tailored to meet each organisation’s requirements for individual contracts and procurement exercises.

Conclusions

- 1.33 This suite of documents provides a comprehensive package of advice, guidance and tools to enable public and third sector organisations to integrate employment and skills requirements in their procurement processes. Even if the application of jobs and skills requirements to the procurement process is entirely new to any public sector organisation, there is sufficient advice and guidance contained within these Framework documents, as well as references to several sources of additional guidance, to support the adoption of the strategic approach that the Framework recommends.
- 1.34 Ultimately, it is for the purchaser to decide the core requirements for a contract on the basis of its legal powers and policies. It is therefore fundamentally important that each organisation recognises and specifically references the wide range of legal powers that can and do establish the legitimacy of making jobs and skills a core requirement of any (relevant) public sector procurement exercise.

¹⁵ This step by step guide is reproduced and adapted with the kind permission of the Chartered Institute of Housing Cymru, for whom it was developed as part of the ‘Can Do Toolkit’ on targeted recruitment and training for social landlords.

PROCUREMENT CYCLE	REQUIREMENTS
Step 1: Adopting Clear Policies	<p><i>TR&T need to be included in Procurement/Corporate/Community strategy</i></p> <ul style="list-style-type: none"> <i>The policy aim needs to include specific reference to the locality from which beneficiaries will be drawn;</i> <i>Threshold values could be changed; focus effort on the larger contracts that will maximize the community benefits from the officer time invested;</i> <i>Intentionally non-specific in the benefits and beneficiaries, as the strategy should be durable: it should be capable of lasting for a long time without amendment as priorities change.</i>
Step 2: Developing a business case	<ul style="list-style-type: none"> <i>creating a budget that could cover facilitation and advice, monitoring and progress-chasing, and contributions to training costs;</i> <i>define project requirements, ensuring there is a clear and agreed understanding of the business goals;</i> <i>Define contractors' requirements to meet those goals; and</i> <i>assess the extent to which the procurement could contribute to community benefit objectives to the purchaser's policies and strategies.</i>
Step 3: Preparing the OJEU Contract Notice	<ul style="list-style-type: none"> <i>the use of social considerations in contract conditions must be mentioned in the OJEU Contract Notice for the contract.</i>
Step 4: Drawing up the Pre-Qualification Questionnaire	<ul style="list-style-type: none"> <i>TR&T and social inclusion should be included in the sections that deal with technical capacity and ability.</i>
Step 5: Producing the Specification/ Invitation to tender	<p><i>Detailed requirements of the social/community benefits (ideally based on the business case) need to be included at this stage:</i></p> <ul style="list-style-type: none"> <i>determine what training and employment (or wider community benefit) requirements are appropriate and deliverable;</i> <i>clauses need to be unambiguous and provide a 'level playing field' in the tendering process for contractors; and</i> <i>achieving this 'level playing field' may be made possible by the availability of supply-side agencies that can ensure equal access to appropriate trainees, employees and small firms for contractors wherever contractors are based.</i>
Step 6: Developing an Award Process	<ul style="list-style-type: none"> <i>ask bidders to submit a method statement with their tender setting out how they will achieve the social requirements;</i> <i>if seen as core, the method statement can be scored and used in the award;</i> <i>the weighting given to that statement needs to be agreed early on in the process; and</i> <i>if seen as non-core, the method statement should not be scored.</i>
Step 7: Implementing Contract Conditions & Monitoring Frameworks	<ul style="list-style-type: none"> <i>specific contract conditions can be developed on a project by project basis. In procurement processes that allow scope for negotiation (for example based on a service delivery plan or method statement), specific clauses can be incorporated into contract documentation to tie the contractor to specific targets and outcomes.</i>

MODEL TEXT

(enter name) is committed to achieving economic, social and environmental well-being for its residents and implementing the Community Strategy so as to ensure a better quality of life for everyone, now and for generations to come. To achieve this it commits to the following actions to the fullest extent possible within the relevant legal and policy frameworks and the available funding:

- i) to consider what recruitment and training, equal opportunities and supply-chain opportunities could be obtained from each works contract with an estimated value exceeding if.-ns] and each services contract with an estimated value exceeding [£.....];*
- ii) to include training, equal opportunities and recruitment requirements, and supply chain opportunities in its service requirements, where it considers this appropriate;*
- iii) to include other social and environmental matters in its service requirements, where it considers this appropriate; and*
- iv) to use these requirements in all stages of the selection and contract award process, and as contract conditions.*

Business Case Text

In preparing a business case a contracting authority must consider many issues, including:

- i) confirming that it has the powers and policies to undertake the procurement, including the social issues;*
- ii) ensuring that financial provisions are made for the entire project, including social outcomes such as training needs;*
- iii) ensuring that its social objectives can be quantified and measured, which will help evaluate how far they represent value for money, and*
- iv) identifying the intended beneficiaries of the TR&T requirements and at what scale, and checking that the requirements can be delivered in the context of the supply-side resources and the facilitation and monitoring arrangements.*

OJEU Text

"Under this [procurement/project] the [contractor/developer] is required to participate actively in the economic and social regeneration of the locality of and surrounding the place of delivery for the [procurement/project]. Accordingly, contract performance conditions may relate in particular to social and environmental considerations."

PQQ Text

Please give examples of your involvement in each of the following:

- generating employment and training opportunities for long-term unemployed people;*
 - providing training opportunities for young people and retaining them after the completion of training;*
 - promoting supply-chain opportunities to new and small enterprises;*
 - the development of trade skills in your existing workforce; and*
 - equal opportunities recruitment procedures.*
- 1. What was your exact involvement in each of the above activities?*
 - 2. Which of the examples you have cited have been more successful, and which have been less successful, and why?"*

Detailed requirements of the social/community benefits (ideally based on the business case) need to be included at this stage:

- determine what training and employment (or wider community benefit) requirements are appropriate and deliverable;*
- clauses need to be unambiguous and provide a 'level playing field' in the tendering process for contractors; and*
- achieving this 'level playing field' may be made possible by the availability of supply-side agencies that can ensure equal access to appropriate trainees, employees and small firms for contractors wherever contractors are based.*

Award Process Text

A Method Statement template is included in Resource 3 within the Toolkit for stakeholders

Where the social/TR&T elements are to be scored a scoring framework should be used to ensure a robust and fair evaluation of TR&T Method Statements –

A Scoring Framework template is included in Resource 3 within the Toolkit for stakeholders.

Contract Conditions Text

The model clauses in Resource 3 can be used as a starting position for all procurements, including those covered by the EU rules. They are drafted on the basis that the contractor will have supplied a service delivery plan / method statement satisfactory to the employer, concerning how it will generate employment opportunities.



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This Summary Guide to the Procurement Framework for Jobs and Skills, along with the Main Guide and Toolkit for Stakeholders, can be found on the Advantage West Midlands website at www.advantagewm.co.uk

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