



# The West Midlands Procurement Framework for Jobs and Skills

A Toolkit for Stakeholders

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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*As the guidance and resources contained in the West Midlands Procurement Framework for Jobs and Skills provide advice in general terms only and is not limited to any specific case, no responsibility can be accepted by the writers to any individual, organisation or public body for action taken or refrained from solely by reference to the contents of this document. Users should seek their own legal advice on the application of the guidance and resources that make up the Framework to their specific circumstances where they consider it necessary.*

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This Toolkit is the third of three related documents. It should be used in conjunction with Document 1: 'A Summary Guide to the West Midlands Procurement Framework for Jobs and Skills' and Document 2: 'The Main Guide to the West Midlands procurement Framework for Jobs and Skills'.

## 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?



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## Introduction

The West Midlands Economic Inclusion Panel brings together leaders from across the public, third and private sectors to consider new ways to tackle the challenge that worklessness presents for the West Midlands economy and the well being of its citizens.

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

The Framework consists of three linked documents:

- a **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 a series of 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.

This Toolkit is not designed to be read from cover to cover. Different audiences will wish to focus on different sections. It offers public sector leaders, procurement professionals and practitioners detailed legal advice and guidance on the strategic application of jobs and skills requirements to public and third sector contracting and procurement exercises. In addition, it provides comprehensive 'Model Documents' and Templates which can be applied at each stage of the end-to-end procurement process. At the same time it offers businesses that contract currently with the public and third sector, or are considering bidding for such contacts, information on the range of targeted recruitment and training services available to help them respond effectively to the jobs and skills requirements that the Framework promotes and invites them to engage in the further development of a Self Assessment Tool for Businesses seeking to contract with the public sector.

The Panel strongly encourages public and third sector organisations to adopt the Framework, pilot and road test the tools and templates offered and provide feedback on the issues that arise and the successes achieved. This feedback will be used to establish the evidence base for consistently applying jobs and skills clauses to the end-to-end procurement process, and as the basis for revising and republishing the Framework and Toolkit in 2011-12.

## Section 1: Detailed Guidance for Procurement Teams and Decision Makers

### Part 1: Detailed Guidance on the Use and relevance of Contract Clauses to individual contracts”

#### Introduction

Contract clauses can represent the most “legal” of approaches to including social issues in public commissioning. There is the most regulation of this option but also, therefore, the most guidance and documented experience and success. So long as contract clauses are used legitimately and appropriately, they will usually be the most legally enforceable of methods, but also, on many occasions, the most legally justifiable.

#### What do we mean by Contract Clauses?

In the context of public procurement, the importance of contract clauses is that they are incorporated into the procurement process and that they are reflected in the contract when it is eventually signed by the contracting authority and its chosen bidder. What we mean by contract clauses, therefore, is conditions that are written into both the tender documentation and the formal contracts that will be signed. They are requirements that either:

- form part of the subject matter of the contract (and therefore can be assessed as part of the contracting authority’s decision on contract award); or
- are essential to the contract and the way in which the contract will be carried out, but are not core requirements of the contract (and therefore cannot be assessed when awarding the contract) – these are, in essence, contract terms which are provided in the contract conditions, but are not reflected in the specification for the contract, and are not therefore, core to its subject matter.

This distinction is an important one and will be discussed in greater detail (in particular, see also the section below on the relevance of social clauses).

#### Key Elements of Successful Contract Clauses

We have set out below a discussion of the key elements of the use of contract clauses that will make them both successful and legitimate. For the most part, these discussions are based on the assumption that the social clauses being used are “core” and relevant to the subject matter of the contract, and that therefore they can be incorporated into and considered as part of the tendering and award processes. If the social clauses being used are not linked to the subject matter of the contract (i.e. they are terms that form part of the contract, rather than being included in the specifications and core to the contract), they cannot be taken into account when the contracting authority makes its decision over to whom it will award the contract. However, it is difficult to see how social clauses would not be relevant to the subject matter of the contract when the contracting authority has had the opportunity to decide what the subject matter of its contract is, and to write the specifications for that contract.

Nevertheless, contract conditions on jobs and skills can be included in a contract but not assessed as part of the award process if a contracting authority is nervous about what it feels is “core” to its contract. For more detail, see the section on the relevance of social clauses.

#### Incorporation into Tender Documents

For a tenderer to be able to accurately bid for a contract, it must be clear in the tender documentation (by which we mean everything from the OJEU notice or other advert through to the invitation to tender and draft contract) precisely what the tenderer is being asked to bid for. This means that any contract conditions relating to jobs and skills (or for that matter any other element of the contract) need to be explained from the outset. The OJEU notice should certainly include reference to social or environmental issues if these are to be incorporated, and this is essential if the contracting authority intends to score bidders on their ability to deliver these elements of the contract.

Any reference to social requirements in the OJEU notice should be kept as broad as possible – it is possible to narrow the scope of the social issues to be considered in a procurement after the OJEU notice has been published, but not to broaden their scope beyond what was initially specified. For this reason, either of the following standard template wordings can be appropriate to a broad range of procurements:

“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] [community served by the contracting authority]. Accordingly contract performance conditions may relate in particular to social and environmental considerations. Contract conditions will be detailed in the [invitation to tender / contract documents]”

“There may be conditions relating to environmental and social requirements of the contracting authority included in this contract. Contract conditions will be detailed in the invitation to tender”

The invitation to tender should also be clear about what is being required, and should include any contract conditions that have been promised by the OJEU notice.

### **Inclusion in Prequalification Stages**

At the prequalification stage in a procurement the contracting authority should be attempting to judge the bidders' economic and financial standing and their technical and professional ability to provide the services, works or goods under the contract being let, in addition to disqualifying any bidders who are ineligible to bid. It is within the technical or professional ability element of prequalification that assessment of the ability to perform or provide specified contract requirements concerning jobs and skills will most likely fit. The EU procurement rules limit the information that can be taken into account in deciding whether or not minimum standards have been met. Prequalification and selection criteria can include social or environmental consideration so long as these are compatible with the general EU principles of fairness, transparency, non-discrimination and proportionality.

These criteria can include, for example:

- the proportion of the contract that the bidder intends to subcontract;
- experience of similar contracts over the preceding three years;
- the bidder's environmental management measures (where these are necessary for the performance of the contract);
- certification of quality assurance standards; and
- the bidder's health and safety record.

Any selection criteria do, of course, have to be relevant to the contract. An example of the questions that can be asked in relation to jobs and skills at prequalification stage is included below:

### **Targeted Recruitment and Training and Supply-chain Opportunities**

1 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.

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?

### Contractual Obligations

It is important to emphasise that contract clauses are exactly that – contractual. To treat them as “added value” or “optional extras” will defeat the purpose and can risk being unlawful. Contractual obligations can be very effective but will not be so if they are treated as being up for negotiation.

With this in mind, while it can be helpful to discuss proposed social clauses with the marketplace before a procurement, or to use the appropriate EU procurement process to allow for negotiation with bidders during the procurement (i.e. the negotiated or competitive dialogue procedures), the contract clauses themselves should thereafter be set. To give contractors a choice over what clauses they comply with would taint the procurement process, as it is no longer clear what is being or has been procured. This runs the risk of prejudicing the contracting authority’s compliance with the general EU law requirements of transparency and non-discrimination.

#### Example

A local authority advertises a works contract and, at tender stage, asks bidders what ‘added value’ they can offer by way of jobs, skills and training benefits for different target groups, including the long-term unemployed, school leavers, and people with mental health issues or physical disabilities. The local authority did not specify what it wanted in advance, and did not set any award criteria around jobs and skills requirements. This means that the bidders submit very different jobs and skills proposals, and the local authority cannot compare like with like when assessing the bidders. The jobs and training elements of the contract cannot be scored as there is no fair and transparent mechanism to do so.

Additionally, a potential bidder, who is a specialist at providing jobs and training for one of the local authority’s target groups, complains. It had decided not to bid for the contract, but would have reconsidered had it known from the outset that the local authority wanted jobs and training elements, that it could offer, within the contract.

Clearly, it is important for a contracting authority to be able to accurately, fairly and transparently assess the bids it receives. This is made more difficult if the bidders are given a range of ‘optional’ requirements to choose from or discuss with the contracting authority, as it may not be possible to compare like with like unless the different optional requirements are accurately weighted or valued. In any case, most contracting authorities will have a policy or strategy goal in mind which they wish to implement through the procurement, which will mean they choose to procure more focussed or specific jobs and training requirements (such as requirements focussed on the long-term unemployed or school leavers).

As mentioned above, unless the appropriate procedure is used under the EU procurement rules, such as the negotiated or competitive dialogue procedures, it is not possible to negotiate the substance of a contract with the bidders. To give bidders a menu of options, therefore, risks breaching the EU procurement rules if it means that the contracting authority enters into negotiations or discussions with the bidders over what is being procured. Similarly, it risks challenge from external parties who could claim that, had the contract been advertised with more certainty, they would have chosen to bid for it, or from unsuccessful bidders who claim that they would have bid differently had they known what the contracting authority truly wanted.

This does not mean that a certain amount of contractual flexibility cannot be built in to the contract. There is nothing to stop the contracting authority from specifying a combination of requirements within the contract. For example, the contracting authority could specify a set number of person-weeks of employment it wishes to be available to new recruits, without specifying whether these recruits are sourced from the long-term unemployed, from school leavers, or from graduates. Different values could even be set on the different categories – for example, it is not unusual to value apprenticeships differently to other new recruits.

### **Measurable Outputs and Effective Contract Monitoring**

Case law has shown that for any contract conditions to be legitimate they must be capable of being verified.<sup>1</sup> Having measurable outputs from contracts is therefore a vital element of ensuring that the contract conditions are legitimate. What this means in the context of jobs and skills is that it is not enough to state that the contracting authority wishes to stimulate job creation or training opportunities through a contract for this to be a contract condition; this would not be capable of being impartially or independently verified or measured. Contract clauses are at their most effective and have the greatest impact in any case when they are specific, targeted and relevant.

Good contract performance monitoring is clearly also key to the success of the desired requirements. If the contracting authority does not monitor the performance of the contractor or the outcomes of the contract, it will not be possible to verify the success or otherwise of the contract. This applies of course to all elements of the contract. However, while in many contracts the measurement of traditional outputs will be second nature, it is a factor that needs to be consciously thought about in the context of jobs and skills stimulation. The contracting authority needs to consider in advance what success looks like, and what will happen in the event of failure.

### **Supply Side Support**

It will often be necessary for the contracting authority to provide its chosen bidder with some assistance in implementing social requirements. This will be the case especially where the bidder is relatively new to working with the public sector, or new to this sort of requirement. Support can be offered in a number of ways, perhaps the most elemental of which is simply developing a relationship with the bidder rather than leaving them to perform the contract without any discourse between the parties. At tender stage perhaps the most important support to give to bidders is to provide them with either a statement or piece of guidance explaining the social requirements that are being included in the contract and clear signposting to any advice and support that is available more generally. Contracting authorities might also wish to consider providing formal training to either

all bidders or the chosen bidder for a contract (once the contract has commenced). This type of assistance is entirely legitimate so long as it is provided to all the interested bidders.

Similarly, it is entirely appropriate to direct bidders towards sources of financial support and funding that is available to them, and other resources that will assist the bidder in being able to comply with what is being asked of them. This might include an indication of what sources of funding the contracting authority is aware of, or of the resources that are available to contractors to help them source new employees (especially where these are within a specified category required by the contracting authority, such as apprentices or the long term unemployed), or sources of training. As for any other support offered by the contracting authority to bidders, this is entirely legitimate so long as it is offered to all bidders, and the contracting authority does not discriminate between bidders.

### **Market Testing**

As one form of interaction with the marketplace, contracting authorities can consider discussing their requirements with potential bidders in advance of any tendering exercise. While the contracting authority must be careful not to discriminate between bidders when doing so, so long as any consultation and discussion is open and transparent this can be a useful way of market testing the capabilities of potential bidders and formulating challenging but realistic requirements. Contracting authorities may find by going through this process they can learn a great deal about the measurement and monitoring techniques and indicators that are most effective within the industry or sector involved. It may even be helpful to let the marketplace have sight of the intended contractual requirements and monitoring/management tools in advance of any tendering.<sup>2</sup> The Improvement and Development Agency (IDEA) also recommends a process of full or partial market testing as part of a local authority's best value review.<sup>3</sup>

<sup>1</sup> Case C-448/01, (1) EVN AG (2) Wienstrom GMBH v Republic of Austria (2003))

<sup>2</sup> Some guidance on soft market-testing and a case study is available from 4ps (now Local Partnerships) at <http://test.4ps.gov.uk/UserFiles/File/Publications/Stoke%20Bentilee%20JSC.pdf>.

<sup>3</sup> See [www.idea.gov.uk/idk/core/page.do?pagelid=5194855](http://www.idea.gov.uk/idk/core/page.do?pagelid=5194855).

## Community Engagement

As discussed above, contracting authorities will generally have a specific policy aim in mind when determining their social requirements within a contract. Rarely will a contracting authority wish simply to increase jobs and training provision generally. As part of the development of any specific policies, or as part of the application of more general policies to specific contracts, a contracting authority will find it helpful to test not only the marketplace but also the community that it intends will benefit from the contract or policy. Making sure it knows what the community (whether the community is a particular locality or a community of interest) actually needs will help the contracting authority to focus its requirements sensibly and, ultimately, help to ensure the contract requirements are successful.

For example, a requirement to recruit long-term unemployed persons may be unsuccessful if, within the community served by the contracting authority, there are few long-term unemployed. However, the same community may have many recent graduates who are struggling to find work. A policy which focuses on graduate-level recruitment, and contract conditions which reflect such a policy, will not only be more appropriate to the contracting authority, but will ultimately provide the contractor with a greater chance of success, as it will be far easier to recruit the right individuals to satisfy the requirement.

It should be noted that Local Authorities have been tasked with delivering Local Economic Assessments for the geographical areas they cover. Within these Local Economic Assessments (and as a direct response to the Houghton Review) it is expected that Local Authorities will produce Local Worklessness Assessments and Work and Skills Plans in 2010-11. They will therefore be in a position to clearly articulate the specific community benefits they wish to secure, in terms of tackling Worklessness, and which localities and disadvantaged groups they wish to prioritise. They will also be able to share this information with other public sector contracting bodies operating in the same localities, who will therefore be able to define the jobs and skills benefits they wish to flow from the contracts they award.

## A 'Staggered' Approach?

While contract clauses should not be negotiable once the contract has commenced, this does not mean there is no room for a contracting authority to slowly build the capacity of a contractor. Especially in a long term contract it may be possible to include requirements that are incremental, slowly increasing the demands placed on the contractor or the weighting given to the requirements (i.e. in any relevant KPIs).

## Template Clauses

Contracting authorities may consider it helpful to develop a bank of clauses from which they can draw. These may be from sources already in existence. For example, the Can Do Toolkit which considers targeted recruitment and training requirements in the context of the Welsh Housing Quality Standard (WHQS – the equivalent of which in England is the Decent Homes programme) includes model documentation and text for use by Welsh Housing Associations<sup>4</sup>. In addition, many public bodies have existing networks or contacts from which they can draw and through which they can find useful examples of work which has been done in different sectors. For example, local authorities may already be involved with the National Sustainable Procurement Stakeholders' Group, which shares information and good practice examples between local authority representatives and invited others. The Regional Improvement and Efficiency Partnerships, Regional Development Agencies and Regional Government Offices may already be sources of such information, and should be encouraged to see themselves as useful depositories and disseminators of good practice.

<sup>4</sup> This resource is freely available online. For more information and a copy of the Can Do Toolkit, go to [www.whq.org.uk/i2i/about-resources.php](http://www.whq.org.uk/i2i/about-resources.php)

### Relevance to the Subject Matter of the Contract

To be taken into account when awarding a contract, social requirements must be “core” requirements that are relevant to the subject matter of the contract. This is why it is often difficult to justify the use of standardised clauses. The clauses should be drafted in the context of the particular contract to which they are to be used. However, this should not stop a contracting authority from taking pre-existing requirements and clauses with which they are familiar and tailoring them to a contract they have in mind. Jobs and training requirements that have been used on one contract may easily be relevant to another, similar, contract, perhaps simply by modifying the requirements to allow for the different lengths and values of the contracts and the particular community the contract is intended to benefit.

For example, one construction contract may focus on school leavers seeking employment because the relevant community is comparatively young or because the contracting authority has developed a policy focus on young people. Another construction contract may choose to concentrate its energies on the long term unemployed, again, because the contracting authority has adopted the tackling of long term unemployment as a policy goal, or because the community or geographical area served suffers from long term unemployment as a result of redundancies in a similar or connected industry dominant within the contracting authority’s community or area of interest.

In these examples the contractual requirements may in fact be very similar, but would need to be tailored for the particular needs of the contract and its subject matter. As a contrast, jobs and training requirements that have been used on a construction contract would not immediately be relevant to a contract for entirely different services or supplies and, here, the contracting authority would do best to devise and draft bespoke conditions.

### A ‘Stylistic’ Challenge

An additional challenge in using template clauses is the need to “fit” them to the style and language of the wider contract. This contract may be in the contracting authority’s “house style”, or may be a standard form contract which the contracting authority is adding to and modifying. The language and style of such contracts can be quite particular, and distinct from other contracts.

#### Example:

In the construction sector, various standard forms of contract are used – for example the Joint Contracts Tribunal (“JCT”) and New Engineering Contract (“NEC”) standard forms. Both have a particular style and language that is distinct. See, for example, the following two extracts from different contracts:

#### Clauses drafted for a ‘generic’ contract:

- [ ] 2 The Targeted Recruitment and Training Method Statement may be modified at any time by mutual agreement between the parties.
- [ ] 3 The Targeted Recruitment and Training Method Statement shall include the following outcomes:
  - [ ] 3.1 A minimum of 78 person-weeks of employment to be provided for a new entrant trainee recruited from a source agreed by the Client, for each £1m in contract value provided:
    - [ ] 3.1.1 Where employment occurs on site further than five miles from the development site, transport to alternative sites shall be provided;
    - [ ] 3.1.2 Apprentices may be counted for up to 104 weeks of employment;
    - [ ] 3.1.3 New Entrants and Other Trainees may be counted for up to 52 weeks of employment.

**Clauses drafted for an NEC contract:**

**Recruitment and Training Method Statement**

- [ ] If a Recruitment and Training Method Statement is not identified in the Contract Data, the Contractor submits a first Recruitment and Training Method Statement to the Service Manager for acceptance within the period stated in the Contract Data
- [ ] The Contractor shows on each Recruitment and Training Method Statement the information which the Service Information requires the Contractor to show
- [ ] The Contractor develops working methods and where necessary secures Subcontractor co-operation to achieve the recruitment and training requirements in accordance with the Recruitment and Training Method Statement
- [ ] Within two weeks of the Contractor submitting a Recruitment and Training Method Statement to him for acceptance, the Service Manager either accepts the Recruitment and Training Method Statement or notifies the Contractor of his reasons for not accepting it. A reason for not accepting a Recruitment and Training Method Statement is that:
  - it is not practicable;
  - it does not show the information which this contract requires; or
  - it does not comply with the Service Information

**Training and Recruitment**

- [ ] The number of Person-weeks required to be delivered by New Entrants who:
  - are Apprentices, Other Trainees or who have an employment contract with the Contractor or a Subcontractor; and
  - are engaged in an accepted training programme that is being delivered by a recruitment and training organisation as stated in the Service Information is stated in the Contract Data.
- [ ] The Contractor ensures that he or his Subcontractors provide these Person-weeks while Providing the Service



(4)	<p>Are the contract clauses relevant to the subject matter of the contract?</p> <p>Remember: the contracting authority chooses what to procure (so long as this is within your powers and policies). This can include social and environmental aims and requirements. You need to decide in the circumstances whether or not there is a sufficient link between the contract's subject matter and the jobs and skills requirements to argue that the requirements are core to the contract: this will be the case where you have written them into the contract specification.</p> <p>If YES, you can include the jobs and skills requirements in your contract award criteria and assess the bidders' tenders against those requirements. Proceed to question (5).</p> <p>If NO, you can still include the contract clauses in your contract, but cannot take them into consideration when deciding to whom you will award the contract. Proceed to question (5).</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
(5)	<p>Are your requirements proportionate?</p> <p>Your requirements need to be proportionate to the contract in question.</p> <p>(a) Are the requirements realistic given the length of the contract?</p> <p>(b) Are the requirements realistic given the monetary value of the contract</p> <p>(c) Are the requirements in proportion with the amount of manpower required on the contract?</p> <p>(d) Are you aware that the marketplace for the contract has the necessary experience or expertise to comply with your requirements?</p> <p>If YES to all of (a) to (d), then your requirements are in proportion with the contract and should be realistic / achievable.</p> <p>If NO to one or all of (a) to (d), your requirements may not be realistic or proportionate to the contract. Consider redrafting your requirements so they are more appropriate. There is plenty of expertise and guidance available to assist in this.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No

## Section 2: Approach 1: Model Charters

### A Model Charter for Jobs and Skills

This Charter sets out our commitment to work jointly, openly, collaboratively and constructively with all our existing contractors and all future bidders for contracts tendered by *[insert name of tendering body]* to maximise access to jobs and skills opportunities for local unemployed people and our respective workforces.

#### By signing this Charter we are committing to working together to maximise:

- access for local unemployed people to all jobs and skills opportunities that flow from the contracts we approve and manage, including opportunities created within *[insert name of tendering body]* each contractor's organisation and their sub-contracting and supply chains;
- access to appropriate skills and training for all those working directly or indirectly on delivering such contracts within *[insert name of tendering body]*, each contractor's organisation and their sub-contracting and supply chains, to ensure delivery of the contract outcomes we seek and our aim to *[Insert relevant legal, strategic or policy goal to tackle Worklessness<sup>5</sup>, increase Well Being, or the overall quality of services provided to customers etc]*

#### We will therefore commit jointly to taking the following actions:

**Advertising all future vacancies and recruitment exercises via Jobcentre Plus** (in addition to any other recruitment channels we may jointly agree to use), to maximise the potential labour pool and ensure local unemployed people have access to the job opportunities available.

**Work closely with the Local Employer Partnership for** *[insert location(s)]* to ensure Jobcentre Plus and its partner organisations fully understand our recruitment needs - *and that we are aware of the support services available to us* - and provide local jobless people with an opportunity to be considered for the jobs we advertise.

Make full use of the National Apprenticeship Service as a primary means to increase the number of Apprentice opportunities within our respective organisations and supply chains. And advertising all apprenticeship vacancies on the national website Apprenticeship Vacancies Online

Explore with Graduate Advantage and *[Insert Local Authority]* the scope to offer Graduate and Non Graduate work experience opportunities to unemployed graduates and young School and College leavers.

Make full use of the Learning and Skills Council's 'Train to Gain', services as a primary means to secure funding for workforce access to on-the-job and off-the-job skills training and relevant NVQ qualifications.

#### In addition *[insert name of tendering body]* will:

- ensure bidders are made aware, at the earliest possible opportunity, of the range of targeted recruitment and training support services, subsidies and skills funding available, **at no additional cost to the employer**, to help large medium and small businesses recruit and train their workforce;
- facilitate early discussions between chosen contractors and local providers of targeted recruitment and training services, to ensure a bespoke recruitment and training 'offer' is designed **for and with** our chosen contractors.

All our current and prospective contractors will be encouraged to sign up to this Charter and, by sharing in a committed approach to cost effective recruitment and training, they will help to secure the economic and social benefits we strive to achieve, enhance their reputation for Corporate Social Responsibility, increase the skills of their workforce, and reduce staff turnover.

*[Insert references here to any strategic level agreements the tendering organisation has with contractors and also any relevant policy frameworks, relating for example to Sustainable Procurement and Equality and Diversity]*

<sup>5</sup> Each Jobs and Skills Charter signed should include a reference to the relevant Local Area Agreement (LAA) and the specific Worklessness and skills-related Public Service Agreement Targets and National Indicators contained within. See Section 11 of the Toolkit for further details.

### Measuring Progress

Together, we will seek to reduce unemployment and raise the skills level of our local workforce. Working in partnership, we will promote local employment opportunities and where possible, we will encourage and facilitate learning and development of our local workforce. We will also encourage our sub-contractors to endorse this philosophy throughout the supply chain network.

Whilst this Charter is not a legally-binding document, we will regularly measure our progress against the commitments made. These are set out in the Table below.

#### Model Charter for Jobs and Skills: Measures of progress/indicators of success

Measure	Indicator
Number and percentage of Contractors formally signed up to the Charter	Baseline of current contractors On and off-flows of contractors
Proportion of Contracts to which the Charter applies in terms of - Capital; - Goods; - Services.	Set Baseline Complete annual check
Proportion of committed annual expenditure to which the Charter applies in terms of - Capital; - Goods - Services	Baseline and annual check the proportion of organisation's annual 'buying power'
Jobs and Skills Opportunities	
Job opportunities identified	Vacancies advertised via JCP TT&R exercises delivered Local unemployed people placed in jobs
Contractors/sub-contractors signed up to: - Backing Young Britain - Future Jobs Fund placements - Local Employer Partnerships - Graduate Advantage or similar - Non-Graduate Internships - An Apprenticeships Pledge - Train to Gain training plans	Numbers of: - YP's offered Work Experience - FJF Starts - LEP Jobs offered - Graduates employed - Non-Graduate Internship - New Apprentices starting work - Course delivered/skills and qualifications gained

## Section 3: Approach 1: Model Corporate Social Responsibility Charter



### Solihull Metropolitan Borough Council Business Charter for Social Responsibility

This Charter describes the spirit, style and behaviours we will adopt and will expect our partners/suppliers to adopt as we jointly work together in an open, positive and honest manner to maximise the level of customer satisfaction and value.

Solihull's business community has a corporate and social responsibility to:

- Ensure the future prosperity of Solihull, its businesses and all its citizens
- Value and respect the needs and aspirations of the diverse communities in Solihull
- Enhance social opportunity and cohesion in a dynamic and changing business environment
- Help to develop improvements for disadvantaged neighbourhoods and people
- Create and maintain a sustainable, clean, safe and attractive environment for living, work and leisure
- Recognise and promote Solihull's diversity as a major asset

Businesses will be encouraged to sign up to the Charter and by sharing in a committed approach to these responsibilities, they will achieve economic and staff quality/retention benefits, and enhanced reputation in the community.

Solihull has issued a Concordat for Small and Medium-sized Enterprises, which is a statement of principles to encourage effective trade between Solihull and small businesses. (Concordat) The Concordat and Charter are complementary.

Solihull will make appropriate use of its legal powers including the power to promote the economic, social and environmental well being of our community.

All tender processes and contract awards will comply with EU Public Procurement Directives and the principles of non-discrimination, equal treatment and transparency and our duties under UK law.

Jointly, we will encourage a diverse and competitive supply market, including small firms, social enterprises, ethnic minority businesses and voluntary and community sector suppliers.

Jointly, we are committed to consider the role of these suppliers in delivering specialist elements of larger contracts and framework agreements. Solihull will work with prime contractors – both at tender stage and during the life of a contract – to jointly establish the contribution that small firms, ethnic minority businesses, social enterprises and third sector suppliers can play in the supply chain. Solihull provides details of its prime contractors on its website.

### Areas of Focus & Measures of Progress

Whilst the Charter is not a legal document, it is useful to describe areas of specific focus and some simple measures of progress. Positive progress against these measures may result in publicised recognition awards. Progress is to be reported on a six-monthly basis.

#### 1. Employment

Together, we will seek to reduce unemployment and raise the skills level of our local workforce. Working in partnership, we will promote local employment opportunities and where possible, we will encourage and facilitate learning and development of our local workforce. We will also encourage our subcontractors to endorse this philosophy throughout the supply chain network.

*Measures:*

- (i) *Number of employees and percentage resident in Solihull Borough*
- (ii) *Number of employees on learning and development schemes*

#### 2. Equality and Diversity

Solihull Council's commitment to equality and diversity, and its framework for action, are expressed in its Equal Opportunities Policy [Equal Opportunities Policy] and Corporate Equality & Diversity Scheme [Equality & Diversity Scheme]. Jointly (including our subcontractors) we will familiarise ourselves with these documents and adopt an approach that demonstrates commitment to promoting equality and diversity in service provision, work undertaken within the Solihull community and employment.

Together, we will take all reasonable practicable steps to ensure that the way in which we operate - including policies, practices and procedures, do not discriminate or unfairly affect particular groups, such as black and minority ethnic groups and disabled people.

*Measures (generic):*

- (i) *Equality profile of the workforce, job applicants, training, promotion, grievances, disciplinaries, and leavers.*

*Measures (specific to service provision):*

- (ii) *Monitoring information on the equality profile of service users and complainants.*
- (iii) *Records of service satisfaction surveys/consultation exercises with equality profiling of customers/ employees involved.*

### **3. Managing Risk**

When working with new partners or suppliers, the enthusiasm to have an impact and to deliver results can sometimes overtake the need to have all of the necessary arrangements and procedures in place. Problems can arise when governance and accountability arrangements are not agreed, not clear or are under-developed.

To avoid such difficulties, we intend to work with our partners and suppliers to develop a common understanding that:

- managing risk is a joint responsibility;
- we will take all reasonable steps to protect each other, our employees and anyone else (e.g. visitors, people living nearby and other members of the public) from significant risks;
- partners/suppliers may need help to develop their competency to manage risk;
- performance monitoring arrangements will include monitoring risk management arrangements to ensure they continue to be effective;
- the extent of any monitoring will be directly linked to the level of risk (the greater the risk, the greater the monitoring).

For a full copy of the Solihull MBC Risk Management Strategy, please refer to (Risk Management Strategy).

*Measures (to provide evidence of an effective Risk and Health and Safety Management System):*

- (i) *Production of an Annual Health and Safety Performance Report*
- (ii) *Regular monitoring of accident data to identify causes, trends and make recommendations to improve performance.*

### **4. Subcontracting to other business organisations or to third sector organisations within Solihull Borough**

Where subcontracting is necessary and is accepted under the terms of any prime contract, it will be conducted under the 'spirit' of this Charter and the Compact Plus for Solihull (Compact Plus) The term 'third sector' describes a range of groups, organisations and institutions which occupy the space between the public and the private sector. These include all local voluntary and community groups, large and small registered charities, foundations, trusts, and the growing number of social enterprises and co-operatives.

*Measures (generic):*

- (i) *Number of organisations engaged (by type) and estimated associated annual value*
- (ii) *Number of their employees and percentage resident in Solihull Borough*
- (iii) *Number of their employees on training and development schemes*

*Measures (specific to third sector):*

- (iv) *Where such subcontracts are funded by public money, the number of SLAs (Service Level Agreements) that are in place.*

### **5. Sustainability and Waste Elimination**

We acknowledge that climate change is occurring and that it will continue to have far reaching effects on people and places, the economy, society and the environment, and commit to working with partners and local organisations to progressively address the causes and impacts of climate change whilst ensuring social cohesion and economic vitality.

We will lead by example and reduce, where possible, the environmental impact of our business activities.

This will include reduction of waste, increased recycling and the protection and enhancement of Solihull's natural environment for the benefit of wildlife and people. It will also include joint encouragement of the use of renewable energy sources and energy conservation.

Together, we will ensure that we follow sustainable procurement policies and processes which will exploit to the full the opportunities to minimise greenhouse gas emissions and detrimental environmental, social and economic impacts and encourage others to do likewise.

We will utilise guidance and best practice available from various organisations such as the Carbon Trust and others available via (Solihull Footprint).

**Measures:**

These may take the form of reports of good practice (such as reductions in fuel consumption or packaging) or, where available, details of accreditation obtained.

Signed:  
(for Solihull MBC)

Signed:  
(for .....)

## Section 4: Approach 2: Model Voluntary Agreement

*(Please note that Model Document '5' on page 36 contains some possible clauses for use in the drafting of a voluntary agreement)*

### Birmingham City Council Construction Partnership

#### Key points:

- Birmingham City Council, Development Directorate, Urban Design
- Partnering of long term Capital Building Works Programme
- All City Council Capital construction above £100,000 covering education, leisure, housing, office portfolio, etc
- 5 years extendable to 7 (currently in year 6)
- Approx £800 million

#### Named Contact:

Steve Vickers, General Manager, Urban Design  
Tel: 0121 303 6388  
Email: [Steve\\_vickers@birmingham.gov.uk](mailto:Steve_vickers@birmingham.gov.uk)

#### Background:

Given that within construction on major projects in excess of 80% of the work is undertaken through sub contract SME's. Birmingham City Council knew it was important to specify within the contract conditions their requirements for the sourcing via a supply chain of businesses or individuals from the local region and equally the provision of training opportunities. This particular approach to provide "pointers" of where they expected their contractor partners to develop the supply chain was significant in order to ensure that the regional economy benefited from the significant spend through this framework agreement. Without this direction the industry would typically source sub contractors on a range of factors which did not include local employment and training opportunities.

#### Summary:

The partnership is estimated to have created approx 200 jobs directly with the three main partners and in excess of 1000 which sit within the 61 integrated supply chain companies and others used on a regular basis. Also the partnership to date has provided in region of 200 training opportunities with some specific training led regeneration construction projects such as the "The Pump" developed jointly with the Princes Trust.

The employment and training numbers were not specifically sought but were correlated in relation to the spend and the opportunities presented by the range of projects delivered.

This approach has been highly successful and the Birmingham Construction Partnership has been recognised via a number of national and regional industry awards for its work in developing and promoting the local supply chain. The partnership itself is also recognised by the Office of Government Commerce (OGC) as a national exemplar. The methodology of working through major contractors provides the opportunity for Birmingham City Council to deliver a wide range of projects with the capacity of large players in the industry who in themselves have provided significant support to develop SME's within the supply chain and have helped create both directly and indirectly a significant number of local jobs and training with the ability to sustain this employment over the life of the partnership.

A combination of all approaches have been used given that this is a collaborative partnering contract specific contract clauses were included at the outset with the intention that they would be developed further and specific commitments and voluntary/charter agreements would be developed throughout the life of the partnership. It is worth noting that this approach has proved highly successful and the contractor partners involved have contributed significantly to not only the aspirations of the city council but to developing these in a meaningful and practical way to deliver the outcomes required.

#### Application:

Key performance indicators were included in the contract and form part of the basis for allocation of projects throughout the life of the framework. Included within a significant number of strategic partnership level indicators is a particular indicator measuring policy development and implementation which includes commitment to development and implementation of key areas such as training, equal opportunities, provision of local labour, sustainability and environment which have been used to drive the overarching proactive approach from contractors to supporting Birmingham city council in these areas.

In addition the achievement of the targets set within the KPI's are clearly stated as contributing to the authorities objective of improving the performance of council services and flourishing neighbourhoods. And the city council's Corporate Plan forms part of the tender documentation and contractors are requested to indicate how they would support the council plans throughout the duration of the framework.

"The contractor will develop a supply chain in consultation with the employer and jointly with the other contracting partners. The contractor will work with the employer to encourage the selection of LOCAL companies. The employer will require the contractor to monitor the use of local companies and report regularly. The supply chain will support the city councils diverse workforce policies."

"The contractor will have policies that enable the improvement of working conditions, workforce skills, development opportunities for the workforce and health & safety in the workplace and fundamentally open up employment opportunities to all sectors of our community."

#### **Local Employment:**

"The employer is committed to supporting local employment and helping local businesses and increasing the volume of work they undertake with the city council. The employer encourages the contractor and its supply chain to directly employ local labour. It is a requirement that the workforce will represent the diversity of the population both in gender and race."

"The employer is currently developing a code of practice for employment and training. It is expected that the contractor will sign up to the code before acceptance of tenders. The principles of the code will include :

- Contractors to have and implement an equal opportunities policy in recruitment, employment and service delivery
- Local people having access to all the vacancies created through the partnership and vacancies being advertised locally
- Employee status training taking place particularly for people who are being supported by government funded social inclusion programmes
- The contractor will monitor progress on a weekly basis. The contractor is encouraged to implement the respect for people tool kits which enable them to measure their own performance in continuous improvement."

#### **Training:**

"For all trades the contractor and their supply chain will follow the principles of rethinking construction - respect for people. The contractor will also sign up to the employer's code of practice for employment and training, which is currently being developed. This will include the following principles :

- Promoting Education and Life long learning
- The contractor stating the number of employed status trainee positions being offered within the partnership specifying trade area and making a commitment to accredited training both on and off site
- The contractor monitoring progress on a weekly basis. The contractor is encouraged to implement the respect for people tool kits which enable them to measure their own performance in continuous improvement

The contractor will offer apprenticeships or similar formal long term training programmes, for trades, itself and via its sub-contractors. This will include training for under represented groups."

#### **Conclusion:**

One of the key lessons emanating from this procurement has been the collaboration achieved with contractor partners by providing a continuous flow of projects which has provided the foundation to invest in the development of an integrated supply chain which supports regional businesses, local employment and training opportunities. The size of the framework has made BCC a highly significant customer to these contractors who have been prepared to develop and innovate in a range of areas to push the boundaries and change the culture within the industry which has assisted in support for both equality and diversity agendas and corporate social responsibility involving significant investment back into local communities. Again the partnership and this procurement methodology has been recognised on the national stage and has been utilised in a number of governmental studies and other best practice publications.

## Section 5: Approaches 3 and 4: Model Jobs and Skills Clauses

### Standard Contract Conditions

*The following contract clauses are designed to be used alongside the other model documents contained in this Toolkit – i.e. the wording for use in OJEU contract notices and specifications, and the template pro forma method statements. Users will therefore wish to tailor these clauses to fit with any alternative resources that are being used – for example, if the contracting authority wishes to include different questions in the method statement.*

*These contract clauses are appropriate for use in most forms of contract when the contracting authority has incorporated reference to such requirements in its OJEU contract notice, and has used the relevant model documents included below.<sup>6</sup> Should the contracting authority be contemplating a framework agreement, these contract clauses could be modified and extended to provide a system whereby the contractor(s) provide a method statement for individual call-off contracts under that framework. In this context, please refer to model document [4].*

*Readers should remember that these model clauses represent only one of the courses of action / sets of requirements that are available to them. There may be other community benefits that can be achieved through a contract that have not specifically been referred to in these model clauses.*

*Throughout these model documents, text in italics contains guidance on the use of the template wording. Text in [square brackets] may be relevant to some contracts but not others.*

### 1 Definitions and interpretations<sup>7</sup>

Apprentice	Means a person registered as an apprentice with an industry recognised body <sup>8</sup>
New Entrant	means a person who is <ul style="list-style-type: none"> <li>leaving an educational establishment or a training provider;</li> <li>a non-employed person that is seeking employment that includes training towards a qualification recognised in the [ ] industry; or</li> <li>a mix of these</li> </ul>
Other Trainees	means people who are not Apprentices or New Entrants but: <ul style="list-style-type: none"> <li>have a contract of employment; or</li> <li>are self-employed</li> </ul> and who are undergoing work-related training as a result.
Person-week	means the equivalent of one person being employed for five days either on the development site or through a mix of work on the development site and elsewhere
Quarter	means a period of thirteen weeks
Recruitment and Training Method Statement	Means the statement referred to in clause 2.1 and in the form set out in Schedule [ ]
Targeted Recruitment and Training Performance Statement	means the statement referred to in clause 2.3.6, which shall be in such form as the Contractor and the Client shall agree
Trainee	means an Apprentice, New Entrant or Other Trainee

<sup>6</sup> If considering these contract clauses in the context of a works contract or other contract for which the NEC is the desired form of contract, please note that, as the NEC form of contract is drafted quite differently to other forms of contract, these clauses will not work as effectively. For more detail concerning the need to tailor contract clauses to the contract in which they are to be inserted, see the detailed guidance on the relevance of contract conditions to the subject matter of the contract, and the different drafting examples contained in that guidance. Anthony Collins Solicitors are able to provide contract conditions for inclusion in an NEC form of contract if these are desired.

<sup>7</sup> These are additional definitions that will need to be added to the definitions clause of the overlying contract. The contract clauses presume that the terms for the parties to the contract are the “Client” and the “Contractor”, that a Contract Period has been agreed, and that there is a definition of the Services, Works or Supplies being provided (as relevant). These terms should of course be changed to reflect the particular situation (e.g. if using the “Employer” rather than the “Client”).

<sup>8</sup> The appropriate body or bodies could be specifically referred to in this definition.

## 2 Creation of Training and Employment Opportunities

- 2.1 The Contractor shall actively participate in the potential for economic and social regeneration which results from this Agreement and shall deliver the requirements set out in the Contractor's Recruitment and Training Method Statement.
- 2.2 The Recruitment and Training Method Statement may be modified at any time by mutual agreement between the parties.
- 2.3 The Recruitment and Training Method Statement shall include the following outcomes:
- 2.3.1 A minimum of 78 Person-weeks of employment to be provided for a Trainee recruited from a source agreed by the Client, for each £1m in contract value provided:
- 2.3.1.1 Apprentices may be counted for up to [104] weeks of employment;
- 2.3.1.2 New Entrants and Other Trainees may be counted for up to [52] weeks of employment.

### 2.3.2 Recruitment

Every vacancy on site, including those with subcontractors, is to be notified to those agencies set out in Schedule [ ] to this Agreement, and candidates identified by those agencies are to have an equality of opportunity in the selection process.

### 2.3.3 Unwaged work experience

The equivalent of 5 Person-weeks per £1m in contract value is to be made available as unwaged work experience opportunities. Some of these may not be utilised.

### 2.3.4 Remuneration

All Trainees shall be paid in accordance with [industry / sector] norms and shall have terms and conditions of employment that are at least equivalent to those provided to staff and employees that have equivalent skills and experience.

The Contractor is encouraged to increase the remuneration of Trainees in line with their experience and productivity in accordance with the practices applied to all other employees of the Contractor.

### 2.3.5 Supply-chain Opportunities

When requested by the Client, the Contractor shall participate in initiatives to identify and nurture organisations based in or around the area where the [Services/Supplies are to be provided] [development is taking place] that could contribute to the supply chain.

### 2.3.6 Monitoring & Verification Information

Within four weeks of completion of each Quarter the Contractor shall provide the Client with a Targeted Recruitment and Training Performance Statement setting out in relation to the Quarter and cumulatively for the Contract Period up to the end of the Quarter:

- 2.3.6.1 the numbers of weeks' employment provided to each Trainee [including those employed outside the development site where this is necessary to provide the New Entrant, Apprentice or Other Trainee with continuous employment and training and has been agreed with the Client];

2.3.6.2 a schedule showing for the Contractor and each subcontractor:

- the number of personnel starting on site in the Quarter and cumulatively for the Contract Period up to the end of that Quarter;
- the number of vacancies notified to agencies named by the Client in Schedule [ ];
- the postcodes of all people engaged [on site] [in providing the Services / Supplies] in any capacity, including the number that have their main residence in one of the following post-code areas [ ] [enter the relevant 3 digit postcodes – these will be the locations which the Client hopes/anticipates will benefit from these requirements].

2.3.6.3 a schedule listing the firms invited to tender or price for subcontracts and supply contracts under 2.3.6.2 above and indicating which of these were successful;

2.3.6.4 the total value of subcontracts and supplies contracts that have been awarded to firms with a [ ] [enter the relevant 3 digit postcode(s)] postcode.

2.3.6.5 a trainee recruitment notification signed by the Trainee permitting the provision of personal data to the Client for contract monitoring purposes;

2.3.6.6 a trainee transfer notification where a Trainee is moved between sites, or between employers engaged in the development;]

2.3.6.7 a Trainee completion or termination notification.

## 2.4 Contractor and Subcontractor Compliance

It is the Contractor's responsibility to develop a working method that will deliver the targeted recruitment and training requirements and supply-chain opportunities and related monitoring and verification data, and obtain the full cooperation of subcontractors and suppliers in delivering these requirements.

## 2.5 Support

The inclusion of recruitment and training requirements does not comprise or imply any promise on the part of the Client or their agents to provide suitable trainees or labour. Any action taken by these bodies or their agents to broker relationships between the Contractor and local individuals / firms / agencies does not imply that they or their agents consider the individual / firm / agency as suitable for engagement by the Contractor. All recruitment, supervision and discipline responsibilities rest with the Contractor and its subcontractors. Within this context the Client will work with local agencies to help facilitate the achievement of the recruitment and training requirements.

The contract clauses should be added to the draft contract, along with the appropriate schedules to which the clauses refer:

- Schedule [ ] – Creation of Training and Employment Opportunities- Recruitment and Training Method Statement

This schedule will be developed by reference to the Bidder's proposals – see model document [3] for a template pro forma method statement that can be used.

- Schedule [ ] – Agencies notified by the Client pursuant to clause 2.3.2.

## Section 6: Model Documents and Legal References

### Model Document 1: Contract Clauses for the Deposit Sum Approach

The following includes alternative/additional wording that can be used where contractors are required to provide a deposit to encourage the delivery of jobs and skills requirements. This deposit would be returned to the Contractor as it delivers the requirements. This is of particular relevance to development agreements, and other situations where it is envisaged that the contract parties will change over the period covered by the contract. If these contract clauses are used, appropriate additions should be made to the specifications, tender documentation and, where relevant, the scoring mechanism.

*This Model Document should:*

- *be used in development agreements to sustain delivery of jobs and skills requirements;*
- *be significant enough to encourage the recruitment of trainees (a figure between £65 and £100 per new trainee week has been used elsewhere);*
- *based on an annual method statement and adjusted to account for inflation;*
- *be set as £x per Person-week (value of contract & deposit sum set out in the ITT);*
- *only be used if suitable internal arrangements are made to handle the deposit sum.*

#### 2.6 Trainee Deposit sums

2.6.1 the Contractor shall pay to the Client a deposit sum of £[ ] (a sum which equates to [ ] weeks at £[ ] per week) on the Specified Date;

*or*

2.6.2 the Contractor shall pay to the Client a deposit sum of £[ ] per Trainee Person-week as set out in Table 1 in the Recruitment and Training Method Statement on the Specified Date;

*then*

2.6.3 Within [six weeks] of receipt of each Targeted Recruitment and Training Performance Statement or receipt of acceptable supplementary information (whichever is the later) the Client shall refund to the Contractor the deposit sum for each week of employment provided for a Trainee in the period covered by the Targeted Recruitment and Training Performance Statement, plus interest calculated on a daily basis at the current base rate of [ ] Bank from the date the deposit is lodged with the Client to the date of repayment;

2.6.4 If the Contractor is not entitled to a full repayment of the deposit as a result of under-achievement the Contractor may submit with their Targeted Recruitment and Training Performance Statement a request for a discretionary repayment of some or all of the balance of the deposit;

2.6.5 The Employer may make a discretionary repayment where it is satisfied that the Contractor used its best endeavours to achieve the targets;

2.6.6 The Client must give a reply to the Contractor's request for a discretionary repayment within four weeks of the date of receipt of the request;

2.6.7 Any deposit sums and related interest retained by the Client after the expiry of two Quarters from the date of the most recent Targeted Recruitment and Training Performance Statement shall be used to support recruitment and training initiatives in the area, provided always that the Employer has given four weeks' notice in writing to the Contractor that the remaining fund is to be used in this way;

2.6.8 The Contractor agrees to pay interest on sums due to the Client under clause 2.6.1 but not paid on the Specified Date from the Specified Date until actual payment. The rate of interest shall be 4% above the base rate of [ ] Bank.

The 'Specified Date' should be defined under the contract; this is often one week prior to implementation of the TR&T requirements [and each anniversary thereof].

## 2.7 Assignment

2.7.1 In the event of the Contractor disposing of some or all of its interest in this Agreement the Contract shall recover a sum equivalent to any unclaimed deposit sums from the assignee or other replacement contractor and advise the Client of the name of the organisation that is entitled to reclaim the deposit sums on the basis of subsequent Targeted Recruitment and Training Performance Statements.

2.7.2 For the avoidance of doubt any assignee or other substitute contractor shall only be liable under this Agreement in relation to that part of the [Services / Supplies / Works] in respect of which it has been appointed an assignee or other substitute contractor.

## Model Document 2: OJEU Contract Notices

The following paragraphs are template wording that can be inserted into the "Additional Information" section of a contract notice being published in the Official Journal of the European Union ("OJEU"). This wording is intentionally broad – while it is possible to narrow the scope of a contract after a contract notice has been published, it will generally not be possible to broaden its scope. This model wording allows contracting authorities the opportunity to allow for contract award decisions to include consideration of social and economic factors, and the contracting authority can be more specific about its requirements in the contract documents (see Model Document 3).

"Under this [procurement / project] the [contractor / developer / supplier / service provider] 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] [community served by the contracting authority]. Accordingly contract performance conditions may relate in particular to social and environmental considerations."

OR

"Conditions relating to environmental and social requirements of the contracting authority may be included in this contract."

### Model Document 3: Basic TR&T Requirements suitable for the procurement of a stand-alone contract: specifications and tender documents

Model Document 3 includes draft wording suitable for use in specifications or in an invitation to tender, especially where the model contract clauses are being used. Where the model contract clauses are being modified to suit the particular needs of the contract in question, equivalent modifications should be made to this text.

#### 1 Introduction

In pursuance of the information provided in the OJEU Contract Notice that the Contractor will be required to actively participate in the economic and social regeneration goals of the Contracting Authority, the Contractor shall deliver the jobs, skills and supply-chain requirements as set out below.

OR

It is the Contracting Authority's intention that the delivery of the contract will assist in the achievement of its policies on [sustainable development/social inclusion/economic and social regeneration/equal opportunities] as set out in [the relevant policy documents]. Accordingly, and in pursuance of the information provided in the OJEU Contract Notice, the Contractor will be required to deliver the jobs, skills and supply-chain requirements as set out below.

#### 2 The Requirements

Bidders are required to submit a targeted recruitment and training method statement with each valid tender, using the attached pro-forma, setting out how the following outcomes will be achieved [in a way which is cost-neutral to the Employer<sup>9</sup>].

##### 2.1 New Entrant Trainees

Select the requirements from the clauses below choosing those that:

- are relevant in type and scale to the contract;
- meet the needs of the target community;
- can be supported by 'supply-side' agencies; and
- can be effectively monitored and followed-up.

To ensure early attention is given to the jobs and skills requirements, the method statement should be requested with the tender. If jobs and skills are not part of the award decision (i.e. if the requirements are not relevant to the subject matter of the contract), the method statement can be requested but must be disregarded until after the award of the contract.

The text differentiates between new entrant trainees that are registered with a training body as apprentices, and other trainees. The former may be counted towards the new trainee target for a longer period e.g. 104 week rather than (say) 26 or 52 weeks for 'other trainees'. The exact balance should be decided by the Contracting Authority, with the requirements being considered in context.

2.1.1 A minimum of [ ] Person-weeks of employment must be provided for a new entrant trainee recruited from a source agreed by the Contracting Authority, for each £1m in contract value, taking into account the following:

2.1.1.1 a Person-week is the equivalent to one person being employed [on this contract] for five days [either on the development site or on other sites (with the agreement of the Contracting Authority)];<sup>10</sup>

<sup>9</sup> The contractor(s) appointed will be expected to cover the cost of the requirements by accessing public sector and industry funding and by effectively managing the works so as to achieve good productivity from the trainees. If the cost neutral option is not chosen – i.e. if the Contracting Authority is able/willing to cover the cost of the TR&T requirements - delete and amend question 11 in the method statement.

<sup>10</sup> The Contracting Authority will expect transport to alternative sites to be provided where sites are not within 5 miles of the site where the trainee is initially engaged.

2.1.1.2 a new entrant trainee<sup>11</sup> is a school or college leaver, or an adult that has not been employed in the construction industry during the previous six months, and who is undertaking training towards a qualification recognised in the [industry / sector], or another qualification recognised by the Contracting Authority;

2.1.1.3 a new entrant trainee that is registered as an apprentice can be counted towards the target for a maximum of [ ] weeks and a non-apprentice 'other trainee' can be counted for a maximum of [ ] weeks;

2.1.2 Reasonable efforts should be made to retain persons that have been notified to the Contracting Authority as a new entrant trainee after the maximum periods listed above.

*(Questions 2, 3 & 4 in the method statement relate)*

*The term "new entrant" trainee is widely defined and this provision is intended to be the main 'requirement' that will achieve social inclusion. Through the method statement the contractor will set out what mix of new entrant trainees they expect to recruit (for example, by trade) and whether these are apprentices or other trainees. Their decision can be influenced through the provision of an information sheet on trainee supply and funding (sent out with the ITT) and through a briefing session. Further clarification can be sought post-award to better align the opportunities with the target community and the available training supply.*

*The target is set here as Person-weeks per £1m in contract value. This can of course be re-worked, for example to set the target as Person-weeks per unit of housing or square metres of commercial development, where these are known and this is considered easier to measure.*

## **2.2 Recruitment**

The first of these paragraphs provides opportunities for skilled/experienced and job-ready workers. People that don't fit this description should go through a pre-recruitment programme and be 'new trainees'. [The second paragraph should be used where Jobcentre Plus request this].

2.2.1 Every vacancy on site, including those with subcontractors, is to be notified to agencies named by the Contracting Authority [at least three working days before recruitment from other sources], and candidates identified by these agencies are to have an equality of opportunity in the selection process.

2.2.2 [Within 13 weeks of appointment the Contractor is to provide the Contracting Authority with evidence that they have entered into a Local Employer Partnership or an equivalent agreement to recruit people who are disadvantaged in the labour market.]

*(Question 6 in the method statement relates)*

## **2.3 Unwaged work experience**

The equivalent of [ ] Person-weeks per £1m in contract value is to be made available as unwaged work experience opportunities for people provided by an organisation that has [undertaken appropriate pre-site preparation and a risk assessment] [been agreed between the Contractor and the Contracting Authority]. It is understood that, in reality, some of these weeks may not be utilised.

*(Question 2 in the method statement relates)*

This provides the opportunity for students to obtain some work experience, for unpaid work-trials or short-term paid work experience. Again, this can be re-worked to set the target as Person-weeks per unit of housing or square metres of commercial development where the latter are known and this is considered easier to measure.

<sup>11</sup> A trainee could be registered as an apprentice with an industry recognised body (who can be counted as a 'new entrant' for up to [ ] weeks) or a person that has a trainee contract or a contract of employment or self-employment but who is not an apprentice (who can be counted as a 'new entrant' for up to [ ] weeks). (insert required figures)

## 2.4 Workforce Training

This can be used to ensure opportunities for continued training for 'new trainees' and to help achieve a fully-accredited workforce. It can facilitate the work of bodies such as Sector Skills Councils to engage with employers and maximise in-service training.

The Contractor will be expected to take action to assist employees to achieve appropriate [CSCS registration and NVQ Level 2]<sup>11</sup> or equivalent and higher levels of qualification. Arrangements for on-site training, assessment, and recording are to be provided.

*(Question 5 in the method statement relates)*

## 2.5 Training Plan

When requested by the trainee or their training organisation, a training plan is to be maintained for each new trainee. Any training plan must be made available for inspection by the Contracting Authority and its agents at any reasonable time.

This is a provision that a training provider or trainee can activate if it is needed and the plan will be used.

## 2.6 Skills Forums

The Contractor will be required to support the work of [insert the relevant industry training forum] established in the locality of the contract.

## 2.7 Remuneration

Trainees and recruits must, as a minimum, be paid in accordance with industry norms and must have terms and conditions of employment that are at least equivalent to those provided to employees that have equivalent skills and experience.

Contractors are encouraged to increase the remuneration of trainees in line with their experience and productivity, in accordance with practices that are in place in relation to other employees.

This is included to ensure equal treatment between existing trainees and new trainees, and to maximise retention by ensuring that trainees are rewarded as their productivity increases.

## 2.8 Supply-chain Opportunities

2.8.1 When requested by the Contracting Authority, the Contractor will participate in initiatives to identify and nurture additional supply-chain organisations based in or around the area where the contract is taking place.

2.8.2 All supply-chain opportunities including those at the tender stage are to be posted on websites specified by the Contracting Authority at least seven working days before invitations to submit a tender or price are issued, and reasonable consideration shall be given to firms registered with agencies specified by the Contracting Authority, when issuing invitations to tender or price for contract opportunities.

*The first of these paragraphs allows the Contracting Authority to introduce a specific initiative after award of the contract. The second facilitates company inter-trading. The impact of these post-award initiatives will be limited where the contractor has made a commitment to their supply-chain before the contract was awarded.*

*Since the requirements can be delivered by any contractor post-award and are not included in the contract award process, their inclusion should not disadvantage any bidder.*

<sup>12</sup> The appropriate qualifications will vary depending on the subject matter of the contract, and appropriate details should be inserted here

## 2.9 Monitoring & Verification Information

*Monitoring information should be aligned with the requirements selected under paragraphs 2.1 – 2.5 above. Some possible requirements are set out below. The timetable for reporting is also important: the earlier and more frequent the reports, the earlier the contractor will focus on the jobs, skills and supply-chain requirements. However, progress-chasing and responding to monitoring information requires resources from the client side, and scarcity of this resource may determine what is asked for. The client should not request information that cannot (or will not) be used/analysed.*

*It is important to be able to verify key outcomes, e.g. weeks of employment for new entrant trainees. The suggested notifications relating to the latter will facilitate this and if appropriate classifications are included on the pro-forma notification will allow the Contracting Authority to monitor trainee outcomes by ethnicity, gender, area of residence etc. Where there will be a large number of trainees the recording and analysis could require a database system. The Contracting Authority will need to consider whether the necessary support systems are available.*

Within 4 weeks of completion of each Quarter following implementation, the contractor will be expected to provide the Contracting Authority with a performance statement setting out in relation to the Quarter and the contract to date:

- 2.9.1 the number of weeks' employment provided to each new entrant trainee, including those outside of the contract where this has been necessary to provide continuity of employment and training and where this has been agreed with the Contracting Authority;
- 2.9.2 the number of new entrant trainees retained in employment after the completion of their period as a 'new entrant trainee';
- 2.9.3 a schedule showing for the Contractor and each subcontractor:
  - 2.9.3.1 the number of personnel starting on site in the period and cumulatively;
  - 2.9.3.2 the number of vacancies notified to agencies named by the Contracting Authority;
  - 2.9.3.3 [the number of people engaged on site in any capacity that have their main residence in one of the following postcode areas [                    ] [enter the relevant 3 or 4 digit postcodes] or [the postcodes of all people engaged on site in any capacity].
- 2.9.4 a schedule listing the organisations invited to tender or price for subcontracts and supply contracts as a result of paragraph 2.8 above and indicating which of these were successful;
- 2.9.5 [the total value of subcontracts and supplies contracts that have been awarded to firms with a [                    ] [enter the relevant 3 or 4 digit postcodes] post-code] or [the post codes of all subcontractors and suppliers and the value of the contracts awarded to each].

For verification purposes the following documentation will be required by the Contracting Authority using pro-forma documentation provided:

- 2.9.6 a trainee recruitment notification signed by the trainee (to permit the provision of personal data to the Contracting Authority for contract monitoring purposes);
- 2.9.7 a trainee transfer notification where a trainee is moved between sites or contracts, or between employers engaged in the [development / Services / Supplies / Works]; and
- 2.9.8 a trainee completion or termination notification.

### 3 Contractor and Subcontractor Compliance

*It shall be the Contractor's responsibility to develop a working method that will deliver the jobs and skills requirements and supply-chain opportunities and related monitoring and verification data, and to obtain the full cooperation of contractors and subcontractors in delivering these requirements.*

*This text is included to emphasise that it is the contractor's responsibility to deliver the jobs, skills and supply-chain requirements through their supply-chain. It is part of their job to work out how to do this.*

### 4 Support

The inclusion of jobs and skills requirements does not comprise or imply any promise on the part of the Contracting Authority or their agents to provide suitable trainees or labour. Any action taken by these bodies or their agents to broker relationships between the contractor and local individuals/firms/agencies does not imply that they or their agents consider the individual/firm/agency as suitable for engagement by the contractor. All recruitment, supervision and discipline responsibilities rest with the contractor and subcontractors. Within this context the Contracting Authority will work with local agencies to help facilitate the achievement of the recruitment and training requirements.

*This text is included to protect the Contracting Authority from possible claims arising from their role as an intermediary between the Contractor and the supply-side (employment, training and business development agencies).*

### 5 Targeted Recruitment & Training Method Statement

Bidders are required to submit a completed targeted recruitment and training method statement, using the Model Document 3, with each valid tender. [A revised method statement may be required prior to commencement on site and each 12 months thereafter].

OR

Prior to the signing of the contract [and each twelve months thereafter] the preferred contractor will be required to complete a Targeted Recruitment and Training Method Statement, using the pro-forma attached, to the satisfaction of the Contracting Authority.

Prior to completing the method statement bidders are advised to obtain the Training Information Sheet from [ ]<sup>13</sup>. This will give information on local training and resources. All of these will operate an appropriate equal opportunities policy.

To ensure early attention to the requirements the method statement should normally be received with the tender. If the requirements do not form part of the contract award criteria, this method statement should be disregarded until after the award of the contract. Otherwise it can be scored and given a weighting as part of the award process.

Where the jobs and skills do not form part of the award criteria and there are concerns about demonstrating that jobs and skills information has been disregarded in the award stage, then the method statement can be required once a preferred bidder has been chosen (if relevant) or once the contract award decision has been made. In this case the second of the first two paragraphs should be used.

Optional wording is provided where the method statement is to be renewed on an annual basis e.g. where the contract runs for many years.

<sup>13</sup>To ensure a level playing field between bidders it is important to provide an information sheet giving details of training, job-matching and business development agencies that would be available to work with the appointed contractor to help them deliver the requirements. The information should include funding that could be accessed by the contractor. A briefing session with each bidder can help ensure equal access to the information and an appropriate focus on the requirements.

**Model Document 4 - Basic Proforma Method Statement**

Model Document 4 includes a method statement for bidders to submit with tenders. This can help to ensure that bidders all submit the same information and can therefore be compared and assessed accurately when applying the award criteria.

**Targeted Recruitment & Training Method Statement**

\_\_\_\_\_

Title of contract:

\_\_\_\_\_

Bidder:

\_\_\_\_\_

Contact name:

\_\_\_\_\_

Position:

\_\_\_\_\_

Telephone number(s):

\_\_\_\_\_

E-mail address:

I confirm that this method statement sets out the actions that will be undertaken to ensure the achievement of the Contracting Authority’s jobs, skills and supply chain requirements. It is recognised that delivery of these requirements will be a contract condition [and will be assessed as part of the decision to award the contract].

\_\_\_\_\_

Signed

\_\_\_\_\_

Print Name

\_\_\_\_\_

Date

Ensure that information is provided in each of the following sections. This document must be submitted as part of each valid tender. Bidders are recommended to obtain information on training and job-matching resources available within the area from [ ] [enter the contact details].



## 2 Work Experience Opportunities

Please show in Table 2 the number of Person-weeks that will be offered as work experience opportunities. It is understood that, while offered and available, some of these opportunities may not be utilised.

*The total in Table 2 should at least reflect the requirements set out in paragraph 2.3 in model document 2.*

**Table 2 Un-waged Work experience Opportunities**

Occupation/Activity	No. Person-weeks
<b>Total</b>	

*The answers to questions 3-9 should demonstrate that the contractor has understood the requirements, and read the information provided or signposted by the Contracting Authority. The answers should satisfy good practice as interpreted by the Contracting Authority and any supply-side organisations the Contracting Authority is using. Innovations and “added value” may be included in answers to Question 11.*

## 3 Recruitment

What arrangements will you make to recruit apprentices and other trainees from agreed sources?

## 4 Support for Trainees

What arrangements will you make to provide mentoring and support for trainees and work placements to ensure maximum retention and achievement of industry accreditation?

## 5 Retention of Trainees

What steps will you take to maximise the number of new entrant trainees that are retained after the completion of the time they can be counted as ‘new entrant trainees’, and what percentage of new entrant trainee starts would you hope to retain at this stage?

## 6 Training Initiatives

What training initiatives would you seek to utilise, and with which organisations, to maximise achievement of the jobs and skills requirements? What arrangements will be made for work place recording and assessment?

## 7 Notification of Vacancies

What arrangements will you make to notify all vacancies to agencies named by the Contracting Authority and provide time for applications from these sources to be considered?

## 8 Contractors and subcontractors

How will you obtain the cooperation of subcontractors and suppliers to ensure the delivery of the jobs and skills requirements?

## 9 Information

How will you ensure that personal information on each 'new entrant trainee' can be provided to the Contracting Authority?

## 10 Management

Who will be responsible for the delivery of the jobs and skills requirements [on site and/or for the contract(s)]?

## 11 Other Information

Please provide here any additional information on how you would approach the implementation of the jobs and skills requirements, including any innovative ideas.

## 12 Costs

Please complete Table 3 in relation to the resources required to deliver the TR&T requirements.

*Table 3. Summary of Resources*

Cost Item	£	Basis of calculation
Management and administration		
Training costs		
Additional site costs		
Mentoring and support activities		
<b>Total cost</b>		
<b>Sources of Funding and other Resources</b>		
Grants (e.g. from Construction Skills)		
Existing company staff / overheads		
Trainee productivity		
Services from other external agencies		
<b>Total of additional resources</b>		
<b>Net Cost</b>		Difference between Total cost and Total of additional resources. [This should be NIL] [(remove bracketed text if a net cost is required)]

Question 12 can be:

- removed if no cost information is required by the Contracting Authority;
- used to ensure a cost-neutral approach;
- amended so that a net cost is shown.

### Model Document 5: Jobs and Skills Requirements in a Framework Agreement and / or Group Purchasing

Model Document 5 includes alternative wording that can be used procuring a framework agreement and associated call-off contracts. The approach can be modified for use in group purchasing.

This template could:

- be used in line with requirements from Model Document 3 and 4;
- be compatible with the deposit sum approach used in Model Document 1.

Add the following text to point 5 in Model Document 3 (amending to suit whichever of the two first paragraphs is selected).

It will be a condition of contract that after appointment each contractor shall provide the following after discussion with [ ] *[enter the name of the supply-side intermediary or relevant representative of the Contracting Authority]* and consideration of any Training Information Sheet that is made available:

- an annual recruitment and training method statement setting out how they will deliver the requirements set out in paragraphs 2.1 to 2.9 *[or 2.10 if deposit sum requirements are to be included]* below. This must be submitted to the Contracting Authority using the pro-forma set out in Appendix [ ] within one month of selection for the framework;
- a project targeted recruitment and training method statement *as part of each call-off contract setting out how they will deliver the requirements set out in 2.1 to 2.9 [or 2.10 if deposit sum requirements are to be included]* below. This must be submitted to the Contracting Authority using the proforma supplied.

*The method statement in Model Document 4 can be amended to be made suitable for an annual project specific statement, or the following template method statements used.*

#### Annual Recruitment & Training Method Statement

This method statement is for use after appointment as a framework supplier and before any call-off under the framework has been issued.

Period Covered - April [ ] to March [ ]

---

Name of Company

---

Name of Employer

---

Contract/Task Title/Description

---

Contact Name

---

Position

---

Telephone number(s)

---

E-mail address

I confirm that this method statement sets out the actions that will be undertaken to ensure the achievement of the Contracting Authority's recruitment and training requirements. It is recognised that we may not be considered for the award of work unless a current method statement is held on file by the Contracting Authority.

---

Signed

---

Print Name

---

Date

*Ensure that information is provided in each of the following sections.*

1. Who is responsible for the delivery of the jobs and skills elements of the contract within your organisation?

---

Name

---

Position

---

Tel

---

E-mail

2. What arrangements will you make for the recruitment of apprentices and other trainees from sources named by the Client?
3. Which named sources will you use?
4. How will you organise the management and supervision of the works/services to ensure that the jobs and skills requirements are fully delivered?
5. What steps will be taken to ensure subcontractor co-operation where this is necessary to fulfil the training requirements?
6. Who will be responsible for submitting trainee registration forms and transfer and termination forms? (see paragraphs 2.9.6 – 2.9.8 of the Client's requirements).

---

Name

---

Position

---

Tel

---

E-mail

- 7. What arrangements will you make to provide mentoring and support to new entrant trainees and work experience placements, to ensure maximum achievement of industry accreditation and to ensure that the quality requirements for the project are not compromised? How will workplace recording and [on site] assessment be provided?
- 8. What arrangements will you make to ensure that trainees and apprentices are paid according to industry norms and that their remuneration increases in line with their experience and productivity?
- 9. How will you fund the jobs and skills requirements in the next year to minimise the cost to the Client?
- 10. What will the net cost per new trainee Person-week be (after receiving grants and external resources)?

£.....

- 11. From previous experience, what are the main problems that need to be addressed to ensure the successful recruitment, retention and accreditation of new entrant trainees from target communities and groups?
- 12. What steps will you put in place to address these problems in the next 12 months?
- 13. Please provide any other information about your commitment and the approach and actions you intend to take to ensure the delivery of the targeted training requirements.

This method statement is to be submitted to  
[ ] *[enter the name of the person representing the Employer]* at least four weeks prior to commencement of the first call-off contract under the framework, and renewed by each 31st March thereafter. Where a method statement is considered to be incomplete or otherwise unsatisfactory the contractor(s) will be advised through a meeting within four weeks of submission and will be given two weeks to submit a revised statement. If the latter is not received or is still inadequate a rectification notice will be issued and kept in place until a satisfactory method statement has been received. The existence of a current rectification notice may be a consideration when allocating call-off contracts.

**Call-off Contract Recruitment & Training Method Statement**

This method statement should be required with each submission submitted for a call-off under the framework contract where a mini-competition is held. Where jobs and skills are part of the subject of the contract(s) this method statement may be scored and used in the selection of the contractor.

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Name of Employer

\_\_\_\_\_  
Contract/Task Title/Description

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Position

\_\_\_\_\_  
Telephone numbers

\_\_\_\_\_  
E-mail address

I confirm that this method statement sets out the actions that will be undertaken to ensure the achievement of the Employer’s recruitment and training requirements. [It is recognised that this document may be evaluated as part of the award process].

\_\_\_\_\_  
Signed

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
Date

Ensure that information is provided in each of the following sections. This document must be submitted as part of each valid tender/pricing or as otherwise requested by the Client.

**1. Training Opportunities**

a. What is the value of anticipated total labour content of the contract/task (excluding VAT)?

£ \_\_\_\_\_

b. How many new entrant trainee Person-weeks of employment will be provided to comply with the new trainee requirements in [ \_\_\_\_\_ ] [enter the reference] of the framework contract?

\_\_\_\_\_  
Person-weeks

c. Complete the table below to show the split of opportunities between trainees currently working on other call-off contracts under the framework as a response to the jobs and skills requirements and trainees who are new to the framework.

	Trainee Person-Weeks				
	Year 1*	Year 2	Year 3	Year 4	Total
Enter the financial year					
Total Person-weeks to be delivered (1.2 above)					
Person-weeks to be utilised by the contractor’s existing framework trainees**					
Person-weeks to be utilised by additional new-entrant trainees					

\* Financial years

\*\* this is the allocation that will be used to provide continuity for new entrant trainees already registered with a consortium member.



**Model Document 6: Targeted Recruitment and Training Protocol: A Non-contractual or Voluntary Approach**

Model Document 6 includes a protocol to obtain jobs and skills commitments from contractors on a voluntary basis when the contract has already been let. This could be used as part of Approach 2 of the Framework.

This Model Document includes requirements that:

- are appropriate for the type and scale of works/services/supplies being delivered;
- are required to address the needs in the target community;
- can be supported by the supply-side agencies;
- can effectively be monitored and followed-up.

The notes from model Documents 2 and 3 can be used in connection with Model Document 6, and the method statement contained in Model Document 4 can be used. For long contracts annual method statements can also be required.

**Targeted Recruitment and Training Protocol**

The Parties to this agreement are:

**The Client**

Name

---

Authorised signatory

---

Date

---

Print Name

---

Position

---

Tel

---

E-mail

---

**The Contractor**

Name

---

Address

---



---



---

\_\_\_\_\_  
 Authorised signatory

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Position

\_\_\_\_\_  
 Tel

\_\_\_\_\_  
 E-mail

### 1 Introduction

The Client has established policies on [sustainable development / social inclusion / economic and social regeneration / equal opportunities] and wishes to obtain the support of the Contractor in the achievement of these through the delivery of the jobs, skills and supply-chain activities set out below. It is recognised that the support of the Contractor is [on a voluntary basis] [an extension to the current contracts and that reasonable net costs<sup>14</sup> will be payable by the Employer through the open book arrangements].

### 2 The Requirements

The Contractor agrees to submit within four weeks of the date of the Protocol [and each twelve months thereafter] a recruitment and training method statement, using the attached pro-forma, setting out how the outcomes set out below will be achieved [without cost to the Employer<sup>15</sup>] [delete and amend Question 11 in the method statement if the Employer has an open book contract and is able to cover the cost of the TR&T requirements].

Prior to completing the method statement the Contractor will hold discussions with [ ] [enter the name of the chosen agency or intermediary] and other supply-side organisations identified by the Client.

#### 2.1 New Entrant Trainees

[ ] Person-weeks of employment to be provided for a new entrant trainee recruited from a source agreed by the Client, for each £1m in contract value, taking into account the following:

- 2.1.1 a Person-week is the equivalent to one person being employed for five days [as part of this contract] [either on the development site or on other sites with the agreement of the Client];<sup>16</sup>
- 2.2.1 a new entrant trainee<sup>17</sup> is a school or college leaver, or an adult that has not been employed in the industry during the previous six months and who is undertaking training towards a qualification recognised by the industry or the Client.

*(Questions 2, 3 & 4 in the method statement relate)*

<sup>14</sup>'net costs' are total costs less grants and nil-cost services obtained, and after deducting the value of trainee productivity.

<sup>15</sup>The Contractor is expected to cover the cost of the training requirements to the fullest extent possible by accessing public sector and industry funding and by effectively managing the works so as to achieve good productivity from the trainees.

<sup>16</sup>The Contractor will provide transport to alternative sites where these are not within 5 miles of the site where the trainee is initially engaged.

<sup>17</sup>A trainee could be registered as an apprentice with an industry recognised body (who can be counted as a 'new entrant' for up to [ ] weeks) or a person that has a trainee contract or a contract of employment or self-employment that are not apprentices (who can be counted as a 'new entrant' for up to [ ] weeks). (insert figures).

## 2.2 Recruitment

Every vacancy on site, including those with subcontractors, will be notified to agencies named by the Client [at least three working days before recruitment from other sources], and candidates identified by these agencies will have an equality of opportunity in the selection process.

The Contractor will consider entering into a Local Employer Partnership or an equivalent agreement to recruit people who are disadvantaged in the labour market.

*(Question 6 in the method statement relates)*

## 2.3 Unwaged work experience

The equivalent of [ ] Person-weeks per £1m in contract value will be made available as unwaged work experience opportunities. Both parties acknowledge that some of these may not be utilised.

*(Question 2 in the method statement relates)*

## 2.4 Workforce Training

The Contractor will use reasonable endeavours to assist employees to achieve [full CSCS registration and NVQ Level 2] or equivalent and higher levels of qualification. Arrangements for on-site training, assessment and recording will be provided.

*(Question 5 in the method statement relates)*

## 2.5 Training Plan

When requested by the trainee or their training organisation, a training plan will be maintained for each 'new trainee', using a pro-forma where this is provided. The training plan will be available for inspection by the Client and its agents at any reasonable time.

## 2.6 Skills Forums

The Contractor will support the work of [insert the relevant industry training forum] established in the locality of the [contract/services/supplies/works].

## 2.7 Remuneration

Trainees and recruits will be paid in accordance with industry norms and have terms and conditions of employment that are at least equivalent to those provided to workers that have equivalent skills and experience.

The Contractor will use reasonable endeavours to increase the remuneration of trainees in line with their experience and productivity.

## 2.8 Supply-chain Opportunities

When requested by the Client, the Contractor will:

- 2.8.1 take reasonable steps to participate in initiatives to identify and nurture additional supply-chain organisations based in or around the area where the [development is] [works/services/supplies are] taking place;
- 2.8.2 include supply-chain opportunities on the [ ] website [ ] at least 7 working days before invitations to submit a tender or price are issued;
- 2.8.3 give consideration to firms registered with [ ], especially those located in and around the area where the development is taking place, when issuing invitations to tender or price for contract opportunities.

## 2.9 Monitoring & Verification Information

Within four weeks of completion of each [4/13/26] week period following acceptance of the method statement by the Client the Contractor will provide a recruitment and training performance statement setting out in relation to the period and the contract to date:

- 2.9.1 the number of weeks' employment provided to each new entrant trainee, including those [on sites] [in locations] outside of the contract where this has been necessary to provide continuity of employment and training and where this has been agreed with the Client;
- 2.9.2 the number of new entrant trainees retained in employment after the completion of their period as a 'new entrant trainee';
- 2.9.3 a schedule showing for the Contractor and each subcontractor:
  - 2.9.3.1 the number of personnel starting [on site] [on the contract] in the period and cumulatively since the acceptance of the method statement;
  - 2.9.3.2 the number of vacancies notified to agencies named by the Client;
  - 2.9.3.3 [the number of people engaged on site in any capacity that have their main residence in one of the following postcode areas: [ ] [enter the relevant 3 or 4 digit postcodes] or [the postcodes of the main residence of all people engaged on site / on the contract in any capacity].
- 2.9.4 a schedule listing the firms invited to tender or price for subcontracts and supply contracts under 2.8 above and indicating which of these were successful;
- 2.9.5 [the total value of subcontracts and supplies contracts that have been awarded to firms with a [ ] [enter the relevant 3 or 4 digit postcodes] post-code] or [the post codes of all subcontractors and suppliers and the value of the contracts awarded to each].

For verification purposes the following documentation will be required by the Client using pro-forma documentation provided:

- 2.9.6 a trainee recruitment notification signed by the trainee (to permit the provision of personal data to the Client for contract monitoring purposes);
- 2.9.7 a trainee transfer notification where a trainee is moved between [sites / services / contract], or between employers engaged in the [development / contract]; and
- 2.9.8 a trainee completion or termination notification.

## 3 Contractor and Subcontractor Compliance

The Contractor will develop a working method that will deliver the recruitment and training requirements and supply-chain opportunities and related monitoring and verification data, and obtain the full cooperation of subcontractors and suppliers in delivering these requirements.

## 4 Support

The agreement of a recruitment and training protocol does not comprise or imply any promise on the part of the Client or their agents to provide suitable trainees or labour. Any action taken by the Client or its agents to broker relationships between the Contractor and local individuals/firms/agencies does not imply that the Client or its agents consider the individual/firm/agency as suitable for engagement by the Contractor. All recruitment, supervision and discipline responsibilities rest with the Contractor and subcontractors. Within this context the Client will work with local agencies to help facilitate the achievement of the recruitment and training requirements.

### Model Document 7 - Model Scoring Framework for a Construction Procurement

The questions and the order of questions need to be aligned with the method statement that is provided for bidders to complete.

#### Contract Title

#### Bidder Name

	Key Requirement Scores	Points		Guide to a good response
		Max	Actual	
<b>Targeted Recruitment</b>	Will notify suitable agent	3		Name an agent that will meet client's aims
	State that have equality policy	1		Reference to a policy
	Provide or quote equality policy	1		Written evidence of a policy
	Check subcontractor equality policies	1		Say they have a process for checking that sub-contractors have equality policies
	Give examples of promoting equality	1		Refer to experience of encouraging applications from communities that are under-represented in their workforce
	Method for subcontractor compliance*	3		Say how they will ensure that sub-contractors notify all vacancies
	Sector Score	<b>10</b>		
<b>New Trainees</b>	Complete Table (1) correctly	2		Is there a range of occupations shown, and p/wks and numbers for each? Does the total add up correctly?
	Mix of apprentices and trainees	4		Does the mix of trainees look deliverable in relation to trainee supply and the costs/funding shown in Table 5.1?
	Spread across trades	4		Flow of trainees throughout the works, and opportunities for new entrants with different interests and capabilities
	Total Person-weeks	4		Does this represent 52 Person-weeks per £1m in contract value?
	Adequate duration of traineeships	4		Person-weeks per trade divided by the number of recruits: is the duration of training in line with the definitions and trade training norms?
	Reference to training plans	3		Is there a commitment to planned in-service training?
	Mentoring and support	4		Description of support and mentoring to trainees. Training supervisor. Personal mentor. Regular progress reviews.

	Key Requirement Scores	Points		Guide to a good response
		Max	Actual	
	Trainee management arrangements	2		Will there be a named supervisor or training manager? Will there be regular progress reviews? Will the training provider be involved?
	How to involve sub-contractors*	3		Will the developer/contractor employ the trainees? If not how will sub-contractors be involved e.g. contract requirement?
	Sector Score	<b>30</b>		
<b>Work Experience</b>	Complete table 2	1		Table 2.2 is completed
	Total person-weeks	1		Does this represent the desired number of Person-weeks per £1m in contract value?
	Spread across trade	2		Does this provide opportunities in trades where there will be interest?
	Sector Score	<b>4</b>		
<b>SME Opportunities</b>	Will work with suitable agency	7		Name an agent that will meet your aims
	Say how they will maximise opportunities.	7		State the steps they will take to include three firms on each list
	Give example of current practice	4		Say how they currently seek to identify additional suppliers
	Give example of practice elsewhere	2		Say if they have been involved in similar schemes elsewhere
	Sector Score	<b>20</b>		
<b>Monitoring</b>	Info on staffing for monitoring	1		Say who in the organisation – clerical operative - will be responsible
	State what verifiable output data they will provide	5		Refer to quarterly report; trainee weeks provided; work experience weeks provided; firms from list invited to tender and outcome; accreditation obtained.
	How will collect data from subcontractors?*	3		A process for obtaining trainee-weeks and postcodes from subcontractors e.g. through site security records or other 'returns'
	Reference to data protection	1		Indicate that they understand the issue and will get employee agreement to provide personal data where necessary
	Sector Score	<b>10</b>		
<b>Management</b>	Contact information provided	2		Are the contact details provided?
	Information on experience	4		Information on the relevant experience of the named person e.g. contracts where they have delivered equivalent requirements before
	Sector Score	<b>6</b>		

	Key Requirement Scores	Points		Guide to a good response
		Max	Actual	
<b>Funding Approach</b>	Table 5.1 completed	3		Are all sections of the table completed? Is the maths right?
	Use of external resources	5		Are they maximising the use of external resources for training and job-matching?
	Value of trainees' work shown	2		If the trainee's wages are included is their work given a value? (Score full if this does not apply)
	<b>Sector Score</b>	<b>10</b>		
<b>Statement</b>	Understanding of the contracting authority's objectives	3		Expression of support for your objectives
	Commitment	3		Expression of their commitment to training, disadvantaged communities, SME opportunities
	Innovative ideas	4		Have they suggested any useful innovations?
	<b>Sector Score</b>	<b>10</b>		
	<b>Total Score</b>	<b>100</b>		

\*Where there are no subcontractors are involved then the full points should be awarded.

Scoring undertaken by:

(Print Name)

(Signature)

Date

Tel. No.

E-mail

Checked by:

(Print Name)

(Signature)

Date

Tel. No.

E-mail

## Section 7: EU Legislative Framework - Detailed Guidance

Much of the legislation governing the use of competitive processes by public authorities in their procurement derives from European Union law, which is based on the fundamental principles of:

- Equal treatment and non-discrimination: giving everyone the same chance to win the contract irrespective of their nationality or whether they are familiar to the contracting authority or not;
- Transparency: stating requirements and award criteria up front and sticking to them;
- Proportionality: setting requirements with reference to the needs of the contract in question;
- Mutual recognition: giving equal validity to qualifications and technical standards of other Member States, where appropriate.

These principles are intended to remove barriers to trade between the Member States and create a free internal market within the EU by facilitating organisations from all over the EU to bid for the same public contracts. These aims are balanced increasingly with other objectives including the protection of the environment, combating social exclusion and deprivation, and consumer protection.

The EU public procurement legal framework consists of:

- certain provisions of the Community Treaties, most importantly Articles 28 (free movement of goods), 43 (freedom of establishment) and 49 (freedom to provide services) of the EC Treaty; and
- EU procurement Directives which regulate award procedures with regard to contracts above a certain value. These are implemented in England and Wales by way of statutory instrument laying down regulations governing the procurement of works, goods and services. In particular, Directive 2004/18/EC, often referred to as the 'Consolidated Directive' because it replaced three separate directives on works, supplies and services, was implemented by the Public Contracts Regulations 2006 on 31st January 2006.

The EU procurement rules operate principally at three levels:

- requirements for the advertising across the European Union of contracts for works, goods and services (this is done by placing a contract notice in the Official Journal of the European Union);
- the encouragement of the use of technical standards and approvals which are of application across the EU or the recognition of technical standards and approvals in force in another Member State where these are of a similar standard to those in force in the UK; and
- requirements for objective and open criteria for evaluating tenders and selecting contractors.

The EU procurement rules cover a wide range of bodies and contracts. 'Contracting authorities', the term used in the rules, includes central government departments, local authorities and non departmental public bodies, but also 'bodies governed by public law', a term which covers organisations established to meet needs in the general interest, not having an industrial or commercial character, and which are either:

- financed wholly or mainly by another contracting authority;
- subject to management supervision by another contracting authority; or
- more than half the board of directors or members of which is appointed for another contracting authority.

## The Justification for using Social Clauses under EU Law and Case Law

### The Consolidated Directive

As stated in the Office of Government (“OGC”) guidance “Social Issues in Purchasing”, the Consolidated Directive “makes explicit the scope to take social and environmental issues into account at the relevant phases of the procurement process”. The Consolidated Directive says much more on the subject of social and environmental considerations than its preceding directives, both in its non-binding but influential recitals and its articles. Recital 1 of the Consolidated Directive states:

*“This Directive is based on Court of Justice case-law, in particular case-law on award criteria, which clarifies the possibilities for the contracting authorities to meet the needs of the public concerned, including in the environmental and/or social area, provided that such criteria are linked to the subject-matter of the contract, do not confer an unrestricted freedom of choice on the contracting authority, are expressly mentioned and comply with [Treaty Obligations]”.*

There are recitals which support other environmental and social issues, such as sheltered workshops, including eco-labels in specifications and the involvement of small and medium-sized undertakings in the public contracts procurement market. In addition, there are articles which govern sheltered workshops and environmental requirements. Most specifically in the context of this paper, Recital 33 states:

*“Contract performance conditions are compatible with this Directive provided that they are not directly or indirectly discriminatory and are indicated in the contract notice or in the contract documents. They may, in particular, be intended to favour on-site vocational training, the employment of people experiencing particular difficulty in achieving integration, the fight against unemployment or the protection of the environment. For instance, mention may be made, amongst other things, of the requirements – applicable during performance of the contract – to recruit long-term job-seekers or to implement training measures for the unemployed or young persons, to comply in substance with the provisions of the basic International Labour*

*Organisation (ILO) Conventions, assuming that such provisions have not been implemented in national law, and to recruit more handicapped persons than are required under national legislation.”*

### In Recital 46 there is the following acknowledgement:

*“In order to guarantee equal treatment, the criteria for the award of the contract should enable tenders to be compared and assessed objectively. If these conditions are fulfilled, economic and qualitative criteria for the award of the contract, such as meeting environmental requirements, may enable the contracting authority to meet the needs of the public concerned, as expressed in the specifications of the contract. Under the same conditions, a contracting authority may use criteria aiming to meet social requirements, in response in particular to the needs – defined in the specifications of the contract – of particularly disadvantaged groups of people to which those receiving/using the works, supplies or services which are the object of the contract belong.”*

### Article 26 of the Consolidated Directive has this express provision:

*“Contracting authorities may lay down special conditions relating to the performance of a contract, provided that these are compatible with Community law and are indicated in the contract notice or in the specifications. The conditions governing the performance of a contract may, in particular, concern social and environmental considerations.”*

This is translated in the Public Contracts Regulations 2006 by Regulation 39 which states:

- (1) A contracting authority may stipulate conditions relating to the performance of a public contract, provided that those conditions are compatible with Community law and are indicated in:
  - (a) the contract notice and the contract documents; or
  - (b) the contract documents.
- (2) The conditions referred to in paragraph (1) may, in particular, include social and environmental considerations.

## Case Law

There have been some important European cases concerning social clauses in public contracts which have had a bearing on the Consolidated Directive and which continue to develop the shape of the law as it is interpreted by the courts. These are summarised in the table below.

Not all the cases are easy to reconcile with each other or with current European Commission guidance but they do establish some important principles that are relevant to the inclusion of TR&T and other social matters in procurement by contracting authorities, including:

- it is possible to include TR&T requirements in public procurement provided that the drafting and the process does not disadvantage non-local bidders, for example by requiring them to have local labour market knowledge, or a local base, or use local material;
- environmental and (by implication) social requirements that address a policy objective of the purchaser are permissible: they do not need to provide an economic benefit to the purchaser; and
- all requirements must be capable of measurement and verification.

**Table 1 Brief Guide to Relevant European Procurement Case Law**

Case Name	Case Reference	Key Points to Remember
Beentjes	Gebroeders Beentjes B.V. v The State (Netherlands) (C31/87)	A contract condition that the Contractor must employ long-term unemployed persons can be compatible with the rules, so long as general EU Treaty principles are adhered to.
Nord-Pas-de-Calais Region	Commission v the French Republic (C225/98)	A 'local labour' award criterion can be applied as an 'additional' criterion where the MEAT assessment of bids on a purely economic basis has revealed "two or more economically equivalent tenders". NB: This case should be treated with caution.
Finnish Buses	Concordia Bus Finland Oy Ab (formerly Stagecoach Finland Oy Ab) v (1) Helsingin Kaupunki (2) HKL-Bussiliikenne (2002) (C-513/99)	Contracting authorities are entitled to include environmental (and, by implication, social) considerations in their award criteria. These need not be purely economic in nature. They need to: <ul style="list-style-type: none"> <li>• be linked to the subject matter of the contract;</li> <li>• not confer an unrestricted freedom of choice on the authority;</li> <li>• be expressly mentioned in the contract documents or tender notice; and</li> <li>• comply with all the fundamental principles of community law, in particular the principle of non-discrimination.</li> </ul>
EVN	(1) EVN AG (2) Wienstrom GMBH v Republic of Austria (2003) (C-448/01)	The accuracy of the information sought from tenderers in relation to environmental (and, by implication, social) requirements must be capable of being verified. Award criteria that are not linked to the subject matter of the contract are not permissible.
Insalud	Contse SA v Insalud (Now Ingesa) (2005) (C-234/03)	A pre-qualification requirement for a contractor to have premises within a particular geographical area was held to be discriminatory and unjustified.
De Pont de Nemours Italiana and Laboratori Bruneau	Du Pont de Nemours Italiana SpA v Unità Sanitaria Locale No. 2 Di Carrara [1991] 3 CMLR 25 Laboratori Bruneau Srl v Unità Sanitaria Locale RM/24 De Monterotondo [1991] 1 CMLR 707	It was discriminatory to require bidders to obtain a set portion of their supplies from a specified region.

Case Name	Case Reference	Key Points to Remember
Commission v Italy	EC Commission v Italy [1991] 2 CMLR 115	It was discriminatory to require contractors be chosen from only companies in which all or a majority share of share capital was in public ownership.
Frigerio Luigi	Frigerio Luige & C. Snc v Comune di Triuggio; Azienda Servizi Multisetoriali Lombarda ASML SpA (intervening party) (2007) (C-357/06)	National provisions cannot permit contracting authorities to preclude bidders solely on the ground that they do not have a specified legal form (such as a company limited by shares).

### Recent UK case law

To date, few legal procurement challenges have reached the UK courts, so there is very little domestic case law to guide contracting authorities on the use of social clauses. The cases in the following table (many of which come from Northern Ireland), however, make some relevant points which should be kept in mind.

Case Name	Case Reference	Key Points to Remember
Brent v Risk Management Partners	Brent London Borough Council (appellant) v Risk Management Partners (respondent) and (1) London Authorities Mutual Limited (2) Harrow London Borough Council (Interested parties) [2009] EWCA Civ 490	Participation in a mutual insurance company was not within the powers given to a local authority under section 2 of the Local Government Act 2000 (the “well-being” powers). This has been seen by some as a signal that local authorities’ well-being powers will not be considered by the courts to be as wide-ranging as they are drafted.
Federal Security Services	Federal Security Services Limited (plaintiff) v Northern Ireland Court Service (defendant) & Resource (NI) Limited (intervening party) [2009] NIQB 15	Tendering instructions and award criteria should be certain and unambiguous.
Henry Brothers	Henry Brothers (Magherafelt) Limited & Ors v Department of Education for Northern Ireland [2008] NIQB 105	At least at the primary consideration stage, it is not possible to omit criteria relating to price. Unless the cost of the relevant goods or services was fixed, it would be very difficult to reach any objective determination of what was the “most economically advantageous tender”, without an indication of price in relation to which non-price elements can be taken into account.
McLaughlin & Harvey	McLaughlin & Harvey Limited v Department of Finance and Personnel [2008] NIQB 91	Where sub-criteria are used as part of the assessment of tenders, these must be disclosed to bidders.
Letting International	Letting International Limited v Newham London Borough Council [2008] EWHC 1583 (QB)	The duty on a contracting authority to act in a transparent way include the need to sufficiently disclose contract award criteria and weightings in advance, including setting out detailed criteria and sub-criteria where these are used.

### The Remedies Directive

The EU Remedies Directive<sup>18</sup> has recently been implemented in England and Wales through the Public Contracts (Amendment) Regulations 2009, which amend the Public Contracts Regulations 2006.

The changes strengthen the legal review procedures that are available for breaches of the laws governing the award of public contracts, and increase the range of remedies available. The changes include, amongst other things:

- the automatic suspension of a contract award procedure whenever legal proceedings are started in respect of a contract award decision;
- changes to the standstill period such that a new obligation is imposed to release the reasons for the award decision at the start of standstill, rather than upon request (as was previously the case);
- a new obligation to allow extra time for tenderers to receive the standstill notice in situations where the notice is sent using non-electronic means;
- a new UK-specific obligation for authorities to notify participants of their elimination from a procurement exercise, which makes the previously ambiguous and arguably implied notification obligations in the Regulations clearer and explicit.<sup>19</sup>

<sup>18</sup>Council Directive 2007/66/EC

<sup>19</sup>Previously, there had been ambiguity about whether the EU Directives and the 2006 Regulations required contracting authorities to notify participants when they are eliminated from a procurement exercise before the point at which the contract award decision is made.

## Section 8: The Public Sector offer - Employment and Training support services available to prospective contractors

### The West Midlands 'Employer Offer'

Jobcentre Plus and the Learning and Skills Council work closely together not only to get people ready for work but also help develop their skills once in employment, via access to the Train To Gain service.

The West Midlands Employer Offer describes to employers the straightforward way in which their recruitment and skills needs can be addressed.

Employers are offered services to meet their business needs, regardless of the size of company or the sector in which they operate. In return employers are asked to commit to opening up job opportunities to a wider pool of applicants and to offer further training to their existing workforce.

### The West Midlands Employer Offer includes:

- Recruitment tailored to the employers requirements, delivered by Jobcentre Plus;  
This could range from a core vacancy advertising service, to the Local Employment Partnership initiative (detailed below) depending on the employer commitment to help people to get back into work and your business needs.
- Job scoping and individual skills assessment, to ensure a match between prospective recruits and the skills requirements of a job;
- Free training to address basic literacy, communications and numeracy needs. Training employees to their first Level 2 qualification;
- Meeting your organisation's development and training needs to help improve the skills of employees and business performance through the Train to Gain service;
- Bespoke pre-recruitment and post-recruitment training programmes designed by employers to equip prospective recruits with essential skills to be job-ready;

This can range from a few days to training on a full time basis for up to 8 weeks.

- Access to Work Trials, where potential recruits have the opportunity to demonstrate their suitability for a job with an employer, before committing themselves to moving from benefits to employment;
- Apprenticeships, a tried and tested way of recruiting and developing existing skilled individuals with real experience in your workplace;

In addition, the Offer ensures the employer has a named contact who will be responsible for supporting your recruitment and skills requirements and who will bring together key partners to meet these needs.

### Jobcentre Plus Services

Jobcentre Plus, a Government Agency and part of the Department for Work and Pensions, has 750 offices across Britain and works with over 275,000 employers, advertising over 4 million jobs per year.

The Agency offers professional, modern Vacancy Advertising Services at no cost to a recruiting employer.

Employers work with Jobcentre Plus because it makes sense for their business, saving them time and money and giving them control over how they recruit.

In return for agreeing to work with Jobcentre Plus and its candidates, the Agency offers a wide range of support, from financial help to train recruits without the necessary experience, to practical advice on making reasonable workplace adjustments to help retain staff who become disabled. For example:

- **£1000 Recruitment Subsidy** - payable to employers who recruit someone who has been claiming Jobseekers Allowance for six months or more<sup>20</sup>;
- **Work Trials** - a risk-free way to try out a potential employee (for up to 30 days) at no cost to the business.

The above services are usually delivered through Local Employment Partnerships, the Jobcentre Plus flagship recruitment programme.

<sup>20</sup> In line with terms and conditions available at [www.jobcentreplus.gov.uk/£1000](http://www.jobcentreplus.gov.uk/£1000)

### Local Employment Partnerships

Local Employer Partnerships (LEPs) enable employers to provide more job opportunities for disadvantaged jobless people. In a LEP, individual employers agree to work with Jobcentre Plus and its partners, to provide opportunities for people often overlooked when employers are recruiting, including:

- People with health conditions or a disability, on Incapacity Benefit;
- Lone Parents on Income Support;
- Those in receipt of Jobseekers Allowance for more than 12 months;
- People who have been out of work and receiving Jobseekers Allowance for shorter periods of time
- Those out of work, but not claiming benefits, who live in local authority wards with the greatest concentrations of unemployment; and, since April 2009,
- People who find themselves newly unemployed as a consequence of the Recession.

LEPs are based on a 'deal' with individual employers:

- The Government, through Jobcentre Plus and its partners, takes steps to understand employers' requirements and to help disadvantaged people to get ready for work;
- Employers with vacancies give disadvantaged jobless people an opportunity to be considered for the job - through a range of measures which might potentially include adjusting recruitment processes, offering a Work Trial, guaranteed interviews, arranging work placements, providing mentoring and linking pre-employment training to recruitment.

Jobcentre Plus works with employers who commit to LEPs to agree specific measures at local level.

Unlike the New Deal or Pathways to Work LEP is not a programme, but does make use of these and similar programmes to prepare people to meet employer requirements LEPs bring together a range of Government-funded employment and skills support to benefit employers and individuals.

LEPs can support any employer - large or small - who wishes to work closely with Jobcentre Plus.

Already, over 9,000 employers in the West Midlands have provided recruitment opportunities and 13,000 disadvantaged jobseekers starting work.

Employers using LEPs range from large, national companies such as Asda, HSBC, Carillion and Tesco to SMEs, and Public Sector organisations.

### Getting in touch

Jobcentre Plus works with a wide range of partners across the West Midlands to tailor recruitment to the needs of employers. The above offers only a brief outline of what the agency delivers. For more detail on recruitment support, please contact Jobcentre Plus in the district where you will be placing vacancies:

Birmingham and Solihull - 0121 255 8351

Black Country - 01902 435163

Coventry and Warwickshire - 02476 232598

Marches (Herefordshire Shropshire, Worcestershire) - 01432 363672 Or 01562 623661

Staffordshire - 01782 382164

### The Learning and Skills Council

#### Information for employers

The national Train to Gain service enables employers to have access to funding to train employees with potential train employees with the skills required. This takes place predominantly on employer premises to ensure minimum disruption to business activity.

#### How can Train to Gain benefit employers?

Train to Gain can help your business:

- get the essential skills to boost performance and remain competitive;
- improve efficiency and increase profits - a company employing 50 staff could save £165,000 each year by filling the gaps in their employee's skills;
- increase staff motivation and confidence and improve retention - 45% of employees feel more valued if an employer invests in their skills.

**Contributions to wage costs**

For small businesses (less than 50 employees); the LSC will contribute to the cost of your staff spending time away from work, undertaking agreed training.

**What types of qualifications are available and which of my staff could be eligible?****Skills for Life**

Employees can receive training in literacy and numeracy. This provides a foundation which enables a learner to move on to a Level 2 qualification.

**First full Level 2 qualifications (equivalent to 5 good GCSEs)**

The LSC will provide funding for employees who don't already have a full Level 2 qualification. There is also funding available for individuals who already hold a Level 2 to enable them to gain another qualification at this level in skills deemed economically valuable.

**Contributions to Level 3 qualifications (equivalent to 2 A-levels)**

For employees with a Level 2 qualification, the LSC will contribute significantly towards the cost of a Level 3 qualification. For employees who don't have a Level 2 qualification, but have the skills to progress straight to Level 3, we will provide full funding for Level 3 qualification. For those who already possess a Level 3 qualification or above funding is available for a number of additional economically valuable Level 3 qualifications. For employees aged 19-25 we provide full funding for a Level 3 qualification.

**Level 4 qualifications**

There is some funding available for higher level skills.

**To access Train to Gain call Business Link West Midlands on 0845 113 1234 and ask to speak to a Business Advisor or visit [www.traintogain.gov.uk](http://www.traintogain.gov.uk)**

**Business Link**

Business Link West Midlands can also help your business access other forms of business support which may help your business actively pursue public procurement opportunities, whether you are a Social Enterprise or an SME.

An advisor will undertake a thorough review of your business and develop with you an action plan, which will focus on how to improve your overall business performance. Subsidised support may be available to help implement some of the actions to improve key aspects of your business.

Support is also available to help individuals start their own business, with specific support available for those looking to start a Social Enterprise, which is funded by the Office for the Third Sector.

To discuss your needs with a Business Adviser, or to access start-up support, call 0845 113 1234 or email [info@businesslinkwm.co.uk](mailto:info@businesslinkwm.co.uk).

**The National Apprenticeship Service****How can Apprenticeships benefit my company?**

The National Apprenticeship Service (NAS), launched in April 2009 was established to deliver an end to end service to support employers wishing to take on apprentices. A key aim of the service is to drive up Apprenticeship starts across England by raising employer participation. This equates to 250,000 Apprenticeship starts in England over the next year, an increase in excess of 25,000. The public sector and its supply chains have a critical role to play in increasing Apprenticeship opportunities.

Apprenticeships are rapidly becoming the preferred way for organisations to train and develop skilled staff, both existing employees and new recruits. As most Apprenticeships attract public funding many employers realise the opportunity to maximise training budgets through joint investment.

### **Business Benefits**

Over 130,000 organisations offer Apprenticeship places because they understand the benefits apprentices bring to their business:

- 81% of businesses say that employing apprentices generates higher overall productivity
- 82% of employers rely on their Apprenticeship programme to give them the skilled workers they need for the future
- 92% of employers thought that Apprenticeships resulted in greater employee motivation and job satisfaction
- 66% of businesses report that their Apprenticeship programme makes them more competitive in their industry
- 67% of employers believe that Apprenticeships reduce recruitment costs

Source: Populus Research conducted on behalf of the Learning and Skills Council, January 2009

### **Improve your bottom line**

Apprenticeships will have a positive impact on your bottom line. In a recent survey the majority of employers said that Apprenticeships helped them to improve productivity and to be more competitive. They also said that training apprentices is more cost effective than hiring skilled staff, leading to lower overall training and recruitment costs.

### **Fill your skills gaps**

Apprenticeships deliver skills designed around your business needs. They also help you develop the specialist skills you need to keep pace with the latest technology and working practices in your sector.

### **Motivate your workforce**

Apprentices tend to be eager, motivated, flexible and loyal to the company that invested in them. Remember, an apprentice is with you because they want to be - they have made an active choice to learn on the job and a commitment to a specific career.

### **What can employers expect from the NAS?**

The NAS is making it easier for you to benefit from Apprenticeship programmes in your workplace and includes a free web-based recruitment service - Apprenticeship vacancies. The NAS also enables employers who have not previously taken on apprentices to access advice and practical support in finding a training provider with whom they can work with to deliver the training and continuous assessment apprentices will need. The provider will work closely with you to identify your business needs and ensure you find the perfect match for each Apprenticeship opportunity you advertise.

### **Dedicated Employer Services team**

A key part of the NAS is the use of a dedicated Employer Services team to manage the Apprenticeship process for you from initial contact to identifying suitable Apprenticeships frameworks, training providers, and recruitment.

### **Single web-based location**

NAS provides a single web based location offering high quality information for use by employers, potential Apprentices, training providers and parents, which also hosts Apprenticeship Vacancies: [www.apprenticeships.org.uk](http://www.apprenticeships.org.uk)

### **Recruitment through *Apprenticeship vacancies***

NAS offers a free recruitment process uses the unique Apprenticeship vacancies which is an online system offering:

- A free professional and efficient recruitment service which can save upwards of £2,000 on recruitment costs.
- The opportunity for you to advertise your Apprenticeship vacancies online and find candidates who match your criteria.
- Allows employers to access a pool of individuals actively seeking Apprenticeships.
- Potential for applicants first sift to be completed by employer's agreed training provider.

- Promotes employer name and service to a wider audience and allows employer website link to be added.
- Ongoing support throughout process.
- No recruitment agency fees when employee in place.

### How Apprenticeships work

Apprenticeships frameworks are available at Level 2 and 3 and are developed with job roles in mind and incorporate potential for flexible delivery depending on work requirements.

Public funding is available to support Apprenticeship programmes and is paid directly to a training provider. Funding rates vary and depend on the age of the apprentice undertaking the programme:

- 16 to 18yrs are fully-funded
- 19+yrs are funded to 50%
- Funding for 25+yrs is subject to available budget.

Usual employment legislation applies to apprentices. This is the case for newly recruited apprentices and existing staff on Apprenticeship frameworks.

In short, Apprenticeships can improve productivity, motivate the workforce, give relevant training, avoid skills shortages and help prepare for the future particularly where there is an ageing workforce.

If you would like to offer Apprenticeship opportunities, you can discuss your exact training requirements with a NAS employer services manager. To do this you can register your interest on the employer section of [apprenticeships.org.uk](http://apprenticeships.org.uk) or call 08000 150 600.

Alternatively you can email: [wmnas@apprenticeships.gov.uk](mailto:wmnas@apprenticeships.gov.uk) with your enquiry.

## Graduate Advantage

### Information for Employers

Graduate Advantage is a project funded by Advantage West Midlands, which aims to introduce the skills of students and graduates to businesses throughout the West Midlands region, and help those businesses recruit and retain graduates by offering **free** recruitment support.

Graduate Advantage can help employers who can offer work experience placements in the West Midlands.

They work closely with all of the West Midlands universities and have access to students and graduates with a wide range of degree disciplines.

### How can Graduate Advantage benefit my Company?

Students and Graduates can add value to your business. Graduate Advantage helps to get them work-ready for you.

### The Graduate Placement Programme:

- offers cost effective, flexible solutions to your recruitment needs;
- helps your company take on students or graduates on a full-time or part-time basis in a graduate-level role placement for a period of 4 weeks to 12 months;
- enables your company to utilise the services of a student or graduate who is looking to develop their skills.

Your businesses can gain new ideas and enthusiasm in order to complete projects or work that otherwise you may not have the time or resource to tackle.

In a very competitive market securing a placement through Graduate Advantage is a low cost and low commitment way of boosting your workforce. Your business can ease the pain of the financial downturn and get ahead of the competition.

### What Costs are Involved?

**Graduate Advantage services are free of charge.** They will develop your vacancy with you, advertise and promote it, identify suitable candidates and create a shortlist for you.

### How can I sign up for Graduate Advantage

Simply by completing the forms available for download as follows, which can be submitted by email:

#### Placement Brief Form

<http://www.graduateadvantage.co.uk/editor/assets/New%20Forms%20Aug2009/GA%20Placement%20Brief%20Form.doc>

#### State Aid Declaration Form

<http://www.graduateadvantage.co.uk/editor/assets/New%20Forms%20Aug2009/State%20Aid%20Form.doc>

#### State Aid Guidelines

<http://www.graduateadvantage.co.uk/editor/assets/State%20Aid%20Guidelines.doc>

Once received a member of the Graduate Advantage team will contact you to arrange a visit to your company/business.

For more information on the Graduate Placement Programme go to <http://www.graduateadvantage.co.uk/employers/whatwedoEmp/showmetheplacementsemp/>

<http://www.graduateadvantage.co.uk/home>

or complete the enquiry form [http://www.graduateadvantage.co.uk/employers/employer\\_contact\\_us/](http://www.graduateadvantage.co.uk/employers/employer_contact_us/)

In addition to the services on offer from the main delivery agencies showcased above, prospective contactors should also be provided with information on the local supply chain services available within the specific area covered by the contract. While this Toolkit does not attempt to catalogue every variant on the public sector offer that is available across the West Midlands, the following example 'Think Walsall' illustrates the added value that local agencies, working in partnership do bring to procurement exercises.

### Think Walsall

The Think Walsall programme was born out of the need to develop a more holistic approach to supporting individuals, communities and businesses within the Borough. Through effective partnership working led by Walsall Regeneration Company a number of key activities already completed have set the foundations for the Think Walsall programme.

- Partnership work with Asda led by the WRC, LSC, JCP, Walsall College and other local agencies implemented a pre-recruitment process which resulted in 99 Jobs for unemployed people from Walsall's Target wards.
- Partnership work during the development of Walsall's new £64m College led by Walsall Regeneration Company with the main contractor Shepherd Construction to ensure that as many suppliers, sub-contractors, labour and skills development had a positive impact on the Walsall Economy.

These two success stories demonstrate that the Think Walsall programme has a track record to build on and a priority agenda for the borough which is focussed on Worklessness, Skills, Enterprise and Engaging Young People in developing aspirations.

Think Walsall is a corporate priority and a new "virtual" team have been recruited and spans procurement, regeneration and development teams in recognition of the cross cutting approach needed. They are currently working with Jessop Developments (who have just won £8.5m Kickstart funding from the Homes and Communities Agency) to complete the first phase of development on Walsall's Waterfront South project by maximising opportunities for local subcontractors and material suppliers.

At the same time the team are developing toolkits and other resources to support both Internal (Council and other partners procuring goods and services) and External (organisations operating in the borough) to 'think Walsall' first.

**For further information, contact Lawrence Brazier, Walsall MBC on 01922650990**

## Section 9: Self Assessment Tool for Businesses considering applying for public and third sector contracts

*Please note: it is the intention that this product will be web-based and therefore fully interactive, However, the details below will form the primary content and will be developed further in the coming months in association with key business support agencies across the West Midlands.*

### Introduction

This Self Assessment Tool is designed to assist businesses that are experienced in applying for public sector contracts but may be unaware of the potential for new or additional elements to contracts around targeted recruitment and training, or businesses that have little or no experience at tendering for public sector contracts.

The new West Midlands Public Procurement Framework for Jobs and Skills helps guide public sector organisations wanting to increase the access to jobs and skills of residents most disadvantaged in the labour market through the contracts they procure.

Many public sector organisations will be expecting to maximise the jobs and skills that can be gained from public sector funds and may include specific clauses relating to these in new contracts, or wish contractors to sign-up to local charters tackling unemployment etc.

Although this will predominantly be in larger scale and labour-intensive contracts, the principle is likely to be passed down the supply chain, and therefore sub-contractors may be required to support the process too.

The Self Assessment Tool is designed:

1. To help businesses understand the range and scope of questions you may be asked.
2. To help signpost you to free local services that are available and can assist you.

It is not mandatory, and will not be monitored by anyone, but it will help you understand where some of your gaps might be and how to fill them. The Self Assessment Tool is for your own use and will not be used when evaluating bids, however issues covered may appear in a range of contracts. Hence the benefit of self-assessing your business and seeking advice as early as possible.

The Self Assessment Tool is being circulated by a range of business support organisations, public sector bodies and Local Strategic Partnerships across the West Midlands who are all committed to assisting businesses access the support needed to contribute to tackling unemployment locally.

**For more information please contact: [john.lee@gowm.gsi.gov.uk](mailto:john.lee@gowm.gsi.gov.uk)**

### 1 Recruiting staff

*'One liners' describing role of JCP/ Pre-Employment Training/ Work Trials*

- |     |   |  |
|-----|---|--|
| 1.1 | Do you use <b>Job Centre Plus</b> to recruit staff?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.2 | If NO: Would you like to find out more about how Job Centre Plus could assist your business?          | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.3 | Do you use <b>Pre-Employment Training</b> to recruit staff?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.4 | If NO: Would you like to find out more about how Pre-Employment Training could benefit your business? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.5 | Do you use <b>Work Trials</b> to support your recruitment process?                                    | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.6 | If NO: Would you like to find out more about how Work Trials could benefit your business?             | <input type="checkbox"/> Yes <input type="checkbox"/> No |

To access the West Midlands Employer offer call the Jobcentre Plus District in which you wish recruit:

Birmingham and Solihull - 0121 255 8351

Black Country - 01902 435163

Coventry and Warwickshire - 02476 232598

Marches (Herefordshire Shropshire, Worcestershire) - 01432 363672 Or 01562 623661

Staffordshire - 01782 382164

or visit [www.jobcentreplus.gov.uk/employers](http://www.jobcentreplus.gov.uk/employers)

## 2 Training and Apprenticeships

'Train to Gain enables employers to access funding to provide employees with the skills they require to enhance your Company's performance. Training takes place predominantly on employer premises to ensure minimum disruption to business activity.

The National Apprenticeship Service (NAS) provides an end-to-end service for businesses looking to take on apprentices. Apprenticeships are rapidly becoming the preferred way for organisations to train and develop skilled staff, both existing employees and new recruits. As most Apprenticeships attract public funding many employers realise the opportunity to maximise training budgets through joint investment. The NAS also enables employers who have not previously taken on apprentices to access advice and practical support in finding a training provider with whom they can work with to deliver the training and continuous assessment apprentices will need

- 2.1 Do you offer in-house training (accredited and non-accredited)?  Yes  No
- 2.2 If NO: Would you consider offering in-house training?  Yes  No
- 2.3 Do you use 'Train to Gain' to develop your workforce skills?  Yes  No
- 2.4 If NO: Would you like to find out more about 'Train to Gain'?  Yes  No
- 2.5 Do you currently offer apprenticeships?  Yes  No
- 2.6 If NO: Would you like to find out more about apprenticeships?  Yes  No

To access Train to Gain call Business Link West Midlands on 0845 113 1234 to speak to a Business Advisor or visit [www.traintogain.gov.uk](http://www.traintogain.gov.uk)

To find out more about the services NAS can provide call 08000 150 600 or visit [www.apprenticeships.org.uk](http://www.apprenticeships.org.uk). Alternatively you can email: [wmnas@apprenticeships.gov.uk](mailto:wmnas@apprenticeships.gov.uk) with your enquiry.

## 3 Employing Young People

Graduate Advantage is a project funded by Advantage West Midlands. It aims to introduce the skills of students and graduates to businesses throughout the West Midlands, and help businesses recruit and retain graduates by offering free recruitment support.

- 3.1 Do you employ young people under 25?  Yes  No
- 3.2 If NO: Would you consider employing young people under 25?  Yes  No
- 3.5 Do you currently offer graduate opportunities?  Yes  No

3.6 If YES: Is this through:

Graduate Advantage

Yes  No

Grad Central

Yes  No

West Midlands Internship Programme

Yes  No

3.7 If NO: Would you like to find out more about offering graduate opportunities?

Yes  No

Further information on Graduate Advantage can be found at:

<http://www.graduateadvantage.co.uk/employers/whatwedoEmp/showmethelacementsemp/>

#### 4 Local Employment Partnership

Local Employer Partnerships (LEPs) enable businesses to provide more job opportunities for disadvantaged jobless people and have helped over 250,000 people into since 2007. In a LEP, businesses agree to work with Jobcentre Plus and its partners, to provide opportunities for people often overlooked when employers are recruiting.

4.1 Have you engaged in a Local Employment Partnership agreement?

Yes  No

4.2 If NO: Would you like to know more about Local Employment Partnerships?

Yes  No

To find out more about LEPs visit [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk) or contact Jobcentre Plus in the district where you may be recruiting.:

Birmingham and Solihull - 0121 255 8351

Black Country - 01902 435163

Coventry and Warwickshire - 02476 232598

Marches (Herefordshire Shropshire, Worcestershire) - 01432 363672 Or 01562 623661

Staffordshire - 01782 382164

**5 Other information** *(please use this space to note down any further information)*

## Section 10: Case Studies - Applying Framework Approaches 1 to 4

During the development of this Framework a significant number of case studies were received showing the ways in which various public sector bodies look to address social issues via the procurement route. The five cases selected for inclusion in this Toolkit have been selected purely to illustrate the ways in which particular organisations are currently addressing social issues in procurement and how these fit with Approaches 1 - 3 of the Framework. We have found no evidence of any public sector body having consistently applied Approach 4: the strategic use of contract clauses.

### Applying Approach 1: Charters

#### Case Study 1: Birmingham Sustainable Procurement Compact

The member organisations of Birmingham's Local Strategic Partnership, Be Birmingham, collectively spend an estimated £7.3 billion on delivering public services. By working together local partners can influence markets and encourage their suppliers to work with them to create opportunities, promote innovation and improve environmental performance.

Sustainable procurement ensures value for money is maximised and rather than looking at the purchase price alone takes into account costs, benefits and consequences over the entire life of the goods or services purchased, including its eventual disposal

The Be Birmingham Sustainable Procurement Compact, launched on 12th March 2008, applies Approach 1 of the Framework - a voluntary charter; local organisations are signed up to "an on-going commitment" with national and regional agencies agreeing to "actively assist its implementation". The specific wording used is as follows;

'Signatories will ensure that:

- Procurement processes, including tender notices, bid assessment criteria and contract documentation are reviewed and drafted to ensure that future contracts reflect the social, economic and environmental outcomes sought in Birmingham 2026: Our Vision for the Future, the Local Area Agreement, as well as agreed targets for reduction of CO2 and other 'global warming' emissions and this compact;
- Sustainability policy and requirements are made clear and transparent in tender notices, advertising procedures and any other relevant documentation;
- Tendering and pre-tendering procedures are designed to take into account the size, nature, scale and resources of prospective tenderers;
- Guidance and support is available to tenderers and prospective tenderers where appropriate, in order to ensure that small, local and social enterprises are not unfairly disadvantaged by any additional sustainability requirements (for example, pre-qualification requirements);
- Tenders and contracts are specified in such a way as to encourage suppliers to obtain goods and products from sustainable sources at competitive prices.'

The compact is not solely about contract clauses and tendering but also looks at other areas including policy development, resource allocation, accounting, EMS, suppliers, environmental impacts, energy, good practice and monitoring & evaluation.

**For further information contact: Heather Pearce, Be Birmingham, on 0121 464 9170.**

## Applying Approach 2: Voluntary Agreements

### Case Study 2: Hereford Academy – South Wye Regeneration Partnership

The South Wye Regeneration Partnership which is part of Herefordshire Council has worked with partners to enable the award of a £21,000,000 contract for the construction of a new 14+ Academy, with a focus on the delivery of vocational qualifications and the building of the local community. The contractor has made a voluntary commitment to address worklessness in the area. This will be achieved through:-

- School arrangements
- Work experience placements (including summer placements)
- Coaching and mentoring
- Ambassador involvement
- Work shadowing (surveying, production, supply chain, H&S, Estimating, Design & Build, and Environmental issues)
- Management Trainee Scheme
- Apprenticeships (via Future Jobs Fund)

The contracting organisation and its supply chain will be assisted by the Partnership, with a package of support, which will include input from the National Skills Academy for Construction, who will work with the partnership to apply their model of site based employer-led learning, to ensure that the project is completed safely, on time, to budget, at the same time as developing the skills of those involved, to meet Employer needs.

**For further information contact Amanda Evans, Herefordshire County Council, on 01432 383230**

## From Approach 1 to Approach 3 – The Specific Use of Contract Clauses

### Case Study 3: BUNS (Build Up North Staffordshire) – North Staffordshire Regeneration Partnership

BUNS is a supply chain initiative, to benefit local SME's in the construction sector, linked to the regeneration activities taking place in North Staffordshire. Developers engaged in capital projects are encouraged to recruit local SME's as subcontractors, via a web-based database. The initiative enables primary contractors to interrogate the database to find local sub-contractors. It supports primary contractors to meet their voluntary commitment to use local services; whilst at the same time providing opportunities for local SME's to bid for the works, as part of the supply chain. The system automatically links to support available through Business Link West Midlands, for SME's wishing to take up the tendering opportunities.

To date the initiative has supported:-

- 386 SME's as supply chain contractors
- 37 Primary contractors
- 2,200 people (in 85 supply chain companies)undertaking training (in part through Train to Gain)
- 150 companies referred to Business Link, with some 46 of those undertaking an Organisational Needs Analysis.

Although the initiative is currently an example of Approach 1 of the Framework, North Staffordshire Regeneration Partnership is currently developing a procurement strategy, which will include the development of specific contract clauses relating to local employment and skills outcomes.

**For further information contact Nigel Barrett, Stoke-on-Trent City Council on 01782 235655.**

## **From Approach 1 to Approach 3 – The Specific Use of Contract Clauses**

### **Case Study 4: Homes & Communities Agency (HCA)**

The Homes and Communities Agency (HCA) is implementing the Kickstart Housing Delivery project, which is targeted at stalled housing development sites and supports the construction of high quality mixed tenure housing.

Round 1 of Kickstart granted funding to 27 West Midlands projects, which created opportunities to achieve significant numbers of job outcomes across the region by offering a menu of recruitment initiatives from which developers can select.

For Round 1 of Kickstart the HCA has used Approach 1 of the Framework – a voluntary charter or agreement with developers in order to secure contractor support for TR&T. The specific aim of this is that

upon meeting with developers and detailing the various recruitment initiatives and financial support available we aim to encourage developers to commit to the scheme and work with both the HCA and Jobcentre Plus to tailor the delivery of training to their needs.

Following the first round of Kickstart funding the Agency has committed to:

- Achieving 1,300 apprenticeships through contractual conditions on all Housing Pledge programmes – Kickstart 2, LA New Build, Public Land Initiative and Low Carbon Infrastructure. The bulk of the 1,300 apprenticeships will come through Kickstart 2 and LA New Builds.
- 1,500 apprenticeships and local employment schemes through the National Affordable Housing Programme over the 2008/09 and 2010/11 period.

For Round 2 of Kickstart the HCA has set pressing targets relating to the recruitment of local labour sources and in particular the use of apprenticeships. HCA will be applying Approach 3, the specific use of contract clauses, to ensure developers deliver on the targets set. The target for apprenticeships equates to 1 apprenticeship per £1million investment by the HCA.

On 13th October 2009, HCA Chief Executive Sir Bob Kerslake wrote to all Registered Social Landlords in receipt of National Affordable Housing Programme funding informing them of the requirement to work with developer partners, contractors and the supply chain to deliver apprenticeships and local labour initiatives.

The draft clause to go into the Local Authority New Build 2 grant agreements is as follows. The Council must:

- 1.1.1 Use all reasonable endeavours to comply and to ensure that its contractors comply with the terms of the Employment and Apprenticeships Statement; and
- 1.1.2 Provide the Agency with such information as the Agency may reasonably require from time to time to monitor compliance with Condition 1.1.1 including but without limitation information on;
  - a) the number of employment or training opportunities created in connection with the Scheme; and
  - b) the number of apprenticeships offered at the scheme.'

**For further information contact: Gareth Niblett, Homes and Communities Agency on 0121 234 9923.**

### **Applying Approach 3: The Specific Use of Contract Clauses**

#### **Case Study 5: The Willows Project – Wolverhampton City Council**

The Willows (Formerly Green Park and Stowlawn Schools) project was a construction contract for the development of two new school premises in 2006, with a contract value of some £17,000,000. Through its Community Plan, Wolverhampton City Council set out its ambitions to generate jobs, reduce unemployment, and target opportunities at disadvantaged communities. The Council undertook to include targeted recruitment and training requirements in major procurement activities, in order to fulfil this ambition. The Council's Invitation to Tender (ITT) included specifications relating to:-

- Equal Opportunities (including notification of vacancies to the Bilston Development Project and Jobcentre Plus)
- Training (10% of person- weeks delivered by new entrants through apprenticeship or trainee arrangements)
- Unpaid Work Experience Placements (3% person-weeks)
- Supply chain requirements

The desired outcomes were specified in the tender documentation and those contractors submitting tenders were evaluated against their tender responses. However, in the event, it was necessary to change contractors during the early stages of the project, but the Authority intends to review these requirements with the contractor responsible for stage two of the project. Nevertheless, this case study provides an example of a procuring organisation articulating its ambitions at the outset through policy documents and pursuing their objectives through the procurement process.

**For further information contact: Marc Webb, Wolverhampton City Council on 01902 551368.**

**Section 11: West Midlands Local Area Agreement Summary of Worklessness related National Indicators**

**PSA 2 – Improve the skills of the population on the way to ensuring a world-class skills base by 2010**

Locality	Bham	Cov	Dud	H'ford	S'well	Shrops	S'hull	Staffs	Stoke	T&W	W'sall	Warks	W'ton	Worcs
NI														
161 – Learners achieving a level 1 qualification in literacy					X				X					
162 – Learners achieving an Entry Level 3 qualification in numeracy									X					
163 – Working age population qualified to at least level 2 or higher	X		X	X		X	X	X	X	X	X	X	X	
164 – Working age population qualified to at least Level 3 or higher		X			X								X	
165 – Working age population qualified to at least Level 4 or higher	X	X	X				X	X		X		X		X

**PSA 8 – Maximise employment opportunity for all**

151 – Overall employment rate	X													
152 – Working age people on out of work benefits		X	X	X	X	X	X	X	X	X	X	X	X	X

**PSA 14 - Increase the number of children and young people on the path to success**

117 – 16 to 18 year olds who are not in education, training or employment (NEET)	X	X		X	X	X		X	X	X	X	X	X	X
--	---	---	--	---	---	---	--	---	---	---	---	---	---	---

**DWP DSO – Maximise employment opportunity for all**

118 – Take up of formal childcare by low-income working families														
153 – Working age people claiming out of work benefits in the worst performing neighbourhoods	X		X											X
173 – People falling out of work and on to Incapacity Benefits														





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

Text-only versions of this brochure can be provided in large print, braille and other languages. Please contact the Communications Team on 0121 380 3500.