

Report of the Director of Environment and Neighbourhoods

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 23 February 2012

Subject: Delivering employment and training opportunities through the Council's procurement and planning functions

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report provides information on the proposed monitoring and evaluation framework that will underpin implementation and delivery of the employment and skills obligations through the procurement and planning functions of the Council.
2. A transparent monitoring and review process will underpin effective delivery. The reporting of outcomes to Scrutiny Board and key stakeholders will ensure that the policy framework continues to meet the City's objective to increase the skill levels of local people required by businesses in the City and support business growth.

Recommendations

3. Members of Scrutiny Board are asked to:-

Note and comment on the proposed approach to monitoring and reviewing the delivery of employment and skills obligations through the Council's procurement and planning functions.

1 Purpose of this report

- 1.1 This report provides information on the proposed monitoring and review framework that will underpin implementation and delivery of the employment and skills obligations through the procurement and planning functions of the Council.
- 1.2 It will be essential that implementation is transparently monitored to ensure that the policy framework is being applied and delivered; that positive outputs and outcomes for local people and businesses are captured and reported; and that learning points are captured and reviewed to ensure that the policy remains relevant in a potentially changing economic and policy environment.

2 Background information

- 2.1 The Scrutiny Board established an inquiry into how the Council uses its procurement and planning functions as an enabler of locally driven, sustainable economic growth that benefits both local people and businesses.
- 2.2 The reports to the October and January meetings of the Board identified several examples of where these had and are being pursued to deliver employment, skills training and supply chain opportunities. The reports also set out the key mechanisms it is proposed to use to engage developers and contractors to strengthen this approach.

3.0 The Monitoring Process

- 3.1 When employment and skills and supply chain obligations are introduced as a requirement of a contract or a S106 agreement, these will be detailed in an Employment and Skills Plan. The plan will be drawn up in conjunction with the Employment Leeds team in the Employment and Skills service to reflect the nature and phasing of the contracted activity / development and agreed with the contractor or developer. The Employment Leeds team will be a dedicated resource for support and guidance in developing and implementing the plan.
- 3.2 The plan will include a schedule that will detail the agreed output targets against a timeline. Target outputs will vary across contracts / developments but could potentially include a minimum number of:-
 - People recruited to jobs
 - Apprentices recruited at level 2 and 3
 - Existing staff up skilled to level 2 and 3
 - Work experience / placements weeks
 - School visits to support skills development
 - Internships supported
 - Supply chain opportunities
- 3.3 The Employment and Skills Plan will also include a method statement from the contractor / developer which will identify the roles, responsibilities and contributions to be made by named parties. This will include the name of the individual working for the contractor / developer who will be responsible for managing the delivery of the plan; how the targets will be delivered; how any health and safety and safeguarding issues will be managed; and what will taken

to ensure compliance by any trade contractors working on the contract / development.

- 3.4 Indications from contractors who have been consulted have been that there is willingness to participate in this initiative, however, where appropriate performance targets and associated remedies for non-compliance will be determined prior to contract signature and included in the contract documents. As part of the council's contract monitoring process, the projected contract outputs will be reviewed against delivered outputs by the contract manager. The delivery of outputs detailed in the schedule will also be actively monitored and reported on by a named member of the Employment Leeds team.
- 3.5 Performance on individual contracts and S106 agreements will be aggregated and reported on a six monthly basis to the relevant Chief Officers. These reports can be made available to Scrutiny Board as required.

4.0 The Review Process

- 4.1 It is proposed that the services jointly review the implementation of the policy on an annual basis. The review process would include a review of the evidence base as well as seeking the views of key stakeholders and would be reported to the respective services and Scrutiny Board.
- 4.2 The review of the evidence base would identify the number of contracts and planning agreements
- within the scope of the policy framework
 - that included obligations
 - that included obligations that were delivered at 100% of target / between 75 and 99% of target/ between 50% and 75% of target
 - that included obligations that were not delivered or delivered at less than 50% of target
- The above information would be examined to ascertain whether there is any correlation between the type, nature and scale of the contracted activity / development.
- 4.3 Stakeholder views will be sought on how the policy framework to secure employment, skills and supply chain benefits is being implemented. This would seek views through survey and discussions on the support and advice provided; compliance with the requirements including the provision of information for monitoring purposes; the benefits secured for their business including meeting corporate social responsibility objectives, up skilling their workforce, public relations and publicity. It would seek information on any difficulties encountered and the changes or support required to overcome these.
- 4.4 The review process would enable service managers to develop recommendations for changes to the policy framework and way in which it is applied. This periodic review would enable the policy to be amended to reflect changing economic circumstances including local and sectoral changes; changes in employment and skills policy and publicly funded provision; and that additional guidance and support is made available to officers, developers and contractors where appropriate.

5.0 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1 It is proposed that monitoring reports are prepared on annual basis for dissemination and discussion with the Leeds Planning and Developers Forum and the network of contractors engaged with the Council.

5.2 Equality and Diversity / Cohesion and Integration

- 5.2.1 Recent increases in unemployment have disproportionately impacted on those neighbourhoods with the highest levels of claimants. Obligations will include minimum levels to be achieved and be targeted to specific communities and claimant groups as well as cohorts of young people engaged in employability and skills programmes. Achievement against these targets will be monitored and reported.

5.3 Council policies and City Priorities

- 5.3.1 The existing activity and proposed approach will contribute to the achievement of targets in both the Sustainable Economy and Culture Partnership and the Children and Young People's City Priority Plans. The proposed activity will contribute to increasing the skill levels of local people required by businesses in the City and by increasing the number of people in employment, apprenticeships and learning.

5.4 Resources and value for money

- 5.4.1 The proposed policy framework and toolkit can be developed and implemented within the Council's existing resources.

5.5 Legal Implications, Access to Information and Call In

- 5.5.1 Activity to secure employment and skills obligations must comply with and not contravene Public Contract Regulations or the legislative framework and guidance issued by the Secretary of State on the use of Planning Obligations.

5.6 Risk Management

- 5.6.1 Risk management will be integral to the monitoring and review process. The impact of introducing employment and skills obligations on developers and contractors will need be considered over the short, medium and long term and in the context of prevailing economic conditions; the strength of targeted sectors within the economy; and the need to balance any gains with the need to encourage continued investment in Leeds.

6.0 Conclusions

- 6.1 Employment, training and supply chain benefits have been secured on a number of developments and contracts to date. It is planned to continue and refine this approach and to seek to more effectively target the approach to those developments and contracts that provide the opportunity to generate further

benefits. A robust monitoring framework will enable the Council and key stakeholders to assess the effectiveness of this approach and take appropriate action to amend the approach to meet changing circumstances and needs when required.

7.0 Recommendations

7.1 Members of Scrutiny Board are asked to:-

Note and comment on the proposed approach to monitoring and reviewing the delivery of employment and skills obligations through the Council's procurement and planning functions.

8.0 Background documents

8.1 Report to the Sustainable Economy and Culture Board 26th January 2012

Report to the Sustainable Economy and Culture Board 20th October 2011

Report to the Sustainable Economy and Culture Board 22nd September 2011