



CITY DEAL

Preston, South Ribble & Lancashire

CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD

Private and Confidential: NO

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City Deal Social Value Update

(Appendix '1' refers)

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Executive Summary

The purpose of this paper is to provide an update on the delivery of Social Value across the City Deal project portfolio. In particular the paper focuses on specific points raised by the City Deal Executive, as set out below:

- The intention to capture Social Value information and the measures being used.
- The direct employment of construction workers in the supply chain – under the Unite Construction Charter.
- Whether recruitment is being targeted in the most deprived areas.
- The procurement process and how far it supports the localism agenda.
- Ensuring that contractors deliver on their Social Value commitments.

Recommendation

The City Deal Executive are asked to note the report and consider the logistical challenges of mapping, monitoring and the reporting of Social Value across the programme portfolio.

Background and Advice

1. City Deal Social Value

The City Deal projects contain a substantial number of residential, commercial and infrastructure projects at various stages of development from pre-planning through to projects which have already achieved practical completion.

With the exception of projects which have received an element of joint funding through the Growth Deal programme which have Social Value embedded, projects that are underway do not have pre-agreed social value commitments. Attempting to retrofit social value commitments post commencement or post completion would be difficult given the lack of leverage through planning, contractual clauses or funding agreement conditions.



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For this reason, the focus of engagement has centred on projects at pre-planning stage where buy in could be secured through the Central Lancashire Employment and Skills Supplementary Planning Document or alternatively through the Growth Deal Funding Agreement social value clauses.

The City Deal projects initially identified as being at the optimum stage for development and of an appropriate size and duration to support the delivery a wide range of socio economic outputs are listed below:

- Preston Western Distributor/Costain
- Goosnargh Development/Seddon
- UCLan Student Centre/Bowmer Kirkland
- UCLan Infrastructure Work/Balfour Beatty
- D'Urton Lane Development - Wilmot Dixon/Trafford Housing Trust
- Altcar Lane/Lovell
- Pickering Farm/Taylor Wimpey
- Cuerden/ERG
- Preston Cinema/ERG
- Moss Side Test Track

Of these projects, 5 are currently live sites generating social value, with the remainder at various stages of pre-commencement.

With the exception of Moss Side Test Track, all of the projects identified have been engaged in discussion regarding the requirements to develop an employment and skills plan. Those sites which are currently live are actively working with local partners on the delivery of their plans. The Social Value commitments in the plans have been mapped according to the Lancashire Employment and Skills Strategic Framework thematic areas.

2. Local Employment Opportunities

All of the projects outlined where fully worked up employment and skills commitments have been developed have commitments around local employment. These include targets for local labour utilisation on site, number of opportunities created and opportunities created for priority groups including those Not in Education, Employment or Training (NEET), unemployed residents, ex-offenders, people with disabilities etc.

In addition, all of these projects are committed to provide pre-employment or work trials for unemployed residents/returners to the workforce.

While none of the projects explicitly reference a commitment to the direct employment of workers in the supply chain under the Unite Construction Charter, there are a number of examples where commitments around the adoption of the Living Wage have been outlined in the employment and skills plans.



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3. Local Procurement

Local procurement commitments are a common theme across all of the employment and skills plans currently in place. These include commitments around local spend as a percentage of subcontract package let, spend with Small to Medium Sized businesses and third sector procurement.

A number of the contractors that are currently live on site have engaged with the Central Lancashire Construction Skills Hub to hold 'Meet the Buyer' events in partnership with Preston's College including Bowmer Kirkland and Seddon.

4. Environment and Sustainability

Environment and sustainability does not currently form a part of the measures and metrics contained within our current Social Value themes. These themes, which are common threads running through the Lancashire Enterprise Partnership's projects and programmes mirror the thematic priorities outlined in the Lancashire Strategic Employment and Skills Framework. Similarly, the theme of environment and sustainability does not form part of the Central Lancashire Employment and Skills Supplementary Planning Documentation (SPD).

This is not to say that the projects currently engaged in the delivery of Social Value do not have environmental commitments to be delivered through the project. These are captured separately and not explicitly outlined in the Employment and Skills Plans as this is not currently a requirement of the SPD but captured through a range of other commitments outlined in site sustainability plans, framework agreements (including Scape) and the Considerate Contractor Scheme etc.

Examples include:

Environment and Sustainability Metrics
Savings in CO2 emissions on contract not from transport
Car miles saved on the project (e.g cycle to work programmes, public etc)
Number of low or no emission staff vehicles included on project (miles driven)
Total energy use (Kwh)
Total water use (m3)
Total fuel use (litres)
Carbon emissions
Construction Waste Diverted from landfill
Construction waste intensity
Responsibly Sourced Materials
Biodiversity

In addition, there are a range of environmental requirements in place which directly place requirements upon developers and principle contractors undertaking new build residential or commercial developments across the City Deal sites which are set out in the Code for Sustainable Homes and BREEAM (international scheme that provides



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independent third-party certification of the assessment of the sustainability performance of individual buildings, communities and infrastructure projects) and enforced through planning conditions.

In summary, while the 'environment' forms one of the three pillars of triple bottom line accounting principles, along with 'society' and 'economy', it is not currently within the scope of the City Deals Social Value framework. Further development of the current scope of reporting to encompass environmental and sustainability indicators would first need to determine the following factors:

- Which environmental measures/standards to adopt
- Appropriate contractual mechanisms (SPD, Developer Agreements, Section 106 agreements etc.)
- Reporting and monitoring requirements
- Enforcement
- Resource requirements

5. Monitoring & Reporting

The City Deal Skills and Employment Coordinator will work closely with the contractors nominated Community Relations Manager to identify opportunities with the principle contractor and wider supply chain. The City Deal Skills and Employment Coordinator will provide a link between local schools, colleges, universities and pre-employment providers and the Community Relations Manager to ensure that opportunities within the supply chain are identified prior to commencement on site.

Performance across these projects will be monitored on a half yearly basis throughout the construction phase of the projects. Project performance data will be submitted to the City Deal Project Team basis and reported to the City Deal Executive and Stewardship Board for review annually.

All of the projects outlined for monitoring are at a relatively early stage with the first reporting of outputs scheduled for the end of the 2019/20 financial year. These reports will aim to provide a programme wide report detailing social value delivery across the City Deal portfolio similar to what is currently being produced to monitor social value across the Growth Deal programme (see Appendix 1).

6. Logistical Challenges

The City Deal programme contains a wide range of projects of varying size duration and nature. Residential sites alone number approximately 90 sites along with a significant number of infrastructure and commercial sites.

The effective harvesting of the socio economic benefits of this investment will require the adoption of a robust monitoring and reporting system centred around an appropriate Social Value monitoring tool.



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7. Recommendations

A number of the themes explored in this paper form part of a wider scoping exercise being undertaken by Matthew Baqueriza-Jackson, an independent policy advisor which has been commissioned by Lancashire Economic Development Officers Group (LEDOG).

The work is seeking to explore how local authorities in Lancashire could and should progress the way in which they undertake public procurement, with a particular focus on using the process to realise wider economic, social and environmental outcomes.

This consultation has explored what each local authority is already doing around public procurement and in turn provided bespoke recommendations as to how processes and practice can be progressed for the benefit of Lancashire. The work is also framed by practice from elsewhere.

Part of this work focusses on social value monitoring and reporting and in particular information provision and the utilisation of social value software solution to provide a portal for monitoring and reporting of social value across projects and programmes. The recommendations from the report and any implications for the City Deal programme will be considered once the piece of work has been completed.

List of Background Papers

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate		
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