



Delivering Benefits Longer Term

What are Community Benefits?

1. Scottish Government response
2. CB's to client
3. CB's to contractors

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The balance

Clients Expectations = Contractors Capacity

Client Provision = Community Provision

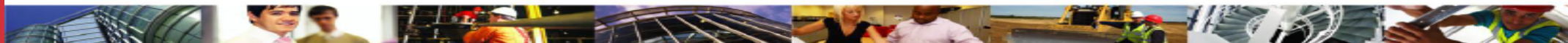
Cost = Clause



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‘Client based approach’

	1.0 Residential	band 1 £1 - £100	band 2 £100 - £500	band 3 £500 - £1m	band 4 £1m - £3.5m	band 5 £3.5m - £6m	band 6 £6m - £10m	band 7 £10m - £15m	band 8 £15m - £20m	band 9 £20m - £30m	band 10 £30m - £40m	band 11 £40m - £50m	band 12 £50m - £60m	band 13 £60m - £70m	band 14 £70m - £80m	band 15 £80m - £90m	band 16 £90m - £100m
1	Work Placement (16-19 years) - persons	0	1	2	3	5	7	9	11	13	16	18	19	20	20	21	21
2	Work Placement (14-16 years) - persons	0	0	0	0	1	1	2	3	3	4	4	4	5	5	5	5
3	Curriculum Support Activities - individual engagement	0	0	0	1	2	4	5	6	7	9	10	11	12	12	13	14
4	Graduates - persons	0	0	0	0	0	0	1	1	1	1	1	2	2	2	2	2
5	Apprentice Starts - persons	0	0	0	0	2	4	6	7	8	9	10	11	12	13	14	15
6	Exiting Apprentices - persons	0	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14
7	Apprentice Completions - persons	0	0	0	0	0	2	3	4	5	5	6	6	6	7	7	7
8	Jobs Advertised Through Local Employment Vehicles - number	0	0	1	2	5	7	10	12	14	16	17	18	19	20	21	22
9	S/NVQ Starts for Subcontractors - persons	0	0	0	1	2	3	6	8	10	13	15	17	19	21	23	24
10	S/NVQ Completions for Subcontractors - number	0	0	0	1	2	3	5	7	8	11	12	14	16	17	19	20
11	Training Plans for Subcontractors - number	1	2	3	4	4	5	5	5	6	6	6	7	7	7	8	8
12	Supervisor Training for Subcontractors - persons	0	0	0	2	3	4	5	5	6	6	6	7	7	7	8	8
13	Leadership and Management Training for Subcontractors - persons	0	0	0	1	1	2	3	3	4	4	5	5	6	6	7	7
14	Advanced Health and Safety Training for Subcontractors - persons	1	1	1	2	3	4	4	5	6	6	7	7	8	8	9	9



‘Client based approach’

Pros	Cons
Level playing field	£ value is main factor
	Lacks flexibility
	Doesn't factor in local need or skills
	No contractor input

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Matrix Points System

Pros	Cons
Can be tailored to specific project need	Prescribed at an early stage – needs clear client vision of objectives
Takes into account local factors	Lacks flexibility
	Difficulty in local delivery.
	Difficulty reporting Progression routes

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Contractor Bid & Method Statement

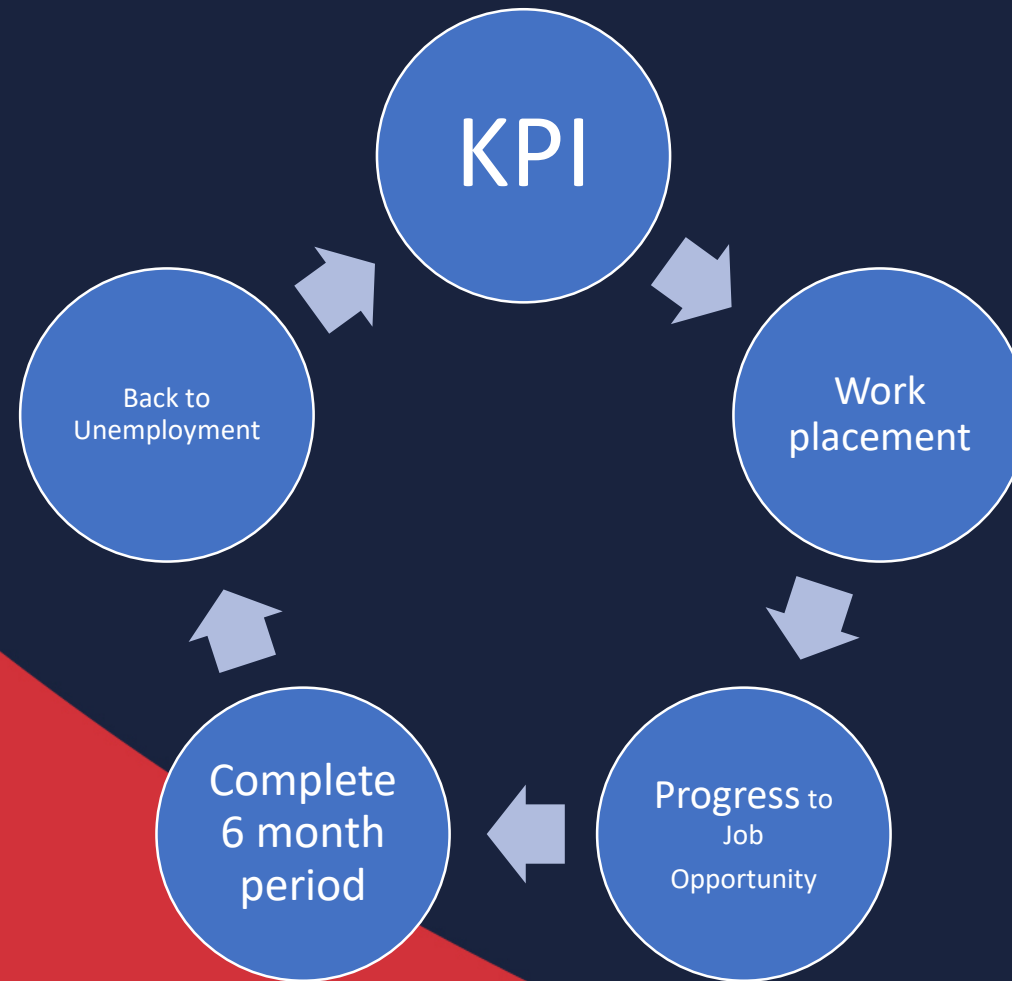
Pros	Cons
Contractor lead initiatives	Usually little involvement from client
Takes into account local factors	Lacks flexibility
Often supporting ongoing or existing initiatives	Difficulty in local delivery if no local knowledge
	Difficulty reporting Progression routes

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4 Main Areas:

- Jobs and Training Opportunities
- Education & Curriculum Involvements
- Community Development
- SME, SE Engagement

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Education Engagement

What is meaningful engagement

8 Engagements = Success for students ??

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Supply chain

- Not relevant for Social Housing
- SE not competitive

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Community Development

- Directed Local Initiatives by client or contractor
- External agencies
- Cost Implications

Benchmarking and Reporting

- Clear reporting procedure agreed
- Publicity and Promotion
- Follow up for opportunities delivered.

Are we as Contractors False Promising and
Under delivering!

How does a client get away from the
Community Benefit Lottery ?

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Contracting market challenges

- Main contractors are sub-contracting over 50% of work
- Labour only sub-contractors and SME's
- Low margins
- CB management is resource heavy
- Sites are changeable environments
- Skills gap – short-term talent pipeline is deficient
- Multiple contracts with varying CB clauses

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Our Recommendations

- Client needs to define their objectives early (tender stage)
- Standardised approach across the sector
- More info available to contractors at tender stage e.g. client job clubs, specific schools etc