

PLEASE NOTE VENUE

JOINT REGENERATION, LIVEABILITY AND HOUSING PORTFOLIO AND PERFORMANCE MANAGEMENT PORTFOLIO DECISION SCHEDULE



Thursday 11th January 2007

at 8.30 am

in Training Room 4, Municipal Buildings, Church Square, Hartlepool

The Mayor, Stuart Drummond, responsible for Regeneration, Liveability and Housing and Councillor Jackson, Cabinet Member responsible for Performance Management will consider the following items.

1. **KEY DECISIONS**
No items
2. **OTHER ITEMS REQUIRING DECISION**
 - 2.1 Proposed HBC Targeted Training and Employment Charter – *Assistant Director (Planning and Economic Development) and Head of Procurement*
3. **REPORTS FROM OVERVIEW OF SCRUTINY FORUMS**
No items

**JOINT REGENERATION, LIVEABILITY &
HOUSING AND PERFORMANCE MANAGEMENT
PORTFOLIO**

11th January 2007



Report of: The Assistant Director (Planning and Economic Development) and The Head of Procurement

Subject: PROPOSED HBC TARGETED TRAINING & EMPLOYMENT CHARTER

1.0 PURPOSE OF REPORT

To provide a report and seek approval from the Portfolio Holder for the adoption of a Targeted Training & Employment Charter (**attached as Appendix 1**), for implementation alongside the Council's Procurement Strategy.

2.0 SUMMARY OF CONTENTS

A report providing background information on national work in relation to use of procurement strategies to include Targeted Training and Employment and reference to work in Tees Valley and progress in Hartlepool on adoption of this approach.

3.0 RELEVANCE TO PORTFOLIO MEMBER

Issues of employment and economic development are within the remit of the Regeneration Liveability and Housing Portfolio Holder; the Council's procurement strategy comes under the remit of the Performance management Portfolio Holder.

4.0 TYPE OF DECISION

Non key

5.0 DECISION MAKING ROUTE

Joint Decision of Regeneration, Liveability & Housing Portfolio Holder and Performance Management Portfolio Holder.

6.0 DECISION(S) REQUIRED

That the Portfolio Holders approve the adoption of the Targeted Training and Employment Charter for implementation alongside the Council's Procurement Strategy.

That the Portfolio holders endorse the inclusion of the establishment of the Charter in Hartlepool within any report supporting the regional CEI pilot, that will ultimately report to central Government on the pilot outcomes.

Report of: The Assistant Director (Planning and Economic Development and The Head of Procurement)

Subject: PROPOSED HBC TARGETED TRAINING & EMPLOYMENT CHARTER

1. PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holders' approval for the adoption of a Targeted Training & Employment Charter (**attached as Appendix 1**), for implementation alongside the Council's Procurement Strategy.
- 1.1 For Portfolio Holders' to note that the implementation of the Charter will form part of a work stream within a collaborative regional pilot, the Construction Employment Integrator (CEI).

2. BACKGROUND

- 2.1 At its meeting on 24th January 2005 Cabinet approved the revised Procurement Strategy for the Council, and the Portfolio Holder endorsed an updated version of this strategy on 8th August 2005.
- 2.2 This report refers to proposed measures to ensure that the Strategy allows procurement processes to require targeted training and employment provision where appropriate, via a 'Charter' approach. A similar approach is already being used in relation to certain major planning applications.
- 2.3 Much of the policy development in these matters originated in a 2002 report entitled *Achieving Community Benefits Through Contracts* published by Anthony Collins Solicitors and Richard Macfarlane Research & Development Ltd (ACS & RM). This report set out how public bodies could use procurement, planning powers and land transfers to increase the numbers of training and job opportunities available to people who are disadvantaged in the labour market.
- 2.4 Following publication the authors established the *New Approach to Public Procurement (NAPP)* Network comprising 10 English local Authorities and the DTI's Social Enterprise Unit. Together they developed a toolkit of policy and legal analysis and model documentation relating to public sector procurement, the use of Planning Agreements and the insertion of targeted training and employment requirements in development agreements and land transfer documents.

This work has now been replicated through a Tees Valley initiative covering five local authorities and further through the CEI across Tyne & Wear, which has explored the scope of adopting these ideas locally to forecast demand and create employment opportunities for unemployed residents.

- 2.5 On 9th January 2006 the Portfolio Holder for Finance & Performance received a report from the Head of Procurement & Property Services describing progress on the North East Centre of Excellence project for LMB and the benefits of procurement within the local economy. The LMB project and report described the effect of local authority spend on the local communities that they serve and highlighted how targeted spending within the local economy through procurement can bring further community benefits via local re-spend, creating a multiplier effect. The Portfolio Holder noted the NECE's project and progress to date, endorsed the Council's involvement in the project and commented on the need to put as much as possible back into the local economy.

3. CONSIDERATIONS

- 3.1 The NAPP work in the Tees Valley has led to the proposed development of a Targeted Training and Employment Charter. Together with the Council's Procurement Strategy the Charter will allow the Council to incorporate targeted training and employment matters in the core requirements when procuring works and services, where it thinks this is appropriate and affordable. It will not disadvantage non-local contractors or risk indirect discrimination by requiring 'local' recruitment and training, but can require opportunities for trainees and unemployed people or people recruited from named local agencies eg. Hartlepool Working Solutions.
- 3.2 The inclusion of such targeted training and employment matters in the core requirements when procuring works and services will benefit the local economy. Via the LMB effect, this approach will assist in targeting re-spend locally, enabling economic activity of those previously unemployed, providing further community benefits within the local economy.
- 3.3 A voluntary Targeted Training and Employment Charter has already been established in collaboration with Housing Hartlepool and its two strategic partners in housing. The Charter and requirements agreed 60 Apprentices and 60 long term unemployed to be trained or employed through the lifetime of the Partnership. To date this has had a positive impact and effect on local employment and economic benefit, creating 35 Apprentices, 18 employed opportunities for long term unemployed and a number of supply side sub contracts.

Similar approaches are being pursued via formal planning agreements (section 106 agreements) attached to permissions for major developments with substantial training and employment potential, e.g. Hartfields Care Village (both construction and end user phase), North Central Hartlepool Housing developments and Victoria Harbour.

- 3.4 A Targeted Training and Employment Charter for Hartlepool Borough Council would tie into and consolidate the above and clarify the Council's position to potential contractors and developers.

4. **RECOMM ENDATIONS**

- 4.1 That the Portfolio Holders approve the adoption of the Targeted Training and Employment Charter for implementation alongside the Councils' Procurement Strategy.
- 4.2 That the Portfolio Holders endorse the inclusion of the establishment of the Charter in Hartlepool within any report supporting the regional CEI pilot that



Targeted Training & Employment Charter

❖ Hartlepool Borough Council (HBC) is committed to achieving the economic, social and environmental objectives set out in the Community Strategy, so as to ensure a better quality of life for all the Borough's residents, now and in the future. To achieve this the Council will consider the following actions on a case-by-case basis and where appropriate, affordable and within the relevant legal and policy frameworks, will commit to their implementation.

- To include employment, training, equal opportunities and opportunities for small and medium sized enterprises, in its specifications for service and works contracts. (Where such factors are included in contract specifications, consideration of the ability of contractors to meet these requirements will feature in all stages of the selection and appointment process.)
- To include employment, training, equal opportunities and opportunities for small and medium sized enterprises, in its development control and planning activities.

❖ Where the Targeted Training & Employment Charter is implemented in order to achieve these aims, HBC will expect Developers, Employers and Employment & Training Partners to apply the following commitments :

- **Developers' Commitments**

Developers will seek to:

- adopt appropriate operating procedures, consistent with their powers and regulatory framework, to help achieve the above aims;
- take action to cascade this commitment on to their Partners, contractors, agents and end user employers; and wherever possible, incorporate these commitments into their specifications and contract conditions, and give them due weight in their procurement process and contract management.

- **Employers' Commitments**

Contractors and major employers will seek to:

- respond with good will to the Council's Charter commitments and requirements;
- ensure that their subcontractors co-operate fully in the achievement of these commitments and requirements;
- support the work of the relevant trade training body and local training providers; and
- wherever possible, incorporate these commitments into their specifications and contract conditions, and give them due weight in their procurement process and contract management

- **Employment and Training Partners' Commitments**

Employment and training partners will seek to:

- maximise the resources that are available to support the above aims;
 - provide a toolkit that will support developers, contractors and major employers in achieving the above commitments;
 - provide advice to developers, contractors and major employers on a project by project basis in respect of appropriate Charter actions and sources of funding; and
 - provide appropriate training, job-matching, monitoring and reporting services (within the limits of the available resources).
- The Council additionally undertakes to assist the Developers and Employers and their sub-contractors to provide training and employment opportunities in connection with the economic and social regeneration of the area within the defined boundaries of Borough of Hartlepool. This will be done by providing lists of local agencies that can assist in the recruitment of suitable trainees/ employees, and the identification of potential sub-contractors and suppliers. Any action taken by the Council or its agents does not imply, and must not be deemed to imply, any promise to provide suitable labour, firms or agencies, and does not imply, and must not be deemed to imply, that any individuals firms or agencies referred to the Developers and Employers or sub-contractors are suitable for engagement.
- ❖ Where the Targeted Training & Employment Charter is implemented it will be applied subject to the following:
- Developers and Employers are required to comply with the following Targeted Training and Recruitment outcomes: -
 - A minimum of 10% of the total workforce expressed in full time equivalents (FTEs), employed by the developer, employer and sub contractors over the contract period must be apprentices / similar trainees or people to be re-skilled.

APPENDIX 1 DRAFT

- A minimum of 10% of the total workforce expressed in FTEs, employed by the developer, employer or sub contractors over the contract period must have been unemployed for at least 6 months, including those on long term sickness or incapacity benefit, or other target groups as identified in the requirements.
- 100% of vacancies to be referred to the Hartlepool Working Solutions Team, Economic Development, Hartlepool Borough Council, with potential applicants given a reasonable time to apply before the selection process commences.
- Developers and Employers are required to complete monthly labour monitoring forms in a format to be provided by the Council, and are responsible for obtaining accurate data from all sub-contractors on site for entry onto the forms. The monthly labour monitoring form must be completed and supplied to the Council or their agent within 7 days of the end of each calendar month to which it relates.
- Developers and Employers must implement equal opportunities recruitment procedures in relation to all vacancies on the site, including those with sub-contractors. Furthermore the Developer and Employer must ensure that equal opportunities employment practices are operated on the site, including by sub-contractors.