

# **Community Benefits Policy**

# Denbighshire County Council Community Benefits Policy

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# Denbighshire County Council Community Benefits Policy

## Purpose and Scope

### **“Enabling Communities to build resilience and shape their own futures”**

This policy applies to all relevant commissioning and procurement activities undertaken by Denbighshire County Council. Officers are expected to consider the inclusion of Community Benefits at the start of the commissioning cycle. Further help and advice is available from the Community Benefits Hub or by contacting [Karen.Bellis@denbighshire.gov.uk](mailto:Karen.Bellis@denbighshire.gov.uk) .

## Background

The Well-being of Future Generations (Wales) Act 2015 requires public services to work with people, communities and each other to tackle challenges Wales faces now and in the future. The Act's aim is to improve the long term social, environmental and economic well-being of Wales. It has been used to inform, and complements, our [Corporate Plan 2017–2022](#), strategies, and corporate values. Denbighshire County Council (DCC) is committed to maximising Community Benefits in contract and service delivery. Going forward, the application of this Policy will be driven and supported by the DCC Community Benefit Hub (CB Hub).

This policy is based on the following principles:

- To consider the inclusion of Community Benefits in all relevant contracts and maximise outcomes through the use of voluntary Community Benefits
- To increase the Community Benefit outcomes generated through the inclusion of Community Benefit requirements within works, services and goods specifications
- To review and monitor the impact of Community Benefit activity, and to report via the Corporate Procurement Annual Report; and to continually strive to improve our performance.

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- To minimise the impact, and maximise the benefits, that our work has on the environment and people around us.
- To integrate our Community Benefits considerations into all our business decisions.

In developing our policy for the first time we aim to deliver gradual but continuous improvements in our performance every year. As a result, our approach will continue to evolve as lessons are learned along the way. This Policy will be updated as per introduction of any new applicable legislation, and will be reviewed through lessons learned, every 3 years.

This Policy is relevant to the development and provision of Community Benefits aligned to DCC Corporate Plan via three key routes:

- **Economic Responsibility** - focusing on practices that facilitate the long-term growth of the County, whilst also meeting the standards set for ethical, environmental practices within the council.
  - The [Economic and Community Ambition Strategy 2013-2023](#) sets out our ambitions for Denbighshire's local economy and benefits that we expect to achieve for our residents.
  - The [Conwy and Denbighshire Public Service Board \(PSB\) Wellbeing Plan 2018 – 2023](#) sets out the local objectives to improve the economic, social, cultural and environmental well-being for the area by working to achieve the 7 national well-being goals.
- **Environmental sustainability initiatives** - generally focusing on the following areas: limiting pollution where possible, reduction of carbon footprint, increasing carbon sequestration and biodiversity improvement. As awareness of environmental issues increases, organisations and businesses that take proactive steps to reduce air, land and water pollution can increase their reputation as good corporate citizens, while also benefiting society as a whole. In July 2019 DCC declared a climate and ecological emergency – committing the organisation to achieve net carbon zero, and be ecologically positive, by 2030. Welsh Government (WG) Policy: Local Authorities (LAs) must be carbon neutral by 2030, [Climate change strategy](#)

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[for Wales, Low carbon Delivery Plan](#) this includes carbon emissions from DCC's supply chain and the Council is required to report its emissions to WG each year.

- **Social initiatives** – these include the donation of time, money and/or resources to charities and organisations at local, national or international levels.

Whilst the names Community Benefits, and social value or requirements, are interchangeable, the term 'Community Benefits' will be used throughout this policy. This also will avoid confusion with Section 106 agreements, subject to the Town & Country Planning Act 1990, which enables inclusion of 'social requirements' as a condition of planning consent. (See Appendix 1)

## Creation of Community Benefit Hub

In June 2019 the DCC Programme Board for Young People and Housing approved the creation of the Community Benefits Hub, along with the inclusion of community benefits in all relevant contracts. The inclusion of community benefits clauses will be considered within relevant grants made by DCC. The Hub will provide support, and enable Services to include CBs in contracts at the earliest opportunity. The commissioning cycle process is central to achieving best value and outcomes for DCC spend and it is to be expected that by applying a CB approach at an early stage this will go toward increasing value for DCC spend.

## Community Benefits within DCC

Long-term financial sustainability requires close collaborative and partnership working with local, private and third sector organisations, and it is integral to the DCC approach. The effect of joining policies and resources together has the potential for greater impact than when these when delivered independently. Working together with a wide range of organisations can be expected to increase innovation, efficiency and value whilst delivering an equal or improved service.

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DCC [Procurement Policy](#) incorporates the Welsh Government definition and guidance, as below:

## Welsh Government - definition of Community Benefits

Community benefits is the term that has been adopted by Welsh Government in their published guidance "[Community Benefits Guidance Delivering Maximum Value for the Welsh Pound](#)". This provides formalised guidance and toolkits together with an overview of the type of Community Benefits the public sector should be seeking to deliver.

Completing the [measurement tool kit](#) meets the current reporting requirements in the procurement policy statement.

## Incorporating community benefits into DCC Contracts

The CB Hub will co-ordinate, produce and signpost to training, support and guidelines that will be available to Services on how to include social, economic and environmental requirements, as Community Benefits, when tendering DCC contracts. Training and support will also be provided for contract managers on monitoring the delivery of all such Community Benefits. A bespoke community benefit measurement portal will be introduced to capture such benefits, and support reporting on the outcome and impacts of those benefits.

In line with this Policy the CB Hub will:

- Design and deliver appropriate training and support to Services and contract managers
- Encourage and enable officers of the Council to access relevant, appropriate and up to date community benefits advice at the earliest stages of their project development thinking, continuing through to contract management and monitoring of the provision of the CBs
- Become the central point at which the CB related data across the Council is co-ordinated, documented and reported

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We currently spend in the region of £100 million a year with private and third sector organisations on the goods, services and works needed to deliver public services. It is our responsibility to manage this money efficiently and effectively to achieve Council objectives. Our [Procurement Strategy](#) sets out how we are changing procurement and commissioning within the Council.

Community Benefits can be used to build a range of economic, social, cultural or environmental conditions into the delivery of council contracts and projects.

Community Benefits form part of the Specification, and suppliers will have a contractual obligation to deliver these commitments. Community Benefit delivery will form part of the key performance indicators of the contract (where relevant).

Community Benefits shall be considered and included in all relevant and appropriate contracts with an aggregated threshold value as noted below:

- Works Contracts more than £100k
- Good/Services Contracts more than £25k

## Core Community Benefits – Evaluated

The Core approach to Community Benefits is the inclusion of community benefit objectives in the subject matter of the contract and as such CBs are evaluated as part of the tender process:

- Where the Community Benefits being sought must relate to the subject matter of the contract and must be included and scored as part of the evaluation procedure; and (e.g. Targeted Employment and Training Initiatives).
- A relevant percentage of the evaluation criteria will be attributed to Community Benefits.

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## **None Core Community Benefits - mandatory but not evaluated**

The non-core approach to Community Benefits is to use either the Conditions of Contract or by inviting community benefits proposals. Conditions of Contract e.g. include obligations to make payment to subcontractors within a specified timeframe

- Bidders will be asked to provide details of the Community Benefits they would deliver through the contract (which may have been suggested by the contractor). These non-core benefits would not be evaluated as part of the tender but should still be included as contractual requirements and their delivery monitored as part of the normal contract management process.

## **Voluntary Community Benefits**

Voluntary Community Benefits do not form part of the contract as awarded and the council would negotiate any CBs on a goodwill basis.

- The council may seek to encourage Voluntary Community Benefits for a particular procurement activity. This will not form part of the evaluation, or indeed place a contractual obligation on the supplier; however, those which are offered and accepted by the Council will be reported in the CB Hub Annual report.
- Delivery of Voluntary Community Benefits will be monitored through management information provided by the supplier and as part of the contract management process

## **Community Benefits Monitoring and Reporting**

Successful suppliers will be required to provide regular monitoring information outlining Community Benefits delivery progress. This will enable DCC to monitor progress and report on the Community Benefits achieved in the Annual DCC Procurement Report as mandated by Welsh Procurement Policy Statement. A CB measurement and reporting on-line portal will be used to capture metric reporting. Training and support will be given to officers and supplier staff in effective use of the portal.



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- Monitoring information will be reviewed by the CB Hub and relevant Strategic Leads and outcomes will be recorded.
- A Community Benefits Steering Group of internal stakeholders will be created to monitor and review overall Community Benefits outcomes on a regular basis.
- The CB Hub will produce DCC CB reporting in format and timescale as requested by Welsh Government.

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## **Appendix 1. Section 106 agreements**

As Section 106 (S106) agreements are outside the scope of public procurement, S106 does not form part of the Community Benefits Policy. However, to ensure that wider social, environmental and economic issues are taken into account the DCC CB Hub will agree an information sharing mechanism with Planning (Local Planning Authority - LPA). This communication process will share information on S106 agreements with the CB Hub.

This will enable the CB Hub to:

- Create and maintain a central register of historic, current and future S106 agreements
- Centrally co-ordinate reporting of triggers reached within S106 agreements, as advised
- Confirm S106 commitments are received, and document their allocation to relevant themes e.g. Open Space, Education, Ecology etc.
- Support, collate and co-ordinate monitoring of S106 commitment outcomes by the relevant services
- Produce a series of case studies for use as reference, and to identify and share best practice
- Identify potential for adding value to any procurement derived community benefit and vice versa
- Build a countywide picture of S106 impacts, and
- Liaise with DCC Members and internal DCC stakeholders