



Llywodraeth Cymru
Welsh Government

Guidance for community benefits

Guidance

Guidance document no: 237/2018
Date of issue: May 2018

Guidance for community benefits

Audience	This guidance is aimed at local authorities, diocesan authorities, further education institutions and higher education institutions.
Overview	The guidance and templates will assist those responsible for community benefits for approved projects under the 21 st Century Schools and Education Programme.
Action required	The guidance should be used when capturing community benefits for approved projects under the 21 st Century Schools and Education Programme.
Further information	Enquiries about this document should be directed to: Education Business Planning and Governance The Education Directorate Welsh Government Cathays Park Cardiff CF10 3NQ Tel: 03000 255294 e-mail: 21stcenturyschools@gov.wales
Additional copies	This document can be accessed from the Welsh Government's website at www.21stcenturyschools.org/?lang=en

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Contents

1.	Capturing community benefits data	2
2.	Tendering contracts	3
3.	Benchmarks	4
4.	Start of project	9
5.	Examples	10
6.	During the project	12
7.	End of project	14
8.	Frequently asked questions	15

1. Capturing community benefits data

1.1 Introduction

From May 2017, all approved projects in the 21st Century Schools and Education Programme are required to use the Value Wales Community Benefits Toolkit. Use of the Toolkit enables the capture of the full range of Community Benefits outcomes, including jobs, educational support initiatives and training, and provides a consistent way of measuring such benefits. If your project has received funding from the Programme you will need to complete the Toolkit on an annual basis.

We also require you to focus on those benefits that are of most value to the education sector and report to us on a quarterly basis when you submit your claims for payment. The Community benefits which we are targeting in this way are as follows:

- New entrant (Jobs Created)
- Training
- Apprenticeships
- School Engagement (STEM)

We are also monitoring the following areas as these are linked to our programme aims, particularly sustainability:

- Carbon footprint
- Reduction in surplus places
- Condition of school buildings improvement
- Backlog Maintenance reduction
- Energy consumption
- CO2 emission reduction
- Considerate constructors scheme
- Waste to landfill
- Number of accidents
- Labour force
- Welsh supply chain initiatives
- Fair payment
- Community Initiatives

2. Tendering contracts

When tendering projects, it is essential that the client takes the lead and sets out clearly the Community Benefit objectives required. While the main contractor should be encouraged to contribute to planning how the Community Benefit objectives will be delivered, it should not be left to the contractor to determine what the objectives should be.

At the tender stage the client should include in the invitation to tender the community benefits targets that the project will be aiming for. This information will be evaluated as part of the bid; any other benefits offered by an individual contractor should be included in the contract if that contractor is successful in being awarded the project.

The targets that form part of the contract should be included in the Full Business Case/ Business Justification case and will also be included in the grant letter when the business case is approved by the Capital Panel.

The targets that are included in the grant letter will be monitored quarterly as part of our financial monitoring. There is also annual monitoring and a final report to complete when the project finishes.

The regional frameworks and the skills academies monitor this data and will be happy to assist project managers to set these targets.

3. Benchmarks

The 21st Century Schools team have laid out expectations of what type of community benefits should be targeted and have included benchmarks for these targets. Some of the data is required for information only and is not set as a hard target.

The recruitment and training targets are expected to be met. However, if these are difficult to achieve on certain projects, for example because of the location of the project and workforce availability, they can be revised and other targets increased to offset the reduction.

We are aware that some areas of Wales will be better placed to achieve the benchmarks than others. For example, border projects may find it more difficult to recruit a local workforce; rural projects may find recruitment of apprentices difficult.

If you are unable to meet one of the standards, you will be expected to raise your standard in other areas. For example, if apprenticeships are an issue, perhaps more engagement with learners might be appropriate. If you need to amend the targets you should liaise with the 21st Century Schools Programme team who will consider whether the amended target is appropriate.

The table below sets out the proposed minimum benchmarks for delivery partners to achieve through our investment. You should note that these are minimum benchmarks which a number of our delivery partners are already exceeding. We are monitoring achievement on a quarterly and annual basis.

Each project should aim to provide the benchmarks set out in the table below.

Target area	Metric	Benchmark value	Example	Reporting
New Entrant <i>Jobs created</i>	Person weeks per £m invested	52	Definition of person and weeks This will be made up of the 4 areas. (Please see below)	Quarterly
Training	Training (included in the New Entrant weeks)	25	Definition of training and weeks (Please see below this should be minimum of 25 of the 52 weeks total.	
New Entrant <i>Jobs created</i>	Number of individuals employed on the project(based on 52 weeks provision)	Defined at project level	Total of individuals who have been employed in this category.	Quarterly

Apprenticeships	Number of apprentices employed	Defined at project level	Total number of apprentices who have been employed on the project.	Quarterly
School Engagement (STEM)	Number of Pupil interactions per £m invested	150	School assemblies or individual lessons Assembly with 70 children – 70 interventions. Maths lesson with 30 children – 30 interventions	Quarterly
School Engagement (STEM)	Hours donated per £m invested	10	Wider team involvement – interviews, careers fairs.	Quarterly
Labour Force	Percent of workforce from postcode of Local Authority (Of larger authorities, this would need to be split)	30	Use postcode of the project and measure visits to site	Annual
Labour Force	Percent of workforce from Wales	60	Use postcode of the project and measure visits to site	Annual
Value Wales measurement Tool	Complete WG measurement Tool	1	Complete on completion of the project and annually	Annual
Welsh Supply Chain initiatives				
Supply chain initiatives	Percent spend in Wales per project	Bid by contractor	Value of contact and location of supplier. CBME electrical contractor Cardiff postcode £100,000 contract value expressed as percentage	Annual
Supply chain initiatives	Number and type of materials produced in Wales	Data Collection	Welsh Steel, Welsh slate	Annual
Supply chain initiatives	Value of materials produced in Wales	Data Collection	£ per tonne (Steel), £ per metre squared (slate)	Annual
Supply chain initiatives	Volume of materials produced in Wales	Data collection	Tonnage (Steel), number of metres squared (slate)	Annual

Supply chain initiatives	Percent Welsh sub contractors per project	Bid by contractor	Total number of contractors used with welsh postcode expressed as percentage	Annual
Supply chain initiatives	Number of Supply chain engagements per project	2	Meet the buyer event	Annual
Supply chain initiatives	Use of Sell 2 Wales to advertise opportunities	Bid by contractor	Advise opportunity for subcontractors through sell2wales	Annual
Fair payment	Payment within 10 days by client		Audit percentage of payments	Annual
Fair payment	Payment to sub contractors within 23 days		Audit percentage of payments	Annual
Environmental	Percent waste diverted from landfill	85	Measured from waste transfer advice note	Annual
Environmental	Amount of waste produced tonnes/£m	10	Measured from waste transfer advice note	Annual
Community	Community initiatives per project	2	Work with local scout group to repaint hall.	Annual
Community	Community newsletters per project	2	Letter sent out to local residents	Annual

3.1 Definition of Each Target Area

3.1.1 Jobs created

For every £1m in contract value (total building cost, not project value) provided, the Contractor should provide a minimum of 52 person weeks of employment for a New Entrant (Jobs created).

3.1.2 Person Week

A person employed for 5 days on site.

This means the equivalent of one person being employed for five days either on the development or through a mix of work on the development and elsewhere as agreed by the client

3.1.3 A New Entrant could be a person who is any one of these four categories:

- Leaving an educational establishment or a training provider.
- A non-employed person (registered with a job centre), a school or college leaver, or an adult that has not been employed in the construction industry.
- Other Trainees - Those who are not Apprentices but have a contract of employment or are self-employed. This may be a year out graduate.
- Apprentice - A person registered as an apprentice with an industry recognised body.

Here is a table showing how the 52 person weeks is split between the 4 categories.

1	Leaving an educational establishment or a training provider.	27 weeks	Total of 52 weeks per £m
2	A non-employed person (registered with a job centre), a school or college leaver, or an adult that has not been employed in the construction industry.		
3	Other Trainees - Those who are not Apprentices but have a contract of employment or are self-employed. This may be a year out graduate.	25 weeks	
4	Apprentice - A person registered as an apprentice with an industry recognised body.		

3.2 How should the weeks of New Entrant and Training per £m invested be captured?

3.2.1 Training

Covers all relevant training qualifications including NVQs, diplomas and graduate training.

3.2.2 Apprenticeships

Promote use of Y Prentis/ Cyfle or other shared apprentice schemes.

3.2.3 School engagement (STEM)

Engagement with pupils could include whole school assemblies, lessons, Pupil ambassadors or school/ group challenges. The time given here is not recorded in the hours donated. You should not use 1 hour giving an assembly to 240 children as an hour donated and 240 pupil interactions. It can only be used in one target area.

3.2.4 Hours Donated

This is where the whole delivery team contribute towards an engagement activity(ies) which is recorded in hours, e.g. a careers fair which is attended by the architect, structural engineer, project manager, cost manager, engineer with each giving 2 hours of time. This gives a total of 10 hours donated.

3.2.5 Welsh Materials

We are capturing the spend and volume of materials sourced in Wales. For example, where structural steel is a critical component of the building we would capture the value and volume of steel purchased. Other examples could include use of Welsh timber or slate.

3.2.6 Monitoring Community Benefits

At the start of the project each Local Authority will have to complete a project information pro forma. The pro forma will include a section on community benefits as seen below. This is the section where you set out your project targets, in line with our minimum benchmarks.

4. Start of project

Setting your benchmarks at the beginning of the project.

	Contract Value (Based on total Building cost (As per project cost pro forma section 5))					£4,000,000
Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	Person weeks per Total building cost	Number of individuals employed for project	Number of apprentices	Person weeks of training provided per total building cost (included in new entrant weeks)	Number of Pupil interactions (per total building cost)	Hours donated (per total building cost)
Example 1	208	2	2	100	600	40
Welsh Government Benchmarks	52x4TBC (£4m contract value)	<i>This will be made up of however many new entrants have been created through the weeks provided.</i>		25 x 4TBC (£4m contract value)	150x4 TBC (£4m contract value)	10X4 TBC (£4m contract value)

5. Examples

Example 1

Example of a project with a contract value of £3m

Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	Person weeks per Total building cost	Number of New Entrants	Number of apprentices (per total building cost)	Person weeks of training provided per total building cost (included in new entrant weeks)	Number of Pupil interactions (per total building cost)	Hours donated (per total building cost)
Example 1	156 (81 weeks of 156 is category 1 and 2 and 75 weeks is made up of category 3 and 4 as in definitions)	to be defined at project level eg 2	to be defined at project level eg 4	75 (category 3 and 4 as in definitions)	450	30

Example 2

Due to the nature of the project, this is an example where they are unable to employ apprentices but have increased the pupil interactions. This could be 1 additional whole school assembly (240 pupils in a primary school).

Based on total Building cost: £3,000,000						
Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	Person weeks per Total building cost	Number of New Entrants (per total building cost)	Number of apprentices (per total building cost)	Person weeks of training provided per total building cost (included in new entrant weeks)	Number of Pupil interactions (per total building cost)	Hours donated (per total building cost)
Example 1	156 (81 weeks of 156 is category 1 and 2 and 75 weeks is made up of category 3 and 4 as in definitions)	to be defined at project level eg 2	Not achievable so addition school engagement	75 (category 3 and 4 as in definitions)	690 (450 plus 1 additional assembly of 240 pupils)	30

Example 3

This project is unable to meet the pupil interaction benchmark. However, the contractor has donated more hours through a number of Careers Fairs.

Based on total Building cost: £3,000,000						
Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	<i>Person weeks per Total building cost</i>	<i>Number of New Entrants (per total building cost)</i>	<i>Number of apprentices (per total building cost)</i>	<i>Person weeks of training provided per total building cost (included in new entrant weeks)</i>	<i>Number of Pupil interactions (per total building cost)</i>	<i>Hours donated (per total building cost)</i>
Example 1	156 (81 weeks of 156 is category 1 and 2 and 75 weeks is made up of category 3 and 4 as in definitions)	to be defined at project level eg 2	to be defined at project level eg 4	75 (category 3 and 4 as in definitions)	240 (should be 450)	50 (should be 30)

6. During the project

Throughout project progress, Local Authorities should submit an update of their quarterly progress on community benefits. These cumulative figures should include the actual number of people employed, trainees and apprenticeships.

Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	Total weeks of New Entrant (actual weeks)	Number of New Entrants (actual)	Number of apprentices (actual number)	Person weeks of training provided (actual number of weeks)	Number of Pupil interactions (actual number)	Hours donated (actual number)
Example 1						

**Reporting above will be actuals submitted on a quarterly basis. These will be monitored by Welsh Government and will be looked at during our claims period.*

6.1 Quarterly monitoring guidance

Your quarterly monitoring return will be looked at when claims for payments are made.

Please follow instructions below to help us to capture all data more effectively.

- Please ensure you use 1 row per project.
- Please do not merge the cells as this will disorder the data we are capturing.
- We expect to receive the latest information on a cumulative basis each quarter.
- If the information we are requesting is not available at the time of submitting your claim form please use N/A (not available). We will expect an update in the following quarter.

The quarterly monitoring timetable is as follows:

Quarter 1	April - June
Quarter 2	July - Sept
Quarter 3	Oct - Dec
Quarter 4	Jan - March
Annual	End of the financial year - Quarter 4

All totals are cumulative running totals for projects.

This work book will be useful on project completion as it contains running totals, so the finalised information will have been prepared in readiness for the closing report.

Should you have any further questions or any other issues in relation to your schools investment programme, please do not hesitate to contact a member of the 21st Century Schools team on 21stcenturyschools@gov.wales. We will get back to you as soon as possible.

6.2 Annual Reporting

After March 31st we would expect the annual update on your community benefits information, reporting benefits achieved against individual projects. Here are the sections in your booklet which should be completed at this point.

Local Authority / Organisation	School / Project	Labour Force		WG measurement Tool
		Percent of workforce from postcode	Percent of workforce from Wales	Complete WG measurement Tool

Supply chain initiatives						
Percent spend in Wales per project	Number and type of materials produced in Wales	Value of material	Volume of material	Percent Welsh sub contractors per project	Number of Supply chain engagements per project	Use of Sell 2 Wales to advertise opportunities

Fair payment		Environmental		Community	
Payment within 10 days by client	Payment to sub contractors within 23 days	Percent waste diverted from landfill	Amount of waste produced tonnes/£m	Community initiatives per project	Community newsletters per project

7. End of project

On project completion you are expected to complete a closing report. This will outline achievement against the community benefits targets which you set at the beginning of the project. Welsh Government will need confirmation that your community benefits targets have been met. Here is the area you which would need to complete within the report.

Project/ School	New entrant		Apprenticeships	Training (including graduates, work placements, pupil placement, apprenticeships)	School Engagement (STEM)	
	<i>Total weeks of New Entrant (actual weeks)</i>	<i>Number of New Entrants (actual</i>	<i>Number of apprentices (actual number)</i>	<i>Person weeks of training provided (actual number of weeks)</i>	<i>Number of Pupil interactions (actual number)</i>	<i>Hours donated (actual number)</i>
Example 1						

8. Frequently asked questions

1. Are projects procured prior to the introduction of these benchmarks required to capture community benefits information?
The tool only applies to new projects let after May 2017. However if there is an opportunity to gain any community benefits from existing projects please record them.
2. Are projects procured prior to the introduction of these benchmarks required to monitor and report quarterly?
The tool only applies to new projects let after May 2017. However you are receiving community benefits information for existing projects it would be useful if you would complete the monitoring form.
3. What is the purpose of the information, what is being done with it?
The information collected will be used to check project progress, to promote achievements from the Programme and keep Ministers up to date with the benefits delivered. It will also be used to report delivery against wider Welsh Government objectives.
4. Are there any plans to analyse the outputs to inform future targets and guidance?
Yes, the data will be analysed and used to inform the setting of future benchmarks
5. The contractors and clients are already completing a number of tools regarding community benefits, how do we streamline the process?
Work has been undertaken to try to align the different tools required to capture Community benefits data but unfortunately there is not currently a suitable portal to capture it all. This is something that will be looked at in the future.
6. I would like to understand how this new tool works and what is the appropriate way of using it?
Each quarter when submitting a grant claim form, you are also expected to complete the community benefits monitoring tool. The monitoring tool should include cumulative totals showing progress to date. When the project has been completed, we will expect to see the final cumulative totals within your closing report. This report should compare project achievements with the targets set at the beginning of the project. This information can be readily shared with Ministers.
7. Should the introduction of the monitoring be a variation to the original procurement specification and entitle the Contractor to additional cost?
No, there is no need to vary pre-existing contracts. The targets should be used for new projects from May 2017 so that contractors can take account of it in their bid price. There is no expectation for additional cost/resources to be incurred.
8. How did you come up with the benchmarks?
The bench marks were developed in conjunction with Value Wales and were based on data received for projects delivered in Band A.

9. If the project consists of a demolition, do you require the same benchmarks?
We take the nature of the project into consideration and would not expect to see the same bench marks for demolition as for a school development. We would, however, look for some community benefits to be achieved.
10. If a Local Authority is struggling to meet benchmarks in one area, how much would Welsh Government expect to be provided in other areas by way of compensation? (For example if only one job will be created for a £ 3million project what alternative targets should be increased?)
There is no set formula; we just look to get the best value for the investment. Each case will be considered on its merits.
11. What happens if we are unable to meet the targets set?
We expect Local Authorities to reach at least our minimum benchmarks; Failure to reach at least the minimum benchmarks may affect our release of the retention monies.
12. The majority of the projects in Band A were let prior to May 2017. It is not possible to go back to collect information we didn't request from the onset, Should we will send information collected for projects let prior to this date in the format we currently use?
Yes. We need to achieve the best possible results from pre-let projects but appreciate that the results won't be in line with current requirements in many cases.
13. Are there any plans to analyse the outputs to inform future targets and guidance?
Yes we will be keeping targets and guidance under review.
14. The community benefits targets have changed since tender, will this affect anything?
TRT Targets are interchangeable between areas but the overall target applies. Any changes between different target areas need to be agreed with the 21st Century Schools team beforehand.
15. Could you confirm what the consequences of under achievement are?
Welsh Government will try to be as flexible as possible. If you think that you might under achieve on any of your targets, please contact the 21st Century schools team and we can advise or revise agreements as necessary.
16. Will you take into consideration these factors and will the team be allowed to 'balance' their outputs tapping into other areas?
This will need to be dealt with on a case by case basis, with agreement from the 21st Century Schools team.
17. Would it be possible to have further training on community benefits monitoring tool?
We will be holding community benefits seminars for our delivery partners shortly.
18. Guidance on what activities are acceptable for STEM hours?

The activities for STEM hours do not need to be carried out only by the contractors. They can be led by the local authority or college's officers, for example architects or Engineers. An example of activities could be building challenge set by the Architect or Careers Fair for Secondary feeder schools arranged by the Local Authorities.

19. Contractors are struggling with the "staffing capacity and skill base" to run lessons and are asking if the teachers from the relevant schools would be able to run the class sessions and the contractors would be willing to help them in a supportive role?
Yes we are not expecting contractors to become teachers. We want them to support a lesson, for example measuring a playground for a maths lesson or inputting to an assembly on the dangers of construction sites (for example use of Ivor Goodsite)

20. Why has the benchmark for STEM contractor hours been changed from 100 to 10?
We encourage our delivery partners to achieve as many hours as they possibly can. We have had feedback that some were not confident that they would achieve a target of 100 hours, so we took this feedback on board and reduced the benchmark to a minimum of 10 hours per £ million invested. However, many Local Authorities may achieve in excess of this benchmark and we would welcome this.

21. How should we capture the community benefits information for the projects that fall between May 2017 – November 2017, if the target was set following the 100 contractor hours of STEM rather than the 10 hours?
Actual hours achieved should be recorded. It is important that you keep in contact with us if you think you will be unable to achieve your targets set at the beginning of the project. When the closing report is submitted for the project you will need to note that the contractor hours target was revised following the issue of your agreement letter.

22. Can we have the option to reduce the STEM targets for schemes that have already been let?
Yes, this would be possible if you have set your set your targets for other sections at our minimum benchmarks. However, we would need to have details of which project you are referring rather than give an hypothetical answer, as you may already have had allowance made towards other targets because of increased STEM engagement.

23. Do we reduce the interaction target in line with the STEM hours, i.e. 10 interactions per £M? (I'm guessing no if you count a school assembly of 50 pupils as 50 interactions but I would like clarity).
No, the interactions would be per pupil, so we would still expect the target numbers of pupil interactions; it is only the contractor hours target that has changed.

24. Will we have access to annual target data and case studies to benchmark our schemes and learn from others?

This will help to set realistic and meaningful targets at tender stage – We are gathering the data and will provide feedback in future, but this is currently at an early stage.

25. How are WG communicating this revised target and guidance, and when? (Can I inform our contractors on the framework, their community benefits officers and the framework management group)

We will shortly be issuing a letter to all Local Authorities confirming the reduction of the STEM hours per million invested. Included in this letter will be fuller guidance, in response to feedback from users.

26. What do we do about the projects where the hours have been calculated per pupil numbers rather than hours spent?

These are two separate areas that we monitor. The pupil interaction could be 1 two hour whole school assemblies (240 pupils) which gives 480 pupil interactions but you can not double count this as 2 hours in your hours donated. Please see the guidance for definition of each target area.

27. Person weeks per million invested – this means the total number of person weeks achieved against the set target which will be roughly 52 weeks per £million?

Yes, this is the minimum benchmark.

Number of FTE per £m invested – this means the number of unemployed people who had jobs – whether they stay for 2 weeks or 52 weeks – cumulative?

Yes, This will be made up of however many new entrants have been created through the weeks provided.

28. Person weeks of training provided per £m invested – includes counting existing trainees, apprentices, as well as work experiences, graduates, internships.

Yes

29. Number of apprentices per £m invested - is this only the number of new apprentices and shared apprentices working on the site or do we count trainees and work experience as well?

All these will form part of New Entrants. Please see definition in guidance.