A guide to the Community Benefits Measurement Tool
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The Community Benefits Measurement Tool

Background to the Community Benefits Measurement Tool
The Community Benefits Measurement Tool is an Excel spreadsheet, initially developed in 2011 to capture the full range of Community Benefits outcomes not just those aspects that can be easily monetised and to provide a consistent way of measuring CBs.

The tool also represents an effort to focus on where the socio / economic benefits are delivered and a move away from an overly simplistic concern about the location of the main contractors headquarters or an invoice address. Whether the contract is for goods / supplies, services or works Wales based staff and suppliers / contractors are usually involved, with services provided in Wales for the benefit of welsh residents and in many cases resulting in physical assets such as infrastructure works being developed for the benefit of the Welsh economy and people of Wales.

The tool is built around the concept of the local economic multiplier and uses the outcomes of the range of Community Benefits selected on a procurement project to generate a Welsh Local Multiplier.

It designed to draw only on information that is readily available to contractors and suppliers in their finance and Human Resources / Personnel records plus metrics or outcomes required by the contracting authority for the specific community benefit objectives set for the contract e.g. numbers of apprenticeships; hours spent supporting educational activities etc.

To help with the calculation of the Welsh Local Multiplier and benefits to the HM Treasury and the Welsh and UK economy the tool uses a range of variables that are reviewed annually in April to coincide with UK Budget changes, for example Maximum weekly Job Seekers Allowance; Average taxable wage; Landfill cost in Wales per tonne,

How to use the Community Benefits Measurement Tool
While the tool is largely self explanatory and includes an instructions page it is worth noting a few key points and the pitfalls to be avoided.

- The tool is designed to record the outcomes of the Community Benefits objectives set by the contracting authority as part of the overall procurement strategy or plan.
- It is essential that the client takes the lead and is clear about the Community Benefit objectives being targeted. While the main contractor should be encouraged to contribute to the planning of how the Community Benefit objectives will be delivered it should not be left to the contractor to determine these objectives.
- It is important to note that the tool was not designed to be read from end to end and should not be used as an introduction or explanation of Community Benefits policy; it is simply a recording mechanism.
- Recommended best practice in using the tool is for the public body officers involved in implementing the Community Benefits to identify the descriptors
for the relevant objectives and extract them into a summary sheet for the contractor.

- While the tool is to be used to report the Community Benefit outcomes it should be used from the beginning of the project of contract as part of the contract management arrangements, recording the outcomes as they accrue. This avoids the issues that trying to gather the relevant information retrospectively on an annual basis or at the end of a project can cause.
- Although a reporting tool it is recommended that it be used at regular contract management meetings to track progress and update the metrics and narratives for the Community Benefits objectives. By making discussion of progress on delivery of the Community Benefit objectives part of the ongoing contract management process it allows any problems to be identified and managed as they arise.

(iii) Completing the Community Benefits Measurement Tool (CBMT)

The CBMT is made up of a number of self explanatory worksheets. Most aspects of the tool are also accompanied by guidance notes alongside the boxes for data entry. Further support is available from Value Wales via the contact mailbox at the foot of the Contract Header Details worksheets - communitybenefits@wales.gsi.gov.uk.

**Contract Header details**

This worksheet captures basic information on the project

**General**

This worksheet captures the following information
- the type of project (goods, services, works or infrastructure)
- the location of the main contractor and
- a breakdown of the expenditure during the period covered by the submission by
  - 'goods, services and overheads' and
  - 'staff and labour'.

**Enterprise**

This worksheet breaks down the value spent on goods, service and overheads; with businesses based in Wales; whether these are also SMEs; and or Third sector businesses. This worksheet also asks questions about policies and performance relating to prompt payment as cash flow is critical to smaller businesses. The worksheet captures the following information
- whether or not sub-contractors have been used
- if sub-contractors have been used is the main contractor signed up to the
  - UK Prompt Payment Code
  - Wales Fair Payment Charter
- if sub-contractors have been used what percentage have been paid within 30 days
Employment

This worksheet breaks down the value spent on staff and labour. The decision on which of the contractor and or sub-contractors staff and labour to include is for the client and contractor to agree. For example a project manager employed by the contractor on the contract or project while also managing other projects will need to have their time prorated or may be omitted if the effort to record their hours is considered unreasonable; Also, sub-contractors who provide short-term services e.g. scaffold erectors should not be counted under staff and labour. The value of this subcontract work should however be included in the value of goods, services and overheads on the Enterprise tab. The Employment worksheet records;

- How much of the expenditure on staff and labour relates to people living in Wales who worked on the project during the period covered by the submission – both the permanent staff and labour of the main contractor and sub-contractors and any people taken on as a community benefit objective may be counted;
- If and how many staff were retained due to the project who might otherwise have been laid off and
- How many people taken on who were previously unemployed meeting the definitions of
  - Unemployed – up to 6 months unemployed
  - ‘Disadvantaged workers’ – over 6 months unemployed*
  - ‘Severely disadvantaged workers’ – over 24 months unemployed
  - ‘Disabled workers’
  - Recruited through Welsh Government’s the Lift programme for people from ‘workless household’**
- And, whether those taken on in the above categories will be kept on after the current contract / project finishes

*The definition of disadvantaged worker includes 5 other possible characteristics listed in the measurement tool
**A workless household is defined as a household in which no adult has been employed in the preceding 6 months

Resources

This worksheet covers energy and resource efficiency aspects linked to the implementation / delivery of the project. These will only need to be recorded were the procurement or project offer the opportunity and are objectives set by the client. The worksheet captures the following information

- Renewable energy generated and or used in the implementation / delivery of the project. i.e. this will not include renewable energy generated and or used where this is the purpose of the contract / project in question for example were a contract or project is for the installation of solar panels or wind turbines.
- Waste diverted from landfill
- Percentage of ‘eligible’ materials recycled*
- Water saved
- Measures to reduce travel commuting, business or transport mileage
‘eligible’ materials are defined by the WRAP Net Waste Tool which relates specifically to construction although clients may define this as they wish should they identify recycling as an objective.

Community (inc. Educational support initiatives)

This worksheet captures details of support for community based projects and is the place to record support for educational outreach activities. Specifically this worksheet records;
- Cash donations or sponsorships
- The value of in-kind labour such as the value of the time spent supporting educational activities on site or in classrooms
- The value of other in-kind contributions such as the use of plant, machinery or materials supporting community or educational projects.

Training

This training worksheet captures all the potential training opportunities and associated training weeks that might targeted as community benefit objectives from apprenticeships to opportunities to support people furthest from the jobs market to get work experience or qualifications to help them improve their employability. Specifically this worksheet records;
- Apprenticeships
- Pathways to Apprenticeships
- Traineeships
- Work placements or internships
- Graduate placements
- Work trials
- Voluntary work opportunities
- Accredited training
- Non-accredited training

All of the above are defined guidance notes built into the measurement tool

Sign off

This worksheet is for representatives of both the client and contractor to sign off the benefits recorded.

Results

This worksheet requires no data entry as it automatically summarises the Community Benefits achieved based on the information submitted in the earlier worksheets and generates
- A Welsh Local Multiplier figure and
- A figure for the overall investment in the Welsh and UK economy*
*This figure is defined as Welsh and UK economy as savings accrued to the when taking on unemployed people may result in savings on Job Seekers Allowance and other benefits that are retained by UK Treasury.

Commentary

This is a blank worksheet to allow either the client or contractor to add any additional notes, narrative or commentary on the project not adequately covered or explained elsewhere. Additional supporting documents, especially those that provide a full overview of the project and ‘human interest’ stories, are also welcomed.

Variables

This worksheet is provided for information only and does not require any actions on the part of either the client or contractor. It details a range of data that are used to help calculate the Welsh Local Multiplier and value of the overall investment in the Welsh and UK economy.