



Subject:	Next Steps On Social Clauses and Improving Economic Impact Through Council Expenditure
Date:	13 May 2015
Reporting Officer:	Gerry Millar, Director of Property of Projects John McGrillen, Director of Development
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Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report
1.1	The purpose of this report is to agree the monitoring and communication of both the social clause outcomes and economic impact of council expenditure.
2.0	Recommendations; Members are recommended to agree; <ol style="list-style-type: none">To a bi-monthly briefing to be included on the members portal on social clause employability outcomes.For officers to update the baseline analysis of the local multiplier model, used to measure the economic impact of council expenditure.
3.0	Main report
3.1	Members will have noted that the papers outlined below were presented to Strategic Policy and Resource committee on 24 April 2015; <ul style="list-style-type: none">Social Clause Policy and associated staff guidance subject to further equality screening.Local Multiplier Model as an agreed methodology for understanding of the economic impact of council expenditure. The full reports which were presented to Committee are included in Appendices 1 and 2.
3.2	As members will be aware the Local Multiplier Model, provides an economic methodology for measuring the economic impact of council expenditure. This involved analysing employee, supplier and grant expenditure and also incorporated a survey amongst each of these groups to understand how they further impacted the local economy through their spending decisions.

<p>3.3</p> <p>3.4</p> <p>3.5</p> <p>3.6</p> <p>3.7</p>	<p>The expanded council boundary from 1st April 2015 has increased the area through which 'local' (Belfast based) expenditure occurs, to reflect these boundary changes and more accurately measure local spend, it is recommended that an update of the baseline analysis used to inform the local multiplier model be undertaken. This would involve resurveying council suppliers and employees to obtain economic data to feed into the baseline for the multiplier model. If approved, this baseline will be used to analyse the impact of council expenditure from 2014/15 financial year onwards, however it is expected that this analysis would need to be repeated every 3 years to maintain the integrity of the calculation.</p> <p>In the discussions at committee members expressed a desire to be kept apprised of developments and an ambition for these combined initiatives to deliver even more for the citizens and ratepayers of Belfast. It is thus proposed that an update be posted on the members' portal on a bi-monthly basis the outcome of the employability related social clauses, as well as the wider employability initiatives. This will include an update on the four categories of employability against the specific projects of both the live and completed contracts.</p> <p>As previously highlighted to members central to this is the need to consider an optimal balance between the desire to increase employability and the number of local businesses accessing council procurement opportunities with the desire to create ever more efficiencies.</p> <p><u>Financial & Resource Implications</u> The proposed re-baseline will be undertaken within approved budgets, from Economic Development Unit and Corporate Procurement Service.</p> <p><u>Equality or Good Relations Implications</u> No specific equality or good relations implications.</p>
<p>4.0</p>	<p>Appendices</p>
	<p>Appendix 1a – SP&R April Report on Social Clauses Appendix 1b – Policy on the use of Social Clauses in Council Contracts Appendix 1c – Draft guidance for implementation Appendix 1d– Brief analysis of responses to the policy Appendix 2a – SP&R April Report on Improving economic impact through Council expenditure Appendix 2b – Detailed analysis of 2013/2014 spend using LM3 model</p>