

Whilst every effort has been made to ensure the information herein is accurate, this Quick Guide is not provided as "legal advice" and users should therefore seek legal advice before using this material where appropriate.

# A Quick Guide to Buy Social in Construction

Welcome to A Quick Guide to Buy Social in Construction where you will get a snapshot of what Buy Social is and how it is used. This guide is meant as a brief introduction to Buy Social in construction projects only. For information on Buy Social in Services, IT or Professional Services contracts please contact info@buysocialni.org

# A Quick Guide to **Buy Social**

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### What is Buy Social?

Buy Social is a way to maximise social and economic benefits from public purchasing contracts. The main way that social benefit is achieved is through Targeted Recruitment and Training (TR&T) opportunities.

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## Why is Buy Social necessary?

The draft Programme for Government (PfG) framework highlights the Northern Ireland Assembly and Executive's commitment to the promotion of social inclusion and equal opportunities as key objectives of the Sustainable Development Strategy for Northern Ireland. There is now significant political commitment to the integration of Buy Social in public contracts as highlighted in a number of government policy documents, and the Procurement Board has mandated the use of Buy Social in construction projects through Procurement Guidance Note 01/13.





# What is Targeted Recruitment and Training?

Contracts that include Targeted Recruitment and Training (TR&T) clauses require contractors to provide a proportion of the total weeks of employment created for "New Entrant Trainees".

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#### Who is a New Entrant Trainee?

"New Entrant Trainees" are people who have no substantial work experience (such as school or college leavers) or long-term unemployed people. Some contracts also make special provision, for example, for people with disabilities, or for looked after children/care leavers or people with an offending background.





#### **Key Contract Requirements**

To be eligible for employment as a "New Entrant Trainee" the candidate must be either:<sup>1</sup>

- 1. Unemployed for 52 weeks+ and over 25 or;
- 2. Unemployed for 26 weeks+ and under 25 or;
- 3. Leaving/left education in the past 12 months.

Each "New Entrant Trainee" is given one of three types of contract — an apprentice contract, a student/professional trainee contract or an "other trainee" contract.

Every contract can be slightly different however the key requirements outlining how the contractor must compose the "New Entrant Trainee" workforce for construction contracts over the threshold values (see page 8 for information on threshold values) is outlined below:

- Apprentices and professional trainees (post primary degree or equivalent) can be counted as a "New Entrant Trainee" for up to 104 weeks;
- At least 25% of New Entrant Trainee person-weeks will be completed by apprentices;
- No more than 50% of New Entrant Trainee person-weeks will be completed by apprentices/student professional trainees;
- "New Entrant Trainees" can be used on other contracts for up to 40% of their new entrant trainee period and their costs should be apportioned accordingly; and
- "Other trainees" and students can be counted as "New Entrants
  Trainees" for up to 52 weeks. An "other trainee" is anyone who isn't
  an apprentice or student or professional trainee and who meets the
  eligibility criteria for Buy Social.

<sup>&</sup>lt;sup>1</sup> For eligibility criteria for New Entrant Trainee's please visit http://buysocialni.org/#publications

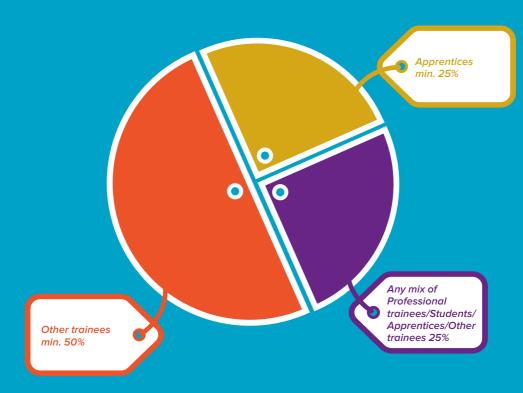






**Buy Social Construction Model Composition of** "New Entrant Trainee" weeks.

The pie chart below shows how this mix is achieved.





#### **Target setting for Buy Social Construction Model clauses**

The information below outlines how the client sets targets for the contractor

#### **Building Works**

For building contracts worth more than £2m, a target of 52 personweeks of waged employment per £1m of contract value is applied.

So a typical calculation, assuming no off-site manufacture, for "New Entrant Trainees" might be:

- Total anticipated contract value (for example) = £10m
- New Entrant Trainee target = £10m x 52 person-weeks = 520 person-weeks.

#### **Civil Engineering**

For civil engineering contracts worth more than £4m, a target of 26 person-weeks of waged employment per £1m of contract value is applied.

So a typical calculation, assuming no off-site manufacture, for "New Entrant Trainees" might be:

- Total anticipated contract value (for example) = £10m
- New Entrant Trainee target = £10m x 26 person-weeks = 260 person-weeks.

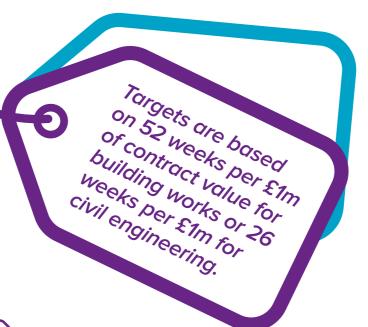
Note: if in either a building works or civil engineering contract there is significant off-site labour (e.g. in the manufacture of a bridge which is then brought to site) then this element of spend can be deducted from the contract value if there is agreement by the Client.



#### **Monitoring**

Where TR&T requirements are included in the contract then they must be enforced. In other words the contractor must supply the client with progress reports as set out in the contract conditions.

To complement the Buy Social approach and to ensure compliance a robust monitoring system has been put in place so that at intervals as stated in each contract the contractor is to provide a listing of all the New Entrant Trainees that have been employed on the contract; by name; their status and the number of weeks they have worked.



#### **Brokerage**

Contractors can match themselves with training/employability/education establishments who can help them recruit "New Entrant Trainees" who are unemployed or who are education leavers. The Buy Social Brokerage website — **www.buysocialnibrokerage.org** has been created to help with this process.

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#### **Work Experience**

While the Buy Social model primarily focuses on paid recruitment and training opportunities, the value that shorter periods of unpaid work experience can bring is also recognised. Up to two weeks of un-waged placement opportunities per £1m in contract value (and pro-rata) must be made available when requested by the Client or organisation named by the Client. This might include for example school children wishing to avail of work experience.

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### **Sharing Best Practice**

The Buy Social Construction Industry Reference Group, comprising representatives from the Construction Industry meet quarterly to share best practice. If you are interested in joining the reference group please contact <code>info@buysocialni.org</code>





#### **Find out more**

To find out more visit www.buysocialni.org.

The Buy Social unit is available to assist in the design of Buy Social targets – contact **info@buysocialni.org**.

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