

Dundee City Council

# Community Benefits Policy Refresh

August 2025



# Introduction

Dundee City Council is committed to securing maximum economic and social benefits whilst delivering best value from public funds via procurement activity. The delivery of Community Benefits is well established in Dundee City Council which has been mandating requirements within its contracts since September 2012, and the last update of the CB policy was in June 2018.

This updated Sustainable Procurement and Community Benefits Policy provides the opportunity to update and refresh the Council Community Benefit approach in light of policy and legal changes including Community Wealth Building, local priorities and developments, and innovation within the programme.

## National and Local Context

The Sustainable Procurement duty in the [Procurement Reform \(Scotland\) Act 2014](#) requires that before a contracting authority buys anything, it must think about:

- how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality.
- how its procurement processes can facilitate the involvement of SMEs, third sector bodies and supported business.
- how public procurement can be used to promote innovation.

It requires a contracting authority to be aware of how its procurement activity can contribute to national and local priorities and to act in a way to secure this. It also indicates that community benefits should be proportionate and relevant to the contract being delivered meaning that we require a Community Benefits approach flexible enough to adapt to different types of contracts and activities.

The Dundee Partnership's City Plan 2022-2032 sets out the shared vision for the City of Dundee:

- Dundee will have a strong and sustainable city economy that will provide jobs for the people in Dundee, retain more graduates and make the city a magnet for new talent.
- Dundee will offer real choice and opportunity in a city that has tackled the root causes of social and economic exclusion, creating a community which is healthy, safe, confident, educated and empowered.
- Dundee will be a vibrant and attractive city with an excellent quality of life where people choose to live, learn, work and visit.

[Corporate Procurement Strategy 2024-27](#) sets out the procurement vision and mission statement which is intended to support the City vision and to make sure the delivery of effective and efficient procurement.

Procurement Vision is *"To embed commercial excellence throughout the Council, ensuring that our services always deliver Best Value. To be recognised as having leading commercial, procurement and commissioning practices and skills delivering outstanding outcomes. To have the people of Dundee City and service users at the heart of what we do"*.

Mission Statement is “To provide strong leadership in the procurement process through knowledge, teamwork and communication with the aim of improving efficiencies, delivering cost savings and ensuring transparency and fairness, with a light environmental footprint and sustainable economic growth for the supplier community. As well as describing in detail how procurement will support each objective within the Council Plan, the strategy sets out several key objectives for procurement:

- To obtain value for money from every purchase
- To make Dundee City Council a prized customer
- To be lean and efficient in our procurement
- To achieve social, economic, and environmental goals
- To trade only with suppliers who behave ethically

## Community Benefits and Community Wealth Building

Community Wealth Building is a people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of local people. It asks that large anchor organisations like Local Authorities use their pillars of influence as major employers, owners of land and property, buyers of goods and services and financial institutions to retain wealth locally and ensure maximum opportunities for the communities they serve. The procurement process can support Community Wealth Building in the following areas:

- **Supply Opportunities for local or generative organisations**
- **Support for Fair Work First Principles and the Living Wage**
- **Maximise Opportunities for Community Benefit**
- **Maximise Opportunities for Environmental Benefits**

The Community Wealth Building Strategy and Action Plan 2025 to 2030 [Community Wealth Building strategy and action plan 2025-2030](#) details the Councils CWB approach and includes the actions relevant to each of these areas.

These actions will be monitored on the Council’s Performance Monitoring System and regularly reported upon.

### Maximising Opportunities for Community Benefit

#### Relevant Community Wealth Building Action Plan Actions:

- Delivery of comprehensive community benefits programmes for capital programmes which includes Supplier Development, Employment and Skills and Community and Environment outcomes and share good practice with partners.
- Delivery of Community Wish approach for Dundee City Council which allows the delivery of localised requests for support in local communities and explore expansion to partners contracts.

The Procurement Reform Act requires community benefits to be considered for delivery in Service contracts over £50,000 and Works contracts over £4 million.



Community Benefits is the term used to refer to a range of 'social issues' including targeted recruitment and training, equal opportunities considerations, supply chain initiatives, awareness raising programmes and community engagement activity which contribute more widely to sustainable procurement. Community Benefits have been part of the procurement landscape in Scotland for many years, and this way of working is well developed within the Council.

In Dundee we will (where appropriate) specify the delivery of community benefit outcomes for contracts with an overall estimated contract value of £100,000+.

Suppliers can choose from a menu of options which provide benefits to the people of Dundee. Category Officers will be able to advise on the setting Community Benefits requirements within contracts/tenders.

## Capital Construction Projects

The Council has a comprehensive Community Benefits programme for Capital projects with a range of minimum targets agreed with contractors depending on the value and type of contract. The Council uses an adaptive version of the National Skills Academy for Construction approach developed by Construction Industry Training Board (CITB). This provides a range of benchmarks for different types of construction projects and indicates what sensible minimum requirements would be over a range of relevant KPIs. With this most recent update of the linked benchmarks there has been some changes to the way that targets will be managed which will impact some areas of activity. The menu of KPIs activity includes a menu of linked outcomes in the areas of:

1. **Supplier development** – this includes the requirement for contractors to track local subcontract and supply spend within 40 miles of site; spend monitoring of generative subcontract and supply spend, and participation in relevant Supplier development activities including Meet the Buyers.
2. **Employment and skills** – the requirement to track percentage of local labour; the creation of new entrant employment opportunities, which now included apprentices, unemployed new starts and graduates – with the split between each being agreed at the beginning of each contract; tracks existing apprentices onsite and work placements for schools, colleges and universities and employability.
3. **Community and Awareness Raising Activity** – includes requirement to deliver an agreed number of awareness raising or curriculum support events including activities with schools, colleges and universities and communities and Community Wishes – supporting communities with a range of small project requests or sponsorship opportunities linked to Community Wish Portal at <https://wishes.dundee.gov.uk/>.
4. **Environmental Outcomes** – includes specific activities or events intended to support the Climate Action plan [Dundee Climate Action Plan | Dundee City Council](#) and Donation of surplus materials.

## Non-Capital Projects (DCC Tendering Exercises and Scottish Based Frameworks)

For non-capital contracts, DCC will typically require contractors to commit to and deliver one community benefit outcome for each £100,000 of contract value. If the contract is extended, community benefit requirements will apply at a rate of an additional 1 x outcome for every £100,000 of the contract value. Contractors will be able to select, in discussion with the client, the type of outcome they will deliver.

Where the contractor is in the position to deliver longer-term community benefits in the form of a mentoring opportunity for a disadvantaged young person; an employability outcome in the form of new start employment opportunities for disadvantaged person or an apprentice opportunity for a local young person, this activity could form part of the community benefit outcomes delivered. In recognition of additional commitment required for these outcomes, they would be considered to be equivalent to 2 x community benefit outcomes.

Community Benefit activity can include the following:

- **Deliver a Community Wish** – The Council has developed a Community Wish Portal at <https://wishes.dundee.gov.uk/> which allows local communities, clubs, charitable or third sector organisations or a collection of local residents in Dundee to articulate small project requests which can be delivered in their communities. Requests can be wide ranging but can include a Donation of Materials, Donation of Time, Sponsorship or other. Successful contractors will be asked to register on the Councils Community Wishes Portal on <https://wishes.dundee.gov.uk/contractors> and select the required number of Community Wishes to deliver.
- **Awareness Raising Event for community group, college or school** – this could include a wide range of activities which support learning and employability such as talks about environmental issues for school, college or university students or job seekers; training workshops carried out by contractors for target groups to raise awareness of their sector and its benefits and where appropriate the careers available, motivational talks, school talks, or to run events which tie in with a particular aspect of the curriculum.
- **Work Experience Opportunity** – where appropriate to provide a work placement opportunity for a young person or adult on an appropriate programme. Support would be provided to identify an appropriate programme and candidate.
- **Other Community Benefit** - at the agreement of both contractor and client, other activity or outcome offered by the contractor which would bring benefits to the people or business of Dundee can be considered as part of the contractor's community benefits commitment. This can be something within the contractor's realm of expertise or interest which is additional to the contract requirement and would be beneficial to the citizens of Dundee. This can include but is not limited to community benefit activity which has been successfully delivered in other contracts.

Longer-Term Community Benefit Commitments (will equate to 2 x outcomes per activity)

- **Mentoring Opportunity** – provide a mentoring opportunity to a young person from Dundee on the MCR pathway mentoring programme. More information at <https://mcrpathways.org/> Support would be provided to identify an appropriate school and candidate.
- **New Start Employment Opportunities** – Provide an employment opportunity to a new start candidate, this would include someone who has been previously unemployed at point of referral or has been made recently redundant. Support would be provided to source appropriate candidates from the Councils Employment Teams. Opportunities require to be for a minimum of 4 weeks to be considered as a new start employment opportunity.
- **Project Initiated Apprentice Opportunity** – Provide an apprentice opportunity for a new start, adult or redundant apprentice over the duration of the contract. Recruitment support can be provided from the Council's Employability team to identify local young people if required.

Category Officers will be able to advise on the setting Community Benefits requirements within contracts/tenders.

## Status of Community Benefit Requirement

Community Benefits will be specified in all relevant contracts over £100,000, whether a commitment contract is being put in place or a Dundee City Council or other Scottish Framework is being utilised. Community Benefits which are specified as part of the contract/framework call-off contract must be delivered by the contractor.

When we are making use of Framework which has been established by an entity from within elsewhere in the UK, a different approach to specifying community benefits in procurement has been adopted. The Procurement Act 2023 places similar duties on contracting authorities in England and Wales in respect of community benefits/social value via procurement.

Category Officers will be able to advise on the setting of Community Benefits requirements within call-offs from other UK Frameworks.

## Scoring of Community Benefit Commitments

Contractual Community Benefits can be incorporated into contracts in the following ways:-

- Community Benefits and Fair Work evaluation weightings should be proportionate to the overall quality weighting. For example, Community Benefits could be set at 3% and Fair Work could be set at 2% of the overall weighting where quality makes up less than 50% of the overall weighting.
- Alternatively, community benefit requirements may be stipulated in the specification of requirements and therefore do not require to be scored as part of the tender submission. The minimum requirement will be stipulated in the tender documents, with the Category Officer or Community Wealth Building Co-ordinator agreeing with the successful contractor post award what they will deliver to fulfil this requirement.
- Additional Community Benefits – Additional Community Benefits which are offered by the supplier but will not be scored as part of the tender evaluation process unless an 'Other Community Benefits' option is included. Additional Community Benefits offered and accepted by the Council will become a contractual commitment to be delivered by the contractor.
- Voluntary – Voluntary Community Benefits will be recorded where they have been offered by the contractor. They will not form part of the tender evaluation, or indeed place a contractual responsibility onto the contractor, however if offered they will be accepted by the Council and Voluntary Community Benefits will be monitored and reported along with other Community Benefit activity.

## Responsibility and Ownership

It should be noted that the Council no longer has a dedicated Community Benefits Officer, rather responsibility for delivering the Community Benefits Policy will be shared across key stakeholders including:

- Category Officers and Corporate Procurement Team including Community Wealth Building Co-ordinator.
- Service Areas and Contract Managers.

- Internal Support Partners including Employability Team, Education Service Colleagues and Climate Change Colleges.
- External Support Partners including contracted providers, Employability support partners including Discover Work partners, Department of Work and Pensions, Skills Development Scotland and Dundee and Angus College.

The Community Wealth Building Co-ordinator will advise on larger Capital programmes and support departments to establish Community Benefits Plans including minimum KPIs and monitoring arrangements. For non-capital programmes a Council wide approach to deliver Community Benefits will require greater involvement from Service Areas, requiring them to:

- Support the Delivery of the Community Benefits Policy.
- To identify and agree Community Benefit Outcomes to be delivered by contractors in line with their commitment (with support as required from Category Officers and the Community Wealth Building Co-ordinator).
- To evaluate Community Benefit and Fair Work requirements (with support from Category Officers and Community Wealth Building Co-ordinator as required).
- To include Community Benefit monitoring as part of contract management processes to ensure that Community Benefits commitments are agreed and delivered upon.

## Monitoring and Reporting

Contract Owners working in partnership with the relevant Category Officer, will be responsible for capturing Community Benefits outcomes delivered through contracts.

Note that evidence of Community Wishes delivered will be submitted through the Community Wish portal and be directed to the relevant Category Officer who will record Community Benefits outcomes.

For Major Construction Contracts, successful suppliers will be required to provide regular monitoring information outlining the Community Benefits delivered as part of their contracts. The monitoring process will be supported by the Community Wealth Building Co-ordinator. Information recorded is shared with contract leads and regular reports are provided on request of relevant project boards. In addition, community benefit updates will be provided to City Governance Committee as part of the Annual Procurement Report which is required as part of the Procurement Reform (Scotland) Act 2014.

One of the biggest challenges for the Community Benefits programme continues to be tracking and monitoring contractors to ensure that commitments are delivered.

This is an issue across local authorities with a range of approaches in place. The procurement team is actively looking for mechanisms which can be built in or work alongside existing monitoring approaches to ensure Community benefit activity is captured. This includes working with the IT team to develop a monitoring system for the Community Wishes approach and learning from other authorities.

# Community Wealth Building

**Community Benefits** are a key part of how community wealth building is delivered through procurement and is covered in Sections above.

**Other aspects of Community Wealth Building are described below:**

## Supply Opportunities for Local or Generative Organisations

### Relevant Community Wealth Building Action Plan Actions:

- Increase the amount of Dundee City Council direct procurement spend with local suppliers.
- Explore options for a 'local first' approach where possible for below threshold, low value tenders.
- Encourage an increase in spend with supported business across Anchor partners and their contractors.
- Maximise local subcontractor and supplier spend from major Capital programmes.
- Deliver a supplier development programme which supports local contractors to compete for public sector contracts, including Meet the Buyer Events and aligned training and engagement events.
- Seek opportunities to improve understanding and engage with generative business models including social enterprises, employee-owned business and co-operatives.

## A Local First Approach

Retaining as much council expenditure as is practical within the local area is one of the most effective ways to contribute to Community Wealth Building in the City. The council has had some success in this area. In financial year 2024/25, 55.93% of procurement spend was spent in Dundee City, that is up 9.55% on last year's figures, 61.22% regionally in Tayside and Fife and 84.48% in Scotland. Comparable figures for other authorities are not currently available, but Dundee City Council was ranked 3rd nationally for local spend in 2023/24 behind Shetland and Highland Councils and comfortably above the national average of 30.7%. It should be noted that 2023/24 and 2024/25 figures have been given a particular boost from local spend activity on East End Campus.

The Council continues to pursue a 'local first' approach where this delivers Best Value to the Council.

As part of the Sourcing Strategy for each procurement, analysis is carried out to identify whether there are any local suppliers who would be able to tender for this opportunity. The Council utilises a range of tools to identify local suppliers including Public Contracts Scotland, Supplier Development Programme, and links with economic development colleagues to identify companies in the Tayside and Fife area.

If it is felt that suppliers may benefit from additional support to compete for the tendering opportunity i.e. if they are smaller contractors or contractors who have not scored highly in previous tender exercises, the Council can arrange aligned tendering training, in partnership with Supplier Development programme or Business Gateway.



This can include information sessions and engagement sessions at the pre-tender stage, before the opportunity is live, or a session during the tendering exercise (the latter is delivered by partners rather than the Council).

## Generative Businesses

Community Wealth Building recognises that generative business models are better at retaining wealth within a community and include social enterprises, supported business, cooperative and employee-owned business. We will actively seek opportunities to engage with generative business where tender opportunities are identified in areas which they operate. We are supporting the newly created CWB generative business working group to meet quarterly to support the sector and highlight relevant tendering opportunities. We will also seek to develop dedicated information pages on the proposed CWB website which provides details of support and sign posting to local provision to support social enterprises and other generative business models.

We will also continue to work with social enterprise partners to support clearances of vacant council buildings to ensure that as much as possible excess furniture and materials are diverted to reuse rather than recycling or disposal. Finally, with Dovetail ceasing to trade we will explore opportunities to work with other supported business and where appropriate encourage existing social enterprises to consider a supported business model.

## Support for Fair Work First Principles and the Living Wage

### Relevant Community Wealth Building Action Plan Actions:

- Ensure that Fair Work practice requirements are included in all relevant contracts and develop monitoring system to confirm compliance.

Within Dundee, Fair Work is considered in all relevant services and works based contracts which have a value of £100,000 or more over the duration of the contract. While we prioritise Fair Work where possible, we are unable to specify Fair Work First criteria into call-offs from cross-border frameworks as Fair Work First is a policy developed and implemented by the Scottish Government for Scottish Procurement exercises.

It is particularly important to consider in service contracts where staff delivery will be a large part of the contract, and in contracts within traditionally low paid sectors including care, cleaning and waste management.

Dundee City Council believes that Fair Work is work that offers employees an effective voice, opportunity, security, fulfilment, and respect, and that fairly balances the rights and responsibilities of employers and workers. The Council's commitment to this agenda includes being a signatory to the Fair Work Charter and its status as the UK's first Living Wage City.

[Fair Work First](#) is the Scottish Government's policy for driving good quality and fair work in Scotland. Through this approach, bidding organisations are asked to describe how they are committed to adopting Fair Work First:

- **providing fair pay for workers (for example, payment of the [Real Living Wage](#)).** This can also include a fair and equal pay policy that includes a for example commitment to supporting appropriate industry collective agreements where they are in place or paying the **Living Wage, currently (April 2025) £12.60 per hour** (£13.85 in London) to all staff over 18 years old or of being a Living Wage Accredited Employer.
- **appropriate channels for effective voice**, such as trade union recognition where appropriate or other alternative arrangements to give staff an ability to share feedback and ideas.

- **investment in workforce development with** a clear managerial responsibility to nurture talent and help individuals fulfil their potential.
- **no inappropriate use of zero hours** contracts.
- **action to tackle the gender pay gap and create a more diverse and inclusive workplace** - promoting equality of opportunity and developing a workforce which reflects the population of Scotland in terms of characteristics such as age, gender, religion or belief, race, sexual orientation, and disability.
- **offer flexible and family friendly working practices** for all workers from day one of employment and promote wider work life balance; and
- **oppose the use of fire and rehire practices.**

In order to ensure the highest standards of service quality, we expect suppliers to commit to adopting Fair Work First in the delivery of their contracts as part of a fair and equitable employment and reward package and as a route to progressing towards wider fair work practices set out in the [Fair Work Framework](#).

As a Living Wage employer, for Dundee City Council this includes the commitment to only work with contractors who commit to pay at least the Living Wage for in-scope contracts. In-scope means contractors whose staff are operating on our land, property or area we are responsible for maintaining for 2 hours or more for 8 consecutive weeks in any given year.

## Environmental Outcomes and Climate Change

### Maximise Opportunities for Environmental Benefits

#### Relevant Community Wealth Building Action Plan Actions:

- Support procurement staff and departments to develop knowledge of sustainable procurement including climate literacy.
- Develop a programme to embed Sustainable Procurement assessment/Life Cycle mapping into key commodity areas and undertakes in depths assessments for sourcing strategies to identify environmental and social opportunities circular economy, carbon reduction and potential savings.
- Continue to explore opportunities to reduce carbon emissions through procurement initiatives, including development of relevant sustainability KPIs.

Sustainable procurement should consider the impacts of the procurement on the environment and aim to maximise the positive impacts while minimising carbon emissions, waste and impacts on the landscape or biodiversity. The Climate Change Scotland Act (2009) asks public bodies to contribute to reductions in CO2 emissions, support adaption activity and act in a sustainable way. Procurement, supplier development and management, and ongoing contract management processes can be used to drive carbon reductions and improve environmental and sustainability performance through the supply chain. Procurement can be used to support the move to a circular economy, reduce waste and improve resource efficiency.

Procurers are asked to consider in their procurement strategies if, what, when and how much they buy and how it can contribute to the delivery of emissions reductions and ensure that they are acting sustainably. The priorities for the public sector are to:

- **Emissions** - focus efforts on the material decarbonisation opportunities in scope 3 emissions. This could include specifying requirements including – use of specific materials or process which reduce carbon impact; evaluation criteria which measures bidding organisation's commitment and innovation in reducing emissions and demand management considerations etc.

- **Adaption** - be resilient to the future climate and to plan for business continuity in relation to delivery of their functions and the services they deliver to the wider community. This could include consideration to the specification of requirements, evaluation criteria or understanding the bidding organisation's business continuity approaches which take account of the potential impacts of climate change.
- **Acting sustainably** – the procurement process is used as an opportunity to maximise social and environmental, as well as economic, benefits; and to ensure that environmental and other harms are minimised. This could mean including specific requirements within tender documentation which are intended to improve environmental impact of contracted activity. This could include ethical or environmentally conscious sourcing approaches to key materials, ensuring that energy efficiency and usage considerations are included within design elements, that circular economy approaches and life cycle mapping assessments are considered as part of sourcing strategy development.

As recognised in the requirement for procurement staff and departments to increase their knowledge of sustainable procurement particularly in relation to the development of climate outcomes.