Driving Equality & Diversity in the Private Sector through Procurement
Key Services

Responsible Bidding
We support private sector bidders to respond to tenders in order that they leave a regeneration legacy and facilitate the development of sustainable communities

Responsible Procurement
We help public sector bodies to understand what they can get from the private sector, how to articulate it and how to monitor outcomes

Corporate Responsibility
We help organisations to develop a CR strategy, advise on how to implement the strategy and develop indices with which to monitor progress

Responsible Delivery
We help organisations to develop and implement policies and plans that promote and support fair and open recruitment, employment and procurement practices
FSquared Clients

TESCO  asc Academy for Sustainable Communities  BDP  Balfour Beatty  MORGAN SINDALL

BABCOCK & BROWN  BARRATT HOMES  BLACKBURN DARWIN  Bovis Lend Lease  BRADFORD one landscape many views

carillion  Connaught  Consort healthcare  Chester & District HOUSING TRUST  Enterprise maintaining the infrastructure of the UK

Equion  ERIC WRIGHT GROUP  equitix  gleeson  Interserve Plc

Innisfree  IRWELL VALLEY HOUSING ASSOCIATION  JE JACOBS

keepmoat delivering community regeneration  LAING O'ROURKE  LANCASHIRE ECONOMIC PARTNERSHIP  wates  MORRISON

Manchester ENTERPRISES Enterprise+Jobs+Skills  MILL GROUP  Ministry of JUSTICE  Newcastle City Council  Northwest REGIONAL DEVELOPMENT AGENCY

Rossendale alive BOROUGH COUNCIL  The Royal Liverpool and Broadgreen University Hospitals NHS Trust  Ryhurst  London DEVELOPMENT AGENCY  The Scottish Government

SIB strategicinvestmentboard  SKANSKA  Transport for London  whg

Sir Robert McALPINE  WILLMOTT DIXON
Delivering Equality and Diversity – A case study
The East London Line Project

- Main works contract – Phase 1 extension and upgrade of the existing East London Line from Dalston to New Cross/ New Cross Gate
- Value - £500m
- Commenced October 2006, passengers by June 2010
Context

• Construction in some of the most deprived and diverse boroughs in UK

• Potential opportunity to create visible change through approach to employment & contracting

• Desire to go beyond contract brief to engage local communities and businesses to provide opportunities for all
The requirements

• Transport for London’s contract terms for the East London Line project were groundbreaking

• Part of the drive for responsible procurement in London

• The contractor was required to develop and implement a range of plans to deliver on equality and inclusion
Promoting Equality and Diversity

Objectives

• Promoting a supportive and inclusive culture and providing opportunities for all

• Working to ensure that the communities of East London can access the significant job opportunities during the construction phase

• Maximising opportunities for local businesses

• Engaging and building good relationships with local communities and stakeholders
Opportunities for all

• Skills forecast to identify opportunities
• Labour suppliers contractually required to work with local stakeholders and provide opportunities locally
• A local recruitment model facilitates placement of local people into general operative roles through local training and employment stakeholders
• 250 local people placed in 2008

Site monitoring in November 2007:
- 51% from East London Line Boroughs
- 53% White backgrounds
- 47% BAME background
People not prejudice

- A bespoke diversity training programme - People not prejudice

- Reached everyone on the project to ensure everyone is treated equally

- Covering – equalities, legislation, project specifics, behaviour, attitude and action planning

- Supported by internal communications
Stakeholder engagement

Employment and Training Advisory Group (ETAG) established to engage stakeholders and local communities. The group

• Discusses and reviews progress initiatives
• Shares knowledge and best practice
• Implements employment and training approaches

Innovation Circle and Network brings together stakeholders to explore how major infrastructure projects can support and deliver community benefit. The initial focus is on increasing women into work.
Community engagement

A programme of community engagement and community liaison across the project

- Schools engagement
- Community events
- Community projects
- Community art
- Community meetings
- Youth engagement
- Newsletters
- Communications programme
Supplier diversity

- Adoption and implementation of a comprehensive Supplier Diversity Plan

- Targeting Diverse Suppliers
  - Working with local agencies
  - Use of local and diverse suppliers where possible

- Promoting Supplier Diversity
  - Supplier Conference
  - Supplier Guide
  - Supplier requirements

- Monitor Supplier Diversity
  - Supplier Health Check
  - Supplier spend
The Business Case

- Strong community and stakeholder relations
- Sustainable workforce
- Better staff retention
- Innovation and learning
- Employee satisfaction
- Borough support
- Positive reputation and image
- Winning future work
- Meeting client requirements
- Corporate responsibility
Lessons on the positive effects of E&D in procurement

- Main contractors now realising that if equality and diversity helps to win more work, they should change corporate policy and behaviour.
- Contractors are starting to see the wider benefits of adopting approaches to equality and diversity e.g. a sustainable workforce.
- More main contractor departments (other than HR) are engaged with the equality and diversity agenda e.g. commercial departments in response to supplier diversity.
- Subcontractors’ awarenesses is being raised through diversity training and cascading requirements – the impact is growing.
- Decisive action is being taken against discrimination which may have been tolerated in the past.
A Standard equality-related framework

- Standard PQQs and terms will help diverse suppliers who have less resources than larger contractors
- Likely to be supported by constructors because less bureaucratic than current arrangements
- Enables companies to develop approaches that work beyond time limited projects and are part of a company wide approach and ethos – it will drive organisational change rather than project specific responses
- Still leaves room to include more pro-active requirements, such as Diversity Training, Supplier Diversity Plans and Equality Action Plans at later tender stages (e.g. ITT) and as additional terms
- It will help to keep momentum going towards greater equality
The Bill

If we don’t push through promoting equality through procurement:

• Potentially send out the wrong signal to constructors to carry on as usual – a cycle of exclusion
• Diverse suppliers may be restored to a position of disadvantage
• Public sector procurers and specifiers may revert to old ways
• Equality and diversity momentum affected – constructors are only at the start of their E&D journey
• The only other alternative to encourage diversity is further legislation – how ironic
Final words

“Fairness is not an additional cost on the public sector. Fairness is why we have a public sector.”

Peter Latchford, visiting professor of enterprise at Birmingham City University, writing in the Guardian, 19 November 2008

“Equality and Diversity is not a burden to the private sector, it’s an opportunity.”

Anon
‘At the Heart of Sustainability’

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