
**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee – 22 October 2014

Subject: Corporate Social Responsibility

Report of: Head of Regeneration

Summary

This report provides an overview of Corporate Social Responsibility (CSR) activity being delivered in the city. It gives some examples of support to deliver CSR, of good practice being delivered by major organisations in the city, information on the barriers to delivering CSR that both employers and organisations working with them have described and examples of CSR being delivered through employment of local apprentices. The report focuses primarily on activity not covered in a previous report to Scrutiny in June covering school business links. Representatives of UK Fast, Business in the Community and the South Manchester Enterprise Network have been invited to provide information on the CSR activity that they deliver or facilitate.

Recommendations

To note and comment on this report

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Links between Schools and Business, Report to Economy Scrutiny, June 2014.
Update on the Manchester Business Survey, Report to Economy Scrutiny, Nov 2012

1.0 Introduction

- 1.1 Whilst Manchester has enjoyed a period of sustained growth, there are still significant disparities in terms of skills, employment and household income in our most deprived neighbourhoods. Corporate Social Responsibility (CSR) activity is one of the ways in which businesses can directly contribute to improving the life chances of some of Manchester's residents.
- 1.2 This report provides an overview of some of the barriers that employers have in terms of delivering CSR activities, the type of CSR mechanisms available to support businesses of all sizes to deliver local benefit and some examples of good practice of CSR being delivered in partnership between MCC and other organisations in the city.

2.0 Barriers to and good practice for employers delivering CSR

- 2.1 The June 2014 report to Economy Scrutiny on links between schools and businesses referred to a small pilot initiative which was launched by MCC in March 2014 to primarily match schools and employment support organisations with employers. As part of the preparation for the initiative known as SNAP, a small survey of 34 employers was undertaken to establish what companies were already doing to support schools and employment organisations. A focus group of 12 employers of varying sizes and types e.g. large corporate companies to local social enterprises was facilitated to understand more about both the positive and negative experiences of employers engaging in CSR activities.
- 2.2 It was clear from the focus group and from the 2013 Annual business survey that there is great willingness and an increasing trend for employers to engage in CSR activities, including support for schools and local community groups. Between the annual business surveys of 2011 and 2013, for example, the percentage of employers stating that they were already supporting local community groups had risen from 32% to 66%.
- 2.3 However, focus group members raised the following issues in terms of barriers to delivering CSR activities;
- Many employers, not just smaller ones, do not know who to engage with and why;
 - There are concerns about health and safety and confusion around the need for CRB/DBS checks which can be off-putting;
 - Using intermediaries or developing structured programmes in-house requires investment but can save cost and energy in the long run;
 - Employers experiences have been mixed in terms of working with schools directly and of working through intermediaries; for SMEs the cost of using some intermediaries can be off-putting

- 2.4 Focus group employers agreed that the following approach supported CSR activity:
- Making the engagement process as simple as possible;
 - When working with schools, (construction) employers should start with schools that are their clients;
 - Making sure that activities are “meaningful” to all parties;
 - Real mutual benefits come from strategic relationships supported by senior staff in businesses and host organisations or schools;
 - Employers providing local content and context to programmes;
 - Feedback to all parties on the benefits and impact of the partnership.

3.0 MCC Support for employers to deliver CSR

3.1 MCC has a strong track record in terms of encouraging and supporting its supply chain to deliver local benefit. The Social Value Act which was implemented 31st January 2013 calls for public service commissioners and procurers to consider social value at the pre-procurement stage. This is not a new concept within MCC and our work to achieve social, economic and environmental benefits through procurement and commissioning activity, pre-dates the Act by a number of years.

3.2 Sustainable Procurement Policy

In 2008 the Council introduced a Sustainable Procurement Policy with a clear set of objectives with the aim of maximising the wider impacts of its spending. Consultation with voluntary sector and SME representative organisations informed the development of the Policy. A report is submitted annually to Finance Scrutiny informing Members of the developments to the policy during the previous 12 months.

3.3 A Statement of Intent was introduced at the same time that set out the activities to deliver against the key objectives of the policy which include the following areas relevant to CSR activity:-

- Ensuring all relevant procurement contracts and tenders contain sustainability specifications as appropriate to the product or service being procured
- Maximising the opportunities for employment and economic gain within Manchester’s communities

The key aim of the Policy is to ensure that MCC employees, contractors and suppliers are aware of our commitment to long term social economic and environmental sustainability. All procurement exercises are evaluated on a price / quality / sustainability split with the percentage split determined on a project by project basis, with sustainability given a minimum of 10%.

3.4 The Economic Development Unit and Corporate Procurement teams have worked closely with MCC commissioners to embed Social Value principles within tender documentation. We have also provided information on the support mechanisms in place for our suppliers to deliver CSR activities e.g. the Manchester Employer Suite and SNAP and have delivered workshops to

the MCC supply chain to encourage them to take on local apprentices for example. CSR activities delivered by MCC's supply chain range from a small VCS organisation which has pledged to buy all of their goods within the local district centre to large construction companies delivering mentoring and aspiration raising support to schools. MCC is currently in the process of re-contacting the top 100 suppliers to establish what CSR activity they are delivering and to encourage them to deliver more.

- 3.5 The South Manchester Enterprise Network was launched in October 2012 through a partnership between Laing O'Rourke, City South Manchester Housing Trust and Manchester City Council. The original aim of the network was to promote CSR and provide business support and networking opportunities for businesses in Hulme and Moss Side but coverage has now extended to include the city centre, Fallowfield and Longsight. The network has grown from a core of eight businesses to now 91 member companies and organisations that range from Asda to Beever and Struthers, to Hulme Community Garden Centre, Firmstart and the Nubian Times, as well as business start ups. The network has an active discussion group on LinkedIn.
- 3.6. Business support areas included in the programme of events have included information on business finance, apprenticeships and procurement readiness. In terms of CSR activities to date, members have supported the following: 'My destiny, my legacy' programme at the Manchester Academy, mock interviews for students, work placements for Prince's Trust programmes and upgraded the heating system at Moss Side Boxing club.
- 3.7 The network is unique in that it:
- Brings together a mix of businesses ranging from large corporates and social enterprises to very small local traders and community businesses.
 - Encourages these businesses to support their local economy and community through CSR activity and in return offers support and networking to help these businesses grow.
- 3.8 Others also attending meetings and supporting the network include: Greater Manchester Chamber of Commerce, Blue Orchid, Corridor Manchester, Rotary, Bubble Enterprises, St Marys Primary School and Manchester Academy. After two years, the network is flourishing and is viewed as a model of good practice which can be replicated in other parts of the city. Niall Power from City South Housing Trust will attend the meeting and provide more information about the work of the Network.

4 Other support for CSR activity

- 4.1 There are a range of national organisations and initiatives that promote and facilitate CSR activity. MCC and other strategic partners such as Registered Providers have funded and worked with organisations such as Business in the Community to deliver CSR programmes.

- 4.2 MCC funds the BiTC run 'Ready for Work' scheme as part of its homelessness strategy. This is a national programme targeted at homeless people or those at risk of homelessness with significant barriers to work, including criminal convictions, long-term unemployment and lack of relevant work experience in addition to the lack of stable accommodation. In Manchester it is delivered in partnership with the Booth Centre, Mustard Tree and large employers in the city. The delivery model includes two days of pre-placement training, a two week work placement and post placement support through job coaching and work club sessions.
- 4.3 From day one of the programme, participants are brought into a corporate environment which works really well. This can only be delivered through the strong relationship with employers such as Marks and Spencer, Carillion, Royal Mail, Freshfields and Accenture who offer work placements and provide mentors. Other employers such as DWF, Eversheds, Pinsent Masons and KPMG have contributed office space for training sessions. The programme has proven business benefits too with 88% of employee volunteers reporting increased relationship skills and 74% reporting increased job satisfaction. In Manchester the programme has supported 76 homeless people between September 2013 and September 2014. To date, 43% have moved into employment but more job outcomes are expected soon. Of those, 78% have sustained work for three months and 44% for six months. The case studies included in Appendix 1 illustrate the barriers that Ready for Work clients face and the support that the programme offers.
- 4.4 BiTC also delivers a range of other programmes including Business Class and A World Away which were described in the June report to this committee on links between schools and businesses. Another BiTC offer is the business connector model; business connectors are seconded to BiTC from large companies to support links between businesses and local communities. For example, the business connector currently in place for Moss Side and Hulme is brokering support between South Manchester Enterprise Network members and community groups to deliver social media training, work placements and money for life training. A representative from BiTC's NW office has been invited to attend the meeting.

5 Other local CSR initiatives

- 5.1 HMG Paints Ltd and Manchester Communication Academy have worked together to create a pioneering project to encourage the entrepreneurial ambitions of the students of Harpurhey, Manchester. The project has eight students from Manchester Communication Academy aged between 15 and 16 visiting HMG Paints on a weekly basis to receive hands on experience of working within the coatings industry. The students are given the opportunity to work closely with HMG employees, learn about the manufacturing process, sales, research and development, and marketing.

- 5.2 This year, 100 eager candidates from the Academy applied for the project before the number was narrowed down to 18 students. These students were put through a rigorous selection process incorporating interviews and group tasks that were designed to gauge their business acumen. Eventually, the eight outstanding entrepreneurial candidates, not all of whom were high achieving in school, were selected for the scheme, which started in January 2014.
- 5.3 The aim of the partnership is not only to develop eight talented individuals from the local area, but also lead to future career opportunities within the company, focussing on new technologies.
- 5.4 John Falder, Managing Director of HMG Paints and Vice President of the British Coatings Federation (BCF), is particularly excited about what the future holds. "HMG Paints has a long history of developing its staff and also supporting our local schools and universities. This project is in keeping with the BCF's training objectives as well as potentially unearthing a number of prodigiously entrepreneurial students for a future career at HMG and within the coatings industry".
- 5.5 This partnership is a result of a long term relationship between the Academy and HMG Paints. In October 2013, HMG supplied the school with 100 litres of coloured decorative emulsion paint for the Harpurhey and North Manchester Handmade Film Festival. The paint was used by Academy staff and students to create a colourful Manchester street scene that provided attendees with a nostalgic trip down memory lane.

6 Conclusion

- 6.1 The case studies provided in this report are just a small snapshot of CSR activity already taking place across the city. Strong links between businesses and local schools and communities are essential if we are to build a resilient economy that benefits all of the City's residents. MCC officers will continue to work with partners such as City South and BiTC to build on existing CSR networks and activities as well as targeting the MCC supply chain to increase the CSR activity that is delivered.

Appendix 1 Business in The Community ‘Ready for Work’ case studies

Ryan had spent approximately 20 years of his life in prison. With support from his probation services on release he found work on a construction site. But after he was laid off when he broke his hand, he struggled to find another job. Having been unemployed for over a year and willing to try anything to get back to work and overcome the barrier of his criminal convictions, Ryan took part in Ready for Work with Business in the Community. He spoke about his experiences:

“I already had skills but I needed a platform to get a job. With being in prison for so long, I had completed so many courses to improve my employability but I had never really had a job. I wouldn’t have got work through just handing in my CV – without the programme I wouldn’t have been seen.

The Ready for Work programme was like full on work when we got to go on a work placement. It was voluntary and unpaid but I did it thinking of the future – I knew I needed the opportunity to show what I could do.

From my Carillion placement I was offered a job on the site. I was really pleased to get the job. I thought it was a mistake when I first saw what my payslip said! It was much better than I thought.

I needed confidence because I know that people prejudge me because of the time I spent in prison. The business volunteers I met through Business in the Community didn’t prejudge me though. I needed an opportunity like this to overcome my criminal convictions and get the job I’m in now.”

James had been homeless in London for seven years before he moved home to Manchester. Taking part in Ready for Work gave him the chance to build his confidence and find work. He tells his story:

“I came back to Manchester after being on the streets in London for a long time. I had the chance to get back together with my family and kids so I wanted to find work and make that happen. I was staying in hostels or sleeping rough for most of the time. I wanted to come back and make things a success with my family. I was a bit all over the place when I moved here.

When I went to an interview and to register for Ready for Work it was really scary. I’d been out of work for seven years but I had to think about my girls and do my best to find work. I wasn’t expecting anything necessarily, but there was a possibility Ready for Work might help.

On the first day of training, I found it hard to be around so many people and the group work was really difficult, but I managed it. My confidence improved a bit on the second day too – it was about getting used to being around people again.

After completing training I had a two week work placement through Carillion. I was placed with Tameside Borough Council, working on their loading bay. I knew that there were vacancies and there was a caretaker job I really wanted to do.

The placement gave me the chance for people to get to know who I was and to show them what I could do.

I was really pleased when things worked out and I got offered a job as a caretaker in community centres. It felt good to have a job but scary too – it was a lot of responsibility.

Ashleigh, at Carillion, has been really supportive from when I started my work placement to now. She still calls me now to check everything's ok. It's nice to know you've not been forgotten about once you've got a job. My manager's been amazing too when I have found things getting tough.

I'm about to move into a new job as a caretaker in schools which I'm looking forward to. In two years' time, I'd like to still be in the same job working for Carillion and I'd like to still be living with my family. It's been a challenge to get here but I'm sticking with it.