



## **CODE FOR LOCAL EMPLOYMENT AND PROCUREMENT**

**(To be read in conjunction with the City of London Corporation's Planning Obligations Supplementary Planning Document, October 2021)**

## **1 Introducing the Code for Local Employment and Procurement**

The City of London Corporation ('the City Corporation') is the governing body of the Square Mile dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally successful UK.

This Code for Local Employment is a guide for City developers to the requirements of the new Supplementary Planning Document (SPD) policy proposals for Local Skills, Training and Employment, October 2021.

This Code sets out:

- The strategic context for the City Corporation's aspirations for employment and skills
- Benchmarks and guidelines for good practice
- Intended outcomes and benefits from Section 106 policy

The City Corporation will work in partnership with developers and contractors to ensure the construction and end use (where applicable) phases of development:

- Maintain the City Corporation's standards for an attractive and high-quality built environment
- Contribute towards priorities set out in the City Corporation's Corporate Plan [2018-23](#) and the aspirations of the [Local Plan](#)
- Mitigate employment deprivation in the local labour market by delivering the skills needed to construct and maintain our built environment, adapting to the changing nature of buildings and jobs
- Support local unemployed people into training opportunities and lasting jobs and careers in the construction sector, with a focus on green skills, apprenticeship starts and completions
- Provide opportunities for green jobs and skills to support London's recovery from the COVID-19 pandemic, including via joint initiatives with Central London Forward to promote recovery<sup>1</sup>

The Code for Local Employment should be read as a guide to meeting our planning obligations and read alongside the **Planning Obligations SPD** and the **Employment and Skills Plan Guidance**. The Employment and Skills Plan sets out the detailed information required by the s106 agreement in the form of a detailed breakdown of the skills and labour needs and job opportunities over the course of each development.

## **2 Our Objectives – Employment and Skills**

The City Corporation's main objective is to enhance employment opportunities for Londoners, providing them with the skills they need to access **well-paying jobs** that offer good prospects for **progression and development**. In practice this should take the form of **apprenticeships** (at a range of levels to encourage entry to employment in construction and the built environment), and a focus on **green jobs<sup>2</sup>** and the **development of required skills** to support our efforts to hit net zero carbon

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<sup>1</sup> <https://centralondonforward.gov.uk/about-us/>

• <sup>2</sup> For example; those described in [CITB's report; Building Skills for Net Zero](#)

emissions in the Square Mile by 2040, as detailed in the City Corporation's [Climate Action Strategy 2020-27](#).

### What are the key drivers for the City Corporation?

- Promotion of the construction and built environment sector as an attractive career choice for people of all backgrounds and skillsets
- A surge of new green skills and jobs to support our Net Zero ambitions and to promote modern methods of construction
- London's economic recovery from the COVID-19 pandemic
- Increased employment for Londoners around the construction of the City Corporation's developments
- Developing a local workforce of skilled London residents
- Recognising the importance and value of good practice in engaging Londoners from every background in training and employment in the construction industry

### What does best practice look like?

- Working actively with our neighbouring boroughs and training providers to promote opportunities and provide a way into jobs and careers in construction and the built environment
- Thinking about new ways to increase the construction talent pool – appealing more to women and other under-represented communities
- Ensuring that your recruitment and training practices and your workplace culture are inclusive and help people to succeed and progress
- Showing your supply chain how this can be achieved and why it is a positive objective
- Hitting our employment and procurement targets – with evidence to showcase successes

### Shaping development of the Code for Local Employment and Procurement – The Local Plan and the Corporate Plan

The City Corporation's Local Plan sets out what type of development the City Corporation expects to take place and where. It states the City's vision, strategy and objectives for planning, together with policies that will guide future decisions on planning applications.

[The Corporate Plan 2018-23](#) sets out the City Corporation's aims and priorities:

- contribute to a flourishing society
- support a thriving economy
- shape outstanding environments

In addition, the City of London Corporation [Skills Strategy for 2019 -2023](#) identifies a range of goals to widen participation and create multiple pathways into learning and training opportunities, in particular, targeting disadvantaged and socially excluded communities.

## Further information

The **Employment and Skills Plan** is a target-driven template for developers to set out the approach to employment initiatives and opportunities during the construction phase and the operational phase (where applicable).

The **Monitoring Toolkit** is a template document for recording the successes and statistics to evidence success of your development against our performance measures, such as apprenticeship completions, employment of local residents and engagement programmes with schools and local organisations.

### 3 Our Objectives - Procurement

In order to maximise opportunities from development for local businesses, City developers are asked to achieve a target of 10% of total procurement spend relating to the development on goods and services from small to medium sized businesses<sup>3</sup> based in the City and the target local area.

In order to ensure that this target can be met, we therefore ask developers during the construction of their developments to follow these principles:

- to identify and extend opportunities for local small to medium sized businesses to bid/tender for the provision of goods and services.
- where not procuring directly, to support the target and the above principle by using means such as local procurement clauses in tender documentation issued to contractors or subcontractors.

Benefits of local procurement:

- A reduction in transport costs and reduced carbon footprint
- Lower costs over the lifecycle of purchasing
- Greater innovation and creative solutions
- A reduction in the risk of delays
- Better access to suppliers' senior management, due to the size of the suppliers
- More opportunity for face-to-face meetings due to the convenient location of suppliers
- Greater flexibility and reliability of supply of materials to site, from companies with local warehousing
- Identification of new companies to add to your supply chain
- Additional economic regeneration within the local areas, as local companies generally employ a higher proportion of local labour

### 4. Definition of Local

The City of London Corporation is a member and host for the sub-regional partnership [Central London Forward](#), which exists to foster collaboration and partnership working between central London

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<sup>3</sup> **Definition of an SME**

see <https://www.legislation.gov.uk/ukpga/2006/46/section/382>

boroughs and the City on a wide range of areas including economic growth and employment and skills.

London/Central London continues to hold some of the most deprived areas in the country, with persistent high levels of unemployment, social exclusion and child poverty.

Reflecting this level of need, and building on the City's historical commitment to encouraging recruitment from our neighbouring boroughs, all boroughs in the Central London sub-region are considered eligible for local employment and procurement targets. i.e. Camden, Hackney, Haringey, Islington, Southwark, Lambeth, Royal Borough of Kensington & Chelsea, Lewisham, Tower Hamlets, Wandsworth, City of Westminster and the City of London.

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