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**SPECIFICATION**

**INVITATION TO TENDER – ITT 30027**

**Employees Support in Skills – 13-001-01**

**Greater Cambridge Greater Peterborough LEP area**

**DATE: May 2016**

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| **SPECIFICATION: Employees Support in Skills** |
| BACKGROUND |
| **General**  The contracting authority is the Secretary of State for Business Innovation and Skills acting through the Skills Funding Agency (SFA), an executive agency of the Department for Business Innovation and Skills exercising functions to fund adult education and skills.  The SFA, acting as an Opt-In Organisation for the European Social Fund (ESF), is procuring education and training services to meet priorities identified by Local Enterprise Partnership (LEP) area European Structural and Investment Funds Sub–Committees. As an Opt-In Organisation the SFA provides match funding at Priority Axis level utilising sources of public funding as match for ESF funded activity.  This Invitation to Tender (ITT) is for Priority Axis 2 and for Investment Priority (IP) 2.1, enhancing equal access to lifelong learning. Where the need has been identified both in the LEP area and European Structural and Investment Fund Strategies.  The IP 2.1 supports equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences. Resources are being focused through this IP on people in the workforce who lack basic skills or qualifications needed for their career progression and for business growth and innovation in the knowledge economy.  The strands in 2.1 are:   * Skills Support for the Workforce, Intermediate/Higher Skills Provision   The SFA is looking to procure an organisation to deliver education and training that best support the needs of local employers and employees in the LEP area set out below.  **Greater Cambridge Greater Peterborough Local Enterprise Partnership Background**  Greater Cambridge Greater Peterborough (GCGP) LEP developed its priorities for ESF skills support, matched via the Skills Funding Agency Opt-In route, as part of a detailed ESI Funds Strategy produced in 2014 and updated in October 2015 and again in February 2016. Decisions on investment priorities within the Strategy were reached on the basis of significant input from key stakeholders, feedback from employer networks and feedback received at stakeholder events  The Strategy detailed the local economic overview and set out ideas for using ESF to support both the areas of the LEP geography with the greatest need and the sectoral business priorities identified within those areas through analysis of skills requirements.  The project for which Invitations to Tender are now being sought will demonstrate strategic alignment with local growth priorities as set out in the GCGP area ESI Funds strategy. The following parts of the Strategy are particularly relevant:   * 8.3.4 Build the growth capability of SME’s – specific local objectives include Leadership and Management training to help management identify and resolve problems in setting direction and strategy, including internationalism * 8.3.5 Foster a more entrepreneurial culture by reducing barriers to entrepreneurship and supporting entrepreneurs – specific local objectives include Developing better links between business and educators, Further Education providers and other education partners to equip students with the skills to start and grow businesses to meet local needs and to compete in UK and international markets * 8.7.5 All developed on a local business sectorial basis taking account of the diverse range of important economic activity across the LEP geography – Support for businesses to plan and budget for training; building in the plants into local strategies for growth.   The services described will deliver the objectives of the Operational Programme as the aim of the activity is to support SME growth within the GCGP LEP footprint and thus enhance the economic prosperity of the LEP area.  ESF will be deployed to improve participants’ skills at intermediate and higher levels according to the needs of the local area, to drive and support productivity and business growth.  Priority Axis 2 – Skills for Growth – to deliver skills for growth, including intermediate and higher level skills will therefore be specifically addressed as more people will gain the skills they need to achieve their goals and support local growth. It will also increase the number of people with the skills and qualifications required to progress in local labour markets. The candidate will ensure this activity complements and does not duplicate existing policies and provision. The services will promote equal access to lifelong learning and improve individual skills (IP 2.1) which will support the development of the local economy The services will also improve employer participation and engagement in learning and contribute to a more relevant education and training offer in the locality as the activity should promote better links between businesses and business educators, FE providers and other educational providers in order to meet the L & D requirements of the SMEs and relevant sectors.  The services to be supported will target those most in need which is also reflected within the priorities outlined in the England Operational Programme (OP). The Outputs and Results that will be achieved through the delivery of this activity described also match those described in the OP. |
| **DEFINITION OF TERMS** |
| **At risk of Redundancy:** means Employees identified by the employer as at risk or redundancy and/or commenced formal consultation with staff representatives on the need to make redundancies  **Candidate:** means an organisation who has been invited to take part in this restricted procurement procedure  **Disability**: A person who has a physical or mental impairment that has a substantial and long-term adverse effect on the ability to carry out normal day-to-day activities.  **Eligibility:** Only people who are eligible to work in UK are eligible for this EU programme.  **Employed**: People are employees if they perform work for pay, profit or family gain. People are self-employed if they work in his/her own business for the purpose of earning a profit, even if they are not making a profit or are just setting up.  **Micro Businesses:** This relates to organisations employing less than 10 Employees  **Qualifications:** Qualification means a formal outcome assessment and validation process which is obtained when a competent body determines that an individual has achieved learning outcomes to given standards. Regulated qualifications/aims are those listed in the Learning Aims Reference Service as being regulated. Non-regulated aims are those listed in the Learning Aims Reference Service as being non-regulated.  Regulated and non-regulated aims must be planned to be delivered within budget.  Qualification rates are based on the published LARS rates at the start of the contract.  **Services:** The provision of education, training or support delivered to individuals.  **Start Date:** Employment status and age are determined on the date of starting on the Services.  **Small and Medium sized Enterprises**: This applies to organisations employing less than 250 employees  **Survey**: Where applicable, long term sustained outcomes over 6 months will be monitored separately. Some ESF indicators will be collected by survey by the ESF Managing Authority directly from the participants.  **Unemployed:** Unemployed are persons usually without work, available for work and actively seeking work. Persons considered registered unemployed would be included. Full time students are considered as inactive but not eligible for this provision as they are not available for work. Long term unemployment is greater than 6 months for under 25 years old and greater than 12 months for 25 years old or more. |
| **SERVICE REQUIREMENTS** |
| **General Service Requirements**  All activities must complement and avoid duplication with other provision, thereby adding value to Department for Work and Pensions/Big Lottery, Education Funding Agency, Skills Funding Agency, local authority, National Careers Service and the new Careers Enterprise Company funded provision. Successful candidates will be required to ensure that ESF provision will clearly add value and not duplicate any provision that can be arranged locally through existing mainstream institutions.  ***Capacity and readiness to deliver***  Candidates must have:   * The resources to offer locally tailored solutions and flexible delivery to meet the skills and Apprenticeship priorities of employers and employees in the defined geographical area of delivery. If the LEP area also has a ‘transitional’ area defined in addition to the ‘more developed’ area, delivery locations will have to be available *in each locality* * The capacity to deliver provision immediately upon commencement of the contract and that delivery should not be delayed in any way by any recruitment processes or other processes or relationships that need to be established. * Candidates must be able to demonstrate the ability to undertake robust initial assessment of eligible individuals. Vocational training delivered must be regulated units and qualifications on the Qualifications and Curriculum Framework and be able to support individuals into higher levels of training and workplace progression   ***Track record***  The ability to deliver the required activity, based on a track record in the successful delivery and management of this type and size of programme  ***Information, Advice and Guidance***  Where the activity requires effective Information, Advice and Guidance successful  applicants and/or subcontractors delivering this element will either hold or be  working towards the Matrix standard.  ***Management and quality assurance***  Candidates will need to have effective management arrangements in place to ensure all of the requirements of this specification are fulfilled. The Services must be delivered to a high quality and successful tenderers will need to have in place quality assurance and improvement processes.  The Service needs to be flexible and responsive to the changing economic and political landscape and take into consideration that the approach and associated processes may change during the life of this contract. Therefore Candidates will be expected to be able to change the delivery of the Services accordingly.  ***Partnership working***  Candidates will be required to work in partnership with other organisations delivering education and training in the area to ensure the Service is complementary to and not in competition with other funded provision.  The Service must be able to respond to changing local needs and opportunities, as well as policy changes.  Candidates will be required to establish linkages with and have an understanding of, local stakeholder needs and develop strong links with the key stakeholders.  Candidates will be required to work with employers to identify the skills gaps and needs to drive employer growth.  Where the Service works with Jobcentre Plus clients the Candidates will be required to co-operate effectively with Jobcentre Plus making them aware of candidates who fail to attend training and notifying them of any instances where individuals leave training due to starting work. Candidates will be required to establish links with Jobcentre Plus and visits to public or private sector employers should be made in conjunction with Jobcentre Plus and National Careers Service wherever possible to ensure a smooth, efficient, and joined up approach to arranging benefit claims, offering new employment opportunities and training for all eligible individuals.  ***Market intelligence and local knowledge***  The delivery of the Services must take into account the current and future social and economic indicators including labour market intelligence. Candidates must be able to demonstrate a comprehensive understanding of the current employment market and the current and future social and economic indicators including labour market intelligence for the geographical area being supported. Candidates must also have an understanding of local skills shortages and gaps and any existing skills support structures within the LEP area.  ***Management information and reporting***  Candidates will develop management information systems to enable it to submit data to the Skills Funding Agency via the Individual Learner Record (ILR) and put in place robust arrangements for ensuring that the evidence required to support payments is collected and retained.  Candidates will be required to share with LEPs and the Skills Funding Agency ongoing performance management data as well as additional intelligence to improve the effectiveness of Skills Support projects in the LEP area in the future.  **Specific Service Requirements**  **Skills Support for the Workforce, intermediate and higher level skills provision**  The aim of the Services is to help employed people improve their skills levels and improving the labour market relevance of education and training system by aligning skills development with economic needs.  The Services will be delivered to engage and support SME’s employing between 10-249 people, addressing their barriers to growth.  The aim of the Services is to provide individuals with the opportunities to develop the skills that will enable them to progress in employment. The Services will provide support to employers to take on and develop individuals to fill intermediate, technical and higher level skills gaps and shortages  The Services must deliver a responsive skills programme that is tailored to the needs of the Greater Cambridge Greater Peterborough LEP area in order to stimulate a growth in the skills base for businesses that will give the best opportunity to grow the economy and create more and better jobs.  The Services must deliver highly responsive skills provision to meet business and industry needs. Employers must be engaged to shape and direct the Services.  The Services must support individuals to start on higher level skills and apprenticeships by providing taster units of relevant vocational training; work-based access training and work shadowing opportunities related to higher skills/paid jobs.  The Services must drive up skills levels, focusing on the skills being sought by employers and supporting the Greater Cambridge Greater Peterborough LEP area’s priority sectors. The Services must result in an increase the number of SMEs which are actively planning to address skills issues as a part of their growth. The Services must encourage employers and/or employees to participate in an apprenticeship.  An enhanced Training Needs Analysis(TNA) must be conducted with each eligible SME engaged producing an organisational Training and Development Plan (TDP) to address the short and medium term business development and growth needs, articulating the barriers and the necessary training, investment and costs involved.  The TNA must include mentoring and support to the SME and should include a minimum initial intervention of 15 hours support. The organisational TDP must document this and any ongoing intervention within the SME, in addition to the specific training requirements of employees.  Regular reviews of the TDP should be undertaken, and a final review/evaluation should be undertaken once activities are completed.  10 sector based business to business support groups must be developed to share leadership knowledge and good practice, raise aspirations, develop ideas, products or services and engage with education and training providers to support and enable the delivery of the Services that meets local economic needs. Groups should be set up within the first quarter of service delivery and meet every 6 months. There is a requirement to report on membership, attendance, meeting agenda/content and resulting actions/progress following each group meeting.  There must be an assessment of the current skills profile of the individual and how it relates to the sector in which they are Employed and the employer’s needs and to develop the appropriate training option or provide access to it.  The Services should work across the LEP area, engaging with appropriate local delivery organisations to develop and deliver a responsive package of interventions and innovative approaches.  The Services must deliver locally tailored solutions including bespoke training packages to meet the identified skills development needs of SME employers and their employees. This will be achieved through the delivery of a range of skills provision as identified in the TDP tailored to the individual needs of each SME engaged.  The Services must provide advice and guidance, personal development planning, skills development and learning and mentoring on an individual basis.  The Services must deliver skills provision which offers both accredited and non-accredited skills training which is innovative, responsive to local skills needs and increases participation by employed adults in education or training (including Apprenticeships) Provision will normally be accredited but where suitable accredited provision does not exist, bespoke packages may be delivered.  The skills provision must reflect the needs of the business and should be tailored to fit working practices and demands. It must be delivered on business premises and other appropriate venues.  Where demand requires, the Services should develop and support the delivery of new advanced vocational provision where mainstream provision is not available (not including tuition fees) and where a gap can be demonstrated.  Delivery of intermediate and higher level regulated and non-regulated learning activities including units at levels 3/4 and above where appropriate should be delivered, to address the needs identified in the TDA. This activity must not duplicate or undermine national policy, including policy on grants and loans. Participants should be referred to alternative training where the needs cannot be met by the Services but have been identified as a barrier through the TNA/Training Plan.  As well as intermediate, technical skills and higher level skills provision the Services should also support individuals to take up Apprenticeships in the key sectors listed below, including Higher Apprenticeships.  The Services must develop and deliver bridging programmes to enable individuals to progress from Further or Higher Education to Higher Level Apprenticeships.  The successful Candidate must conduct exit interviews with employers to assess the impact of the activity.  ‘Workplace learning champions’ must be appointed and 10% of learners undertaking training should be appointed as workplace learning champions within their current employer.  The successful Candidate will actively engage with the following Greater Cambridge Greater Peterborough Local Enterprise Partnership priority sectors to ensure that the skills support offered meets current and future skill requirements of engaged SMEs.   * ICT and telecommunications; biotech and life sciences; low carbon environmental goods and services; manufacturing, engineering and processing; agriculture, food and drink; logistics; water and energy; creative industries and the visitor economy.   It is anticipated that approx. 70% of delivery will be within the priority sectors listed above.  The successful Candidate must conduct an inception meeting with the LEP to enable up to date understanding of the delivery landscape prior to the commencement of contracted activity. |
| ELIGIBILITY |
| **General**  General eligibility requirements are set out in : the European Social Fund Programme for England 2014-2020 National Eligibility Rules which can be found here: <https://www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance>  Please note LEP Specific requirements are subject to the National Eligibility Rules detailed above.  Eligibility: 16+  Employed : In SME  In delivering the Services, the successful Candidate must take into account and support the targets for the following groups where this is consistent with the other Services requirements for addressing the needs of groups identified as priority and meeting the Services deliverables.    Over 50s min 20%  Ethnic groups                          min 18%  Female                                    min 49%  Disability/health issues            min 8%  Lone parents                           min 5%  No basic skills                         min 18%  Learners must be 19+ and employed to be eligible for support under this service |
| **GEOGRAPHY / AREA OF DELIVERY** |
| **LEP Specific**  The Services will be delivered within the whole of the Greater Cambridge Greater Peterborough Local Enterprise Partnership area. Candidates will be expected to communicate with the LEP with regard to coverage, but we would expect a realistic distribution reflecting the contrasting nature of the north and south of the geography, based on a 40/60 per cent north/south split. For the purposes of these Services, the two areas are defined as follows:  North: Huntingdonshire; Peterborough; Oakham & Uppingham; March & Wisbech; Kings Lynn & West Norfolk.  South: Hitchin & Letchworth; Stansted; Greater Cambridge; Ely; Newmarket; Bury St Edmunds & Mildenhall; Haverhill. |
| **FUNDING AND DELIVERABLES** |
| **LEP Specific**  Currently £5,707,500 will be available for the period from August 2016 to March 2018. This may be increased if additional funding becomes available.  The table below shows the initial planned outcomes, but performance management may change the volumes and mix during the life of the contract.  From the funding available on the regulated and non-regulated lines, the provider must plan to deliver the appropriate education & training for each participant to enable them to progress.  The minimum service deliverables, values and volumes for which evidence must be provided are:   |  |  |  |  | | --- | --- | --- | --- | | **Description** | **Volumes** | **Unit Cost Total Value Average per Intervention** | **£** | | ST01 Learner Assessment and Plan | 2400 | £50 | £120,000 | | RQ01 Regulated Learning |  |  | £1,500,000 | | NR01 Non Regulated Activity |  |  | £1,800,000 | | SD01 Employer Engagement including company eligibility/de Minimis form | 900 | £250 | £225,000 | | SD02 Training Needs Analysis and support intervention for SME 10-249 employees including production of a training plan | 650 | £1,500 | £975,000 | | PG03 Progression Education (EDU) | 600 | £750 | £450,000 | | PG04 Progression Apprenticeship (EDU) | 250 | £750 | £187,500 | | SD03 Progression within current employment (increase in responsibilities, promotion, wages) | 600 | £750 | £450,000 | | Total |  |  | £5,707,500 | |