

SO15020 SUPPORT FOR MARITIME TRAINING (SMarT) REVIEW
Appendix B – Service Description

APPENDIX B
SERVICE DESCRIPTION

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1. INTRODUCTION

- 1.1 The Department for Transport (DfT) works with its agencies and partners to plan, invest in and support the transport network to enable people and goods to travel around the country. The DfT's responsibilities include Government policies relating to the maritime sector. It supports the maritime sector by setting and enforcing cost-effective regulations for the sector in the UK and by producing the overall strategy and planning policy for ports in England and Wales.
- 1.2 As a department, the DfT is committed to evidence-based policy decisions. Economics and other analysis therefore play a pivotal role in decision making. The research specified in this Invitation to Tender will clarify whether government support for maritime training is still required/should continue and at what level.
- 1.3 The Support for Maritime Training (SMarT) funding scheme was last reviewed in 2011 to see if it was still needed to support UK maritime training and whether adjustments were necessary. Since then further changes have occurred and it is timely to initiate a further review.

2. PURPOSE

- 2.1 A review of the Support for Maritime Training (SMarT) funding programme to provide evidence of the effectiveness and requirement for trained seafarers in the UK.

3. BACKGROUND TO THE AUTHORITY

- 3.1 The Department for Transport is the Contracting Authority. It works in conjunction with its agencies and partners, including the Maritime and Coastguard Agency, to support the transport network that helps the UK's businesses and gets people and goods travelling around the country. It plans and invests in transport infrastructure to keep the UK on the move providing policy, guidance, and funding to English local authorities to help them run and maintain their road networks, improve passenger and freight travel, and develop major new transport schemes.

4. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 4.1 The Government's Support for Maritime Training (SMarT) scheme¹ has been running since April 1998 and supports courses approved by the Maritime and

¹ To be eligible for SMarT funding, a trainee must be:

- a. a national of a Member State of the European Economic Area, the Channel Islands or the Isle of Man;
- b. ordinarily resident in England/Wales/Scotland/Northern Ireland (support under SMarT is not paid in respect of overseas nationals who are subject to employment restrictions and/or a time limit on their stay); and
- c. proficient in spoken/written English and have stated an intention to be ordinarily resident in the UK on completion of their training.

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Coastguard Agency (MCA) and the Merchant Navy Training Board (MNTB) for the training of officers and ratings. SMarT was introduced following the Government's White Paper "Charting a New Course" which identified the need to address the shortage and ageing supply of UK seafarers. This followed various reports into the future of the UK shipping industry in the 1990s that had predicted a shortfall of qualified seafarers both at sea and ashore following a lack of investment in training in the 1970s and 1980s. The principal objective for supporting merchant navy training is to facilitate an adequate supply of UK maritime expertise to meet the nation's economic and strategic requirements. SMarT funding is currently set at £15 million per. In April 2014, SMarT was extended to officers completing management level training.

- 4.2 The Government Assistance for Training (GAFT) scheme (introduced in 1988) and the Development of Certificated Seafarers (DOCS) scheme (introduced in 1993) preceded SMarT. Both provided grants for British officer cadet and junior officer training for the first and second Certificates of Competency.
- 4.3 At the end of 2014 the Department commissioned a Maritime Growth Study to review whether there are further measures it would be appropriate for Government and industry to take to increase the international competitiveness of the UK as a world maritime centre and support further growth in the UK maritime sector in future. Evidence presented to the Study confirmed the importance of skilled seafarers to the competitiveness of the UK maritime sector. The UK is seen as a world leader for the depth and breadth of its skilled workforce and for the quality and standards of its training providers.
- 4.4 The Maritime Growth Study identified that a typical seafarer today has a career that starts at sea but, once experience is gained, there is a transition to the shoreside where they use their maritime experience in the wider maritime sector. These include jobs in the training sector, ports, marine industries, the offshore sector, business services, the Regulator and accident investigation. Many of these roles call for specific expertise and there can be great competition for these skills and knowledge.
- 4.5 The Maritime Growth Study also revealed that many in the maritime sector perceived a shortfall in the numbers of people taking up a maritime career. They held this view because they saw a decline in the seafarer numbers and those entering training and because of the difficulty they had recruiting staff with the appropriate seafaring skills and experience. This was not a universally held view but there seemed to be specific gaps in some key skill areas such as engineering. The ageing demographic and gender imbalance of the maritime workforce suggests that there is a lack of interest in seafarer careers, particularly in engineering although it is reported that there has in some areas been some resurgence of interest. The Maritime Growth Study identified several reasons for the shortfall in UK seafarers, including a lack of awareness by young people about the wide range of careers in the maritime sector and a lack of interest in spending so much time away from home without connection to family and friends.
- 4.6 Since SMarT was last reviewed in 2011, several changes have occurred. These include the change in fiscal climate, the introduction of tuition fees in parts of the UK, the impact of the apprenticeship trailblazer standards, other training

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now available in the UK from industry providers, changes in the offers from other countries and the inclusion of newly introduced seafarer roles. The review should be completed by August 2016.

- 4.7 To provide additional data on the numbers of UK seafarers predicted to be needed to underpin a growing maritime economy, a separate research project has been commissioned (Seafarer Projections Review which should complete in August 2016). The SMarT review will take account of the factors highlighted in the Seafarer Projections Review and any other relevant published material, in order to establish if SMarT is fit for purpose and provides value for money.

5. SCOPE OF REQUIREMENTS

- 5.1 This project's aim is to identify the market failures which justify government intervention and to identify the effectiveness of current policy initiatives.

- 5.2 The research should:

1. Seek to identify if a problem exists in the market for maritime training and if so what the problem is. The following should be taken into account:
 - Average training costs for ratings and seafarers.
 - The market capacity for seafarer training including the capacity of training providers (groups of shipping companies and others co-ordinating training needs) and the number of berths available.
 - Outputs of the seafarer projections model from the Seafarer Projections Review currently out for tender. This should include the number of seafarers and skillsets needed by the UK maritime sector over the next decade.
2. Seek to identify alternative approaches, including those taken by other countries and sectors, for meeting the industry needs. These approaches should be analysed using a quantitative value for money (VfM) approach and compared to SMarT.
3. Determine what level of funding would be appropriate for SMarT should it continue, and also how a revised SMarT scheme would be designed in order to best meet the UK's needs.
4. Assess the impact SMarT funding has on the growth of the UK's maritime sector.

- 5.3 Objective one should examine the costs of training for both officers and ratings. The contractor should establish whether the barriers to entry for the maritime sector, including those found by the Maritime Growth Study, can be evidenced; and what interventions would be needed to overcome these barriers. Particular consideration should be given to the factors which deter young people and women from entering the sector. It should specifically identify the availability of

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training berths and how that impacts on the costs of and accessibility to the sea time periods of training.

- 5.4 Objective two should identify alternative approaches for supporting seafarer training and highlight the advantages and disadvantages of each approach. The contractor should draw on comparative material from other countries and sectors (particularly STEM). The alternative approaches identified should be compared, using both quantitative and qualitative VfM methodology, against SMarT. This should consider different levels of funding per trainee seafarer against the number of seafarers trained, the cost of training, the level of training and vocational models compared to academic pathways.
- 5.5 Analyses must include maritime training available through other routes such as Trinity House, Maritime Training Trust, the Slater Fund, apprenticeships, RFA training with the Royal Navy/ Royal Fleet Auxiliary and the numbers trained through these routes in addition to SMarT.
- 5.6 Objective three should determine the current VfM of SMarT training. It should suggest how the VfM could be improved by changing the level of funding and by altering the design of SMarT. This should draw on both quantitative and qualitative evidence from training providers, shipping companies and others who employ trainees on completion of their training or later in their careers. The contractor should analyse whether SMarT funding closes the skills gap and targets the necessary groups at an appropriate stage in their careers.
- 5.7 Objective four aims to determine the impact SMarT has on the growth of the UK's maritime sector. In order to do this the contractor should investigate the career paths of SMarT trainees with the intention of identifying areas of the economy which benefit from those who receive seafarer training early in their careers but leave the sea later and move on to use their seafaring skills in other sectors. Attention should also be given to whether there is an optimum academic level of training that should be reached for a maximum return on investment.
- 5.8 The contractor should have regard to the guidance given on such assessments and be consistent with Departmental WebTAG guidance and the Green Book². We also require summary statistics on the scheme to date such as dropout rates for SMarT participants. This section should acknowledge the different levels of SMarT offered (1&2), the different disciplines for Officers of the Watch (deck, engineer, electro-technical etc.).

Project Team

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255126/value-for-money-external.pdf; for WebTAG guidance <https://www.gov.uk/transport-analysis-guidance-webtag> and the Green Book <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>.

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- 5.9 A range of different skills are required for this study, with the following considered to be most important:
- Some/relevant knowledge of the maritime sector;
 - Experience and expertise in analysis and use of evidence, including identifying and assessing appropriate sources of evidence;
 - A proven track record of delivering high quality research, including supply and demand forecasting;
 - Skills and experience in successfully managing research projects to tight deadlines;
 - Excellent written communication skills, including experience preparing reports for publication; and
 - Excellent oral communication skills, including ability to explain technical ideas to a non-technical audience.
- 5.10 Tenders should clearly set out the names of the proposed members of the project team and include CVs of no more than two sides of A4 for all team members highlighting relevant skills and expertise. Tenders should also explain the role and responsibility of each team member, and identify the Project Manager who will be the DfT's primary point of contact.
- 5.11 Tenders should contain a project plan that sets out the programme of work, clearly identifying stages in the work, milestones and deliverables. The work should clearly set out the allocation of work, specifying the role of each team member and the time he/she will allocate to the task. A rate card should be produced for each team member in the pricing schedule against which this can be compared.
- 5.12 Tenders from consortia are encouraged but such tenders will need to specify in detail the precise expertise and role that each member will have in delivering the work. In the case of a consortium tender, only one tender should be submitted covering all of the team members. In such cases contractors must provide details as to how they will manage sub-contractors. Sub-contracting arrangements must be managed by the contractor in line with the Public Contracts Regulations 2006 (as amended) where applicable. If a consortium is awarded the contract, the DfT *may* require it to form a separate legal entity as a condition of contract.

6. SERVICE LEVELS AND PERFORMANCE

- 6.1 The Authority will measure the quality of the contractor's delivery by:
- 6.1.1 The Plan as at the Effective Date is set out below:

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Milestone	Deliverables (bulleted list showing all Deliverables (and associated tasks) required for each Milestone)	Duration (Working Days)	Milestone Date	Contractor Responsibilities (if applicable)
DfT receives tenders	<ul style="list-style-type: none"> Tender documents 		29/03/16	
Contract award	<ul style="list-style-type: none"> Letter and contract 	20days	29/04/16	
Project initiation meeting	<ul style="list-style-type: none"> Record of meeting and agreed actions 	1 day	w/c 03/05/16	
Steering Group Meeting 1	<ul style="list-style-type: none"> Record of meeting and agreed actions 	1 day	TBC	To produce finding so far within format e.g. powerpoint, report, progress dashboards.
Additional Steering Groups as necessary	<ul style="list-style-type: none"> Record of meeting and agreed actions 			
Submit draft final report		105 days	14/09/16	Report
Steering Group Meeting 2 including presentation of key findings to senior officials (8-10 in attendance)	<ul style="list-style-type: none"> Record of meeting and agreed actions 	1 day	21/09/16	
Delivery of final report			28/09/16	Report with a version in pdf web accessible format.

- 6.1.2 If so required by the DfT, the contractor shall produce a further version of the plan (based on the above plan) in such further detail as the DfT may reasonably require. The contractor shall ensure that each version of the implementation plan is subject to approval. The contractor shall ensure that the implementation plan is maintained and updated on a regular basis as may be necessary to reflect the then current state of the implementation of the Services.
- 6.1.3 The DfT shall have the right to require the contractor to include any reasonable changes or provisions in each version of the Implementation Plan.
- 6.1.4 The contractor shall perform its obligations so as to achieve each milestone by the milestone date.
- 6.1.5 Changes to the milestones shall only be made in accordance with the variation procedure and provided that the contractor shall not attempt to postpone any of the milestones using the variation procedure or otherwise (except in the event of a Departmental default which affects the contractor's ability to achieve a milestone by the relevant milestone date).
- 6.1.6 Payment will only be made following satisfactory delivery of pre-agreed certified products and deliverables.

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- 6.1.7 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.
- 6.2 We expect to award the contract 29/04/2016. DfT will interview or require presentations from some or all tenderers before a contract is awarded. Tenderers will be expected to make themselves available for interviews, if required, on 20/04/2016.
- 6.3 The project should be completed by 28/09/2016 at the latest. The DfT expects the project to proceed according to the timetable set out above (to be agreed at the Contract award and project initiation meeting).
- 6.4 The contractor will be required to update the DfT Contract Manager on progress on a weekly basis by phone or email.
- 6.5 The project will also be overseen by a steering group to be established and chaired by the DfT. The steering group will meet twice during the project. The group's membership will be formed of officials from the DfT and other Government Departments with an interest in the work, and may contain representatives from academic institutions, industry bodies or other external groups. Steering group meetings and presentations will take place at DfT's offices:
- Great Minster House, 33 Horseferry Road, London SW1P 4DR.
- 6.6 It is also expected that an independent review will be completed on the modelling aspects of this project.
- 6.7 The contractor is expected to quality assure the final models and forecasts made available to the Department at the end of the project. In the bid, it is expected that tenderers outline how they plan to undertake such quality assurance. DfT will not 'proof read' written material, but will advise on minor edits and current DfT policy. The DfT will publish the final report on the .gov.uk website but reserves the right to veto the publication of reports (and to withhold relevant payments).

Deliverables

- 6.8 The contractor should provide the DfT with copies of all documentation, including the draft final report, the final report, correspondence with third parties and background data, in amendable (non-PDF) electronic form in a format compatible with the DfT software. The contractor should also submit three hard copies of the final report. All Intellectual Property Rights on materials collated and produced for this contract including the modelling will be held by DfT.
- 6.9 The contractor will be required to present the key findings of the research to the project steering group (see paragraph 6.5) using Microsoft PowerPoint slides following submission of the draft final report. The contractor may also be asked to present the research findings at a broader stakeholder event following

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delivery of the final report. If so, this will be treated as a separate requirement specifically at that time.

- 6.10 The contractor will be required to produce a comprehensive final report covering each of the objectives of the research. The final report should describe the approach taken to the research, including the methodology and the key findings. These should be supported by the appropriate use of charts, tables and graphics to illustrate findings. The final report should include an abstract of no more than 250 words and an executive summary of no more than 3 pages. These should be stand-alone, and draw together the findings across all strands of the research. The final report and summary should be written to Plain English standards. A copy of the DfT's publication for internal use, 'Writing publication - a style guide for DfT writers', is available on the DfT's website at <https://www.gov.uk/guidance/content-design/writing-for-gov-uk>. The contractor will supply to DfT a pdf web accessible version. A separate file with all charts, tables and images should also be supplied.
- 6.11 The format and content (the latter insofar as it relates to the presentation of the results of the research and interpretation of relevant policy) of the final report shall be subject to the agreement of the DfT Contract Manager. The structure of the final report, including summary, should be agreed in outline in advance of writing and should be submitted to the DfT in draft form for discussion. The final report for this research should be formatted according to DfT publication guidelines and accessibility requirements. The template will be provided by the DfT Contract Manager. The DfT will publish the final report at a date it feels appropriate.
- 6.12 The contractor will be responsible for preparing an analytical assurance statement based on the report, which will consider:
- Whether DfT feels the analysis allows scope for challenge;
 - The risk of error associated with compiling the analysis/report;
 - Any uncertainties in the analysis that the service provider had not been able to address.

The contractor, therefore, should take the above issues into consideration when performing analysis in order for DfT to consider it robust. More information on this process is available on the Gov.uk website³. This will be particularly applicable to the forecasting of the supply and demand of seafarers at sea and on shore, which should be completed using widely recognised methods

³ <https://www.gov.uk/government/publications/dft-analytical-assurance-framework-strength-in-numbers>
