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**SPECIFICATION**

**INVITATION TO TENDER itt\_30133**

**(SKILLS Local) Skills for Growth 08-002**

**Derby, Derbyshire, Nottingham and Nottinghamshire**

**DATE: June 2016**

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| **ESF: Skills for Growth Derby, Derbyshire, Nottingham and Nottinghamshire LEP:****SKILLS Local itt\_30133****Investment Priority 2.1 - Enhancing Equal Access to Lifelong Learning**  |
| 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 Skills for Growth** 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 SFA is seeking one Candidate to deliver the 2 Themes as detailed within this ITT:* Theme 1 - Supporting Workforce Development and Business Growth
* Theme 2 - Developing a Demand-led Skills System for D2N2

The **Priority Axis 2** enhances equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences. The objectives of Priority Axis 2 covered in this specification are:* To address the basic skills needs of employed people, particularly in SMEs and Micro businesses.
* To increase the skills levels of employed people from the existing level to the next level up, to encourage progression in employment.
* To increase the number of people with technical and job specific skills, particularly at level 3 and above and into higher and advanced level apprenticeships, to support business growth.
* To increase the skills levels of employed women to encourage progression in employment help address the gender employment and wage gap.

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. **Derby, Derbyshire, Nottingham & Nottinghamshire Local Enterprise Partnership Background**The D2N2 Local Enterprise Partnership area covers Derby, Nottingham, Derbyshire, and Nottinghamshire. It is one of the largest LEP areas within England, covering an area with a population of more than 2m people and with an economic output of nearly £40bn. The D2N2 economy accounts for nearly half of the businesses and GDP of the East Midlands region. It has a central location in England, well served by key north-south transport links such as the M1 and Midland Mainline, with a comparatively competitive and abundant supply of sites to promote investment. The economy comprises a mix of rural and urban areas across 17 local authority areas. There is a large concentration of employment in and around the area’s two largest centres - Nottingham and Derby – with the two cities combined accounting for 36% of total employment compared to 26% of total population. There are also a number of smaller centres that serve rural hinterlands with over one-third of D2N2’s total employment in predominantly rural local authority areas.The D2N2 Strategic Economic Plan, aims to be transformational and by 2023 create 55,000 additional private sector employee jobs; deliver a step change in skills levels amongst our workforce and young people; deliver a significant increase in our business base; and build 77,000 additional homes we will need to accommodate our growing population.Exciting business opportunities lie ahead that can underpin and strengthen our local, regional and national prosperity and have the potential to transform businesses and people’s lives! Stimulating economic development, increasing productivity to support jobs, skills and growth will be a key focus for the Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2). Our vision is to make the D2N2 area one of the strongest and most resilient economic regions in the UK. Sectoral growth opportunities necessitate a strong focus initially on key priority sectors such as:1. Transport Equipment Manufacturing;
2. Medicine and Bioscience;
3. Construction;
4. Food and Drink Manufacturing;
5. Visitor Economy;
6. Low Carbon Goods and Services,
7. Creative Industries; and
8. Transport and Logistics.

We wish to retain the flexibility within the D2N2 programme to respond to new and emerging and niche sectors which may become increasingly important during the programming period and to use ESF in combination with ERDF where added value can be achieved.The D2N2 Skills Strategy priorities are:* To ensure education and training systems reflect employer requirements;
* To engage new start businesses and SMEs in the education and skills agenda;
* To equip the workforce with the skills and competencies required by local employers, both at present and in the future.
* Extend and deepen engagement between business sectors and training providers;
* Encourage better matching of skills supply with employer need to address recruitment difficulties and unemployment; and
* Develop employer-led, added value, flexible provision.

Research, consultation and feedback from employers and stakeholders (e.g. Local Authorities) which contributed to the LEP’s SEP and other strategic reports (e.g. Skills Action Plan) indicated that a significant number of employers do not know how or where to access skills provision which meets their business needs and all too often support is delivered by organisations that do not understand the business environment and challenges that they are operating within, thereby losing credibility with the business. The D2N2 ESF programmes will offer support to employers to help them access appropriate existing training provision. Where this is not currently available, it will developed and bespoke programmes will be delivered which meet employer and sector demand. D2N2 is seeking to engage employers, not currently engaged with skills and training, offering a service which cannot be delivered through the private sector. Once employers understand and appreciate the full impact and value that skills development can have on workforce productivity and performance they will be more likely to contribute financially to further training and development where the private sector will play a part. The need for lifelong learning is more evident now than ever before. People no longer have jobs for life with many people changing career as well as individual employers during their working life. Staying informed of employer skills requirements to have the best possible chance of accessing and progressing in employment is therefore a high priority. Demand for skills, particularly higher level skills is expected to rise significantly in the D2N2 area, and there is a need to balance expansion demand and replacement demand, with opportunities arising at all skills levels. Employers need to be supported to identify and articulate their skills needs, so that providers can respond. Currently, the skills landscape is confusing for employers. Many have skills gaps and shortages alongside unemployment but over two-fifths of D2N2 employers don’t invest in skills development. This project will respond by helping employers to articulate their skills needs. It will support employers to source provision to meet that need where there is existing provision and source or develop bespoke training where necessary to meet niche demand. Developing a skilled and adaptable workforce is a focus of this programme; resources will be focused on people in the workforce with low skills, and to help people gain relevant skills and qualifications needed for their career progression and for business growth and innovation in the knowledge economy.The D2N2 ESIF Programme Board have agreed a set of Core Delivery Principles that define how it considers a good ESIF project should operate. They crystallise the preferred approach articulated in the D2N2 ESIF Strategy. D2N2 will consider how applications’ meet the Core Delivery Principles in formulating its commentary and advice on the evidence of local strategic fit: * Impact and Scale
* Delivery Readiness
* Added Value
* Local Value
* Quality, Performance and Efficiency
* Strategic Partnerships and Co-ordination of Market Engagement
* Flexibility and Responsiveness

For further background information and research see the below:D2N2 LEP Strategic Economic Plan: <http://www.d2n2lep.org/Growth>D2N2 LEP: [EU Structural and Investment Fund Strategy 2014-2020](http://www.d2n2lep.org/write/Documents/D2N2_ESIF_Strategy_May_2014__web.pdf): <http://www.d2n2lep.org/EUFunding>D2N2 LEP Skills for Growth Strategy: <http://www.d2n2lep.org/skills>D2N2 Apprenticeship Growth Plan: <http://www.d2n2lep.org/write/Documents/Final_D2N2_Apprenticeship_Growth_Plan_-_April_2014.pdf> D2 Skills and Employment Board Action Plan (where available)Derbyshire Economic Strategy Statement <https://www.derbyshire.gov.uk/business/economic/derbyshire_economic_strategy/default.asp> Derby Economic Strategy <http://www.derby.gov.uk/environment-and-planning/regeneration/economic-strategy/> N2 Skills and Employment Board Strategy: <http://www.n2skillsandemployment.co.uk/our-priorities/>S&E Framework: <http://www.n2skillsandemployment.co.uk/reports/n2-skills-employment-framework-2015-2020/>D2N2 Sector Skills Action Plans and Skills Prospectus: <http://www.d2n2lep.org/Skills-Consultative-Task-Groups>D2N2 Employability Framework: <http://www.d2n2lep.org/Skills/Employability-Framework> D2N2 Provider Charter: <http://www.d2n2skills.co.uk/home/201/d2n2-provider-charter> D2N2 Core Delivery Principles: <http://www.d2n2lep.org/EUFunding/D2N2-ESIF-Core-Delivery-Principles> |
| **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 has a disability if they disclose a disability that limits their ability to work.**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 **New Employer:** This relates to an Employer who has not accessed Adult Skills Funding within the past 3-years.**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 and businesses.**Small and Medium sized Enterprises**: This applies to organisations employing less than 250 employees **Start Date:** Employment status and age are determined on the date of starting on the Services.**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 successfulapplicants and/or subcontractors delivering this element will either hold or beworking 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 Service 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 Service 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 Service 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****Theme 1: Supporting Workforce Development and Business Growth**The Service must interact with the D2N2 Sector and Skills Advisory Groups, the D2 and N2 Skills and Employment Boards, and D2N2 LEP Governance to ensure localised intelligence creates purposeful and interrelated strategic activities in line with the needs of the local economy and the D2N2 Skills for Growth Strategy. The Service must provide one point of contact for employers to support the skills levels of their existing workforce; to support business growth; and to provide incentives for employers to develop their workforce.The Service must:* Support employers to provide work related training for their low skilled workers.
* Support and incentivise employers to provide work related higher skills pathways for their current workforce, including apprenticeships.
* Support business leaders and strategic managers, not engaged with the skills system, to understand the skills needs of their workforce, the impact on business growth, and where to access support.
* Support employers to offer graduate placements, to provide sector work experience to the individual and which contributes higher levels skills to SME growth.
* Support employers to develop supply chain provision.
* Support employers to provide appropriate support for at least 800 employees where they are under consultation or notice of redundancy, or likely to be directly affected by downsizing or company closure locally.
* Support employers to provide employer-led in work progression training for 250 employees.

The Service must provide one point of contact for employers to support the skills development of their existing workforce acting as part of the ‘virtual team’ for the D2N2 Growth Hub, for SMEs to engage with the skills system – measured by SMEs accessing the service (75% of which have not already engaged with the skills system), with 25% evidencing Return on Investment (ROI) / business growth.The Service must provide simplified marketing and publicity activities to raise awareness and stimulate demand to potential employers and individual beneficiaries. The Service must conduct a training needs analysis and workforce development skills plan in conjunction with the employer to identify the skills needed to increase the competitiveness of the employer’s business.  The training needs analysis and workforce development skills plans are required to be undertaken by an appropriately experienced person with sector knowledge and expertise to ensure the plan has credibility with the employer, utilising and building on good practice methodologies of employer to employer engagement (e.g. such as the Apprenticeship Ambassador Network).The Service must produce assessments of the individual Employees’ current skills profiles to produce the development of an appropriate learning pathway.   The Service must include providing advice and guidance, personal development planning, skills development and learning and mentoring on an individual basis.  The Service must provide support, guidance, handholding and ongoing mentoring to help employers ‘navigate’ the skills provision landscape to allow them to access the skills support they need for themselves and their staff to develop and grow their business. The Service must support the business leaders and strategic managers, not engaged with the skills system, to understand the skills needs of their workforce and the impact on business growth, and provide leadership and management skills as required.The Service must provide sign-posting to EMPLOY Local for employer recruitment needs, including new apprentices and graduate jobs. The Service must deliver solutions to meet the identified skills gaps/needs, and will focus on the provision of basic skills to allow career progression, and to drive employer growth.  The Service must work with employers to develop opportunities for individuals to include a core set of employability skills, knowledge of how business works and acquire more vocationally specific work experience and qualifications alongside core qualifications including basic skills, English, Maths or ESOL at entry level, level 1 or level 2. This may include:* + Providing bespoke packages of learning activity devised to meet the identified business needs agreed with the employer and delivered.
	+ Support sustainable employment and promote the in-work progression of employed individuals with low skills through the delivery of work-related skills training. The Service should raise the level of attainment achieved by these individuals, enabling them to improve their employment status and to move them on to undertake higher levels of training, including apprenticeships.
	+ Providing skills training for Employees on low pay to help them progress and increase their pay and working hours or obtain better quality higher paid jobs.  This must include support for part-time workers who wish to upskill to work longer hours and/or progress within work.
	+ Providing locally tailored interventions and innovative approaches to meet the skills and Apprenticeship priorities of employers and Employees within the D2N2 LEP area.
	+ Delivering skills provision which leads to full Apprenticeships as part of a career pathway.
	+ Providing support to sustain individuals in work and to enable them to continue to acquire the skills for progression.  This support should include mentoring and follow up support for individuals in learning and specific vocational short courses and bite sized learning to help individuals to continue to progress.
	+ Providing coaching and mentoring support to employers for Apprentices of SKILLS Local.
	+ Providing employer-specific coaching, mentoring and business training for business leaders and strategic managers to enable them to recognise and implement skills plans to develop their workforce.
	+ Developing and delivering employer-led, tailored training programmes in response to employer workforce development skills plan where there are clearly identifiable gaps in existing funded provision.
	+ Providing IAG, coaching and work related training to employees under consultation or notice of redundancy that reflects local labour market and current/forthcoming opportunities.

*Incentives for employers to develop their workforce:*The Service must manage the SME incentives available to the employer. The incentives are only available where an SME has had a Training Needs Analysis completed as part of this Service. Employer incentives form part of a toolkit for the Service to support the employer to grow their business and to support the 3 million Apprenticeship target. The incentive will support with additional costs of taking on an individual from the programme. Each incentive is a single payment paid directly to the employer.* Business Growth Employer Incentive (SD04): to support SMEs to grow their business. The criteria is the SME will need to evidence a ROI or business growth of 5% in their Workforce Development Plan. Payment of the incentive will be at the point of employees undertaking their training or job posts for new starters are advertised (this includes a graduate on placement who is employed)

The Service should promote and support the take-up of key priority sector apprenticeship opportunities at all levels by individuals of all ages. The delivery of the Service should lead to an increase of apprenticeship at all levels, particularly focusing on those employers that have not offered apprenticeship previously.The successful Candidate must work with organisations undertaking similar and complementary support and delivery activities, including the National Apprenticeship Service within the Skills Funding Agency and National Careers Service providers to reduce duplication, share good practice, ensure added value and contribute to a seamless and integrated delivery infrastructure.The Service should promote apprenticeships for existing employees and help employers to understand changes to frameworks and funding routes and encourage employers of the benefits of ownership and funding in their hands. Support and signpost employers to engage with employing new Apprentices including signposting them to National Apprenticeship Service and other D2N2 ESF programmes, including EMPLOY Local.The following incentives are available to support the delivery of the Service:* Apprenticeship Incentive – Intermediate/Advanced/Higher (SD09): to support the SME to offer their existing workforce to undertake an apprenticeship programme. Payment of the incentive (£300) will be at the point the employee has started their apprenticeship programme and been on programme for at least 8-weeks.
* Apprenticeship Incentive and Top Up – Advanced (SD05): to support the SME to offer their existing workforce who has already completed an intermediate apprenticeship or who is at the right level to undertake an advanced apprenticeship programme. Payment of the incentive is the apprenticeship incentive and the top up for the advanced apprenticeship, making the total incentive £450. Payment of the incentive will be at the point the employee has started their advanced apprenticeship programme and been on programme for at least 8-weeks.
* Apprenticeship Incentive and Top Up – Higher or Degree (SD06): to support the SME to offer their existing workforce who has already completed an intermediate apprenticeship or who is at the right level to undertake a higher or degree apprenticeship programme. Payment of the incentive is the apprenticeship incentive and the top up for the higher or degree apprenticeship, making the total incentive £800. Payment of the incentive will be at the point the employee has started their higher or degree apprenticeship programme and been on programme for at least 8-weeks.

The Service must conduct exit interviews with employers to assess the impact of the activity.   The Service should be delivered in the workplace or at a suitable location with the agreement of the employer and must ensure maximum innovation and flexibility. Where demand requires, the Service 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.The successful Candidate will be required to work closely with the EMPLOY Local programme, to reduce duplication, and ensure continuity of service.The skills provision delivered 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.Accredited units of learning at Level 3 and above in subject areas may also be funded where these do not lead to a full qualification. The Service must ensure that the activity does not duplicate or undermine national policy, including policy on grants and loans. As well as intermediate, technical skills and higher level skills provision the Service should also support individuals to take up Apprenticeships in the D2N2 key priority sectors and D2 and N2 employment sectors, including Higher Apprenticeships.**Theme 2: Developing a Demand-led Skills System for D2N2**The Service must work closely with the employer groups within the D2N2 infrastructure and implement the actions arising from the D2N2 Sector Skills Action Plans. The Service must deliver outputs to support economic growth for the D2N2 area.The Service must provide a skills programme in response to D2N2s Sector Skills Action Plans and Productive Workforce Reports. The Service must be tailored to the needs of the D2N2LEP 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 skills programme delivered must support employers to voice and influence curriculum design and or delivery changes to existing funded and delivered programmes which do not meet employer and sector needs, and to develop new training provision to meet emerging skills needs of the D2N2 key priority sectors and D2 and N2 Employment sectors. A delivery plan must be produced to deliver the outputs of each skills programme in response to the respective Sector Skills Action Plan, which must be approved by the LEP Governance Board and the SFA. The delivery plan must be completed within the first 3 months of the contract and will attract 10% of the overall funding to enable set up and coordination with the employer groups. Updates to the delivery plan must be submitted at month 9 and month 15. Updates must be approved by the LEP Governance Board and the SFA. The agreed elements of the delivery plan must be outcome based with measureable impacts for the sector, employers and individuals. In total only 30% of the funding allocation is to be spent on capacity building. Measureable economic and training outputs are expected from the remaining 70% of the funding, which must be detailed in the delivery plan. All activity and projects must be approved via the LEP-Led Governance Board and the SFA. It is estimated that there will be 11 delivery plans to meet the needs of each sector. This equates to one for each D2N2 key priority sector, the health and social care sector, and one other from both D2 and N2 employment sectors.In addition to a skills programme in response to the D2N2s Sector Skills Action Plans and Productive Workforce Reports (http://www.d2n2lep.org/skills/skills-and-asks), the activity must include:* + Support to employers to develop the skills of their supply chain workforce (delivery of up to 200 employees will be funded from the Regulated Learning and Non Regulated Activity targets).
	+ The provision of expert advice to organisations / groups seeking to develop strategic skills related proposals which will attract funding into the D2N2 area.
	+ Additional activities to support apprenticeships in the workplace: such as Apprenticeship Standards Development – where employers identify standards are not fit for purpose, the activity will facilitate their engagement, and other employers’ involvement, with the Employer Ownership Pilots and Trailblazer programmes to accelerate the development of new frameworks, particularly at technical level. Share and promote best practice with other employers across the D2N2 area.
	+ The delivery of additional training to complement existing Apprenticeship Frameworks and develop effective progression routes for Apprenticeships, in particular from Level 2 to Level 3. The Service must support vocational progression routes to Higher Education and increase the numbers of Higher and Degree apprentices in the area, highlighting the career opportunities available including progression to Higher and Degree apprenticeships.

The Service, where supporting employers to develop the skills of their supply chain workforce, will be required to conduct in conjunction with the employer a training needs analysis and workforce development skills plan to identify the skills needed to increase the competitiveness of the employer’s business. The training needs analysis and workforce development skills plans are required to be undertaken by an appropriately experienced person with sector knowledge and expertise to ensure the plan has credibility with the employer, utilising and building good practice methodologies of employer to employer engagement (e.g. such as the Apprenticeship Ambassador Network). The Service must produce assessments of the individual Employees’ current skills profiles to produce the development of an appropriate learning pathway. The Service must include providing advice and guidance, personal development planning, skills development and learning and mentoring on an individual basis. **Standard requirements across Themes 1 and 2:**The successful Candidate must report on the delivery of the Service at a sectoral and geographical level in line with LEP Governance.The successful Candidate must sign the D2N2 Provider Charter and demonstrate how the Service meet local needs. They must encourage all partners delivering SKILLS Local to work to the same principles.As set out in the Core Delivery Principles, the successful Candidate must develop strong and robust linkages with existing and forthcoming provision. This would include:* the D2N2 Growth Hub
* the Nottingham Jobs Hub
* Derby Apprenticeship Hub
* SFA Opt in programmes: EMPLOY Local, Youth Engagement D2N1, CAREERS Local
* DWP Opt in programme: INSPIRE Local
* BLF Opt in programme: Building Better Opportunities
* Open calls – ‘Higher Skills Development’, 'Develop Sector Growth’ and ‘Enterprise, Innovation and Pathways’

The successful Candidate must work with the Sheffield City Region LEP to simplify the business offer and signpost employers in the overlap areas to the support which best meets their needs, and to record and report all activity to D2N2 LEP governance. In localities that border other LEP areas, it will be useful for the successful Candidate to be aware of and share any support and opportunities which may be of value to D2N2 business.The D2N2 Growth Hub offers a one-stop-shop support and advice service to local SMEs covering all aspects of business development including: finance, business regulation, marketing etc. The successful Candidate must record all employer data for the SKILLS Local programme on the Growth Hub CRM system (please note that there will be a cost to the Candidate to access this). The successful Candidate must make referrals, where appropriate, into the Growth Hub so that employers can be given holistic support to enable them to grow their business, this includes referrals to other ESF programmes, particularly EMPLOY Local for recruitment of new staff.The successful Candidate must engage with other ESF funded providers as part of the D2N2 governance structure to assist with client referral, sharing of good practice and performance management of all projects. The successful Candidate must work with organisations undertaking similar and complementary support and delivery activities to reduce duplication, share good practice, ensure added value and contribute to a seamless and integrated delivery infrastructure. The successful Candidate must report activities to the D2N2 LEP Governance structure.Target groups for the Service are: Individuals who are 19 and over who are employed in a business employing no more than 250 staff, including the following: * Low skilled
* Under-employed
* In jobs without training and needing to improve skills
* At risk of redundancy
	+ Working in one of the eight LEP key priority sectors or additional D2 and N2 employment sectors
* Recent recruits supported by EMPLOY Local or previously unemployed 3 months before they started work with the eligible employer

Delivery must be in the area of Derby, Derbyshire, Nottingham and Nottinghamshire.For SME employer incentives, eligibility of the employer will be based on their business address postcode. Employer incentives will only be payable to SMEs. All SMEs located in the D2N2 area will be eligible to receive support under this project but the D2N2 LEP has identified eight key priority sectors which offer growth potential, highlighted in the D2N2 Skills for Growth Strategy and which will be a focus of the employer activity along with growth employment sectors of the D2 and N2 Skills and Employment Boards.D2: Health and Social CareEngineeringN2:Health and Social CareProfessional Services Retail Employer incentives will be available to self-employed individuals (e.g. construction workers) who employ an individual through this programme. They are referred to below as a self-employed employer. If a self-employed employer’s home or business location is outside the D2N2 area but they have a permanent or temporary base in either or both of the two geographic areas they will still be eligible for the employer incentives. The Candidate will be required to hold appropriate evidence and demonstrate that the self-employed employer’s work is of economic benefit to the D2N2 area. An example of this may be that a self-employed plumber, living just over the border of the D2N2 boundary, but who provides plumbing services to houses and businesses in the D2N2 area and employs an apprentice plumber who lives in the D2N2 area. Large companies (250+) will not be able to access funding for their internal skills development but may be able to access funding to support skills development in their supply chains, where these are located in D2N2 and there is an evidenced need.The successful Candidate will be responsible for reporting to the LEP governance structure on a range of economic and performance metrics including to:* share sub-contractor performance data with the LEP.
* share information on engagement with LEP key priority sectors, and D2 and N2 employment sectors.
* complete a full Evaluation report.

In addition to training opportunities, the successful Candidate will be expected to work with employers to broker a range of other skills related provision such as work experience, link with local school, graduate placements, traineeships etc. The successful Candidate must record data on other characteristics of all individuals to ensure it is engaging with other disadvantaged groups including: * Self-declared accessing welfare benefits
* BME
* 50+
* Females accessing STEM
* Individuals with caring responsibilities
* Offenders
* Disabled

The successful Candidate must record data on training provision delivered which show qualification level (equivalence) and sector. The Non-Regulated learning aims delivered to employers/employees under IP2.1 must have a notional NVQ Level – this could be full or part qualifications. This differs from the ESF Funding Rules, but is a requirement of this specification. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/494599/ESF_2014-20_Funding_Rules_v2_January_2016.pdf> The Candidate will be required to provide a report detailing new employers engaged in the D2N2 key priority sectors and D2 and N2 employment sectors and geographical location. |
| 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.**Investment Priority (IP) 2.1 To increase the skills levels of employed people:*** 19+
* Employed

In delivering the Service, the successful Candidate must take into account and support the targets for the following groups where this is consistent with the other Service requirements for addressing the needs of groups identified as priority and meeting the Service deliverables.

|  |  |
| --- | --- |
|  | **More Developed** |
| Participants who are over 50 | 20% |
| Participants from ethnic minorities | 18% |
| Participants with disability or health problems | 8% |
| Participants who are lone parents | 5% |
| Participants without basic skills | 18% |
| Female participants | 49% |

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| **GEOGRAPHY / AREA OF DELIVERY** |
| **LEP Specific**The Service will be delivered within the Derby, Derbyshire, Nottingham and Nottinghamshire area.**Theme 1 and Theme 2: Derby, Derbyshire, Nottingham and Nottinghamshire** (to support local authority areas: Derby, South Derbyshire, Erewash, Amber Valley, North East Derbyshire, Chesterfield, Bolsover, High Peak, Derbyshire Dale, Nottingham, Bassetlaw, Newark and Sherwood, Mansfield, Gedling, Broxtowe, Ashfield, Rushcliffe.  |
| **FUNDING AND DELIVERABLES** |
| **LEP Specific**The SKILLS Local programme will operate through a LEP-Led Governance Board which the successful Candidate will be responsible for reporting to through a steering group on a range of economic and performance metrics.The funding available under this priority:**Theme 1** is £3,528,000 initially. Up to an additional £1,176,000 will be available during the lifetime of the contract and may be awarded depending on delivery of targets/actual financial spend at performance management review by the D2N2 LEP Governance.**Theme 2** is £1,197,000 initially. Up to an additional £399,000 will be available during the lifetime of the contract and may be awarded depending on delivery of targets/actual financial spend at performance management review by the D2N2 LEP Governance.The funding available is for the period from September 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:Theme 1 - Supporting Workforce Development and Business Growth £3,528,000

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Volumes** | **Unit Cost Total Value Average per Intervention** | **£** |
| SD01 SME Engagement (initial TNA and IAG) | 1065 | £50 | £53,250 |
| SD02 Workforce Development Skills Plan  | 1065 | £150 | £159,750 |
| ST01 Learner Assessment and Plan | 3525 | £50 | £176,250 |
| RQ01 Regulated Learning |  |  | £840,000 |
| NR01 Non Regulated Activity |  |  | £1,627,500 |
| SD03 Coaching and Mentoring Support to employers for Apprentices of SKILLS Local | 375 | £200 | £75,000 |
| SD04 Employer Incentive - when ROI or business growth of 5% can be evidenced | 225 | £1,000 | £225,000 |
| SD09 Employer Incentive, Interm, Adv and Higher App | 750 | £300 | £225,000 |
| SD05 Employer Incentive - Top up for Advn App | 225 | £150 | £33,750 |
| SD06 Employer Incentive - Top up for Higher App | 150 | £500 | £75,000 |
| SD07 45% SKILLS Local Targets Achieved | 1 | £18,750 | £18,750 |
| SD08 80% SKILLS Local Targets Achieved | 1 | £18,750 | £18,750 |
| Total |   |  | £3,528,000 |

Theme 2 - Developing a Demand-led Skills System for D2N2 £1,197,000

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| --- | --- | --- | --- |
| **Description** | **Volumes** | **Unit Cost Total Value Average per Intervention** | **£** |
| SD01 SME Engagement (initial TNA and IAG) | 60 | £50 | £3,000 |
| SD02 Workforce Development Skills Plan  | 60 | £150 | £9,000 |
| ST01 Learner Assessment and Plan | 257 | £50 | £12,825 |
| RQ01 Regulated Learning |  |  | £112,875 |
| NR01 Non Regulated Activity |  |  | £69,300 |
| SD03 Development Plan - month 3 | 11 | £18,750 | £206,250 |
| SD04 Development Plan - month 9 | 11 | £18,750 | £206,250 |
| SD05 Development Plan - month 15 | 11 | £52,500 | £577,500 |
| Total |   |  | £1,197,000 |

The D2N2 LEP is committed to the SKILLS Local programme contributing to a step change in skills provision for the D2N2 area in line with the D2N2 Skills for Growth Strategy, and as such, the contract deliverables will be expected to achieve specified outputs against targets of an agreed Delivery Plan jointly between the LEP and the successful Candidate. Performance management may change the volumes and mix of specified outputs during the life of the contract. ***In Theme 1*** ***there will be £37,500 set aside for the successful delivery of at least 80% of the outputs against targets of the agreed Delivery Plan. The payment will be made at 2 delivery points during the lifetime of the project at March 17 and at March 18.*** The Candidate will be required to achieve delivery point 1 (SD07) in order to achieve delivery point 2 (SD08). The Candidate will be given a breakdown of the targets for SD07 and SD08, which are expected to be delivered through the project. The targets will be confirmed at the initial meeting between the SFA and LEP – payment of these deliverables will be expected to be on delivery of these targets, however it will be for the LEP to agree that adequate progress has been made before payment is made. The Candidate will be required to submit a monthly progress report in relation to the targets agreed for SD07 and SD08. |