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**SPECIFICATION**

**INVITATION TO TENDER itt\_30067**

**Inclusive Labour Markets 10-001-P1**

**Enterprise M3**

**DATE: June 2016**

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| **Access to Employment Enterprise M3 LEP – Support for the Unemployed**  **ITT 30067** |
| 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 1 and its Investment Priorities (IP), where the need has been identified both in the LEP area and European Structural and Investment Fund Strategies.  The SFA is looking to procure an organisation to deliver education and training that helps unemployed and inactive people to enter into employment and sustain employment in the LEP area set out below.  This ITT is to support 2 themes under Support for the Unemployed:  *Theme 1 – Employed centred basic and employability skills for the unemployed.* This is aimed at supporting those individuals further away from the labour market.  *Theme 2 – Employer Led Vocational Pathway for the unemployed.* This is aimed at supporting those individuals who are closer to the labour market, providing relevant vocational training to achieve a successful outcome.  The Priority Axis 1 supports activity to increase participation in the labour market and thereby improve social inclusion and mobility. The objectives of Priority Axis 1 covered in this specification are:   * To improve the employability of long-term unemployed people, so that they can compete effectively in the labour market. * To provide individuals from groups which face particular labour market disadvantage with additional support so that they can compete effectively in the labour market. * To encourage inactive people to participate in the labour market and to improve their employability. * To address the basic skills needs of unemployed and inactive people so that they can compete effectively in the labour market. * To provide support for women at a disadvantage in the labour market, and particularly those who are currently inactive, to contribute to our efforts to reduce the gender employment gap. * To support people with multiple and complex barriers to participation to address these underlying issues and to move closer to or into the labour market. * To support prisoners in custody and on release, and those without work who are serving sentences in the community, to improve their employability. * To engage marginalised individuals and support them to re-engage with education, training, or in employment.   The theme in Priority Axis 1 in this specification is:   * **Access to employment for jobseekers and inactive people** (IP1.1) - to help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work, and enter and sustain employment.   **Access to Employment for Jobseekers and Inactive People**  The Government is promoting employment for all by providing support mechanisms and benefits that incentivise work and reduce worklessness, to ensure that individuals can fulfil their potential within the labour market. National policies to help people move from welfare to employment are designed to ensure that jobseekers get the support they need to find a job and, in return, jobseekers are expected to do all they can to find work.  As the recovery strengthens, it is likely that those closest to the labour market will find it easier to find work, but there is a risk that the most disadvantaged will be left behind and find it increasingly difficult to compete effectively for work. ESF will therefore be used to ensure that these disadvantaged groups are provided with the right level of support, tailored to the needs of individuals and businesses in local labour markets. This will be the primary added value for ESF. Activities include help to identify the barriers individuals face in moving into work (for example: confidence, lack of recent work experience, basic skills, job-related skills, job seeking skills, or other material barriers like debt and working with them to tackle these barriers.  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.  **Enterprise M3 Local Enterprise Partnership Background**  Enterprise M3 stretches from the hinterland of London to the New Forest and covers major urban centres but also smaller towns and villages and significant rural areas, as well as highly successful education and innovation clusters and corporate HQs, military sites and sites of outstanding natural beauty and heritage.  Enterprise M3 is one of the strongest and most resilient local economies in the country. Certain broad sectors of the economy such as information & communications, pharmaceuticals, and distribution withstood the recession well supporting our recovery bolstered by a bedrock of knowledge-based businesses, traditional and high value manufacturing and services, and world class higher-level skills.  The area is home to around 100,000 SMEs but also global businesses such as AXA Wealth, Motorola, BP and Novartis.  It is a location that offers success and opportunities for growth to newly created businesses, whilst acting as a key workforce artery to London’s economy.  The Enterprise M3 area sits at the heart of a transportation hub that connects businesses in the UK and to the rest of the world. In addition to proximity to Heathrow, Gatwick and Southampton airports, within the area lies Farnborough Airport - one of Europe’s premier business aviation airports. Road and rail connections include stretches of the M25 and much of the M3 along with the A3 and 75 railway stations  This is balanced with an excellent environment and a high quality of life. The area is packed with country parks, heritage sites and visitor attractions with easy access to both major urban areas and the countryside. |
| **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 employed 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.  **IAG:** Information, advice and guidance service offered to participants.  **Inactive:** Inactive are persons currently not part of the labour force (in the sense that they are not employed or unemployed according to the definitions provided).  **Job Seeking:** Where applicable, persons engaged in job seeking is understood to be persons usually without work and actively seeking work.  **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 or when the qualification starts if this later.  **Services:** The provision of education, training or support delivered to individuals.  **Status:** 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 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.  Where the Service works with Jobcentre Plus clients the Candidate(s) will be required to co-operate effectively with Jobcentre Plus making them aware of individuals 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.   * + - * 1. ***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 projects in the LEP area in the future  **Specific Service Requirements**  The aim of the Services is to provide bespoke support and training for the unemployed and those economically inactive and seeking a return to the labour market but facing skills related barriers to entering the labour market. The Services will deliver the vocationally related skills needed by local employers. There must be an initial assessment to diagnose the existing skills and identify skills gaps of individuals in relation to employer requirements and/or opportunities for self-employment. An individual learning plan must then be devised.  The Services must provide meaningful and appropriate information advice and guidance including an overview of the local labour market that will support individuals to secure suitable progression into a successful outcome and which raises interest in careers in the LEP’s priority sectors.  The Services must provide individual and continuous mentor/key worker support for each individual.  The Services must provide individuals with advice on vacancies, job search, CV writing and interview techniques and assistance with registration, searching and applications for Apprenticeship vacancies on [www.apprenticeships.org.uk](http://www.apprenticeships.org.uk) as well as independent study and career skills.  The Services must be provided flexibly to support individual employability and social mobility including roll on, roll off, year round responsive delivery which accommodates current benefit restrictions/rules where individuals are also claimants. The Services must be designed to help move people into sustainable work, Apprenticeships, traineeships, self-employment or volunteering.  The Services must support the development of innovative approaches to pre-employment training including pre-employment support and training, including team working, coaching and mentoring, confidence building and employability training. The Services will support activity that promotes vocational pathways, internships, work experience, volunteering which are supported by one to one mentoring. The Services should also provide self-employment support that reflects the needs of the employees being supported.  The Services will support individuals to address personal and social barriers to employment for example through the purchase of tools, travel costs, childcare and the requirement to have PPE equipment. It will be expected that any licence costs associated with training will be reimbursed e.g. CSCS card, SIA Licence. These costs will be integrated into the unit cost per individual.  The Services must support sustained engagement, transition and progression through creation of individual support packages, appropriate to the particular needs of the individual. Individuals will receive regular progress reviews, will receive an exit interview and the Services will track the individual after leaving the programme.  Where individuals gain positive outcomes the Services will provide continuous support which will include regular communication, interventions, coaching and mentoring support for the participant up to the 3rd month in employment. Where individuals’ progress into a positive outcome generated via working with employers, the Services will provide on-going tailored induction training as required by the employer to the participants once in employment.  For any individual who did not gain a positive outcome from the activity the Services will provide ongoing support/job matching until a successful outcome has been achieved up to 4 weeks post completion of activity end date.  The Services must work with employers to identify potential apprenticeship and job opportunities. The Services must provide a single point of contact for employers which provides a candidate matching service. The matching service must set up and maintain a candidate/employer vacancy bank and support employers to identify candidates who meet their needs and will develop a mechanism to ensure candidates engage with match service. The Services must provide employers with a selection of suitable candidates for each vacancy and any other support related to the recruitment process as required by the employer. The Services must provide mentoring support to employers to assist them in supporting their new employees.  The Services must develop and provide skills support to reduce worklessness amongst the hardest to reach communities by providing support to local communities to deliver local training solutions to engage disadvantaged learners, Innovative provision that engages people and enables them to enter education and/or employment. The Services must offer functional skills training, including literacy and ICT, promoting digital competence within the labour market; ESOL provision learning programmes for learners with special educational needs and support independence skills for those with learning difficulties.  The Services must investigate existing demand for ESOL provision across the LEP area and explore where the Services might be able to augment provision available to the target group and promote participation. The Services must then offer provision that will be responsive to local demands and business needs including a package of support that will equip individuals to develop the skills and workplace experience required by employers.  **Theme 1 – Employed centred basic and employability skills for the unemployed**  The Services should support employability/transferable and basic skills (enhancing understanding of the world of work and employer requirements), work experience and vocational qualifications.  The Services should include job search, interview skills, employability skills and potential, independent study and career skills. Focussed job club type activity e.g. executive, military, Nepalese, older worker (50+), etc.  The Services should consider the employment needs of the local economy. Where possible appropriate employer engagement should be central in the provision. Employer engagement should focus on growth and niche sectors with 50% of activity being in these priority areas. The Services must be delivered in conjunction with employers from the growth and niche sectors to understand the skills needs and identify job vacancies likely to occur over a 3-6 month period. This will inform the delivery of suitable activity to enable individuals to progress into work. The successful Candidate must produce a report for each employer, confirming they are in a growth and/or niche sector and detailing the job vacancies and the skills required (SD02).  Incentive payments are available where individuals undertake training within a Sector Subject Area within a growth and/or niche sector (SD01).  The Services should lead to a progression to paid employment, further education or to an apprenticeship.   * Growth Sectors: * ICT and Digital Media * Pharmaceuticals * Aerospace and Defence * Professional Business Services * Niche Sectors include: * 5G telecommunications * satellite technologies * cyber security * advanced materials and nano-technology * photonics * advanced aerospace / automotive manufacturing * animal health * computer games and entertainment technologies   It is recognised that there are high employment sectors in the Enterprise M3 area, no more than 50% of the Services should be delivered the following sectors:   * High employment sectors * Construction * Health and social care * Tourism * Retail   Rural communities are particularly prominent in the Enterprise M3 area. The Services must ensure that these communities are not disadvantaged and the Candidate should consider travel options and delivery methods to support rural participants.  **Theme 2 - Employer Led Vocational pathways for the unemployed**  The Services should focus on Enterprise M3’s growth and niche sectors with 60% of activity being in these priority areas. It is recognised that the high employment sectors are simpler to target for Candidates, but the Enterprise M3 strategy requires support and focus to be for the growth and niche sectors. The Services must be delivered in conjunction with employers from the growth and niche sectors to understand the skills needs and identify job vacancies likely to occur over a 3-6 month period. This will inform the delivery of suitable activity to enable individuals to progress into work. The successful Candidate must produce a report for each employer, confirming they are in a growth and/or niche sector and detailing the job vacancies and the skills required (SD02).   * Growth Sectors: * ICT and Digital Media * Pharmaceuticals * Aerospace and Defence * Professional Business Services * Niche Sectors include: * 5G telecommunications * satellite technologies * cyber security * advanced materials and nano-technology * photonics * advanced aerospace / automotive manufacturing * animal health * computer games and entertainment technologies * No more than 40% of the Services must be delivered in the following high employment sectors Construction * Health and social care * Tourism * Retail   The Services should support activity that promotes vocational pathways, work experience and employability/transferable skills (enhancing understanding of the world of work and employer requirements). Vocational pathways are to include accredited qualification(s) or unit(s) of, including above level 3 where appropriate.  Incentive payments are available where individuals undertake training within a Sector Subject Area within a growth and/or niche sector (SD01)  The Services should lead to a progression to paid employment, further education or to an apprenticeship.  The Services must have employer engagement at the centre of the programme. For example, employer led initiatives, engagement with large employers e.g. Heathrow, supply chain models (e.g. procurement/development/planning with local authorities and the public sector (Section 106 - CIL)), guaranteed interviews, and work experience.  Rural communities are particularly prominent in the Enterprise M3 area. The Services must ensure that these communities are not disadvantaged and the Candidate should consider travel options and delivery methods to support rural participants. |
| 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.  **IP 1.1 Access to employment for jobseekers and inactive people:**   * Unemployed, any length of unemployment * Inactive * Over 25 years old   The Services must be delivered in the Enterprise M3 area.  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.  **IP1.1 Access to employment for jobseekers and inactive people:**   |  |  | | --- | --- | |  | **More Developed** | | Total participants who are unemployed (including long term unemployed) | 70% | | Total participants who are inactive | 25% | | Participants who are over 50 | 20% | | Participants from ethnic minorities | 22% | | Female participants | 45% | | Participants without basic skills | 21% | | Participants with a disability or health problems | 25% | | Participants who are lone parents | 13% | |
| **GEOGRAPHY / AREA OF DELIVERY** |
| **LEP Specific**  The Services will be delivered within the Enterprise M3 Local Enterprise Partnership area.  This area ***does not*** include a transitional area (see funding rules re delivery locations) and these are identified in the themes below.  10-001-P1 – MORE DEVELOPED – SSU - £750,000  10-005-P1 – MORE DEVELOPED – SSU - £1,000,000 |
| **FUNDING AND DELIVERABLES** |
| **LEP Specific**  Currently £1,750,000 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.  **Theme 1 Employed centred basic and employability skills for the unemployed**   |  |  |  |  | | --- | --- | --- | --- | | **Description** | **Volumes** | **Unit Cost Total Value Average per Intervention** | **£** | | ST01 Learner Assessment and Plan | 504 | £25 | £12,600 | | RQ01 Regulated Learning |  |  | £262,500 | | NR01 Non Regulated Activity |  |  | £250,000 | | PG01 Progression Paid Employment (EMP) | 200 | £510 | £102,000 | | SU01 Sustained Employment 3 Months | 180 | £405 | £72,900 | | PG03 Progression Education (EDU) | 50 | £100 | £5,000 | | SU03 Sustained Education 3 Months | 50 | £100 | £5,000 | | PG04 Progression Apprenticeship (EDU) | 20 | £500 | £10,000 | | SU04 Sustained Apprenticeship 3 Months | 20 | £200 | £4,000 | | SD01 Incentive payment for engagement in Growth or Niche sector uplift | 250 | £80 | £20,000 | | SD02 Employer engagement report in Growth or Niche sector | 50 | £120 | £6,000 | | Total |  |  | £750,000 |   **Theme 2: Employer Led Vocational pathways for the unemployed**   |  |  |  |  | | --- | --- | --- | --- | | **Description** | **Volumes** | **Unit Cost Total Value Average per Intervention** | **£** | | ST01 Learner Assessment and Plan | 800 | £25 | £20,000 | | RQ01 Regulated Learning |  |  | £360,000 | | NR01 Non Regulated Activity |  |  | £240,000 | | PG01 Progression Paid Employment (EMP) | 500 | £300 | £150,000 | | SU01 Sustained Employment 3 Months | 400 | £250 | £100,000 | | PG03 Progression Education (EDU) | 50 | £100 | £5,000 | | SU03 Sustained Education 3 Months | 50 | £50 | £2,500 | | PG04 Progression Apprenticeship (EDU) | 150 | £300 | £45,000 | | SU04 Sustained Apprenticeship 3 Months | 150 | £160 | £24,000 | | SD01 Incentive payment for Growth or Niche sector related training | 480 | £100 | £48,000 | | SD02 Employer engagement report in Growth or Niche sector | 50 | £110 | £5,500 | | Total |  |  | £1,000,000 | |