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## **Section 1 – The Opportunity**

The opportunity, a short term direct procurement for 2015-16, is to supply and deliver pre-vocational training and employment routeways for the construction sector with a particular focus on moving unemployed local residents of Wandsworth and Lambeth into jobs during the construction phase of the Nine Elms Vauxhall developments. As well as pre-requisite CSCS and attendant tickets which support site entry and safe operation, our labour forecasting and skills analysis has identified mismatch between the skills training provision available and the skills required for the construction technologies used on these sites which are predominantly high density mixed use developments.

Providers are sought which have both expertise and a strong track record in delivering work focused training and employment routeways into construction jobs:-

The Opportunity is formed of two strands:-

- A. CSCS & Tickets (available on a call off basis according to demand and caseload flows and in line with employer requirements, available vacancies, and in support of pre-vocational training) (available on an ad-hoc basis; in response to demands of; caseload flows, employer requirements, available vacancies and supporting pre-vocational training)
- B. Industry led / demand responsive pre-vocational training in specialist construction trades according to the labour forecasting profiles.

It is vitally important that the providers have the ability to work alongside the JCU and local authority brokerage infrastructure to deliver its strategy (outlined below). In particular, to provide pathways into employment for unemployed local residents into the trade areas identified and within the sub-contractor supply chain. Provision needs to be local and accessible and, where possible, should seek to add value to existing provision/funding, including partnership with the FE College provider base and / or industry employers.

The London Boroughs of Lambeth & Wandsworth have agreed to collaborate on procuring provision using New Homes Bonus. A Strategy has been agreed and decision made by the boroughs to move forward with the commissioning of training for NEV Construction for 2015-16. *The funding will come from the New Homes Bonus which is being managed and allocated by the London Local Enterprise Partnership from 2015 (and S106 funds). Both Wandsworth and Lambeth have received NHB allocations of which a portion is allocated to skills training. The overall budget available is £140,000 and various provisions have been agreed to ensure that each borough's residents could benefit equally.*

## **Aims & Objectives**

The aim is to put in place interventions through the S106 frameworks which exist to offer the most effective and timely way of helping local residents engage in the opportunities provide by Nine Elms Vauxhall and thereby generating job ready caseloads for the local brokerage infrastructure. In line with the business

strategy we are seeking to build on the pilot courses delivered to date which have been shown to be an efficient tool for introducing candidates into employment both on NEV contracts and also on other projects within the boroughs.

The value of short course interventions in assessing candidates' motivation, aspiration, and aptitude is well recognised as helping provide the industry with the calibre of new entrant it seeks to attract. This along with pre-vocational training are important interventions in helping new entrants find out about, gain skills in, and access some of the new construction techniques being used, supporting progression onto site and towards NVQ or apprenticeships.

## Background

The Nine Elms Vauxhall (NEV) developments, along with the complementary infrastructure upgrades and extensions, provide significant local employment opportunity for those residents in Wandsworth and Lambeth who want to work in the construction sector. Taken together, the overall planned works will be bigger than the Olympic Park and Earl's Court, creating up to 20,000 new homes and has the potential to create 25,000 new end-use jobs.

### A labour forecasting study shows:-

- 8,500+ peak workforce equivalent to Olympic Park workforce, peaking in mid-2016.
- Workforce of 5000+ will be on sites each year through 2015-2021
- 25+ projects running simultaneously in peak year
- Construction activity unabated for 10 years+.

## Joint Co-ordination Unit

With the scale of developments in the area and the number and complexity of relationships between landowners, developers, contractors, sub-contractors, training providers, local support agencies and stakeholders, a Joint Co-ordination Unit (JCU) was set up to provide a single point of contact. This has been fully staffed and operational since September 2014. The JCU leads on the engagement with the employers, development and strategy and the brokerages on enhancing the supply of candidates that are able to access vacancies generated. Providers will be expected to collaborate effectively with the JCU / Brokerage infrastructure to support seamless pathways into jobs by supporting caseload development and work readiness with timely interventions, and with an awareness of how best to manage candidate retention, success and progression.

## The Skills Development Strategy (phases 1-3)

**Phase 1 – Pre-employment** - In the absence of a focused vocational / apprenticeship offer, short focused pre-employment interventions are a priority in the short term as having the greatest ability to get local people into jobs. This will involve both working with the FE colleges to focus on improving conversion rates into the industry for those already in learning; and equipping local jobseekers with the necessary safety training & certification (CSCS / tickets).

**Phase 2 – Pre-vocational training** - we are capitalising upon the escalating project demand with targeted S106 being used for pilot pre-vocational training developed with industry partners where no available mainstream funded offer exists. i.e. Form Work, drylining and cladding / fenestration. Funding will include New Homes Bonus & SEIF funding going forward.

**Phase 3 – Top 10 trades and apprenticeship route ways.** Current local apprenticeship provision only meets 10% of the skills gap. Whilst, there are traditional trade frameworks available they need to be made employer responsive and this will require significant FE / industry engagement. The relationships developed through phase 1 & 2 will help this develop.

## Section 2 - Commissioning Approach

Lambeth Council is acting as procuring authority in order to contract with training provides to promote and deliver job prospects for Lambeth and Wandsworth residents (the area of benefit) identified as part of the Nine Elms Vauxhall on the Southbank regeneration programme. This will be accomplished on an equitable basis so that the number of candidates benefitting reflect the funding split (in this case 50:50). Provision will be open to residents of both boroughs and referrals will be managed by the respective local authority brokerages.

For 2015-16, we are seeking pre-employment (1 Lot) target 80 individual beneficiaries, and (7 Lots) of pre-vocational provision to be delivered to at least 120 individuals. (Please reference throughput assumptions on p9.) This will be broken down into trade areas that skills forecasting work has identified as being in particular demand but there is little available provision.

There will be significant match available in Lot 1 pre-employment as other statutory matched funds will be available for CSCS so tickets will be the main area of funding requirement. In Lots 2-8 we will look positively at building a pre-vocational offer onto / leading on from existing L1 funded activity where focus is on developing skills in these new trade areas and costings should reflect this accordingly. As unit costs will vary across Lot 2-8 where cost / numbers do not make business sense on the average unit price then we will look at best cost / unit price including leverage.

N.B. There will be one provider identified for each Lot (except Lot 1). However, providers may apply for more than one Lot. As a request for Quotations (RfQ) exercise procurement thresholds mean that no single provider can end up with contracts greater than an annual value of £80K.

The start of the project the Lots will be staggered into two tranches both to reflect demand requirement and also to facilitate project development. However, if there is a strong argument to start / sooner later this can be discussed as part of pre-contractual discussions.

### Tranche 1 - (Lots 1-5) to start in July:-

1. Pre-employment: 80
2. Form Work / Shuttering: 20
3. Groundworks & Associated entrant plant skills: 20
4. Block work: 10
5. Scaffolding: 10

### Tranche 2 - (Lots 6-8) following on in October:-

6. Fit-out carpentry: 20
7. Cladding & Fenestration: 20
8. Drylining: 20

### Project timetable

Time	Stage	Milestone
1 month (April)	Market Engagement	Supplier event / PIN notice for Right to Quote (RtQ)
1 month (May)	RtQ (1 week clarifications 3 week to complete tenders)	Appointments based on criteria for scoring in ITT plus take up of references.
1 month (June)	Phase 3 – pre-contract negotiations (delivery plans)	Award Contract on basis of agreed pricing and delivery plan / SLA for brokerages
1 <sup>st</sup> July	Delivery starts (tranche 1)	Identify key contacts /

		performance review meetings etc.
1 <sup>st</sup> Oct	Delivery starts (tranche 2)	Identify key contacts / performance review meetings etc.
1 <sup>st</sup> March 2016	Evaluation	Programme review / evaluation

Tenders will be evaluated as follows:-

**1. Value for money / leverage – 50%**

- Pre-employment indicative average costs are £150 CSCS / £100 tickets per candidate up to a price ceiling of £20,000.
- Pre-vocational indicative average costs are £1000 per candidate paid on completions and based on a 6-8 week programme up to a price ceiling of £120,000.
- Both these assume a level of matched funding from existing contracts / mainstream funds / in kind.

**N.B.** We are looking to incentivise the supply chain for both contracted providers and our brokerage services and therefore we are proposing a **15%** payment by results element for the unit cost price which will be held back subject to achievement of people into jobs.

**Payments Schedule:-**

- 50% on award of contract & following sign off of a shared delivery plan which includes referral and candidate screening procedures.
- 30% on completion of courses. Payment will be made on production of evidence relating to site cards / tickets and other trade relevant provisions necessary to demonstrate we have 'site ready candidates' for the roles identified.
- And 20% on achievement of jobs. Given that the JCU are responsible for placing into the workplace, this payment is intended to incentivise getting both the training and the pull through to brokerage and placement in work right. An SLA will be developed to support collaboration. (I.E. in practice a full final 20% payment will be made for each person that gets into work as a result of the training and brokerage. If not the 15% at risk element would be deducted and only a further 5% is received at this stage)

If you have any alternative views on how incentivisation can best work we would be open to discuss these further.

A costed delivery programme should be provided:-

**2. Quality of offer – 50%**

On the basis of:-

- Demonstration of understanding the brief and information from pilots: 15%
- Track record and appropriate accreditations: 15%
- Capacity to deliver / staffing quals: 10%
- Pre-screening and Learner support: 10% (An already developed methodology of accurate pre-screening, understanding of learners needs, ability to engage with, and pull in own local referrals an advantage)

**Track record**

A Track record of delivering high quality industry specified pre-vocational training in the highlighted trade areas with demonstrable record of getting unemployed people into work. Evidence is sought of contracts received and discharged according to agreed profiles and in meeting contracted targets. Delivery by or in collaboration with the FE College base is encouraged in particular how this has added value to delivery.

### **Leverage of other resources**

The ability to draw in other resources to supplement local authority funding (and therefore make it go further) is a key value for money criteria. It is essential that successful providers demonstrate they are not using local authority funding to duplicate existing provision. They should further be incentivised to demonstrate how NHB monies will be used to leverage other funding into the area from the sources outlined above as well as others such as SEIF that will come on stream in due course.

### **Targeted**

Training needs to be linked to personal development (confidence building, aspiration, job readiness, etc.) so that sustainable employment is promoted. Engagement and pre-employment courses including CSCS need to be linked to the pre-vocational area and those to be targeted will need to have realistic prospects of converting the opportunity into the trade area identified. It would be useful to pre-screen for this and to provide a list of appropriate course pre-requisites could be produced for those making referrals. Many of those encountered through previous work with JCP, for example, have significant barriers to employment. The barriers in question may be many and varied from the use and abuse of drugs and alcohol to homelessness, literacy, numeracy or language needs, health issues, debt management and so on. An assessment will be made as part of the Information Advice and Guidance process as to whether these personal issues need to be addressed before presenting themselves as job ready and receiving pre—employment training or whether it is an issue to be aware of and a risk to manage.

(It may also be relevant to advertise courses through a range of organisations and perhaps work with agencies to find whether they had local people registered who were not currently working but may be placed into work with a short intervention.)

### **Timely**

Where possible training events should be scheduled to coincide with recruitment timetables identified by the JCU. This way employers and opportunities could form part of the package and the impact of the training is maximised.

It is the intention to try and plan training in advance of work package starts and linked to project demand whilst retaining the capacity to be responsive to opportunities. This would allow flexibility to be developed between both FE pre-employment provision targeted at learner completion points and non-FE pre-employment which can be made more flexible to recruitment peaks.

### **Relevant**

It is critical to be using NHB to deliver things not available or funded elsewhere and which are interventions that the industry needs. This would be an ongoing process of involvement with employers informing about need and even delivering skills and knowledge where appropriate. There would be several key components making up pre—employment interventions typically.

### **Knowledge**

The delivery of relevant and useful information such as industry background; what to expect on construction sites; what employers are looking for; what the Inland Revenues CIC ( Construction Industry Scheme ) is for self-employment and how to get a UTR ( Unique Tax Reference number ); safety legislation, materials, working at height, working in confined spaces and so forth.

### **Skills**

The instruction in specific techniques and vocational skills – this could include short course instruction in areas such as shuttering, dry lining, manual handling, concrete pouring, cladding, tiling, mixing cement or mortar, pouring cement, striking formwork and so forth.

### **Accreditation**

–this could apply to a range of areas for which certificates of competence, training or knowledge are required and could include areas such as CSCS (Construction Skills Certification Skills , First Aid, Hoist Operator, Slinger, PASMA, Abrasive Wheels, MEWPS, New Roads and Street works etc.)

### **Productivity**

In some cases people may have completed a college courses and do not have any understanding of on-site price work productivity expectations and have no idea whether they can convert that skill into making a living. It may be possible to look at some work around productivity and expectations as a follow on for craft skills training courses and possibly linked to organised work placements. Such a course would involve a schedule of rates for elements of work and a price and expected duration and would be very target driven in achieving targets with clear tolerances in terms of time and quality.

### **Travel**

Where the proposal is to deliver pre-vocational training the provider should pay for and manage the cost of travel to and from the work placement. This can be done by loading up of oyster cards and can be managed online. However, this needs to be managed and kept under review with the participant to ensure that they are checking in / out at the right start and end points for their journey.

## Section 3 - What are we seeking to procure?

### Integrated pre-employment & pre-vocational training

Where we are engaging with sub-contractors around their recruitment needs, and there is no relevant funded skills offer available, we have been funding specialised industry providers to develop short vocational courses. Partnership working by / or in conjunction with the local FE College in order to make use of their facilities, expertise in business development, and ability to draw down some SFA funding against framework units if available is to be encouraged. The opportunity is to utilise the NHB funding to meet the funding gap, or to develop and fund non-accredited units where required. Funding may also be used to pay for materials or help leverage other resources to do so where costs require, and the benefits accrued make this worthwhile. Having undertaken and evaluated a couple of pre-vocational pilots, this has enabled us to identify and develop a set of requirements:

#### Key considerations:-

- Focus on trades where no provision available or where specific finishing skills are required to access NEV opportunities
- Must be local or within a travel to train area.
- Costs need to be competitive and developed according to trade requirements and demonstrating how they support job entry and progression.
- Identify current SFA funding as value added for pre-employment employability / CSCS and industry investment where skills shortages are present in the supply chain.
- There are small budgets available for materials costs – though industry support is encouraged
- Again, as above but use some funds to support travel and subsistence costs (traineeships / paid placements)

The provider should deliver pre-employment preparation (CSCS and relevant tickets) as a precursor to becoming engaged with pre-vocational training / or work with an existing provider with a proven track record.

#### Key components are listed in each of the Lots but are made up of the following:-

- CSCS / Tickets
- Theory (offsite component)
- Work placements (paid /unpaid)

#### Demand led

The provision being commissioned responds to the Mace Report, and QTS Report meeting identified gaps in the market. The provider will need to work with the JCU to engage employers in order to effectively market test and promote their proposed pre-vocational training course with view to identifying input into training offer, the timing of delivery and recruitment needs.

#### Employer Engagement

Employers need to be at the vanguard of developing provision. Provision maybe non-accredited but must be demonstrated / evidenced to have support / recognition by industry and to conform to

its standards. There needs to be an identified and quantified demand with clear routeways into work.

### **Working with JCU / Brokerages**

These opportunities are targeted where Employment & Skills Plans targets have been agreed with Developers and their Tier 1 contractors. We are seeking to maximise the 'train to place in work' potential of the scheme. The JCU will be actively seeking vacancies in these trade areas and helping inform the timing of provision. We will engage employers in the courses and get agreement for guaranteed interviews for completers. Given the type of provision we are commissioning, with a work placement element, job starts are the main objective. A reference which highlights record of achievement / attendance is important in facilitating job entry post work placement.

### **Curriculum Development**

There should be an offsite and onsite component. For example 2 weeks off site learning 4 weeks work placement. It is anticipated that the learners will be given a workplace tutor / coach and someone to pick up any issues such as attendance.

The curriculum should be focused on learning the theoretical and practical skills necessary to undertake the job competently to a basic standard before progressing onto site. Learners need to have functional skills assessed to ensure at an appropriate to the opportunity. There should be clear expectations of what is expected and how it is to be measured / demonstrated. Lesson plans should be available; portfolios to demonstrate achievement; as well as a performance card to show clearly progress, achievement and soft skills development such as timekeeping, tidiness, wearing PPE etc.

### **Learner support and retention**

An agreed process for screening candidates at the start of the training should be identified with the JCU and brokerages to prevent drop out. Clear expectations set and shared with candidates (via a pack & checklist) about what is expected of candidates on engaging with provision. The provider needs to inform the JCU infrastructure of candidate on-flows so that it can communicate with JCP to ensure that their benefits are continued through the training period. Travel costs should be reflected for any site based training. Where there are issues of poor performance or non-engagement, these should be addressed immediately and pro-actively as retention rates are key. Candidates may have personal / family / other needs which may affect their engagement. These need to be taken into account when being signed up to provision and managed pro-actively between the provider and brokerage.

### **Traineeship /Construction Trainee Routeway**

This is the anticipated progression route for trainees from work placement into jobs starts and then through onto further in work training such as NVQ or apprenticeship and their portfolios / action plans should demonstrate attendance & time keeping / skills acquired / progression in order to show prospective employers.

## **Section 4 - Lessons learned from Pilots**

### **Meeting the needs of employers**

Going forward it is essential that pre-employment training matches the opportunities available currently on NEV as best as possible and that will involve regular involvement and feedback from employers. Employer involvement in the design, delivery and / or hosting of training has been shown to have a positive impact upon the successful progression into employment. This has helped foster a sense of ownership rather than obligation in relation to the training.

### **Attitudes and expectations**

This is a critical element which is a priority for employers when engaging and retaining staff. It needs to be addressed as an issue at all stages of the pre-employment process

### **Testing database and data cleansing**

Actively engaging with candidates via the recruitment to courses is a way of cleansing data held about candidates, updating records and establishing the capacity to respond to opportunities and take appropriate action if necessary. Time invested in development of courses should be matched, if not bettered by the time spent in candidate selection.

A set of candidate requirements should be established as part of the courses development and procurement process. This should happen in advance of the training so that literacy, numeracy, language requirements could be assessed as required. The brokerages will continue to screen candidates prior to starting the course to identify whether caseload Green (just needing tickets), or Amber (requiring CSCS and employability training and tickets) with Individual Action Plans to be initiated and updated.

Ensure message is clear that drug / alcohol screening is common place and if NOT ready to change lifestyle or make choices NOT ready for opportunity. Once the initial assessment is completed for all training opportunities the list of screened candidates will be added to the Trainee Tracker and distributed to the brokerages, JCU and JCP. Prior to starting the training, candidates will receive a pack containing a schedule of training, contact details for each organisation and a code of conduct.

### **Assumptions for throughput for Lot 1 pre-employment:-**

- 80 learner starts CSCS – 90% pass rate– 1 re-take max.
- 70 learners go onto do tickets (according to demand / ability) up to a max of 2 tickets each
- 90% of those completing tickets get interviews
- 65 submitted for interviews
- 75% of those interviewed into work
- 50 into jobs

### **Assumptions for throughput for Lot 2-7 pre-vocational:-**

- 100 learner starts with a 75% pass rate = 75 completions.
- 70 work placement starts
- 50 into jobs
- Of which 15 onto apprenticeships after 1 year

**TOTAL Outcomes sought All Lots:-**

- 250 individuals receiving construction specific advice
- 150 tickets funded
- 145 learner completions (non-accredited)
- 70 work placements
- 100 Unemployed or economically inactive residents entering employment - new jobs measured by job starts
- 20 apprenticeships starts (after 1 year)

## Section 5 – completion of the ITT response

The Right to Quote pack contains 3 documents:-

1. NEV Construction Specification (this document)
2. Request for quotation form(s) – detailing available lots (including quotation submission section)
3. Right to Quote (RtQ) response template – the response form (cost / quality detail)

Please refer to this document when framing your response, in particular to **Section 3 - what we are seeking to procure?** and **Section 4 - lessons learnt from pilots.**

### Step 1

Select your chosen Lots from the list in Section 2 commissioning approach and then refer to the relevant **request for quotation form** detailing the individual Lot requirements.

### Step 2

Please complete the **RtQ response template** with the information related to the **Value for money / leverage Quality of the Offer.**

### Step 3

Any price related information should be broken down at the end of the **request for quotation form** in the **Quotation submission section.**

### Step 4

Sign and date the bottom of both the **RtQ response template** and the **request for quotation form** and return to XXXXX