

**EUROPEAN SOCIAL FUND PROGRAMME
2007-2013**

LOCAL SPECIFICATION

EAST OF ENGLAND

NORFOLK DISTRICT

REF NO: EE8

**TITLE: INTERMEDIATE LABOUR
MARKET PROJECT**



European Union
European Social Fund
Investing in jobs and skills

DWP Department for
Work and Pensions

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1. Introduction

DWP wish to procure stand alone provision that is funded by the European Social Fund. This is to be made available to Jobcentre Plus Advisers to provide a package of provision that meets the needs of Jobcentre Plus customers within Norfolk.

The Intermediate Labour Market (ILM) project will address the needs of those customers who face barriers to work, real and perceived, who are subsequently disadvantaged in the labour market. The provision must inspire and empower customers to achieve their potential by identifying and providing the skills to find sustainable work.

This Annex sets out the criteria for the provision to be delivered through ESF in the Norfolk Jobcentre Plus District. Prospective bidders will be required to submit full and detailed proposals, meeting the specific criteria below.

- Jobcentre Plus is looking to award **one Prime Contract** to cover the entire district. Although one organisation will be required to lead the contract, it is not expected that one organisation will be the sole deliverer of the provision covering the entire District. The successful provider will have to directly deliver some elements of the training. The successful provider will be expected to demonstrate links they would create with local organisations to meet the requirements of this specification. Full details of any partnerships/consortiums/sub-contracting arrangements will need to be fully explained in the tender. The bidder must provide letters of support from local organisations involved in the worklessness agenda in each Local Authority.

2. Aim of Provision

To deliver a customer-led/individually tailored provision which will support our most disadvantaged customers (those with severe or multiple disadvantages) through an Intermediate Labour Market (ILM), to a position where they can compete for work in the open labour market.

ILMs have been defined as waged or salaried, full or part-time jobs that are available only to unemployed people (or specific groups of unemployed people) for a limited time and where the product of their work has either a direct social purpose, or is trading for a social purpose, where the work or trading would not normally take place.

Strong links with the voluntary and community sector (VCS) will therefore be key to the success of the project.

Although this specification sets out the basic elements that must be delivered, prospective providers are encouraged to submit proposals that are innovative and flexible in their approach to delivery. Contractors will deliver provision capable of addressing the range of needs of participants in the District

3. Design & Content

Contract is due to start in June 2008 and will be let for 3 years with possible extension for a further 2.

Indicative contract value is expected to be between £0.9m and £1.1m with the possibility of increasing maximum contract value up to £1.6m should any extension be progressed.

Indicative volumes are that in excess of 60 clients will access provision over the life of the contract.

Activity Hours per week

Individual needs may vary so weekly activity hours can be part time up to a maximum of 35 hours per week, and flexible to support the individual customer. Customers will be expected to attend for a minimum of eight hours per week, and maintain or possibly increase these hours as they become more 'job ready.'

For those customers in receipt of benefit the intention is that this provision is sufficient to move them off benefit, and their participation is therefore expected to be a minimum of 16 hours a week.

Within this paid period there will be an element of development and progression activity. For somebody engaged for 35 hours a week the average time, during that, to be spent on development activities could be 7 hours a week. This would be pro-rata for people participating for fewer hours.

Duration

Due to the nature of the customer group it is anticipated that they are unlikely to start work before 26 weeks. The maximum length of stay for a participant is 50 weeks. A customer will be defined as leaving the programme if they:

- a) find employment;
- b) have an unauthorised absence as per the provider guidance; or
- c) complete the provision.

4. Definition of Activity Requirements

ILM Placements

The objective of ILMs is to provide a parallel labour market where those who have severe or multiple disadvantages in the open labour market can gain employability skills. These placements should be in community, voluntary, social or health organisations. We are not anticipating private sector placements within this project. Although exceptionally a private sector placement may be agreed with the express permission of the Contract Manager.

Participant Status

Beneficiaries who participate in an ILM will be classed as employees with the normal National Insurance and Income Tax liabilities and should be subject to the normal terms and conditions of employment and legal requirements. Each participant will be paid a weekly wage by the Provider, you will need to build this cost in to your bid. The wage will be initially set at a minimum hourly rate of £5.52 (the national minimum wage for those aged 22 and over) for all participants. This rate will be required to increase in line with any changes made to the national minimum wage. Participants will no longer be able to claim any DWP benefits (for example, Jobseeker's Allowance, Incapacity Benefit) but may instead be able to claim in-work benefits in addition to their "ESF" wage. If the person has a disability and needs additional equipment or support because of this then the ILM

employer may be able to get help for them from the Access to Work fund. (Contact your local Jobcentre Plus office for more information about in-work benefits or Access to Work).

On-programme Support

The purpose of the ILM is to re-introduce the participant to the world of work in a supported environment. Therefore, a key element of the ILM is the provision of an individual package of support to help the participant progress through the ILM and then progress into the competitive labour market. This support package should include:

- Individual action plan
- Access to a mentor/project worker for all-round support
- Occupational training related to the ILM placement, leading to NVQs (or other recognised qualifications, certification or licences) where appropriate
- Basic skills support where needed
- Basic ICT skills where needed
- Support in finding permanent employment in the competitive labour market
- A period of mentor support after the placement finishes, either on completion or if they leave early to start employment, for up to 13 weeks on a weekly basis if required

Basic Skills is usually defined as the ability to speak, read and write English and use mathematics at a level sufficient to function and progress at work and in society. You may find these definitions helpful when considering the range of options to offer participants.

Ratio of Tutors to Participants

Overall across the range of on-programme support expected one tutor to every five participants, where a tutor could be for occupational training, a mentor or project worker.

Number of days between referral and start

Five working days between referral (whether customer self referral in response to marketing, referral by Jobcentre Adviser, or referral via a partner organisation, or other VCS organisation) and interview to assess suitability for the project.

Ten working days maximum from assessment interview to ILM start.

Personnel

Tutors/mentors/project workers must be qualified to deliver the relevant skills being taught. The provider will ensure that in the absence of any team leader or supervisor, for whatever reason, a suitably approved replacement capable of supervising the work activity, job search or training shall be available.

Premises

All premises/work placements must meet DDA and health and safety requirements. Delivery sites should be open five days a week Monday to Friday and, as a minimum, 9am to 5pm every day.

Equipment/ Resources

For job search needs, access to IT to produce electronic CV and job applications, internet access, photocopier and telephone access. Ideally one PC for every two customers.

The Contractor must meet the needs of childcare, transport and additional support costs for programme participants.

Processes

The successful provider will be required to comply with DWP provider guidance, including those additional requirements described for ESF funded provision.

5. Target Groups

The priority focus for ILM provision should be customers who have been on benefits for 12 months or more and for whom their health condition or disability has been a barrier to employment.

During the lifetime of the contract the emphasis on particular priority customer groups may change to reflect emerging local needs.

Provider should be aware that Norfolk will be a Pathways to Work District for those who make a claim to Incapacity Benefit from December 2007 and any volunteers from existing Incapacity customers. Any provision aimed at these groups should be complementary to but not duplicate that delivered within Pathways to Work.

6. Geographical Coverage

Provision to be accessible across Norfolk, taking rurality and transport issues into account, as well as the location of ILM placements and subsequent employment opportunities in the open labour market.

We expect placement to be provided across the district including a particular focus on towns or cities with deprived wards. The towns and cities with deprived wards are shown below.

- Great Yarmouth (Central & Northgate and Nelson)
- Kings Lynn (North Lynn and St Margarets with St Nicholas)
- Norwich (Mancroft)

These are local authority wards that have been identified as having an employment rate significantly below the national rate and have, consequently, been designated as deprived wards.

Delivery sites should be open five days a week Monday to Friday and, as a minimum, 9am to 5pm every day.

7. Eligibility

Eligibility must be within that specified for Priority 1 of ESF (Chapter 5 of the 'Specification for England' refers) and specified in the target group (see section 5 above).

8. Referrals

The onus is on providers to ensure they take the necessary action to recruit the numbers specified in their tender. Jobcentre Plus will work in partnership with providers but is not responsible for ensuring referrals are made. The expectation is that all participants will have the potential to progress into permanent employment given this additional support and providers need to have a selection process which recognises this. Participants who are not selected, or who feel unable to take up an offer of a placement, should be given feedback and, where appropriate, be referred to another source of support e.g. Jobcentre Plus Adviser or alternative provision.

9. Coherence & Context with other Provision

DWP currently has mainstream provision including Programme Centres, New Deals and Pathways to Work. Intermediate Labour Market project is provision which is not currently offered to our customers.

10. Networking/Links

We strongly encourage the prime contractor to work with a range of smaller specialist and VCS providers in order to support the delivery of the widest range of activities within this contract.

Providers are also expected to work with Jobcentre Plus and other partners to maximise the benefits of other mainstream programmes, for example Work Trials, Train to Gain. Providers will need to have a good understanding of Jobcentre Plus programmes and of other provision in the local area funded through Investing in Communities, Local Area Agreements, etc. Providers should also be able to work with emerging and existing local initiatives, such as Local Employment Partnerships

11. Marketing

Prospective delivery organisations should provide a copy of an appropriate marketing plan as part of the tender. Plans must show how this provision will be promoted and marketed to the target customer group.

12. Funding Model Ratio/ Volumes

The funding model selected is 60/40%

60% of the contract price will be paid as a delivery fee and 40% as job outcomes.

Indicative volumes are expected to exceed 60 beneficiaries - based on ILM placements of 35 hours a week over 50 weeks. Participant wages will be initially set at an hourly rate of £5.52 (the national minimum wage. You will also need to factor in elements for other participant costs (childcare, travel costs) and management/administration costs.

If proposing fewer weekly hours/shorter duration for some beneficiaries, please indicate possible breakdown, rationale for this and maximum number of beneficiaries.

70% of participants to make a successful transition into open employment of 16 hours or more per week that is expected to last for at least 13 weeks.

13. Non Paid Outcomes

None.

Annex 1 – Make up of District Customer Register by Local Authority
Working Aged Benefit Claimants by Local/Unitary Authority in Great Britain.

Local Authority	Total Population	16 - 59 Population	Unemployed Claimants	Sick and Disabled Claimants	Lone Parents	Other	All Claimants
Peterborough	156061	92869	3240	8255	2640	3490	17625
Luton	184371	111046	4120	8575	3075	4665	20430
Southend-on-Sea	160257	89905	3230	8235	2465	4120	18045
Thurrock	143128	87020	2595	6295	2250	2770	13915
Mid Bedfordshire	121024	73721	885	3155	700	1910	6645
Bedford	147911	88491	2340	6025	1785	2880	13030
South Bedfordshire	112637	67112	1180	3805	1320	1845	8145
Cambridge East	108863	74498	1395	3920	960	1520	7795
Cambridgeshire	73214	42928	555	2165	475	1090	4285
Fenland	83519	46611	1100	4635	995	1820	8545
Huntingdonshire	156954	95081	1325	4785	1005	2200	9315
South Cambridgeshire	130108	78460	775	3365	630	1905	6670
Basildon	165668	98162	2580	7975	2810	3555	16920
Braintree	132179	78655	1455	4940	1175	2255	9820
Brentwood	68456	39078	420	2065	485	925	3900
Castle Point	86608	50078	815	3295	840	1605	6550
Chelmsford	157072	95235	1635	4745	1220	2215	9815
Colchester	155796	94787	2000	6650	1680	2915	13240
Epping Forest	120896	70631	1295	3985	1220	1695	8200
Harlow	78768	46922	1645	3590	1305	1660	8200
Maldon	59418	34897	630	2050	395	960	4035
Rochford	78489	44924	625	2380	495	1135	4635
Tendring	138539	69201	2220	7655	1645	3210	14735
Uttlesford	68946	40805	385	1600	315	820	3120
Broxbourne	87054	51813	940	3105	1295	1585	6925
Dacorum	137799	81947	1555	4225	1215	2075	9065
East Hertfordshire	128919	78645	750	3150	670	1505	6075
Hertsmere	94450	55327	935	3005	990	1525	6455
North Hertfordshire	116908	68640	1240	3415	1010	1910	7575
St0 Albans	129005	77287	755	3415	810	1700	6675
Stevenage	79715	47400	1130	3180	1165	1800	7280
Three Rivers	82848	48156	575	2305	695	1140	4715
Watford	79726	49496	950	2985	870	1540	6335
Welwyn Hatfield	97553	57166	940	3435	1040	1595	7015
Breckland	121418	67695	1480	4940	920	2075	9420
Broadland	118513	67111	865	4160	595	1540	7165
Great Yarmouth	90810	50416	2540	5930	1245	2790	12510
King's Lynn and West Norfolk	135345	73791	1720	7095	1250	2745	12815
North Norfolk	98382	50837	1130	4455	650	1665	7890
Norwich	121550	74923	2930	7775	1990	3260	15960
South Norfolk	110710	62141	920	3765	580	1780	7040
Babergh	83461	47256	645	2605	520	1305	5070
Forest Heath	55510	33294	440	1595	365	725	3130
Ipswich	117069	67666	2475	5985	1710	2855	13020
Mid Suffolk	86837	49700	600	2515	440	1230	4790
St0 Edmundsbury	98193	57906	990	3335	675	1505	6510
Suffolk Coastal	115141	62416	785	3690	670	1955	7105
Waveney	112342	59954	2455	5955	1305	2995	12705
Regional total	5388140	3152100	68190	210165	54560	97965	430860

Annex 2 – Current Labour Market Overview

Norfolk is the largest county in the Eastern Region and fifth largest county in England but has a relatively low population density. It is largely rural in character and contains a network of market towns. Norwich is the largest population centre and over one third of the county's jobs are in Norwich.

Overall, 23% of employers are production businesses (agriculture, manufacturing, utilities and construction) and 77% are service organisations. This matches regional averages. However, Norfolk has more wholesale, retail and repair, hotel and restaurant businesses, but significantly less real estate, renting and business activity firms, in comparison with regional averages.

Norfolk employers with hard to fill vacancies experience difficulties in terms of literacy and numeracy skills, as reported by 50% of employers in production (manufacturing especially) and construction and 25% of those in the service sector. Principal employers include Norwich Union, NHS and Bernard Matthews.

The Chapelfield retail development in Norwich has placed the city firmly as a leading retail outlet in East Anglia. In Great Yarmouth, the proposed development of an outer harbour will create employment opportunities, as will the urban regeneration plans that are in an early stage of development in the town.

Annex 3 – Current Childcare activity and average cost across the District

Typically, childcare facilities are available throughout the county of Norfolk, although there are some areas which have better availability than others. This provision includes childminders, crèches, day nurseries, holiday schemes, out of school care, pre school playgroups, and toddler groups. Examples of average cost include crèche facilities at around £1.25 per hour and childminding at around £3.50 per hour.