

(Working Title)

Merged Programme Based on progress2work and progress2workLinkUP and 2010 Problem Drug Users' Employment Support Pilots

Employment Group - Delivery Directorate Tony Burns

Agenda

- Welcome, introductions and domestics
- Purpose of event
- Strategic background and policy context
- Service requirement
- Procurement process
- Financial issues
- Questions and Answers
- Lunch
- Expert tables

Domestics

Welcome and introductions

Who's here and why

- Welcome
- Introductions
- Copies of slides will be available on the DWP internet site
http://dwp.gov.uk/supplyingdwp/what_we_buy/opportunities_to_tender.asp

Purpose of the event

- provide background;
- provide more information;
- outline the procurement approach, funding arrangements and specification requirements for the project;
- opportunity to raise questions;
- provide networking opportunities;
- provide an opportunity to seek clarification from expert tables;
- clarify next steps.

Labour Market Strategy Directorate Policy lead – Mary Curran

Strategic direction

Ministerial policy:

- no one on benefit should be written off;
- in return for benefits individuals have a responsibility to take up the support on offer to them to help to move towards employment.

DWP policy:

- providing personalised support;
- to specific groups of benefit customers;
- facing multiple barriers to gaining and sustaining employment.

Welfare to Work

Over the last 10 years – employment support has been transformed:

- creation of Jobcentre Plus;
- new employment programmes launched;
- improved work incentives;
- offering support to a wide range of customer groups;
- maintaining help and support through changing economic circumstances.

Modernisation agenda

Service and support to customers is being modernised to provide flexible and tailored employment support for all.

This will be delivered through:

- a refocused Jobseekers regime;
- the introduction of Employment and Support Allowance (ESA) to replace Incapacity Benefit.

Why additional support?

- a core group of our customers experience serious, and in some cases, multiple barriers to work;
- they can require additional and at times specialist support over and above that offered through mainstream programmes.

Two distinct approaches

Additional support will be provided through two programmes:

- a national programme;
- five pilots supporting problem drug users (crack cocaine and heroin).

Additional support

Additional support provided will typically include:

- a nominated adviser;
- an action plan;
- advice and referral;
- in-work support.

Evaluation

Both programmes will be subject to evaluation:

- contracted out to independent research organisations;
- the pilots will require additional information from suppliers;
- pilot evaluation report by spring 2013.

Volumes

There are specified budgets for both the national voluntary provision and the pilots:

- volumes for the voluntary programme are based on historical data;
- volumes for the pilots are informed by National Treatment Agency estimates.

Expectations

- quality provision delivering job outcomes;
- flexibility;
- seamless support;
- improving employability;
- strong links with the local labour market.

Employment Group - Delivery Directorate Specification lead - Elaine Elliott

New merged programme

- based on current progress2work and progress2workLinkUP programmes;
- voluntary programme – maximum participation 12 months;
- 18 prime contract package areas nationally with delivery in every Jobcentre Plus District in England, Scotland and Wales;
- five year contracts.

Merged programme specification

Provide specialist employment support to unemployed customers who are:

- recovering drug misusers;
- recovering alcohol misusers;
- homeless people;
- offenders and ex-offenders.

Eligibility

Customers may be eligible for the merged programme if they claim any of the following working age benefits:

- Jobseekers Allowance;
- Income Support;
- Incapacity Benefit;
- Employment and Support Allowance.

Service requirement merged programme

Potential referral sources:

- Jobcentre Plus;
- DAT/DAATs;
- Probation Services, Police, Prison Services;
- treatment agencies/providers, homeless agencies;
- training providers;
- Primary Care Trust;
- self referral.

Service requirement merged programme

Customer needs:

- support worker/nominated adviser;
- initial assessment – action plans;
- overcoming barriers;
- training;
- job goals and job search;
- in work support to achieve sustainment.

Service requirement merged programme

In order to achieve the customer needs, the following is vital:

- local knowledge;
- marketing to appropriate referral sources;
- realistic caseloads;
- marketing and links with employers.

Specification - pilots

To provide a mandatory support regime for Problem Drug Users (crack cocaine and heroin) in five pilot areas:

- Central London;
- Cumbria and Lancashire;
- Merseyside;
- Birmingham and Solihull;
- West Yorkshire.

Specification - pilots

- mandatory referral from Jobcentre Plus only;
- two year contracts as part of the merged programme five year contracts;
- maximum 12 months participation.

Service requirement - pilots

- each customer must have an individual rehabilitation plan, that incorporates an assessment of distance travelled;
- the provider must agree with each customer the appropriate behaviours;
- the initial period will focus on stabilisation and then towards re-engagement with the labour market.

Service requirement – pilots

- the provider must work closely with treatment agencies and other specialist provision/support in the locality;
- treatment provision is not a requirement of this contract, though it may be offered if the provider is commissioned to provide treatment by a DAT/DAAT;
- participation on the programme is expected to be full time (30 hours per week).

Service requirement – pilots

- a treatment allowance will be paid to the customer by Jobcentre Plus whilst on the programme;
- sanctions may apply for failure to undertake actions in the rehabilitation plan without good cause;
- providers will be responsible for notifying Jobcentre Plus of customers' failure to comply with the requirements of the provision.

Service requirement

Merged programme and pilots

Standard funding model – 70% delivery payment, 20% short job outcome, 10% sustained job outcome.

Standard outcome definitions – job lasted 13 weeks / sustained job 26 out of 30 weeks.

Minimum performance:

- 20% of starters into jobs;
- 10% of starters to achieve a sustained outcome.

European Social Fund service requirement

Merged programme and pilots

In England only:

- European Social Fund (ESF) has been applied to all the contract packages in England including the pilots;
- providers must comply with ESF requirements:
 - some direct delivery;
 - ESF logo on all forms leaflets etc;
 - ESF audit requirements (including for sub-contractors);
 - document retention – until Dec 2022;
 - comply with ESF cross cutting themes.

TEA BREAK

Commercial Directorate

Commercial Lead – Carole Slatcher

Procurement process

- Two stage procurement process
- Longer and larger contracts
- Delivery options

Timetable

PQQ response deadline	- 12 noon 3 December 09
Successful first stage bidders contacted	- w/c 15 February 10
ItT response deadline	- 12 noon 28 April 10
Contract award	- w/c 2 August 10
Delivery commences	- 4 October 10

PQQ assessment

- The PQQ scoring mechanism
- Type of information required
- Weighting

Important information

- PQQ completion do's and don'ts
- TUPE
- Information security
- Fraud
- Sustainability

Submitting your PQQ

- PQQ parts 1-7
- TUPE assessment form
- Provider financial capacity and capability assessment form and Annex 1

Further information

Email address:

leedswhitehallii.p2wq-a@dwp.gsi.gov.uk

Website:

<http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/>

Commercial Directorate Commercial Finance and Resource lead Lisa Eaden

Supplier funding/payment arrangements

The funding model for the merged programme and the pilots is:

- 70% delivery payment;
- 20% short job outcome payment;
- 10% sustained job outcome payment.

Suppliers will use the Provider Referrals and Payments (PRaP) system.

Five year contract with a possible further two year extension.

Financial support - remit

- Financial procurement support and financial evaluation of bids.
- Financial Viability and Risk Assessment (FVRA) which feeds into financial capability and capacity analysis.

Procurement support - remit

- PQQ stage - organisations will be rated in terms of their FVRA rating.
- ItT stage:
 - price assessment of tenders;
 - financial capability and capacity risk assessment.

Financial Viability Risk Assessment (FVRA)

- What is FVRA?
- Why do we use FVRA?
- How do we use financial data?

Provider capacity

- What should I bid for?
- Several organisations come together to form an SPV (Special Purpose Vehicle) or a JV (Joint Venture) to bid.
- Realistic package selection.
- Potential providers who are only wishing to be involved as a sub-contractor do not need to submit a PQQ in their own right.

Tolerances

- Basic principle of tolerances.
- Apply to the merged programme.
- Apply to the number of starts and will only impact the delivery payment.
- Will not apply to short or sustained job outcomes.

and finally

- Bidders need to decide their bidding strategy taking into account:
 - contract sizes and locations;
 - capacity and capability;
 - how they will bid – as a prime contractor, part of an SPV and/or JV or to become a sub-contractor to other prime contractors.
- Remember, potential providers who are only wishing to be involved as a sub-contractor do not need to submit a PQQ in their own right.

Questions and answers to the panel

Facilitator - Tony Burns

Strategy - Mary Curran

Specification - Elaine Elliott

Procurement - Carole Slatcher

Funding - John Willacy/Lisa Eaden