

# **European Social Fund 2007 – 2013 Programme**

## **Specification for England**

## CONTENTS

Abbreviations	3
Purpose	4
Contract Length	4
Background	4
Co-Financing and Match Funding	4
ESF Objectives	5
Added Value	5
The Service Requirement	6
Procurement Strategy	6
TuPE	6
The Funding Model	7
Funding Model Ratios	8
VAT	8
Payment of Sub Contractors	8
Recruitment	8
Eligibility	8
Critical Success Factors	9
Provider Performance Targets	9
Successful Customer Experience	9
Performance Management	10
Contract Management	11
Contract Management of Sub Contractors	11
Quality Standards	11
ESF Audit Requirements	12
Legislation	13
Publicity	13
Document Retention	14
Equality, Diversity and Equal Opportunities	14
Sustainable Development	16
London only – Additional cross cutting theme for Health	16
Evaluation and Reporting	16
Business Support Simplification	17
Local Employment Partnerships	17
Timetable for Delivery	17
Additional Information	18
Annex 1	Current Mainstream DWP/Jobcentre Plus employment programmes
Annex 2	Sustainable Development
Annex 3	Provider Guidance
Annex 4	Additional cross cutting theme for London

## ABBREVIATIONS

BET	Basic Employability Training
BSSP	Business Support Simplification Programme
CFO	Co-Financing Organisation
CMF	Contract Management Framework
DDA	Disability Discrimination Act
DWP	Department for Work and Pensions
ESA	Employment Support Allowance
ESF	European Social Fund
EU	European Union
FTET	Full Time Education and Training
HMRC	Her Majesty's Revenue and Customs
HRA	Human Rights Act
IB	Incapacity Benefit
ITT	Invitation to Tender
JCP	Jobcentre Plus
JSA	Jobseeker's Allowance
LEP	Local Employment Partnership(s)
LOT	Longer Occupational Training
LP(s)	Lone Parent(s)
MI	Management Information
NDLP	New Deal for Lone Parents
NI	National Insurance
OFSTED	Office for Standards in Education Department
PDP	Provider Development Plan
SEP	Self Employment Provision
SJFT	Short Job Focused Training
TUPE	Transfer of Undertakings (Protection of Employment)
VAT	Value Added Tax

## **1. PURPOSE**

This generic specification sets out the overarching delivery requirements which are additional to or complement the specific requirements detailed in local delivery specifications, for the delivery of the European Social Fund programme 2007 – 2013 in England.

Except for certain mandatory requirements, the specification does not define how delivery is to be provided. It provides a clear and accurate description of the Department for Work and Pensions (DWP) delivery requirements and some ESF specific requirements, whilst enabling providers to offer innovative solutions to meet those requirements as effectively and cost-efficiently as possible.

## **2. CONTRACT LENGTH**

Contracts to deliver ESF funded provision will initially be for three years. Dependent on the further allocation of ESF funding in the regions, there may be potential to extend these contracts up to a further two years. Funding of any extension will be subject to a maximum of 50% of the original contract value. Contracts will be awarded in September with delivery required from November 2008.

## **3. BACKGROUND**

In 2007, a [new programming period](#) for ESF will begin, aiming to respond more effectively to the challenges of the 21st century. For the participants of the ESF, this will mean better jobs and opportunities for all.

ESF funds for the next ESF programme (2007-13) will be made available during 2008. In England, programme funding of around £80 million may be available annually through DWP co-financing.

## **4. CO-FINANCING AND MATCH FUNDING**

The DWP has agreed to act as a Co-Financing Organisation (CFO) for ESF in England. DWP will manage its CFO arrangements through its Work, Welfare and Equality Group Delivery Directorate, with representation in regions, through Jobcentre Plus. This means that some of the ESF funds in each ESF region will be distributed through DWP's CFO arrangements, in the form of competitive procurement exercises. As a CFO, DWP's role is to bring together ESF and domestic funding for employment so that ESF complements and adds value to domestic employment programmes. DWP will contract with provider organisations to deliver ESF initiatives in line with the regional ESF Frameworks and DWP's own objectives.

In bringing together domestic and ESF programmes DWP will use selected domestic programmes to meet the ESF requirements for match funding. Match funding is essential to the drawing down of ESF and the providers of programmes used as match funding will also be asked to carry out certain of the responsibilities of an ESF-funded organisation, including support for publicising ESF involvement in the programme. Providers of ESF contracts let under the CFO arrangement do not need to find their own match funding, as was the case under earlier ESF programmes.

## **5. ESF OBJECTIVES**

ESF Priority 1 of the England ESF programme for 2007-2013 concerns increasing employment opportunities and its objective is to increase employment and to reduce unemployment and inactivity. It will help to tackle barriers to work faced by people such as:

- people with disabilities and health conditions;
- lone parents and other disadvantaged parents;
- older workers;
- people from ethnic minorities;
- people with low or no qualifications, and
- young people, particularly if not in education or training

The intention is that, by tackling and preventing worklessness, this priority will help to improve social inclusion and social mobility and, by helping unemployed and inactive parents to enter sustainable jobs and make progress at work, help to alleviate child poverty.

These priority groups closely match those identified by DWP for our ESF activity, which are:

- people on Invalidity Benefit especially those with children (reflects Child Poverty Agenda);
- lone parents;
- other people with children;
- most disadvantaged (including ex offenders);
- city strategy activities;
- people with Basic Skills needs; and
- Jobseeker's Allowance customers with children, or who persistently return to benefit.

## **6. ADDED VALUE**

The ESF website ([www.ESF.gov.uk](http://www.ESF.gov.uk)) provides good generic background to the aims of the 2007 – 2013 ESF programme. It is an ESF requirement that ESF provision must add value to existing DWP provision and to other provision in the locality, and must not duplicate it. Annex 1 defines current DWP/Jobcentre Plus employment programmes.

ESF provision could complement DWP provision in different ways, for example:

- targeting people who may not otherwise come forward to, or be eligible for, existing provision;
- extending the amount or range of provision available;
- providing additional support in key locations where additional barriers exist for people wanting to return to work;
- providing different or more intensive support to people facing greater barriers, alongside their involvement in the main domestic programme;
- providing specific help to particular disadvantaged people to help them find and keep a job and;

- supporting people after they enter employment, to assist with sustaining and retaining a job;
- providing support to employers through Local Employment Partnerships to complement the help available to them through other DWP provision.

## **7. THE SERVICE REQUIREMENT**

ESF contracts will differ across the English regions, although all working within the overall programme. Details of local delivery requirements are contained in the individual local specifications.

## **8. PROCUREMENT STRATEGY**

Contracts will be awarded to providers who meet all the stipulated criteria and submit the most economically advantageous tender, with a specific focus on identifying suitably experienced organisations who can deliver innovative and flexible support services to eligible customers.

DWP is looking to contract with a Prime Contractor for each local specification. It will be a requirement that the Prime Contractor delivers the entire local specification either directly themselves or through a mix of their own direct delivery and the remainder through sub contractors. Where a Prime Contractor intends to deliver the entire local specification directly, then DWP will need to be satisfied that they have the capacity, expertise and local links in place to ensure that the contract is delivered.

The Prime Contractor must deliver some of the local specification directly. To act as a Managing Agent, where the Prime Contractor does not deliver any of the provision directly, is not an option.

The Prime Contractor model can also include a consortium arrangement where one organisation acts as the “lead contractor” on behalf of members of the consortium. The “lead contractor “ will need to be a legal entity in order to enter into a contract with DWP.

**Prime Provider Responsibilities-** as a minimum, Prime Providers will be required to:

- deliver the specific local requirement including the starts and outcome targets detailed within each local specification and deliver some or all of the provision directly;
- manage the performance of subcontractors and also make payments to sub contractors in line with DWP requirements as appropriate;
- ensure that ESF specific compliance requirements are met by both themselves and where appropriate, their sub contractors.

## **9. TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT REGULATIONS) (TUPE)**

Your attention is drawn to the Transfer of Undertakings (Protection of Employment) Regulations 2006, which may apply to the services both at the time of award and in the

event of any subsequent re-tendering. The application of TUPE would result in employees from the existing providers, and liabilities relating to them, transferring to the successful tenderer.

DWP will be neither the transferor nor the transferee of staff in the circumstances of any contract award as a result of this competition, and consequently tenderers are solely responsible for taking their own advice on whether TUPE applies and what effect this may have on a tender. DWP will expect all tenderers to comply with their obligations under TUPE. Where TUPE does apply DWP will expect successful tenderers to work co-operatively with other providers to ensure a smooth transition of staff from one provider to another.

## 10. THE FUNDING MODEL

Providers will compete on price in addition to quality for ESF contracts and the funding model will follow the DWP Standard Funding Model. The key features of the model are:

- **A delivery payment**, which will be paid monthly in arrears. These payments will equate to a fixed percentage of the agreed total contract value, and will pay for the indicative number of customers expected on the programme whilst giving providers some degree of certainty in meeting their fixed costs;
- **Payment for the achievement of Job outcomes.** Payments will be made on a unit price basis, which will be calculated by dividing the remaining percentage of the total contract price by the number of job outcomes agreed. Job outcomes will be defined by a simple definition and on the basis of evidence set out in the contract.
- The standard DWP job outcome definition will be used for ESF. This definition is found on the DWP website under chapter 5 of the provider guidance.
- Tolerances will be applied to the planning assumptions for starts on the provision and they will only affect the delivery payment element of the contract. They will not be applied to the job outcome price, which will remain set throughout the life of the contract. The detail of this will be reflected in the pricing schedules.
- The effect of applying tolerances will be to initiate a change to the delivery payment in the event that starts go outside predetermined tolerances. It needs to be noted, however, that any increase will only be payable if funding is released from under performing contracts. Tolerance limits will be agreed with providers before contract award and they will be monitored through the normal contract management process during the life of the contract. More detail will be provided at Provider ITT briefing events.
- Although you are asked to complete Table C 'Delivery Payment Tolerances' as part of your completion of the Pricing Proposal Documentation, the information you provide in table C will not be used in the evaluation of your bid. Delivery payment tolerances and their application will however be subject to further discussion with the preferred bidder for each specification at the Post Tender Discussion stage of this tender round.
- NO guarantee in respect of the number of customers starting on the programme during the term of the contract can be given by DWP. Any levels or values of goods and / or services referred to in specifications are indicative only and shall not be binding on DWP.
-

## **11. FUNDING MODEL RATIOS**

Contract ratios will differ depending on the provision being offered and will be detailed in the local specifications. The appropriate ratio will be used to determine the percentage split between the delivery payment element of funding and the job outcome element of funding.

## **12. VAT**

The contract price should be stated exclusive of VAT. Providers who are VAT registered should charge VAT in the normal way. DWP cannot provide advice on VAT and Providers should refer any queries to HMRC or their professional advisors.

## **13. PAYMENT OF SUB CONTRACTORS**

Payment arrangements between Prime Contractors and subcontractors are the responsibility of the Prime Contractor. DWP will not be determining a funding model or a process to manage this. The individual commercial arrangements between Prime Contractors and their sub contractors is a matter for them to agree but the agreed arrangements must be transparent with full records available for audit purposes. DWP will require Prime Contractors to pay sub contractors within 30 calendar days of receipt of a valid invoice.

## **14. RECRUITMENT**

A key strategy is for providers to take responsibility to engage with new customers. Exceptionally referrals can be made via Jobcentre Plus advisers or other programme providers to use the provision only as needed. Local specifications advise accordingly.

## **15. ELIGIBILITY**

In all instances it will be the responsibility of the provider to determine eligibility and collate appropriate evidence and record it at the point the customer enters provision. The provider will be required to inform Jobcentre Plus of eligible starts to the programme and notify them when the customer leaves. Retention of evidence to confirm eligibility is essential for ESF purposes and will be an integral part of audit assessments.

DWP CFO provision is provided under Priority One (Priority 4 in Cornwall) - extending employment opportunities. To meet the generic eligibility criteria for Priorities 1 and 4 all participants must be from one of the following groups:

- disadvantaged people who persistently return to Jobseeker's Allowance;
- unemployed and inactive people with disabilities or health conditions
- inactive older workers;
- lone parents, Jobseekers' Allowance recipients with children or disadvantaged parents;
- men and women into occupations or sectors where they are under-represented;
- ethnic minorities and those with basic English language needs;
- offenders and ex offenders.

At the individual contract level you will be required to ensure that every participant meets the specific target or priority group included within the Local Specification. This information will need to be recorded and retained for audit purposes in line with the document retention requirements in paragraph 26. The detailed process around referral and eligibility will be set out in the new ESF-specific provider guidance and explained fully at the Post Contract Award Briefing (Annex 3 provides an advance summary of this provider guidance).

## **16. CRITICAL SUCCESS FACTORS**

The contribution of ESF provision to the achievement of the Government's objectives depend upon the following critical success factors:

- to manage issues that will help more benefit customers into work (ie Incapacity Benefit/Employment Support Allowance customers, lone parents and those who are unemployed), particularly those who are not supported by existing DWP programme provision;
- helping all other customers who are in receipt of other related benefits to move into work;
- ensuring that once in work, customers stay in work; and
- harder to help customers are on the programme.

Provider targets will be derived from these critical success factors as appropriate, as defined below.

## **17. PROVIDER PERFORMANCE TARGETS**

As a minimum, the Provider will be expected to meet the following targets, which will be outlined in the individual local specifications:

- the number of starts onto provision;
- the number of leavers into jobs; and
- any other outcomes as required within local specifications.

## **18. SUCCESSFUL CUSTOMER EXPERIENCE**

As part of the eligibility assessment we hope that the Provider would ensure that the customer receives information about appropriate provision to ensure the customer is choosing provision which they are comfortable with and which will meet their needs. Following this, the Provider should ensure a positive work focused experience that focuses on moving them towards their job goal and independence. We see customer choice, empowerment, tailored support and an open dialogue between the customer and their Provider as critical to that experience. The Department's evaluation of other DWP Programmes shows that the following help to drive a positive customer experience:

- prompt completion of assessments. Where referred from another provision, liaison with the previous provider may help develop assessments;
- effective, personal relationships between the customer, the adviser and person delivering the provision;

- prompt and seamless service between Jobcentre Plus, Providers and sub-contractors;
- a personalised action plan that includes a clear job goal and progress steps that optimise the individual's capabilities and address barriers, and regular progress reviews;
- a tailored package of support, chosen by the customer, to meet their individual needs;
- a sustainable job; and,
- in-work support where appropriate.

## **19. PERFORMANCE MANAGEMENT**

Provider delivery will be measured on a range of data. Most of this will be collected through existing DWP systems. However, local specifications may include soft outcomes whereby the provider will need to supply additional information as defined. Information is collected when participants start and leave ESF and covers particular characteristics of each participant and the results achieved. Providers will be required to provide information on participants as required and must comply with Data Protection Act requirements.

Data collected throughout the lifetime of the contract will enable discussions, covering the effectiveness of the service, the arrangements between DWP and the provider as well as informing any contract management activity.

Data will be used to inform evaluation of the programme.

## **20. CONTRACT MANAGEMENT**

ESF projects will be managed and monitored in line with the Department's Contract Management Framework (CMF). This sets out the processes for monitoring contracts using a risk based approach taking into account key elements such as contract compliance (including ESF compliance), performance and quality.

The process includes a post contract award briefing, which takes place up to 30 working days before the contract start date. The purpose of the meeting is to ensure the provider understands what they are required to do and to help the provider to deliver the contract effectively. Subsequently, a quality assessment questionnaire will be completed by the provider to obtain information about the quality of provision they are delivering. It is intended to help the provider identify service gaps and issues/weakness in the quality of provision. Issues will be addressed and reviewed by both the provider and Contract Manager. The questionnaire is scored as part of the risk rating process following provider performance reviews. In addition to the regular review process the Contract Management Framework is in place to ensure that issues can be raised at any time by locally based Jobcentre Plus staff at District level and resolved with the provider and the Contract Manager. A Contract Management Strategy will include appropriate escalation procedures should this be required.

In order to ensure that providers are delivering what they are contracted for in terms of numbers, client groups, and outcomes, the CMF process incorporates monthly analysis of management information, performance management, quality assessment and customer satisfaction feedback. The three areas that the risk rating is based on are

average cumulative performance, contract value (per annum), and quality (including outcomes from management visits and any other *quality products/information*). MI is collated on a monthly basis to inform monitoring and risk assessment. The risk assessment approach means that appropriate interventions are conducted where required, in addition to formal regular reviews.

Where a Prime Provider has been successful in more than one District these contracts will not be brigaded together. For ease of contract management each District contract will be entered on to the Contracting and Funding System (CFS) individually and managed separately.

## **21. CONTRACT MANAGEMENT OF SUB CONTRACTORS**

Where any of the tendered provision is to be sub-contracted, the successful provider is expected to use all reasonable endeavours to ensure that sub-contractors comply in all respects with the contract and all relevant legislation, including ESF compliance.

DWP Contract Managers will manage Prime Contractor activity and the Prime Contractor will manage sub contractors on an ongoing basis.

## **22. QUALITY STANDARDS**

The DWP Quality Framework provides the basis for maintaining and improving the quality of employment programme provision. Continuous self-assessment and action planning by providers are key factors in effective quality assurance. Employment programme provision is subject to external inspection by OFSTED in England.

DWP is committed to raising the standard of provision and our goal is to build and sustain a culture of continuous improvement. Through our Contract Management Framework, we will identify, plan and review areas for improvement.

DWP works in partnership with OFSTED to ensure the focus of external inspection drives up both the quality of provision and performance of the contract. After external inspection, the provider is required to update their Provider Development Plan (PDP) to address areas for improvement identified during inspection. Providers should submit the updated plan to the DWP Contract Manager within 4 weeks of receipt of the inspection report. The DWP Contract Manager will assess the appropriateness of the PDP and use it to inform their contract management process.

Providers whose delivery is judged to be inadequate are subject to re-inspection. After re-inspection, providers who are awarded satisfactory grades will return to the normal inspection cycle. If a provider's delivery is found to be unsatisfactory at re-inspection DWP will consider any remedial action to be taken. In the majority of cases, the DWP Contract Manager will work with the provider to agree an Emergency Action Plan. The Emergency Action Plan records the actions required and where appropriate, the support available to accelerate the rectifying of weaknesses highlighted during re-inspection. The Emergency Action Plan must be submitted to OFSTED for comment within 8 weeks of the report publication. The DWP Contract Manager closely monitors the execution of the Emergency Action Plan, which should be fully implemented within twenty-six weeks following publication of the re-inspection report.

Where DWP considers the Emergency Action Plan has been effective the provider returns to the normal inspection cycle. If the DWP Contract Manager decides the Emergency Action Plan has not brought about the required improvements in provision, they will decide what further action, within their power, is to be taken. In some instances they may decide to cease contracting with the provider and serve notice of the intention to terminate the contract. Or it may be appropriate to move funding from one provider to another for activity within the same Priority, where a provider is not able to achieve the required targets. This helps to ensure under spends are kept to a minimum.

Working with the Quality Improvement Agency, DWP offers a wide range of quality improvement support for providers and their Contract Managers. This includes:

- one to one support for providers whose delivery is judged to be inadequate at inspection;
- quality workshops on areas for improvement identified through the contract management process, self-assessment reports or external inspection;
- encouraging the sharing of good practice.

### **23. ESF AUDIT REQUIREMENTS**

The following list is not exhaustive but Providers will be required to:

- keep a full record of all costs necessary to deliver the contract;
- provide information on costs to DWP as required from time to time;
- maintain appropriate audit trails of participant eligibility and progress;
- provide reasonable access to DWP and other authorised staff to records, contractor staff and participants, so that it can be verified that expenditure has been used in delivery of the contract.

For example, the Provider is responsible for sourcing, arranging and funding childcare, travel costs and additional support. Providers should ensure that robust processes are put in place to manage and demonstrate processing such payments.

The following is a list of the bodies, which require access for audit purposes - it is not exhaustive:

- European Social Fund – ESF Audit Authority
- The European Court of Auditors
- The European Commission’s Auditors
- The National Audit Office
- Government Offices
- Other bodies as required by or on behalf of DWP

It cannot be emphasised enough that failure to meet audit requirements results in a high financial risk for both yourselves and DWP, as funds used inappropriately or for ineligible participants or purposes are recoverable.

### **24. LEGISLATION**

In addition to requirements laid down within each local specification, Prime Contractors must take steps during the lifetime of the contract to ensure that they remain compliant with current and future changes in the law.

Additionally, providers will be expected to support the Secretary of State in meeting their obligations under the Disability Discrimination and Human Rights Acts (HRA). This includes the new Disability Equality Duty, which places a new obligation upon Public Authorities to promote equality of opportunity for disabled people.

[http://www.drc-gb.org/employers\\_and\\_service\\_provider/disability\\_equality\\_duty.aspx](http://www.drc-gb.org/employers_and_service_provider/disability_equality_duty.aspx).

## **25. PUBLICITY REQUIREMENT**

Providers will be responsible for complying with contractual requirements for publicity and information-related measures to support for ESF, including complying with the publicity requirements of the European Commission.

Co-financing organisations are required to develop and implement communications plans for each ESF region, and for Cornwall, which will be reviewed annually. These plans will include the role of providers in helping to raise awareness of ESF support for employment provision among both ESF participants and the wider general public.

More detailed information will be included in provider guidance. Providers will be asked to (list is not exhaustive):

- publicise provision opportunities to potential applicants
- use the ESF logo extensively in line with guidance, for example in leaflets, posters, newspaper articles/advertisements, newsletters, participant forms
- display the ESF plaque prominently in line with guidance
- raise awareness of ESF support amongst ESF participants and the general public
- supply provider and provision details for inclusion in ESF public databases
- provide case study or news story information and share good practice
- support the review and evaluation of information and publicity measures

Providers must communicate clearly in language that is understandable to a wide audience and support the ESF programme's cross-cutting theme of sustainable development by aiming to minimise the impact of measures on the environment. This will inform decisions on how publicity is undertaken, consideration should be given to the use of IT/web based publicity materials and paper based materials should make use of recycled materials.

Local specifications include requirements for development and agreement of marketing proposals and materials locally with the DWP CFO, represented by Jobcentre Plus.

The ESF Managing Authority will maintain a database of operations, by region, on the national ESF website. This will include the names of projects and the project providers and the amount of funding allocated to the project. This will be generated from

information supplied by the DWP CFO to the Managing Authority. It may also be used on the European Commission's website.

## **26. DOCUMENT RETENTION**

Prime providers will be required to retain and store key documents relating to participants and financial claims. It is an ESF requirement that these documents are retained for auditors, and for the full ESF-determined timescale. This is expected to be at least until 2021 but will need to be confirmed. Prime providers will need to have systems in place that can be relied upon to meet the required audit trail, including documents generated by their sub-contractors. Detailed guidance will be issued on a comprehensive range of documents to be retained for audit purposes. These will include participant documentation and documents supporting financial claims.

## **27. ESF CROSS CUTTING THEMES**

### **Equality, Diversity and Equal Opportunities**

Commitment to equality and valuing diversity must be demonstrated. Legislation relative to this must be complied with at all times and services provided must embrace diversity and promote equality of opportunity. Discrimination will not be tolerated on any grounds including gender, marital status, sexual orientation, race, colour, nationality, religion or age.

Through the terms and conditions of contracts, providers will be required to ensure that they and sub contractors assist and co-operate with DWP to actively promote equality of opportunity for all persons irrespective of their, race, gender, age, disability, sexual orientation or religion. The provider is required to comply with an agreed Equality Policy, Training Plan, and Supplier Diversity Plan and ensure that any subcontractors adopt and implement similar policies and plans.

Providers will be expected to support and be involved in Equality Impact Assessments undertaken by the Department at various stages, particularly once preferred bidders are known and in readiness for implementation.

In addition to this, every 12 months from the beginning of the contract the provider will be required to produce information recording the proportion of its employees who are female, disabled and the ethnic background of all employees. Every 12 months from the start of the contract the provider will be required to produce information recording the proportion of its sub-contractors that are small to medium sized enterprises, ethnic minority enterprises and black minority enterprises.

Before the award of any contract (to the value of £50k and over), providers will be required to complete the accreditation process unless they are already accredited through Momenta, (an external organisation who undertake this work on behalf of DWP) within the last 12 months. As part of this they will be asked how they have ensured that any previous or existing provision meets the requirements of the relevant Acts, including whether they have a written equal opportunities policy that adheres to the requirements of the following:

- Sex Discrimination Act 1975;
- Race Relations Act 1976 and Race Relations (Amendment) Act 2000;
- Disability Discrimination Act 1995;
- Employment Equality (Religion and Belief) Regulations 2003;
- Employment Equality (Sexual Orientation) Regulations 2003;
- Age Discrimination 2006.

Providers will be asked whether any findings of unlawful discrimination in relation to non-employment matters have been made against them in the last three years. Also if any of their contracts have been terminated on the grounds of failure to comply with legislation prohibiting discrimination or contract conditions relating to equal opportunities. Providers will be asked to confirm that they have a complaints procedure in place and that complaints are addressed and monitored in relation to discrimination.

When assessing a bidder's ability to deliver the specific provision required, providers need to submit details about premises and facilities they intend to use, details of their suitability for the particular provision, what equipment and facilities will be available and to describe transport and accessibility arrangements. This is to ensure compliance with the DDA.

Programmes should promote equality in a pro-active way by integrating gender equality and equal opportunities into the planning, implementation, monitoring and evaluation of the programme. All providers will be required to promote equal opportunities. Providers are expected to ensure that provision identifies and meets the specific requirements of participants with a disability so that they can participate fully in provision.

Providers must have an Equal Opportunities Policy, for the project, the staff and beneficiaries, which should consider issues such as:

- Recruitment processes;
- Meeting the needs of the varying participant groups;
- Access to premises;
- Publicising the project to ensure equal treatment.

## **Sustainable Development**

DWP supports the goal of sustainable development to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations

Providers will be required to complete a policy statement to demonstrate that they satisfy and adhere to the four key aims and a sustainable development plan must be produced within 6 months of the contract start date. The plan will need to cover the following:

- how waste will be minimised and recycling promoted;

- how energy consumption will be minimized;
- how the use of transport may be minimised and public transport promoted;
- how awareness of environment issues will be promoted within the organisation.

Further detail is provided at **Annex 2**.

### **London only – Additional cross cutting theme for Health**

In addition to the above ESF cross-cutting themes (ie sustainable development and equality, diversity and equal opportunities) please also note that the London ESF Regional Framework identifies Health as an additional cross-cutting theme for the programme, for the London region only. **Annex 4** provides brief information and a checklist for London bidders, drawn from information provided by the London Development Agency. Successful providers will be asked to produce a plan as to how they will meet the requirements of this theme within six months of the contract starting.

Further detail can also be obtained using the following website link.

<http://www.lda.gov.uk/server/show/ConWebDoc.2216>

## **28. EVALUATION AND REPORTING**

Independent evaluation will be an important element of the ESF provision. The full design of the evaluation programme is still under development but it is likely that providers will be asked to support a variety of evaluation projects, including:

- Evaluation by the ESF Managing Authority (DWP);
- Regional evaluation commissioned by or on behalf of the Regional Skills Partnership;
- Programme delivery evaluation commissioned by the DWP CFO.

Other interested parties may administer further evaluations. Provider assistance will be expected, as required.

Evaluation by the ESF Managing Authority will include a two stage national cohort study of participants from 2009 and a range of other studies focusing on, for example, gender, disadvantaged groups, equal opportunities, in work training, sustainable development and the delivery of ESF in relation to ESF targets and the Regional ESF Frameworks. It is likely that providers may be asked to participate, and to assist in identifying participants for the cohort and other surveys. This may involve providing contact details for some or all participants, having sought in advance the permission of the individuals concerned.

Researchers may wish to visit and interview Providers, programme participants and partners involved in the provision. Providers delivering this provision will be contacted beforehand. Findings will be disseminated to all Providers in order to facilitate sharing and adoption of best practice and continuous improvement of the service. Evaluation findings will also be published as part of the DWP research series.

Providers will also be asked to report on progress and evaluate their own provision at regular intervals to support DWP's reporting requirement to the Managing Authority at regional and national levels. An end of project evaluation report will also be required, summarising project activities and outcomes achieved, and highlighting issues of especial note, such as innovation or achievements against the ESF cross-cutting themes of equality and sustainability.

## 29. BUSINESS SUPPORT SIMPLIFICATION

The Government is committed through the Business Support Simplification Programme (BSSP) to reducing the number of publicly funded business support schemes by 2010. The regional ESF Frameworks are committed to ensuring that where ESF does provide direct support to business it is consistent with these principles.

See local specifications where the tender proposes using ESF support for self-employment or creation of social enterprises.

## 30. LOCAL EMPLOYMENT PARTNERSHIPS AND OTHER PROVIDERS

The provider will be required to work with all local partners who support people in moving back to work. In particular, providers should be aware that Districts are setting up Local Employment Partnerships with employers and providers will be expected to support and tailor their provision to work with these partnerships. Local Employment Partnerships (LEPs), aim to place 250,000 customers into LEP employer vacancies by December 2010.

Additionally it is expected that providers will work closely with other providers/partners in the District to ensure that appropriate referrals are made and their differing sets of provision complement each other.

## 31. TIMETABLE FOR DELIVERY

ITT published	30 June 2008
Expression of Interest	7 July 2008
Date for last question form Bidder	23 July 2008
<b>Return of Tenders</b>	<b>1 August 2008</b>
Tender Assessments complete	29 August 2008
Announcement of preferred bidder(s) in each contract	1 September 2008
Post tender discussion and contract award	29 September 2008
Contract go live date	17 November 2008

## 32. ADDITIONAL INFORMATION

ESF provider guidance for the current programme can be accessed on the website. However, please note that this existing guidance ie ESF Provider Guide Chapter 12 (ESF) must not be used by providers for the 2007-13 programme. This ESF-specific chapter of the Provider Guide will be replaced in April 2008. Until then, please refer to **Annex 3** for a summary of guidance for the new programme.

Annex 1	Current DWP/Jobcentre Plus employment programmes
---------	--------------------------------------------------

Annex 2	Sustainable Development
Annex 3	Provider Guidance
Annex 4	Principles for consideration of Health as a cross cutting theme

## Annex 1 - Current DWP/Jobcentre Plus employment programmes

Please note, these are current DWP Programmes to date. As policy requirements develop over the next few years, some programmes may be subject to change. For example a consultation on reviewing Disability Employment Services is to be announced by the end of the year and developments on a 'Flexible New Deal' programme are currently being progressed and will be announced shortly. Providers should endeavour to keep aware of such changes.

Please also note that there may be some additional local specific programmes but these should be detailed within the local specifications.

Programme name	Description	Target Group/Eligibility
Access to Work	Practical and financial support to disabled people in or entering paid employment: e.g. special aids to employment, adaptations to premises, assisted fares to work, communicators, personal readers, support workers.	Unemployed, employed or self employed disabled people, meeting DDA definition of disability (level of support depends on employment status and personal circumstances)
Basic Skills	Short Intensive Basic Skills – improve the basic skills of clients assessed at above entry level but below level one.	Unemployed people aged 25+ claiming Jobseekers Allowance for 6 months
Basic Skills 18-24	Access to basic skills via the FTET option	Unemployed 18-24 New Deal clients
Job Introduction Scheme	Offers employers a weekly grant towards the cost of employing disabled people during their first six weeks of employment.	People with all types of disabilities as defined by the DDA Act 1995.
Workstep	Provides support & opportunity for people to progress to mainstream employment	People with disabilities as defined by the DDA Act
Local Employment Partnerships	LEP is a partnership between JobcentrePlus and an employer, where we work together to identify ways to help employer recruit priority customers into jobs.	Unemployed and disadvantaged people.
Lone Parent Outreach	A referral service to encourage lone parents who do not currently engage with Jobcentre Plus to register with New Deal for Lone Parents and take part in NDLP activity.	Unemployed Lone Parents who are eligible for NDLP
New Deal for Disabled People	A voluntary service giving clients the option to prepare for and move into paid employment. Consists of a Gateway interview with an adviser before referral to a job broker.	Clients in receipt of: <ul style="list-style-type: none"> <li>• Incapacity Benefit;</li> <li>• Severe Disablement or Disability Living Allowances;</li> <li>or</li> <li>• Disability Premium as part of Income Support, Housing Benefit or Industrial Injuries Benefit</li> </ul>
New Deal for Lone Parents	Advice and support for lone parents looking to participate in the labour market. Can also provide financial support for clients undertaking training and in-work advice.	Jobless lone parents or those working less than 16 hours per week and whose youngest child is under 16
New Deal for Musicians	Enables musicians to move from benefit into successful careers in the music industry, either self-employed or as artists under contract, through advisory support from a consultant or open learning materials.	Unemployed people eligible for either New Deal for Young People or New Deal 25+.
New Deal – Self Employment 18-24	Part of the employment option under both New Deal for Young People. A three-stage process that incorporates training in running a business together	Unemployed participants in New Deal for Young People

	with a period of test trading.	
New Deal for Self Employment 25+	The self employment provision of the Intensive Activity Period (IAP) offers participants the opportunity to move into self employment	Unemployed 25+ clients who have been unemployed for 18 months or more
New Deal for Young People 18-24	A programme of education, training, work experience and job search support. Consists of a flexible approach to three stages: Gateway, one of four options (which includes subsidised employment) and follow through	Unemployed people aged 18-24 claiming JSA for 6 months
New Deal for Young People Tailored Pathways	Piloted in Coventry. To help young people to move into sustained work following the options	Currently only available to 18-24 New Deal clients in Coventry District
New Deal 25+	Enhanced service for long term unemployed adults to help move them into work quickly and provide extra help for those who need to improve their employability	Unemployed people aged 25+ claiming JSA support for 18 months
New Deal 50+	A caseloading service with a personal adviser to plan an appropriate course of action, supplemented by a Working Tax Credit, which has an additional Over 50s Supplement, when a client secures employment, and a Training Grant to pay for job related training while in employment.	Unemployed people aged 50 and over, and in receipt of JSA, Income Support or Incapacity Benefit for at least 26 weeks.
New Deal for Partners	Voluntary programme open to partners of customers claiming quality benefits which offers the service of a personal adviser to assist with job search.	Qualifying benefits are: Income-based Jobseeker's Allowance Income support Incapacity Benefit Carer's Allowance and Severe Disablement allowance
<b>Pathways to Work JCP</b>	Consists of: an intensive work focused interview services of an Incapacity Benefits Personal Adviser to directly support the customer to move closer to or into work completion and review of an action plan detailing the steps the customer needs to move towards or return to work	Customers claiming IB
<b>Pathways to Work PL</b>	Targets support on an individual basis. Has focus on job entry and retention. Will underpin Employment Support Allowance	Customers claiming IB
Progress 2 Work	Specialist support and provision for clients with a history of drug abuse to enable them to participate in mainstream provision and better engage in the labour market.	Aged 18+ with a history of drug misuse and claiming benefit. Piloted in Birmingham & Solihull and Wolverhampton & Walsall
Rapid Response Service	Help for people affected by significant redundancies to make the successful transition into quality jobs. Help will be intensive, flexible, tailored and geared to helping both those facing the impact of job loss and employers able to offer new jobs.	Individuals under threat or notice of redundancy from their employer.
Partners Outreach for Ethnic Minorities	To engage more effectively with and improve job entry rates for jobless people from ethnic minority communities  Currently due to end in March 2008	Piloted in Birmingham & Solihull, Wolverhampton & Walsall, Dudley & Sandwell and Coventry. Clients do not have to be receiving any benefit. MEO is voluntary
Action Team for Jobs	Provide additional financial and job search support to disadvantaged clients within the most deprived areas of a community	Jobless people – living in specific wards of Wolverhampton
Travel to Interview	Incentive to encourage people to consider jobs outside their area.	Clients unemployed from day 1. Applications must be made in advance
Work Based Learning for Adults	Training provision including: • Short Job Focused Training (SJFT)	Unemployed people aged 25+ claiming a qualifying benefit:

(only available in Wales)	<ul style="list-style-type: none"> <li>• Longer Occupational Training (LOT)</li> <li>• Basic Employability Training (BET)</li> <li>• Self Employment provision (SEP)</li> </ul>	<ul style="list-style-type: none"> <li>• 26 weeks unemployed for SJFT, BET and Self Employment</li> <li>• 52 weeks unemployed for LOT</li> </ul>
Work Trials	Short trial period with an employer for an actual job vacancy	People unemployed for 26 weeks or more
Programme Centres	Individually tailored job search, also specific help to overcome barriers to obtaining work	People unemployed for 26 weeks or more unless they qualify for early entry, through particular disadvantage
Work Preparation Programme.	Individually tailored, flexible programme to help disabled people address obstacles to employment resulting from their disability – e.g. via work placement, confidence and stamina building	Primarily unemployed people with a disability, and to a lesser degree employed people with a disability, with clear employment goals, fit enough to complete the programme and likely to be capable of entering employment or vocational training by the end.
Ambition	Engages employers in the design of training & work experience to open up better & sustainable jobs & career opportunities to jobseekers & unemployed people.	Unemployed & disadvantaged people.
Employment Zones	Offers innovative ways to help unemployed people find & keep work.	Unemployed people living in employment zone areas
Jobseekers Mandatory Activity	<p>A 3 day course delivered by external providers which builds upon existing back to work help , identifies training need and provides an action plan.</p> <p>Currently due to end in March 2008</p>	Unemployed people 18-59 claiming JSA or NI credits continuously for 6 months.
Environmental Task Force	<p>Access to environmental projects (land based)</p> <ul style="list-style-type: none"> <li>• 13 weeks duration</li> <li>• Job search training</li> <li>• Support with basic skills</li> </ul>	Unemployed people.

## **Annex 2 - Sustainable Development**

This goal will be pursued in an integrated way through a sustainable, innovative and productive economy that delivers high levels of employment and a just society that promotes social inclusion, sustainable communities and personal well being. This will be done in ways that protect and enhance the physical and natural environment and use resources and energy as efficiently as possible.

Sustainable development has four main aims:

- social progress that recognises the needs of everyone;
- effective protection of the environment;
- prudent use of natural resources;
- maintenance of high and stable levels of economic growth.

Provision supported by the European Social Fund (ESF) should improve the employability of the participant and deliver environmental or community benefits by:

- minimising travel;
- using innovative delivery methods;
- supporting skills and jobs identified that will work towards improving conservation;
- identify skills needed in work areas that will have a positive effect on the environment;
- reduce skills gaps locally;
- placements through local and charitable organisations.

Providers will need to give an assurance that their waste is disposed by registered waste collectors and that WEEi regulations are observed with regard to the disposal of ink cartridges, toners, electrical consumables and equipment.

## **Annex 3 – Provider Guidance**

### **Summary of Provider Guidance**

#### **Introduction**

1. This annex highlights (briefly) the key areas of the DWP Provider Guide and the developing specific ESF-specific provider guidance (for the 2007-13 ESF programme). This document supplements the information set out elsewhere in the Specification for England and is intended to inform the bidding process.
2. Please note that the existing ESF Provide Guide Chapter 12 (ESF) must not be used by providers for the 2007-13 programme. This ESF-specific chapter of the Provider Guide will be replaced in April 2008.
3. More information about the 2007-13 ESF programme in England can be found on the UK Government's main ESF website: [esf.gov.uk](http://esf.gov.uk).

#### **DWP Provider Guide**

4. Although new ESF-specific provider guidance will be produced there are chapters of the main Provider Guide that are directly relevant to the delivery of the ESF programme.

Chapter 1 – General Information

Chapter 2 – Delivery of DWP Provision

Chapter 3 – Generic Forms

Chapter 4 – Finance

Chapter 5 - Management Information

Chapter 16 – Self-Assessment

Chapter 17 – External Inspection

#### **ESF-specific provider guidance**

##### **ESF programme targets**

5. National ESF programme targets have been negotiated and subsequently agreed between the UK Government and the European Union (EU). These targets have been disaggregated to the regional and co-financing organisation-level (eg DWP, the Learning and Skills Councils). We have allocated to each Contract an appropriate share of the ESF programme target. These are the targets that appear in Local Specifications.

6. The targets (not quantified here) are set out in the table below.

<b>Customer Targets</b>	
<b>Outputs</b>	
	Total number of participants (starts)
	Number and % of participants who are unemployed (a) Number (b) Percentage
	Number and % of participants who are inactive (a) Number (b) Percentage
<b>Results</b>	
	Number and % of participants in work on leaving (a) Number (b) Percentage
	Number and % of economically inactive participants engaged in jobsearch activity or further learning (a) Number (b) Percentage

7. There are additional targets for the numbers of participants and job outcomes that are women, lone parents, people with disabilities and health conditions, people from an ethnic minority group and people who are aged over 50.
8. Contracts will be monitored to ensure that those targets included in Local Specifications are being met. Where under-performance in both participants and outcomes is identified DWP will work with providers to achieve the targets that have been agreed.

### **ESF Financial targets**

9. DWP must also achieve EU targets related to the amount of ESF funding we spend in each calendar year from 2009 onwards. These targets are almost wholly based on the spend providers achieve via their Contract. If DWP (through its providers) does not meet its own share of these annual expenditure targets it is possible that the funding shortfall will be taken from DWP and therefore from the value of our provider contracts in the following year. This means that it is therefore essential for providers to achieve the participant starts and job outcome targets agreed in their Contract(s).

### **Recruitment**

10. Local Specifications will set out the expected levels of recruitment that we expect will be generated by providers and Jobcentre Plus. In most

Specifications provider recruitment will be the main source of recruitment to the programme.

### **Referral**

11. The expected referral process (including the forms required) are currently being developed but will be included in the new ESF provider guidance and explained fully at the Post Contract Award Briefing.

### **Eligibility & Identity**

12. Providers will be responsible for ensuring and recording the identity and eligibility of each participant for the ESF programme and the specific target or priority groups set out in the Local Specification. Work is underway to clarify the specific roles of Providers and their sub-contractors in this process.

### **Benefit Entitlement**

13. ESF provision must always be part-time (ie not exceed 30 hours) to ensure that ESF programme participants are able in most circumstances to continue to receive their previous benefit entitlement. However, providers will be required to inform participants in receipt of a benefit that they must report their proposed start on ESF provision to the local benefit office immediately for additional advice about how participation will impact on their benefits and national insurance contributions. Providers must also inform participants that additional payments made to them including fares, lunches and allowances must be declared to the benefit office to prevent the possibility of an incorrect payment of benefit. Providers must ensure they know the name, location and contact numbers of these offices before the contract delivery commences in November 2008.

### **ESF-specific Programme Requirements**

14. The revised ESF-specific provider guidance will include further guidance on the ESF programme requirements: publicity, equal opportunity and sustainable development. The main body of the Specification for England contains relevant information for the bidder.

### **Document Retention**

15. Prime Providers will be required to retain for audit inspection all required documents, including those generated by their sub-contractors, up to and including the date set out in their Contract. This is expected to be at least until 2021 but will need to be confirmed. Detailed guidance on documents that must be retained by Prime Providers will be included in the ESF-specific provider guidance. DWP will make every attempt to ensure the retention requirement for the

2007-13 programme is kept to a minimum, whilst also providing effective assurance to auditors.

### **ESF Programme Management Information**

16. DWP will not require providers to supply elements of the core management information requirement for the 2007-13 programme. This means there will be no website that we require providers to complete for all their participant starts etc as there is on the previous ESF programme. Core ESF data will be supplied from internal systems.
17. There may be the need for Prime Providers to collect some non-paid outcome data where regional programme management committees require this to be collected by DWP. These requirements will be set out in the Local Specification.

### **Publicity**

18. Providers will be required to support publicity and information-giving activities, including complying with ESF publicity requirements. Providers will need to ensure that they inform all participants and potential participants of the involvement of ESF support in their provision, and to promote ESF support more generally in their public communications. The provider's marketing proposals and materials will need to be agreed locally in advance with Jobcentre Plus representatives of the DWP CFO.
19. Measures asked of providers will include:
  - publicising provision opportunities to potential applicants
  - using the ESF logo extensively in line with guidance, for example in provision materials, advertisements and general publicity measures
  - displaying the ESF plaque prominently in line with guidance
  - raising awareness of ESF support amongst ESF participants and the general public
  - supplying provider and provision details, including funding, for inclusion in ESF public databases
  - providing case study or news story information and sharing good practice
  - supporting the ESF cross-cutting theme of sustainable development by taking account of the impact of publicity measures on the environment
  - supporting the review and evaluation of information and publicity measures (evaluation could be regional or for all England)

## **Annex 4**

### ***Extract from Draft Guidance on addressing Health issues as part of the London Regional Framework for ESF***

#### **Principles for consideration of Health as a Cross Cutting Theme**

The principles outlined below are closely linked to the principles of the health inequalities strategy which will set the London policy context. They should be used to inform plans and support a consideration of the Health Cross Cutting Theme by co-financing bodies. They will be closely linked to the delivery of the Mayor's vision for Sustainable London

“The Mayor's vision for London is an exemplary, sustainable world city, which enables all people to enjoy a good quality of life without compromising either the needs of future generations, or the planet's environmental limits, based on the three interwoven objectives of economic development, social inclusion, and environmental improvement”

Plans or projects should:

- seek to improve the well-being of all Londoners as well as narrowing the gap between those with the best and worst health outcomes
- promote a social model of health, with an emphasis on the wider determinants especially skills and employment
- promote physical and mental well being
- demonstrate how they address identified inequalities between geographical areas and between different groups and communities
- recognise the role of long term strategic action to reduce current and future health inequalities
- consider the role of primary health care venues for both engagement of individuals and referral routes
- work with employers within the health and social care sectors and also engage with the workplace health agenda.

These should be read in conjunction with the sustainable development principles as health is an integral element of sustainable development.

#### **Checklist – Health Cross Cutting Theme**

The ESF programmes have huge potential to impact positively on the health of Londoners and this is therefore designed to support you to consider the issues relating to health and particularly to reducing health inequalities in London. This should help you ensure that you have considered the health cross cutting theme and identified the areas where you are contributing to the theme.

Some questions on the checklist will be more relevant than others to your project due its nature and the type of activities and beneficiaries you propose to support. Do not be afraid to answer 'No' to any of these questions, as it will either highlight areas where your project could do some further work to ensure that the theme is successfully addressed or otherwise illustrate specific areas that may not be relevant to your project. There is no expectation that every project will answer yes to each question.

1	Have you identified how the project will contribute to reducing health inequalities in London?	<b>YES/NO</b>
2	Have you used existing health strategies or frameworks to help design and develop your project?	<b>YES/NO</b>
3	Have you consulted with any organisations working within health to help design and develop your project?	<b>YES/NO</b>
4	Have you considered the links with sustainable development and equalities objectives?	<b>YES/NO</b>
5	Have you considered the demographics of the area, including the health and deprivation status of the area in your project planning?	<b>YES/NO</b>
6	Will your project target and encourage participation of socially excluded and economically inactive groups?	<b>YES/NO</b>
7	Is your project working with individuals with health issues including those with mental ill health issues?	<b>YES/NO</b>
8	Have you researched and consulted with your target groups to identify their requirements/needs/barriers to labour market participation or to staying in the labour market?	<b>YES/NO</b>
9	Is there scope within the project to work with the health and social care sector, including SMEs in health and social care? This might be through job provision within the sector, supporting health professional migrants, or skills training in health	<b>YES/NO</b>
10	Is there scope to provide health promoting information within the project eg through Skills of Life elements?	<b>YES/NO</b>