

**REPORT TO:** CITY DEVELOPMENT COMMITTEE – 23 JANUARY 2017

**REPORT ON:** DEVELOPMENT OF DUNDEE EMPLOYABILITY SERVICE AND THE INVESTMENT OF COUNCIL AND EUROPEAN SOCIAL FUNDS

**REPORT BY:** EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

**REPORT NO:** 15-2017

## **1 PURPOSE OF REPORT**

- 1.1 To seek Committee approval to procure Council and European Social Fund (ESF) employability provision, through the appointment of The Wise Group to deliver end-to-end employability provision from April 2017 - March 2019.

## **2 RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- a approves the awarding of the contract for Employability Services for the period April 2017-March 2019 to The Wise Group; and
  - b notes that a range of complementary services in relation to Employability will continue to be delivered in-house by Dundee City Council.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 The maximum contract value, dependent on performance, is £1.3m over the two year period. The contract will be awarded on a payment model of Payment by Results (PbR). The cost of the Employability Services will be contained within City Development's Employability Budget while maximising Dundee City Council's allocation of EU Funds (ESF) from Scottish Government.

## **4 BACKGROUND**

- 4.1 Reference is made to Article X of the minute of the City Development Meeting on 22 August 2016, where Committee approved the procurement of Council and ESF supported employability provision, through the appointment of a single contractor to deliver end-to-end employability provision from April 2017 to March 2019.
- 4.2 The Review of Employability Services, undertaken by Rocket Science, recommended that the design, delivery and commissioning of services should be carried out collaboratively. Council Officers worked with key strategic partners to ensure that this was done. A Planning and Evaluation Group was established to support the development of the Specification of Requirements within the Invitation to Tender and also score the tenders received. The members of the Planning and Evaluation Group included Skills Development Scotland; Department for Work and Pensions; Third Sector Interface; Dundee Health and Social Care Partnership; and Dundee City Council.
- 4.3 On 10 October 2016, the Invitation to Tender for Employability Services was published on Public Contracts Scotland.
- 4.4 Tenderers were asked to complete a Method Statement which described the services that they proposed to deliver along with the proposed volumes and costs for each output and outcome that would be achieved; therefore attracting a payment. Council Officers did not dictate the volume or costs of the outputs and outcomes. The Method Statement was organised as a series of questions and answers, the most critical of which required the tenderer to achieve a minimum standard.
- 4.5 The only tender received was from The Wise Group, with proposed partnership/subcontracting arrangements with DEAP, One Parent Families Scotland, ENABLE and Project Scotland. The level of detail provided in the tender was wide ranging and covered subcontracting arrangements; delivery methods; client targeting; output and outcome levels; and performance monitoring process, amongst other relevant matters.

- 4.6 The tender was scored by the Planning and Evaluation Group on a quality weighting of 70% and price weighting of 30% and was determined to be of high quality.
- 4.7 The Wise Group proposal seeks to support jobless residents who are unemployed or inactive; reside in Dundee; have the right to work in the UK; have at multiple barriers to employment; and are not attending a mandatory employability provision eg Work Programme. The services include:
- a Local Labour Market Information Sessions;
  - b Client Needs Assessment and Action Planning;
  - c Mindset, Confidence and Motivation Training;
  - d Support to Manage Health for Work;
  - e Flexible Work Tasters;
  - f Volunteering Opportunities;
  - g Sector Based Work Academies:
    - Soft Skills Employability Training;
    - Accredited Training/Qualifications; and
    - Work Placements.
  - h Soft Skills Employability Training
  - i Work Experience;
  - j Job Brokerage/Job Matching; and
  - k In Work Aftercare support.
- 4.8 Furthermore, additional support will be provided by One Parent Families Scotland and ENABLE to remove specific barriers to employment experienced by Lone Parents and those with Learning Difficulties or Disabilities.
- 4.9 The tender proposes to support 1,988 residents while delivering the following outputs/outcomes:

<b>Outputs/Outcomes</b>	<b>Total Targets for 2 Year Contract Period</b>
Number of People supported to progress towards employment (Starts)	1988
Number of People Completing Managing Health for Work Support	500
Number of People Completing Flexible Work Tasters/Volunteering	140
Number of People Completing Mindset, Confidence & Motivation Training	400
Number of People Completing Employability Soft Skills	800
Number of Accredited Qualifications Achieved	926

<b>Outputs/Outcomes</b>	<b>Total Targets for 2 Year Contract Period</b>
Number of People Completing Work Placements (Sector Based)	400
Number of People Completing Work Experience (Non-sector Based)	500
Number of People entering Employment including Self Employment	880
Number of People Sustaining Employment including Self Employment	572
Number of People Completing Support by One Parent Families Scotland	140
Number of People Completing Support by ENABLE	60

4.10 The proposed provision by Wise Group will be supplemented by existing specialist Council in-house employability provision which can be enhanced with ESF funds. The will include community based services, support for young people with the transition into work, and services to ensure financial capability is not a barrier into employment.

4.11 Delivery of financial inclusion support in house will achieve better integration of services. Debt and money advice services are currently provided by Craigowl Communities and provision will be made to TUPE staff over. TUPE refers to the Transfer of Undertakings (Protection of Employment) Regulations which protect employees' rights when the service they work for transfers to a new employer. Officers are of the view that TUPE applies in this case and that staff will have the right to transfer their employment to the Council.

## **5 POLICY IMPLICATIONS**

5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues..

## **6 CONSULTATIONS**

6.1 The Chief Executive, the Executive Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

## **7 BACKGROUND PAPERS**

7.1 There are no background papers of relevance to this report.

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GH/AM/KM

11 January 2017

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Dundee House  
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