



## **SKILLS FUNDING AGENCY**

**On behalf of the YPLA**

**ESF 2011-2013 – Greater London**

**Tender Ref: ITT\_29142**

**YOUTH**

**Activity for Young People Not in Employment,  
Education or Training (NEET) or at Risk of Being  
NEET**

**July 2011**

**MAYOR OF LONDON**



## **Contents**

- 1. Introduction to Tender**
  
- 2. GL/YP/04 – Supporting Young Londoners who are not in education, employment or training (NEET) to re-engage with education, training or employment**
  - a. Specification**
  - b. Questionnaire for completion**
  
- 3. GL/YP/05 – Opportunities for Vulnerable Young People who are not in education, employment or training (NEET)**
  - a. Specification**
  - b. Questionnaire for completion**
  
- 4. GL/YP/06 – Supporting Volunteering into education, employment or training (EET)**
  - a. Specification**
  - b. Questionnaire for completion**
  
- 5. GL/YP/07 – Supporting Training to Work for Young People**
  - a. Specification**
  - b. Questionnaire for completion**

## **Introduction to tender**

### **Foreword by the Mayor of London**


Young people are London's future. Investing in their education and training is investing in the city's continued success. London is the best big city on earth, in which economic opportunity and talent can thrive and children can grow up safely. "Young Londoners - successful futures" establishes beyond doubt the priority I have to reduce the numbers of children and young people not in education, employment or training (NEET). I am therefore delighted to launch this new European Social Fund (ESF) tendering round to support young disadvantaged people across London.

The programme will be match funded by the Skills Funding Agency, following the agreement for the Skills Funding Agency to take forward this programme of work developed by the London Development Agency, thus ensuring that provision for young people not in employment, education or training (NEET) is in place for the 2011/12 academic year. This is a great example of joint working by agencies across London to support young people and ensure that European funding is maximised.

Under this round, £15.6 million will be invested to support young people who are not in education, employment or training, or whose lives have taken a wrong turn and are looking for a second chance.

This ESF programme is also closely aligned to my Apprenticeship campaign which I launched in November 2010. Working with the National Apprenticeships Service, the objective of this campaign was to create 20,000 more apprentices in London by August 2011. But the campaign has been so successful that by April this year we had exceeded the target by almost 50% with 28,120 new Apprenticeship starts. This round of ESF will enhance all the work I am already doing with young people by supporting almost 6,000 people to access training, further education or employment.

Good luck with your applications.

A handwritten signature in black ink, appearing to read 'Boris Johnson', with a long horizontal flourish extending to the right.

**Boris Johnson**  
Mayor of London

## **1.1 Background**

### **Overview**

The Skills Funding Agency is an agency of the Department for Business, Innovation and Skills (BIS).

The Agency funds and regulates adult further education and skills training in England. The mission is to ensure that people and businesses can access the skills training they need to succeed in playing their part in society and in growing England's economy. The Agency do this in the context of policy set by BIS and informed by the needs of businesses, communities and regions, and sector and industry bodies.

The Skills Funding Agency is the ESF co-financing organisation.

A Shared Service Agreement between the Skills Funding Agency and the Young People's Learning Agency (YPLA) agrees that the Skills Funding Agency will operate on behalf of the YPLA for the 14-18 ESF provision. The YPLA is sponsored by the Department for Education and exists to support the delivery of training and education to all 16-18 year olds in England. The YPLA and Local Authorities have the statutory duty to secure sufficient education and training provision for all young people aged between 14 and 18, and for 19 to 25 year olds assessed for a learning difficulty and/or disability, in their respective area.

### **National Context of Provision**

ESF Priority 1 focuses on unemployed people and those young people not in education, employment or training (NEET). The Skills Funding Agency (operating on behalf of the YPLA) is using its ESF funding for 14-19 year olds for provision including qualifications ranging from Entry Level skills up to Level 4, where these can be delivered under ESF Priority 1.

The main focus for ESF monies for the period 2011-13 will be securing the continued provision of individually tailored packages of education and support which will assist in the engagement of young people not in education or employment. As well as increasing participation in education and training, this will close the attainment gaps between advantaged and disadvantaged young people at Level 2 and 3. This was a high priority for the Learning and Skills Council (LSC) and continues to be so for the YPLA and Local Authorities.

### **Regional Context of Provision**

#### **London Councils 14-19 Young People's Education and Skills**

The Young People's Education and Skills Board (YPES) is the lead strategic body for 14-19 education and training services in London. It provides pan-London leadership for 14-19 education and training provision in relation to the current and future needs of learners and employers, supports local authorities in undertaking their statutory functions, and assists other stakeholders in planning, policy and provision.

Its membership includes the Association of London Directors of Children's Services, the Skills Funding Agency, YPLA and other key agencies involved in education and training across London.

The 14-19 element of the Skills Funding Agency's Co-financing Plan has been jointly planned and developed by the YPLA and the YPES.

After the termination of the London Development Agency's (LDA) ESF NEET procurement round launched in autumn 2010, discussions around the specifications designed by the LDA took place with the Greater London Authority (GLA), the European Programmes Management Unit (EPMU), the Agency, YPLA and the YPES. Following these discussions, it was agreed that, in order to ensure provision for young people who are NEET is in place for the coming academic year, the Agency would launch a procurement exercise to procure the NEET services designed by the LDA. The LDA and the Agency, working with the YPLA and the National Apprenticeship Service, have worked together to deliver the objectives of the LDA's youth specifications.

### **London ESF Context**

The ESF programme in London comes under the strategic direction of the Mayor of London, whose office is responsible for drawing up the London ESF Regional Framework. ESF funds are administered on behalf of the Mayor by the EPMU, which sits within the GLA. The Regional Framework sets out the vision for the programme for London, highlighting the region's key challenges and opportunities, the areas where resources are to be targeted, and the targets the programme should achieve.

The London Regional ESF Committee endorsed a revised Regional Framework for 2011-2013 in December 2009.<sup>1</sup>

In addition to the Regional Framework, applicants should demonstrate how proposed activity aligns with the objectives identified in these key strategic documents for London:

- The Mayor of London's Economic Development Strategy;<sup>2</sup>
- The final revision to the London Skills and Employment Board strategy;<sup>3</sup>
- The London Young People's Education and Skills Board's annual statement of strategic priorities;<sup>4</sup>
- The Mayor's Renewed Agenda for Children and Young People.<sup>5</sup>

In line with the London skills and employment strategy, EPMU and the London CFOs have agreed that where activity is focused on delivering employment-related results, these results should measure sustained employment for a minimum of six months. The YPES has also agreed with London CFOs that

---

<sup>1</sup> The Framework is available on the EPMU's website at [www.london.gov.uk/esf/regional-framework](http://www.london.gov.uk/esf/regional-framework).

<sup>2</sup> *The Mayor's Economic Development Strategy for London* (Greater London Authority, May 2010) – available at [www.london.gov.uk/who-runs-london/mayor/publications/business-and-economy/eds](http://www.london.gov.uk/who-runs-london/mayor/publications/business-and-economy/eds).

<sup>3</sup> *The London Skills and Employment Board Legacy: Recommendations for Skills and Employment Action in London* (London Skills and Employment Board, April 2011) – available on the London Skills and Employment Observatory website at <http://lseo.org.uk/policy-delivery>.

<sup>4</sup> *Choice, Support, Success: Priorities for 16-19 Education and Learning in London 2011/12* (London Regional Planning Group, November 2010) – available at [www.londoncouncils.gov.uk/policy/lobbying/children/education14to19/rpgboard/statementofpriorities.htm](http://www.londoncouncils.gov.uk/policy/lobbying/children/education14to19/rpgboard/statementofpriorities.htm).

<sup>5</sup> *Young Londoners – Successful Futures: The Mayor's Renewed Agenda for Children and Young People* (Greater London Authority, July 2010) – available at [www.london.gov.uk/publication/young-londoners-successful-futures](http://www.london.gov.uk/publication/young-londoners-successful-futures).

activity aimed at those aged 14-19 will deliver similarly sustainable results for retention in, or progression to, education or training.

Further support and information on ESF in London and the other CFOs is available through the following avenues:

- The webpages of the EPMU ([www.london.gov.uk/esf/](http://www.london.gov.uk/esf/));
- The websites of the CFOs operating in London:
  - Skills Funding Agency (<http://skillsfundingagency.bis.gov.uk/providers/programmes/esf/>),
  - Department for Work and Pensions on behalf of Jobcentre Plus ([www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/european-social-fund/](http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/european-social-fund/)),
  - London Development Agency ([www.lda.gov.uk/our-work/getting-london-working/esf-co-financing/index.aspx](http://www.lda.gov.uk/our-work/getting-london-working/esf-co-financing/index.aspx)),
  - National Offender Management Service ([www.co-financing.org/index.html](http://www.co-financing.org/index.html)), and
  - London Councils ([www.londoncouncils.gov.uk/services/grants/esf/default.htm](http://www.londoncouncils.gov.uk/services/grants/esf/default.htm));
- Support funded through ESF Technical Assistance, which is available to:
  - Third sector organisations through the London Voluntary Sector Training Consortium by contacting [info@lvstc.org.uk](mailto:info@lvstc.org.uk), and
  - London boroughs through Greater London Enterprise by contacting [Rosemary.M@gle.co.uk](mailto:Rosemary.M@gle.co.uk);
- The national ESF website ([www.dwp.gov.uk/esf/](http://www.dwp.gov.uk/esf/));
- The ESF Works website ([www.esf-works.com/](http://www.esf-works.com/)).

### **Young People in the Context of London's Economy and Employers' Skill Needs**

The YPLA's strategic analysis of 14-19 needs describes London's diverse economy and its employers' skill needs.<sup>6</sup> There is high employment in finance, commerce, health, education, retail, culture, media and tourism. Emerging industries, such as the 'green economy' and new technologies, are likely to be key sectors of employment in the future. London's population is predicted to rise by 1.3 million over the next 20 years. The key priority is to ensure Londoners have the skills to take up more of the jobs which will become available.

London's labour market has:

- 4.68 million workers and over 600,000 self employed people
- A highly skilled workforce – 46% of employees are educated to degree level

---

<sup>6</sup> Information from *14-19 and London: An Evidence Base* (Young People's Learning Agency, September 2010), page 8 – available at [http://readingroom.ypla.gov.uk/ypla/strategic\\_analysis\\_september\\_release.pdf](http://readingroom.ypla.gov.uk/ypla/strategic_analysis_september_release.pdf).

- 88% of people with level 4 qualifications are employed, compared to 65% of people qualified to level 2 and 45% of those with no qualifications.

Employers in London need people with employability and basic skills; by 2020 one in two jobs will require high level skills. To be able to succeed in a highly competitive labour market, young Londoners need to maximise their qualifications and employability skills. Young people need 5 GCSEs at grade A\* - C including Maths and English (a full level 2) as a minimum requirement for most jobs. London employers are more likely than those outside London to recruit a school or college leaver, but also significantly more likely to recruit directly from Higher Education.

London employers feel that young people:

- Have a poor attitude or lack motivation (particularly 16 year olds)
- Lack knowledge of the working world
- Have literacy and numeracy issues (particularly 16 year olds)

A recent study for the LDA identified a number of sectors that are set to grow between 2010 and 2020, creating new job opportunities for Londoners.<sup>7</sup> This growth is predicted as follows:

- Business Services
- Financial Services
- Hotel and Restaurant
- Construction
- Transport and Communication
- Retail and Distribution
- Health and Social Care

### **London NEET Context**

In London the rate of young people aged 16-18 who are NEET is 5.1%<sup>8</sup>: this figure translates to approximately 8,960 of London's young people.

There are significant differences in the numbers of young people who are NEET between boroughs, for example, Southwark and Lambeth both present the highest rates of NEETs, at 8.4% and 7.9% respectively, while Richmond has only 3.3% NEET.<sup>9</sup>

It is worth noting that the percentages between boroughs may be similar but the actual numbers of young people may be significantly higher. For example, Croydon and Hackney have a similar percentage of NEETs (6.6% and 6.4%

---

<sup>7</sup> *Destinations 2020: Employment Projections Across Sectors and Occupations in London* (London Development Agency, August 2010) – available at [www.lda.gov.uk/publications-and-media/publications/destinations-2020-employment-projections-in-london.aspx](http://www.lda.gov.uk/publications-and-media/publications/destinations-2020-employment-projections-in-london.aspx).

<sup>8</sup> NCCIS NEET data for London, March 2011

<sup>9</sup> NCCIS NEET data for London, March 2011

respectively); however, this translates to 490 young people in Croydon, but only 257 young people in Hackney.<sup>10</sup>

Through flexible, innovative commissioning a localised approach to address these localised NEET figures will be delivered by this project.

### **Apprenticeships**

The Government has recently confirmed its commitment to Apprenticeships, stating that, as they expand the programme, they will ensure there are clear routes into Apprenticeships to widen access to the programme and to increase the numbers of young people who have the skills and attributes to secure and complete an Apprenticeship with an employer.<sup>11</sup>

The National Apprenticeship Service (NAS) was set up in April 2009 and is responsible for delivering the ambitions the Government has set for Apprenticeships. NAS is housed within the Skills Funding Agency and has end-to-end responsibility for Apprenticeships and accountability for the national delivery of services and targets.

The role of NAS is to work with employers, helping them take on apprentices; and to work with those who advise learners so that young people and adults are able to benefit from the experience of work-based learning. The National Apprenticeship Service Prospectus articulates NAS priorities, including:<sup>12</sup>

- To expand the number of Apprenticeship places offered by employers
- To increase the number, quality and background of people applying for Apprenticeships, and in particular supporting 16- to 18-year-olds.

The benefits of Apprenticeships are widely recognised for both learners and employers. To illustrate, a cost-benefit analysis in 2007 showed that people who had completed a Level 3 Apprenticeship earn £105,000 more over their working life than similar individuals qualified only to Level 2.

In addition, research in 2008 showed that employers recoup their investment rapidly, within two to three years in most cases.<sup>13</sup>

There are, however, significant numbers of young people missing out on the benefits of Apprenticeships, whether through lack of awareness, barriers to entry or lack of available opportunities. Demand for 16-18 year old Apprenticeships already far exceeds supply, and there are concerns that a dwindling pool of opportunities reduced by the economic downturn will further disadvantage those on the margins. *World-Class Apprenticeships* identified

---

<sup>10</sup> NCCIS NEET data for London, March 2011

<sup>11</sup> *The Importance of Teaching – The Schools White Paper* (Department for Education, November 2010), page 50 – available at <http://publications.education.gov.uk/eOrderingDownload/CM-7980.pdf>.

<sup>12</sup> The Prospectus is available at [www.apprenticeships.org.uk/About-Us/~media/Documents/Publications/NAS%20Prospectus%20-%20May%202009.ashx](http://www.apprenticeships.org.uk/About-Us/~media/Documents/Publications/NAS%20Prospectus%20-%20May%202009.ashx)

<sup>13</sup> *The Net Benefit to Employer Investment in Apprenticeship Training* (Warwick Institute for Employment Research, November 2008) – available at [http://www.employersforapprentices.gov.uk/docs/research/Research\\_1\\_521.pdf](http://www.employersforapprentices.gov.uk/docs/research/Research_1_521.pdf).

that not everyone benefits equally from the opportunities offered by Apprenticeships.<sup>14</sup>

In London, Apprenticeships historically have had a lower uptake across all age groups, including 16-18 year olds, in comparison to the other regions around England. London-specific data on Apprenticeship starts and achievements can be found on the Data Service website – [www.thedataservice.org.uk/statistics/statisticalfirstrelease/sfr\\_supplementary\\_tables](http://www.thedataservice.org.uk/statistics/statisticalfirstrelease/sfr_supplementary_tables).

The London Statement of Skills Priority 2011/12 identifies Apprenticeships under one of its six key priorities and stresses the importance of boosting the quantity and quality of Apprenticeships in key growth sectors.<sup>15</sup> It also acknowledges that the critical factor is driving up employer demand to ensure that there are sufficient, good quality places for young people.

As stated in his Economic Development Strategy, the Mayor believes that there must be resources to support an increasing number of Apprenticeships in London and employers need to be encouraged to create more Apprenticeship places.<sup>16</sup> The Mayor has committed to generating 3,000 Apprenticeships both through direct employment within the workforce, and through the GLA group supply chain.

### **Information, Advice and Guidance**

Effective Information, Advice and Guidance is an important aspect of this programme. Successful applicants will either hold the Matrix standard or will provide an equivalent level of support, for example by sub-contracting this aspect of delivery to partners who are Matrix-accredited.<sup>17</sup> Applicants must state whether they hold the Matrix standard for IAG or are working towards it.

### **Quality**

Applicants must demonstrate in their tenders how they will provide training to the required quality, as detailed below.

Applicants will need to demonstrate they have a track record of delivering high quality provision to learners, employers or employees. Evidence of inspection grades of 3 or above or external quality assurance such as Training Quality Standard accreditation or application made to become accredited, awarding bodies' external verification reports, ISO9000 accreditation and Investor in People status will serve to support applicants' responses.

### **16-19 Bursary Fund**

The Comprehensive Spending Review (20 October 2010) announced that the Education Maintenance Allowance (EMA) was to be replaced with more targeted support for the disadvantaged. Further information has now been provided on this in the form of the Bursary Fund.

---

<sup>14</sup> *World-Class Apprenticeships: Unlocking Talent, Building Skills for All. The Government's Strategy for the Future of Apprenticeships in England* (Department for Innovation, Universities and Skills, January 2008) – available at [http://webarchive.nationalarchives.gov.uk/tna/+http://www.dius.gov.uk/publications/world\\_class\\_apprenticeships.pdf](http://webarchive.nationalarchives.gov.uk/tna/+http://www.dius.gov.uk/publications/world_class_apprenticeships.pdf).

<sup>15</sup> Available at <http://lseo.org.uk/sites/default/files/downloads/skillspriority.pdf>.

<sup>16</sup> See note 2 above.

<sup>17</sup> The Matrix standard is the unique quality framework for the effective delivery of information, advice and/or guidance on learning and work. Further information may be obtained from [www.matrixStandard.com](http://www.matrixStandard.com).

It would be helpful, for applicants to reflect in their tenders how they propose to assist young people with financial support as part of this project. Where young people are not eligible for Bursary funding, or where it is felt that this funding is insufficient to support young people, it is anticipated that a training allowance can be paid to learners. Any training allowance payments would be met from the overall budget for this programme and providers must build this in to their costs.

The 16-19 Bursary Fund Guidance includes the following statements (emphasis added):<sup>18</sup>

4. The 16-19 Bursary Fund has two elements:
  - Young people in care, care leavers, young people in receipt of income support and disabled young people in receipt of Employment Support Allowance who are also in receipt of Disability Living Allowance will be eligible to receive a bursary of £1,200 a year.
  - Providers may then use their discretion to make awards to young people in ways that best fit the needs and circumstances of their students. Bursary awards should be targeted towards young people facing financial barriers to participation, such as the costs of transport, meals, books and equipment...
8. Young people must satisfy the residency criteria in the document *YPLA Funding Guidance 2011/12: Funding Regulations*.<sup>19</sup> They must be participating in provision that is subject to inspection by a public body that assures quality (e.g. Ofsted). That provision must also be:
  - Funded by the YPLA (either directly or via a local authority); or
  - **Funded or co-financed by the European Social Fund**; or
  - Otherwise publicly funded and lead to a qualification (up to Level 3) that is accredited by Ofqual or is pursuant to Section 98 of the Learning and Skills Act 2000...
10. The following groups of young people are eligible to apply for the 16-19 Bursary Fund, **but providers should take account of any allowances or other sources of financial support received** when deciding whether to award a bursary:
  - **Young people attending provision funded solely by the European Social Fund and receiving a training allowance.**
  - Young people receiving support under the transitional arrangements announced for those who have previously received EMA. Schools, academies, colleges and training providers will know for which young people they are still authorising weekly payments under those arrangements.<sup>20</sup>

---

<sup>18</sup> Available at [www.ypla.gov.uk/learnersupport/16-19-bursary/](http://www.ypla.gov.uk/learnersupport/16-19-bursary/).

<sup>19</sup> Available at [www.ypla.gov.uk/aboutus/ourwork/funding/df/](http://www.ypla.gov.uk/aboutus/ourwork/funding/df/).

<sup>20</sup> The level of payments under transitional arrangements will depend on when the young person started receiving EMA. Details of the transitional arrangements will be available on the YPLA website.

- Young people resident in Wales or Scotland, who may be receiving EMA payments via the arrangements in place in the relevant devolved administrations.

## **1.2 ESF requirements and information**

### **Contractual Requirements**

Applicants should refer to the sample contract documentation issued with the ITT.

### **Contracting Requirements**

Please read the READ ME FIRST document as there is important information contained in this document relating to current and future contracting requirements.

### **Cross Cutting Themes**

#### **Gender Equality and Equal Opportunities**

Gender Equality and Equal Opportunities is a cross cutting theme of the Competitiveness ESF Framework. The National Operational Programme maintains the dual approach to promoting gender equality and equality of opportunities by funding specific activities which target women and disadvantaged groups as well as integrating equal opportunities into the planning, implementation, monitoring and evaluation of the programme as a whole.

Action to promote equality and diversity is an integral part of the Skills Funding Agency business objectives. A world-class workforce can only be created if we remove barriers, eliminate discrimination, address disadvantage and raise the aspirations of both present and potential learners.

#### **Sustainable Development**

Sustainable Development (SD) activity is a mandatory requirement of all projects funded through the ESF programme. Applicants will be required to have in place an operational SD policy and implementation/action plan within six months of the project start date. Performance monitoring of the project will include a review of progress against the implementation/action plan on a quarterly basis.

#### **Health**

The London ESF Regional Framework has health as a cross-cutting theme and CFOs are responsible for incorporating and promoting this theme within their programmes. All ESF funded providers must also ensure that health is integrated within the scope and provision of their projects.

The aim of the health theme is to support ESF providers to maximise health outcomes for their participants in practical ways. Health and work are inextricably linked; skills and good jobs can reduce health inequalities and improve the health of all Londoners.

There is now clear evidence that:

- Good health should improve an individual's chances of finding and staying in work and of enjoying the consequent financial and social advantages;
- Work has an inherently beneficial impact on an individual's state of health. Work is known to be good for mental health and to aid recovery even for those with the most severe of conditions; and
- Unemployment is known to be detrimental for mental health. The longer people are out of work the harder they find it to return and the greater the impact on their health and well-being'.<sup>21</sup>

A health performance management framework (PMF) and accompanying guidance has been developed to support London's ESF providers to incorporate and report on progress with this theme.

The PMF is specifically designed to enable ESF providers to:

- Identify how their projects are impacting on health and well-being at the planning and early delivery stage;
- Identify actions that they could take to improve the potential positive impacts and make arrangements to reduce any unintended negative impacts;
- Identify deliverables that can be monitored throughout the lifetime of the project to measure impacts on health and well-being; and
- Provide a means of measuring the impact of their project on health and well-being.

Providers will be expected to complete the PMF within the first three months of starting delivery of their project and send it to the Skills Funding Agency to check for review. The Skills Funding Agency will monitor providers against their self-assessment annually to identify progress and discuss further development.

The PMF, guidance and appendices are available from the Health CCT webpage on the LDA's website: [www.london.gov.uk/esf/cross-cutting-themes/health](http://www.london.gov.uk/esf/cross-cutting-themes/health).

### **Eligibility**

As the provision to be delivered under these specifications will be funded by ESF, successful applicants will be expected to meet a range of ESF requirements. Information about ESF eligibility requirements can be found at [www.dwp.gov.uk/esf](http://www.dwp.gov.uk/esf).

Any statutory training, for example training that employers must provide under Health and Safety legislation, is not eligible for support through ESF projects.

### **Priority Groups**

The following table outlines the expected targets for the London ESF programme and for all contracts unless specific targeting is defined within the specification.

---

<sup>21</sup> *Employment and Mental Health Briefing 2* (National Mental Health Development Unit, 2010).

<b>PRIORITY</b>	<b>1</b>
Participants with disabilities or health conditions	22%
Participants from ethnic minorities	56%
Female participants	51%
Number of participants who are lone parents	12%

It is expected that applicants will demonstrate that their projects will contribute to these targets in London. However, differentiation in the different geographical areas targeted is also expected, depending on the breakdown of the target group in that area.