

Report of Head of Employment Access and Growth

Report to Chief Officer Employment and Skills

Date: 11th January 2017

Subject: Procuring services to promote apprenticeships to residents from specific vulnerable and hard to reach groups



Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number: 10.4 (3) Appendix number: CONFIDENTIAL Appendix 1 and Appendix 2		

Summary of main issues

1. As set out in the Best Council Plan 2016/17, the Council has an ambition for Leeds to have a strong economy and to be a compassionate city, tackling poverty and inequalities. Supporting residents into work, including apprenticeships, is an important contributor to this ambition. In 2015/16 the Employment and Skills service helped 4,877 people into work and 393 people into apprenticeships.
2. In November 2016, following changes to the funding of apprenticeship promotion activity at the Leeds City Region level, Executive Board approved a report setting out a range of activities to be delivered by the Council in support of residents, particularly young people, starting apprenticeships. This included targeted activity around hard to reach and vulnerable communities not currently engaged effectively in apprenticeships or the wider labour market.
3. In 2016, the Council, in partnership with the City of Bradford Metropolitan District Council, commissioned research into the challenges and barriers regarding apprenticeships facing young people from BME communities. This involved consultation with young people and those influencing them in their communities across both cities, which identified a number of generic but also ethnicity specific barriers that prevented young people from these communities applying for apprenticeships. As well as identifying barriers, the researchers worked with young people to understand their perceptions of how some of these barriers might be tackled, and set out a number of recommendations endorsed by participants.

4. There are around 700,000 people with autism living in the UK, with unemployment rates likely to be between 50% to 75%. Even where people are employed, this is likely to be in unskilled jobs with low wages. Despite this, many people with autism have above average levels of concentration, perseverance, attention to detail, and the ability to spot deviances in data, information and systems.
5. There is a particular opportunity to open up new employment and apprenticeship opportunities created by the thriving digital and technology sector and warehousing and logistics sector in the city/city region to those people affected by autism. Employers are now realising there are significant benefits in recruiting staff on the spectrum for certain roles. Indeed, in the increasingly digital world characteristics such as an ability to recognise patterns, attention to detail, perseverance and extreme levels of concentration can be a positive advantage in roles such as data analytics and testing. The “autism advantage” to employers can be an attention to detail and the ability to repeat tasks numerous times without losing interest or getting bored.
6. The Council therefore wishes to commission (i) a provider to support people affected by autism to access work experience and apprenticeships, and to support employers to gain an increased understanding of the benefits that such people could bring to their business and (ii) a provider to promote apprenticeships to young people from BME communities.
7. Both of these commissions will complement ongoing activity by the Employment and Skills service to promote apprenticeships to employers, particularly those eligible for the Apprenticeship Levy from April 2017, as well as other work to enable vulnerable and hard to reach groups, such as care leavers, to access apprenticeships.
8. The activities proposed in this report will contribute to the Council’s ambitions for Leeds to be a compassionate city underpinned by a strong economy, where all our residents benefit from the opportunities created by inclusive economic growth.
9. This report seeks approval of the procurement evaluation criteria in Confidential Appendices 1 and 2 which is required prior to going out to tender in accordance with Contract Procedure Rule (CPR) 15.1 which requires “*evaluation criteria to be pre-determined and approved by the relevant Chief Officer*”.
10. Approval is also being sought to waive Contract Procedure Rule (CPR) 15.2 in order to evaluate solely on quality.

Recommendations

The Chief Officer Employment and Skills is recommended to:

- approve the decision to undertake two intermediate value procurements to commission apprenticeship promotion and support activities targeted at residents from vulnerable and hard to reach groups (BME young people and people affected by autism);
- to approve the evaluation criteria in accordance with Contract Procedure Rule (CPR) 15.1 which requires “*evaluation criteria to be pre-determined and approved by the relevant Chief Officer*” and, the waiver of Contract Procedure Rule 15.2 to permit evaluation on quality only.

- to allocate funding of £30,000 and £25,000 respectively from the Apprenticeship Hub budget to these commissions.

1 Purpose of this report

- 1.1 This report sets out the rationale for undertaking targeted apprenticeship outreach, promotion and application support activity with residents from vulnerable and hard to reach groups (BME young people and people affected by autism).

2 Background information

- 2.1 Increasing the volume and quality of apprenticeship opportunities is a priority for the Government, which has maintained the ambition to see 3 million apprenticeships by the end of this Parliament, and committed to introduce the Apprenticeship Levy in April 2017.
- 2.2 Since March 2013 the Leeds Apprenticeship Hub has delivered a programme of activity under the Leeds City Region Apprenticeship Hub programme, funded through the City Deal contract. The Hub has supported 807 businesses to recruit an apprentice, of which 777 have been SMEs, with 543 young people beginning apprenticeships as a result.
- 2.3 In November 2016, following changes to the funding of apprenticeship promotion activity at the Leeds City Region level, the Executive Board approved a report setting out a range of activities to be delivered by the Council in support of residents, particularly young people, starting apprenticeships. This included targeted activity around hard to reach communities not currently engaged effectively in apprenticeships or the labour market more generally. This reflects the Council's ongoing commitment to increasing the volume and quality of apprenticeships available to young people and those in hard to reach communities in Leeds such as care leavers, BME communities, and those living with disabilities.

3 Main issues

Improving take-up of apprenticeships by young people from BME communities

- 3.1 The latest available statistics for apprenticeship starts by ethnicity (for the academic years 2012/13, 2013/14 and 2014/15) demonstrate that BAME groups in Leeds are underrepresented in participating in apprenticeships.
- 3.2 The position locally reflects the national picture with apprenticeship starts by BME residents at just over 10% in 2013/14 academic year. This compares poorly with BME participation rates across adult learning programmes as a whole at 19% and locally the Council's Adult Learning programme (supporting 7-8,000 learners each year) has a BME participation rate of 34%. It also reflects poorly against a school BME population level of 21.2%.
- 3.3 Leeds City Council's Employment and Skills service has made increasing BME participation in apprenticeships one of our Equality Improvement Priorities for the period 2015-19, with an ambition of raising the rate of participation from 10% to

15% by 2019. Progress is reported regularly to the Council's Equality Board, as well as to the Executive Member for Employment, Enterprise and Opportunity.

- 3.4 In 2016, the Council, in partnership with the City of Bradford Metropolitan District Council, commissioned research into the challenges and barriers regarding apprenticeships facing young people from BME communities. This involved consultation with young people and those influencing them in their communities across both cities.
- 3.5 The research identified a number of generic but also ethnicity specific barriers that prevented young people from these communities applying for apprenticeships. As well as identifying barriers, the researchers worked with young people to understand their perceptions of how some of these barriers might be tackled, and set out a number of recommendations endorsed by participants.
- 3.6 The Executive Member and Lead Members for Employment, Skills and Opportunity agreed to take forward this research by commissioning a provider to promote apprenticeships specifically to young people in BME communities, and to support those young people in making applications. This activity will complement ongoing activity by the Employment and Skills service to promote apprenticeships to employers, particularly those eligible for the Apprenticeship Levy from April 2017. Following guidance from Members, the commission (to be delivered over a 12 month period from April 2017) will seek to:
- identify an appropriate cohort of BME young people across Leeds to engage with, with representation from key ethnicities in accordance with the latest NEET and youth unemployment data;
 - reach/actively engage and promote apprenticeships to a minimum of 400 young people;
 - encourage and support a minimum of 200 young people to apply for an apprenticeship, with active support to as participants as is required (through, for example, assistance with vacancy searches, developing a CV/application, interview preparation);
 - assist a minimum of 75 young people to commence an apprenticeship as a result of the intervention (apprenticeship starts can be claimed up to a period of one month following the conclusion of the project, recognising the lag in outcome following support).
- 3.7 While the primary purpose of the project is to engage with young people from BME communities, we also expect that the provider will engage with influencers from those communities and build capacity/knowledge about apprenticeships within them. This will contribute to the sustainability of the activity.
- 3.8 A sum of £30,000 has been allocated to this procurement from the Leeds Apprenticeship Hub budget. This is externally funded and a time-limited grant which must be committed prior to 31st March 2017.

Promoting apprenticeships and employment to people affected by autism

- 3.9 There are no behaviours specific to autism, only a collection of behaviours that together indicate a different way of experiencing the world. Autism is a social communication difference that is developmental and is thought to be lifelong.
- 3.10 There are around 700,000 people with autism living in the UK, with unemployment rates likely to be between 50% to 75%. Even where people are employed, this is likely to be in unskilled jobs with low wages. Despite this, many people with autism have above average levels of concentration, perseverance, attention to detail, and the ability to spot deviances in data, information and systems.
- 3.11 Employers are now realising there are significant benefits in recruiting staff on the spectrum for certain roles. Indeed, in the increasingly digital world characteristics such as an ability to recognise patterns, attention to detail, perseverance and extreme levels of concentration can be a positive advantage in roles such as data analytics and testing. The “autism advantage” to employers can be an attention to detail and the ability to repeat tasks numerous times without losing interest or getting bored.
- 3.12 Software development and testing, for example, involve a combination of tasks that require intense focus. This was recently recognised by the Northern Ireland Department for Employment and Learning, which sought out four young people on the autistic spectrum to take part in their Software Testers Academy, an intensive 10- week training course. All four participants on the autistic spectrum ended up with full time roles in software testing. Similar programmes have been developed elsewhere in the UK, including as part of National Coding Week, which the Council actively supports. The warehousing and logistics sector is another area where an ability to recognise patterns, attention to detail, perseverance, and work in a logical and ordered fashion can be valuable.
- 3.13 The Council recognises that both individuals and employers would benefit from a programme of support which works with individuals affected by autism to engage in the labour market, particularly in the digital and technology and warehousing and logistics sector. Both sectors in Leeds and the wider city region are growing and will continue to expand rapidly, with pressure on employers through skills gaps and shortages. The Council, as the author of the Leeds Digital Sector Skills Action Plan, is in regular dialogue with employers in the digital and technology sector about their recruitment and skills needs, and thus has a strong understanding of the opportunity offered here. Likewise, our involvement in the Leeds City Region Enterprise Zone, sited in the city, and with a focus on logistics business, means we are closely engaged with employers in this sector.
- 3.14 This report therefore seeks approval to carry out an intermediate value procurement in order to commission a provider to support people affected by autism to access work experience and apprenticeships, and to support employers to gain an increased understanding of the benefits that such people could bring to their business. This activity will complement ongoing activity by the Employment and Skills service to promote apprenticeships to employers, particularly those eligible for the Apprenticeship Levy from April 2017.
- 3.15 This commission will require delivery by a provider with detailed understanding of the specific challenges facing people with autism in engaging with the labour

market, and a proven capacity to engage with and support people in accessing the labour market. The provider must have a detailed understanding of apprenticeships and issues relating to careers education, advice and guidance. Understanding of the local labour market, particularly the digital and technology and warehousing and logistics sectors, would be an advantage, although working alongside the Employment and Skills service will facilitate engagement and understanding with companies in these sectors.

3.16 The commission (to be delivered over a 12 month period from April 2017) will seek to work with both individuals affected by autism and with employers in the digital and technology sector to:

- work in partnership with providers of services to people with autism, to identify an appropriate cohort of young people across Leeds to engage with;
- reach/actively engage and promote apprenticeships to a minimum of 100 individuals;
- support a minimum of 40 individuals to apply for an apprenticeship, with active support to as many of these as is required (through, for example, assistance with vacancy searches, developing a CV/application, interview preparation);
- enable a minimum of 25 individuals to access a work placement with a local business, giving both the individual and a business to see the opportunity and benefit they can both bring;
- enable 5 individuals to commence an apprenticeship as a result of the intervention (apprenticeship starts can be claimed up to a period of one month following the conclusion of the project, recognising the lag in outcome following support);
- engage with a minimum of 100 businesses within the digital and technology sector to promote and improve understanding of the employment potential of individuals with autism;
- commit 50 businesses to pledge support for the principle of employing individuals with autism on apprenticeships and adopt autism friendly employment practices;
- enable 25 businesses to offer a work placement to an individual to improve mutual understanding, with the appropriate support to the employer in the process;
- and enable 5 businesses to start an individual on an apprenticeship (apprenticeship starts can be claimed up to a period of one month following the conclusion of the project, recognising the lag in outcome following support).

- 3.17 A sum of £25,000 has been allocated to this procurement from the Leeds Apprenticeship Hub budget. This is externally funded and a time-limited grant which must be committed prior to 31st March 2017.

Approval of CPR 15.1

- 3.18 As advised by the Projects, Programmes and Procurement Unit (PPPU) and in accordance with CPR 15.1, the proposed evaluation criteria must be pre-determined and approved at Chief Officer level.

Waiver of CPR 15.2

- 3.19 The funding allocations for these commissions are being met from the Apprenticeship Hub budget, which is externally funded and ring-fenced to apprenticeship-focused activity. This is time-limited funding with expenditure to be committed no later than March 2017. There is a requirement to allocate this funding in its entirety or it will be clawed back by the funding body, the Skills Funding Agency. The Council therefore intends to contract this provision on a fixed price basis.
- 3.20 For this reason a waiver of CPR 15.2 is being sought to permit the requirement for 40% evaluation on the price element to be removed to allow the 60% quality evaluation to be raised to 100%.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Executive Member for Employment, Skills and Opportunity and Lead Members have been consulted on this decision. Colleagues in the Council's Equalities Unit, the Adult Social Care Commissioning team and colleagues in Children's Services leading a programme of supported internships for young people with complex needs, have also been consulted. The Projects, Programmes and Procurement Unit have been consulted on the approach to Contracts Procedure Rules.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality impact screening was completed on the 3rd January 2017. This identified that the decision to undertake intermediate value procurements of these services would have potentially positive impacts and advance equality of opportunity for the affected different employment characteristics, especially BME communities and residents living with disabilities. No other impacts were identified.

4.3 Council policies and Best Council Plan

- 4.3.1 The proposals set out in this report contribute to the Best Council Plan 2016/17 outcome for everyone in Leeds to earn enough to support themselves and their families, and specific Best Council Plan 2016/17 priorities around supporting economic growth and access to economic opportunities, supporting communities and raising aspirations, providing skills programmes and employment support and helping people adjust to welfare changes.

- 4.3.2 The proposals will also contribute to the Council's ambition to be a NEET-free city, support the ambitions set out in the Council's 'More Jobs, Better Jobs' breakthrough project, and support our obligations under the Apprenticeship Levy. Both of these commissions will complement ongoing activity by the Employment and Skills service to promote apprenticeships to employers, particularly those eligible for the Apprenticeship Levy from April 2017, as well as other work to enable vulnerable and hard to reach groups, such as care leavers, to access apprenticeships.

4.4 Resources and value for money

- 4.4.1 The costs of these procurements will be drawn from the Apprenticeship Hub budget, which is externally funded and ringfenced to apprenticeship-focused activity. This is time-limited funding with expenditure to be committed no later than March 2017.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Relevant legal implications relating to the procurement of the services outlined in this report have been considered and addressed in this report. This report includes confidential Appendix 1 and 2 that contains the evaluation criteria for the tender bids. The evaluation information must not come into the public domain prior to the tender being published and is therefore marked confidential under Access to Information Procedure Rule number: 10.4 (3). This is a significant operational decision that it is not subject to call in.

4.6 Risk Management

- 4.6.1 Project performance reports will be required on a quarterly basis, and will form the basis for a contract management meeting between the Council and providers. A risk management plan will be developed and monitored as part of contract management arrangements.
- 4.6.2 In order to provide appropriate support to project participants, the providers will be required to provide suitably qualified and experienced personnel to deliver the contract, and have current DBS registrations in place for all staff involved.

5 Conclusions

- 5.1 In November 2016, following changes to the funding of apprenticeship promotion activity at the Leeds City Region level, the Executive Board approved a report setting out a range of activities to be delivered by the Council in support of residents, particularly young people, starting apprenticeships. This included targeted activity around hard to reach communities not currently engaged effectively in apprenticeships or the labour market more generally.
- 5.2 The intermediate value procurements which this report seeks approval for will support a significant number of residents from hard to reach communities and vulnerable groups in accessing apprenticeships and the labour market more generally. This will contribute to the Council's ambitions for Leeds to be a

compassionate city underpinned by a strong economy, where all our residents benefit from the opportunities created by inclusive economic growth.

6 Recommendations

6.1 The Chief Officer Employment and Skills is recommended to:

- approve the decision to undertake two intermediate value procurements to commission apprenticeship promotion and support activities targeted at residents from vulnerable and hard to reach groups (BME young people and people affected by autism);
- approve the evaluation criteria in accordance with Contract Procedure Rule (CPR) 15.1 which requires “evaluation criteria to be pre-determined and approved by the relevant Chief Officer” and, the waiver of Contract Procedure Rule 15.2 to permit evaluation on quality only.
- approve the allocation of funding of £30,000 and £25,000 respectively from the Apprenticeship Hub budget to these commissions.

6.2 To note that the officer responsible for the implementation of this decision is the Head of Employment Access and Growth, and the timetable for the implementation of these decisions is as follows: procurement to begin early February, tenders to be returned by the end of February and contracts awarded by end of March 2017, in accordance with the Council's Contract Procedure Rules.

7 Background documents¹

7.1 Draft specifications, including the evaluation criteria to be used, are attached at Appendix 1 and 2. The evaluation information must not come into the public domain prior to the tender being published and is therefore marked confidential under Access to Information Procedure Rule number: 10.4 (3)

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.