

Finance and Resources Committee

10 am, Thursday, 14 January 2016

Award the Extension of existing employability contracts

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| Item number | 7.18 |
| Report number | |
| Executive/routine | |
| Wards | |

Executive summary

The purpose of this report is to request extension of two existing employability contracts, until 31 March 2017, in order to integrate the provision into a wider employability contract for people who have complex needs.

Links –

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| Coalition pledges | P28 |
| Council outcomes | CO8, CO9, CO14 |
| Single Outcome Agreement | SO1 |

Extension of existing employability contracts

Recommendations

It is recommended that Finance and Resources Committee:

- 1.1 Agrees to the waiver of contract standing orders in respect of employability contracts, commissioned by Edinburgh's criminal justice services and the Edinburgh Alcohol and Drug Partnership.
- 1.2 Agrees to the award of contract to Forth Sector for the period 1 April 2016 to 31 March 2017 at the value of £66,000;
- 1.3 Agrees to the extension of contract to Access to Industry for a period of one year to 31 March 2017 with the extension value of £104,000

Background

- 2.1 The Department of Work and Pensions has reported that there are certain groups for whom the government's Work Programme or Work Choice Programmes fail due to the high support needs and complex multiple barriers to employment of these groups. Those clients fall into the "red" or "not job ready" categories
- 2.2 In order to provide integrated employability provision to this service user group, and to improve the employability pathway, a partnership approach is being taken, across the council, in the development and funding of a targeted service. This service will provide the necessary advice and support to assist people with complex needs on their recovery journeys to access a number of positive destinations, including training, volunteering, further education and employment.
- 2.3 A project group has been convened, including membership from Edinburgh's criminal justice services, Inclusive Edinburgh, City Strategy and Economy Service, Capital City Partnership, Services for Communities and the Edinburgh Alcohol and Drug Partnership.
- 2.4 Work has commenced on researching and planning the co-production exercise with timelines in place to have the business plan signed off by April 2016.

Main report

- 3.1 Access to Industry's Transitions project is an employability service which assists people with substance misuse issues to gain skills and qualifications and to find employment/other positive destinations. This service is funded by Edinburgh Alcohol and Drug Project at £104k per annum and is due to end on 31 March 2016 with no further scope to extend.
- 3.2 Working 4 Change is an employability service which assists those who have offending backgrounds to find employment/other positive destinations. This service is funded by Edinburgh's criminal justice services - £66k per annum and is currently delivered with the Integrated Employability Service by Forth Sector in a contract which ends 31 March 2016.
- 3.3 Economic Development is leading a project team which will pull all complex needs employability support into a single proposal. Work has started on stakeholder engagement and co-production activity which will inform the process and routes available for procurement. It is vital to that the necessary time is available to ensure full engagement in the service design for the future.

Measures of success

- 4.1 Extensions to both contracts are required to enable development of the new and improved service. The new service is in the council's best interests as it will merge existing provision into one dedicated service, rather than silo working across departments.
- 4.2 The wider service will increase capacity and will ensure that service users who are unable to access employability due to their own complex conditions or to the barriers put in place by services will be assisted to access positive destinations.

Financial impact

- 5.1 The co-production exercise will provide the opportunity to make efficiency savings.
- 5.2 The total value of the extensions to contracts is £170,000k.

Risk, policy, compliance and governance impact

- 6.1 Transitions Project /Access to Industry – The contract was let in 2011 and has reached the maximum extension period allowable under the terms of the contract. The additional award will increase the contract value to £591,061 which falls into EU procurement regulations and therefore any risks associated

with any potential challenge to the award must be considered. CPS consider the **risk of challenge to be low** due to the nature of the service (social nature), the engagement of the market in the new service design and the current local delivery being extended for a short period only in order to secure a co-produced and cohesive service for the city. Working 4 Change (Edinburgh's criminal justice services) – The direct award of continued delivery by Forth Sector for a one year period falls outside of EU Regulation. The value does, however, exceed the CSO threshold which requires contracts above £50k to be competitively tendered, but this requirement can be waived where it is in the council's best interest to do so.

- 6.2 Awarding and/or extending the contracts will allow continuity for service users whilst a new service is designed and procured through co-production.
- 6.3 Co-production of the service will invite all interested parties and will provide transparency of the council's plans for a new service.

Equalities impact

- 7.1 Increasing positive destinations for people who have complex needs eliminates discrimination by providing opportunity to access support, achieve recovery capital and a variety of employability options, e.g. volunteering, training, job placement, employment, further education.
- 7.2 A timeline of tasks has been developed, including the Equalities Impact Assessment.

Sustainability impact

- 8.1 The service will be developed as per the legal duties under the Climate Change (Scotland) Act 2009.

Consultation and engagement

- 9.1 The co-production exercise will include consultations with a variety of stakeholders, including service users.

Background reading/external references

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Links

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| Coalition pledges | P28 - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic wellbeing of the city |
| Council outcomes | CO8 - Edinburgh's economy creates and sustains job opportunities CO9 – Edinburgh residents are able to access job opportunities CO14 – Communities have the capacity to help support people |
| Single Outcome Agreement | SO1 – Edinburgh's economy delivers increased investment, jobs and opportunities for all |
| Appendices | |