



**DEPARTMENT FOR WORK AND PENSIONS – EUROPEAN
SOCIAL FUND 2007–2013: CO-FINANCING PLAN 2007~2010**



**Cornwall &
Isles of Scilly**



European Union
European Social Fund
Investing in jobs and skills

DWP Department for
Work and Pensions

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Section 1: How the plan will contribute to the Implementation of the Operational Programme and the Cornwall and Scilly ESF Framework

1.1 Overview and Background

1.1.1 The main aim of the Department for Work and Pensions (DWP) is to 'promote opportunity and independence for all'. To support this the department has a number of strategic objectives that are underpinned by Public Service Agreements setting out the specific targets that must be met.

1.1.2 Jobcentre Plus is an executive agency of DWP and supports the department in achieving the targets shown below through the provision of services for workless adults either directly or through a range of DWP contracted provision. DWP targets that will be supported by the use of ESF are:

- Reducing the proportion of children living in workless households
- Progress on increasing the employment rate
- Increase the employment rates of disadvantaged groups:
 - lone parents
 - ethnic minorities
 - people aged 50 and over
 - people with the lowest qualifications
 - people living in areas with the poorest initial labour market position
- Significantly reduce the difference between the employment rate of disadvantaged groups and the overall rate
- Increase the employment rate of disabled people and reduce the difference between their employment rate and the overall rate

1.1.3 The economic challenge for Cornwall and Scilly is well documented in the Operational Programme and ESF Framework. Convergence status is the regions last opportunity to benefit from additional EU investment to make the step change required for a prosperous, sustainable and inclusive economy. Delivery across Convergence, other EU and domestic funds must be joined up locally to ensure a coherent direction that meets the needs of Cornwall and Scilly. ESF is a critical component in meeting those needs and the use of ESF through DWP co-financing will support the local delivery of:

- The Convergence ERDF Operational Programme
- Strategy and Action (Cornwall and Scilly Economic Strategy)
- Cornwall's Local Area Agreement and in particular of "Cornwall Works"
- The emerging Sustainable Community Strategy and the Refresh of the LAA
- The Real Choices ~ Reducing Child Poverty in Cornwall Delivery Plan
- The Advice Plus Strategy
- The Regional Skills Strategy and Regional Economic Strategy

1.1.4 In delivering ESF through co-financing, DWP will enable and promote this joined up approach. It will build upon the excellent practice and lessons learned within the Objective One Jobcentre Plus Co-financing programme.

Delivery will:

- Deliver the aspirations and outcomes of the Cornwall and Scilly ESF Framework
- Demonstrate linkages, progressions and added value to mainstream delivery
- Build on current resources rather than duplicate or displace
- Provide the highest quality of customer experience, tailored to individual need and the demands of the labour market
- Be inspirational for all and raise the aspirations of the future workforce
- Be straightforward for the individual customer to access and allow for easy movement between activities and projects within ESF and mainstream delivery
- Deliver high quality employer engagement, taking into account other employer facing services
- Provide a high degree of partnership and collaborative working for the benefit of workless people and the economy of Cornwall and Scilly
- Meet the needs of strategic partners and the Programme Monitoring Committee in Cornwall and Scilly in terms of communication and dissemination of good practice; working with the Partnership Office, LSC and HEFCE to produce an ESF communications plan for Convergence ESF in tandem with the communications plan for Convergence ERDF

1.1.5 The activities in this Plan will support the Lisbon Strategy with the focus on jobs and growth. In particular this plan will :

- increase the number of people entering the labour market with the key skills and abilities to become productive in the workforce
- remove barriers to entry into the labour market experienced by particular groups such as older people, people with disabilities and women, promoting economic inclusion and equality of opportunity

1.1.6 Jobcentre Plus in Cornwall and the Learning and Skills Council have worked closely in developing complimentary CFO plans and joined up interventions and activities that provide a continuous progression route from economic inactivity to in-work skills development. This highly effective joint working has built on and benefited from experience gained in developing a joint Co-financing Plan under Objective One. It was hoped that this approach would be formalised further under Convergence but this was not possible due to the changes in CFO status from Jobcentre Plus to DWP. This has not, however, prevented robust and effective joint planning between the LSC and Jobcentre Plus in Cornwall and Scilly. More detail is given in para 1.5

1.1.7 Jobcentre Plus and the LSC have worked with partners from HE and the County Council (for alignment with the Local Area Agreement) to ensure a fully comprehensive approach to developing plans. The Jobcentre Plus European Programmes Manager, LSC Economic Development Manager and

Regional ESF manager worked with appropriate partners to produce a template for interventions based on identified need that included cross checks against a number of key issues including mainstream delivery, fit with ERDF and other strategic plans.

1.2 Activities to be supported

DWP Co-financing in Cornwall will be the main delivery mechanism for the worklessness element of Priority 4, Tackling Barriers to Employment.

Activities within the Operational Plan/Cornwall ESF Framework that will be supported are:

1.2.1 Support for people out of work to gain skills for employability and to overcome barriers to employment including:

- Innovative and inspirational programmes and activities to engage people who are hardest to reach using hooks such as sport, arts and media, environment, family activities and enterprise
- Advice, guidance and assessment to identify and address barriers to progression. These will be both work related (e.g. lack of skills or recent work experience) and non-work related issues (e.g. debt, homelessness, drug and alcohol misuse, offending, family circumstances etc.)
- Pathways to Employment programmes focussed on the re-integration of individuals and groups who are most distanced from the labour market
- Early interventions to prevent long-term benefit dependency
- Employability skills development linked to the Cornwall Works Passport to Work (NB for people who need an accredited employability qualification, the LSC will deliver the ASDAN employability qualification through their co-financing and mainstream activity)
- Entrepreneurship and skills for business
- Activities that focus on the transition to work including pre-employment courses, money management and support to secure in-work benefit benefits, sourcing of appropriate care/childcare
- Availability of flexible “enabling” funds to overcome individual barriers such as help with transport, childcare, equipment, work clothes, transitional allowances and bespoke support that cannot be accessed through any other route
- Motivation and confidence building activity
- Volunteering activity that takes into account the infrastructure support required to develop structured volunteering opportunities that provide a high degree of support, including identification of progression activities
- Provision of money management, financial capability, income maximisation and debt advice including links to credit unions, available at any stage both as a bespoke activity and linked into other activities such as pre-employment courses
- Vocational training where this cannot be accessed through LSC mainstream or ESF activity

- Information, advice and guidance support and training for self-employment, business creation and social enterprise

1.2.2 **Support for disadvantaged communities of need and place**

- Additional resources to engage people in areas where the overall benefit claim rate is highest through the development of Neighbourhood Action Teams that build on, enhance and co-ordinate existing community based resources
- Community development activity to identify, engage and support disadvantaged jobless individuals and groups where this is clearly linked to a pathway to employment
- Activity to tackle linked and complex causes of worklessness where this activity is clearly linked to economic progression, these might include health, community safety, housing or family centred needs
- Capacity building and resources to develop multi-agency partnerships to facilitate and deliver Pathways to Employment and other relevant activities, for example the provision of facilitators to bring together and enhance work across a range of outcomes within Cornwall's Local Area Agreement that can support the delivery of and add value to the ESF programme
- Activities that link to specific regeneration initiatives and ERDF investment programmes to ensure residents can take advantage of opportunities that arise from the regeneration of their areas
- Holistic support for workless families linked to the Real Choices ~ Reducing Child Poverty in Cornwall programme
- Activities to provide appropriate and bespoke support to particular groups who may be disadvantaged in the labour market in order to overcome barriers to progression e.g. disclosure advice for offenders, provision of ESOL where this cannot be accessed through mainstream or LSC co-financed activity, support for survivors of domestic violence, homeless individuals, substance mis-users
- Specific and appropriate support for people with learning disabilities

1.2.3 **Workplace based and employer focussed support**

- Post employment support, mentoring and after-care activities for both employees and employers, regardless of sector and size of company
- Work tasters, work experience and work-trials
- Pre-employment programmes linked to specific recruitments or sectors that enable and enhance the development of Local Employer Partnerships
- Support to ensure links to post employment training and personal development programmes
- Local employment schemes through links to managed workspace, intermediate labour markets and support for existing and new social enterprises
- Wage incentives and supported employment programmes

- Recruitment advice and support to employers to enable them to recruit and retain a diverse workforce, including workplace initiatives such as mental health awareness, healthy workplace and responsible employer schemes
- Support for people under threat of redundancy

1.2.4 Delivery will fall within three themes all of which will support and be supported by the umbrella of Cornwall Works (LAA)

- Pathways to Employment
- Employment through Social Enterprise
- Support for People with Learning Disabilities

1.3 Target Groups

Priority Groups that will be targeted are:

- People with disabilities and health conditions, in particular incapacity benefit customers
- Lone parents and other disadvantaged parents and carers
- People with multiple/complex barriers to employment for example long term unemployed, offenders, people from ethnic minority groups
- People aged 50 plus

Support will also be available for:

- Other workless individuals
- People at risk of becoming workless through large scale redundancies

1.3.1 Geographical Targeting

Delivery will cover the whole of Cornwall and the Isles of Scilly but additional investment will be made in areas where the overall benefit claim rate is highest in order to engage more people into Cornwall's ESF programme, mainstream DWP/LSC activity or relevant support as identified through a robust assessment and action planning process.

1.3.2 The average benefit claim rate for Cornwall is 18.3% with the highest overall claim rate at Lower Super Output Area being 49.5% and at ward level 35%. Targeting may be at ward, LSOA or neighbourhood level as appropriate and will need to make sense in terms of a community of place. Initial areas for targeting will be prescribed within tender specifications. It is anticipated that targeted areas will change over the whole lifetime of the programme through the positive impact of additional investment or through labour market failure such as large scale redundancy.

1.4 Priority 4 Outputs and Results 2007-2010

Output	Target	%	% towards Framework
Total participants	8,400		34%
Unemployed participants	4000	47%	39%
Inactive participants	4000	47%	47%
Participants with disabilities or health condition	2,268	27%	34%
Participants who are lone parents	672	8%	34%
Participants aged 50 or over	2,520	30%	34%
Participants from ethnic minorities	84	1%	34%
Female participants	4284	51%	34%
Results			
Participants in work on leaving	2,100	24%	36%
Participants in work 6 months after leaving	2,520	30%	34%
Economically inactive participants engaged in jobsearch or further learning	1,800	45%	47%

Contribution to other targets in Cornwall and Isles of Scilly

Theme	Support
Pathways to Employment	Contributes to the delivery and targets of a range of outcomes within Cornwall's Local Area Agreement including Cornwall Works, Reducing Poverty, Volunteering, Child Poverty, Health Inequalities and Offending Contributes to the economic inclusion targets of Strategy and Action Contributes to the skills and employment targets of the Convergence ERDF Operational Plan and the Rural Development Programme for England
Social Enterprise	As above and aligns to specific activity relating to business support for Social Enterprise within the Convergence ERDF Operational Plan
Learning Disabilities	Contributes to the delivery of Cornwall Works LAA targets, and a range of other LAA outcomes. Contributes to the Learning Disability Partnership Board strategy and employment targets

1.5 How activity will complement other CFO provision

1.5.1 The LSC will be the other co-financing organisation and will support delivery of both priorities 4 and 5 of the Operational Programme. The Higher Education Funding Council for England (HEFCE) will also contribute to priority 5 (skills of the workforce) focussing on higher level skills and research, through an action plan approach that has been agreed with GOSW as a special case for the Convergence area.

1.5.2 Building on the excellent joint work within the Objective One programme for Cornwall and Scilly, Jobcentre Plus (on behalf of DWP) and the LSC have worked hand in hand to produce a coherent vision for an ESF programme for Cornwall and Scilly that makes best use of all provision available – either through co-financing or mainstream programmes. The result is a flexible pathway to employment built on sound assessment of need and tailored to individual circumstances and the demands of the labour market. Movement between activities will be straightforward, with individual participants working to a single action plan that builds as they access different parts of the programme. In priority 4 we have agreed:

1.5.3 Engagement:

- DWP co-financing will allow additional resources for engagement in the neighbourhoods/areas where the overall claim rate is highest (focus on communities of place)
- Outside of this, the LSC will encourage engagements of disadvantaged groups through their equality and diversity theme (focus on communities of need)
- Engagement will include initial assessment and action planning, with next steps sourced from within the overall range of programmes and activities in Cornwall, regardless of the funder, with decisions based around the barriers and needs of the individual. For example, for people on incapacity benefit, the next steps could include voluntary entry to Pathways to Work

1.5.4 Overcoming Barriers to Progression:

DWP will be the main co-financer in this area but agreement has been made that where the barrier is the need to obtain a qualification the LSC will deliver:

- Skills for Life activity
- Employability Skills leading to the ASDAN award (this will be for people not eligible for the mainstream basic employability programme)

These programmes will work alongside and add value to DWP co-financing activity

1.5.6 Transition to Work

- Agreement has been reached with the LSC that they will provide vocational routeways to work (i.e. pre-employment training) in key hard to fill, skills shortage and growth sectors through enhancements to their Skills for Jobs activity
- The LSC will also deliver a graduate/level 3 placement scheme

These activities will be complemented by non-vocational transition to work support through DWP such as budgeting and money management support, work placements and work trials

1.5.7 Post Employment Support

- All people going into jobs will have ongoing training and personal development. This will be achieved through links to Train to Gain, Apprenticeships and LSC priority 5 delivery on workforce development
- DWP co-financing will provide an aftercare service and advisory support for both employee and employer
- The need for a clear employer engagement strategy has been picked up and is part of a wider dialogue with outcome leads within Cornwall's Local Area Agreement

1.5.8 Links to the European Regional Development Programme (ERDF)

The Convergence ERDF programme is focussed on four Priorities

- Innovation, Research and Development
- Enterprise and Investment
- Transformational Infrastructure
- Unlocking the Economic Potential of Place

DWP Co-financing will seek to support ERDF investment by meeting the increased demand for labour and pre-employment skills that arise from regeneration activities. There is a strong correlation between the targeting of place based regeneration activities and of ESF engagement activity and this will support the overall regeneration of those areas in a holistic way. We will work with colleagues in the RDA to ensure fit with the ESF Social Enterprise and Intermediate Labour Market strand and the Enterprise and Investment ERDF Priority. ESF delivery partners will also be encouraged to contribute to ERDF project commissioning processes so that ERDF delivery takes account of ESF priorities where appropriate.

Section 2: Funding and added value

2.1 ESF and match funding by Priority and year

Priority 4: ESF £16,000,000; Match funding £5,333,333; Total £21,333,333. (See Annex 1 for further details).

Government Office has given co-financers the steer that this plan should deliver 4/7th of the targets and spend within the Cornwall and Isles of Scilly ESF Framework. We have worked with the LSC to ensure our joint delivery will achieve this. Decisions on the split of funding and targets were based on the availability of match funding and the need to spread the delivery across a range of projects

2.2 How will ESF and match funded activity complement each other and contribute to Priority activities

Match funding will be identified from suitable DWP contracted employment provision in the region, as required. At this stage match provision may include the New Deals 18-24 and 25+, programme centres and provider-led Pathways to Work (contracts will begin operating from early 2008). These programmes support a range of people who are unemployed, have a health condition or disability, are a lone parent or who face other barriers to getting or keeping permanent employment – all of these participant groups are covered within Priority 4 of the ESF National Operational Programme and reflected in the ESF Framework for Cornwall and the Isles of Scilly. Provision is delivered in conjunction with Jobcentre Plus and supported by Jobcentre Plus' range of employment and benefits advisory interventions.

2.2.1 ESF provision will complement match funded activity and other DWP provision in a range of different ways which could include:

- extending the amount or range of provision available and provide flexible delivery arrangements
- providing different or more intensive support to specific people alongside their involvement in the main domestic programme
- providing additional support in key locations where additional barriers exist
- helping people to engage with main DWP provision by supporting them initially to overcome barriers, develop confidence and understanding of their own potential
- supporting people after entering a job, to assist job retention
- supporting employers through Local Employment Partnerships to work with long term unemployed people towards recruiting and retaining them
- holistic support for workless families
- providing linkages and mentoring between mainstream and other programmes to ensure an individual pathway to employment
- additional employer engagement activity to promote a diverse and healthy workplace and to ensure more sustainable employment for priority groups

2.3 Breakdown of planned administrative costs

Using ESF administrative costs DWP, supported by Jobcentre Plus, will provide staff resource to ensure that the 2007 – 2013 programme will be delivered and managed effectively. Job roles covered will include:

- ESF management in Regions, (liaison with and reporting to GO, planning and commissioning ESF provision, co-ordinating claims etc.)
- Finance – Accounting, Payments, Financial Appraisal and Monitoring activity
- Procurement and Contract Management
- Jobcentre Plus work in Districts to support programme referrals and capture of management information

2.3.1 Actual numbers of staff, locations and roles required to ensure full compliance with the 2007 – 2013 programme (Commission Regulation (EC) No 1828/2006) cannot be determined until final decisions are reached on the amount of ESF funding that DWP will deliver in this region. However, as a guide, we would expect that where ESF funding of £4m per year is received from ESF the numbers of staff engaged on ESF work would be in the region of between 9 – 12 (whole time equivalent). No more than 5% of the total project funding (ESF and Match) will be used towards administrative costs.

2.4 Describe the added value of ESF

Mainstream DWP/Jobcentre Plus employment programmes and initiatives include:

Mainstream Provision	Target Group
<p>New Deal for Young People (NDYP) is a 'Welfare to Work' programme designed to address the problems of long term unemployment. The aim is to move people into sustainable work as quickly as possible and provide those who need it with extra help to improve their employability.</p>	<p>Customers aged between 18 and 24 and have had a continuous claim to JSA for 26 weeks or more.</p>
<p>New Deal 25 plus (ND25 plus) is a 'Welfare to Work programme' designed to address the problems of long term unemployment. The aim is to move people into sustainable work as quickly as possible and provide those who need it with extra help to improve their employability.</p>	<p>Customers aged 25 and over who have had a continuous claim to JSA for 18 months or more or have been unemployed for 18 months out of the last 21 months.</p>
<p>New Deal 50 plus (ND 50 plus) is one element of Jobcentre Plus' contribution to the Governments strategy to address age discrimination and improve the employment prospects of older people.</p>	<p>People aged 50 or over who have been claiming benefits for 26 weeks or more, move back into the labour market.</p>

Mainstream Provision	Target Group
<p>New Deal for Lone Parents (NDLP) is part of the Governments ‘Welfare to Work’ initiative designed to help and encourage lone parents to improve their prospects and living standards, improve job readiness and to increase their employment opportunities.</p> <p>Pathways to Work consists of:</p> <ul style="list-style-type: none"> • 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 • in-work support to help sustain employment. <p>Programme Centres help participants to acquire and / or update job search skills to enable them to get a job. Participants should be able to demonstrate to potential employers that they are capable of undertaking and sustaining paid work.</p>	<p>Lone parents who youngest child is under 16 years, who are not working, or working less than 16 hours.</p> <p>Customers in the Pathways to Work areas and claiming incapacity benefit or other related benefits.</p> <p>Job ready customers claiming a working age benefit who have been looking for work for at least 26 weeks.</p>

ESF provision will add value to mainstream programmes in Cornwall and the isles of Scilly by:

- enabling capacity building for the development of local multi-agency delivery partnerships
- providing resources to ensure linkages to the Local Area Agreement, Strategy and Action (Cornwall and Scilllys’ Economic Strategy) and the development of the Sustainable Community Strategy
- targeting people who may not otherwise come forward to existing provision and supporting them through flexible and accessible means
- joining up mainstream and other provision into a single, coherent pathway to employment
- focusing on specific localities where there are particular difficulties for people wanting to return to work
- adding to the range of provision available or providing additional facilities already shown to be working in other parts of the region
- providing different or more intensive support to people facing greater barriers, alongside their involvement in the main domestic programme
- providing specific help to disadvantaged people to help them find and keep a job
- ensuring sustainability of work through post employment support and links to ongoing training and development activity

- providing support to employers through Local Employment Partnerships to complementing the help available to them through other DWP provision
- Enable good practice and lessons learned to be disseminated through contribution to a Convergence ESF communications strategy that can inform future delivery through the programme and the LAA

Section 3: Project selection and tendering arrangements

3.1 The methods of tendering to be used

3.1 The detailed commercial strategy and contract management strategy will be developed to ensure that the procurement process is transparent and conducted in full compliance with the Public Contracts Regulations 2006 and in accordance with best practice guidance from OGC. This provision has been identified as a 'Part B Service.'

3.2 Contracts will be awarded to prime contractors, who will be responsible for delivering and managing provision across Cornwall and the Isles of Scilly. This will involve having a number of varied and distinct sub-projects delivered by the prime contractor, both directly and through subcontractors. The sub-projects can be expected to address different key customers within the priorities, have different design and delivery features, and may require specific specialist expertise on the part of the subcontractor. It is expected that prime providers will work with a diverse range of organisations to ensure that the specific needs of eligible customers are met.

3.3 The tendering exercise will commence in October 2007, with a view to provision starting in June 2008. Contracts will be awarded to bidders 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. Contracts will be awarded to at least one prime contractor (probably 2-3) in each district through a two-stage approach. Government Office for the South West will work closely on an ongoing basis with DWP/Jobcentre Plus in Cornwall to develop local specifications

N.B. A detailed timetable for procurement is provided at Section 6.1.

3.4 Prime contractors will be required to:

- directly provide some customer-facing services;
- sub-contract some customer-facing services to other organisations with specific expertise or who can provide a service that is complementary to those of the prime contractor; and
- manage and monitor the performance and quality of the sub-contractors as well as aspects of their own performance in line with ESF requirements;
- meet the specific ESF compliance requirements, taking full responsibility even where aspects of this are delivered by the sub-contractors.

3.5 A prime contractor can bid to provide the service to any number of districts and this will provide them with economies of scale, helping them to deliver a value for money service. Further detail on the agreed evaluation criteria will be included in the Bidding Management Strategy.

3.6 Contracts will be awarded for a period of 3 years and could be extended for up to a further 2 years. DWP has standardised tendering documentation for use in the forthcoming contracting round to reduce the burden of completion on providers and to ensure a consistent approach across the country.

3.7 DWP will work with larger providers to ensure that they understand the need to achieve diversity in the delivery of ESF provision and that optimum use is made of the specialist services offered by smaller providers. DWP will facilitate the interface between prime contractors and sub-contractors through specific provider events and through the Supplier pages of the DWP website. PQQ and ITT events will be used to further stress to potential prime providers the absolute necessity to demonstrate close working arrangements with local providers to complement their activities and not duplicate current provision. It will be equally stressed that in order to be successful in delivery, organisations will require a good grasp of the needs of Cornwall and Scilly, and of the partnership structures and ways of working that have been developed in recent years.

3.8 All DWP contracts are let through fair and open competition, in accordance with public procurement policy and EU regulations. Opportunities to tender are advertised via a link from the 'Supplying DWP' website to the Jobcentre Plus website at www.jobcentreplus.gov.uk (Partners Home Page) and we welcome bids equally from the private, public, and third sectors. To this end we would look to encourage the involvement of third sector and other organisations by advertising more widely where appropriate, and ensuring ESF tenders are preceded wherever possible by briefing events to inform potential bidders of our intentions.

3.9 In line with government policy, DWP requires that all procurement of goods and services must be based on Value for Money, having due regard to propriety and regularity. Value for Money is defined as the optimum combination of whole-life cost and quality (or fitness for purpose) to meet the participant's requirement. Contracts will be awarded based on price-based competition. Costs claimed will be based on the price agreed in the contract, and provider claims for payment are validated using a risk-based approach.

3.10 Procurement will be undertaken by appropriately qualified staff. For all procurements Commercial Employment Provision (CEP) staff follow the procedures set out in the DWP Procurement Standard Operating Model and supporting guidance. This covers the general principles of procurement and provides detailed step by step instructions on correct procurement processes and best practice. The Standard Operating Model also incorporates specific guidance around ESF contracts requirements. In addition, all procurement is conducted in accordance with the wider Department for Work and Pensions Procurement Reference Manual, and best practice from the OGC. All DWP procurement staff act in accordance with the principles of Delegated Procurement Authority.

3.11 DWP/Jobcentre Plus staff in Cornwall will be involved in giving preliminary feedback on bids, for example on the strength of proposed partnership arrangements and the extent to which tenders fully address local circumstances and needs. This feedback will be considered by procurement staff together with other assessment criteria. They will also cover the extent to which the tender looks likely to enhance cooperation between relevant delivery partners over the lifetime of the CFO plan, leaving Cornwall and Scilly well placed to continue to tackle worklessness and related issues once Convergence funding had been fully invested.

3.12 Government Office will be consulted on the selection criteria to be used when assessing bids and one such evaluation criteria will cover whether local priorities are being met. ESF provision will also be subject to the standards laid down in DWP's Common Inspection Framework, which specifically looks at how ESF provision makes effective links with other organisations and partnerships

Section 4: Provider funding and monitoring

4.1 Describe how contract costs will be formulated

Contracts will be funded using the outcome-based DWP Funding Model. The specific features of this model include:

- price-based competition for contracts
- funding split into delivery and outcome payments with the ratio between these elements determined before the procurement stage
- a monthly delivery payment with tolerance levels (in case of no or very limited take-up)
- at least one outcome payment for gaining a job; and
- it will be possible to provide participant information to support all payment stages

4.2 Payment arrangements for providers

In line with government policy, DWP requires that all procurement of goods and services must be based on Value for Money, having due regard to propriety and regularity. Value for Money is defined as the optimum combination of whole-life cost and quality (or fitness for purpose) to meet the participant's requirement. Contracts will be awarded based on price-based competition. Costs claimed will be based on the price agreed in the contract, and provider claims for payment are validated using a risk based approach. It is anticipated that provider payment will be through existing DWP systems.

4.3 Any plans to reimburse project providers using actual costs (in exceptional circumstances)

We would not reimburse providers on actual costs in any circumstances.

4.4 Arrangements for monitoring ESF providers covering:

4.4.1 Project delivery and outcomes

ESF projects will be managed and monitored through the Department's Contract Management Framework (CMF). This sets out the processes for monitoring contracts via a risk based approach taking into account key elements such as contract compliance (including ESF requirements), performance and quality. The CMF takes the form of a Standard Operating Model to be used by all Contract Managers.

4.4.11 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 that the provider understands what they are required to do, to help the provider to deliver the contract effectively. It also includes a quality assessment questionnaire, which must 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 a robust communication strategy 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.

4.4.12 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.

4.4.2 Quality standards including how Ofsted recommendations will be addressed

4.4.21 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.

4.4.22 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.

4.4.23 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.

4.4.24 Providers 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 is judged 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.

4.4.25 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.

4.4.26 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 who are judged as 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.

4.4.3 Financial performance

The Financial Reporting and Control Team will identify cumulative spend for ESF and match on a monthly basis and report to the External Relations ESF team.

The ESF regional management team will monitor ESF financial performance data against profiles and report internally within the Region's governance process. They will use performance MI to help forecast likely delivery against profiled expenditure and financial data to identify adjustments needed to match funding and MI. They will assess with contract managers whether action to deliver performance improvement, contract variations, or adjustment of financial profiles with Government Office should be considered.

4.4.4 Audit

The current audit arrangement in DWP is a system-based approach on the Provider's internal systems conducted by Financial & Appraisal Monitoring (FAM) officers based in the Jobcentre Plus regions. DWP Work, Welfare and Equality Group (WWEG) Finance based in Head Office establishes and maintains the FAM policy, strategy and Standard Operating Model (SOM) including resource model.

4.4.41 In an audit, Providers are asked to complete a self-review of their systems in place for submitting valid and accurate claims. FAM verify the information given by selecting a sample of recent claims, ensuring that all the payment triggers specified in the Contracts are examined, checking the validity of the payments. Where payments are found to be unsubstantiated we would recover the funds from the Provider, informing the regional ESF management team of the amounts recovered. An Assurance level is awarded based on the findings of the audit. The Assurance levels awarded are reviewed in accordance with the FAM planning strategy.

4.4.42 From time to time changes may be made to FAM processes but changes will only be made in consultation with ESFD.

4.4.43 Where significant issues or risks are identified, WWEG may commission DWP Risk Assurance Division to undertake a formal internal audit of DWP/Jobcentre Plus processes to identify recommendations to mitigate the risks.

4.5 Provision of management information

Existing DWP/Jobcentre Plus IT systems will provide Management Information for both ESF and match funded participants as outlined in Annexe 2 below with, as previously agreed by the Managing Authority (DWP ESF Division), the exception of information on NEET participants and numbers of participants in work six months after leaving.

MI will be provided for business monitoring reporting purposes and supplied to support ESF financial claims.

4.6 Reporting performance to the regional ESF committee

Financial and management performance will be provided to the Regional ESF monitoring committee on a regular basis (for when the committee meets) to show how DWP provision is performing in relation to the targets that have been set and agreed.

Section 5: Cross cutting themes

5.1. How the CFO will promote equality and diversity and build equal opportunity into implementation

Our plan seeks to embrace diversity and equality by targeting resources on those people considered most disadvantaged in the labour market. For example, we plan to target, amongst others, people with disabilities, lone parents, and people aged 50 and over.

We aim to build on best practice developed through the Objective One programme where Jobcentre Plus has been a key member of the equal opportunities sub-group which has involved joint working with the LSC, Equality South West, the Regional Development Agency and specialist equality groups. Equal opportunities will be addressed at all levels of delivery from policy and practice of prime providers and their sub-contractors to specific monitoring of equal opportunities activities during project monitoring visits

Geographically, we intend to target resources in the areas where the overall benefit claim rate is highest, these include parts of Penzance, Camborne-Pool-Redruth, St.Austell, Newquay and Bodmin because we know that the majority of our region's people with disabilities and lone parents live in these areas, however we recognise that many disadvantaged individuals also experience rural isolation and will ensure that delivery embraces and addresses this.

Our plan also includes specific provision for people with learning disabilities to access real work opportunities, people with disabilities to enter and remain in work, support for parents to secure appropriate childcare, support for groups who are under-represented in the labour market, English language skills for people for people who's first language is not English and employer engagement to help employers recruit and retain a diverse workforce.

DWP/Jobcentre Plus will demonstrate commitment to equality and diversity by providing services that embrace diversity and promote equality of opportunity. Discrimination will not be tolerated on grounds of 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 subcontractors assist and cooperate with DWP/Jobcentre Plus to actively promote equality of opportunity for all persons irrespective of their, race, gender, age, disability sexual orientation or religion. DWP providers are 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.

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 that 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. 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 (DDA)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.

Through tender documents providers will be asked to give details of their knowledge of the particular needs of the customer groups included in the specification, and the services they require. Evidence must be provided on how their organisation has met the specific needs of those most disadvantaged, including disabled people, people with particular learning difficulties, and people from black and ethnic minority communities. Where providers do not have relevant experience they will be asked to explain how they plan to address this. 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 support 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. All projects will need to take account of the needs of people with disabilities.

5.2 How will the CFO support approaches to sustainable development including environmental sustainability

DWP/Jobcentre Plus will support 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. 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.

DWP have worked closely with ESF Division to ensure that sustainability will be an integral part of the procurement process. This will meet the challenge to deliver a comprehensive action plan to ensure supply chains and public services will be increasingly low carbon, low waste, be water efficient, respect biodiversity and deliver wider sustainable goals.

Sustainability will be considered at the very beginning of a potential contract let, and will continue to be used at various stages throughout the life of the contract. At regional level, DWP/Jobcentre Plus will ensure that sustainability issues are considered, and that targets and supporting action plans reflect sustainability aims.

We aim to develop an approach in keeping with the Sustainable Development Toolkit that was introduced in Objective One and followed up with providers on an annual basis

Projects supported by the European Social Fund, whilst helping to improve the employability of participants, should consider environmental or community impacts 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; and
- encouraging placements through local and charitable organisations.

ESF funded project staff will be able to access sustainable development workshops to help them with development and to develop their policy and sustainable development plans.

Section 6: Implementation

6.1 Key milestones for the first year of the plan (milestones would be reviewed annually):

PQQ published	03 /10/2007
Briefing events	End Sep/Oct 2007
Return of PQQ	02/11/2007
Bid assessment complete	30/11/2007
Announcement of short-listed bidders	03/12/2007
ITT published	03/12/2007
Provider workshops	Dec 2007
Return of tenders	04/02/2008
Tender assessments complete	14/03/2008
Announcement of preferred bidders	17/03/2008
PTC and contract award	07/04/2008
Delivery Commences	23/06/2008

Participant starts and results

ESF and Match combined

Quarter Ending	Jun 2008	Sep 2008	Dec 2008	Mar 2009	Jun 2009	Sep 2009
Starts Cumulative	0	500	1200	2000	3200	4000
Job Outcomes Cumulative	0	50	100	200	350	550

Quarter Ending	Dec 2009	Mar 2010	Jun 2010	Sep 2010	Dec 2010	Mar 2011
Starts Cumulative	5200	6500	7500	8300	8400	8400
Job Outcomes Cumulative	700	900	1200	1600	1800	2100

Section 7: Finance and targets

Annexed to the plan should be the agreed ESF and matched funding by year and the agreed output and results targets (for joint CFO plans, separate annexes for each CFO)

Annexe 1

Region	Cornwall and Scilly
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CFO and Plan Details (Separate Annexe for each CFO covered by the plan)

DWP 2007~2010

Financial allocation

Priority 4			
Year	ESF (£)	Public Match (£)	ESF + Match (£)
2007	Nil	Nil	Nil
2008	2,250,000	750,000	3,000,000
2009	5,250,000	1,750,000	7,000,000
2010	8,500,000	2,833,333	11,333,333
Total	16,000,000	5,333,333	21,333,333

Annexe 2

Region	Cornwall and Scilly
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CFO and Plan Details (Separate Annexe for each CFO covered by the plan)

DWP Plan 2007~2010

Output and results targets

Priority 4

Target	Quantification
Outputs	
Total number of participants	8400
1.2 Number and % of participants who are unemployed (a) Number (b) Percentage	4400 52%
1.3 Number and % of participants who are inactive (a) Number (b) Percentage	4000 48%
1.4 Number and % of participants age 14 to 19 who are NEET or at risk of becoming NEET (a) Number (b) Percentage	Is not applicable to DWP provision
1.5 % of participants with disabilities or health conditions	27%
1.6 % of participants who are lone parents	8%
1.7 % of participants aged 50 or over	30%
1.8 % of participants from ethnic minorities	1%
1.9 % of female participants	51%
Results	
1.10 Number and % of participants in work on leaving (a) Number (b) Percentage	a) 2100 b) 24%
1.11 Number and % of participants in work six months after leaving	Agreed with ESFD we will not be able to provide this data
1.12 Number and % of economically inactive participants engaged in jobsearch activity or further learning (a) Number (b) Percentage	a) 1800 b) 45%
1.13 Number and % of 14 to 19 year old NEETS or at risk in education, employment or training on leaving (a) Number (b) Percentage	Is not applicable to DWP provision