ESF Skills for Growth Specification
Reskill & Upskill for the Digital Industry

Change Log

Version	Date	Author	Section	Changes

GMCA GREATER MANCHESTER COMBINED AUTHORITY

European Union
European
Social Fund

Contents

Annexes

Annex #	Title	Contents
Annex 1	Data set requirements	A list of data items required related to individuals before, during and after delivery.
Annex 2	GMCA Performance management and compliance framework	A description of how performance will be managed and improvement action to be taken if necessary.
Annex 3	Information Governance	Information Governance requirements and guidance in relation to the specification.
Annex 4	Values and Standards	A description of the policies and plans Providers should have in place to meet required values of delivery.
Annex 5	ESF Skills for Growth outline	A description of the overarching ESF Skills for Growth programme.
Annex 6	Glossary of Terms	A list of terms used in the specification and annexes, and their definitions.

1. Introduction

Greater Manchester Combined Authority (GMCA) is looking to procure a lead organisation to deliver a Digital Industry Training package, which forms part of the commissioned provision element of the wider ESF Skills for Growth programme.

The Greater Manchester Digital Blueprint[1] sets out GMs ambition to be recognised as a world-leading digital city region. This is reaffirmed in the **GM Local Industrial Strategy** which prioritises developing digital skills across GM's frontier sectors. A key aspect of reaching Greater Manchester (GM)'s growth and recovery ambitions is upskilling individuals already working in the digital industry or supporting individuals to transition into these roles. Employers have reported significant challenges they are facing related to either gaps in existing workforce skills or hard to fill vacancies that require specialist digital skills. In this specification we provide an overview of these challenges and seek to respond with the activity being commissioned.

This specification will not be the totality of provision needed to support this sector; it instead focusses on specific specialist digital skills needs that have been identified at present. Although there are wider digital skills needs identified across many of GM's employers, this specification focus' on the technical skills needed in technical digital roles at L3+.

As this specification sets out, **we are commissioning up to £4m in Reskilling and Upskilling for the Digital Industry to be delivered before September 2023. This will deliver 2 training strands to upskill a minimum of 2000 individuals (across both strands) with new digital competencies across a range of roles**. There will be 2 training strands which have been identified working in partnership with employers:

- Training Strand 1: Digital Reskill (retraining individuals into digital roles)
- Training Strand 2: Digital Upskill (upskilling individuals already in digital roles)

Although we are looking for one single lead organisation, due to the various specialist strands of training to be delivered and the close links required with the digital market, it is expected that an application will be a partnership with various stakeholders coming together to deliver different aspects of the above training strands.

Applicants will need a good understanding of the challenge's employers are facing in this industry, as well as a proven track record of delivering Digital skills at this level.

GM has secured approx. £40m European Social Fund (ESF) to deliver GM's Skills for Growth Programme. An overview of the full programme has been provided in order to set the scene for how the Digital Industry Training package, being procured through this specification, fits in to the wider model (see Annex 5). The main aim of the programme is to create both business growth and progression for individuals in work.

The Skills for Growth programme is purposefully iterative in its development and commissioning, the aim of which is to put GM in a unique position to build a truly collaborative programme that shapes skills delivery and responds to skills needs that emerge throughout the 3 year programme.

The Skills for Growth programme provides an opportunity to support businesses as they rapidly develop and innovate to maintain and create economic activity and jobs, with a focus

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[1] The Greater Manchester Digital Blueprint, Jan 2020

on increased productivity through developing the skills of their workforce. Previous to the pandemic, the foundational and frontier growth sectors identified in GM's Independent Prosperity Review (IPR) and Local Industrial Strategy (LIS) were key priorities for this programme in the city-region. Skills provision in these areas continues to be just as, if not even more, critical to GM's recovery from covid-19. Provision commissioned though Skills for Growth will add value to existing digital skills provision and particularly complement skills bootcamps. Its focus on upskilling people that are in-work and therefore fills a key gap in the marketplace.

2. Strategic Background

Skills underpin every facet of life in GM, from running the businesses our economy needs, to building the homes we live in and delivering the public services we rely upon. As set out in The Department for Education's January 2021 Skills for Jobs White Paper & subsequent Skills & Post 16 Education Bill both nationally and in GM, there is a pressing need for more highly skilled people than ever before, trained effectively to grow the economy and raise productivity.

Our underpinning strategies, the Local Industrial Strategy (LIS) and the Greater Manchester Strategy (GMS), recognise the critical role of effectively targeted and delivered skills investment in unlocking and enabling economic growth, with a system built with the employer voice and skills requirements at the heart. Both strategies together with the GM Employment and Skills Advisory Panel's Local Skills Report & Labour Market Plan, recognise the central role of skills in determining an individual's employment status and prospects, along with the necessity of a skilled workforce in driving overall economic growth and productivity.

GM needs an education, skills and employment support system that works for everyone, as set out in the priorities within the GMS:

- Young people equipped for life and work

- Good jobs with opportunities for people to progress and develop

- A thriving and productive economy in all parts of the city-region

The GM skills system is facing several challenges both now and into the future. The full impact of covid-19 and of Brexit on the labour market are yet to be seen, however, GM businesses will need to continue to adapt to new models in order to survive, which in turn will impact the skills needs within our workforces. Greater international competition, the impact of climate change and faster technological change will put many roles that exist today at risk. However, with these challenges comes a myriad of new opportunities for the city-region. GM's economic strength now is in its diversity: in contrast to many other cities in the UK, the city-region is not reliant on a single sector for growth and that offers real opportunities for both business and residents. All of GM's skills and work programmes form part of a broad and complex skills landscape contributing to the talent pipeline which supports that economic growth.

Forecasts suggest greater demand for higher-level technical and specialist skills in the future. To realise our ambitions for GM as a dynamic, inclusive and knowledge-intensive city region, GM's skills base must improve, particularly in those sectors identified as a priority for the city-region. Despite recent progress and the commitment, expertise and enthusiasm of providers and stakeholders, the current skills system does not deliver enough people with high quality, relevant skills and, at higher levels, the technical knowledge required by employers.

Within the GMCA Education, Work and Skills Directorate, we are committed to strengthening employer engagement, developing the work and skills infrastructure to meet the needs of the economy and growing the quantity and quality of Apprenticeships and wider skills interventions. We are looking to reinforce the importance and value of businesses in the development and delivery of skills, engaging with the skills system to provide meaningful experiences of the world of work and ensuring that the skills needed for growth and increased productivity are co-developed with businesses.

3. ESF Skills for Growth Programme Overview

The Skills for Growth programme is being funded by ESF and therefore seeks to respond to the ESF priorities as set out in Annex 5, where a full overview of the programme can be found. This specification and the resulting commission contribute to the skills delivery element of the programme and is one of many that will take place in the coming months, as the intelligence emerges.

The skills delivery element of the programme is focusing on increasing the skills levels of employed people, increasing the number of people with technical and job specific skills, and increasing skills levels of priority groups (see below). More than 50% of individuals accessing the programme will need to evidence progression.

The programme as a whole will work with more than 25,000 individuals and more than 3,000 SME's prioritising the following target groups as a minimum:

- 54% of individuals to be female

- 17% of individuals over 50 years of age

- 20% of individuals from ethnic minorities

- 10% of individuals with disabilities

- 5% of individuals from a single adult household with dependent children.

Working with employers, business networks, providers & colleges, industry intelligence is being used to inform highly relevant commissioning of skills delivery through a procured framework of approved training organisations, GMCA's Education, Work and Skills Flexible Procurement System (FPS).

The programme will be iterative in its delivery, in that a constant feedback loop will be created to inform next steps on the programme as intelligence and further learning emerges. York Consulting have been appointed as the evaluation partner, their findings throughout the programme will play a key role in informing our development of the programme.

4. Eligibility of Individuals

Individuals accessing the programme will need to meet the ESF eligibility criteria and responsibility for collecting evidence on individuals (at entry to the programme), results and outputs will be the procured providers'. Please see guidance on ESF data Evidence requirements for more detail on evidencing.

The programme will have a core focus on supporting those **employed and in work**, definition as per ESF guidance. The programme does not exclude working with those that are

unemployed in some exceptional circumstances (e.g recently left employment). This will be subject to individuals' circumstances and case by case approval from the GMCA.

In line with the ambitions of the programme the aim is to reach as many individuals as possible across GM with the packages of skills support on the programme. Therefore any individual claimed through the programme may only be claimed once, as a unique individual (see section 13 for further details on tracking individuals). Therefore it is expected that the provider will work with the individual to help them choose the correct training strand and individuals will only complete one of the training strands each, however in the exceptional circumstance an individual may want to complete more than one strand prior approval will be needed from the GMCA programme office.

In addition to the ESF eligibility, individuals will also need to evidence at entry to the programme the following requirements. They:

- Must be in work at time of entry to the programme (in work with a zero hours contract, furloughed, in work claiming Universal Credit and self-employed are all considered eligible), or unemployed with prior approval as mentioned above.
- Must have the baseline level of Maths, English, and Digital literacy as well as the correct attitudes & competencies to complete the course. We would expect to see an initial assessment process designed with strong input from employer partners.
- Must be able to evidence right to work and live in the UK
- Must be aged over 16.
- Must live and/or work within Great Manchester (individual's residency or employer's trading address must be on the approved postcode list provided on the tracker system mentioned in section 13)

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5. Priorities for Digital, Creative and Tech Sector

The Greater Manchester Digital Blueprint[2] sets out GMs ambition to be recognised as a world-leading digital city region. This is reaffirmed in the GM Local Industrial Strategy which prioritises developing digital skills across GM's frontier & foundation sectors. Intelligence gathering with the industry will be ongoing, but the first phase of skills intelligence has been pulled into "Digital Industry Labour Market and Skills Intelligence Report". This reflects the voice of employers in the industry on what is required to address skills gaps.

It is expected that applicants will have read and understood the Digital Industry Labour Market and Skills Intelligence Report – as part of responding to this bid. As well as having clear industry insight over and above the content of the report and a track record of working with employers to develop training that meets the demand for specialist digital skills.

The below intelligence summarises the following aspects of the report:

- Current state of GM Digital, Creative & Tech Industries
- Understanding of the shifts in the sector
- New skills and competencies required for digital roles

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[2] The Greater Manchester Digital Blueprint, Jan 2020

- Priority occupations with identified skills gaps

The digital industry in Greater Manchester is incredibly varied with many different sub-sectors, sizes of businesses and cross cutting skills needs. Current intelligence tells us:

- Greater Manchester is home to the largest digital and creative cluster outside of London, already world-renowned and creating £5 billion of economic activity through high value jobs each year and employing more than 86,000 people.
- Manchester has a thriving community of more than 10,000 digital and tech businesses, from start-ups and SMEs to global brands including Google, Microsoft, IBM and Cisco – as well as numerous homegrown unicorns that IPO above $1 billion.
- The GM Local Industrial Strategy identifies the potential to create internationally significant clusters in broadcasting, media, content creation and cyber security alongside driving industries of the future through new sectors like e-commerce.
- Covid-19 has proved a catalyst for digital transformation across all sectors of the economy. This is driving demand for new skills particularly in SMEs including, sales and marketing, data and cloud, leadership and management and digital literacy.
- GM has in place a thriving digital skills ecosystem and significant public/private investment has gone into talent development initiatives in recent years including £5m into digital bootcamps. Much more provision is needed to meet the scale of the need.

To improve the productivity of the entire GM Economy and to continue to support growth among GM's Digital, Creative & Tech Industry skills development is crucial. Therefore, this specification aims to address the following priority workforce skills needs:

- Employers in GM are looking for a wide range of digital skills ranging from technical skills such as software and data, to creative digital skills required to create innovative content right through to new and emerging skills that are disrupting industry such as blockchain and AI. GMCA have worked with Manchester Digital to articulate the different sub sectors within the digital industry in GM and the relevant jobs and progression pathways. (See figure one below for the ten occupational clusters).
- The region has skills shortages at scale across several areas of technical skills including software development, network engineering, cloud engineering, data analysis and cyber security and more provision is needed. For example, in June 2020 jobs in software development accounted for 47% of all digital vacancies.
- The pandemic has proved a catalyst for digital transformation across all sectors of the economy. This is driving demand for new skills in SMEs particularly, sales and marketing, data and cloud, leadership and management and digital literacy.
- Employers are particularly struggling to fill mid-senior level digital level roles pointing to the need to put in place more opportunities for entry level talent to progress. Employers were keen to emphasise the dedication and resilience needed to continue to learn, build networks and stay abreast of developments within the industry.
- Looking to the future Artificial Intelligence and machine learning will transform the world of work and the jobs people do. There is an increasing need for our workforce to keep up to date with the latest technological trends and quickly upskill. Internet of Things, Blockchain, Big Data, 5G and Augmented Reality to name just a few.
- There is a strong need to improve the diversity of the digital industry – businesses constantly cite that a range of perspectives, skills and life experiences make for the most productive types of businesses and decision making. For example, according to

Manchester Digital's Annual Skills Audit; women account for just 32% of the digital workforce reducing to 16% when looking at technical roles.

- It is important to recognise that digital skills requirements look different in the different boroughs and neighbourhoods where our businesses are based. Salford and Manchester have significantly higher proportions employed in digital and creative industries than nationally. There are also several smaller clusters right across the city region from the creative cluster in Ramsbottom to Ashton Old Baths in Tameside.

Figure One: 10 Digital Occupational Clusters developed with employers. More detail can be found in Appendix A which sets out the occupational clusters in more detail.
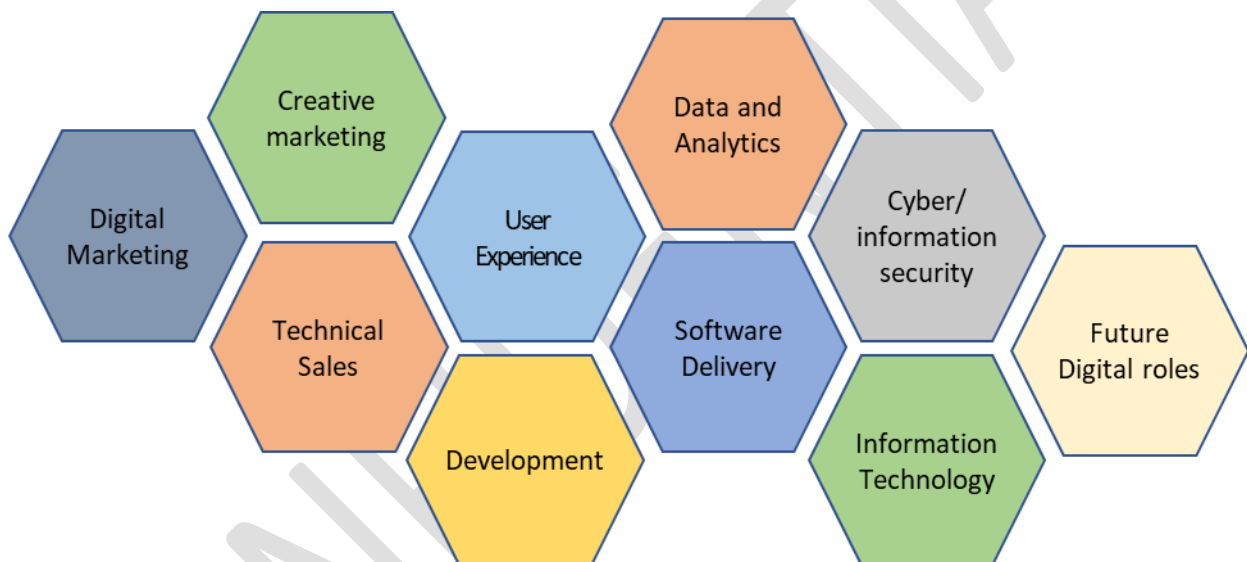
GMCA has heard from employers of all sizes and is very aware of the challenges they face in recruiting a skilled workforce. This includes:

- Despite the existence of occupational maps nationally there are challenges faced in creating clear progression pathways in certain digital roles. This tends to be due to; a lack of professionalisation of roles in some sub-sectors of digital, overlapping digital skills and competencies required and fast-moving technology, job roles and skills needs.
- Alongside technical skills employers were often struggling to source a particular set of competencies and attributes. These include being self-driven and tenacious, the ability to bring new ideas and communicate problems simply, personal organisation & willingness to learn.
- Despite significant efforts over recent years there is still a real challenge around improving diversity which is placing limits on the pool of skilled talent entering the industry.
- Skills provision is often not matching the needs of digital employers. They often cite there is not enough emphasis on hands on experience and building a portfolio of work to demonstrate the technical/wider skills gained. Bootcamps have started us on this journey.

It will be expected that applicants will have a good knowledge of successful digital training programmes and are able to demonstrate this knowledge throughout their bid.

6.	**Digital, Creative & Tech Skills – Scope, Design and Delivery**

This skills specification responds to the skills action plan as set out in the "Digital Industry Labour Market and Skills Intelligence Report". These training strands will support employers and employees in the digital industry across Greater Manchester.

There will be two key focus areas to the overall training package, all awarded to one lead provider. However, GMCA recognises the specialist nature of the training need and the need to closely work with specialist providers and therefore strongly encourages innovative models which encourage collaboration and partnerships with specialist organisations.

The training packages outlined below are a **minimum** guidance and the design of the programmes are down to the bidding partnership.

1. **Digital Reskill:** Supporting people that are "in-work" across all sectors to retrain into a digital role e.g., a customer service assistant retraining to become a data analyst. These courses should help people to develop sector specific skills that are in demand locally with strong employer involvement in designing and delivering the training and the aim of supporting them into a more technical role.

2. **Digital Upskill**: Supporting people that are already employed in digital roles who need to learn new skillsets to progress at work and meet an employer need e.g. a software developer that needs to learn a new programming language. We are open to a wide range of content, modes of delivery and programme lengths to meet a range of needs. Interventions may include particular methodologies e.g. agile, learning new technical skills e.g. a new data analysis package or learning new forms of creative content.

We are leaving it up to providers in consultation with employers to determine the structure of the training package, but we would expect both strands to feature.

All training elements should take into account the following key principles:

- We expect to see **strong employer involvement**. Training should be designed by or with employers to ensure that the training is relevant to employer need.
- Training should **be appropriate for businesses of all sizes** (and their employees) and this should be reflected in the design of the marketing and training delivery model.
- Training should be **accredited where that is important to employers**. Where there is no formal qualification requirement for the proposed training, evidence should be submitted to demonstrate the competence the learner will achieve and what evidence the learner needs to demonstrate the competencies developed.
- Training will be targeted at **upskilling individuals** that are currently employed (though not necessarily in the digital industry), some of which will hold existing qualifications.
- As different parts of this training are aimed at individuals with varying levels of experience, the provider will **design training around these needs** and consider what is appropriate for the different cohorts targeted. This may include additional wrap around support to ensure learners are ready for the training strands and post training support to aid progressions.

- As this training is aimed at, individuals that are in-work across a range of sectors and occupations we expect to see **flexible delivery models**. Consortia should be creative about the duration of courses, intensity, place/mode of delivery to best meet the needs of candidates with differing circumstances & recruiting employers.
- It is expected that a **blended approach to delivery** will be suggested by applicants and this should be designed around learner needs and focused on **removing barriers to engagement** and providing flexibility and building in COVID restrictions.
- Bids should show awareness of **inclusivity, accessibility,** and the importance of **diversity** in the way their training will be delivered.
- All delivery should show aspects of helping the individual **embed their learning back into their organisation** through activities like workplace projects.
- The successful organisation will be expected to **generate referrals into their programme** to achieve the numbers set out in the Critical Success Factors, by engaging with the SME Support provider, GM Businesses, employed individuals as well as various other referral routes as identified in Annex 5 – ESF Skills for Growth outline.
- Linked to the above it is expected that the successful applicant will make their **own links with employers** and be able to provide existing evidence of links/partnerships to strengthen their delivery from the outset
- **Progression is critical** and therefore makes up a key part of the critical success factors outlined in section **7**. Providers will be expected to show how they will support that transition e.g. mentoring, supporting employers with onboarding etc.
- The successful applicant will be expected to carry out specific marketing and outreach activity to generate interest from the different groups which need to be targeted. This will likely involve **proactively running targeted activities and events to reach the appropriate audiences and promote the importance of skills development**.
- It will be expected that the successful applicant will continue to **share learning with the Programme Office through regular meetings and engagement** to ensure learning from this package continues to develop understanding around high quality skills delivery and supports GMCA in delivering wider skills plans.
- It is expected that applicants will **consider existing national and GM initiatives** to prevent duplication and to ensure training meets the needs of the sector.

Training Strand 1: Digital Reskill	
Objective	This training package is about reskilling individuals for roles that require specialist digital skills. Building upon learning from the digital fast track. The objectives of the training are as follows: • Address locally identified digital skills gaps; supporting employers to recruit and retrain their staff into hard to fill vacancies requiring specialist digital skills and improve productivity. • Building capacity amongst employers to co-design & co-deliver training in a way that is agile and aligns sharply with the specialist digital skill requirements of local employers. • Supporting GM residents to undertake training which will result in better quality employment in digital roles both within digital companies and across all sectors e.g. finance, health, manufacturing etc. • Diversify the digital talent pipeline by targeting groups that are currently under-represented in digital roles and designing flexible training programmes to meet their specific needs.

	As a result, GMCA expects individuals to retrain and reskill into a variety of digital roles progressing their careers and addressing skills shortages in businesses.
Accreditation	Training provision does not need to be qualification based or accredited though it can be if that is important to employers. Training should broadly be pitched at Level 3 or above though consortia should ensure that participants are equipped with the right foundations either prior to the course or as part of the course itself. To promote progression consortia should refer to the Institute for Apprenticeships Occupational Maps and where possible align with these as they set out the knowledge skills and behaviours required for digital occupations.
Suggested programme model.	These courses should last approx. 8-16 weeks, including a blended learning approach that fits around peoples existing roles. This provision is designed for people in-work and therefore it must be flexible enough to fit with participants existing commitments. The hours of learning should be appropriate to the level of learning.
Who is this training aimed at?	A range of individuals working in businesses across sectors that need specialist digital skills particularly those undergoing a digital transformation. Delegates should be in-work, have a baseline level of digital skills and interested in a career in the digital industry.
Volumes	Based on intelligence about skills gaps in the digital industry, GMCA estimates a reasonably high level of demand for the Digital Industry Training Package. The overall training package should be delivered to 2000 delegates, with this strand making up a proportion. We are leaving it up to bidders to decide how this breaks down across the two strands, however a minimum of 30% of total individuals should complete this strand.

Training Strand 2: Digital Upskill	
Objective	Employers in the digital industry report significant workforce skill gaps due to the significant pace of technological change. Often staff have trained in a certain area but need a 'jigsaw of digital skills' to be fully productive. This could mean applying a new methodology such as language, building technical skills by learning a new programming language or building skills in a different type of creative content to take on more work e.g. podcasting as well as video editing. The objective of this programme is to upskill staff already working in digital roles; addressing sector skills gaps and equipping individuals with the 'bolt-on' skills they need to progress.
Accreditation	Training provision does not need to be qualification based or accredited though it can be if that is important to progress within a particular sector/occupation.
Suggest programme model.	These courses should last up to 1 week each, including a blended learning approach that fits around peoples existing roles. The hours of learning should be appropriate to the level of learning.
Who is this training aimed at?	A range of occupations, including employees, management, and business leaders in the digital, creative & tech industry. We expect the majority of delegates to come from SMEs across a range of sectors that have a need for specialist digital skills. GMCA would particularly like to reach the SME community who may not be engaging with the skills system and could benefit from this type of flexible training. We expect the successful provider to work with SME Support and relevant digital leadership programmes to promote the value of upskilling to business leaders.
Volumes	Based on intelligence about skills gaps in the digital industry, GMCA estimates a reasonably high level of demand for the Digital Industry Training Package. The overall training package should be delivered to 2000 delegates, with this strand making up a proportion. We are leaving it up to bidders to decide how this breaks

	down across the two strands, however a minimum of 30% of total individuals should complete this strand.

*Please note although the minimum volumes under each strand have been set out in this specification, GMCA reserve the right to increase these should evidence and demand emerge that higher volumes are needed. In this occurrence GMCA will use the contract extension allowances as set out in section 9 to increase the contract value in line with the higher profiles and agree this with the successful provider.

7. Critical Success Factors

The **critical success factors** and targets associated with this programme are listed below and would be seen as the **minimum requirements** for successful delivery.

As outlined in section 6

- A **minimum** of 2000 individuals to **complete** skills package in either:
    - Training Strand 1: Digital Reskill
    - Training Strand 2: Digital Upskill
- A minimum of 50% of all individuals to progress, as per ESF outcome definitions:
    - R7 – Individuals gaining level 3 or above or a unit of a level 3 or above qualification
    - R8 – Employed individuals gaining an improved labour market status (applicable to both females and males for this contract)
- The successful provider must be able to demonstrate how it will make an ongoing effort to reach the minimum target groups for individuals, as per ESF definitions:
    - 54% of individuals to be female
    - 17% of individuals over 50 years of age
    - 20% of individuals from ethnic minorities
    - 10% of individuals with disabilities
    - 5% of individuals from a single adult household with dependent children.

- The proposed delivery model and engagement should reflect the priority groups and ensure equality and accessibility to this sector.

- All outputs must be **compliant with ESF funding** requirements and claims. A draft provider guidance will be provided on award of contract.

- Monthly **qualitative and quantitative** reporting to GMCA to monitor performance and compliance. The qualitative data will also support the intelligence gathering and future skills commissioning on the programme.

- A clear **marketing and engagement** strategy that should:

    - Outline how you will target the priority groups outlined above.
    - Set out how you will work with various partners across the digital and tech sectors. Promoting and engaging individuals and businesses in the programme (GMCA has already engaged with many partners in order to inform this commissioning, therefore the successful provider will be expected to engage

with some of these key stakeholders, including the digital and tech market itself, as well as continuing to build their own stakeholder network and referral routes.)

- o Produce a minimum of 1 case study each month, to be signed off by GMCA Programme Office and made available for sharing wider to promote the programme.

8. Reporting

To meet ESF standards as set out in section 4 & 7 as well as GMCA requirements, we will expect to see:

- Clear reporting built into the programme at intervals in line with the payment model.

- Reporting which meets ESF requirements.

- Reporting against outputs outlined in payment model to the programme office on a monthly basis, in order to make the claims as per the payment model.

- Clear stakeholder engagement with regular engagement and reporting of delivery across GM.

- Continuous Evaluation: as part of the model the Skills provider will be expected to evaluate the support they have provided to the individuals and gather feedback that informs future delivery to improve their service. As part of both the evaluation work and comms, case studies and examples will be expected at regular intervals.

- Programme evaluation: GMCA has appointed York Consulting as our evaluation partner to evaluate the programme in its entirety, therefore the Skills provider will need to work with the evaluator and report the required information. All individuals will be asked to give consent for the evaluation partner to contact them and will need to do this in order to access the programme.

9. Timescale

Delivery is expected to start no later than end of October 2021, enrolments must finish by end of March 2023, all contract activity and support must conclude by the end of September 2023.

Bidders are expected to complete the financial template at Appendix A to profile their activity over the duration of the contract. We expect a significant proportion of enrolments to happen before October 2022.

Exceptional performance may result in discussions around extension option being implemented. In this instance GMCA will use the ongoing reports to monitor and agree with the provider any extensions to volumes available.

10. Budget

The maximum budget for this package is £4m. The bidder is expected to complete the financial template as provided to break this down into the above training strands in line with the below payment model.

The payment model for this programme is payment for results, however an upfront service fee has also been made available to assist with mobilisation and delivery costs. Bidders are asked to read and submit the financial template where they can submit their own intended volumes and unit prices per strand. The critical success factors set out in section 7 above are the **minimum** volumes expected.

Service fee

As this commission is an innovative model, we are anticipating the provider who is delivering will need to complete some upfront development work on the package, and will therefore make a maximum of 30% contract value available as an upfront service fee, this is inclusive of the £4m available. The service fee has been designed to help with the development work and mobilisation of the contracts, ensuring quality can be delivered without some of the constraints of a purely payment by results model. The service fee is not a management fee.

The service fee can be drawn down every quarter following contract award at a maximum of 30% per quarter (a maximum of £200,000 per quarter) for 6 full quarters. First payment will be made on contract award, following this a quarterly contract review will take place and service fee will only be payable upon performance being satisfactory. GMCA reserve the right to withhold the service fee in the event of performance being lower than 80% cumulative, across all critical success factors, which will also trigger the performance management framework as set out in Annex 2.

Payment for results

The remaining 70% of the payments will be paid upon successful completion and verification of claims to the programme office on a monthly basis. Claims can be made **per individual** at the following points:

- **Enrolment – 10%**
- **Completion – 50%**
- **Progression in qualification or in work – 40%**
  - **Progression in qualification –** (As per ESF definition: R7 – Individuals gaining level 3 or above or a unit of a level 3 or above qualification, where training is non accredited L3 equivalence will need to be evidenced)
  - **Progression in work –** (As per ESF definition: R8 – Employed individuals gaining an improved labour market status, this does not just apply to females on this contract.)

The bidder must provide a monthly forecast profile of the volumes they intend to complete, using the financial template provided, a minimum of 2000 individuals must complete their skills package (as broken down into strands in section 6) – with performance against this profile monitored by GMCA, in line with GMCA's performance management framework as set out in Annex 2.

The successful organisation will be paid monthly in arrears for results at a fixed unit cost per unit as specified in the provider's financial submission. Monthly payment will vary dependent on actual performance achieved. Payment will be based on the submission of an invoice with supporting evidence.

For all payment components GMCA will undertake validation against both contractual and ESF requirements of provider evidence (financial and individual records) prior to releasing payment within our 30 day payment terms.

12. Performance requirements

The provider will be required to report performance to GMCA monthly. GMCA will also build in quarterly review points in line with the service fee payment points to assess the delivery and performance and reporting requirements.

The aim is to ensure the Provider meets the performance levels that make up the critical success factors and targets listed within this specification (listed within section 7 of this document). This will be monitored through activities such as the monthly performance report, six monthly review, audits, and monthly claim.

The critical success factors, targets and ESF requirements will be referred to in the performance management framework as Minimum Service Delivery Standards (MSDS) and where required the Programme Office will take formal actions against the Provider, where they do not meet such performance levels and MSDS.

Further detail regarding the performance management framework and levels of performance management can be found in the Skills Delivery Provider Guidance.

13. Data collection & GM Individual Tracker (GMIT)

As part of the wider programme GMCA has designed and procured an individual tracker system which the provider will be required to use to manage their claims and performance submissions monthly to the GMCA Programme Office.

The GMIT system is a bespoke built system commissioned for the purpose of Skills for Growth programme delivery.

The system uses a cloud-based AWS server hosting the database. For security the server will be fully encrypted, password and user protected with automated alerts to identify unauthorised system access.

The aim of the system is to create a centralised database that all skills delivery providers will input the data information regarding each individual to generate the individual record of the participant accessing the provision of learning.

The Programme office will access the GMIT system to verify individual information from the skills delivery provider to enable the monthly payment for services/ provision to be made.

GMCA will need to make claims on a quarterly basis to ESF and this will include anonymised individual information. The GMIT system will generate these reports for ESF to make the claim and generate the necessary documentation and reports for ESF inspection.

GMCA require the system in place to track the individual through the programme and to support the generation of reports of performance in line with ESF outputs. Which will enable GMCA to monitor the success of the programme, skills delivery provision and have a constant overview of delivery and performance.

The functionality of the GMIT system, reporting and data within the system will be of benefit and support to the provider within their own operational delivery of the contract.

The system will be used to audit the skills delivery provider to check quality and compliance of individual records. The system will allow for ease of access from the GMCA Programme office for spot checks and notified audits/ inspections.

GMCA have designed the system with providers in mind using data items from ESF requirements and similar large-scale programmes.

It is required that the GMIT system can "talk" to the skills delivery provider's CRM system to populate information within the system.

If the skills delivery provider cannot enable this "talk" or does not have a CRM system in place, manually inputting to the GMIT system will be required.

Although the GMIT system is in the early phase of design and implementation we expect the successful provider to use the GMIT system on award of contract from day one delivery to submit claims and performance data.

On award of this contract the provider's IT systems and team will need to work alongside the GMIT software provider to ensure compatibility of systems.

GMCA will provide full guidance, log ins/licenses and user training to access the system and bear all costs on behalf of the provider.

The GMIT provider has a service/help desk resource to support the provider and GMCA with errors and troubleshooting issues to ensure that the system maintains functionality and does not impact on delivery or monthly claims being made timely.

GMCA asks the providers to work collaboratively with GMCA and the GMIT software provider to develop the newly implemented system, including and not limited to feedback on functionality, user experience and bug fixes.

The provider will be actively encouraged to participate in meetings with GMCA and the GMIT software provider to move the system forward in its development.

The GMIT system will be within early use stage on award of contract. The provider can expect over the course of the initial 3-6 months for further functions and design requirements specified by GMCA to be implemented. At each update and development stage GMCA will ensure the skills delivery provider is notified and communicated on these updates.

14. Monitoring and compliance

The GMIT system will be the key reporting mechanism for all individual activity, evaluation and compliance. This will be completed by the provider and be used by the GMCA Programme Office and the appointed evaluation partner to monitor performance and assess the impact of the programme. A draft copy of the data set can be found in Annex 1. This is an example of the minimum data we will require but is not the definitive list, provider will be expected to work with GMCA to develop the final working version.

The GMCA Programme Office will undertake regular verification and compliance visits to test systems, processes and compliance against both contractual and ESF requirements.

This will include the sampling of the individual records (paper or electronic) via GMIT. This includes eligibility, detailed plans being completed, evidence of follow ups, supporting evidence to verify outputs and outcomes and all other delivery standards required to ensure compliance across all aspects of the contract.

The GMCA Programme Office will undertake regular sampling to ensure claims made, based on monthly submissions, meet the contractual requirements.

The Provider is expected to have the necessary remote IT infrastructure to enable GMCA to carry out centralised checks of the Provider's systems.

The sample of records to check will be selected randomly using a method chosen by GMCA Programme Office (% to be confirmed at contract award). The frequency and size of the samples may change throughout the contract period. All issues arising from compliance checks will be reported to the Provider. Contract review meetings with GMCA Programme Office will include discussions around compliance issues.

The Provider must permit access to all relevant documentation (paper or electronic) in relation to the provision for inspection and audit by the GMCA Programme Office Team.

The provider is required to maintain a robust system of internal control which must include appropriate checks, monitoring arrangements and adequate records to demonstrate that you are entitled to make the claim. The records maintained need to be sufficient not only to support a claim for the outcome, but also to allow internal management checks and scrutiny from other external bodies - including the ESF Managing Authority.

The provider is required to make this evidence available for testing by the GMCA Programme Office and other external bodies when requested, and it must be retained in line with the ESF Operational Programme 2014-20 Guidance.

The GMCA Programme Office may undertake additional checks to complement those listed above by looking more in depth at individual cases. The checks will seek assurance that the Provider is addressing the business needs and requirements, and to test that the approach is in line with the Contract.

The GMCA Programme Office may also undertake "deep dives" into specific areas to understand where there are specific areas of weakness. This includes using Open Book Accounting.

The Provider will be expected to participate in both regular performance management and quality meetings. The meetings will be conducted in the spirit of co-design for the purpose of continuous improvement, but the commissioners reserve the right to terminate the contract, in line with GMCA performance and management framework, if performance is consistently low.

Open Book Accounting

GMCA reserves the right to use Open Book Accounting to review the financial operations of the successful provider in delivering the service.

As part of the Cabinet Office Guidance on Open Book Contract Management in Public Sector Contracts, there will be a six-monthly Contract Review between the supplier and GMCA Finance and Operational leads.

Open Book Contract Management is a structured process for the sharing and management of costs and operational and performance data between the Provider and GMCA. The aim is to

promote collaborative sharing of data between parties as part of financial transparency. The outcomes should be a fair price for the Provider, value for money for GMCA and performance improvement for both parties over the life of the Contract.

15. **Organisational Experience**

The Provider must ensure and be able to demonstrate that the employees with responsibility for delivering any element of the provision have experience, skills and, where appropriate, qualifications that are relevant to the type and scale of the provision offered.

The Provider must ensure and be able to demonstrate that the management structure is of sufficient size, is organised appropriately and is supported by administrative systems and any other infrastructure necessary to effectively manage and deliver the provision from the implementation phase of the contract.

The Provider must have the capacity to operate flexibly, responding to emerging evidence as the programme progresses.

The Provider must provide recruitment plans at regular intervals. The Provider must immediately inform the Programme Office of any staff absences with mitigation plans that will impact on the delivery of the programme.

The provider is expected to comply with GMCA's values and standards as described in Annex 4.

16. **Evaluation**

GMCA has appointed York Consulting as our external evaluation partner to evaluate the Programme in its entirety. There will be data collection and data sharing requirements for the skills provider associated with supporting the performance monitoring and evaluation activities. The provider will be expected to gain individuals consent to be contacted by the evaluation partner for reasons outlined below.

The skills provider will be expected to evaluate the support they have provided to the individual and gather feedback that informs future delivery to improve their service. This will be carried out as part of both the evaluation work and comms case studies, and examples will be expected at regular intervals.

The service evaluation of the skills provider is a crucial element of the programme and therefore all individuals must agree to take part in the evaluation to access support from the service. The programme will operate a test and learn approach to determine whether the provision makes a tangible difference with the target population group, using a robust evaluation methodology. The service evaluation will be used to inform and influence decisions made by policy makers and commissioners when funding, designing and delivering similar programmes and services both in GM and nationally.

The Provider will be required to share qualitative and quantitative performance monitoring and evaluation data (including individual data, case studies and completed evaluation questionnaires) on an agreed basis with both the GMCA Programme Office and the Evaluation Partner. This will form a requirement of the Programme Contract and the Provider will be expected to implement the required transparency process as provided by the GMCA Programme Office to support this.

The Provider will be expected to have data protection legislation compliant systems and

processes in place to support this. A detailed specification of data requirements will be provided by the Evaluation Partner. The broader quantitative performance management framework requirements will also include the monitoring and reporting of the agreed Social Value performance measures. The schedule for submission will be decided upon contract award.

The Provider will be expected to work closely with the Evaluation Partner and input management and staff time into data collection to support evaluation activities intended to capture lessons learned from the project. The Evaluation Partner may wish to interview the Provider, its sub-contractors/supply chain, and the individuals involved in the service provision, where the Provider may be asked to provide the relevant contact details. In order to facilitate this process, the Provider should seek advance agreement from delivery staff, sub-contractors and individuals to take part in evaluation activities. Advance notice will be given where the Provider's co-operation is required. The Provider will also be expected to record where individuals have agreed to be part of the evaluation and to implement the transparency process as provided in relation to the evaluation.

As part of the 'test and learn' approach, the Provider will be required to be flexible and alter aspects of the data collection procedures for monitoring and evaluation initially specified in the contract based on any new evidence regarding which approaches work best. The Provider will be required to take part in a bi-annual review process with the GMCA and Evaluation Partner to identify whether the existing performance monitoring and evaluation procedures are meeting the relevant objectives, and to implement any changes recommended as a result of this review process.

The Provider is required to have flexible systems and processes for performance monitoring that will allow for more data fields to be added should such a requirement arise as the project matures.

17.	**Governance and reporting**

The accountability for the contract will be the responsibility of the GMCA Executive, and will also report to the GM Employment and Skills Advisory Panel. Performance and evaluation reports will also be shared with European Social Fund and Department for Education.

A monthly performance review will be established between GMCA and the Provider with the purpose being to review delivery, performance, issues and risks.

A quarterly Skills for Growth provider forum will also be set up by GMCA in order for the various providers delivering under the skills delivery element of the Programme to share updates on their delivery, GMCA to update on the wider Programme and create an environment where best practice can be shared.

18.	**Marketing and Communications**

The Provider will be responsible for the production of all marketing and communications materials. These must adhere to the branding guidelines which will be supplied to the Provider, with particular importance on the ESF Branding requirements. There will be a requirement for all marketing materials to be signed off by the GMCA Programme Office prior to them being used.

The Provider will be expected to engage in regular campaigns with GMCA and other providers delivering in this programme. This will involve producing case studies and marketing materials upon request to promote the wider programme.

The Provider will be required to produce hard copies of relevant materials (e.g. leaflets, flyers advertising the project and others as required).

The GMCA Programme Office should immediately be notified of any media enquires relating to the programme. The GMCA Programme Office will take the lead in coordinating responses, however the Provider will be required to input into these responses where required by the GMCA Programme Office.

19.	**Information Governance**

Information Governance requirements are laid out in Annex 3.