

MAYOR OF LONDON

The Mayor's European Social Fund (ESF) 2019-2023 Programme

Volume 2, Annex 1 – Specification

Lot 1: Sector Skills

Sub-Lot 1b: Infrastructure and Construction Sector



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CONTENTS

1.	Project Specification – Sector Skills	2
1.1	Project Overview	2
1.2	Background	3
1.3	Objectives	7
1.4	Project Specific Eligibility and Target Groups	7
1.5	Geography	8
2.	Service Requirements	9
2.1	Project Deliverables – Expected Stages	9
2.2	Project Specific Partnership Working	15
3.	Budget and Payments	16
3.1	Overall budget framework and parameters	16
3.2	The Payment Model	16
	Sub-Lot 1b: Infrastructure and Construction Sector	18

1. Project Specification – Sector Skills¹

1.1 Project Overview

Sector Skills comprises of six separate contracts that will invest £12m to enable NEET (Not in Employment, Education or Training) young people and unemployed, long-term unemployed and economically inactive adults to gain industry relevant qualifications, experience and pre-apprenticeship skills and progress into sustainable employment, education or training opportunities – including self-employment and business start-up. The opportunities will focus on five industry sectors facing significant labour market challenges in London, with an opportunity for bidders to identify additional Sectors that they think may be appropriate for support. These challenges include increasing skills demand, lack of suitably trained candidates, automation and Brexit. Sub-Lot 1a will focus on the health and social care sector, Sub-Lot 1b on infrastructure and construction, Sub-Lot 1c on early years, Sub-Lot 1d on creative industries, and Sub-Lot 1e) on Science, Technology, Engineering and Maths (STEM). Sub-Lot 1f will allow bidders to suggest one 'other' sector where evidence of need can be demonstrated. £2m will be available to be allocated to each contract awarded. In addition to addressing skills and labour shortages in target sectors, a key Project objective is to increase the participation of target groups under-represented within those sectors. This 4-year Project will run from August 2019 to June 2023.

- Key activities: Support to address skills and labour needs of sectors facing significant skills challenges in London and increase participation of target groups under-represented in those sectors. Activities include group and one-to-one, bespoke approaches to developing Participant work readiness and achievement of Sector-appropriate qualifications and Level 2 or units of Level 3; local partner, employer and employer network engagement and partnership working; and support to sustain Education, Employment or Training Results, including self-employment or business start-up.
- Eligibility: Young people who are NEET, aged 16 to 24. Adults who are unemployed, long-term unemployed and economically inactive and have one or more of the following characteristics: women; parents and carers; people with disabilities; refugees and recent migrants; people facing complex barriers to work and people who are aged 50+. Some Sectors have additional focuses, so bidders must reflect the Sub-Lot criteria.

¹ To be read in conjunction with the Mayor's ESF 2019-23 Programme Specification

- Funding:
 - Sub-Lot 1b: £2m
- Number of Projects supported: One contract for each of the five nominated target sectors will be awarded, plus one contract for an additional sector for which a bidder can demonstrate evidence of need.
- Geographical focus: Generally, pan-London, although some Sector-specific challenges or opportunities exist, so bidders must reflect the Sub-Lot criteria.
- Primary Result:
 - Sub-Lot 1b: To support a minimum of 330 Participants to sustain an EET destination for at least 26 out of 32 weeks

1.2 Background

Please note that this Specification sets out the GLA's requirements to support activity relating to all sub-lots. Each sector has unique and particular characteristics and bidders should note that where there are sector variances or additional requirements this is detailed in the sub-lot sections, and for clarity, the requirements set out in the sub-lot sections take precedence.

Bidders should also review and take into consideration the Mayor's policies and strategies for ensuring a healthy London economy and competitive labour market. These include the Skills for Londoners Strategy, Economic Development Strategy, Culture Strategy and Sports Strategy.²

Diversity across London's industries and within sectors is an important indicator of the success of the Mayor's interventions to secure inclusive growth for the Capital. There are clear rationales for focusing this Project upon specific target groups who are under-represented in London's workforce generally as well as within the sectors targeted through this Project set out in the sub-lots below.

Young people, disabled adults, Black, Asian, and minority ethnic (BAME) groups and women are disproportionately under-represented in the labour market, especially in higher-skilled, better-paid jobs.

² <https://www.london.gov.uk/get-involved/mayor-london-draft-strategies-and-consultations>

In London the cost and availability of childcare is a real obstacle to parents with childcare requirements – particularly women – accessing education and employment opportunities. London's maternal employment is the lowest of any region in the UK with 40% of unemployed mothers pointing to childcare as a key barrier to getting a job³). The cost of childcare in Inner London is 70% higher than in Yorkshire and Humber⁴). The cost of childcare is so high in the Capital that it can outweigh the financial gain from entering employment. On average, single parents in London spend around half their disposable income on childcare⁵).

The government offers a range of support with childcare costs to families in England. However, there still is a gap in provision for parents entering work, particularly with up-front costs of childcare. Evidence⁶ shows that half of single parents surveyed in London had to borrow money from friends, family or banks to cover childcare costs. Wraparound support is needed, and can help, to free up parents struggling to take up employment or training due to caring responsibilities.

The employment rate for disabled Londoners was 52% in 2016; 22 percentage points below the rate for all Londoners between the ages of 16 to 64⁷.

The employment rates of BAME groups in London are below average and black and mixed ethnic groups are more likely to have lower level qualifications. The highest level of qualification of 43% of black Londoners and 41% of mixed ethnicity Londoners is NVQ Level 2 or below, compared to 37% for all Londoners⁸.

Although the proportion of young people in London who are Not in Education, Employment or Training (NEET) has fallen, it is still the case that nearly one in ten (83,000) 16 to 24 year olds in London are not in education, employment or training. In London, the youth unemployment rate is 28% among 16 to 19 year olds and 11% among 20 to 24 year-olds, against a London-wide average of 6%⁹.

Certain groups have significantly higher levels of NEET. 31% of 18-year-old care leavers are NEET; 32% of young black men aged 16 to 24 years old are unemployed; more than half (59%) of young people who have misused substances are NEET; and surveys

³ <https://www.ippr.org/publications/the-future-of-childcare-in-london>

⁴ <https://www.familyandchildcaretrust.org/childcare-survey-2018>

⁵ <https://www.gingerbread.org.uk/policy-campaigns/publications-index/front-childcare-deposit-guarantee/>

⁶ <https://www.gingerbread.org.uk/policy-campaigns/publications-index/front-childcare-deposit-guarantee/>

⁷ Skills for Londoners, evidence base: https://www.london.gov.uk/sites/default/files/appendix_c_-_sfl_evidence_base_exec_summary_may_2018.pdf

⁸ Skills for Londoners, evidence base. <https://www.london.gov.uk/sites/default/files/skills-strategy-evidence-base.pdf>

⁹ Skills for Londoners, evidence base. <https://www.london.gov.uk/sites/default/files/skills-strategy-evidence-base.pdf>

amongst single homeless people have consistently found that between 80 and 90% are unemployed¹⁰.

Apprenticeships can deliver an alternative to academic qualifications for Participants by providing more direct routes into employment in London's key sectors and real-world experience that provides employability skills early in careers. In London 2,326 Intermediate Level apprenticeships were registered on 25th May 2018. Relatively few young people in London go on to take up apprenticeships straight after GCSEs; 3% in outer London and 2% in Inner London compared to 6% in England.

Many London students are dropping out of their studies post-16. Studies carried out on behalf of London Councils have highlighted high dropout rates at age 17. They found that just under 25% of students beginning Level 3 qualifications dropped out of their sixth form before the age of 18; this is particularly prevalent in relation to vocational courses.

Many Londoners from the target groups identified face significant challenges to self-employment and free-lancing – options available through this Project – and without the right support can find themselves devastated by failing business experiences and poverty from poor financial return. Other business support initiatives, such as the work of the LEAP¹¹ tend to focus on outcomes for the economy. This Project builds upon and complements those efforts by addressing the societal, economic, and learning needs of entrepreneurs in sectors where there is high demand and under-representation.

Skills deficits may be identified, common both to a wide range of sectors and the target groups.

There is significant jobs growth in digital technology and in the wider economy. Consequently, employer demand for digital technology skills is increasing. As more investment in enterprise emerges, technology will start to permeate every business as part of an overall drive to improve productivity and efficiency and this will evolve new forms of work and occupations. Also, non-digital technology companies are becoming more reliant on digital technology workers. Without a grasp of basic digital skills many occupations will be beyond the reach of those farthest away from the labour market.

There is clear evidence that digital and employability skills need to be embedded in all learning. In the UK, a report by the House of Commons Science and Technology Select Committee¹² revealed that almost 90% of new jobs require digital skills to some degree, with 72% of employers stating they are unwilling to interview candidates who do not have basic IT skills. Research by Lloyds Bank in 2018¹³ revealed that 6% of Londoners do not

¹⁰https://england.shelter.org.uk/__data/assets/pdf_file/0009/48627/Factsheet_Young_People_and_Homelessness_Nov_2005.pdf

¹¹ https://lep.london/content_page/london-business-growth-hub

¹² Digital Skills Crisis - <https://publications.parliament.uk/pa/cm201617/cmselect/cmsctech/270/270.pdf>

¹³ UK Consumer Digital Index 2018 - https://www.lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/CDI-regional-factsheet-london.pdf

have any basic digital skills and 11% of the working population in the capital do not have full basic digital skills. Basic digital skills include being able to communicate via email or social media, create and edit digital documents, search for information or protect personal information online.

Brexit will impact upon the prevalence and nature of skills shortages. The Centre for London¹⁴ highlights that ‘reduced access to European labour following Brexit could pose a particular challenge in a city where 15% of workers come from other European countries. There is increasing pressure on wages resulting from national policy and rising costs within London may be amplified by labour shortages, creating more pressure for automation.’

Sectors likely to be heavily impacted by any restrictive migration policy post Brexit - including Health and Social Care, Construction, Creative, Retail, Hospitality and Early Years - have raised concerns regarding their ability to recruit and retain the talent they need. The Citizens, Government and business¹⁵ report by Deloitte highlights the risks and opportunities posed by potential changes to the UK immigration system post-Brexit combined with the disruptive impact of automation. The report recommends investment to upskill current and future workers. The Deloitte report suggests that 64% of London’s young, high-skilled EU nationals are already considering leaving the UK in the next five years compared to 42% in the rest of the UK. This is of particular concern for those sectors in London that rely most on migrants from the European Union. In absolute terms, migrants from the European Union also make up a large number of workers in Professional, Scientific and Technical activities (75,000 jobs), Human Health and Social Work (61,000 jobs), and Education (58,000 jobs). Some of these sectors are also said to offer relatively low pay and often have comparatively informal recruitment processes and, consequently, may find it more difficult to adapt to new work permits and migration rules that may emerge. This, in turn, may strengthen the case for investment in automation unless London’s labour market is able to respond to backfilling of EU labour and deliver the skills demanded by occupations at high risk of automation.

Deloitte concludes that ‘cognitive, collaborative and creative skills will be the most marketable in the UK’s jobs market in the coming years’ and recommends that policymakers, business and educators continue working together to adapt the current education and training systems to meet these needs.

Within this context, supporting Londoners into key sectors at risk will be essential. The impact of challenges to London’s labour market, like Brexit and Automation, will be monitored and tackled as part of this Project as they emerge.

¹⁴ https://www.centreforlondon.org/wp-content/uploads/2018/04/Centre-for-London_Human-Capital-Digital-Report.pdf

¹⁵ <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/public-sector/deloitte-uk-the-state-of-the-state-report-2017.pdf>

1.3 Objectives

The overall aim of this Project is to:

Enable NEET young people and unemployed, long-term unemployed and economically inactive adults to gain industry relevant and pre-apprenticeship skills and progress into sustainable employment, education or training opportunities in target sectors facing significant skills challenges in London.

The objectives are to:

- Support a minimum of 2,000 Participants into sustained employment, education or training.
- Support Participants to gain an understanding of the world of work and to rise effectively to the challenge to meet the particular aptitudes, skills and occupational requirements of the target sectors.
- Create high quality, mutually productive connections between delivery providers and sector employers and networks in order to better predict and meet labour and skills shortages within the target sectors.
- Embed into delivery wrap-around support that will enable all eligible Participants to overcome barriers to employment, education and training.
- Support the creation of a new cohort of entrepreneurs, who will become self-employed or start businesses within the sector.

1.4 Project Specific Eligibility and Target Groups¹⁶

Specific eligibility criteria for this Project are as follows:

Young Londoners aged 16 to 24 who are NEET; or

Adults aged 25 and over who are either;

- Unemployed; or
- Long-term unemployed; or
- Economically inactive; and

fall into one or more of the categories below:

- Women;

¹⁶ Please also see the requirements outlined in section 2.4 of the ESF Programme Specification and relevant sections of the Evidence Handbook.

- Parents and carers with childcare requirements;
- People with disabilities, including those with learning difficulties and health conditions;
- Refugees and recent migrants with the right to work;
- People facing complex barriers to work;
- People aged 50+.

A minimum of 30% of all Participants will not have achieved a level 2 qualification.

One third of the budget will fund 16 to 24 year olds, and two thirds of the budget will fund those aged 25 and over. The GLA anticipate that 33% of Participant starters should be Young Londoners aged 16-24 who are NEET¹⁷.

Exclusions:

- Asylum seekers or migrants who do not have permission to work and are not in care.
- Young people who are receiving support through the Work and Health Programme.
- Young people under 18 and in mainstream education who are currently excluded from school (they will be eligible for support via the ESF Continuing Participation and Gangs Prevention Projects).

Equalities Targets will differ by Sub-Lot. Please review the specific requirements in the Sub-Lot sections of this document.

Bidders must describe how they will identify, recruit and support eligible Participants from these groups, taking into account any particular barriers to participation.

1.5 Geography

Geography will differ by Sub-Lot. Please review the specific requirements in the Sub-Lot sections of this document

¹⁷ The GLA may, at its discretion, agree to vary these proportions during the course of delivery.

2. Service Requirements

2.1 Project Deliverables – Expected Stages

The GLA considers successful delivery will incorporate the stages and activities outlined within the table below.

Bidders must demonstrate how they will meet specific criteria. However, there is an expectation that bidders will choose how they deliver their Project, bringing their expertise and a unique approach to delivery.

All aspects of delivery need to be tailored not only to the support requirements of Participant groups, but must also reflect ways of working and the skills and occupation requirements of the sector that is the subject of your bid.

Stage	Activity
Project Plan	<p>ESF Providers will need to produce a clear Project plan that demonstrates how delivery approaches meet the requirements of the Specification and the particular industry sector that is the focus of the Project, as well as the needs of the target groups. This will include a plan for how providers will work with other services that the Participants may be involved with and those that can potentially provide complementary support services for Participants. It will also need to demonstrate practical ways in which appropriate sector-specific employers will be engaged with the Project.</p> <p>Bidders should note that the Project plan will need to reflect the evidence base for the Project and how particular elements have been developed as a result of direct input from target Participant groups and employers.</p> <p>Dependable and reputable sources of information and data are required to demonstrate the level and nature of skills gaps in London sectors on an ongoing basis. Regular review and flexible planning will be required throughout the delivery process to tailor the interventions to respond to the needs of London's residents and businesses most</p>

Stage	Activity
	<p>affected as they emerge and shift. This should be a key consideration in developing the Project plan.</p> <p>Sub-regional partnership priorities and evidence bases should also be utilised as insights with input from sub-regional Skills Employment Boards to sense check sector challenges and local need.</p>
Project Design	<p>Bidders should explain which groups they have worked with in order to design their Project, what was contributed, and why particular groups involvement were sought. Groups could include appropriate Stakeholders, potential Participants, complementary services and sub-contractors.</p> <p>ESF Providers will need to secure buy-in and in-principle support from employers from the relevant sector.</p> <p>Employers should be involved in designing training (accredited and non-accredited) and delivery partners will need to align training provided through this Project to any in-house training or other support provision.</p>
Identify and recruit suitable Participants	<p>ESF Providers should work with other organisations to identify and recruit Project Participants who meet the criteria set out in section 2. This will include specialist outreach to engage specific target groups and marginalised individuals. Engagement activity must be captured within a clear outreach plan.</p> <p>ESF Providers will be expected to utilise trusted points of entry which could include, but not be limited to:</p> <ul style="list-style-type: none"> • Universal services delivered locally (the support framework for people transferring onto Universal Credit) as this is rolled out across London • Local authority employment support services and other teams • Voluntary and Community Sector (VCS) organisations working with migrants and refugees • Adult and Community Learning Services • Family learning services • Schools and colleges • Children's centres • Health providers • Jobcentre Plus

Stage	Activity
	<ul style="list-style-type: none"> • Other ESF Projects • Self-referrals • Social landlords • Community centres/hubs and locally-based organisations <p>ESF Providers will be expected to develop marketing activities in order to promote sectors that are not, commonly, viewed as providing attractive career options.</p>
Needs assessment and Bespoke Training Plan	<p>ESF Providers must complete a Bespoke Training Plan (BTP) for all Participants as part of their enrolment on the Project. For each Participant, an initial face-to-face assessment must be undertaken to:</p> <ul style="list-style-type: none"> • establish the Participant's work-related aspirations, capabilities and learning needs, including a skills audit/review; • identify any barriers to accessing the services provided through the Project (such as childcare or travel costs) and offer support to overcome these barriers; and • identify any barriers to work and support Participants to recognise, address and overcome these barriers. <p>ESF Providers will be required to assess the Basic Skills requirements of Participants who do not hold Entry Level or above (or equivalent) qualifications in Maths and/or English (including ESOL) on enrolment. Where necessary, Participants should be referred to an organisation which can provide an appropriate certified qualification in Maths and/or English (including ESOL) at Entry Level, Level 1 or Level 2. Bidders will be required to estimate the volume of Participants achieving Basic Skills, and ESF Providers will be required to inform the GLA via a periodic narrative of the volume of Participants who have been referred and the volume of Participants who have achieved. Successful achievement will be required to be verified by Participant self-declaration as a minimum.</p> <p>Regular opportunities for Participant progress and target reviews will need to be built into the Project.</p> <p>Where relevant, ESF Providers should consider directing potential Participants to the GLA's ESF parental employment programme,</p>

Stage	Activity
	<p>which is not sector focused, but aims to support families with young children to enter, or re-enter, the work place.</p>
On-Project support	<p>Coaching and mentoring: Both of these delivery methods could be incorporated into delivery.</p> <p>Individually tailored careers advice and sector-specific information: Participants will be provided with accurate and clear information with regard to the relevant sector. This will include occupations within the sector, its societal and economic importance, progression routes and salary expectations. Taster days, careers talks and work experience should be incorporated in order to raise Participant aspirations and confidence as well as insights and direct experience of the sector.</p> <p>Training: Sector-specific and other training should be delivered that enhances the employability of Participants in the target sectors and is pertinent to their individual needs. This must boost Participants' confidence to pursue opportunities within the sectors and support them to move into sustainable employment, training or education opportunities or self-employment within them. Bidders should note that funding will be provided for education or training at Level 2 and/or a minimum of two units towards a level 3 qualification. Full qualifications at level 3 will not be funded.</p> <p>External specialists with sector-specific knowledge may need to be identified and engaged to ensure the training meets sector requirements.</p> <p>Digital skills: Digital skills support should be embedded into training and learning and used for blended learning e.g. mixing traditional teaching methods with online formats.</p> <p>Self-employment, support for starting up businesses and social enterprises: These alternatives to traditional employment routes into employment can be supported. Comprehensive self-employment and business start-up advice would need to be provided for those Participants for whom these options have been identified as potential routes during the initial needs assessment stage. Where self-employment or business start-up options are pursued, Participants must be supported to set in place processes to carry out market</p>

Stage	Activity
	<p>testing of business ideas and concepts and develop business plans in order to guide the achievement of Participants' business ambitions.</p> <p>Supporting recognition of international qualifications: The Project will need to incorporate approaches for enabling international qualifications and international skills and expertise to be recognised, with opportunities for Participants to top-up these qualifications or re-skill where necessary.</p> <p>Bidders will be required to demonstrate the specific approaches they will adopt in supporting 16 to 17 year olds, where results must be RPA compliant.¹⁸</p>
Wrap-around support	<p>ESF Providers must establish appropriate wrap-around support to address the specific barriers Participants may face and enable them to engage in and sustain their involvement in the Project.</p> <p>A clear wrap-around support plan must be created for each Participant. This may include access to childcare, meeting travel costs or advising on benefits.</p> <p>Other delivery flexibilities should be incorporated in order to optimise the sustained engagement of Participants. This might include enabling training to take place out of work hours or securing the support of employers to enable some support to take place during work hours.</p>
Employability support	<p>Pre-employment and employability support will need to be provided in accordance with Participant needs identified as part of the initial needs assessment process. It will also need to be relevant to the key sectors or occupations identified and will include an introduction to the workplace and employer expectations.</p>
Employer Engagement	<p>Work with employers should involve encouragement to open up their recruitment practices to expand the range of candidates they would consider in order to enable the achievement of social mobility and inclusion objectives.</p>

Stage	Activity
	<p>Work with employers will also inform innovative approaches to shaping and demonstrating Participants' employability skills support and presenting Participants' potential in unusual, but effective ways so that employers recognise capabilities and potential from within target groups that are under-represented in their sector. This could include:</p> <ul style="list-style-type: none"> • A greater focus on competencies than experience. • Recruiting candidates who meet 80% rather than 100% of the skills specification, but demonstrate potential to meet the full specification with additional training, qualifications (or units thereof) or experience, e.g. the delivery partner could secure an in-principle employment offer from the employer and then work with both the employer and the Participant to agree and deliver a short course of training to develop Participant skills in readiness for the role. • Establishing a guaranteed interview scheme for Participants who complete employability and/or technical training through the Project. • Support candidates to move between sectors and take up occupations that match their skills and aspirations, but within a different sector. <p>ESF Providers will be expected to identify and tap into employer networks in order to market the Project, support delivery and identify progression routes and sustainable results for Participants.</p> <p>ESF Providers will be expected to incorporate an appropriate degree of 'local provision' to minimise travel requirements for Participants where possible.</p>
Moving into and sustaining employment, education or training or business start-up options	<p>A full range of support must be provided to help Participants to access relevant and appropriate employment, education or job opportunities. Excellent connections with employers will be crucial here. ESF Providers will also be required to support Participants to sustain their EET results.</p>

2.2 Project Specific Partnership Working

The Project will be underpinned by strategic partnerships. ESF Providers will be required to establish links with local stakeholders, have an understanding of their needs, and develop strong connections with them.

These connections will be key not only to identifying and engaging marginalised individuals, but to helping Participants to access provision and/or re-engage with education and training; and facilitate ease of access to provision more generally through the use of local venues.

Crucial to providing a comprehensive wrap-around support service, ESF Providers must have appropriate measures in place for referring to other provision that can provide support alongside this Project to address any additional barriers that Participants may have to engaging fully and productively with the Project.

ESF Providers will also need to develop and embed excellent relationships with employers and employer networks in order to create productive pathways for Participants into sectors.

This Project will add value to the work of Jobcentre Plus for Schools advisers who work predominantly with schools and colleges. ESF Providers will ensure that there is specialist, sector-based and wrap around support for young people and adults who want to enter into self-employment in the target sectors.

This Project will complement and link with the expansion of the London Enterprise Advisor Network (LEAN) which supports employer engagement with state secondary schools, Pupil Referral Units, and Further Education Colleges in every London borough. The Project will add value to the LEAN by providing more sector-specific wrap around support for young people.

There is an expectation that the Project will be responsive to ongoing analysis and issues raised by the Skills for Londoners Business Partnership¹⁹. Providers may be asked to present their work, from time to time, to the Skills for Londoners Business Partnership and/or the Skills for Londoners Board; thus creating opportunities for this Project to link into expert board members and sub regional partnerships as a mechanism for sharing knowledge and experience.

¹⁹ A new advisory board to the Mayor of London which aims to ensure that the skills system is aligned with the needs of London's economy.

3. Budget and Payments

3.1 Overall budget framework and parameters

The budget allocated for the work described in this specification is £12m. Budgets will differ by Sub-Lot. Please review the specific requirements in the Sub-Lot sections of this document.

3.2 The Payment Model

Payments will be made on the achievement of results set for each Participant who progresses through the key stages of the Project. All payments are based on a model which reflects the payment stages indicated in the table below.

Anticipated Proportions of Funding for Trigger Payment Activities	
Input/Output/Results	% of payment
Advance payment (to be reclaimed from Participants entry into EET)	10%
Participants starting on the Project	20%
Qualifications achieved (L2 and/or two L3 units – a maximum of one of each per Participant)	20%
Participants achieving entry into employment, education or training	30%
Participants sustaining employment, education or training for 26 weeks (out of 32)	30%

Please note that once Participants have reached their 18th birthday their EET destination no longer needs to be RPA-compliant.

By completing the Payment Trigger Calculator (PTC)²⁰, bidders will be able to determine the value that they are paid for each individual output by selecting the volume of clients whom they think will engage at each paid stage of delivery.

²⁰ Please also see the requirements outlined in section 4 of the ESF Programme Specification, paragraph 179 of the Delivery handbook and Volume 4, Annex 12.1 of the Tender.

Sub-Lot 1b: Infrastructure and Construction Sector

1. Background Rationale

The health of London's construction industry labour market is currently facing significant challenges arising from an inadequate pipeline of labour that is appropriately skilled to meet Projected demand; poor public image and reputation of the sector as an employer, undermining recruitment; and significant gaps and challenges within the skills training system to provide industry-relevant skills. This has wide-ranging, strategic impacts upon London including our ability to deliver, manage and maintain utilities, transport and commercial space and deliver house-building targets.

The industry is facing a recruitment and skills crisis. Estimates suggest that in excess of 2,010²¹ new workers will be needed in London each year to meet additional demands. However, in 2016, 47% of construction employers seeking to fill vacancies reported difficulties in doing so²², indicating a serious shortfall in the availability of appropriately skilled labour. This is likely to be exacerbated by employment Projections and wider economic events. 14% of construction workers are due to retire in the next 10 to 15 years²³. A quarter of London's construction workforce is comprised of non-UK EU nationals²⁴, which means that Brexit could impose additional, significant brakes on the construction labour market pipeline.

The Government's Construction 2025 strategy and the Farmer Review both highlight the need to tackle the industry's poor image and reputation. Data from the CITB also shows that the overall appeal of the construction industry as a career option for young people is low, whilst 35% of career advisers believe a career in construction is unattractive²⁵.

Under-representation of target groups is evident. Women comprise only 18% of London's construction workforce²⁶, compared to around 46% of all workers in the capital²⁷ and only 19% of London's construction workforce is from a BAME ethnic background, compared to

²¹ Source: CITB, Construction Skills Network 2018

https://www.citb.co.uk/documents/research/csn_reports_2018-2022/2018csn_lon_full_120218.pdf.pdf

²² Source: CITB 2016 <https://www.citb.co.uk/research-and-insight/skills/skills--training-in-the-construction-industry-2016infographic/>

²³ Source: ONS, Labour Force Survey 2017

<https://www.ons.gov.uk/releases/uklabourmarketstatisticsfeb2017>

²⁴ Source: ONS 2018

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/article/s/migrantlabourforcewithintheconstructionindustry/august2018>

²⁵ Source: CITB 2014

<https://www.citb.co.uk/documents/research/citb%20educating%20the%20educators%20key%20messaging.pdf>

²⁶ Source: ONS, Labour Force Survey 2018

<https://www.ons.gov.uk/releases/uklabourmarketstatisticsjune2018>

²⁷ Source: ONS 2016

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/february2016>

30% of London's workforce overall²⁸. This suggests considerable potential to draw upon wider groups targeted by this Project to supplement the potential pool of talent.

2. Sector Specific Activities

The main focus of the Project will be the provision support for Participants to access the construction and infrastructure sector. This could also incorporate support to access house-building initiatives where this aligns with activity being delivered through the Mayor's Construction Academy (MCA) and other funded industry initiatives.

The Project will provide access to apprenticeships and employment in a wide variety of roles. This will include a key focus on raising awareness, understanding of and entry into:

- Office-based construction roles
- Career opportunities associated with both innovative and traditional methods of construction.

Delivery partners will be required to monitor the mix of innovative and traditional methods of construction support and, potentially, adapt to shift more towards innovative methods as delivery progresses in line with industry needs.

The programme will also link into the London Infrastructure Mapping Application²⁹ to accurately capture and communicate London's development and infrastructure delivery pipeline.

3. Geography

Bids are invited for sub-regional initiatives that align with the sub-regional partnerships and present a clear rationale for the area identified. These may be areas where target groups comprise a high proportion of the demographic and/or be focussed on areas where construction industry activity is high.

4. Equalities Targets

The Project should aim to recruit, as a minimum, proportions of Participants from the Equality Groups set out below.

Equality Groups	Project Target (%)	Project Target (%)
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²⁸ Source: ONS, Labour Force Survey 2017

<https://www.ons.gov.uk/releases/uklabourmarketstatisticsfeb2017>

²⁹ <https://www.london.gov.uk/what-we-do/business-and-economy/better-infrastructure/london-infrastructure-map>

	Adults, aged 25+	Young People aged 16 - 24
Participants from ethnic minorities	50%	50%
Female Participants	45%	45%
Participants with disabilities	22%	9%
Participants who live in a single adult household with dependent children	16%	5%

Bidders must describe how they will identify, recruit and support eligible Participants from these groups, taking into account any particular barriers to participation.

6. Budget

Available budget	Primary results
£2m	<p>For young people aged 16 to 24, 110 Participants will sustain an EET destination, where:</p> <ul style="list-style-type: none"> • a maximum of 20% will sustain Education or Training; and • a minimum of 80% will sustain an Apprenticeship or Employment. • EET destinations for 16 and 17 year olds are RPA compliant <p>and for Adults aged 25+, 220 Participants will sustain an EET destination, where;</p> <ul style="list-style-type: none"> • a maximum of 20% will sustain Education or Training; and • a minimum of 80% will sustain Employment

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