

Promoting skills through
public procurement



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Department for
**Innovation,
Universities &
Skills**

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Foreword

To survive and prosper in the global economy of the 21st century, we must invest in the skills and talents of our nation's workforce. Put simply, a better skilled workforce is a more productive, adaptable and flexible workforce, better able to respond to the challenges posed by ever-greater competition, technological change and new products.

Equally, giving everyone in our society the opportunity to develop their skills and talents throughout their lives gives them an opportunity to improve their lives and those of their families, by helping them develop the skills they need to find, stay and progress in work.

In tough times like these, it is vital that we continue to invest in our nation's skills. It is the nations and businesses that invest in their people during the hard times that will emerge as winners when the good times return. We believe it is right for Government to play its part in ensuring that we do that.

Public procurement – worth around £175 billion a year - provides us with a unique opportunity to promote skills development, raise the skill levels of service providers' employees, improve the quality of public service delivery, and secure greater value for money.

That is why Government is taking action to ensure that we exploit the potential that public procurement has to promote skills training and apprenticeships. In summer 2008, we established the aim that all employees working on central Government contracts should have access to basic skills training if they needed it.

More recently we made a firm commitment that whenever Government Departments or Agencies let construction contracts they consider making it a requirement that the successful contractors have apprentices as a proportion of the workforce. We also signalled that we would take a similar approach in other areas of public procurement spend, starting with IT.

We are now looking to the procurement community across the public sector to make a reality of those commitments, and to ensure that where there are opportunities to promote skills training and apprenticeships through the procurement exercises we seize them.

There is also scope to make use of public procurement at a regional and local level to promote skills training and apprenticeships. We are working with Regional Development Agencies, Local Authorities and other key partners to ensure we make full use of Government's wider purchasing power to drive investment in skills.

This guide draws on real examples and case studies to describe how skills training and apprenticeships can be promoted throughout the procurement process, from pre-procurement to contract management.



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Introduction

Maintaining our investment in talent is more important than ever. In the current challenging economic climate, it is vital that we drive continued investment in skills and training, so that we can be in a strong position to take advantage of opportunities when the economic situation improves.

There is a strong business case for investing in skills and training. For individuals, it can mean increased career opportunities, greater flexibility and increased confidence. For employers, it can lead to increased workforce motivation, improved productivity and a greater capacity for innovation. And for the economy, skills help to drive productivity, social mobility and fairness.

The Government has a long-standing programme of reform to drive up the skills levels of the population. Since 2001, it has helped over 2.25 million adults to improve their basic literacy and numeracy skills. The proportion of working age adults qualified to at least full level 2 has increased from 65% in 2001 to 71.2% now. In 2007/08 a record 225,000 people started Apprenticeships compared to 65,000 in 1996/97.

This is good progress but we need to go much further in raising the skills levels of the workforce. This will be challenging in the current, tough economic climate, where investment in skills and training may be further down the list of priorities for firms more focused on survival.

Government itself needs to play a leading role in encouraging and supporting individuals and employers to continue to invest in training and support their workforce. With an annual expenditure of around £175 billion, public procurement provides a unique opportunity to maintain strong investment in the nation's skills base and, by doing so, to improve the quality and value for money of the goods and services that are delivered to the public sector.

This is an important responsibility for the public sector. Procurers need to consider the benefits to wider society when deciding to spend taxpayers' money buying goods and services. Skills and apprenticeships are a key element of that consideration, as are the overriding objectives of value-for-money and compliance with the legal framework governing public procurement.

Government is taking a number of steps to ensure that we can exploit the potential offered by public procurement. In July 2008, central government, the Trade Unions and private and third sector organisations agreed a Joint Statement¹ on access to skills, unions and advice in Government procurement, aiming to improve the quality of public service delivery by providing service providers' employees with access to basic skills training.

Through the Joint Statement, all employees working on central Government contracts to deliver public services should be given access to training for basic skills where these skills are relevant to the performance of the contract, whether they are employed by public, private or third sector employers.

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The Joint Statement commitment was followed by an announcement in the 2008 Pre-Budget Report (PBR) that whenever Government Departments and their Agencies let new construction contracts, they will consider making it a requirement that successful contractors have apprentices as an identified proportion of their workforce. The Government also signalled in the PBR that we would explore a similar approach in other areas of procurement spend, starting with IT.

The *New Opportunities White Paper*, published in January 2009, emphasised the importance of the regional and local dimension of public procurement. We want to work with Local Authorities and Regional Development Agencies to share and embed best practice about how they can make greater use of their procurement processes and planning powers to deliver skills and training objectives.

This Guide

The clear message in this Guide is that there are opportunities to embed skills and apprenticeships at all stages in the procurement process. The Government looks to all procurement professionals in Government to take these opportunities, in whatever ways are appropriate for the particular procurement exercises they are handling. This includes working with existing contractors on a voluntary basis post-contract award to encourage them to provide training and apprenticeship opportunities for their project workforce.

This Guide aims to illustrate the different approaches that procurers are encouraged to take in embedding skills and training requirements, depending on the stage of the procurement process. It uses case studies and examples to show how skills and apprenticeships can be legitimately promoted within the policy and legal framework governing public procurement.

The key points to remember, in looking to include skills requirements, are that actions must:

- be relevant to the subject of the contract
- be proportionate
- deliver value for money
- not unfairly discriminate against any potential suppliers.

Procurement policy and legal framework

All public procurement is required to achieve value-for-money and is subject to the UK Regulations implementing the EC Public Procurement Directives, and the overriding principles of the EC Treaty². These EU procurement rules aim to ensure a level playing field for suppliers from the UK and other member states. For detailed guidance, see http://www.ogc.gov.uk/key_cross-cutting_government_policies_the_policy_and_legal_framework.asp

Small and medium-sized enterprises (SMEs)

The Government is committed to ensuring that its contracts remain accessible to small businesses, including those owned and managed by women or ethnic minority groups, as well as supported factories and businesses for people with disabilities. Accessibility for these groups of suppliers can be further improved by engaging with them to find out what they can provide and by ensuring advertisements for contracting opportunities can reach them. The Government has taken steps to make it easier for suppliers to find contracting opportunities. For example, the Supply2.gov web portal provides business with easy access to lower value contracts (typically below £100,000). <http://www.supply2.gov.uk/>

Improving transport skills

Merseytravel places contracts for the provision of bus services with transport providers throughout the Mersey area, and has insisted that drivers working on their contracts should hold an appropriate Level 2 qualification, or European equivalent. Merseytravel regularly works with a number of smaller operators who had concerns about how they would meet these requirements. Working with GoSkills and the LSC outside the procurement process, Merseytravel/Merseylearn responded to this challenge by co-ordinating activity with providers delivering to the transport sector, helping to ensure employer and individual skills development needs were met. Prior to making it a core requirement a pilot programme was run with a typical smaller bus contractor to test the approach, which enabled over 30 drivers to obtain their first level 2 NVQ.

Wider government support for skills and training

SMEs and larger employers can access a range of Government support to help them meet skills requirements in the procurement process. In England, employers can access support through the Train to Gain service and the Apprenticeships programme. More information is provided at the end of this guide.

Under the UK Regulations, it is permissible to address requirements for skills and apprenticeships in public procurement processes, so long as those requirements: are relevant to the contract, proportionate, do not compromise value for money, and do not unfairly discriminate against prospective contractors.

There is more or less scope to promote skills and apprenticeships, depending on the stage of the public procurement process:

- Pre-procurement – when identifying the need, considering procurement approaches and engagement with the market
- When deciding the requirement – specification stage
- When selecting suppliers to invite to tender – selection stage
- When awarding the contract – award stage
- In the performance of the contract – contract conditions and relationship management.

The earlier in the procurement process that the need to embed skills and apprenticeships is recognised the more successful it is likely to be.

Where appropriate, in letting a contract it is permissible to use contract conditions to, for example:

- require successful contractors to have a formal training plan in place for the development of their project workforce
- require that a specified proportion of the workforce on a contract are apprentices or receiving relevant skills training such as Skills for Life, Level 2 or Level 3
- specify that a proportion of the hours worked in delivering the contract, be undertaken by trainees or apprentices.

We will explain how to approach the inclusion of contract conditions later in this guide.

Employment and training in regeneration

Sheffield City Council and Kier Group established the award winning Kier Sheffield Limited Liability Partnership to deliver construction works in the local area. They have used the partnership as a vehicle for community regeneration, in particular in providing support for disadvantaged groups.

The partnership has established clear outputs in Education, Training and Employment and developed them into objectives in the procurement strategy. This approach has created over 1,000 employment and training opportunities through the contractual framework since the partnership began in 2003. This year alone, the partnership currently has in place over 57 apprentices, 103 disengaged young adults on the City Stewardship Scheme, 22 workstep placements, 320 14-16 year olds learning about construction on day release, and a number of other targeted schemes, such as those for lone parents and looked after children.

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Government construction procurement: implementing the commitment

Increasing evidence suggests the downturn is having a significant impact on the construction sector in terms of employer investment in training and apprenticeships. This poses risks to the major construction programme being pursued in the public sector, both in the short-term, and in the longer-term where the risk is that underinvestment in skills and apprenticeships now will lead to skills gaps and shortages in the future, particularly when private sector demand for construction picks up.

With that in mind, in the 2008 Pre-Budget Report, all government departments and agencies committed to consider, on a case-by-case basis, making it a requirement that successful contractors have apprentices as an identified proportion of their workforce when they let new construction contracts.

In practice, this means that departments and their agencies should be considering, in every new construction contract, how they can best include appropriate apprenticeships requirements. For existing contracts, departments and their agencies are also being encouraged to work with suppliers on a voluntary basis to address skills issues in the supply chain.

Government will monitor the implementation and impact of this new commitment to ensure that it is taken up and embedded in all central government construction procurement.

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Identifying the need

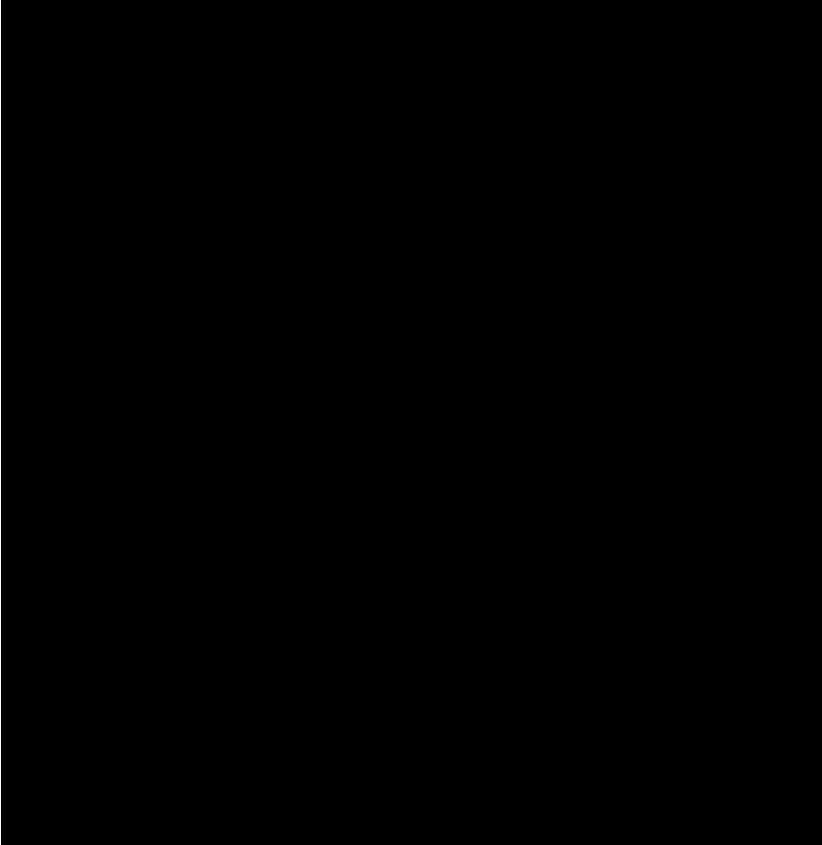
It is important to address skills and apprenticeships at the very earliest stage possible. This is where there is the greatest scope to consider requirements and to engage with the market to promote skills and apprenticeship issues in procurement.

The business case

When preparing the business case for a procurement, public authorities have a duty to test for need, value for money and affordability.

Value for money means finding solutions which achieve the best mix of quality and effectiveness for the least outlay. In accordance with the Treasury's Green Book, it is possible in assessing value for money to take account of wider benefits to society, for example the legacy of improved workforce skills stemming from fulfilment of the contract.

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Building skills into Manchester's capital programme

Manchester City Council (MCC) is committed to increasing the number of low-skilled people moving into training and meaningful employment and is focused on regenerating deprived neighbourhoods. These priorities are reflected in the Council's agreements with their framework partners, which promote apprenticeship training or other on-site training with building contractors.

MCC has been working closely with all its framework partners in the Capital Programme to create opportunities for the young people of Manchester. The primary aim was to embed an apprenticeship scheme with the framework partners and Aspire, a non-profit making employment agency. In July 2008, MCC took on twenty apprentices who were placed with a number of framework partners in a variety of disciplines.

The Manchester's 'Building Schools for the Future' (BSF) programme also incorporates one of the country's first 'National Skills Academy for Construction' sites.

Consulting with stakeholders

Public sector contracting authorities should consider consulting with stakeholders, such as customers, industry, unions and interest groups, to gain a better understanding of what is required to deliver the project, including the skills required. Industry and unions may be able to provide useful guidance on which workforce skills are relevant to the contract, and suggest ways in which training and apprenticeships can be promoted.

Requirements need to be proportionate

Addressing skills needs through procurement must be proportionate to the primary aim of the contract and must relate to the supplier's performance of the contract, not to the supplier's wider workforce.

Establishing the training requirement for social housing

A local authority was planning a procurement to refurbish social housing stock which, amongst others, required 200,000 new windows and 20,000 new heaters. Early engagement with the market suggested that this procurement would provide significant supply chain opportunities for Small and Medium sized businesses. An assessment was made of what skills were needed to deliver the contract and of training that it would be required to provide during the performance of the contract. Early discussions with training providers were held to judge whether there was sufficient training capacity available to deliver these training requirements. The skills and training requirements, central to the contract, were articulated through detailed briefings to bidders.

A proportionate requirement for construction and maintenance

When considering the quality and value for money of a construction and building maintenance contract, a local authority included a contract clause stating that 5% of the hours required to complete the works (including those of subcontractors) was to be delivered by new entrants on an apprenticeship, trainee or employment contract with the contractor or sub-contractor and were engaged in a training programme accepted by the employer.

In this example, 5% was acceptably proportionate whereas 15% would not be, because the primary aim of the project was to build a new community centre within budget. The level of percentage, as part of the costs and benefits, needs to be weighed up on a case-by-case basis. As an illustrative example, a MORI survey of current practice in FE college capital projects found that on average apprenticeships represented 1 in 20 of those working on those projects.

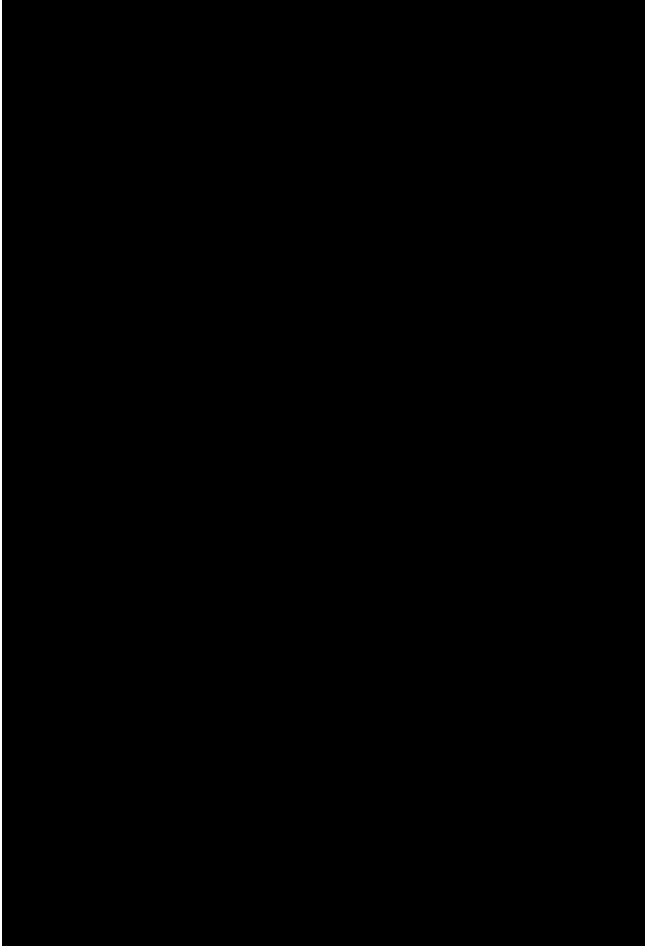
Specification

This is the stage at which buyers define their requirements with a formal written description of the service, works or goods that the contracting authority wishes to purchase. Core requirements are essential parts of a contract that are set out in both the specification and the conditions of the contract.

Skills will normally be a core requirement where they are relevant to the subject matter of the procurement. Contracting authorities will need to assess on a case-by-case basis, which requirements are core requirements. If skills are a core requirement, it will be important that they are stated so that potential suppliers can offer suitable solutions.

Care must be taken when drawing up the specification to ensure that it does not result in the unequal treatment of suppliers generally and does not exclude or disadvantage prospective contractors – whether directly, or indirectly – from outside the UK. So, for skills, non-UK equivalent qualifications must be recognised.

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Basic skills

In letting a contract for the building of a new school, a contracting authority wants to ensure that the construction site operates in a safe and efficient manner. It is important, for example, to also ensure that staff working on the site have the requisite skills to read and understand health and safety notices and procedures and therefore the authority might consider including a requirement that all staff have minimum qualifications (allowing for equivalents) to achieve this. In addition, the contracting authority might also consider a training requirement in the conditions of contract, to ensure that any new workers introduced over the life of the build were also trained to an acceptable standard.

Skills as a core requirement

When letting a long term electrical maintenance contract, a contracting authority wanted to be sure quality would be achieved using staff, materials and techniques of an optimum level. The authority sought assurance that best practice would be instilled at the heart of the contractor’s organisation. In particular, the specification required that the contractor’s own staff deployed on the contract to carry out electrical maintenance were qualified and that they would receive regular training to keep their skills up to date.

Selection

This is the stage at which public authorities select potential suppliers to bid for a particular contract. Pre-qualification questionnaires (PQQs) can be used to help assess the suitability of candidates, in order to select who to invite to tender for a contract. For example, a PQQ could ask potential contractors to describe their training plans and show how they will perform the contract.

Under the UK Regulations, public authorities can only take into account information relating to the potential suppliers' technical or professional ability to perform the contract, financial or economic standing, and certain other grounds for rejection set out in the UK Regulations.

Technical ability

The UK Regulations contain an exhaustive list of evidence that potential suppliers can be required to provide in order to demonstrate their technical ability. Skills issues and training plans can be considered when looking at a potential supplier's technical ability to perform a contract where skills are relevant to that particular contract. Where they can be considered relevant to the successful delivery of the project or programme their inclusion as part of the assessment is likely to be a key component of the selection criteria.

Track record

Where it is relevant to the delivery of the contract, contracting authorities can also consider how candidates have performed on previous contracts of a similar nature.

Requesting evidence of previous experience

There is scope to exclude potential suppliers from the procurement where they have failed to fulfil the skills requirements of a previous contract. As indicated previously, care needs to be exercised to ensure equal and proportionate treatment of candidates and this should not be used to rule out new suppliers who may be competent to fulfil the contract.

Contract conditions

Where requirements for apprenticeships and access to training are to be covered in contract conditions but are not part of the procurement specification, it is important not to assess how or to what extent

potential suppliers might comply with these conditions at either the selection or award stages. It is sufficient for all potential suppliers to be able to state, at the time of submitting tenders, that they are able to fulfil the conditions when the contract is in place. It will then be the responsibility of the contracting authority, as part of its monitoring of the delivery of the contract, to ensure that those conditions are fully met. Contract conditions are covered in more detail later.

Supply chain management

Contracting authorities can consider aspects of subcontracting, including training and skills requirements, where they are relevant to the contract and consequently there will be situations where the technical capability of subcontractors needs to be assessed, as this may impact on the successful delivery of the contract. Suppliers bidding to be prime contractors must have full opportunity to understand and consider their obligation to ensure training and skills requirements are met throughout their supply chains.

In relation to the Government's commitment to embed apprenticeships requirements in construction procurement, this will be particularly relevant as much of the overall value of a project is often added in the supply chain.

Working with the supply chain

A local authority wished to use the construction of three new schools to increase the provision of skills and apprentice training as part of its regeneration agenda. Accordingly, bidders were required to explain their approach to supporting the authority's targeted recruitment and training initiative and provide a method statement for implementing this through the supply chain. Subsequently the selected contractor proposed to deploy 25 apprentices and trainees for a total of more than 2,000 person weeks during the life of the project.

Award

The purpose of the award stage of the procurement process is to allow the contracting authority to compare the tenders and assess which tender best meets its needs. The award criteria chosen should help the authority to do this. They should relate to the intrinsic qualities of each of the bids, and not to secondary issues, such as external costs or benefits. These wider costs and benefits should be considered much earlier, as previously explained.

The Government’s procurement policy, as set out in Managing Public Money, is that all contracts should be awarded on the basis of value for money, which means securing the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought. Value for money broadly equates to the ‘most economically advantageous tender’, which is the term used in the UK Regulations.

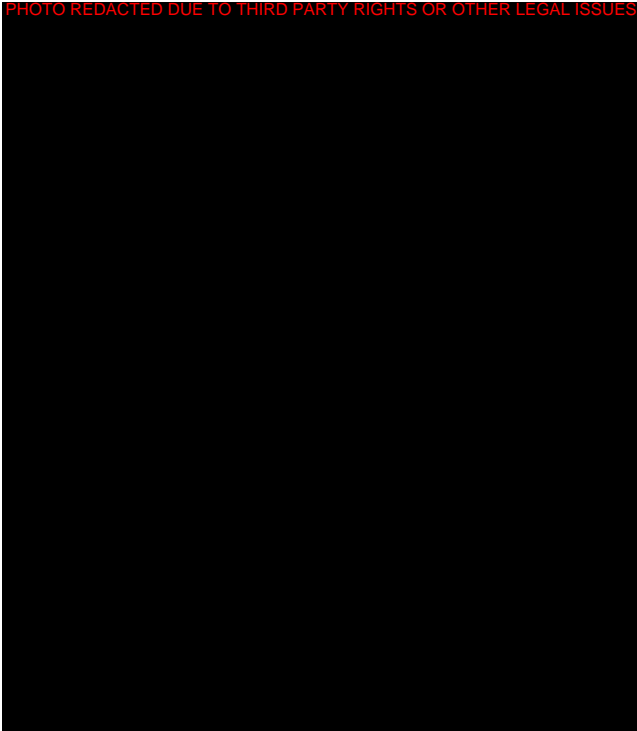
The specification sets out the requirement to be met, while the award criteria are formulated to evaluate how the tender meets this requirement in value-for-money terms. Award criteria are therefore able to address levels of quality or performance compared with what was requested in the specification.

Where skills have been identified as a core part of the requirement, authorities will need to consider how well the tenders are meeting the skills element of the requirement.

Award criteria must:

- be relevant to the subject of the contract
- be assessed from the point of view of the contracting authority
- be consistent with EU Treaty principles of non-discrimination, equal treatment and transparency
- relate to the specification
- be distinct from selection criteria - selection or pre-qualification criteria must not be revisited at the award stage. The criteria used for selection and award should be distinct.

In the unlikely event that two bids are considered equal at award stage, it may be possible to use social criteria to distinguish between two otherwise equal tenders. In all other cases, matters that do not relate to the subject matter of the contracts cannot be used as award criteria. For example, in the case of two equal bids, an offer of additional training could be the deciding factor between the two alternatives. However, it is very rare for two bids to be equal in this way and legal advice should always be sought in these circumstances.



Contract conditions

Contract conditions must relate to the performance of the individual contract in question. They should not be directly or indirectly discriminatory, and be able to be met by whoever wins the tender from the time at which the contract starts.

It is at this stage that public authorities should Regulation 39 of the Public Contracts Regulations 2006 states that contracting authorities 'may stipulate conditions relating to the performance of a public contract, provided that those conditions are compatible with Community law and are indicated in the contract notice and the contract documents or the contract documents.' These conditions 'may, in particular, include social and environmental considerations.' They may be intended to favour:

- on-site vocational training
- the employment of people experiencing particular difficulty in achieving integration
- the fight against unemployment
- the protection of the environment.

They should not be disguised technical specifications or selection or award criteria. If, for example, particular skills or qualifications are needed for a contract, these should be considered at the selection stage. A skilled workforce is more able to deliver the desired level of public service delivery and these requirements would be assessed during the selection stage.

Contract conditions must not discriminate directly or indirectly against national or non-national tenderers. Contract conditions that require changes to the organisation, structure or policy of a supplier established in another Member State might be considered discriminatory or a barrier to free trade.

Value for money should be maintained; contract conditions should be supported by the benefits they accrue, set against the cost of achieving them. Care should be taken to avoid the imposition of blanket clauses on suppliers, which could be regarded as burdensome and might deter suppliers, particularly SMEs, from competing for Government work.

The need for transparency requires that conditions of contract should be advised in advance in the contract notice and the contract documents or the contract documents. Tenderers' ability to comply with contract conditions should not be assessed as part of selection or award, but they must undertake to comply with the conditions of the contract if they are successful, when they submit their tenders.

For example, a contracting authority could, through contract conditions:

- require that successful contractors have a formal training plan in place for the development of their project workforce
- require that a specified proportion of the project workforce be trainees, apprentices or long-term unemployed
- that a specified proportion of the hours worked in delivering the contract, are undertaken by trainees, apprentices or long-term unemployed.

Managing the contract

Contract management and monitoring are essential to the successful delivery of contracts. The contract management team should monitor and manage performance against the contract, in accordance with the management provisions contained in the contract.

It is good practice to seek continuous improvement in contract performance, whether in accordance with contract provisions or on a voluntary basis in agreement with the contractor, to take advantage of efficiencies to be derived from developments in the market place appropriate to the size and complexity of the contract. The development and use of skills can be a key vehicle for improvement.

In instances where continuous improvement is not a formal contractual commitment, the contract management team should seek to share the benefits of efficiencies resulting from improved skills development and training on a voluntary basis in agreement with the contractor.

In monitoring compliance with the conditions of contract, the contract management team should assess whether short-comings in workforce skills are addressed effectively, and whether any increase in workforce skills, either capability or capacity, relevant to successful delivery have been achieved. Where contract conditions require the use of apprentices or long-term unemployed in the delivery of the contract, this should also be monitored. Failure to deliver on that condition should be followed up rigorously.

Other actions the contract management team could take are:

- to encourage and support voluntary development of workforce skills by the supplier
- to feed back lessons learned into early engagement with the market on the development of workforce skills.

Where departments and agencies, as a result of the PBR commitment, have included specific requirements in their construction procurement about the proportion of the workforce that is to be apprentices, it will be important that they monitor delivery of this requirement as part of contract management.

Opportunities to work with suppliers on a voluntary basis

Once a supplier has been awarded a contract, the contracting authority is free to work with them in a voluntary way to promote and highlight the importance of the skills agenda and help them address their workforce skills needs.

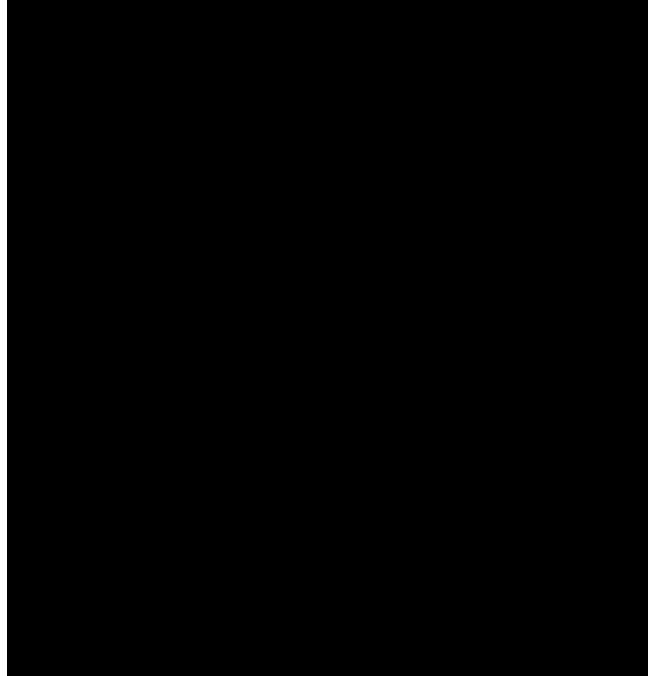
Departments can promote Government's objectives and then work with contractors on a voluntary basis to achieve desired results. We should not underestimate the potential of Government and the whole public sector to influence good practice through its access to decision makers in a very wide range of supplier companies.

In urban regeneration areas and other deprived areas, authorities and contractors will often work closely together, once contracts have been awarded, to maximise local training and employment opportunities. The focus on "local" training and employment is not discriminatory in this context, because the action is being taken on a voluntary basis, and has had no bearing on the award of the contract.

Opportunities to work with suppliers on a voluntary basis

As part of its routine contract management processes, a major Whitehall department works on a voluntary basis with suppliers on existing contracts to embed the principles of the Joint Statement with their staff resulting in improved basic skills and access to support services.

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Apprenticeships

An apprenticeship is a form of vocational training based on a mixture of work-based and theoretical learning. Apprenticeships are funded either privately by employers or with the support of Government money from the Learning and Skills Council (LSC). For the Government to count training as an apprenticeship and to be able to provide the relevant funds, an apprentice must have spent a period of time as an employee during the apprenticeship, and have an employed status at the time of completion.

Apprenticeships are available across all sectors of the economy covering both the private and public sectors. There are around 180 different frameworks with new apprenticeships being developed and introduced by Sector Skills Councils on an ongoing basis.

There are four core participants in any Government-funded apprenticeship:

- the employer offers a place, is the primary provider of learning in the workplace (which may include structured training away from the workstation), pays the apprentice a wage, and supports their learning time requirements
- the apprentice is expected to contribute to the productivity of the employer and to undertake the requisite learning
- the training provider (which might be a further education college, group training association or other work-based-learning provider) provides off-the-job tuition and often takes on much of the administrative workload associated with the apprenticeship on behalf of the employer
- the Government – via the LSC – provides funds to cover the training costs of the apprenticeship, although not the wage costs.

An apprenticeship is not a qualification in itself, but it contains the following elements:

- a knowledge-based element (the theoretical knowledge underpinning a job in a certain occupation and industry, typically certified via a Technical Certificate)
- a competence-based element (the ability to discharge the functions of a certain occupation, typically certified via work-based assessed national vocational qualifications (NVQs))
- transferable 'key skills' (literacy and numeracy)
- a module on employment rights and responsibilities.

All Government-funded apprenticeships in England lead to a package of qualifications at Level 2 or Level 3 as follows:

- an apprenticeship at Level 2³ comprises an NVQ at Level 2 and – either separately accredited, integrated in NVQ learning, or validated by equivalent prior learning – a Technical Certificate at Level 2 and Key Skills in Application of Number and Communication at Level 1, together with other qualifications appropriate to the occupation
- an advanced apprenticeship at Level 3 comprises an NVQ at Level 3 and – either separately accredited, integrated in NVQ learning, or validated by prior learning – a Technical Certificate at Level 3 and Key Skills in Application of Number and Communication at Level 2, together with other qualifications appropriate to the occupation.

More information about apprenticeships including a full list of available frameworks can be found at: <http://www.apprenticeships.org.uk/>

Train to Gain

Train to Gain is a **service for employers which puts buying power and information in their hands**, giving them better access to a wider range of opportunities for improving the skills of their employees and the productivity of their business. Train to Gain is part of the **Solutions for Business** portfolio - a streamlined portfolio of government funded support products for businesses accessible via Business Link. The Government is committed to growing, expanding and improving Train to Gain. By 2010 – 11 it will invest over £1 billion of public funding per year through the service.

Through Train to Gain employers can access:

- a. Quality-assured, impartial advice from skills brokers with expertise in their sector, to help identify the business' skills needs at all levels and make the right, informed choices to address those needs.
- b. Expert help from the brokerage service to identify and source high quality, vocational skills training, including apprenticeships, delivered at a time and place to suit them, from a wide range of further education and other training providers, as well as giving advice on wider business needs.
- c. Government funding, to sit alongside their own financial contribution, including fully funded literacy, language and numeracy learning and partially funded ESOL learning for all employees who need it;
- d. A range of other support, including a contribution to wage costs for working-time spent training for businesses with under 50 full time equivalent staff.

Through a national network of brokers in the Business Link service, free, expert advice and support is available to help employers to make an assessment of their business needs, including their skills needs. The brokers can then work with the employer to identify where and how to access training in a way that suits their needs. There are specialist brokers for sector, region, and size of employer.

Employers also have the option to work directly with training providers rather than going through the brokerage service, if those providers have contracts to deliver Train to Gain-funded training. This is valuable for employers that have existing relationships with training providers, or who would like to work with providers local to their business.

For employers with more than 5,000 employees, Train to Gain offers increasing amounts of funding through The National Employer Service (NES), which gives specialist advice on skills training to large businesses. These employers receive personalised account management through a single point of contact, enabling them to develop large scale, sustainable training programmes across several locations.

For more information visit:

<http://www.traintogain.gov.uk/> or call 0800 015 55 45

Employers can also demonstrate their commitment to investing in the skills of their workforce by making the Skills Pledge. For more information about making the Skills Pledge visit <http://inourhands.lsc.gov.uk/employers-pledge.html> or call 0800 015 55 45.

Important do's and don'ts

Do make sure that:

- Skills and apprenticeships are considered from the outset
- Skills and apprenticeship requirements addressed in procurement are relevant to the subject matter, or performance, of the contract
- Actions to take account of skills and apprenticeships are consistent with the Government's value-for-money policy, taking account of whole-life costs
- Actions to take account of skills and apprenticeships comply with the law, in particular, the principles of the EU Treaty, and the UK Regulations implementing the EU Public Procurement Directives
- Any additional skills and/or apprenticeship requirements imposed are quantified and weighed against any additional costs and potential burdens on suppliers, which are likely to be passed on to the contracting authority when they price their tender
- The procurement is carefully planned to ensure it is accessible to a suitable variety of suppliers including bodies such as SMEs, social enterprises, black and minority ethnic enterprises, women's and disabled-owned businesses, and the voluntary and community sector (VCS)
- Relevant expertise is assembled for the project. Procurement specialists and end-users should be involved in addition to those responsible for skills and apprenticeships
- Early dialogue (ie, before an individual procurement begins) is initiated with the supplier community including the SME sector. Care should be taken not to distort competition – this process should not give advantage to any particular supplier.

Do not:

- Act in such a way as to distort competition or discriminate against candidate suppliers from other EU Member States
 - Add skills and apprenticeship requirements to a contract without careful evaluation and justification of any additional costs
 - Leave consideration of skills and apprenticeships until too late in the process
 - Impose contract conditions that do not relate to the performance of that particular contract
 - As part of the procurement process, ask suppliers about their policies generally on issues that are not related to the specific contract
 - Impose any unnecessary burdens that would deter suppliers, especially SMEs, from competing for contracts.
-

Further Reading

OGC's Social issues in purchasing:

http://www.ogc.gov.uk/documents/Social_Issues_in_Purchasing.pdf

The European Commission's Interpretative Communication on social issues in procurement:

http://eur-lex.europa.eu/LexUriServ/site/en/com/2001/com2001_0566en01.pdf

Ongoing work to increase participation in apprenticeship schemes:

<http://www.employersforapprentices.gov.uk/>

Home Office/OGC Guidance: Think Smart... think voluntary sector!:

http://www.ogc.gov.uk/embedded_object.asp?docid=1001957

OGC/Small Business Service publication – Smaller Supplier... Better Value:

<http://www.supplyinggovernment.gov.uk/viewHotTopic.asp?ID=560 - Q2>

The compact between the voluntary sector and government:

<http://www.thecompact.org.uk>

Guidance on Joint Statement

http://www.cabinetoffice.gov.uk/media/cabinetoffice/workforcematters/assets/CO_joint_statement.pdf

Code of Practice on workforce matters in public sector service contracts

<http://www.cabinetoffice.gov.uk/workforcematters/code.aspx>

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Further enquiries

Questions on this pamphlet should be addressed in the first instance to the OGC Service Desk on 0845 000 4999 or at servicedesk@ogc.gsi.gov.uk

If you, or your contractors, would like to find out more about skills, you can:

- Access advice through the Train to Gain service in England: www.traintogain.gov.uk, or 0800 015 5545
- Find out more about apprenticeships by calling 08000 150 400 or visiting www.apprenticeships.org.uk
- Contact your local college or training provider.

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