

BROKERAGE OF SUB-CONTRACTING IN THE EUROPEAN SOCIAL FUND PROGRAMME 2007-2013

Introduction

All ESF funding in the region is channelled through Co-Financing Organisations, who procure and manage ESF contracts with providers. The Department for Work and Pension (DWP) / Job Centre Plus (JCP) and the Learning and Skills Council (LSC) are the two Co-financing Organisations operating in the North East region. The main focus of European Social Fund (ESF) delivery for the DWP will be on reducing worklessness. The LSC, has a primary remit for skill development, but will also focus on improving skills for employability. Both aspects line up with the Government's key objective of moving a million people out of welfare dependency (so called inactive benefits) and into work.

As the sector co-ordinator (funded under Technical Assistance) for the Voluntary and Community Sector, ESFVON continues to have a key role in facilitating the access of voluntary organisations into European funding. Under the former co-financing arrangements introduced in 2002, ESFVON undertook a 'brokerage' role, whereby organisations not wanting or having the capacity to bid themselves could be put in touch with consortia and lead agencies in order to deliver a part of a larger submission.

This function is even more pertinent and will continue with the current 'Primary Contracting' co-financing arrangements now operating across both the LSC and JCP current and prospective, invitations to tender (ITT).

Learning & Skills Council

You will be aware of the recent publication of LSC Specifications with ITT in three areas with immediate effect: Youth, Employer Responsive, and Adult Responsive, and that a tight deadline **14th December 2007**, applies.

ESFVON will be providing a service to both prospective Primary Contractors and Voluntary Sector Sub-contractors.

Prospective Voluntary Sector Sub-contractors: Many organisations will be confused as to who they might contact with respect to any particular specification. ESFVON is in a position to determine the 'lie of the land' regarding who is doing what, and where and who are, 'prima facie', in a particularly strong position to bid - e.g. which Local Authority Learning Partnerships already meet most of the LSC stipulations and preferences in the NEET specification.

ESFVON is canvassing prospective primary contractors to see in which areas of provision they are most in need of 'bespoke' providers in the Voluntary and Community Sector. **Remember: you do not have to have a Pre-Qualification Questionnaire (PQQ) status in order to deliver under a sub-contracted or commissioning arrangement.**

Prospective Bidding Agencies: Many of you may not be fully informed of the range or 'market' of provision across the third sector that may be available to most ideally meet your 'sub-contracting'/delivery short-fall needs. ESFVON is able to help you optimise delivery and strengthen your bid in so doing. **Remember you do not necessarily have to sub-contract across the restricted range of PQQ status organisations.** You will though be responsible for ensuring that the full qualitative commitments you made in your PQQ are met in terms all delivery for which you are contracted, whether delivered by yourself or by a sub-contracted organisation.

Note: ESFVON has an extensive database and working knowledge of voluntary sector organisations (both with PQQ and not) many of who may be commissioned to deliver relevant services.

ESFVON also offers a commissioned research option to Primary Providers; whereby ESFVON would deliver dedicated and pre set sub-contracting profile outputs for a fee.

Both prospective voluntary sector sub-contractors and prospective bidding agencies are invited to contact ESFVON for further information.

Contact us

ESFVON
391 West Road
Newcastle upon Tyne
NE15 7PY

Tel. 0191 274 9886
Fax. 0191274 2235
email: alan.payne@esfvon.org.uk

Department for Work and Pension (DWP)

There will be a limited number of organisations granted PQQ status that will be eligible to tender. Many organisations will be sub-contractors rather than primary contractors.

As with the LSC, those that are only interested in securing a sub contract to deliver bespoke provision will need to approach, or be approached by, a primary contractor.

Clearly, no one will know who will be in a position to award sub-contracts until the ITT stage in April next year. There are, though, many organisations seeking to win through the PQQ process to be one of those invited to submit final tenders. It is at this stage that the competitive process really gets going. Prospective primary contractors invited by the DWP to tender will be seeking to 'factor in' sub-contracted delivery as part of the competitive process; it will be likely to strengthen their bid if they do so.

Brokerage of sub-contracting by ESFVON will be operating accordingly. For further details contact ESFVON on 0191 274 9886

About us

ESFVON is the North East of England specialist Regional Development Agency for voluntary and community organisations accessing, or seeking to access, the Structural Funds for economic and social regeneration. A registered charity, linking with nearly 1000 organisations providing a network across the North East region, it was established in 1991 to provide advice and support to voluntary organisations wishing to utilise the European Social Fund under the Objective 3 Programme.

The further contribution which voluntary and community organisations could contribute towards community economic regeneration was also recognised. Following discussions with members of the European Commission, and a pilot project in 1994, we developed our services to include the North East of England Objective 2 Programme.

ESFVON therefore provides a unique resource for the sector and has developed a high level of expertise in the development and management of projects, a contribution recognised by Partners and Government.

Over this period of operation, ESFVON has worked to strengthen the role and contribution of the sector to the regeneration of the region by providing information on funding opportunities, supporting potential, new and existing projects and representing the interests of the sector in European funding policy and Programme management. This has resulted in hundreds of projects being successfully endorsed for Structural Funds of over £200 million with a total project value in excess of £450 million.

With such an established track record of successfully providing support we are now wishing to explore the forthcoming opportunities post 2006 not only in respect of mainstream funding but also other EU budget lines, best practice dissemination, and transnational co-operation.

ESFVON has recently been awarded funding by ONE NorthEast to develop a piece of action research exploring the difficulties and challenges of engaging the Voluntary Community Sectors in sub contracts with the Private Sector in order to deliver Employability. The Evaluations for Purpose Project (E4P) is examining in detail potential workable contract examples to provide a best practice template for use by both sub-contracting organisations and future primary providers.

ESFVON
391 West Road
Newcastle upon Tyne
NE15 7PY

Tel. 0191 274 9886
Fax. 0191274 2235
email: alan.payne@esfvon.org.uk