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Awarded contract

New Enterprise Allowance Phase 2

Department for Work and Pensions

F20: Modification notice

Notice reference: 2021/S 000-005244

Published: 15 March 2021, 10:56pm

Section I: Contracting authority/entity

I.1) Name and addresses

Department for Work and Pensions

Quarry House, Quarry Hill

Leeds

Email

david.frampton@dwp.gov.uk

Telephone

+44 1132327010

Country

United Kingdom

NUTS code

UK - UNITED KINGDOM

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/department-for-work-pensions>

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

New Enterprise Allowance Phase 2

II.1.2) Main CPV code

- 80000000 - Education and training services

II.1.3) Type of contract

Services

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - UNITED KINGDOM

II.2.4) Description of the procurement at the time of conclusion of the contract:

The New Enterprise Allowance scheme was designed to support the move into self-employment for those people who want to start their own business. The NEA Phase 2 extends this support to some Universal Credit participants already self employed. It provides Mentoring support and financial assistance (NEA allowance for new business start ups) to Participants who satisfy eligibility and are referred to the scheme by Jobcentre Plus.

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

74

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: Yes

Identification of the project

European Social Fund

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: [2017/S 091-180381](#)

Section V. Award of contract/concession

Contract No

UI_DWP_101838

Lot No

1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12a, 13, 14

Title

New Enterprise Allowance Phase 2

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

8 March 2021

V.2.2) Information about tenders

The contract/concession has been awarded to a group of economic operators: Yes

V.2.3) Name and address of the contractor/concessionaire

Pinnacle People Ltd

London

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

V.2.3) Name and address of the contractor/concessionaire

PeoplePlus Group Ltd

Sheffield

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

V.2.3) Name and address of the contractor/concessionaire

The Shaw Trust Limited

Bristol

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

V.2.3) Name and address of the contractor/concessionaire

Standguide Limited

Manchester

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

Yes

V.2.3) Name and address of the contractor/concessionaire

Gateshead Trading Company Limited

Gateshead

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

V.2.3) Name and address of the contractor/concessionaire

Cumbria Chamber of Commerce

Carlisle

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

Yes

V.2.3) Name and address of the contractor/concessionaire

Business Sense Associates

Llansamlet

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

Yes

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £55,660,000

Section VI. Complementary information

VI.3) Additional information

Suppliers Instructions:

How to Express Interest in this Tender:

1. Register on the eSourcing portal (this is only required once):

<https://dwp.bravosolution.co.uk> & click the link to register - Accept the terms & conditions & click 'continue' - Enter your correct business & user details - Note your chosen username & click 'Save'. You will receive an email with your password (keep this secure)

2. Express an Interest in the tender - Login to the portal with the username/password - Click the 'PQQs / ITTs Open To All Suppliers' link. (These are Pre-Qualification Questionnaires or Invitations to Tender open to any registered supplier) - Click on the relevant exercise to

access the content. - Click the 'Express Interest' button at the top of the page. - This will move the PQQ /ITT into your 'My PQQs/ My ITTs' page. (A secure area reserved for your projects only) -You can now access any attachments by clicking 'Buyer Attachments' in the 'PQQ/ ITT Details' box

3. Responding to the tender - Click 'My Response' under 'PQQ/ ITT Details', you can choose to 'Create Response' or to 'Decline to Respond' (please give a reason if declining) - You can now use the 'Messages' function to communicate with the buyer and seek any clarification - Note the deadline for completion. Follow the onscreen instructions to complete the PQQ/ ITT - There may be a mixture of online & offline actions to complete (detailed online help available). To submit your reply use the 'Submit Response' button (top of the page).

For further assistance please consult the online help, or the eTendering help desk.

DWP expressly reserves the rights(i)to use a reverse auction; (ii)to cancel this procurement at any stage; (iii)to not award any contract as a result of the procurement process commenced by publication of this notice; (iv)and in no circumstances will DWP be liable for any costs incurred by potential suppliers.

VI.4) Procedures for review

VI.4.1) Review body

Department for Work and Pensions

Hartshead House, Hartshead Square

Sheffield

S1 2FD

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 80000000 - Education and training services

VII.1.3) Place of performance

NUTS code

- UK - UNITED KINGDOM

VII.1.4) Description of the procurement:

The New Enterprise Allowance scheme was designed to support the move into self-employment for those people who want to start their own business. The NEA Phase 2 extends this support to some Universal Credit participants already self employed. It provides Mentoring support and financial assistance (NEA allowance for new business start ups) to Participants who satisfy eligibility and are referred to the scheme by Jobcentre Plus.

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

80

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£55,660,000

VII.1.7) Name and address of the contractor/concessionaire

Pinnacle People Ltd

London

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.1.7) Name and address of the contractor/concessionaire

PeoplePlus Group Ltd

Sheffield

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.1.7) Name and address of the contractor/concessionaire

The Shaw Trust Limited

Bristol

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.1.7) Name and address of the contractor/concessionaire

Standguide Limited

Manchester

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.1.7) Name and address of the contractor/concessionaire

Gateshead Trading Company Limited

Gateshead

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

No

VII.1.7) Name and address of the contractor/concessionaire

Cumbria Chamber of Commerce

Carlisle

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

Yes

VII.1.7) Name and address of the contractor/concessionaire

Business Sense Associates

Llansamlet

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

The contractor/concessionaire is an SME

Yes

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

On 9 April 2020 the interim payment arrangement was agreed and implemented quickly to make appropriate payments to providers to calm the reaction in the market and provide a degree of confidence to maintain services. This was in line with Cabinet Office PPN 02/20

and provided cash-flow until June 2020. This delivered the objective in the very short term.

On 1 July 2020 the next stage of the strategy was implemented and suspended the Payment By Results model, replacing it with a new Cost+ model until the situation changes. This replaces the interim payment arrangement.

Acknowledging the uncertain environment; the new model will be subject to regular reviews, to assess the external conditions. The Department will reserve the right to revert to the original model, subject to notice, at any time. Whilst it may be appropriate to revert directly to the original arrangements, this will need careful consideration and assessment of the environment, not least the pipeline of participants to realise outcomes, the labour market conditions and the potential changes to citizen behaviour including restrictions.

VII.2.2) Reasons for modification

Need for modification brought about by circumstances which a diligent contracting authority/entity could not foresee.

Description of the circumstances which rendered the modification necessary and explanation of the unforeseen nature of these circumstances:

The outbreak and subsequent impact of the Covid-19 pandemic posed a threat to the viability of the contracted employment services market. Without intervention, the market would not be sustained to support wider society get back to work. The conventional Payment by Results (PBR) model does not generate sufficient income for providers to remain viable, or to maintain capacity and capability. Providers are also mainly reliant on referrals to provision by Jobcentre Plus and this activity was de-prioritised to focus on the national need to pay benefits. Some providers were already experiencing financial stress and many organisations in the supply chain are small third sector companies being impacted by the wider impact of Covid-19. The Labour Market and economy is suffering the consequences of the Covid-19 pandemic and existing delivery arrangements are not appropriate in the current restricted climate.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £44,600,000

Total contract value after the modifications

Value excluding VAT: £55,660,000

