

SCOTLAND'S DEVOLVED EMPLOYMENT SERVICES 2018 RESERVED CONTRACT AREA - FREQUENTLY ASKED QUESTIONS

Q) What is a supported business?

A) Regulation 21 of the Public Contracts Scotland Regulations (2015) defines a supported business as:

"an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons".

Q) Why are you reserving a contract for the supported businesses?

A) The Scottish Government is committed to the ongoing viability of supported businesses in Scotland. We believe they provide vital permanent employment for those disadvantaged in the labour market but can also act as a springboard to mainstream employment. Reservation of one area for bids from such businesses is wholly in line with this commitment and will ensure that in at least one area, a supported business will be delivering mainstream Scottish Government services.

Reservation is also in line with the Scottish Government's ambition to develop a more diverse delivery market for employment support through devolution, and does not preclude bids in other areas from supported businesses - in fact we hope that those developing bids for the rest of the contract areas will consider how supported businesses can add value to the services they will offer.

Q) Why this area - there aren't many supported businesses there?

A) It's important to remember that the definition of a supported business has changed and this means that there will be a greater number of organisations in Scotland and beyond who satisfy this definition, than was the case under the previous definition.

On this broader basis, we are very keen to encourage bids from all supported businesses with the experience and skills to deliver employment support services.

From work we have undertaken, we're satisfied that there are sufficient supported businesses in this area to offer a good level of competition or collaboration.

Q) What criteria did you use to select the area?

A) A number of factors were taken into account including viable contract size, encouraging a wide market, links to local markets, taking geography into account and consideration of existing boundaries for similar services.

It is important to ensure that the area is large enough to offer sufficient levels of customer flow through to truly test and evaluate this approach.

There should also be sufficient numbers of supported businesses already operating in the selected area, or with the capacity to do so to enable competition to take place.

It is important that the selection exercise was in line with our overall decision making in relation to the agreement on Contract Area and geography, i.e. aligned to Strategic Investment Objectives and the selection criteria.

We therefore have to be satisfied that this approach meets the ambition for a nationally consistent service delivered locally and utilising private, public and third sector capabilities; and the integration and alignment of services in order to maximise value for money.

Q) Will the supported business service provider be subject to the same funding arrangements, service requirements key performance indicators as the other providers?

A) Absolutely. Any variation on performance expectation would be unfair on those customers accessing the service in that area. Providers across Scotland will be subject to the same performance expectation and key performance indicators and robust performance management will be put in place to manage each contract.