



merlin

promoting supply chain excellence

**Assessment Report
For**

SEETEC BUSINESS TECHNOLOGY CENTRE LTD

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On behalf of emqc Ltd

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Contents

About the Organisation	3
Assessment Methodology	3
Assessment Outcome	3
Strengths	4
Areas for Improvement	5
Areas Requiring Further Development	6
Assessment Findings	
1 Supply Chain Design	7
2 Commitment	9
3 Conduct	14
4 Review	21

About the Organisation

SEETEC Business Technology Centre Ltd (Seetec) was founded in 1984 as an Information Technology Centre. It provides skills and employment related services and operates across the East of England, West of England, London, the North West, and East and West Midlands from its Head Office in Hockley, Essex.

It has successfully been running Welfare to Work and skills training programmes for over 25 years.

Seetec's Work Programme, which is delivered across 3 Contract Package Areas (CPA), has been built using the core vision and values of the organisation '*Aspire, Achieve, Sustain*' which underpin its five-track, three-step delivery model. In addition to the Work Programme, Seetec is a leading provider of Skills Funding Agency, Apprenticeship and Apprenticeship Training Agency programmes.

Assessment Methodology

The Merlin assessment plan agreed between the lead Assessor and Seetec ensured that a representative sample of the supply chain operating in East London, East of England, Greater Manchester Central, East and West Cheshire and Warrington took part in the assessment.

The assessment team, including the lead Assessor Ruth Regan, and team Assessors Hayley Allen, Mark Wem and Janice Grey spent 12 days onsite completing the assessment. They visited locations in Stockport, Warrington, Hockley, Oldham, Wigan and Bolton in order to ensure a wide spread of Supply Chain Partners and Seetec employees were engaged in the assessment. In all, employees from 22 partner organisations, 12 end-to-end and 10 specialist intervention providers, (which represents some 65% of the organisations currently contracted to deliver the Work Programme on behalf of Seetec) were interviewed either face-to-face or over the telephone. In addition, representatives from a further three organisations who had either withdrawn from the supply chain or did not proceed to contract were also interviewed. A range of Seetec personnel engaged in supporting and managing the supply chain, some 24 in total, were also interviewed.

As well as the interviews, the team was able to review a range of written documents and gain an understanding of the IT systems used by Seetec and their supply chain.

Assessment Outcome

Overall %	73%
Overall Outcome	Good
Supply Chain Design	Good
Commitment	Good
Conduct	Good
Review	Satisfactory

Strengths

A range of strengths were identified during this Merlin assessment and a summary of these is given below. The numbers in brackets relate to the criteria of the Standard to which the areas relate.

- ▲ The analysis and research undertaken to determine potential customer needs has ensured that the scope of the supply chain meets the objectives of the commissioner and the contractual requirements. (1a.1)
- ▲ The robust qualitative and quantitative assessment of organisations' capability and capacity to deliver has resulted in a supply chain which comprises a diverse mix of large, small, niche, private and third sector organisations. (1a.2) (2c.1)
- ▲ There are strategies in place to identify and quality assure organisations outside of the formal supply chain network enabling them to offer specialist support to customers. (1a.3)
- ▲ Communication channels at all stages of the procurement activity and following contract award appear to be clear, robust, honest, and open – ensuring that all parties understand the requirements of, and are engaged in, delivering the contract requirements. (2a.1) (2a.4) (2a.5) (2c.1) (3a.4)
- ▲ The role Seetec plays in actively supporting the growth and development of Supply Chain Partners, including supporting them to access additional funding streams is recognised and appreciated by the network. (2b.1) (2b.3)
- ▲ Supply Chain Partners confirmed that they feel the processes and procedures used by Seetec support them to understand the finance models, volumes, market share, flows etc., and ensured the procurement process was effective. The preferential terms negotiated with some voluntary organisations was acknowledged as a key differential between Seetec and other Prime Contractors. (2c.2) (2c.4) (2c.5) (2c.6)
- ▲ Employees throughout the supply chain confirmed that at all levels and across all teams within Seetec, their interactions with Seetec employees are positive and supportive. (3a.3)
- ▲ Quality assurance and compliance is effective and proportionate and based on a continuous improvement strategy. Support to ensure the policies and processes relating to security of data and assets, safeguarding, health and safety and diversity and equality are robustly adhered to is acknowledged across the supply chain. (3b.1) (3b.2) (3b.3) (3b.4) (3b.5) (3b.6) (3e.1) (3e.2)
- ▲ The clarity and frequency of management information has ensured that all performance expectations are clearly understood. Performance review is carried out in a supportive and developmental manner giving partners every opportunity to succeed, highlight innovation and demonstrate progression. (3d.2) (3d.3) (3d.4)

- ▲ Processes used to measure the journey travelled by individual customers are robust, and the ongoing analysis is used to influence an individual customer's action plan. (3d.6)
- ▲ Stakeholder groups are clearly defined and understood and are actively used to seek feedback through a variety of mediums. (4a.1)
- ▲ There is a robust Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) process in place. (4a.2)

Areas for Improvement

In order to support the organisation to further develop and improve its supply chain delivery strategy, the following suggestions for improvement are made by the assessment team.

- ▲ Continue to review the holistic needs of stakeholders and customer groups and ensure the supply chain; including the range of intervention partners meet their needs. (1a.1) (4a.5)
- ▲ Consider increasing the level of consultation undertaken across the network before introducing new policies and / or processes to ensure they are proportionate and acceptable to all. (2a.2)
- ▲ Continue to encourage the network to work collaboratively to deliver comprehensive services to customers. While this is important across the network as a whole, it is particularly important that collaboration between the end-to-end and intervention partners is enhanced. (2a.3)
- ▲ Consider the benefits of inviting Seetec centre personnel to the best practice meetings so that excellent practice can be identified, documented and shared across the supply chain. (2a.3) (3b.8) (3d.1)
- ▲ Revisit how you actively promote, and facilitate the learning and development of supply chain staff – consider how needs are identified, how, when and where programmes of learning are promoted and what measures can be put in place to evaluate the impact and effectiveness of learning interventions on service delivery. (2b.3)
- ▲ Consider what more can be done to communicate the Seetec Code of Business Ethics and to ensure it is a code by which all involved in the supply chain understand and relate to. (3a.1)
- ▲ Ensure that lessons learnt from the TUPE process are included in any future TUPE strategy. (3a.2)

- ▲ Develop the work already undertaken on embedding environmental sustainability across the supply chain and support partners in developing, setting and monitoring more effective, measurable targets. (3b.7)
- ▲ Engage with all Intervention Partners and revisit / re-negotiate the referral levels within their service level agreements. (3c.1)
- ▲ Continue to remind Supply Chain Partners of your commitment to the Merlin Mediation Service and the Independent Case Examiner. (3c.3)
- ▲ Ensure the concept of 'value for money' is understood, promoted and shared across the supply chain. (3d.5)
- ▲ Continue to review how equality and diversity data is collected, analysed and used to inform improvements to service delivery and supply chain design. (3e.2) (3e.3)
- ▲ Ensure the development of the Self-Assessment Report includes all partners from across the supply chain – not just end-to-end providers. (4a.2)
- ▲ Ensure Supply Chain Partners develop their own impact measures to support the wider objectives of the commissioner and that successes are shared across the CPAs. (4a.3) (4a.4) (4a.6)

Areas Requiring Further Development

- ▲ None identified during this assessment.

Assessment Findings

1 Supply Chain Design

1a) Supply chain design

Seetec advertised its intention to become a Prime Contractor to the Work Programme through a variety of medium including the Seetec website, attending events such as the Welfare to Work conference, holding 3 Webinar events where the Seetec Directors were available for a question and answer session for any interested parties, and providing information brochures for potential stakeholders and partners etc.

A dedicated team of staff was put together to support the organisations bidding in each CPA.

The Seetec supply chain selection process follows a documented process that analyses and defines the requirements based on the invitation to tender. This process is applied to each individual contract Seetec bids for, ensuring that Supply Chain Partner selection meets customer need and broader commissioner aims. The process includes:

- Undertaking primary and secondary research to ensure a full understanding of the target customer groups and their specific needs - aligned to local stakeholder requirements (e.g. Local Authorities, Jobcentre Plus and Local Employer Partnerships).
- Customer groups, customer demographics, geography to be covered, what Seetec can deliver and where and what 'gaps this leaves in the market place are explored;
- Organisations interested in becoming a potential partner submit an Expression of Interest (Eoi) with questions relevant to the contract requirements;
- All organisations are evaluated on the information provided in their Eoi against key criteria including their track record, performance data, quality standards used / awarded, evidence of internal quality processes, sufficient regional / geographic capacity and coverage, experience with customer groups, links with strategic stakeholders, experience of working with employers to meet local labour market needs, financial capacity and their perceived value adding capabilities;
- This provides a red, amber, green (RAG) rated shortlist of potential partners, including any customer group specialists highlighted from the analysis of customer group need, and;
- A detailed mapping of shortlisted partners.

An organisation's geographical coverage, specialism, infrastructure and capacity to deliver desired volumes determine the final supply chain selection and the types of services commissioned from each partner organisation. For example on Work Programme, Seetec has Supply Chain Partners delivering:

- End-to-end services (from referral until end of sustainment period);
- Step 1 and 2 only partners (from referral until job outcome);
- Intervention partners (specialist interventions or information, advice and guidance), and;
- Step 3 skills providers (delivering in sustainment phase, post job outcome, joining up with SFA training provision).

Throughout the engagement process, response templates are used to ensure standardised communication across all Supply Chain Partners at each stage of the process - including providing, where requested, written feedback to those who are unsuccessful during the Eol stage.

In the eight bids Seetec put together to deliver the Work Programme, 96 organisations had been issued offers to work as part of the potential supply chain. Only 18 were organisations with whom Seetec had formally worked with on a contracted basis in the past.

For the three successful bids to deliver the Work Programme Seetec's original supply chain consisted of 19 private, 1 public and 25 voluntary / SME partners. These are a mixture of specialist and generalist providers to deliver end to end services, intervention and ad-hoc interventions to target specific customer groups; and apprenticeship providers to support the sustainment period.

Some Supply Chain Partners operate across all three CPAs, others are specialist community based organisations with a specific localised geographical area only, others have expertise in supporting certain customer groups and apprenticeship providers are in place to support the sustainment period.

In order to increase flexibility of the supply chain a diverse support network over 740 organisations are listed on the Seetec Partnership Framework. Providers of complementary and specialist support services are identified as those who can add value and provide services on an ad-hoc basis to meet the specific needs of individual customers.

2 Commitment

2a) Collaboration, cooperation and communication

To ensure that communication is effective at all stages of the procurement process, Seetec has developed and deployed a communication process strategy which includes a flow-chart for employees to follow which highlights what communication needs to take place, when and in what format. A standardised library of communication templates is in place to ensure consistency and accuracy at all stages.

Supply Chain Partners confirmed that clear, timely and constructive communications took place at all stages of the procurement process. For example, prior to procurement, use was made of the organisation's website, highlighting to potential partners the benefits of working with Seetec, its approach to supply chain management and contract delivery. During the awareness raising phase a webinar was held which enabled interested organisation's, regardless of location, to join an information / question and answer event.

Feedback following this event highlighted that some people preferred a physical event so, where possible, these organisations were visited by Seetec employees to discuss how they might contribute to the delivery of the Work Programme. Subsequent to contracts being agreed, it becomes the role of the Seetec Supply Chain Managers (SCMs) to ensure the communication flow between Seetec and its partner's remained consistent and frequent. For example they:

- Communicate on a daily basis with partner to address any issues or concerns. This is usually completed by telephone, email or in urgent cases centre visits;
- Hold monthly face-to-face performance reviews to discuss compliance and contract delivery and uses this forum to discuss any matters of concern to the partner, and;
- Facilitate quarterly 'best practice' meeting for Supply Chain Partners to come together to discuss contract delivery and share approaches.

Another key communication role is carried out by the Performance and Quality Managers (PQMs) who discuss information around contract delivery, quality and compliance with Supply Chain Partners. The Supply Chain Executive Director also communicates with the supply chain at a more strategic level to discuss and address issues with performance, changes to contracts or any issues which cannot be dealt with by the SCMs.

Supply Chain Partners described how at each monthly review meeting with their SCM they have a formal opportunity to feed back on what is working well and what is not and can make suggestions as to what improvements could be put in place. The best practice meetings were also highlighted as a vehicle for consultation and discussion. Any partner wishing to introduce changes to the IT provision can use the 'Change Request Process' through which they can suggest the why, what, benefits etc. of the changes they are suggesting. Some 60% of the suggestions get introduced across Seetec and the supply chain as a whole. For example, at the request of the supply chain, Seetec enabled their IT system, Provider Enterprise, to be utilised to send text messages directly to customers.

Although partner organisations have been consulted in various developments (including the recent pilot testing of a new IT based performance dashboard), some Supply Chain Partners felt that consultation could be further enhanced with a wider pool of partner organisation being involved in, for example, pilot testing new approaches etc.

At the quarterly best practice meetings key messages from / to the supply chain are cascaded and shared. For example Seetec will take the lead on sharing topics relating to quality and improvement plans, security, etc. and Supply Chain Partners provide feedback and share what works well for them and where they believe improvements can be made. Partners confirmed that these meetings are supportive and that the sharing of information and working collaboratively is encouraged by Seetec. However, all agreed that more collaboration across the supply chain, especially between end-to-end and intervention partners could add value to the customer experience and contract performance.

SCMs attend a weekly webex meeting with the Supply Chain Executive Director, where performance is shared across the 3 CPAs. This is an opportunity to share experiences, concerns and best practice as a team which in turn is then shared back into the supply chain. At a strategic level, Seetec has created the Strategic Supply Chain Development Sub Board to which specific Seetec departmental staff attends, along with Supply Chain Partner representatives from each CPA.

Due to the mix of communication methods employed by Seetec, Supply Chain Partners described the day-to-day operational communication as '*consistent*', '*appropriate*', '*timely*', and '*relevant*'. At a management level, the information provided through the Provider Enterprise IT system and the management information dashboard is becoming a valuable communication tool. At a strategic level, contractual information and commissioner updates etc. are communicated via email to all partners, with documents being uploaded to the Partners Portal for reference.

Communications at both a strategic and operational level were consistently described by Supply Chain Partners as being '*open and honest*'. The current team of SCMs were described as '*enthusiastic*', '*helpful*', '*open to ideas*', '*honest*', '*available when needed*', '*being clear and consistent in their communication*', and '*approachable*'. The approach the team of SCMs has taken to relationship building has created a culture where partners do believe communication is a two-way process and they are able to express their views, concerns and ideas.

2b) Developing Supply Chain Partners

Seetec proactively supports Supply Chain Partners to increase performance by making available to them their own systems and process which are designed to provide a structure for delivery. For example a Process Manual was shared with partners during the implementation stage of the Work Programme. Supply Chain Partners described how Seetec has worked with them to develop the flexibility to scale up and down their delivery (for example comparing their staffing models with Seetec's own), to enable them to respond to fluctuations in volumes - thus improving their own financial viability.

Partners also explained how:

- When appropriate, their SCMs will arrange specialist support from the relevant Seetec departments, e.g. quality, training, security, etc., to help support the development of relevant business processes and policies;
- Seetec personnel had spent a number of days working with their management team to help identify and overcome performance issues;
- An online meeting resource (webex), had been provided by Seetec to enable them to hold regular case conference meetings across multiple sites, and;
- Observations of staff / customer interventions are conducted in a supportive manner highlighting strengths and making suggestions for improvement.

Organisations on the Seetec Partnership Framework are contacted when new opportunities arise and asked to submit a contract-specific EoI if they feel they can provide the relevant services. For example Seetec has just worked with one voluntary and one private sector Work Programme partners on producing bids for Innovation Fund. Other examples shared by Supply Chain Partners include being supported to implement the high level DWP information security system requirements, and promoting a partners unique delivery model to others enabling them to bid for further projects and being nominated for a DWP innovation award by Seetec.

Work Programme implementation support and training was delivered to Supply Chain Partners via different mediums including online meetings / presentations, face-to-face presentations, training sessions at Seetec and partners offices.

All systems and processes are supported by user guides e.g. Provider Enterprise guides, or the WP Process Manual. Part of the implementation training was an introduction to the Seetec online learning system (ELVIS) and the resources available to both customer and staff on both Provider Enterprise and ELVIS IT systems. All Supply Chain Partners have access to both systems. (Intervention partners do not have direct access to Provider Enterprise. However each organisation was given a log-in to the partners' pages to ensure that the whole supply chain has access). While there is a comprehensive range of staff training materials and resources freely available on the portal, they appear to be underutilised by most employees across the supply chain.

2c) Contracting and funding

All Supply Chain Partners confirmed they believe Seetec has developed a fair, transparent and consistent procurement process which ensures that the most appropriate organisations are selected to meet customers' needs in the CPA. Opportunities are advertised as widely as possible and selection made against established and clear criteria. (See 1.a above.) EoI forms were described as being '*relatively straight forward to complete*' and were not perceived by partners as being over burdensome. Timetables of proposed activity i.e. dates for selection, were published providing a clear indication of timescales for further activity. Communication to successful and unsuccessful organisations appears to have been given in a clear and timely manner – with detailed feedback being given where appropriate and / or asked for.

During the whole bidding process, notification was sent to unsuccessful organisations at each stage of the process, for example, those that were not included within the final bid are advised by letter. Organisations that had been unsuccessful in their efforts to join the Seetec Work Programme supply chain were, despite being disappointed in not being selected, very positive about the approach taken by Seetec, describing it as *'professional throughout'*.

For end-to-end partners, the Seetec contractual and funding arrangements directly mirror the commissioner's contract and funding. For intervention partners a fixed fee arrangement was negotiated. This recognises the differing business drivers for the more specialist partners and the nature of the provision being delivered. To aid cash flow and viability for third sector organisations that are part of the Work Programme supply chain, Seetec offered improved funding terms. Also to support some key third sector intervention providers they negotiated monthly fees to protect them from the volume fluctuations, and to help in their resource management.

Details of a range of individually negotiated funding arrangements were shared by Supply Chain Partners during this assessment. Financial modelling was 'tested' by Seetec to ensure that contract size and allocation of market share were financially viable, and working capital requirements were not excessive.

The contractual documentation used by Seetec were described by Supply Chain Partners as being *'clear and unambiguous'*. Offers were made in writing outlining Seetec terms and conditions, locations, volumes, funding and payment models. End-to-end partner contracts are based on Seetec's own contract with the commissioner - ensuring that the commissioner's requirements are clearly cascaded down. Yearly service level agreements are in place with all intervention partners and clearly outline performance and quality expectations etc.

The initial allocation of market share was determined at supply chain design stage and is fully understood by and agreed with the supply chain. Having reviewed Seetec's own direct delivery capability it was agreed that the supply chain would deliver 55% of the Work Programme contract in East London, 45% in Manchester and 18% in the East of England. Within these overall parameters, individual Supply Chain Partners market share allocations were negotiated based on the needs of the customer groups within the defined geographical areas, the partners' capability and capacity to deliver etc. All Supply Chain Partners were aware of and understood their market share allocation.

Contract negotiations were acknowledged by Supply Chain Partners as being *'proactive'*, *'personable'* and *'professional'*. Individual circumstances were shared and the best possible solution sought. Pre-contract award documentation confirmed potential volumes, price, delivery requirements etc. and according to the partners, *'Seetec lived up to the sub-contract declaration'*.

As part of the Work Programme implementation process, Seetec discussed delivery, financial and contractual terms with all partners. This was an opportunity for Supply Chain Partners to further negotiate funding and volumes.

Various examples were shared by partners of how these negotiations took account of their individual needs and resulted in specific payment terms being agreed. For example:

- A small provider wanted a lump sum rather than a fee per attachment which was agreed;
- Seetec re-negotiated post contact award to move a partner from being an end-to-end provider to an intervention provider at the request of the organisation, and;
- Seetec re-negotiated volumes where a particular partner found the client group more challenging than expected, so volumes were reduced to help them focus on the quality of delivery.

The systems and processes used by Seetec to transfer funds across the network appear to work well. Partners explained how they believe the use of Provider Enterprise to record all activities and the checking procedures that are in place ensures the monies paid are accurate and based on validated evidence – thus avoiding any chance of claw-back. Supply Chain Partners acknowledged the good working relationship they have with the finance and PRaP teams.

The management fee charged by Seetec was described by Supply Chain Partners as being '*best value for money of the Primes*' and '*a generous resource*'. All partners understood what they were being charged and what they received.

3 Conduct

3a) Demonstrating commercial and business integrity

Seetec has a Code of Business Ethics which has been communicated to all Seetec staff and discussed and shared with partners. The code articulates Seetec's values and commitments to customers, employees, sub-contractors, the wider community and stakeholders. It also explains their commitment to the highest standards of quality, probity and accountability.

The supply chain selection process aimed to ensure that organisations with similar ethical values to those of Seetec were engaged. While partners described the core principles by which they work together with Seetec as being '*honesty*', '*integrity*', '*stability*', '*flexibility*', and '*thorough*', more could be done to communicate the Seetec Code of Business Ethics across the staff working across the network.

For each individual contract scenario, the Seetec Board agree a specific TUPE strategy based on the contractual circumstances. For the Work Programme, this resulted in the Seetec HR department taking a proactive role in working with other Primes to help affected organisations effectively manage the process. Seetec endeavoured to ensure that all eligible employees affected by TUPE were identified through one-to-one consultation meetings. Once this exercise had been completed they attempted to minimise the cost impact to the supply chain by fairly allocating transferring employees, taking into account the percentage of contract being delivered. Potential TUPE liabilities were outlined to the supply chain, both at bidding and post contract stages. Some partners commented that while acknowledging it was not necessarily a Seetec problem, they were frustrated by the uncertainty of the TUPE process and the time taken to finalise employee details.

Supply Chain Partners described how in the early months of their Work Programme contract with Seetec staff turnover was a problem as each CPA had 2 or 3 Supply Chain Managers in a relatively short period of time. However all partners were very positive about the supportive relationship they have with the current cohort of SCMs who have been in post for 6 months or more, and how they interact in a way that leads them to believe that '*they clearly want the relationship and the programme to work*'. Representatives of organisations who have withdrawn from delivery described how personnel from Seetec had '*offered solutions to try to keep us engaged*' and that they '*would be happy to work with Seetec again in the future*'. Relationships with personnel throughout the Seetec organisation, including those with the PQMs, are also acknowledged as being '*open, honest and fair*'. Opportunities to meet face-to-face during review meetings and at the best practice meetings was described as one of the key ways in which trust and understanding was being developed.

Post contract award, a robust due diligence process ensured that Supply Chain Partners had policies and procedures in place to meet legislative and regulatory requirements. Since when all update information has been communicated to partners via the supply chain email account and is made available to all via the partner portal. The PQMs will, as part of their visits, complete compliance checks to ensure understanding and implementation of any changes to policy or guidance and will give further support as required. Partners confirmed that they were kept informed of changes in a timely manner.

3b) Quality Assurance and Compliance

Seetec takes a holistic approach to ensure robust quality assurance, compliance and continuous improvement mechanisms are in place both internally and across the supply chain. The Head of Quality Improvement is specifically responsible for the development and implementation of quality improvement strategies and these are monitored by the PQMs.

Initial partner 'risk rated' visits were completed to ascertain where support with quality assurance and compliance was required. Following these initial visits monitoring schedules were developed according to the identified 'risk' to make sure that measures and systems were put in place to achieve continuous improvement. To ensure consistency across the CPAs, PQMs use a Quality Monitoring Checklist which describes what is to be monitored and how, and includes a systematic sampling of all programme activities and the monitoring and evaluation of performance. The checklist is then populated with a brief summary of findings and a risk rating given based on these findings. Areas requiring remedial action are transferred onto the partners Quality Improvement Plan for appropriate action to be taken.

Supply Chain Partners described the approach taken by Seetec to the reviewing and monitoring of the quality of service delivery as supportive and developmental. Quality Improvement Plans are used effectively to manage performance improvement.

PQMs, SCMs and Supply Chain Partners were able to give examples of good practice identified and improvements to service delivery / the customer experience resulting from monitoring activity. These included:

- The need for staff to have a greater understanding of case-load management techniques;
- Identifying how to streamline referrals relating to geography;
- Reviewing and improving customer contact time;
- The development of an example time-table to give to customers so they are aware of the amount of time they can expect to spend undertaking job-search activities etc;
- Listing the training courses available to the customer, and;
- Moving health and safety information to ensure it is visible to customers.

Any findings from the monitoring / site visits which have implications for the wider supply chain are shared at the weekly Supply Chain Performance Meetings with the Supply Chain Executive Director and the SCMs or at the Strategic Supply Chain Development Sub Board meetings, dependent on the nature and urgency of the issue raised.

Seetec makes every effort to ensure that it provides its partners' with impartial, effective and timely information, advice and guidance (IAG) by the proactive use of the Provider Enterprise portal and the use of 'expert' organisations to ensure information shared is current and '*fit for purpose*'. A national directory of IAG services is available on the portal for all delivery staff to access, as well as directly to customers via the Seetec online learning platform (ELVIS). The quality monitoring framework includes the review of customer files to ensure they are, where appropriate, being signposted to additional support services outside of the formal supply chain.

To provide assurance to Seetec and its stakeholders, the Work Programme supply chain has gone through a stringent security plan and clearance process. The Information Security Manager worked closely with the partner network providing support and guidance in the requirements of the security plan. A number of partners commented on the strong support and guidance they had received to enable them meet the security requirements of the Work Programme and how, without this support, they may not have been able to achieve the level of assurance required. All Supply Chain Partners are subject to quarterly 'spot check' audits by the Information Security Manager.

As part of the implementation process, all Supply Chain Partners submitted copies of their organisations' health and safety policies. These were reviewed by Seetec to ensure that as a minimum they complied with regulatory requirements and conformed to national best practice. Prior to the contract going live risk assessments were carried out on all partners premises. Supply chain health and safety requirements are assessed during the PQM monitoring visits and discussed with partners by the SCMs as part of the standard monthly review process.

As with health and safety, all Supply Chain Partners, submitted copies of their organisations' safeguarding policies. Prior to the contract going live, risk assessments were carried out and HMC Baseline Personnel Security Standard information was collected on all supply chain staff. Seetec has policies and procedures in place for effective management of safeguarding, including nominated, trained contact personnel within each CPA to whom partners can raise any concerns. Seetec has supplied a standard poster pack to all Supply Chain Partners, which includes the promotion of safeguarding. A range of booklets has also been produced by Seetec to help explain to customers how to keep safe. To further identify any risks, customer feedback questionnaires include questions around safeguarding.

Seetec have recently appointed a lead to ensure that it's Sustainability Policy and Environmental Development Plan, is implemented across the partner network. A number of actions have, or are being taken to implement and improve the green agenda with all partners including the launching of a 'We Are Going Green' awareness and training campaign. The approach taken by Supply Chain Partners to sustainable development is reviewed as part of the PQMs quarterly monitoring visit. While some partners have achieved ISO 14001 or are working towards it, there are as yet, no improvement targets set across the partner network.

Best practice meetings are held on a quarterly basis and are designed to encourage partners to work together. For example organisations offering intervention / complementary provision are invited to these sessions and given the opportunity to showcase their services and share the excellent practice they have to offer. Some intervention partners who had attended these meetings confirmed that referral rates to their provision had increased considerably once they had explained first-hand what they had to offer. (However see 3.c below.) While all partners confirmed the effectiveness of the best practice meetings, some questioned why Seetec centre staff are not invited to attend as they believe their input would increase the opportunity of highlighting, documenting and sharing excellent practice.

3c) Honouring Commitments

All Supply Chain Partners confirmed that pre-contract negotiations were clear, robust and resulted in mutually beneficial terms and that agreements reached post-tender were inline with pre-contract negotiations.

End-to-end partners confirmed that where there have been changes made to agreed terms, a clear rationale for the difference was explained and contracts were not signed until both parties were mutually agreed on funding arrangements. One provider who, after lengthy negotiations with and ongoing support given by Seetec, decided to leave the supply chain described how, when the final decision was made to leave, *'Seetec enabled us to hand over our clients easily and seamlessly so that neither ourselves nor the clients were disadvantaged'*. A number of intervention partners did express their considerable disappointment in the lack of referrals received – with some only receiving 20% or less of the referrals originally anticipated / negotiated.

Complaints are handled by PQMs and SCMs. This allows Seetec to identify and address areas of concern with any partner and ensures that appropriate measures, corrective actions and improvements are put into place. Complaints are analysed to identify any re-occurring issues, so corrective and preventative action can be taken. The dispute resolution process was explained to partners during the contracting phase and is detailed within their contract.

The Directors of Seetec are willing to be bound in principle by decisions of the Merlin Mediation Service.

End-to-end partners confirmed that they are fully aware of what is expected of them and that this is reinforced through regular oral and written communications. Through the involvement at the best practice meetings there is also a common understanding of how each end-to-end partner is contributing to the contract delivery. While efforts have been, and continue to be made to ensure that all Supply Chain Partners understand the contribution intervention partners can make to the supply chain, knowledge of and therefore take-up of these services by staff within the end-to-end partners' is less than expected.

3d) Performance

The design of the supply chain ensures that organisations complement each other and should therefore contribute to the overall performance of the supply chain as a whole. For example:

- There is a diverse mix of end-to-end providers, intervention providers, and skills providers within the network;
- 'Going for Gold', an Olympic themed competition between partner offices encourages individual and organisations performance improvement with each member of the winning office getting a voucher prize. Each month, the winners are announced, a league table circulated, and the Seetec's Chief Executive personally visits the winning offices to present their certificates and vouchers, and;
- A range of partners have contracts to deliver across all 3 CPAs so that there is a collaborative approach to delivery across the supply chain as a whole.

A number of these providers have attended best practice events in all 3 CPA to raise awareness of their services and share best practice from across the other areas and organisations they are working with.

Seetec has a clear framework and process for reviewing performance. For example:

- Dashboards linked to Provider Enterprise give Supply Chain Partners up-to-the minute performance information;
- Performance league tables are sent out every day enabling Supply Chain Partners to see how they are performing against other partners and Seetec centres. (Webinars have been run to answer questions on how to analyse and interpret data.);
- Monthly performance reviews take place with end-to-end partners;
- Intervention providers described having quarterly meetings with Seetec to discuss performance and share any concerns or issues with their SCM;
- During best practice workshops performance across the CPA is discussed, and;
- A partner from each CPA sits on the Seetec Strategic Supply Chain Sub Board, to input and influence design and development work.

The Assessors received mixed views from the intervention providers regarding the impact of the performance reviews. Some were frustrated by the lack of referral being received, while others were more accepting of the low referral rate. All did confirm that they had raised their concerns with Seetec, and would continue to do so.

The performance expectations of the supply chain are clearly defined and understood. They are:

- Articulated both in terms of numbers and financial values within contracts / service level agreements;
- Visible on Provider Enterprise with real time reporting;
- Contained within the daily dashboard reports, and;
- Discussed at each review meeting.

As part of Provider Enterprise, partners are able to set targets for their individual staff (this can then be viewed either individually or by partner). Staff can also see their own targets and progress towards achievement.

Seetec's Provider Enterprise system is a real time customer management system. The information contained is both secure and accurate and has extensive reporting capabilities. To support each partner to drive performance within their own organisation, they receive, each day, a dashboard of performance. This includes a breakdown of targets and actuals, attachments, jobs, activity by centre and by customer group and a summary of each of their staff members' performance. There have been various iterations of the format of the daily dashboard as it has been amended to incorporate new requests for specific data by the partners. Each partner also receives a daily league table of the CPAs performance.

Supply Chain Partners described the management information available through Provider Enterprise as '*incredibly comprehensive*', '*all encompassing*', '*accurate*' and '*easy to interrogate*'.

However, a number of partners are still getting accustomed to the amount of management information that is available to them and are not utilising the system as fully as perhaps they could or should.

A key value for money item is the cost of a job outcome. Included as part of each partners contract / service level agreement, is a performance target sheet which details the performance requirement against each customer group, and shows impact on revenue.

Seetec monitors the costs across the contracts held and while Supply Chain Partners appear to fully understand the need to strive towards added value across the supply chain, with one partner describing how *'we did a financial assessment and worked out what it was costing per job which was unrealistic and too costly so we are looking at cost efficiencies'*, more could be shared about value for money activities across the network.

Mechanisms are in place to measure distance travelled and partners can review how customers are progressing and developing, (even if an outcome is not claimed). All customer information is held on Provider Enterprise and includes a pre-job entry attitudinal assessment which identifies where the customer believes themselves to be along a 5-track, RAG rated job-ready scale. Customers are re-evaluated through this attitudinal assessment on a quarterly basis to measure their journey. Reports on customer progression including engagements, attendance records, action plan reviews etc. are also contained and reviewed within Provider Enterprise.

3e) Promoting Diversity and Equality

As part of the partner selection process Seetec ensured that organisations had appropriate diversity and equality policies in place which broadly reflected their own. During the implementation / due diligence period these were examined in further detail to ensure that they were appropriate. Partner premises were checked to ensure Disability Discrimination Act compliance and accessibility for all customers. During their observational visits SCMs and PQMs ensure that working practices reflect polices.

Data and feedback, including diversity and equality data is collected quarterly and analysed by the Quality team. Partner adherence with diversity and equality commitment, promotion and customer feedback is also monitored by the PQMs during the cycle of observation visits and audit. Provider Enterprise, and induction systems are set up to support the promotion of diversity and equality with customers, e.g. Seetec supplied Induction booklets and posters, and Provider Enterprise not only records customers diversity and equality data for analysis, parity of outcome etc., but also incorporates the setting of diversity and equality actions for the customer as part of the action plan / review structure.

An example of best practice identified and shared was a partner-produced calendar detailing religious faiths and cultural festivals for each month of the year and on the reverse of each month was some examples of things that staff could do to improve their knowledge and to get a better understanding of each faith and their festivals. This was shared with, and adopted by, both other partners and Seetec centres.

Equal opportunities data is collected on gender, ethnicity, disabilities and age. The Head of Quality monitors diversity and equality via the analysis of data collected by the supply chain and the subsequent production of Equality and Diversity Impact Measures.

Diversity and equality is also a standard agenda item at partner performance review meetings. However, as yet the sharing of information and data across the supply chain is not as strong as it could be.

4 Review

4a) Supply chain review

Feedback is actively sought from Supply Chain Partners, customers and DWP through a range of approaches. For example:

- Each end-to-end partner has a formal monthly meeting with the SCM, within the structure of which there is opportunity for feedback;
- The SCM sits on the CPA operational meetings with, DWP, JCP, etc., so they obtain first hand feedback at these meetings;
- Over 3500 customer questionnaires have been returned to date. An emerging theme from customers was their disappointment in the IT equipment available in some centres and as a result Seetec are embarking on an upgrading programme, and;
- The Supply Chain Strategic Development Board Sub Group is used as an overarching review mechanism.

As part of the Supply Chain Development Plan, Seetec identified that it will seek feedback from all partners via an online survey twice per year. However, as DWP required Supply Chain Partners to complete a survey prior to this Merlin assessment the next Seetec survey has been postponed until summer 2012. The opportunity to give written feedback to Seetec on how they view the supply chain relationship will be welcomed by the partners.

Seetec has an accurate and fully inclusive Self-Assessment Report. It uses a range of sources to complete and make judgement about performance, such as customer, stakeholder, supply chain and staff feedback, performance and quality monitoring evidence, issues and actions from performance improvement and action plan meetings, information from delivery, finance and performance boards.

The report is available on the supply chain portal. Supply Chain Partners complete an annual quality self-assessment, and this document, together with feedback from observations / monitoring visits, forms the basis of a quality improvement plan for each delivery centre. In turn these individual plans inform the quality improvement plan for each CPA.

The Supply Chain Partners believe their activities and those of Seetec are strategically aligned to supporting the wider objectives of the commissioner due to the approach they are taking to delivering the Work Programme. For example careful consideration is given to local social barriers, including youth unemployment, long term unemployment for the over 50's and drug and alcohol dependency. Partners are specifically monitored on their effectiveness to contribute to improved life chances for younger people, tackling the issues that prevent people working and leading to social disharmony. However, more could be done to set and monitor performance measures.

Seetec has continued to communicate the commissioner's objectives / policy intent to partners, and as a result, partners believe they are fully aware of the objectives, and how they are strategically aligned to their activities. Supply Chain Partners talked about Seetec's commitment to tackle issues associated with child poverty, maximising employment opportunities for all, supporting lone parents etc.

As part of its continued supply chain development, Seetec holds a monthly Supply Chain Strategic Development meeting; pulling together various Seetec departments, MI, finance, quality, security, sustainability, etc., as well as supply chain representatives from each CPA to identify delivery gaps / risk. For example the need for a health intervention partner within the North West has been identified to respond to the growing number of employment support allowance (ESA) referrals being received, and a review of the service level agreements in place across the intervention providers is taking place to explore why some partner services have been utilised and others have not.

In terms of measuring the positive impact on external stakeholders and encouraging stakeholders and encouraging customer wellbeing, partners gave anecdotal evidence and believe that through individual case study analysis measurable evidence would be available. Moving forward, emphasis needs to be on setting and monitoring impact measures for both customer wellbeing and partner's environmental sustainability strategies.