merlin

promoting supply chain excellence

Assessment Report

For

PLUSS

By Andy Richardson

On behalf of emqc Ltd

Assessment Dates: 24/02/14 – 26/02/14

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About the Organisation

Pluss (the Organisation) is a Social Enterprise that supports over 5,000 people with disabilities and other disadvantages into employment each year. This is achieved by working in partnership with a range of specialist, local employment services and through direct employment within their own Commercial Enterprises.

Pluss are keen that that services should always include those furthest from the labour market and offer specialist employment support to people with a learning disability, mental health issues, physical disabilities and long term health conditions. Pluss' values are key to driving behaviours throughout the Organisation and beyond and are committed to directly employing disabled people themselves; around half of their 600 strong workforce has a disability.

Pluss operates throughout South West England and West Yorkshire, with partner Social Enterprises across the UK. The Organisation currently develops, delivers and manages a range of employability programmes on behalf of DWP (Work Choice prime contractor), a number of local authorities, NHS, European Social Fund and the Skills Funding Agency.

Pluss is a Company limited by guarantee that does not distribute profits and they are owned by Devon County Council, Plymouth City Council, Somerset Council and Torbay Council.

Assessment Methodology

This assessment is Pluss' first assessment against the Merlin standard and was requested by the senior team within the Organisation on a voluntary basis. The scope of the assessment was based primarily on Pluss' Work Choice contract within CPAs 12 and 28, though also factored in the Organisation's wider range of work, including Access to Employment and Independent Living and Day Services. The team comprised of Andy Richardson (Lead Assessor) and two team assessors: Sally-Ann Harding and Neil Potentier.

At an initial planning meeting between the Lead Assessor and senior representatives of Pluss, including the person acting as Coordinator for this Merlin assessment, a sample of Supply Chain Partners (SCPs) were identified that suitably reflected the make-up of Pluss's supply chain. From this sample, the Coordinator created schedules for each of the assessors, modified marginally over subsequent weeks to accommodate the availability of individuals.

During the assessment, assessors reviewed a diverse and substantial range of evidence, including written documentation and electronic systems. This was supported by face-to-face and phone interviews with representatives of Pluss and Tier 2, Tier 3 and Tier 4 Supply Chain Partners within the two CPAs.

Each assessor completed the schedule of interviews over the first two days of this assessment, convening on day three to share findings and agree scorings for each criterion

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within the Merlin standard. These detailed findings were provided to Pluss' senior leadership team, at a feedback session on the afternoon of the third day. This feedback included the final outcome of the assessment, as well as providing an overview of the key areas of strength and areas for consideration when it comes to continuous improvement moving forward.

Assessment Outcome

Overall %	**70%**
Overall Outcome	**Good**
Supply Chain Design	**Good**
Commitment	**Satisfactory**
Conduct	**Good**
Review	**Satisfactory**

Strengths

- As identified in the introduction to this report, key to Pluss' success are its strong values that drive both strategic direction and operational practices. Many of the SCPs commented that they enjoyed working with Pluss because of these values and operating principles as they were very closely matched to their own. These values in turn invoke a sense of respect and trust throughout the supply chain and underpin many of the other strengths shown below. (3a.1)

- Supply chain design has been shown to be of a high standard throughout all criteria of Principle 1. The scope and range of Pluss and its links with the British Association for Supported Employment (BASE) has allowed for some very effective networks to be established with local councils, employer networks, voluntary and third sector organisations and major pre-existing providers, enabling a diversity and depth to its provision. It will obviously serve Pluss well to maintain such alliances moving forward as these will play a major part in future stakeholder analysis and supply chain review. (1a.1, 1a.2 & 4a.1)

- Good up-front communications, through presentations, group discussions and one-to-one dialogue, enabled prospective Supply Chain Partners (SCPs) to see exactly what was on offer through the contract in a transparent fashion. This included helping them to understand the business ethics, relationships and reporting lines throughout the supply chain. This effective approach to communication has continued to prevail over the last three years or so, leading to some highly effective relationships being established. This is evidenced by the fact that only two SCPs have departed the supply chain in the life span of the Work Choice programme and this due to performance issues and in both cases by mutual agreement. (2a.1, 2a.4 & 2a.5)

- In reviewing the contracting and funding arrangements, Pluss were found to have very fair and proportionate payment arrangements, with all SCPs commenting that the

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approach taken by Pluss had not incurred any financial risk or hardship for them. The highly effective allocation of market share further contributes to the positive responses from SCPs when interviewed around these aspects. The same can be said for the transfer of finances through the supply chain and the management fee levied, both of which SCPs commented upon in favourable terms. The values identified at the start of this section clearly go a long way in creating such a high level of transparency and compares well to other Primes. (2c.2, 2c.4, 2c.7 & 2c.8)

- During this assessment the conduct of staff throughout Pluss was found to be of a high standard at all levels. This had a very positive impact on the TUPE process with up front communications by way of presentations, group and individual discussions, all serving to answer questions effectively and allay some of the concerns surrounding the TUPE process. (3a.2)

- The processes and practices adopted related to quality assurance and compliance were found to be effective throughout the Tier 2/3 provision, with some good examples of changes introduced as a result of the findings. These included the introduction of a RAG rating system, 1:1 feedback and planning following a quality audit, adjustments to documentation and various changes to systems, such as the development of the Quality Nominees Group. (3b.1 and 3b.2)

- Data security is fully in line with the DWPs security standard and is robustly monitored, both by Pluss and by external auditors such as ESF and DWP themselves on a regular basis. Penetration tests and double password entry systems, together with encryption mandated for all emails, ensures information is accessible only by those authorized to receive it. (3b.3)

- Safeguarding and Health and Safety arrangements are equally robust with evidence of training for SCPs having taken place in both aspects. Included in the due diligence checks performed at the point of procurement, these aspects also feature in the regular quality audits performed quarterly with Tier 2/3s, with any incidents being reported in a real time fashion and immediately investigated. (3b.5 & 3b.6)

- The effective communications and positive relationships also support a robust approach to performance management of the supply chain, allowing for effective resolution of any problems arising and the sharing of good practice and innovative approaches. These mechanisms support clear performance expectations and all SCPs are clear as to the expectations that Pluss have of them and that they can reasonably expect from Pluss in turn. The Client Relationship Management (CMS) system in particular gained some very positive comments from SCPs, who find it both easy to use and supportive of their efforts. The CMS also allows for effective identification of 'distance travelled' by customers, with regular touchpoints throughout the customer journey and for highly effective collection and analysis of data related to Equal Opportunities. (3d.2, 3d.3, 3d.4 & 3d.6).

- The relationships that Pluss enjoy throughout the wider network, enable the Organisation to reach out to a diverse range of stakeholders, such as the LEPs, Local Authorities, 3rd Sector organisations, BASE, ERSA, DWP, ESF and other funding

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providers. Feedback from such stakeholders has been sought and used to inform provision to good effect, for example, the joint paper to the DWP on the future of Disability Support entitled "The Right Job, the Right Support". This feedback is also used in the production of the annual Self-Assessment Review that Tier 2/3 SCPs contribute to, leading to the production of a robust and comprehensive quality action plan. (4a.1)

- There is no question that the design and subsequent activities of the supply chain have had a positive impact on customer well-being and environmental sustainability, with a significantly higher than average success rate in getting people with disabilities into permanent employment. Equally, with direct involvement in the WEEE Directive and clear internal targets related to its carbon footprint and re-cycling, Pluss have gone beyond the efforts of many other organisations in addressing environmental sustainability. (4a.6)

Areas for Improvement

- **Tier 4 SCPs**

It is strongly recommended that additional opportunities be investigated that allow for greater networking, engagement and collaboration of supply chain partners at Tier 4. The following areas relate specifically to Tier 4s (NB, the figures in brackets indicate the relevant criteria of the Merlin Standard):

- improve communication channels throughout procurement and beyond, including the sharing and monitoring of good practice and the expectations of all parties (2a.1, 3a.4 & 3c.4)

- improve collaboration to increase awareness of opportunities for both Tier 4s and the Tier 2s (2a.3 & 3d.1)

- increase awareness of the full supply chain at Tier 4 (2a.4)

- look to develop the strategic capabilities of the Tier 4 supply chain (2b.1)

- equally investigate the staff development requirements of the Tier 4 organisations and look to extend access to training provision already offered to Tier 2s, e.g. safeguarding, data security, environmental sustainability etc. (2b.3)

- review relationships with Tier 4s as there are indications that a small number of Tier 4 SCPs relate only to their Tier 2 contractor, rather than Pluss as the Prime when it comes to performance expectations (2c.5 & 3a.3)

- look to reinforce the service at the point of delivery and ensure that all aspects of the supply chain are effective, including data security, equality and diversity and environmental sustainability. (3b.1, 3b.2 & 3e.2)

- look to confirm that Tier 4s are satisfied with the 'contracting' arrangements,

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albeit under a service level agreement arrangement and that Tier 2s are discharging their responsibilities effectively in this regard. (3c.1)

- consider extending the range of consultation in producing the SAR to include Tier 4s, in order to gain a wider view at the point of delivery. (4a.2)

In applying these recommendations, the supply chain at Tier 4 will continue to evolve and keep pace with the demands of government funded support for the client group, as well as developing as organisations in their own right.

The following comments relate to the whole supply chain, not just to Tier 4:

- With positive comments from SCPs regarding their relationships with Pluss staff, it is clear that staff are living the values required. There may be benefits however from revisiting the values of Pluss to ensure they remain fit for purpose and in including the supply chain in this review, possibly leading to some modifications. This would not only strengthen the values throughout the supply chain, but also improve ownership still further. (3a.1)

- Benefits could be gained from defining what 'value for money' is in a more clear and concise fashion. It may prove useful to look at what represents value for each stage of the customer journey and look at how much each progression is worth in monetary terms within the distance travelled. This will help to inform judgements at the procurement stage and improve consistency and parity across the supply chain. (3d.5)

- In looking to involve the full supply chain in the SAR process, there would be advantages in equally sharing the outcomes of such reviews, that is, the Quality Improvement Plans (QIPs) with all parts of the supply chain, including Tier 4s. This would help to demonstrate Pluss' commitment to continuous improvement and keep the full supply chain up to date with current and future developments. (4a.2)

- Whilst Pluss and its SCPs are clear on the impact that the services are having on people with disabilities, further evidence, beyond the anecdotal, needs to be gathered regarding the positive and ***measurable*** impact that the activities of the supply chain are having on the wider social objectives of the Commissioner, including the effects on external stakeholders (e,g, NHS, Police, etc) and environmental sustainability. Whilst anecdotal evidence presents a sense that progress is being made, more comprehensive and robust measures will provide valuable evidence of just how Pluss is contributing to the specific wider objectives of the commissioner. (4a.3 & 4a.6)

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Areas Requiring Further Development

As Pluss have met the Standard, as described in the Section 'Assessment Outcome', there have been no areas for development identified as requiring immediate action in order to gain accreditation. However Pluss should consider the above Section 'Areas for Improvement', in order to continue to seek excellence in all their supply chain management activities.

Assessment Findings

1 Supply Chain Design

1a) Supply chain design

The scope and variety of the supply chain was found to be of a high standard with a good representation of public, private and third sector organisations forming the network used to deliver services. This use of a diverse range of delivery partners, including national associations, enables the commissioner's objectives to be addressed effectively, for example in the areas of employability, health and well-being, environmental sustainability and financial hardship.

The organisations within the supply chain are able to deliver services to a wide range of customer groups with varying needs. Supply Chain Partners (SCPs) were initially, and continue to be, selected based on geographical coverage, experience and track record, as well as for their specialisms. Element 2c carries more detail of the selection process itself.

There is clear evidence that Pluss undertook research and consultation regarding local demographics and travel to work patterns, as well as employer and customer needs. In addition to an analysis of available labour market intelligence, this research consisted of discussions with various Local Authorities, BASE and ERSA members, existing providers, Job Centre Plus, Local Enterprise Partnerships and other key players in the areas covered by the CPAs specified earlier in this report.

In some cases, the Tier 2 SCPs that were selected by Pluss already had established relationships with local specialist providers who then became the Tier 4 suppliers, for example Shaw Trust.

Over the course of the contract thus far, there is some evidence of an evolving supply chain and examples were provided of a small number of new SCPs being brought in to the supply chain to reinforce and enrich the range of provision on offer. There may be further opportunities for Pluss to review its relationships with particular SCPs operating on the fringe of mainstream provision (Tier 4), for example to engage more with neighbourhood groups.

Pluss is able to identify a number of organisations outside its own supply chain that are used to provide further support of a more specialist nature and this was confirmed in some of the discussions with SCPs. Examples here include: Citizen's Advice Bureau, the 'Dot ComUnity' (a national website/directory that details support and activities for people with learning disabilities) and various drug and alcohol advice centres and financial advice organisations throughout the CPAs.

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2 Commitment

2a) Collaboration, cooperation and communication

The procurement processes for SCPs within Pluss were found to be effective. SCPs commented that they found the communications throughout the procurement process to be of high order and that there are good links to established good practice. These communication processes included a number of presentations for all interested parties, together with emails, face-to-face discussions with existing networks and individual organisations. In one case an organisation had attended an event and had been approached by a Pluss representative who had known of the their planned attendance and offered an opportunity to become part of the supply chain there and then.

"Follow up happened really quickly and all the paperwork was issued and it took little time at all to become part of the supply chain". (SCP)

Following procurement, communications continue to be good, with SCPs citing monthly performance discussions with their Regional Business Manager (RBM) and quarterly quality audits, ongoing emails and networking events as effective at all levels. RBM meetings in particular received very positive comments, with SCPs commenting that they found them to be open, honest and effective at challenging processes and identifying good practice currently in effect.

Whilst there were several examples provided of Pluss working with a number of Tier 2s in a collaborative manner at a senior level, for example in the development of the "The Right Job, The Right Support", there were fewer examples evident of Tier 4s working together for their mutual benefit and this is reflected in the recommendations above.

The vast majority of those interviewed (approx 96%) within this assessment were clear as to the business relationships underpinning supply chain arrangements now in place and there was no ambiguity evident. In particular, the use of Service Level Agreements (SLAs) to define the relationship between the direct delivery side of the operation and Tier 4 providers is to be commended. Only in one situation did a Tier 4 SCP state that their relationship was with a Tier 2 SCP and that they had no relationship with Pluss. This then is another area for consideration within the recommendations above.

With very effective working relationships in place at both senior and operational levels, the cascade of information was cited by many to be good. In addition to face-to-face discussions, for example at the RBM's monthly reviews, Pluss has introduced a number of guidance and support materials, accessed through the CMS and Pluss' website to help keep SCPs up to date with a wide range of developments and emerging issues. Alongside this run the daily and weekly email and phone contacts.

All SCPs questioned commented that they found the communications to be open and honest, with some commenting on a level of transparency that they had not previously encountered. Others commented that communications have improved over the last year or

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so, citing the new management structure and the introduction of the RBM as major contributory factors.

"The monthly meetings are more valuable now because our relationship with PLUSS has improved in particular with the Regional Contract Manager (RBM)". (SCP)

2b) Developing supply chain partners

With existing providers coming into the supply chain to deliver this Work Choice contract, many are already well established and at an advanced state of organisational development, requiring little in the way of further development by Pluss. That said, Pluss did provide a couple of examples of working with two of their Tier 2 SCPs who were struggling with their performance. In both cases, Pluss staff worked on improving the SCPs' capabilities and capacities and helped them to avoid going into breach of contract. One of these organisations was also offered some business development type support, though the SCP never took up this offer. For others at Tier 4 however, encouragement and support has been less forthcoming and this remains an area where further development by Pluss. Efforts in this vein could bring benefits in identifying potential SCP failure earlier than that indicated by any financial 'Red Flag', as often, this is too late to effect a remedy.

There is some evidence to show that additional funding streams have been brought to the attention of SCPs, e.g. in the cross selling of partners' funded services through the network meetings and events. Two of the Tier 2 SCPs in West Yorkshire commented that they had been encouraged by Pluss to work collaboratively on a joint bid for additional funding and The Right Job, The Right Support proposal continues in similar fashion. There were a few examples provided to suggest that not all SCPs, especially at Tier 4, are learning of the additional funds available and additionally that local funding may be on offer, though the availability of such funding is not widely known. This then is an area worthy of further exploration.

In regards to developing the staff within the SCPs, there are several examples of training being offered, in the main associated with systems and processes, though training offered has also included safeguarding, Health and Safety and equality and diversity. The training offered thus far has been without cost to the SCPs and has been delivered either by Pluss's own training staff, drawing in specialists as required, or through "Train the Trainer" type activity in order to maximise the impact. 'Happy Sheets' provide immediate feedback on satisfaction levels of SCP staff and impact is reviewed at both individual and organisational levels in discussions with RBMs and QA staff at Pluss during the monthly review meetings and quarterly audits.

With a number of developments planned, opportunities exist for Pluss to expand the range of staff development available to supply chain personnel, in particular at Tier 4 for whom this could provide a valuable source of Continuing Professional Development (CPD).

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2c) Contracting and funding

Clearly a strength of Pluss's, the contracting processes were found to be fair and equitable by all those interviewed within this assessment and, as identified above, communications are good throughout the process.

Pluss operates a four stage approach to procurement for Tier 2s:

1. Potential supply chain partner identification for specific opportunities (Pluss website and the website for national welfare to work organisations)

2. Formal application to join the supply chain (Expression of Interest in DWPs format)

3. Selection process (Scored against a matrix that includes financial viability, experience with customer groups, capacity, professional and business standing and various operational capabilities)

4. Terms and conditions are agreed (including volumes and payment structures).

Submitted EoIs were considered by a senior team of Directors and managers and scored both independently and collectively. For those selected to move to Stage 4, successful end-to-end applicants were put through a standard due-diligence process that included financial stability. SCPs commented favourably on the fact that the funding arrangements were clear from the start and were obviously designed to capitalise on the not-for-profit status of Pluss.

SCPs confirmed that Pluss has devised and distributed effective and robust contract and guidance documents that clearly define the obligations of both Pluss and its SCPs. Some Tier 4 SCPs commented favourably on the Partnership Manual that they had received in this regard and most Tier 4 SCPs indicated that they are operating under a Service Level Agreement (SLA) with Pluss.

Market share has been defined and agreed wholly based on geographic areas. As a result of the presentations and up front discussions in advance of contracts being issued, in which the delivery model was outlined, SCPs are fully aware of how market share was allocated and the Job Centre Plus in West Yorkshire fully endorse the rationale, as it favours the customer group in its simplicity. SCP awareness of market share is reinforced through the monthly performance tables which are published and accessible to all directly contracting supply chain partners.

There is also sufficient evidence to show that some proactive negotiation took place regarding volumes and expectations, although this could be explored further to good effect. Funding arrangements follow DWP's payment model and all SCPs commented that they found this to be fair, equitable and effective. To date there have been no variations to contract regarding market share since agreements were initially signed, although Pluss did take on the provision of the two SCPs who withdrew from the supply chain over the last 12 months. Here the rationale was simple; the nature of customer needs leaves only a small number of potential providers in any locality and Pluss were already providing some of the

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services in each area. The need to keep the delivery model simple also played a major part in the decision.

The transfer of funds throughout the supply chain is working effectively with no examples identified within this assessment of inaccurate, or late payments being made. SCPs commented in very favourable terms in discussing the CMS system and found it to effectively support the claims process.

The initial presentations and discussions around procurement have done an effective job and all Tier 2 providers are aware of the level of management fee and its purpose in quite specific terms, citing admin charges, events, IT and systems support, communications, quality assurance and RBM support generally.

3 Conduct

3a) Demonstrating commercial and business integrity

The working relationships between Pluss and its SCPs are clearly at a high level. There are particularly good relationships with the RBMs and feedback from SCPs suggests that these relationships are fundamental to the effective working of the supply chain. The core principles and operating philosophy of Pluss were presented to the supply chain during the pre-contract presentations and discussions and have clearly become embedded within daily working practice throughout Pluss.

In describing these business principles (values), SCPs included such aspects as: openness and transparency, working in the best interests of the customer at all times, diligence in operating the contract and a commitment to continuous improvement.

"There's also a high level of trust and respect evident in the relationship….".

"They're concerned about the individual…"

"We would only partner with an organisation whose values match our own…"

Moving forward there is potential for Pluss to engage further with the Tier 4 SCPs in order to further establish and develop relationships across the whole supply chain.

With significant experience under their belt and the support of high level professionals, Pluss has demonstrated a good understanding of the TUPE processes and requirements and the transfer of staff between organisations was effectively managed. Regular meetings and discussions, together with a nominated person within Pluss that acted as the focal point for enquiries, all helped TUPE'd staff to make the transition and allay any concerns they might otherwise have had.

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Changes in legislation and statutory requirements are notified effectively through electronic processes including the CMS and emails and these are reinforced within the monthly performance reviews and discussions with Pluss' RBMs and during QA and audit activities. The effective relationships and open dialogue provide for a high degree of understanding amongst SCPs regarding interpretation and implications of funding and legislative changes.

3b) Quality Assurance and Compliance

Quality Assurance processes and practices are good at the Tier 2, end-to-end provider level and within Pluss' own direct delivery provision, all driven by a Partnership Manual and by Pluss' verification process, set out in their "Working Arrangements – Quality and Compliance". Each Contract Package Area (CPA) is allocated a Pluss Quality Auditor, who undertakes quarterly quality audits and who discusses the findings with the SCP prior to submitting their findings to the RBM for consideration. In this way, the SCP has the opportunity to provide additional material for consideration and to suggest opportunities to improve performance where appropriate that can be included in the quality report. Each SCP will then receive an action plan detailing improvement areas as agreed and these are reviewed as a matter of course at the next audit.

All results of QA activities and feedback are channeled through Pluss' QA central function in the first instance, in order to identify trends and areas for development. These 'Quality Nominees' act as quality champions and are the first point of contact for compliance issues and for identifying trends. SCPs commented that they find the quality audits to be well managed, effectively conducted and valuable in identifying areas for development.

"The quality audits are usually very supportive ..... we don't feel like there are any surprises...". (SCP)

"The RAG (Red, Amber, Green**) rating system is excellent and the action plans are followed up at every meeting. This really aids continuous improvement". (SCP)**

It is clear that there are effective processes in place to utilise the findings of the QA processes to inform and improve service delivery. Examples include an SCP who had a blind worker who was struggling with the CMS system and wasn't getting data input quickly enough. The person's Support Worker was allowed access to Pluss' CMS directly and the partnership effectively improved performance to the satisfaction of the Quality audit.

It is noted that these arrangements are proving to be effective for the Tier 2 SCPs, however the process of quality assuring the delivery of services at Tier 4 is less robust and is a feature of the recommendations in the earlier section of this report

With well established supply chain partners, many of whom having a long history in the field of Information, Advice and Guidance, Pluss is able to demonstrate that access to high quality provision is made available and promoted to customers at the point of delivery.

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The aim of the Organisation is for all customer-facing staff in Pluss' own direct delivery offices to be trained in the provision of quality IAG. To date, 36 people have achieved Level 4 qualifications, 17 hold a level 3 and 11 are currently working towards level 4 IAG qualifications. In 2013 Pluss were instrumental in developing national occupational standards and an accredited level 3 qualification in providing effective IAG to the supported employment industry.

Through the various communication channels, networking approaches and one-to-one dialogue, all SCPs are aware of the IAG available in their geographic areas and feedback from end-users as part of the service delivery process is reviewed in order to gain insight into customer satisfaction levels. With Tier 4 providers offering a degree of the specialist support available, it is strongly recommended that the senior team consider how quality IAG can be more robustly and comprehensively assured at this level.

As part of procuring new SCPs, Pluss delivered a series of presentations to all SCPs and this includes data security. The Pluss Information Governance Group is supported on a day to day basis by their Information Governance Officer and are available to offer guidance as to the requirements of the ISO 27001 security standard in the context of each provider and each SCP. All Tier 2 SCPs are required to either hold, or be working towards the ISO standard and are required to produce an action plan where any shortfalls are identified.

Pluss monitors ongoing compliance with the required standards through the programme of quality audits to all Tier 2 providers. It also requires Tier 2 SCPs to undertake similar actions with their own Tier 4 networks and this forms part of the Tier 2 audit. The processes for data security within Tier 4 SCPs are less robust than those at Tier 2 however and Pluss recognises that processes for audit have yet to become embedded within the Tier 4 SCPs.

Health and Safety policies are also initially assessed as part of the procurement process and reviewed as part of the monthly performance discussions between the Tier 2 SCPs and their RBM and again by the QA team in their quarterly inspections. They are also required to submit their H&S Policy annually to Pluss for inspection In the event of any shortfall, or corrective action being required, an action plan is drawn up by the SCP and agreed with their RBM, supported by Pluss' specialist H&S advisors.

Where Tier 2s have agreements with their own Tier 4 providers, there is an expectation by Pluss that the Tier 2 assures health and safety requirements at least meet those of Pluss, though again, this is an area for further development by the senior management team at Pluss.

Discussions with the SCPs in this assessment would indicate there has been specific training made available to SCPs on H&S and that guidance is available through the RBMs and specialist team as required and requested.

A similar situation exists for safeguarding, with initial checks on policies in place through the procurement processes and ongoing monitoring of SCPs for effective practices during the reviews and inspections by Pluss staff. A specified member of Pluss staff effectively acts as a Designated Safeguarding Officer (DSO) who effectively takes the safeguarding lead for all

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Pluss enterprises and each service has its own 'Lead Officer'. Again, SCPs were very positive and records confirm that training has been provided to the SCPs in this regard.

Monthly management information returns capture related data, although there have been no reported, or identified incidents since contract start. As with H&S, there remains a need to continue the work to drill down to the SCPs at Tier 4.

There are policies in place throughout the supply chain related to Environmental Sustainability (ES) and this forms part of the selection criteria for all supply chain applicants and is an integral part of the structured reviews, audits and inspections undertaken by Pluss. The Organisation is currently undertaking a benchmarking exercise concerned with recycling and is subject to ESF audits on a regular basis. Pluss is also currently consulting with an external consultant on the introduction of ISO 14001 and has set internal targets for landfill. Until recently, Pluss was also an external contractor within the WEEE directive and still maintains their facilities in Torbay for the disposal of electrical equipment. Video conferencing is now contributing to reduction in carbon emissions and a Transport Policy sets the limit on Company vehicle emissions.

Whilst SCPs are required to submit data that includes ES, there are currently no targets set by Pluss for SCPs specifically related to ES issues, beyond those that the SCP organisations may have in place of their own volition. The collation and analysis of this data is also in its infancy at this time, although this forms part of the plans for Pluss moving forward over the next few months.

Whilst there are examples of 'excellent practice' being demonstrated, e.g. the focused ES initiatives mentioned above and the introduction of 'data pens', Pluss at this time has not set out to define what the term actually means and consequently has not communicated with the supply chain in this respect. This leaves supply chain partners identifying what they believe to be good practice and sharing the same through the various formal and informal networking opportunities, such as the monthly RBM meetings and the attendance at BASE meetings.

3c) Honouring Commitments

Pluss has managed SCP expectations well with effective communication throughout the procurement phase and during live running. Expectations have been clearly defined from the outset and communicated in both written format and verbally through discussions. Within this assessment, SCPs confirmed their understanding of these expectations and that post-contract arrangements reflect pre-contract agreements. In one example, negotiations were held with an SCP "**resulting in a relaxation of targets as a recognition of their challenging mental health client group**".

No formal complaints were raised/identified by SCPs when interviewed, though when asked, SCPs were generally aware of the dispute resolution processes and how to access it on the web portal and through their SCM should the need arise. The lack of formal complaints is due largely to the positive relationships existing between Pluss and its supply chain partners, with any concerns being addressed as they occur by the RBMs, drawing in senior Pluss staff

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as appropriate. Again, all the SCPs interviewed indicated a good level of satisfaction with regards to concerns being quickly addressed and in a positive manner, though it may benefit Pluss to remind people of the formal process and to drive this level of understanding down to Tier 4 providers.

Pluss senior staff also indicated that it would abide by any decision made by the Merlin Mediation Service (MMS), though this service was relatively unknown to the Tier 4 specialists, due in the main to the fact that it has not been required to this point in time by any SCP.

As identified earlier in this report, expectations regarding processes, practices and standards formed part of the pre-contract presentations to potential SCPs and these have been built into the contracts and service guidelines, including the Partnership Manual, all issued to Tier 2 SCPs at contract launch. These expectations continue to drive the performance and quality reviews and are a key feature of the monthly and quarterly CPA meetings. Tier 4 SCPs receive an SLA that includes the expectations and obligations of both parties, though once again this is an area for further consideration.

3d) Performance

It is clear that some aspects of the supply chain has been encouraged to work collaboratively, e.g. in the design of systems and processes pertaining to the supply chain and in the production of 'The Right Job – The Right Support' report to the DWP. The regular email and phone contacts, monthly review meetings and attendance at BASE meetings also evidence Pluss's approach to working in partnership and collaboration with its SCPs. These activities provide for SCPs to review and discuss developments and requirements across the network, though in the main this tends to be end-to-end providers, rather than the Tier 4s and this may be worth some consideration in the future, for example, by working more closely with neighbourhood groups and in collecting data from other stakeholders (see Element 4a below).

Pluss has demonstrated effective performance management processes and practices, primarily through the monthly performance reviews with Pluss' RBMs and quality team staff. Opportunities exist for SCPs to raise issues and discuss concerns at these meetings and these are shared across the operational teams within Pluss in order to resolve them effectively. Lessons learned are also noted and shared across the network through weekly emails and ongoing discussions; though at this time there is no central log of lessons learned in this fashion.

Any under-performance identified within an SCP results in an improvement plan being drawn up and agreed between the SCP and their RBM and this drives any subsequent reviews, audits and inspections until such time as the shortfall is addressed. An example was provided of an SCP consistently failing to deliver targets and then working alongside their RBM to identify the causes of the poor performance and introducing measures to remedy. In another case, this involved Pluss seconding two of its own staff to a Tier 2 SCP where a particular SCP was struggling to meet demand.

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Through good communication and effective monitoring and reporting, supply chain partners confirmed that they are very clear as to their performance expectations and that the CMS system provides accurate and reliable records of such performance. A league table is produced monthly to allow all SCPs at Tier 2 to see their performance as compared to others. Several SCPs commented that they found the level of detail shared to be valuable in managing their own performance.

"The CMS is very effective in capturing performance details used to create payment related data and other stats". (SCP)

Pluss has defined Value For Money as simply being "to pass on as much of the funding from DWP to the supply chain as we can". Whilst the focus of the payment system is job outcomes and sustained employment for the customers, only 30% of the funding in Work Choice is 'end loaded', with the remaining 70% being paid in equal instalments throughout the life of the contract. Those SCPs questioned were very clear that this constitutes value for money, and there were several success stories of individual customers achieving their potential as a result of their support from Pluss and the supply chain. That said, once SCP has passed several annual 'best value' reviews in their own right and this could be of use to Pluss as a model for the future.

With effective definition of the customer journey against a five key progress indicators Pluss has made a good start to determining 'distance travelled'. Initial assessment and regular customer reviews continue to monitor an individual's progression and development, with personal goals being agreed and monitored through the CMS system. SCPs were very positive about the CMS system in this regard, indicating that it provided them with valuable information on individual customer progress.

The use of a 'RAG' (Red, Amber & Green) rating system has been used in some other Primes and may help to create a visualisation of a customer's needs and any progress made and could be worthy of consideration by the management team.

3e) Promoting Equality and Diversity

All those within the supply chain are required to have and maintain a Diversity and Equality (D&E) policy that at least matches that of Pluss. Compliance with this requirement is confirmed during the procurement process and is subject to audit during the QA inspections and the monthly RBM reviews. Pluss have also appointed a designated D&E lead to oversee the Organisations approach to this aspect

In designing the supply chain, Pluss were able to contract with SCPs that share its own beliefs and values, including those related to diversity and equality. The partner Councils of Pluss have very clear guidelines and requirements in this respect and, through Pluss, all SCPs are required to comply unequivocally.

The CMS management information system is designed to capture diversity and equality data and there are some good examples locally of this data being analysed and utilised to

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demonstrable effect, e.g. with the development of Project Search, a project aimed at assisting those furthest from the labour market. With this as an emerging strategy, many SCPs are, as yet, unaware as to how Pluss will use such analysis to inform future service delivery, or how it links to the wider policy and objectives of the commissioner and this may be worthy of further investigation.

4 Review

4a) Supply chain review

Feedback has been collected from a wide range of stakeholders over the duration of the contract, either through formal processes such as performance review meetings, national and local networking or though informal situations. Here, Pluss defines its stakeholders as: customers, employers, SCPs, staff, local authorities, LEPs, BASE, ERSA's Disability Forum, third sector organisations and of course, DWP, ESF and central government. Effective relationships with these organisations all provide for a rich vein of information and feedback and there were several examples of this information giving rise to improvements being made to both practices and processes throughout the supply chain. Evidence of such improvements includes adjustments to the systems and processes at the micro level and Pluss' submission to the DWP as part of the disability employment strategy review at the macro level.

Whilst RBMs meet the SCPs on a monthly basis, there may be benefits to be had from bringing wider stakeholders, including Tier 4s, together periodically throughout the year. It may also benefit all concerned if there was a more consistent view as to who actually constitutes the stakeholders, as there are divergent views amongst some SCPs.

Discussions with SCPs during the monthly RBM reviews and the requirement of all Tier 2 SCPs to complete their own version, all contribute to the development of Pluss' SAR. The outcome of this process is an all-encompassing action plan, used by Pluss to drive development and improvement activities. The Plan is not currently shared across the supply chain network however, although highlights are shared through the various communication routes, e.g. the CRM, website and the RBM and quality meetings as appropriate.

A number of SCPs in their discussions commented that had found there to be some inconsistencies in what and how overall SAR outcomes are shared with SCPs across the two CPAs. There may also be opportunity to include more Tier 4 SCPs in the process in order to increase the diversity and richness of the information collected.

There is a clear commitment within Pluss to the wider policy and objectives of the commissioner. This is evident in the design of the supply chain and the use of specialist providers and in the various new initiatives being explored and delivered. Many of those SCPs interviewed were broadly aware of the commissioner's wider objectives, as well as the part they will be playing in contributing towards them in a demonstrable fashion, although this is inconsistent and tended to relate to their own area of expertise and interest, rather

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than across the piece. The Merlin Standard calls for 'measurable impact' and in this respect, this is an element as yet underdeveloped across the supply chain.

Discussions with SCPs at all levels have shown the communication channels identified earlier within this report to be equally effective at providing the supply chain with up to date information on wider policy and strategy, through the described communication vehicles and face-to-face dialogue.

"Work Choice finishes in 2015 and Pluss have already thought about what happens post 2015 and has asked for comments, e.g. around commissioning".

"They're very proactive in asking for opinions about what's working and what's not".

" The QA audits and plans make sure we continue to develop and improve".

The production of the "Right Job – Right Support" is an excellent example of how the changing needs of customers and wider stakeholders are being considered at a strategic level.

The design and activities of the supply chain have without doubt evolved over the last 36 months, with examples of positive, i.e. measurable, impact on such aspects as customer wellbeing being well captured and reported. Good work has also commenced on environmental sustainability, as commented upon earlier, though other positive outcomes tend towards the anecdotal and opportunities now exist to extend the range of data collection to other stakeholders, e.g. the NHS and Police Authorities, in order to better understand the wider impact.

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