



merlin

promoting supply chain excellence

Assessment Report

For

Interserve Working Futures

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On behalf of emqc Ltd

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About the Organisation

Interserve Working Futures (IWF) is one of the UK's leading providers of training and development for job-seekers and employers. As part of Interserve Plc, IWF are able to provide high-quality, personal services, supported by the resources and expertise of a large, successful international company. IWF are proud of their excellent reputation and proven record of success, having supported employers and individuals through the delivery of recruitment and training solutions for over 25 years. Employing a team of over 350, IWF staff are passionate about supporting people into work and have a range of skills to meet the needs of the individuals they work with.

Interserve Working Futures have been delivering the Work Programme since June 2011 in Contract Package Area of South Yorkshire. The Work Programme contract in England is part financed by the European Social Fund. IWF also delivers the government's Mandatory Work Activity programme in West Yorkshire. Community Work Placement has recently been awarded to IWF and delivery of this began in June 2014 in South & West Yorkshire.

IWF work in close partnership with Jobcentre Plus and the Department for Work and Pensions, in addition to many private, public and voluntary sector organisations to achieve a common goal. It should be noted that since the last assessment in 2012, significant changes to staff who have overall responsibility for the activities of the Supply Chain have taken place and a new Senior Management team has been established. Within the last 6 months, key members of this team have been recruited and have rapidly established an improvement in its approach to Supply Chain Management.

Assessment Methodology

A number of teleconferences took place between the Lead Assessor and the assessment coordinator for IWF in the months preceding the assessment where support and guidance was given, including information as to how the assessment would take place. Following this, selection and agreement of the Supply Chain Partners who would be interviewed was made. IWF created schedules for each of the assessors.

During the assessment a 100% of end to end Work Programme Supply Chain Partners were spoken to, 100% of the recently added Community Work Placement providers and a representative sample of spot purchase providers across all of the contracts held where IWF currently deliver contracts were spoken to. These interviews took place by telephone or in most instances face to face. During the assessment, assessors reviewed a range of documentary evidence and IT systems provided by IWF, interviewed a wide range of staff, including senior managers and customer facing staff from the supply chain network and a range of staff from IWF. All principles of the Merlin standard were fully assessed by a team of 3 assessors; Rob Mottram (Lead Assessor), Sally Ann-Harding and Sonia Renzo who spent a total of 12 days onsite.

Assessment Outcome

Overall %	63%
Overall Outcome	Satisfactory
Supply Chain Design	Good
Commitment	Satisfactory
Conduct	Satisfactory
Review	Satisfactory

Strengths

A number of strengths were identified during this Merlin assessment and summaries of these are given below. The numbers in brackets refer to the criteria of the Standard to which the areas relate.

- ▲ Realistic assessment of current position developed in collaboration with Supply Chain Partners demonstrates a commitment to improving overall performance. (4a.2)
- ▲ Effective use of a range of organisations, including public, private and third sector organisations to enrich and meet the holistic needs of the customer. (1a.1 & 1a.2)
- ▲ Openness and willingness of Supply Chain Partners to contribute to the ingoing development and success of programme delivery (2a.3, 2a.5, 3c.1 & 4a.2)
- ▲ Consultation with Supply Chain Partners during procurement and contracting stage of recent CWP commissioning has been fair & transparent and through robust negotiation IWF has adjusted market share to ensure viability for Supply Chain Partners. (2a & 2c)

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. It should be noted that the Self-Assessment Questionnaire submitted in preparation for the assessment was very accurate and documents clearly what IWF need to do to improve. The numbers in brackets refer to the criteria of the Standard to which the areas relate.

- ▲ Review the learning and development needs of Supply Chain Partners and their staff and proactively provide activities that meet identified need. (2b)
- ▲ Ensure communication strategy is developed in consultation with all Supply Chain Partners that enables the giving and receiving of consistent and effective messages (2a.2, 2a.4, 2a.5, 3d.1, 3d.2 & 3d.3)
- ▲ The activities taken to promote Diversity and Equality as required by the Merlin Standard need further development. (3e)
- ▲ Improve the reliability and accuracy of management information available to provide more effective monitoring of performance. (3d.4)

- ▲ Continue to develop and embed review activities throughout the Supply Chain. Ensure impact of activities on all stakeholders are measured and used to inform improvements. (4a)
- ▲ Ensure that a robust approach is taken to the on-going monitoring of Supply Chain Partners commitment to ensure and maintain security of data, healthy and safe working environments and that policies and practices are in place to ensure the safeguarding of people at risk and that environmental sustainability is appropriately monitored. (3b.4, 3b.5, 3b.6 & 3b.7)
- ▲ Ensure Supply Chain Partners can calculate the Value for Money (VFM) of the services they receive from IWF, this may include clarifying the management fee payable and the level of support they receive for this and the use of data from an improved Management Information system. (2c.8, 3d.5)

Areas Requiring Further Development

Because IWF has met the Merlin Standard, as described in the assessment outcome above, there are no areas for development identified as requiring immediate action in order to gain accreditation.

Assessment Findings

2 Supply Chain Design

1a) Supply chain design

IWF have developed and currently deliver a wide portfolio of employment utilising its own delivery arm. This delivery experience, gained over 25 years, provides IWF with good local knowledge and strong strategic links. This is coupled with its ability to draw on its own experience and use current market intelligence to select national and locally based partners to support a range of customers in its delivery of provisions across a number of geographical locations. Since the last assessment in 2012, IWF have further developed and refined their approach in this area and applied lessons learned from previous contract design, including utilising the learning gained from its other group company Rehab JobFit. IWF senior management confirm a 'long term commitment' to the partners it works with, this commitment is evidenced in the stability shown by the current supply chain arrangements.

Approximately 30% delivery is subcontracted to a small number of diverse partners who provide 'end to end' support in the delivery of Work Programme and Community Work Placement. This delivery is supported by the use of partners who provide 'call-off' specialist intervention support to customers, for example supporting groups of customers in gaining accredited employability qualifications.

IWF supply chain brings together a range of private, public and voluntary sector organisations that deliver across a number of contracts on IWF's behalf.

IWF believe in the richness that variety brings, particularly in the culture of the individual organisations that make up its supply chain. IWF continues to deliver a significant proportion of its front line services via its own network of delivery sites and compliments this delivery with a wide range of specialists. IWF's high level of understanding of both the customer and the supply chain which it supports is seen as a significant strength by Supply Chain Partners questioned during the assessment, however it is identified by IWF that formal mechanisms and strategies to inform on-going supply chain design is currently underdeveloped. The stability of the supply chain is to be commended with no partners exiting the network responsible for delivery of Work Programme since contract 'go live'. Partners were able to confirm that detailed discussions during both Work Programme and CWP procurement allowed them to contribute to the overall supply chain design.

"...we have strong links with the 'community' market as we have worked with them in the past" – Supply Chain Partner

Supply Chain Partners were able to validate that IWF ensures strategies are in place to deliver comprehensive support services to customers. Operational staff from IWF's delivery arm utilize valuable support provided from wider networks outside of supply chains, such as local training providers who help customers gain qualifications and enter work. IWF need to consider how to ensure appropriate communication channels exist with these types of partners to further enhance opportunities for more customers to receive such support.

2 Commitment

2a) Collaboration, cooperation and communication

Supply Chain Partners validated that during all stages of the procurement processes, communications were consistent and transparent, however as identified by IWF there are some concerns as to the clarity of some messages received by Supply Chain Partners. Supply Chain Partners were given multiple opportunities to meet with IWF representatives and negotiate to find appropriate way of working together.

"...It was a refreshing change, they listen to your thoughts and take on board what you are saying" – Supply Chain Partner

Supply Chain Partners validated and were able to describe how consultation informed decisions, including the design of systems and processes. A number of recent examples were cited by partners including the development of a Contract Management Framework, how the sharing of experiences by partners in regard to operational delivery challenges had led to improvements and during other meetings feedback sought in regard to the proposed audit tool and the development of the Self Assessment Questionnaire for the purposes of the Merlin Accreditation. IWF are now an organisation that consults extensively with its Supply Chain Partners, despite this not always being the case through the entirety of the delivery of the Work Programme contract.

"...Review has always happened but in the last 6 months there has been a big difference, changes took too long before, now it happens much more quickly" – Supply Chain Partner

"...I think we have a lot of opportunity to influence change, we've done a lot to improve" – Supply Chain Partner

Supply Chain Partners and IWF were able to clearly demonstrate how the supply chain works collaboratively and with open participation to deliver comprehensive services to customers. IWF have fostered an open and mature relationship with partners who are able to share views. A strong belief that the collective experience of all Supply Chain Partners is a valuable and important resource is held by IWF who mainly use it effectively. Meetings are held to discuss ideas and share solutions between Supply Chain Partners and whilst these meetings have not been as regular as some partners would have hoped, these are now increasing in regularity and there is evidence of strategies being used to promote the services offered to customers and increase performance. Other examples which are well liked by partners include the facilitation of input and from wider stakeholder networks, such as health coaches and guest speakers attendance at meetings to discuss dyslexia.

Clear communication channels are now an established feature of IWF's approach to supply Chain management. Monthly 1:1 meetings are complemented by quarterly cross network meetings which provide a sound basis for ensuring there is no ambiguity regarding the business relationship. Recent appointments of experienced and skilled Contract Managers is strengthening this area further which is complemented with the attendance at meetings of subject specialists, for example the IWF Validation manager whose attendance provides information on sustainment reports. IWF need to ensure that during any future periods of significant change within the organisation that all Supply Chain Partners receive adequate and appropriate communication at all times, to ensure the business relationships remain strong and effective. IWF plan to further consult with its Supply Chain Partners to ensure that the communication strategies and methods used in future are fully fit for purpose and provide efficient and appropriate channels to support this important area further. More use of written documentation bespoke to individual contract delivery has now begun, such as bulletins and other supporting documents, which will further strengthen this area. Many of the managers who support Supply Chain Partner delivery are experienced practitioners and understand operational issues very clearly.

"... We rang to speak to our regular contact and got a voice message said they weren't available, we struggled to get hold of anyone else to help. When we did get hold of someone we were told our contact had left the business" – Supply Chain Partner

"...In the last 6 months contact and communications have been more regular and as often as they are needed to be" – Supply Chain Partner

Partners were able to validate that IWF has improved significantly in recent months in creating a culture which is honest, open and without unreasonable constraint. IWF have supported partners in allowing them to express their thoughts and feelings in a professional and positive manner.

Recently, communications between Supply Chain Partners and its contract managers have become frequent and are of a positive nature, their continued activities will play a considerable role in ensuring this area continues to strengthen. Quarterly meetings held between all Supply Chain Partners contribute significantly to this area and IWF are working proactively to repair some of the negativity around this area created during the transitional period last year. IT queries and issues are now being more effectively managed, which is also contributing to the improvements in this area.

"...IWF are improving the Contract Manager took the time to listen" – Supply Chain Partner

2b) Developing Supply Chain Partners

IWF's development of Supply Chain Partners is currently weak. Whilst evidence gathered suggests that IWF provide good levels of support at initial contract 'go live', with Supply Chain Partner staff receiving training, IT systems support requirements, this level of attention has not continued throughout the life of the contract. IWF has produced and shared a range of documentation and tools, for example operational manuals, customer training materials and customer assessment tools that are used by Supply Chain Partners to aid delivery to customers. Supply Chain Partners are now able to access subject area specialists, for example in the area of claims validation, where a manager has worked with Supply Chain Partner staff on a 1:1 basis to increase understanding and improve quality of claims made. All of these support mechanisms are provided at no additional cost to the Supply Chain Partner network.

IWF promote the opportunities for Supply Chain Partners to access funding and support services via its Contract Managers, which was confirmed by Supply Chain Partner staff, however much of this support is undocumented and therefore the development and effectiveness of these activities are difficult to track. Opportunities to bid jointly with IWF and other member of the supply chain are explored by IWF on an occasional basis but this process is inconsistent and not regular. IWF have recently facilitated meetings with Supply Chain Partners to look at how particular challenges with certain customer groups are best addressed and raise understanding in this important area.

Promotion and facilitation of staff development within the network is weak. Historically IWF published a training calendar that included all training events that were available, however this has not happened recently. Training received by partners has tended to be limited to operationally essential activities, for example in using the YETI IT system and training on the recently revised customer journey. Supply Chain Partners staff are observed by IWF and feedback is enabling staff to identify current deficiencies and where improvements are required, however this is not yet fully embedded and requires further development to ensure that a holistic approach is taken to the development of all individuals within the supply chain. Supply Chain Partners have limited opportunity to input into their own training plans and consideration needs to be given to how IWF most effectively will review the learning and development needs of Supply Chain Partners and their staff and proactively provide activities that meet identified need, which is acknowledged and has been identified by IWF.

These activities need to be balanced carefully with individual need, with the knowledge that Supply Chain Partners have their own training packages to address skills and knowledge gaps identified via their own processes.

"...We've been observed and the feedback was really useful to our staff, its good to know whether your practice is seen as good enough" – Supply Chain Partner

"...We need more training from IWF, we get loads from the other Primes, so its not about them doing more of the same, its about identifying the gaps and acknowledging what we need" – Supply Chain Partner

2c) Contracting and funding

Supply Chain Partners confirmed that IWF used procurement processes that were fair and transparent. Formal written procurement processes and defined scoring criteria have been further developed since the assessment in 2012, these were very clearly demonstrated in the recent procurement process undertaken for the Community Work Placement programme. The approach has been developed and supported by Interserve and this approach is well used by IWF. A formal expression of interest process enables the selection of preferred Supply Chain Partners to take place against standardised criteria, information gathered through the expression of interest form includes understanding geographical coverage, experience of working with a wide range of customers, and track record in delivery of previous employment and training programs. IWF demonstrated and Supply Chain Partners validated verbal and written confirmation was provided to all partners regardless of outcome, with detailed feedback available on request.

IWF utilise a different funding arrangements based on the contracts being delivered. IWF hold robust discussions with Supply Chain Partners prior to contract 'go live' and ensure that payments arrangements are fair and proportionate. Funding arrangements mostly mirror those of the commissioners and Supply Chain Partners were able to provide examples of where contractual volume and market share had been increased to enable the contracts to be more financially viable. There remain no fixed funding arrangements in place with those suppliers engaged on a call on/call off basis.

Supply Chain Partners were able to validate that IWF provide appropriate contractual documentation to sufficiently define obligations of both IWF and its Supply Chain Partners. Easy to understand the contractual documentation issued to Supply Chain Partners in most instances reflects the contract held between the commissioner and IWF. Contracts define minimum performance and service levels for partners, however historically contractual targets for some partners have been unclear, which has led to frustrations for the Supply Chain Partners who expressed concerns at being given inconsistent or inappropriate targets. The IWF Contract Management Framework (CMF) has recently improved following consultation with Supply Chain Partners; this revision has resulted in a document that more clearly details performance management processes and provides additional clarity.

"...The contracts are clear enough, they all use the same jargon, which is helpful" – Supply Chain Partner

Market share is clear and Supply Chain Partners were able to validate their understanding of this during the assessment. Volume of market share has been discussed with partners and introduced to support the progression of customers into employment. In some instances market share has been increased to ensure viability of delivery. This approach is effective in supporting performance improvements and ensures Commissioners needs are being met.

There is a successful strategy to manage the transfer of funds within the supply chain, which was validated by Supply Chain Partners. Partners benefit from using a self-billing process which ensures following appropriate completion onto the YETI system, validation checks take place and claims are paid promptly to Supply Chain Partners following payment by DWP to IWF. There were no examples given by the supply chain where payments have been held unnecessarily or delayed and Supply Chain Partners are satisfied with the current arrangements.

"...All OK payments wise, you always have a few queries but they deal with them straight away" – Supply Chain Partner

Supply Chain Partners were unclear on the management fee paid to IWF and in very small minority of cases Supply Chain Partners indicated they didn't feel they have always received the support expected for the fee paid, however the level of support has now improved. Fees are discussed and explained to partners during the contracting process, it may be worth IWF considering reminding and refreshing with partners the level of management fee payable and the support they should expect to receive for the payment.

'...we're not getting the training we expected, I think we are speaking to IWF about this" – Supply Chain Partner

"...I know there is a fee, I've no idea what it is mind you" – Supply Chain Partner

3 Conduct

3a) Demonstrating commercial and business integrity

As in their previous assessment, IWF have developed supply chain arrangements to utilise partners who share its company values. Whilst it is recognised that each organisation has its own mission, values and ethos IWF have continued to foster a positive relationship with partners working in a honest and open manner. Since the last assessment IWF have identified core values which feature in the Contract Management Framework and are detailed below;

- Everyone has a voice
- Do the right thing
- Bring better to life
- Take pride in what you do

Supply Chain Partners interviewed validated that their own organisations values were reviewed at due diligence stage and the alignment of organisations values formed an important part of the decision making process regarding partnering with IWF. Partners also validated that in many instances IWF's supply chain management approach is in accordance with the values it promotes, with a small number of partners expressing dissatisfaction in how communications were handled during the transitional period last year.

As identified during the assessment in 2012, IWF handled TUPE well and took account of each partners needs. In some instances IWF took on the TUPE liability for some partners. SCP's were kept informed of updates, changes and implications of TUPE however these processes have been untested since 2011. IWF have clear and effective strategies to manage the TUPE process.

Interactions between IWF its Supply Chain Partners are now very positive and supportive. The lack of consistent communication and slow responses to queries made to centralised services, such as IT and finance has weakened this important area of supply chain management. Dedicated Contract Managers are now in place and Supply Chain Partners were able to validate that this area is improving rapidly. Furthermore it is anticipated that the revised CMF will contribute to strengthen this area.

"...Before our current Contract Manager was in post it wasn't great, but she's great, really supportive and very responsive" – Supply Chain Partner

IWF have identified that current arrangements to ensure that Supply Chain Partners receive timely updates to support and allows them to maintain legislative and regulatory requirements are under developed and require improvement. The main method used to communicate updates is via the Contract Managers and email, which are circulated to the team as changes occur which partners see as being somewhat ad-hoc and not as regular or systematic as would be required to provide assurances that messages and information was being received and clearly understood.

"...IWF used to send an monthly update but that stopped a year ago" – Supply Chain Partner

3b) Quality Assurance and Compliance

IWF have made significant improvements in ensuring that there are proportionate processes, policies and activities to monitor the quality of delivery and customer experience within the supply chain. Since the last assessment in 2012, in early 2014, a revised Continuous Improvement Framework was introduced however at the time of assessment it was not fully embedded and further work is being undertaken by IWF to ensure that feedback taken from Supply Chain Partners improve the approach adopted. The new Continuous Improvement team is seen as an improvement by Supply Chain Partners who value the activities of the team, particularly the feedback provided following observations and the audit tools they have been provided with.

Partners are able to see clear improvements in their own audit and quality assurance results, this very useful feedback is provided in a timely and appropriate manner and Supply Chain

Partners are encouraged and feel able to challenge any areas they don't feel agree with or understand. This approach is allowing partners to develop their capabilities and understanding within this important area and contributes to other elements of the Merlin Standard.

"...IWF are open to challenge, where they report something that we don't agree with, we can challenge them on it" – Supply Chain Partner

"...We are getting better, our audit results show that, our scores are improving each time" – Supply Chain Partner

IWF have implemented policies and processes during due diligence to ensure they maintain security of all data and assets within the supply chain, however during live running of the Work Programme contract there was insufficient attention paid to this aspect of supply chain activity. Following a restructure of the IWF IT department a revised risk based approach will see an external specialist consultancy provide support relating to data security. The continuous improvement team and Contract Managers supplement activities with an 'eyes and ears' approach within their onsite visits.

Healthy and safe work environments and commitments to improving environmental sustainability were assured by IWF through processes utilised at the due diligence stage, however during live running of the Work Programme contract there was insufficient attention paid to this aspect of supply chain activity. Recently, Supply Chain Partners completed a self-declaration that has been reviewed by IWF to check adherence to IWF's standard. IWF's approach to Health and Safety has been inconsistent and a revised approach has now been introduced which will provide appropriate assurances to IWF in this area.

People at risk and vulnerable groups are appropriately safeguarded by IWF through an appropriate set of policies and practices which was checked as part of the due diligence processes, however during live running of the Work Programme contract there was insufficient attention paid to this aspect of supply chain activity. Recently, Supply Chain Partners have completed a self-declaration that has been reviewed by IWF to check adherence to IWF's standard. IWF's approach to safeguarding people at risk and vulnerable groups has been inconsistent and a revised approach has now been introduced which will provide appropriate assurances to IWF in this area.

Good practice is currently identified, monitored and shared with the supply chain in an informal manner by IWF during its quarterly operational meetings where all partners attend. Through the good fostering of an open approach partners feel able and willing to share best practice with others, for example, sharing operational experiences to help identify the best approach to supporting customers claiming ESA.

3c) Honouring Commitments

Supply Chain Partners were able to confirm that contract negotiations were clear and open; particularly for the recently awarded CWP programme where partner expectations have been managed very effectively. Key documentation is used well to ensure clear information is available to partners. Historically, there had been some inconsistency in approach and a

minority of Supply Chain Partners expressed dissatisfaction at how referral numbers have not been as expected and that delays in documenting and communicating contractual variations had taken place. More recent examples of discussions taking place, for example in regard to extrapolation display very high levels of maturity and a refreshing approach to ensure contractual changes have full explanation and agreement.

Supply Chain Partners are aware of IWF's formal dispute resolution process. At the time of assessment there had been no formal complaints from the supply chain. Supply Chain Partners expressed a belief that they would feel comfortable in approaching IWF with concerns and that it would expect any such disputes to be resolved before requiring any formal processes.

IWF senior managers have stated they would fully respect decisions made as a result of the Merlin Mediation Service if it had been deemed to have not acted in accordance with the principles of the Merlin Standard.

Recently carried out activities are now ensuring that at every level within supply chains, all parties are aware of each other expectations. Historically, some examples of inconsistent communication has led to IWF being weak in this area however Supply Chain Partners were able to validate considerable improvements in this area. Clear written documentation in the form of the Contract Management Framework and Continuous Improvement Framework contribute positively to this area and dedicated Contract Managers support open communication channels and help reinforce expectations with its Supply Chain Partners.

"...They've come back to us very quickly to help us clarify our expectations around a sensitive issue" – Supply Chain Partner

3d) Performance

IWF have made recent and significant improvements to how it performance manages its Supply Chain Partners. Selection processes ensure that the most appropriate Supply Chain Partner works within a set geographical area, and the stability of the Work Programme supply chain demonstrates this aspect well. Historically, comparative data was shared with Supply Chain Partners, however this practice no longer occurs and Supply Chain Partners are unclear as to how they contribute to the overall performance of the Contract Package area they operate within. Contract managers now meet with Supply Chain Partners on a regular basis and review performance against agreed targets, which is documented within the Contract Management Framework.

Clear channels support regular performance review, and the methods used are well established and effective. Monthly meetings are held between Contract Managers and the Supply Chain Partner and include discussions about contractual performance, quality and improvement planning. Quarterly meetings provide opportunities for Supply Chain Partners to present to IWF their contractual performance, provide information about quality, finance, operational challenges and their projected performance. These meetings provide an

effective vehicle to discuss issues that affect the whole supply chain. Supply Chain Partners confirmed monthly and quarterly reviews are consistent in regularity.

"...I don't get to see how we are performing against others" – Supply Chain Partner

Performance expectations have not always been clearly defined by IWF and understood by its Supply Chain Partners. Open discussions were held prior to Work Programme contract 'go live' which ensured clarity and agreements set out the minimum performance expectations, however during Performance Improvement, these performance expectations have become unclear and confused. IWF worked effectively to ensure that these issues were rectified and are exploring what the most appropriate methods are to ensure this isn't repeated in future contracts.

IWF provide Supply Chain Partners with a web-based user-friendly caseload management system (YETI), which records the customer journey. However both IWF and its Supply Chain Partners validate that it fails to produce consistent, accurate and appropriate management information. Despite this area receiving significant financial investment over the life of the contract the Management Information system remains weak. A dedicated resource has now been assigned to support the development and to ensure that the IT system produces both accurate and appropriate information, including producing a set of standard reports for Supply Chain Partners use.

Supply Chain Partners and IWF are currently unable to accurately measure value for money across the contracts held, mainly due to the reporting inaccuracies of the YETI system. This type of reporting is being developed by a recently recruited Head of Business Intelligence. There was evidence of some activity relating to Value for Money calculations taking place at the beginning of the contract and the sharing of office space to support the 'start up' of a training business these activities have since lapsed. IWF have continued to invest in recruiting additional staff to support the delivery via a Subcontract model, including a Continuous Improvement Team, dedicated Contract Managers and a Business Intelligence Manager. Customers continue to benefit from services and support offered by organisations outside IWF own supply chain through the provision of signposting.

3e) Promoting Diversity & Equality

IWF have ensured through considerate selection the arrangements for the Supply Chain Partners are aligned very closely to their own commitment to Diversity and Equality. All partners at the initial stage of expressing an interest in work with IWF are required to confirm they have equality and diversity policies in place, which are checked on an annual basis during review meetings and via Partners self-declarations. Observations conducted by the Continuous Improvement teams also cover Diversity and Equality and this forms part of its Quality Assurance methodology. Self-Assessment activities promoted by IWF also require Supply Chain Partners to reference their own Diversity and Equality activities and the impact these are having on the customers they support.

Diversity and Equality is monitored and promoted well by Supply Chain Partners, however these activities are insufficiently well managed by IWF and require improvements which have

been identified and improvements to the approach has begun. This area now takes a high priority during review meetings and forms part of the Continuous Improvement Framework. Supply Chain Partner were able to validate that they are collecting a range of data, in some cases have clearly defined EDIM's and all partners ensure staff are suitably well trained in this area. Within the Supply Chain network is a rich resource of skills and knowledge with specialist partners having considerable experience in certain areas, such as disability, which IWF should utilize more fully to develop their skills and knowledge to promote this area more widely.

IWF have identified that additional commitment is required to further the develop the way in which Equal Opportunities data is collected analysed and used within the supply chain. The recent recruitment of a dedicated Head of Business Intelligence coupled with the developments being undertaken to the Management Information system will provide this more proactive approach.

"...We do this data collection anyway for our own Commisioner's, they [IWF] don't analyse it like we do, but I will say, its taken a higher priority during meetings since their Continuous Improvement Director joined them." – Supply Chain Partner

4 Review

4a) Supply chain review

A systematic approach to how IWF actively seeks and uses feedback is currently underdeveloped. A wide range of stakeholder groups are communicated with by both IWF delivery and its Supply Chain Partners and in some cases feedback is gathered by individual partners and this feedback is being used well to develop different operational approaches and delivery activities, however IWF needs to take a more proactive role in seeking feedback from all stakeholders, particularly customers. IWF need to ensure that once feedback is gathered and analysed the findings are published and communicated to all interested parties. External audits completed by Commissioners, Such as DWP Provider Assessment Tests (PAT) and Compliance Monitoring Officer (CMO), also provide results which are used to inform and improve practices. IWF need to consider formalising relationships between its regionally based operational staff and its wide range of call off partners in order to remain well informed of all stakeholder requirements and strategies for providing comprehensive support to customers.

IWF have a positive approach to generating an annual continuous improvement plan which is well understood by Supply Chain Partners and is seen as being inclusive and open. Supply Chain Partners are required to produce their own Self Assessment plans and submit these to IWF, which use these to contribute to the development of their own assessment. IWF's approach to the development of the Self Assessment Questionnaire for the Merlin assessment was excellent, with Supply Chain Partners contributing to the completion of the questionnaire through a facilitated session by IWF senior management. This process was highly inclusive and very open and resulted in a very accurate self-assessment, which

identified the vast majority of the areas for identified for improvement by the Merlin assessment team.

IWF need to ensure that they keep its Supply Chain Partners informed more fully of the wider policy and strategy information relating to the Commissioner. The current focus of these activities has been in communicating contractual requirements of the Commissioner, such as supporting specific payment groups. IWF need to ensure these communications extend to other areas, including the DWP 11 policies. The Interserve Group produced SustainAbilities plan will contribute greatly to keeping Supply Chain Partners informed of wider policy and strategy information and how they can make a measurable impact on the social objectives of the Commissioner. This plan has not yet been communicated to the partner network.

A considerable amount of review has taken place within IWF since the last assessment in 2012. The previous assessment took place within a month of BEST being purchased by Interserve Group, before being rebranded to become IWF. Significant changes which affect the supply chain include the recruitment of and embedding in of a new leadership team, the development of a new organisational structure and the identification of improvements required to operational activities, including introducing a new customer journey. IWF have also improved governance arrangements and the developed a more robust operational approach to the management of Supply Chain Partners.

IWF empower its Supply Chain Partners to allow flexibility in how and who is best placed to support its customers, however IWF need to ensure that these interventions have the most appropriate impact on its customers and consider how to capture these diverse approaches. IWF provided a number of case studies to demonstrate how the activities have impacted positively on its customers.

Conclusion

IWF has demonstrated behaviors that fully meet the requirements of the Merlin Standard. It was evident to the assessment team that since their last assessment IWF have undergone a significant period of change.

During this period, communication from IWF to its Supply Chain Partners was weak and messages became both confused and lacked clarity. These factors significantly weakened IWF's approach to supply chain management and its ability to maintain the levels required to meet the Merlin Standard.

Over the last 8 months however IWF have taken considerable steps to remedy the affect of this and at the time of assessment many improvement's had taken place but in too many instances these improvements weren't sufficiently embedded.

It would be recommended therefore that IWF consider re-assessment to the Merlin Standard within the mandated 2 year re-accreditation cycle, at such as time that IWF feel they will be able to demonstrate the impact of these changes.

Supply Chain Partners confirmed that current IWF staff behaviors are professional and positive, essential behaviors expected of a Prime contractor organisation.