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promoting supply chain excellence

**Assessment Report
For**

Rehab JobFit LLP (JobFit)

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On behalf of emqc Ltd

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About the Organisation

Rehab JobFit LLP ("Jobfit") is a third sector partnership of the Rehab Group and Interserve Plc. The Rehab Group, through its wholly owned subsidiaries TBG Learning Ltd and Momentum, delivers training, support and employability services across the UK and has extensive experience in supporting a wide range of customers to realise their full potential, thereby enabling the achievement of a real step change in people's lives to deliver a better future. Interserve, is one of the world's foremost construction and support services companies which employs over 50,000 people worldwide and brings extensive experience of working with government, commercial and supply-chain management expertise.

JobFit have been delivering the Work Programme in Wales and the West of England (CPA 13 & 12) on behalf of the Department for Work and Pensions since it went live in June 2011. The Work Programme contract in England is part financed by the European Social Fund. JobFit also delivers the government's Mandatory Work Activity programme in South West England and Wales. JobFit is a dynamic and fresh partnership, combining expertise, enthusiasm and a broad range of skills that will ensure the successful delivery of the programmes in these areas.

JobFit subcontract 100% of its front-line delivery to a broad network of 18 'end to end' providers from the private, public and third sectors. A broad spectrum of services are available to support customers, with a range of specialist providers offering additional support which is available on a non-contracted basis.

Assessment Methodology

The assessment covered Wales & The West Country (CPA 13 & 12). There was an initial planning meeting between the Lead Assessor and JobFit's Head of Operations at which support was given to understand the assessment process, discuss the logistics for the assessment and to agree the Supply Chain Partners who would be interviewed. Following on from this meeting, JobFit created schedules for the assessors.

During the assessment, assessors reviewed a range of documentary evidence and IT systems provided by JobFit, interviewed a wide range of staff, including senior managers and customer facing staff from the Supply Chain Network and a range of staff from JobFit. A total of 32 representatives from 24 Supply Chain Partners were interviewed (NB: all 18 E-2-E Providers were interviewed together with a random selection of specialist Providers). All principles of the Merlin standard were fully assessed by a team of 3 assessors; Rob Mottram (Lead Assessor), Eyvonne Wood and Sonia Renzo, who spent a total of 12 days onsite.

Each assessor completed the schedule of interviews over the first three days of this assessment, with verbal feedback being given to the Merlin coordinator daily. The team convened on day four to agree scorings for each criterion within the Merlin standard. These detailed findings were provided to JobFit's Merlin Coordinator and subsequently to the Merlin Coordinator and senior representative of JobFit along with a representative from the Department for Work and Pensions. This feedback included the final outcome of the

assessment, as well as providing an overview of the key areas of strength and areas for improvement.

Assessment Outcome

Overall %	67%
Overall Outcome	Satisfactory
Supply Chain Design	Good
Commitment	Satisfactory
Conduct	Satisfactory
Review	Satisfactory

Strengths

- Very well designed supply chain has been developed by JobFit to meet the anticipated needs of customers which is resulting in JobFit being effective in meeting the diverse needs of customers groups. (1a.1, 1a.2 & 1a.3)
- Highly effective communication strategies, particularly during the procurement and contracting stages which supported providers to make informed judgments on partnering with JobFit. This laid the foundations from which successful working relationships have developed. (2a.1 & 2c.1)
- Performance management is robust, fair and effective. Very good use of experienced and supportive Performance Managers & Supply Chain Managers who work effectively as a team. They act as positive role models for the supply chain, and facilitate a range of activities including organising best practice meetings, sharing of performance data and shadowing opportunities that fosters and promotes higher performance.(3d.2)
- Interactions between JobFit and partner staff are open and honest, this has led to effective relationships, the sharing of best practices, and the strong belief of “all being in this together”(3a.2)
- JobFit have embraced the Merlin ethos of transparency, demonstrated through encouraging Supply Chain Partners to input and contribute to the Merlin self assessment questionnaire.(4a.2)
- JobFit have demonstrated a commitment to the ongoing development of a robust IS system. JobFit are using feedback from the Supply Chain Partners which is cultivating the Supply Chain Partners feeling that their opinions and views are being listened to by JobFit. (2a.2, 3d.4 & 4a.1)

Areas for Improvement

- Raise the awareness of the services offered by JobFit to the current supply chain as some partners were unclear about what support was provided for their management fee. This will ensure the supply chain fully appreciates the range of support provided. (2a.4, 2b.1 & 2c.8)
- Improve the quality of the diversity and equality data that is currently being collected. JobFit need to consider how the subsequent analysis and use of this data can be used to inform improvements or make changes to supply chain design. JobFit also need to consider how this data can be used to demonstrate its commitment to making a positive impact on the commissioners wider policies and objectives.(3e.3 & 4a.4)
- Continue with the identification of appropriate benchmarks and strategies. JobFit need to consider appropriate ways to ensure that all quality and continuous improvement activities are more visible by the supply chain and ensure that these activities are fully understood. (3b.1 & 3b.2)
- Consider how best to strengthen and develop the behaviours and principles of the supply chain, possibly by developing 'a code of conduct' or 'supply chain charter'. This will further encourage Supply Chain Partners to work more closely with each other, share ideas and excellent practice. (3a.1)
- JobFit need to take a more formal approach to identification of, record, share and measure the effectiveness of excellent practice to all Supply Chain Partners, including specialist providers. (3b.8)
- As the specialist provision evolves to meet the customer needs, consider how their contribution is recognised and valued as part of a successful supply chain network. This action will help specialist provision feel more integrated in the supply chain and that they play a valuable role in the collective efforts to meet challenging performance targets (1a.2, 3d.1 & 4a.5)

Areas Requiring Further Development

None Identified

Assessment Findings

1 Supply Chain Design

1a) Supply chain design

JobFit have fully embraced the desire for the Supply Chain Network to be a collective of rich and diverse partners. The network has been organised to support delivery of Work Programme based on the indicative figures and customer groups that the Department for Work and Pensions anticipated would join Work Programme. JobFit applied a strategic approach to the design and makeup of the network. Senior management determined that all of the front line 'end to end' provision would be delivered by a Supply Chain Network, with no one single organisation delivering more than 20% of total delivery across the 2 Contract Package Area's (CPA's) covered by JobFit. These decisions resulted in 18 organisations delivering 'end to end' services. JobFit felt this approach would enable the widest possible range of experience, delivery cultures and methodologies to share best practice and build the best possible range of quality services.

Regional Champions used their extensive local knowledge to identify potentially appropriate Supply Chain Partners who were able to display the organisational capacity to deliver Work Programme based on a blend of elements which had been identified as critical by JobFit. Consideration was given in the design of the supply chain to ensure that a mix of public (22%), private (50%) and third sector (28%) organisations were selected to meet the diverse range of customer groups and within Wales a set of particularly challenging local demographics. JobFit's Supply Chain Partner network includes organisations with extensive experience in the delivery of large scale Welfare to Work programmes alongside new entrants to the market.

JobFit have developed relationships with a number of specialist providers who offer a range of services, including debt advice, support with mental health issues and providers offering specialist training interventions which are paid for on a spot purchase basis. JobFit have negotiated on behalf of the Supply Chain Network preferential rates and agreed minimum service standards, and with a small number of providers supply level agreements have been arranged.

JobFit continues to develop its wider networks with local services such as local authorities, NHS trusts and Housing Associations and takes an active role in attending a range of steering groups enabling, where appropriate, to support customers more effectively.

2 Commitment

2a) Collaboration, cooperation and communication

Communication by JobFit during the procurement stage was very proactive. Supply Chain Partners were invited to make Expression's of Interest through a dedicated website, which

supplemented the activities of the Regional Champions who were the locally based contact point and focus point for potential partners who conducted both face to face meetings and telephone conversations with potential Supply Chain Partners. JobFit organised a number of road show events which set out JobFit's approach to the delivery of Work Programme, finance models and proposed delivery models and the type of support that would be available to Supply Chain Partners. This approach was identified by Supply Chain Partners as being particularly effective in allowing them to make informed judgements on partnering with JobFit and this laid the foundations from which successful working relationships have developed.

Consultation between Supply Chain Partners and JobFit in relation to the design of systems and processes was limited in the early stages of procurement due to the very short time frame in which JobFit had between contract award and 'go live'. Since 'go live' Supply Chain Partners have taken an active role in the development and re-design of the IS system that is used by the network. Supply Chain Partners are working effectively together to resolve delivery difficulties and sharing of documents and best practice is reported by the Supply Chain Partners.

JobFit have very clear communication channels between themselves and the Supply Chain Partners, providers have an identified Supply Chain Manager and Performance Managers who spend a high proportion of their time working with partners acting as a conduit for all queries regarding the delivery of the contract, providing ongoing support, offering a range of advice and guidance, alongside 1:1 support with operational delivery queries.

Interactions between JobFit and partner staff are open and honest, there is a shared responsibility in achieving the demanding performance and contractual targets that have been agreed, a strong sense of "all being in this together".

2b) Developing supply chain partners

Through its supply chain design JobFit have developed a small number of partners who had not previously delivered large scale Welfare to Work Programmes and use a range of methods including an 'ask the team'; a frequently asked questions section of the IS system alongside email alerts, telephone conference calls and a series of on-line video's which help individuals to understand changes to processes.

Specialist providers are encouraged to attend monthly meetings where they have opportunity to pitch their services to 'end to end' providers, resulting in a number of smaller specialist organisations being engaged by the 'end to end' providers to deliver services to their customers.

Staff within the Supply Chain Partners have received training in using the IS system that is provided by JobFit and some additional training in areas such as 'in work benefit calculations' and 'mental health awareness', however much of the training is focused on performance and there was little evidence of the supply chain receiving training in areas such as safeguarding or information security. A highly visible approach by the Performance

Managers enables a large amount of 1:1 mentoring to take place, which is effective at developing capacity within the Supply Chain Network.

2c) Contracting and funding

JobFit's approach to contracting and funding was fair, transparent and systematic. A 2 stage Expression of Interest approach allowed selection of potential Supply Chain Partners against defined and published criteria. Information around organisation capacity to deliver services in a geographical area, organisational strengths and previous track record were used. JobFit ran a series of 'road show' events across the Contract Package Areas where interested parties were able to meet senior members of the JobFit team who answered a range of queries. At all stages potential partners were communicated with both verbally and in writing, with unsuccessful parties offered feedback.

JobFit have developed different funding arrangements, which were developed as a result of listening to what potential Supply Chain Partners needed from the funding model. Some providers are offered more beneficial terms, such as payment within 14 days to assist with working capital. Jobfit made finance staff available to discuss options, which Supply Chain Partners felt was very useful and helped them to make informed decisions. JobFit have negotiated funding arrangements based on indicative customer flows and in such a way that encourages performance. Specialist Supply Chain Partners benefit from a flexible approach to funding, either spot purchase at the point of service delivery or as a proportion of the outcome funds.

Some members of the Supply Chain Network were unclear on the management fee that JobFit takes for its role as managing agent and what it receives in return for this. The supply chain felt comfortable with the level of contribution made by them to JobFit however it may be worth considering the further promotion and raising awareness of the range of support offered by JobFit in return for it. The management fee seemed broadly in line with other managing agents.

Whilst JobFit contractual documentation broadly reflects that used by DWP, ensuring the understanding of contractual obligations has been identified as an area for improvement following feedback given by Supply Chain Partners and JobFit are working on producing suitable documentation in the form of contract summaries to aid this.

JobFit manage the transfer of funds within the network efficiently. Payments are made electronically and further checks to ensure validity are about to be introduced. Partners report "we get paid on time, no undue delays, JobFit are very fair and do not put us at risk financially"

3 Conduct

3a) Demonstrating commercial and business integrity

JobFit have core principles which govern how the supply chain behaves. JobFit promote equality and fight disadvantage through world class services and initiatives, through open communication, collaboration and joint problem solving which is reinforced through the way in which they work with Supply Chain Partners. Supply Chain Partners indicated during the assessment that they chose to work with JobFit based on the ethos, vision and values that JobFit had and demonstrated through the procurement process. JobFit are clear that their values are not imposed on Supply Chain Partners, and as with delivery, Supply Chain Partners have the freedom, working within the overall JobFit framework, to retain their own individual values and approach, with a firm commitment of joint contribution to a common purpose.

JobFit managed the TUPE process satisfactorily. Reflecting DWP's advice, JobFit's initial approach to support TUPE arrangements was too passive, however JobFit recognised that more help was needed and endeavoured to provide more support to the process toward the latter stages of the TUPE activities. JobFit employed the services of a dedicated TUPE specialist who facilitated agreement between Supply Chain Partners and its competitor prime. In a small number of cases JobFit supported Supply Chain Partners by agreeing to share financial liabilities.

JobFit ensure that Supply Chain Partners receive timely updates through robust communication methods, with email alerts being followed up by verbal conversations and the structured approach to performance management ensuring understanding. The Supply Chain Partners were particularly complimentary about the overwhelmingly positive and supportive approach that JobFit take. Performance managers were described as "fair and challenging" and that "JobFit have a keen desire to help us improve".

3b) Quality Assurance and Compliance

JobFit have a compliance based approach to quality assurance which is discreetly approached through the Performance Management Review process. A number of file reviews have taken place and JobFit have ensured that compliance with DWP requirements have been met. JobFit have a wide range of Minimum Service Standards which are based on areas of delivery which are easily auditable. Supply Chain Partners are measured against these and are risk rated as a result of these findings.

It is currently the responsibility of the Supply Chain Partners to measure the quality of the customer journey through a range of activities including observations, customer feedback experience and the completion of DWP Quality Assurance Questionnaires. Performance Managers have attended a number of customer focus groups that have been run by the supply chain where feedback is collected. JobFit have not yet set 'benchmarks' with which this is measured, however this has been identified by JobFit as an area of improvement.

Through the Quality assurance activities that have taken place Supply Chain Partners have developed SMARTER action plans and Supply Chain Partners are able to confirm how “the delivery model has changed as a result of JobFits audits”.

JobFit have selected experienced Supply Chain Partners who deliver high quality Information, Advice and Guidance to customers, many of the Supply Chain Partners have **matrix** accreditation. JobFit offer the Supply Chain Partners good advice and guidance through established communication methods which partners confirm is effective in supporting them.

JobFit ensured that all partners met DWP minimum requirements that related to the maintenance of all data and assets. JobFit utilised an Information Security Compliance Officer who delivered training to partners on the standards and ensures the ongoing compliance to these requirements and has supported some partners who are interested in gaining accreditation against ISO27001.

Vulnerable customer groups are appropriately safeguarded by JobFit through processes carried out during the partner due diligence processes where policies were checked and assurances sought that all partner staff receive safeguarding training. Appropriate levels of CRB checks are in place and are monitored through the performance managers during their visits.

JobFit ensured that all partners provided sufficient details of how they met or exceeded JobFits approaches to Health and Safety prior to the start of contract delivery where visits were made by JobFit’s Health and Safety Manager who carried out audits and risk rated partners as a result of this. Where appropriate, partners were given support to make improvements.

Supply Chain Partners meet Environmental Sustainability standards which are built into contracts, JobFit have recognised that targets must be set with partners. The ongoing adherence with the targets will be monitored by the compliance team who are due to receive specific ISO14001 training imminently. JobFit have identified that this area has not been a priority until more recently as the focus has been on contract performance.

Excellent practice is currently identified through a variety of forums, including monthly reviews, compliance checks, and during CPA wide meetings. There are a number of examples of staff from Supply Chain Partners visiting high performing partners to share ideas and exchange good practice. Good news stories are collected and form newsletters which are distributed to a wide range of stakeholders and interested parties, including Members of Parliament and local press organisations. JobFit have identified that further work is needed in order to clearly identify what ‘excellent practice’ looks like.

3c) Honouring Commitments

JobFit ensured that negotiations with Supply Chain Partners were clear and open; any changes that have been made are discussed openly at contract review meetings between

Supply Chain Manager and Supply Chain Partner where reasons for these changes are explained and agreement between parties sought.

There have not been any incidents where Supply Chain Partners have had to use JobFit's formal dispute resolution process, but Supply Chain Partners are aware of the process and how to access it. JobFit have stated they would fully respect decisions made as a result of the Merlin Mediation Service.

Clear expectations have been set and Supply Chain Partners progress towards these are measured using the Minimum Service Standards that were agreed at 'go live' and are documented in JobFit's Provider Partnership Manual.

3d) Performance

JobFit are effectively encouraging the supply chain to work collaboratively through regular meetings and by Supply Chain Managers and performance managers during monthly reviews. The regular and clear approach to performance management helps Supply Chain Partners prepare for the meetings and plan accordingly. Joint employer focussed events are facilitated by JobFit where collaborative activities target employers and generate vacancies which are shared by the supply chain. As described earlier there is a strong sense of "all being in this together" and that working together will result in success, "if the supply chain fails then JobFit fails."

The JobFit 'Ask the Team' online forum encourages and allows Supply Chain Partners to interact with each other, answering questions relating to practices and processes, this approach offers very positive peer support. Meetings of all Supply Chain Partners within a contract package area captures excellent practice and issues are thoroughly discussed and shared solutions found.

Relative job outcome performance is shared amongst Supply Chain Partners, who confirm they know if "we are in the top half or the bottom half", however JobFit do not release this data in a table form. Using this data, JobFit link high performing partners with lower performing partners to share performance improvement strategies. JobFit are focussed on improving performance and where performance doesn't meet contractual targets then Performance Improvement Plans are developed which partners feel is "robust but fair"

A Management Information system (PICS) has been developed to enable partners to record the customer journey, and distance travelled by customers. PICS generates data which is used by all 'end to end' partners. Partners are able to create 'real time' reports alongside receiving a suite of standard reports on a regular basis. It has been acknowledged by JobFit that the system is not very intuitive and is over-complicated to use and as such have further invested heavily in the system development and are about to release an enhanced version which will be used by partners.

JobFit offers Value for Money with Supply Chain Partners sharing resources, delivering services from shared locations, giving access to marketing material and the sharing of management resources that support 2 CPA's in the delivery of the Work Programme. Value

for Money is not clearly understood by Supply Chain Partners and JobFit have identified this and as such have established a business improvement project to address this area.

The PICS system very effectively records customers distance travelled. The customer journey has been designed to promote and accelerate the progression of customers towards their goals which is supported by the Minimum Service Standards and target setting through the performance management process. There were also some very positive examples given of specialist assessment tools being used within the supply chain.

3e) Promoting Diversity & Equality

JobFit ensured during the due diligence process that all Supply Chain Partners aligned to their commitment to Diversity and Equality. The ongoing compliance to the commitment to this area is measured and discussed during monthly review meetings. There is a clear commitment by JobFit to ensure that all customers who require services delivered in Welsh receive this. A range of bi-lingual marketing materials are made available to partners by JobFit. JobFits' referral team also has Welsh speakers which ensure that customers at 'first contact' can engage.

Diversity and Equality data is collected, however JobFit have identified some of this data is not accurate and has carried out some activities with Supply Chain Partners to improve this data collection. The recruitment of a dedicated management information analyst has recently taken place and it is planned that this person will have responsibility for the analysis and use of this data to support improvements to customer delivery and ensure that there is parity of outcomes and service received.

4 Review

4a) Supply Chain Review

JobFit informally collects feedback from a number of key stakeholders, including Job Centre Plus and employers. Formal feedback is currently collected by Supply Chain Partners from customers which are reviewed during Contract Performance Reviews. Good news stories are collected and promoted through newsletters. JobFit have a customer satisfaction questionnaire which will collect feedback directly from customers which is due to be launched imminently and provide JobFit with systematic and comprehensive feedback. Supply Chain Partners have been able to provide feedback to JobFit which was used effectively by JobFit to assist them in the completion of the self assessment questionnaire required in preparation for the Merlin assessment.

Supply Chain Partners provide JobFit with Self-Assessment Reports (SAR) and these contribute to the development of a JobFit SAR. Quality Assurance Questionnaires are produced quarterly by partners and these documents importantly inform the development of a Quality Improvement Plan. The review and monitoring of Quality Improvement Plans take place during monthly contract reviews. JobFit's submitted a highly accurate Self Assessment Questionnaire in preparation for the Merlin assessment, which was contributed to, and

shared with Supply Chain Partners to ensure transparency and reinforce the collaborative approach JobFit is developing. This practice is identified as excellence by the Merlin assessment team.

JobFit communicates the wider aims and objectives of the commissioner through its provider portal and have taken significant steps in developing strategic partnerships with a range of organisations which support the promotion of the environmental agenda and create jobs for disadvantaged customers. An innovation fund is available for organisations to apply for, which enables organisations to invest in capital expenditure projects which lead to demonstrable benefits for the community and lead to employment opportunities for local individuals.

JobFit have responded well to the changes in customer groups and are making sure that the Supply Chain Network is evolving to meet the needs of customers. In one geographic area JobFit identified that a large number of customers who were accessing the programme had previously worked at an executive level, JobFit reviewed the existing supply chain arrangements and decided to introduce a specialist partner to support this specific customer group. The delivery model has also changed to deal with increased numbers of customers accessing services.