



**merlin**

promoting supply chain excellence

**Assessment Report  
For**

**FUTURES  
ADVICE, SKILLS & EMPLOYMENT**

**By Ruth Regan**

**On behalf of emqc Ltd**

**Assessment Date: 27/01/2014 to 30/01/2014**

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## About the Organisation

**Futures, Advice, Skills and Employment (Futures)** is a trading company, owned by Nottingham City Council and Nottinghamshire County Council. It has operated as an independent company for over 15 years and directly employs circa 250 staff.

It has held the regional National Careers Service contract for the East Midlands (previously 'Next Step') since 2008, which covers the local authority areas of Nottinghamshire, Nottingham City, Lincolnshire, Rutland, Derbyshire, Derby City, Leicestershire, Leicester City and Northamptonshire.

The contract is delivered through a mixture of sub-contracting arrangements and in-house delivery. The company also delivers a range of other contracts with schools, colleges, employers and local authorities.

Futures is part of the reachfor organisation - a social enterprise formed by like-minded organisations throughout England who deliver services to young people and adults. reachfor's consortium approach aims to give members access to wider markets than they could access alone, to simplify commissioning and contracting for funders, and to provide a vehicle for members to share services and learning to increase both efficiency and service quality.

Futures' vision is **'to be the country's best employability and skills development company'**. It holds a range of quality marks and standards including the **matrix** Standard, Ofsted, Investors in People, Positive about Disabled People and ISO 9001.

## Assessment Methodology

An initial meeting was held in November 2013 where the scope of the Merlin Standard was discussed and confirmed in accordance with the agreed guidelines.

All Supply Chain Partners involved in supporting Futures' delivery of its services were informed of the date for the assessment via an email – a copy of which was seen by the Merlin assessment team.

Lead Assessor Ruth Regan and team Assessor Neil Potentier interviewed representatives from 24 Supply Chain Partner organisations, including an organisation which had recently left the network, and one who had only recently joined the delivery team.

As part of the assessment, a range of Futures' personnel were interviewed, including those involved in the strategic and day-to-day development and management of the supply chain.

During the assessment, a range of relevant written documents were reviewed, as well as the organisation's Extranet facility which is made available to Supply Chain Partners.

## Assessment Outcome

<b>Overall %</b>	<b>86%</b>
Overall Outcome	Excellent
Supply Chain Design	Excellent
Commitment	Excellent
Conduct	Excellent
Review	Good

## Strengths

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

- ▲ Futures has a robust and detailed knowledge and understanding of both commissioner and customer needs and this has ensured that the supply chain includes a mix of organisations with the experience, expertise and culture necessary to achieve and maintain excellence in performance. New subcontracts have been brought into the supply chain following a clear identification of need and consultation with existing Supply Chain Partners. (1a.1, 1a.2, 1a.3)
- ▲ The supply chain considers Futures' approach to communication to be a particular strength. This is due to the open and honest relationships established at both an operational and strategic level. Partners believe that all interactions are positive and supportive. (2a.1, 2a.4, 2a.5 & 3a.3)
- ▲ The culture developed by Futures is one of consultation, collaboration and enabling, underpinned by individual and organisational development opportunities. (2a.2, 2a.3, 2b & 3d.1)
- ▲ The role Futures plays in the development of all staff engaged in the delivery of the contract is exceptional. (2b.1 & 2b.3)
- ▲ The procurement processes are acknowledged by Supply Chain Partners to be exceptionally fair and transparent. (2c.1)
- ▲ The systems and processes developed to ensure organisations receive the monies owed to them are clear and equitable with Supply Chain Partners confirming that they are paid accurately and on time. (2c.7)
- ▲ There is an exceptionally effective supply chain management strategy and framework in place to review and monitor the quality of service delivery and the customer experience across the supply chain. Outcomes of this are used to improve delivery. (3b.1, 3b.2, 3b.8, 3d.1 & 3d.3)

- ▲ Excellent Information, Advice and Guidance is given with the principles of the **matrix** Standard embedded throughout. (3b.3)
- ▲ Supply Chain Partners are fully aware of the importance placed on measuring the progress of clients, and the methods used are effective and comprehensive. (3d.6)
- ▲ There are robust processes in place to engage with and obtain feedback from stakeholders. (4a.1)
- ▲ The self-assessment report and quality improvement plans are used effectively to drive performance improvement. (4a.2)
- ▲ Partners believe the work they are fulfilling as part of the National Careers Service contract is having a very positive impact on the wider objectives / policy intent of the commissioner. (4a.3, 4a.6)

## Areas for Improvement

In order to support the organisation to further develop its excellent approach to supply chain management, the following suggestions for improvement are made by the assessment team.

- ▲ Consider the benefits of introducing a framework of potential Supply Chain Partners and other support organisations. (1a & 4a)
- ▲ Individually, Supply Chain Partners have developed effective and fruitful relationships with a variety of support organisations that add value to the customer and the contract. There may be added benefits if Futures put together and maintained a database of all partnership organisations / provision which can be openly shared and accessed by all Supply Chain Partners. (1a.3 & 4a)
- ▲ Continue to review the holistic needs of the commissioner, stakeholders and customer groups and ensure the supply chain continues to meet their needs. (1a.1, 4a.5)
- ▲ Build on the learning and development provided for supply chain staff and ensure on-going evaluation highlights to organisations and individuals the improvements brought about as a result. Also, encourage the use of reflective learning logs amongst Supply Chain Partner advisers so that the coaching and informal learning and development given by Network Co-ordinators and other Futures employees can be recorded. This will support advisers' membership of the Career Development Institute. (2b.3)
- ▲ Consider what can be done to ensure that all organisations continue to understand the concept of 'market share' and how this information can be utilised in support of delivery. (2c.4)

- ▲ While Futures' values and aspirations are widely publicised and do reflect how it operates as an organisation, more could be done to ensure that there is an acknowledged set of core principles which govern the way the supply chain is managed. Consider if, working with the supply chain, the production of a Supply Chain Charter or a Supply Chain Code of Business Ethics would be beneficial. (3a.1)
- ▲ Build on the Performance Management Calendar and produce a version which is shared with and owned by the supply chain. (3b.5)
- ▲ Develop a strategic approach to ensuring environmental sustainability is embedded and monitored across the supply chain. This needs to include the setting of improvement targets that can be demonstrated across the individual supply chain organisations and across the supply chain as a whole. (3b.7, 4a.3, 4a.6)
- ▲ Periodically remind Supply Chain Partners of the Merlin Mediation Service. (3c.3)
- ▲ Consider how all partners can be kept informed of the wider objectives of the commissioners and ensure that Supply Chain Partners develop their own impact measures to support these objectives. (4a.3 & 4a.4)
- ▲ 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 external stakeholders, customer well-being and environmental sustainability. (4a.6)

## Areas Requiring Further Development

Futures has met the Merlin Standard, as described in the Assessment Outcome above, therefore there are no areas for development identified as requiring immediate action in order to gain accreditation. However, the leadership team should consider what actions they can take to address the Areas for Improvement highlighted above 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 strategies, processes and activities undertaken by Futures to identify the scope of the supply chain necessary to meet the needs of customer groups and the requirements of the National Careers Service contract have been - and continue to be - exceptionally robust. At a strategic level information from organisations including Local Enterprise Partnership, Office for National Statistics, and Jobcentre Plus is used to influence the longer term planning and development of the supply chain. At a grassroots level, Futures' staff have a detailed knowledge and understanding of customer requirements across the differing regions of the East Midlands, and this knowledge is used to underpin, shape and support the strategy development.

For example Asian communities in Leicester have specific cultural needs which are being met through engagement of small niche providers, while the geographical challenges of Lincolnshire are being addressed by organisations with completely different cultural specialisms.

- ▲ *"...SFA are key stakeholders and we have a positive relationship with them, others include Jobcentre Plus, Local Authorities, FE colleges, training providers, LEPs etc."* - Futures
- ▲ *"...LEPs support the network – involved in sub-groups to help us look at the wider agenda."* – Futures

Futures has developed a comprehensive mix of Supply Chain Partners throughout the region with public, private and voluntary sectors with training providers, local authorities, probation services, FE colleges, voluntary organisations and specialist IAG providers making up the network. This mix reflects the needs identified through the strategic and grassroots research activities and ensures the Futures supply chain can provide a holistic service to meet customers' and commissioners' requirements. Over the lifetime of the contract the make-up of the supply chain has been flexed to respond to the changing needs of the customer groups, the changing priorities of the commissioner and the performance of partner organisations.

- ▲ *"...new provider with a new opportunity in the community which fits with the National Careers Service ethos."* - Futures
- ▲ *"...there is no cross over – we've tailored the service to specific needs of the client groups."* - Supply Chain Partner

Futures is also very well connected across the region and makes efforts to ensure it is engaged in both strategic and informal networks within the locality. Many of the Supply Chain Partners have their own networks which ensure that additional services including housing advice, debt advice, training and learning opportunities, Skills for Life provision, ESOL, interpretation and support for speakers of other languages are easily accessible to customers. In addition, Futures' Network Coordinators engage with specialist support organisations within their geographical remit to broker the co-location of services and effective referral processes, resulting in, for example, co-location in Citizen Advice Bureaus and Jobcentres.

- ▲ *"...we have our own network of support organisations – we are all well connected within our areas."* - Supply Chain Partner

## 2 Commitment

### 2a) Collaboration, cooperation and communication

When looking to procure new services to join the network, partner organisations, stakeholders, current Supply Chain Partners and those who have previously expressed an interest in working with Futures are signposted to their website by e-mail. Supply Chain Partners who had experience of the procurement process used by Futures confirmed that communications during all stages of activity were excellent. The process was perceived to be proactive and one which pre-empted potential issues or concerns organisations might have had about joining the network.

Following the submission of an expression of interest document, applications achieving the minimum criteria set and fulfilling the business / customer needs identified are invited to face-to-face conversations to discuss performance expectations, including volumes of delivery and quality standards. These initial procurement processes were described by a Supply Chain Partner who had recently joined the network as *"...fantastic - very well set up process, and clear communications throughout."*

- ▲ *"...it is key that the organisation we contract with can reach people and communities – it's part of our selection criteria."* - Futures
- ▲ *"...open competitive tendering when needed – but loyalty and partnership are key to approach so will use existing subcontracts where possible."* - Futures
- ▲ *"...we had a panel to look at questions raised – if we didn't have an immediate answer we took them away and then posted them on the extranet so everyone could see them."* - Futures
- ▲ *"...they were proactive with information and respond quickly when we ask for something."* - Supply Chain Partner
- ▲ *"...very proactive throughout – our involvement was excellent – we talked, emailed, etc. – no subject was off limits."* - Supply Chain Partner

Consultation with members of the network happens at every level, from the strategic development of the supply chain to the design and completion of processes and paperwork. Examples were shared of how consultation with Supply Chain Partners has informed decisions made by Futures. For example prior to engaging with a large national provider all existing Supply Chain Partners were consulted about the impact this would have. The feedback received shaped the contract offered to the new provider. Consultation with Supply Chain Partners on the development of policies and processes happens regularly. Focus groups are often called together when information or expertise is needed. An example of this was the introduction of the new Group Work Standards where a number of advisers and managers from across the network worked with Futures to ensure the new standards were customer focused and could be effectively delivered.

- ▲ *"...influenced Futures to review outcome recordings."* - Supply Chain Partner
- ▲ *"...we raised concerns about the quality of delivery – and we consulted with Futures and developed a plan for improvement – all consultative."* - Supply Chain Partner

Supply Chain Partners believe collaboration is at the heart of the network and this is proactively encouraged and managed by Futures. Examples of collaboration include co-location with each other and Jobcentre Plus, best practice outcomes of quality assurance being openly shared, partners working collaboratively to provide a redundancy service for a major East Midlands employer – thus ensuring that services were provided which met the customer needs, and work between partners on developing and sharing delivery models. Supply Chain Partners who are performing well or have a specific area of expertise will actively mentor other members of the network, and this is an accepted and welcomed collaboration. Within each region, regular Supply Chain Partner meetings are held to share ideas, discuss performance etc., and these, together with specific collaborative projects, have led to a culture across the network of support rather than one of conflict or competition.



- ▲ *"...the network is complementary."* - Futures
- ▲ *"...we worked with Jobcentre Plus and other partner organisations - a collaborative approach to offering the support needed for major redundancy situations – the Network Coordinators ensured there was a consistent approach for the customer."* - Supply Chain Partner

Communication channels between Futures and the network are clear and the business relationship understood and welcomed. The staff fulfilling the Network Co-ordinator role are the lynchpin between the Supply Chain Partners and Futures, and partners confirmed that they are all exceptionally effective at providing regular, transparent and clear communications. In support of the Network Coordinators, other methods of written communication include a monthly newsletter that goes out to all managers and delivery staff of Supply Chain Partners and the range of materials, policies and processes on the Extranet.

Within the established communication protocols, Supply Chain Partners confirmed that they believe the culture across the network is one where two-way, open and honest communication is the norm. All those interviewed highlighted the effectiveness of the inter-personnel relationships not only with Futures, but also across the network – with many Supply Chain Partners working together and communicating directly with each other regarding delivery. While the Network Coordinators are central to the communication process, partners confirmed that communication with members of the Futures central team is encouraged if they require specialist support, and that requests are dealt with effectively, efficiently and personably.

- ▲ *"...we have open lines of communication – we try and get to understand how the different individuals prefer to communicate and reflect that style back."* - Futures
- ▲ *"...there are no 'off-limit' topics."* - Supply Chain Partner
- ▲ *"...I love their straight talking."* - Supply Chain Partner
- ▲ *"...honest, open and transparent – that's Futures."* - Supply Chain Partner
- ▲ *"...relationships are open and honest – they are accessible, they fulfil promises and are transparent in what they do."* - Supply Chain Partner
- ▲ *"...we have a very good relationship – they understand us."* - Supply Chain Partner

## 2b) Developing supply chain partners

Futures has been proactive in its efforts to support the development of organisations within the network. Opportunities to re-profile and increase volumes have been given which has enabled a number of partner organisations to grow and expand their business. Futures gave excellent support to Supply Chain Partners to help them achieve the **matrix** Standard in the last contract year. The achievement of the **matrix** Standard is a key requirement of the Skills Funding Agency and is a recognised quality mark for organisations providing Information, Advice and Guidance, and therefore Supply Chain Partners believe that gaining accreditation has given them credibility within the market place.

- ▲ *"...new organisations, or those that might need additional support will be encouraged to visit and observe other well-established organisations who are achieving both the performance and quality standards required."* - Futures
- ▲ *"...they helped us get extra resources so we could expand our cohort in terms of additional volumes."* - Supply Chain Partner

There were many examples of how Futures had encouraged capacity building across the network, such as re-profiling and increasing volumes, signposting organisations to other programmes and potential contracts, enabling Supply Chain Partners to access funding so additional advisers could be recruited, and securing funding for open days.

- ▲ *"...the SFA will pass money through a Prime contractor so Futures bids for funding which we can then use to support small community projects."* - Futures
- ▲ *"...promoted a Community Grant Fund which is worth £15k."* - Supply Chain Partner

The learning and development opportunities promoted and made available for staff across the network are exceptional. The qualifications and on-going CPD requirements of all advisers are monitored and staff are supported to meet the standards set through the provision of Futures' own in-house qualification and assessment centre. Across the network nearly 50 members of staff from supply chain organisations are working towards QCF qualifications through this centre. Other training organised by Futures for the employees of Supply Chain Partners includes action planning, group work planning delivery, Equality and Diversity training, Customer Relationship Management System (CRM) training, motivational interviewing and CV workshops. As well as their own organisational / work base induction, all new members of staff working on the National Careers Service contract are required to complete a robust induction which is arranged and delivered by Futures. This involves staff attending a full induction day and completing online learning packages which include safeguarding and Equality and Diversity. In addition, as part of their registration process, new advisers are assessed / observed delivering the service and an overall judgement made about the impact of the session on customer progression. The National Careers Service Training Needs Analysis is used with all new Advisers and a Personal Development Plan produced as a result. An annual Training Delivery Programme is produced detailing what training will be delivered, when, and how. This document is shared on the Extranet to which all Supply Chain Partners have access. Underpinning these 'formal' development opportunities is the day-to-day coaching and support given by the Network Coordinators, the impact of which should not be underestimated.

- ▲ *"...we have our own in-house CPD unit."* - Futures
- ▲ *"...Network Co-ordinators are our key link into subcontractors, they understand their issues and support them in identifying solutions."* - Futures
- ▲ *"...they have enabled our staff to gain their level 6 qualification in IAG."* - Supply Chain Partner
- ▲ *"...staff development is very effective – work-shadowing takes place for new staff and returners and we can observe other members of the network if they do something particularly well."* - Supply Chain Partner

## **2c) Contracting and funding**

Where Futures has been able to manage the procurement process they have done so exceptionally effectively. When looking to expand the supply chain, Futures communicates openly with interested parties through, for example, funding and clarification events where potential partners can discuss the contract, ask questions and therefore make an informed decision about applying to become a Supply Chain Partner. Opportunities to join the supply chain are advertised on the website, together with all necessary information.

When not in an open tender situation the first stage of procurement for the supply chain is the completion of an Expression of Interest Form, which is assessed by key employees within Futures. The Regional Operations Manager is responsible for keeping in contact with the applying organisations throughout the process. If the application is deemed to hit minimum criteria and fulfil business need then the organisation will be invited to a meeting to discuss performance expectations, including volumes of delivery and quality standards. If the organisation is happy with the terms of the contract, the Network Coordinator will then take over the lead communication role to support the organisation with the practical processes required to start delivery. If the application is deemed not to fit the criteria or business need, then the Regional Operations Manager will contact the applying organisation and give clear reasons why their application was unsuccessful. The process described above is currently under review to ensure it remains 'fit for purpose'. All Supply Chain Partner organisations that had experienced the procurement process confirmed the robust and consistent approach taken and how all information was shared in a fair and transparent manner.

- ▲ *"...past performance, geography, specialisms, delivery, meeting community needs, adding value, other contracts delivered – all taken into account."* - Futures

The National Careers Service contract is subject to the funding rules of the Skills Funding Agency whereby all delivery payments per session are passed on to the Supply Chain Partner. While this ensures that funding / payment arrangements are fair and proportionate across the network, it does mean that the core financial model cannot be flexed. However Futures ensures that details of the payment profiles are discussed prior to contracting to ensure that the initial request of funding is realistic and will not put the provider organisation or themselves under any undue financial risk. Supply Chain Partners confirmed that funding arrangements and amounts are fair and that there has been dialogue with the smaller partner organisations to look at risk, cash flow, etc.

- ▲ *"...we have discussed staffing levels and the impact that has on their finances."* - Futures
- ▲ *"...financial risk looked at when the contract wasn't going well."* - Supply Chain Partner
- ▲ *"...their payment process helps us plan our cash flow."* - Supply Chain Partner
- ▲ *"...we got a small contract to start with to test us before increasing."* - Supply Chain Partner

All partner organisations are satisfied with the contractual documentation they have received. The commissioner requires certain aspects of the header contract with Futures to be cascaded to the supply chain and this is understood and accepted. Schedules within the contracts include fees and targets linked to payment, safeguarding requirements including Disclosure and Barring Service checks of staff involved in the delivery of careers and skills advice and other 'due diligence' related items. Variations to contract are issued when required – such as when the Skills Funding Agency introduces additional or changing targets, or following negotiations with the Supply Chain Partner as a result of over- or under-performance.

Futures described how market share is discussed as part of the initial contracting activity and then negotiated with each potential partner organisation based on the contract requirements and their abilities to deliver. Post-contract there are examples within the supply chain of negotiations taking place to move market share to support successful delivery partners.

All Supply Chain Partners believe market share allocations to be fair and are aware of other organisations' delivery areas - but not necessarily their delivery allocations.

- ▲ *"...market share figures used to be shared on a regular basis but we now only share figures as a whole or percentage which partners tell us they prefer."* - Futures
- ▲ *"...we know who is doing what but not their share – that's fine by me."* - Supply Chain Partner

Supply Chain Partners confirmed that Futures are very proactive in re-negotiating volumes and are also exceptionally clear about performance expectations, sharing Futures' aspiration to achieve 100% of the contract deliverables. Network Coordinators are responsible for reviewing volumes and monitoring of the performance against delivery and quality targets. The Contracts and Management Information team provides performance data on a monthly basis which is used to identify variances. The Network Coordinator discusses volumes and performance with Supply Chain Partners on a monthly basis, and at a formal quarterly review meeting.

- ▲ *"...they want us to build our capacity to deliver – we talked about increasing our volumes but we didn't in the end take it up – it was our decision."* - Supply Chain Partner
- ▲ *"...constantly re-negotiating volume and always accommodating requests to increase where this is possible."* - Supply Chain Partner

At the point of contracting with Futures, each organisation is checked on the Skills Funding Agency due diligence register to ensure that they are eligible for the levels of funding that have been negotiated. In addition, Futures have a minimum contract value for smaller community organisations where they deliver to a distinct community but cannot deliver a large contract due to capacity issues within their organisation.

Supply Chain Partners confirmed that Futures has strong, rigorous and robust payment processes in place which can be and have been flexed to ensure organisations are able to provide the service without detriment to their cash flow. The payment process is clearly set out and understood by Supply Chain Partners who judge it as fair and accurate, with payments being agreed and paid promptly. Where there have been questions raised regarding the evidence required for payment, Supply Chain Partners confirmed that relevant staff within Futures have worked with them to ensure a speedy and appropriate resolution. Discussions with members of the central team confirmed that they have a detailed knowledge and understanding of how best they can support individual members of the supply chain to provide the records required for payment.

- ▲ *"...we pay within a month of receiving an invoice – we have weekly pay-runs so always aim to exceed their expectations."* - Futures
- ▲ *"...payment is never a problem."* - Supply Chain Partner

Supply Chain Partners were able to confirm what they get from Futures for the management fee, citing help, support, guidance, management information, quality assurance and marketing. However, the key benefit members of the network highlighted was the effective way Futures uses the training budget.

### 3 Conduct

#### 3a) Demonstrating commercial and business integrity

The senior leaders of Futures have set and communicated a very clear strategic direction for the organisation, supported by ambitions, values and aspirations for all customers – all of which appear to be fully embraced and understood by the network. Supply Chain Partners confirmed that they believe they have synergy with Futures' direction and values – with some commenting that the recent re-branding of Futures caused them to reflect and confirm a common ethos. To embed the Futures business ethos, their vision and mission are included in contracts, portrayed via the Extranet and discussed at conferences and training days. Futures and its Supply Chain Partners have also embraced the 'Code of Ethics' recommended by the Careers Development Institute.

- ▲ *"...all very clear and in line with how we operate."* - Supply Chain Partner

Futures has developed a robust process for managing the TUPE process for employees leaving or joining the organisation and / or Supply Chain Partner organisations. Where Futures are directly involved their HR team will engage with staff involved and support them through the process with, for example, Q&A briefings and individual consultation meetings. Risk assessments are conducted at all stages and an open and full information and consultation process with transferring personnel and their union / staff representative is carried out. At an organisational level a spreadsheet details the key action points that need to be considered for both the outgoing employer and the incoming employer and a GANTT chart is developed identifying key decision dates. Where a Supply Chain Partner is engaged in the TUPE process which does not formally involve Futures, the HR team will, if requested or required, offer support through their technical and legal knowledge.

- ▲ *"...we consulted initially about the options and impact and then HR talked about the practicalities as well as the legal aspects - it worked well and we offered ongoing support to the new organisation and their staff to help them settle in."* - Futures
- ▲ *"...we received great help following the demise of Connexions and transition thereafter."* - Supply Chain Partner
- ▲ *"...helped us with TUPE and handled it well – it was a smooth transition."* - Supply Chain Partner

All Supply Chain Partners reported extremely supportive and positive relationships and interactions with Futures. See 2a above and other examples throughout this report.

- ▲ *"...I will get feedback directly from subcos at events, meetings, through emails so I know we have good relationships with them."* - Futures
- ▲ *"...Futures are easy to work with."* - Supply Chain Partner
- ▲ *"...they do what it says on the tin."* - Supply Chain Partner
- ▲ *"...no issues with Futures – clear and rigorous in terms of the performance process but supportive too."* - Supply Chain Partner

The policies and procedures Futures have in place ensure that Supply Chain Partners believe they are more than adequately supported and informed of legislative and regulatory requirements.

All legislative and regulatory requirements of the contract are discussed at the procurement stage and checked by Futures through the Expression of Interest process. They are also contained in the Schedules of the contracts exchanged with Supply Chain Partners. All policies and processes are version controlled and are RAG rated to show the importance of keeping them up to date. Supply Chain Partners confirmed that the main method of communicating legislative and regulatory requirement changes is through the monthly newsletter and that they will, when appropriate, be contacted directly by a member of the central team at Futures to ensure understanding and implementation of required changes, etc.

- ▲ *"...everything is communicated – it's our job to follow through."* - Supply Chain Partner

### 3b) Quality Assurance and Compliance

Futures have exceptionally effective strategies and frameworks in place to review and monitor the quality of service delivery across the network. Quality assurance is comprehensive with a strong focus on partner self-assessment to raise the standards of service experienced by customers. An annual Quality and Performance Management Calendar is produced which schedules key activities, responsibilities and dates. This includes action plan audits, quality reviews / observation of practice, assessment of advisers, assessment standardisation, action plan audit standardisation, review of the National Careers Service Quality Improvement Plan and the Self Assessment Report. Assessments / observations are carried out of all advisers delivering one-to-one and / or group interventions with customers. For both activities Futures has, in consultation with Supply Chain Partners, developed an assessment form detailing the specific performance criteria to be assessed / evidenced. Key areas for improvement are identified and the adviser given an overall grade. All assessments / observations are moderated by Futures who use them to identify common development issues and also areas of excellent practice. Customer feedback about the service is excellent, with 99.7% of the 48,000 customer responses collected confirming they were happy or very happy with the service received.

- ▲ *"...performance management calendar is in place – internal document to show timescales of what will happen, when, and how."* - Futures
- ▲ *"...RAG rate performance, quality, adviser assessments, action plans."* - Futures
- ▲ *"...quality triggers include action plan audits, observation of staff, etc."* - Futures
- ▲ *"...QA happens – observations, monthly action plans, customer feedback ad impact measures – all included in an overall QA plan."* - Supply Chain Partner
- ▲ *"...very clear standards set for everything we do."* - Supply Chain Partner

Various examples were shared across the network of how the quality assurance activities have informed and improved delivery. For example, through assessing group work sessions, it was identified that this activity was not sufficiently personalised for the customer in terms of the delivery and the action plans produced. Subsequently 3 Supply Chain Partners were involved in developing and piloting Group Work and Action Plan Standards which have subsequently been introduced across the supply chain as a whole.

- ▲ *"...themes identified through observation – the need to understand LMI was identified and we have developed a check list and training session on the subject."* - Futures

The approach taken by Futures to ensure that its Supply Chain Partners are able to provide effective Information, Advice and Guidance to their customers was described simply as "...superb." Examples shared include the supporting of advisers to obtain Level 4 and Level 6 IAG qualifications, and workshops and advice to help with **matrix** accreditation.

- ▲ "...we have done a number of things to ensure the information we provide is effective. The new structure means information flows better, we have checks in place before information is sent, an email template is now used to ensure consistency..." - Futures
- ▲ "...excellent support received to gain **matrix**." - Supply Chain Partner

Policies and processes to ensure and maintain the security of all data and assets within the supply chain are explained and confirmed during the initial due diligence between Futures and potential Supply Chain Partners. Schedules within the contract detail the data security requirements which include compliance to Cabinet Office Security Standards, internal and external distribution, transferring information over the Internet or via email, dealing with paperwork and storage and insurance. Compliance to these requirements is checked through the quarterly review meetings between the Supply Chain Partner and their Network Coordinator. Supply Chain Partners also confirmed that a Registration and De-Registration procedure is in place covering organisations, advisers and non-delivery staff leaving the contract. This step-by-step procedure details who needs to do what and when to ensure the security of information and equipment.

- ▲ "...staff have to be observed before they get the CRM log in – it's a mix of security and quality of practice." - Supply Chain Partner

Risk assessments are carried out on all delivery locations. This covers accessibility, general health and safety facilities, display of appropriate insurance certificates / statutory information, accident reporting, reception facilities etc. Where possible, a discussion with staff about the health and safety training they have received and their knowledge / awareness of health and safety processes and policies also takes place. The quarterly review process includes the review of health and safety processes and documentation by Network Coordinators.

- ▲ "...we have expertise in house – an IOSH Graduate Member." - Futures

Baseline security checks are a contractual requirement for all staff working on the National Careers Service contract, and Futures monitors completion of this process centrally. An online safeguarding training package has been developed and it is mandatory that all staff complete it. The Futures Business Development Director is the safeguarding lead and link to the Board.

- ▲ "...there are clear guidelines on the Extranet should there be a problem." - Futures
- ▲ "...we have an online safeguarding development programme which all advisers complete – it is bespoke to Futures – we had it developed." - Futures

Futures has an Environmental and Sustainability Policy in place and there is an expectation that regular performance reviews and continuous improvement meetings with Supply Chain Partners will evolve to give environmental sustainability a higher profile.

While important to Futures, as environmental sustainability is not a requirement of the commissioner it has not been a priority within the quality assurance and compliance framework. However, work is underway to raise the understanding and profile of environmental sustainability across the network.

- ▲ *"...the SFA requires all evidence to be in paper format – we have asked if going forward we will be able to accept data electronically."* - Futures
- ▲ *"...we are expected to adhere to the principles of ISO14001."* - Futures
- ▲ *"...environmental sustainability was in the bidding process."* - Supply Chain Partner

Supply Chain Partners confirmed that policies pertaining to the security of data, health and safety at work, the safeguarding of people at risk and environmental sustainability were all submitted to, and scrutinised by, Futures as part of the initial due diligence process.

- ▲ *"...leads are in place for safeguarding, health and safety, data security."* - Futures
- ▲ *"...health and safety, E&D etc. – guidance all online."* - Supply Chain Partner
- ▲ *"...due diligence on health and safety, equality and diversity, safeguarding, DBS checks etc."* - Supply Chain Partner
- ▲ *"...covered at the quarterly meetings."* - Supply Chain Partner

Where good practice is identified this is shared in a variety of ways. For example through the networking meetings, through the production of a Good Practice Notice shared via the Extranet, in the newsletter, or at good practice events for advisers and managers etc. A recent Good Practice Notice was posted on how to use the CRM during an interview, which gave two example ways of working which had been identified as being effective. Another Good Practice Notice shared was on how to reduce 'failed to attends'.

- ▲ *"...shared best practice with other partner."* - Supply Chain Partner
- ▲ *"...lots of indicators of a culture of collaborative working – when I've asked for something it's been shared."* - Supply Chain Partner
- ▲ *"...we've shared work completed on measuring performance."* - Supply Chain Partner

### 3c) Honouring Commitments

Supply Chain Partners confirmed that contract negotiations were clear and open and that individual circumstances were acknowledged. All believe they were given every opportunity to understand and discuss the National Career Service contract requirements prior to signing their own contract, and that post-contracting agreements and arrangements fully reflect the pre-contract negotiations. Any re-profiling that has taken place appears to have been in consultation and negotiated in an environment of openness, honesty and trust.

- ▲ *"...there is scope for re-negotiation about targets based on what you are currently achieving."* - Supply Chain Partner
- ▲ *"...can negotiate up or down – we asked for an increase and it's been accepted and funding made available."* - Supply Chain Partner

The Compliments and Complaints procedure gives details of the resolution of complaints for Supply Chain Partners and customers. There were no examples shared of how the complaints procedure had been utilised, but Supply Chain Partners confirmed they were aware of the process and that it is covered in their contract.



The consensus across the network was that any concern or complaint would be handled through the day-to-day interactions with the Network Coordinator.

Futures has confirmed both orally and in writing that it will accept the decision of the Merlin Mediation Service if it has been deemed not to honour commitments.

At an individual organisational level, Futures has made it exceptionally clear what it expects each organisation to achieve. Post contract an action plan is used to support new Supply Chain Partners in understanding the requirements of the service. This includes supporting the management of the contract as well as supporting advisers in delivery. Ongoing communications reinforce this understanding. Across the supply chain there is an understanding of what each partner is delivering to support the achievement of the National Careers Service contract across the East Midlands - but not necessarily the value / volume of the work being fulfilled.

- ▲ *"...cannot fault them - always supportive, always give clarity – very clear expectations set and monitored."* - Supply Chain Partner
- ▲ *"...everyone knows each other in the area and across the contract."* - Supply Chain Partner

### 3d) Performance

From the initial procurement process, organisations joining the supply chain are encouraged to work collaboratively to support performance across the contract as a whole. Futures staff facilitate this at all levels. Supply Chain Partners described how network meetings, conferences, good practice days, learning and development events etc. are the 'formal' vehicles for collaboration which are supported by day-to-day sharing and working together to support the customer journey and achieve the quality and quantity required by the commissioner.

- ▲ *"...the network meetings are used to share information and best practice – for example at the last meeting there was a presentation on the Families Project."* - Futures
- ▲ *"...collaboration not competition – all have a patch in which they operate so no overlap, confusion or competition."* - Futures
- ▲ *"...sharing and networking – Futures helped key workers understand how to improve delivery by encouraging the sharing of delivery models."* - Supply Chain Partner
- ▲ *"...we worked with the wider network on 18 to 24 delivery model."* - Supply Chain Partner

Through the robust communication processes in place across the network, partners are very clear about the performance expectations and confirmed that these are reviewed through both formal and informal systems and processes. Network Coordinators carry out a monthly review of performance via phone and email, and on a quarterly basis they meet with Supply Chain Partners to further explore performance, discuss quarterly themes, innovation and issues, concerns etc.

- ▲ *"...if after various attempts to support an improvement to deliver, performance or quality we will move an organisation into special measures to give intensive support and focus."* - Futures
- ▲ *"...quality and targets have to be balanced and Futures are very good at recognising this."* - Supply Chain Partner

Supply Chain Partners are exceptionally clear about the volumes and quality expectations and gave positive feedback on the openness and content of performance review meetings describing how Futures works closely with them to measure, monitor and manage the work they deliver so high quality outcomes are achieved.

- ▲ *"...they are more than just performance reviews. They cover everything and they are very strong on quality, particularly over action plans."* - Supply Chain Partner
- ▲ *"...regular performance monitoring – they managed our under-performance well – we got support to improve."* - Supply Chain Partner
- ▲ *"...we have received very constructive support and feedback even through we are behind on performance."* - Supply Chain Partner

The CRM is provided by and mandated by the SFA. The management information it provides meets their needs and Futures uses it effectively to produce accurate and consistent data reports which are used to effectively manage the contract. Supply Chain Partners are of the view that the CRM is not the most intuitive of systems, and appreciate that Futures have responded to their requests and now provide them with a monthly performance update including a pictorial view of their delivery profile – planned vs. actual.

- ▲ *"...we got feedback that the MI wasn't hitting the mark so now we provide a monthly graph showing profile against actual – it's simple to read and understand."* - Futures
- ▲ *"...we have done a lot of training for subcos on the CRM – we trained super users within each organisation so they can train new people coming on board."* - Futures
- ▲ *"...MI system is 'clunky' – basic stuff – it doesn't measure distance travelled so with Futures we've introduced a way of doing it."* - Supply Chain Partner
- ▲ *"...the MI shared by Futures is really helpful – shows month on month figures – helps you look at peaks and troughs."* - Supply Chain Partner

When engaging with new organisations joining the network, opportunities for the new / additional service to add value to current provision are considered. Supply Chain Partners are encouraged to add value to existing services provided to customers to enable the meeting of national and local priorities. Value for money is also part of the adviser role, and they are judged on their ability to make effective referrals to other services to support the achievement of outcomes. This includes referrals to a wide range of services including debt advice, health support and housing advice as appropriate as well as the National Careers Service website and phone line. Key stakeholders confirmed that they believe the network offers value for money for the commissioner due to the quality of work undertaken and the limited re-working of action plans required.

- ▲ *"...value for money comes with loyalty – it's not just a transactional relationship linked to a contract – it's about spotting opportunities for the customers."* - Futures
- ▲ *"...we know through the sharing of best practice and the training we deliver that we are getting value for money through increases in delivery and quality improvement."* - Futures
- ▲ *"...they produce high quality action plans and minimal re-working issues."* - Partner / Stakeholder

The process for measuring both 'hard' and 'soft' outcomes and the distance travelled by customers is robust. Customers are asked to rate their understanding and confidence levels prior to and after a session. This immediate judgement of their distance travelled is followed up some 1 and 3 months later by Futures' tracking team who, between April and December 2013 tracked 11,356 customers - 92% of whom reported an improvement in their understanding of available options and of their next steps. The CRM can measure distance travelled by way of number of sessions, outcomes and more finite milestones such as where clients are at with CV writing, job search skills, etc. Distance travelled is a discussion item at quarterly reviews with Supply Chain Partners.

- ▲ "...we consulted with the network about how to judge distance travelled." - Futures
- ▲ "...feedback forms record the journey made and milestones." - Supply Chain Partner
- ▲ "...customer feedback form has to demonstrate distance travelled." - Supply Chain Partner
- ▲ "...the tracking team follow up the customer and give us feedback against the KPIs – jobs, learning, progression." - Supply Chain Partner

### 3e) Promoting Equality and Diversity

Supply Chain Partners sign a contract which includes requirements related to Equality and Diversity, such as having strategies to engage with priority groups, striving to ensure a diverse workforce, endeavouring to provide services in community languages, meeting local community needs, making the service appropriate for older and younger adults, and challenging stereotyping. The geographical area covered by the East Midlands is diverse as is the makeup of its population, and Futures maintains excellent labour market intelligence and statistics to support and influence the delivery of the National Careers Service Contract. Leicester City has the highest Asian-Indian population in England at over 35% and also one of the highest unemployment rates, while Rutland has one of the lowest unemployment rates of circa 3% with over 90% of the population describing themselves as White-British.

- ▲ "...we have shared learning across the network on the impact of the 9 protected characteristics." - Futures
- ▲ "...we have a learning package on E&D that everyone must complete." - Futures

On a quarterly basis demographic data about customer groups accessing the service is presented and discussed at a strategic level within Futures. This data is used in conjunction with local demographic information to see if the customers accessing the service are representative and / or if any corrective action is identified.

- ▲ "...one partner has a learning disability expert and we are able to tap into their knowledge and expertise." - Futures
- ▲ "...good practice is on the Extranet." – Supply Chain Partner

Supply Chain Partners reported that robust monitoring and analysis of equal opportunities data is undertaken as the MI data collection forms used across the network cover all data requirements for the contract including ethnic background, age, disability, gender etc. Data reports about customer groups accessing the service are produced by Futures' Management Information team on a regional, district and supply chain provider level.

- ▲ "...we obtained funding from NIACE – Midlife Project for the Over 50s – based on our research." - Futures

- ▲ "...15% of our customers should have a disability – it's one of our KPIs." – Futures
- ▲ "...we discussed demographics during a quarterly review – approached a 3<sup>rd</sup> sector organisation to work with people with disabilities." - Supply Chain Partner

## 4 Review

### 4a) Supply chain review

Stakeholder groups are clearly identified and play an active role in receiving and giving feedback on the impact of the National Careers Service contract. The process for obtaining feedback from the customers accessing the service is relevant, robust and comprehensive – the outcomes of which influence the short-term activities of the network and the longer-term strategy of Futures and their supply chain mix. Futures also seeks feedback from key stakeholders in addition to customers. This is primarily focused on gathering feedback from Jobcentre Plus which is the key source of referral. In addition feedback from colleges, local authorities and Local Enterprise Partnerships is sought.

- ▲ "...we have consulted with stakeholders on our approach to tendering for the new National Careers Service contract." - Futures
- ▲ "...over 500 organisations receive our company stakeholder newsletter giving them an update on what and who we were delivering." - Futures
- ▲ "...we researched who our stakeholders should be." - Futures
- ▲ "...very varied approaches to seeking feedback from the customer." -Supply Chain Partner
- ▲ "...the outcome is about learning and work. Commissioner is focused on volumes and KPIs but we also look at employment and learning." - Supply Chain Partner

In April each year, Futures undertakes a self-assessment using a range of qualitative and quantitative data collated and reviewed through the previous year. There are three levels of interlinked self-assessments, relating to an annual review of the corporate strategy by the Board, Futures self assessment review using the **matrix** Standard and business plan reviews, and National Careers Service self-assessment review based on the Ofsted inspection framework. From the self-assessment, Futures identifies what is working well and what are the key areas for improvement which will inform the business priorities for the year. The National Careers Service self-assessment and subsequent Quality Improvement Plan (QIP) is reviewed involving the Board, the Futures central team working on the National Careers Service contract and Supply Chain Partners. The QIP is linked into the Supply Chain Partners' continuous improvement plans to ensure effective implementation at subcontractor level.

- ▲ "...our quality improvement plan informs the quarterly reviews with subcos." - Futures
- ▲ "...QIP feeds into continuous improvement activity and resultant action plans are discussed at performance reviews." - Supply Chain Partner

Supply Chain Partners are kept informed of the wider policy of the commissioner and strategy information through a range of methods including; newsletters, information on the Extranet, emails, meetings and training events. The Department of Work and Pensions (DWP) monthly Adviser briefing 'In Touch' is also shared with the network as are links to White Papers e.g. Universal Credit and the Ofsted thematic review of Careers Guidance in Schools.

Supply Chain Partners described how their knowledge of the Skills Funding Agency and other commissioners has come through a number of sources including emails and updates from Futures, information directly from the commissioners and their own interest in the wider policy and strategy of organisations from whom they might receive funding.

- ▲ *"...National Careers Service contract links with the SFA wider objectives – it's very clear."* - Supply Chain Partner
- ▲ *"...Futures annual conference helped set the scene in terms of the wider objectives."* - Supply Chain Partner

Supply Chain Partners were able to share numerous examples of how the work they are delivering supported by Futures is having a measurable impact on the wider social objectives of the commissioner. These examples related to success stories of individuals who have benefited from the service and the delivery of a holistic service where customers are referred on to relevant services that meet their needs, such as debt advice, drug and alcohol support, children's centres etc.

The network shows planned and organic evolution, with new organisations coming on board to plug identified gaps in delivery and to add value to the overall contract. Services have been developed and enhanced based on the feedback received to ensure the provision continues to meet the needs of the local communities across the East Midlands and the requirements of the commissioner.

- ▲ *"...we have evolved the supply chain over the years based on feedback from stakeholders and our on-going review of delivery and performance."* - Futures
- ▲ *"...the supply chain is good and can draw on specialist advice when needed – gaps are easily plugged through this wider network of support."* - Supply Chain Partner

The needs of the customer drive the service delivered by the Supply Chain Partners which is evidenced from feedback collected. Customers feel more motivated, confident, aware of opportunities and know what to do next to progress further. Customers' soft skill development is also clearly evidenced and demonstrated through assessments, feedback cards, group work evaluation, focus groups and follow-up activities. In addition, the support offered through the extended network, such as debt advice, supports their overall wellbeing.

## Conclusion

It was evident to the assessor team that Futures, Advice, Skills and Employment have developed an extremely professional, structured and quality driven approach to supply chain management underpinned by an empowering and nurturing culture.

The consistent feedback given by Supply Chain Partners confirms that Futures exhibits behaviours that demonstrate significant strengths and areas of best practice in relation to the requirements of the Merlin Standard.