



merlin

promoting supply chain excellence

Assessment Report
For

SEETEC GROUP

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On behalf of emqc Ltd

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About the Organisation

SEETEC Group (Seetec) was founded in 1984, a private sector organisation, providing skills and employment related services across the East and West of England, the North West, London, the Black Country and Midlands from its Head Office in Hockley, Essex.

It has successfully been running Welfare to Work and skills training programmes for over 25 years. Currently a wide range of programmes are delivered on behalf of government departments and funding bodies, including Department for Work & Pensions (DWP), Education Funding Agency (EFA) and Skills Funding Agency (SFA), which include:

- Work Programme in three Contract Package Areas (CPAs); East of England (CPA1), London (CPA4) and North West (CPA7)
- MWA in East of England and London
- Work Choice in London
- Skills Support for Unemployed (SSU) in the Midlands, London and West Midlands
- Not in Employment, Education or Training Provision (NEET) in the Midlands, North West, West Midlands and Black Country
- Skills Support for Redundancy (SSR) and Work Place Learning (WPL) in London

Seetec have actively designed and developed a number of supply chains over the years to support the delivery of contracts, and continue to deliver internally in order to meet the commissioner's objectives and the needs of the customers. The current breakdown of supply chain delivery is 32% Work Programme, 14% Work Choice, 48% SSU, 20% NEET Provision, 39% SSR and 42% WPL.

Assessment Methodology

Seetec was mandated by DWP to undertake an initial assessment against the Merlin Standard before 29th June 2012 due to being a delivery partner (Prime) for the Work Programme. Primes are required to be reaccredited against the Merlin Standard every two-years and consequently the organisation opted to undertake the assessment in 2014 with the aim of retaining the accreditation.

Whilst the scope for the initial assessment was for the Work Programme the reaccreditation included all contracts delivered on behalf of government departments and funding bodies, as listed above.

The assessment team comprised of Lorna Bainbridge (Lead Assessor) and two Assessors: Alice Grove and Stuart Morgan, supported by a coordinator within Seetec. The Lead Assessor and Seetec coordinator started planning the assessment in March 2014 where-by the scope and logistics of the assessment were identified and the on-site dates agreed.

Seetec provided a list of partners for all contracts in scope, which indicated end-to-end, tier 1 and 2, and tier 4 (spot-purchase). A number of partners were selected as part of the interview process taking into consideration all contracts, across the CPAs and the different tiers.

The Lead Assessor was in regular contact with the coordinator prior to the on-site to review the schedule and logistics of the on-site activity. Prior to the on-site activity all documentation required for the assessment; Self Assessment Questionnaire, Pre-Assessment Notes and schedules were shared within the agreed time-scale.

The assessment team spent a total of 12 days on-site reviewing documentary evidence and undertaking interviews with a total representative sample of 59% of end-to-end partners and 77% of tiers 1 & 2 from across all the contracts. In addition, a number of spot-purchase organisations contributed to the assessment.

Seetec's staff involved in the strategic and day-to-day delivery of the service and management of the supply chains were interviewed across the contracts to enable the assessment team to gain a full understanding of the delivery models, including the systems and processes implemented, which were fully tested throughout the interviews with partners.

Assessment Outcome

Overall %	83%
Overall Outcome	Good
Supply Chain Design	Excellent
Commitment	Good
Conduct	Good
Review	Good

Strengths

The following provides an indication of areas of particular strength, which appeared to be working well and viewed positively by Seetec's staff and a large proportion of the supply chain partners interviewed, and / or supported by observed and / or documentary evidence. The number in brackets cross-references the findings to the element and criteria of the Merlin Standard.

- ▲ In order to meet the holistic needs of the customer the supply chain is made up of public, private and third sector organisations, and every effort is made to engage with and utilise wider networks to deliver specialist services. (1a.2, 1a.3)
- ▲ Partners believe that the procurement processes are fair and transparent, and that communications are effective at every stage. (2a.1, 2c.1)
- ▲ A number of third sector organisations have experienced substantial support to build additional capacity and develop sustainable and financially viable businesses. (2b.1, 2b.2)
- ▲ Learning and development needs of staff within the supply chain are identified through a range of methods, and training activities provided using different approaches, for example, e-learning, coaching, peer sharing, webinars, ESA hub of expertise in Manchester, etc. (2b.3)
- ▲ Contractual documentation in the form of Service Level Agreements (SLAs) clearly indicates the obligations and expectations of both parties. Partners believe that the allocation of market share is viable and transparent and confirmed that the funding / finance agreements were fulfilled through the transfer of money within the agreed timescale. (2c.1, 2c.3, 2c.4, 2c.7)
- ▲ The Supply Chain Framework provides a structure for Performance and Quality Managers (PQMs) to implement the quality, compliance and performance management processes, which are supportive and provide an indication of areas for improvement. (3b.1, 3b.2, 3d.2)
- ▲ A robust approach has been adopted to assure the security of all data and assets, and the safeguarding of people within partner organisations. (3b.4, 3b.6)
- ▲ The progression of a customer is measured through effective processes, including RAG (red, amber, green) rating, which clearly indicates areas for improvement. (3d.6)
- ▲ The team-working ethos developed across London is an example of staff being positive, enjoying their work, genuinely gaining job satisfaction and proud to work for and in partnership with Seetec. (4a.6)

Areas for Improvement

Whilst Seetec demonstrated that it met the Merlin Standard the following areas could be considered for review and improvement based on feedback from Seetec's staff and / or supply chain partners, observations and / or documentary evidence. The number in brackets cross-references the findings to the element and criteria of the Merlin Standard.

- ▲ Lessons learnt have been applied and consequently partners are consulted and influence the design of systems and processes through informal and formal discussions. However, some partners fail to recognise that they are being consulted. Consequently, consideration could be made to a more formal approach to consultation, for example, quarterly partner meetings. (2a.2)
- ▲ Seetec work collaboratively with a number of partners, sharing information, vacancies and supporting the development of staff, however, there was minimal evidence of partners working together. As a result, consideration could be made to promoting the opportunities and actively encouraging them to work together. (2a.3, 3d.1)
- ▲ Seetec implemented a number of processes at the start of the Work Programme, which partners valued, for example, weekly tele-kit with the presence of a senior manager and quarterly partner meetings, which contributed to developing a positive and supportive culture. However, currently these fail to be consistently implemented across the supply chains. In the future, consideration could be made to reintroducing these activities, which may contribute to improving consultation and collaborative working. (2a.2, 2a.3, 2a.4, 3a.3, 3d.1)
- ▲ A high proportion of partners within the private and public sector are robust and sustainable organisations, however, consideration could be made to undertaking a business / financial health check on an annual basis and / or in the event of a major contract change to ensure they continue to be viable organisations and identify further areas for development. Whilst extensive support is provided to third sector organisations, consideration could be made to supporting them and spot purchase partners to develop an annual Self Assessment Report (SAR). (2b.1, 4a.2)
- ▲ Opportunities to partner (with Seetec) are communicated through a variety of methods, however, these tend to be the tendering activities they are pursuing. In the future, consideration could be made to identifying and communicating additional funding / financial streams at local and national levels to contribute to building capacity within partner organisations. (2b.1, 2b.2)
- ▲ Whilst partners are aware of the Code of Business Ethics and partners believe this is practiced, consideration could be made to mutually agreeing a set of core values / behaviours, which are measured throughout the life of the contract. (3a.1)

Areas for Improvement Cont./

- ▲ The quality, compliance and performance management processes are effective, however, currently some partners feel interactions / visits are ad-hoc. Consequently, ensure partners understand the use of the RAG rating and the future schedules. (3b.1, 3b.2, 3d.2)
- ▲ The quality assurance activities include observation of practice in relation to the information, advice and guidance (IAG) being provided by partner organisations, and whilst partners assure the provision of the IAG being provided by their supply chain, currently Seetec fail to evaluate. Consequently, consideration could be made to establishing clear processes to assure the IAG being provided by partner's supply chain. (3b.1, 3b.2, 3b.3)
- ▲ Whilst due diligence includes a review of partner's environmental sustainability policies and plans very little reference and monitoring is undertaken throughout the life of the contract. As a result, consideration could be made to incorporating the requirements into the SLA and actively monitoring environmental sustainability throughout quality visits. (3b.7, 4a.6)
- ▲ The sharing of good practice is actively promoted by the PQM and Supply Chain Manager (SCM) whilst undertaking quality, compliance and performance management visits, and through the occasional supply chain meeting. In the future, consideration could be made to defining excellent and good practice, and actively recognising innovation and sharing across the supply chain. (3b.8, 3d.2)
- ▲ Partners are aware of Seetec's complaints and appeals procedure, and some made reference to the Independent Case Examiner (ICE) and Merlin Mediation Service. However, this was not consistent, as a result, in the future, consideration could be made to reminding partners of ICE and the Merlin Mediation Service, (the latter for DWP programmes) from time-to-time. (3c.2)
- ▲ Seetec have developed different platforms to provide consistent, accurate and appropriate management information (MI) to partners, however, some felt disadvantaged as they failed to have direct access Qlikview. Consequently, consideration could be made to ensuring partners understand how to interrogate and use the information on Partner Enterprise and SCMs consistently produce the reports requested from Qlikview. (3d.4)
- ▲ There was a good understanding of value for money by senior and operational managers, however, some partners failed to have the same level of understanding, as a result, consideration could be made to defining and communicating 'value for money' across the contracts held. (3d.5)

Areas for Improvement Cont./

- ▲ Processes are in place to ensure partners are aligned to their (Seetec) commitment to diversity and equality, and whilst the data is collected it was not consistently analysed and used within some supply chains. Consideration could be made to educating PQMs of the need to monitor, analyse and use data, which may influence the service delivery and identify gaps at local level and across the supply chain. (3e.2, 3e.3)
- ▲ Whilst individual partners have an understanding of the impact they have on the wider social objectives, consideration could be made to recognising the impact of the supply chain as a whole, including environmental sustainability. (4a.4, 4a.6)
- ▲ As previously stated, there is a good team working ethos across London, consequently, consideration could be made to sharing excellent / good practice and developing similar approaches across the supply chains, which has a positive impact on people's wellbeing. (4a.6)

Areas Requiring Further Development

Seetec have successfully met all the requirements of the Merlin Standard, as described in the assessment outcome. As a result, there are no areas requiring further development identified throughout this assessment.

Assessment Findings

1 Supply Chain Design

1a) Supply chain design

Seetec's vision is 'to work with people to aspire them towards achieving and sustaining their objectives through training, education and consulting services', and consequently seek to work in partnership with a range of commissioners / procurers to deliver a wide range of services.

Prior to undertaking any tendering activity a full understanding of the service provision and the commissioner / funder objectives and wider policy intent are gained to ensure they are alignment to their overarching strategy. Subsequently, the business development and operational teams work together to complete research at local and national levels with the aim of identifying an appropriate delivery model. Research and consultation includes a range of activities including but not limited to desktop review and analysis of local and national data, presentations to potential partners at local level, networking with local groups; Youth Network, Department of Social Protection, etc. and attendance at national Welfare to Work events, etc.

Whilst an internal delivery model continues to be adopted for all contracts Seetec recognise the need to work with a supply chain to meet the changing needs of the customers and address the requirements of the commissioner / procurer and as a result, they work with a number of partners with specific expertise. Currently 32.5% of the delivery is through supply chains with the balance being delivered internally.

The research and consultation undertaken contributes to ensuring the scope and variety within the supply chain meets the needs of customers and the commissioner's / procurer's objectives and contractual requirements. Consequently the supply chains are made up of organisations from the private, public and third sector that are able to demonstrate previous experience and provide an area of specialism, consideration is also taken to the geographical area, infrastructure and capacity to deliver desired volumes. One partner made the following comment:

"I think that they were really creative in developing the supply chain and welcomed new and innovative approaches to delivery, including third sector specialist."

Seetec develops a supply chain model, which clearly indicates the services being provided, for example, the Work Programme includes, end-to-end services, taking a customer from referral through to the end of the sustainment period, step 1 and 2 only partners taking a customer from referral to job outcome and spot purchase partners delivering a specific service on a spot-purchase basis. Other contracts will include Intervention partners, who provide specialist interventions or IAG and step 3 skills providers delivering in the sustainment phase and post job outcome, which is aligned with the SFA training provision.

A Supply Chain Strategy Board (SCSB) has clear roles and responsibilities in terms of constantly reviewing the supply chains to ensure scope and variety to meet the changing needs of customers and address the commissioner / procurer objectives. Throughout the life of a contract potential partners are reviewed by the SCSB, and if appropriate encouraged to complete the expression of interest (EOI), which provides flexibility within the supply chain. It was noted that Seetec identify appropriate specialist provision and bring them into the supply chain, as one partner commented:

"We are specialists in our own right but we have a full delivery contract just the same as main stream providers."

Contingency plans are in place in the event of a partner leaving the supply chain, which ensures customers experience a continuous service, which includes allocation to the internal delivery team and / or increasing market share and volumes of existing partners within the geographical area. There was evidence of changes within the supply chain, which has provided existing partners with the opportunity to build capacity having previously met agreed performance expectations.

The use of wider networks outside of the supply chains is actively encouraged to support the delivery of the services, for example, the organisation works with local Members of Parliament, Local Enterprise Partnerships (LEPs), Employment Related Services Association (ERSA), which includes a number of forums; disability, housing and supply chain. In addition, housing associations, schools, a range of IAG organisations, Employment and Skills Groups, Citizens Advice Bureau, etc.

The organisation is an active member of the Institute of Employability Professionals (IEP) and staff members are contributing to professionalising the industry, including the development of appropriate qualifications.

Partners are also encouraged to develop their own networks to contribute to the service provision, for example, drug and alcohol rehabilitation, housing, schools, IAG services, etc. and network with local authorities to gain a full understanding of the changing needs of customers.

2 Commitment

2a) Collaboration, cooperation and communication

Opportunities to work with Seetec are communicated through the website, presentations / road shows, Carley Consult, email to a database of currently 7-800, directly contacting current, previous and potential partners, promotional leaflets, and where appropriate utilising specific services, for example, other bid writer's database as was evidenced for the National Citizenship Service tender.

Partners confirmed that they received regular communications throughout the procurement process, which included meetings, written information and email. For example, a presentation to prospective partners for JobPath provided an outline of the contract requirements, indication of expectations and risk attached to the payment by results model, which provided them with a full understanding of the contract requirements and implications prior to committing to the EOI. Partners confirmed that communications were effective and access to appropriate support was provided through a telephone line and dedicated email address. One partner made the following comment:

"The presentation outlined the payment by results model, so we could decide whether to submit an EOI."

Consultation with partners takes place predominantly on a one-to-one basis, which influences the design of the delivery, for example, qualifications to be delivered and documentation to be completed. However, on occasions new processes and systems have been implemented, for example, POWER, BOOSTER, etc. and some partners perceive that their views and opinions failed to be collected, where-as in London partners explained how they were consulted regarding the development of documentation to record performance and quality assurance visits, reducing the size of the document from 20 pages to seven.

Recently meetings have been held with partners in preparation for future contracts, which has influenced the design of systems and processes, in addition a number of partners were invited to contribute ideas to the development of the partner portal. However, a number of partners failed to recognise that a level of consultation had taken place. In the future, consideration could be made to a more formal approach to consultation, for example, quarterly partner meetings.

SCMs proactively encourage Seetec delivery centres and partners to work collaboratively, sharing information and good practice, vacancies and supporting the development of staff. There is an understanding that the success of the contract is based upon all parties working together to achieve the results. There was some evidence of partners working together, sharing vacancies, however, this was minimal. In the future, consideration could be made to promoting opportunities and actively encouraging partners to work together.

Partners believe that the SLA and Code of Business Ethics clearly indicate the roles, responsibilities and expectations of all parties, which is supported by a number of communication channels to ensure that there is no ambiguity regarding the business relationship, for example, daily, weekly and monthly interactions via telephone, email and / or face-to-face as well as access to appropriate MI.

A number of processes were implemented at the start of the Work Programme, which partner's valued, for example, weekly tele-kit with the presence of a senior manager and quarterly partner meetings, which contributed to open communications and developing a positive and supportive culture. However, currently these fail to be consistently implemented across the supply chains, as a result, consideration could be made to reintroducing these activities, which may also contribute to improving consultation and collaborative working.

A high proportion of partners believe that the dialogue with the PQM and SCP is open, and they are able to talk about a wide range of issues. Partners believe they get responses to queries within a realistic timeframe, which is appropriate. Some partner comments included: *"In general people are polite and responsive, in particular our SCM is superb in speed of response and comprehensiveness of answer. He knows and understands our business at the point of delivery."*

"I think that they are open and honest, our success is theirs too."

"Very open dialogue, very constructive."

"A breath of fresh air."

"Open and frank discussions."

"Open door policy – say it as it is."

"They were open and honest throughout the presentations." (JobPath)

"Open and honest, fair but firm."

2b) Developing supply chain partners

The development of partners is supported and encouraged at all levels throughout the life of a contract, for example, establishing robust policies to assure the security of data and assets, safeguarding, etc. establishing the systems and processes required to operate the contract and providing support throughout Performance Improvement Notices (PINs), etc. In addition, some SCMs (London) work closely with organisations to ensure they are sustainable and continue to be financially stable, for example, developing business contingency plans, financial planning, etc. In the future, consideration could be made to encouraging and supporting all partner organisations to undertake an annual SAR and / or business health check to identify additional areas of support and improvement.

A number of partners have been supported to build capacity and deliver a comprehensive range of services, for example, a third sector organisation found the remodelling approach for Work Programme was not sustainable and consequently an additional contract was awarded, based on previous successes, resulting in the organisation's growth. Another example, also a small third sector organisation was supported to develop an information security plan, which has enabled it to bid independently for the New Enterprise Allowance (NEA) contract.

A partner organisation fell of the Register of Training Organisations (RTO), and in order to retain them within the supply chain Seetec approached the SFA on their behalf to demonstrate support in submitting a new application and allow them to continue to deliver the service. There was evidence of spot purchase partners being encouraged to promote their services at partner meetings, and visit Seetec centres and the ESA hub with the aim of building capacity.

Seetec continue to promote opportunities to partner with them when preparing tenders for future contracts, however, in the future, consideration could be made to identifying and communicating other contracts and additional funding / financial streams at local and national levels to contribute to building capacity within partner organisations.

A key strength is the promotion and facilitation of staff development within the supply chain, whilst there is an understanding of key learning and development needs Seetec actively identify further requirements through a survey monkey training needs analysis, performance reviews, quality audits, etc.

Seetec have invested in a range of methods to support partners develop their staff and address the gaps identified, for example, Learn and GO web-ex, which includes reference and updates to mandatory requirements such as safeguarding, promotion of the benefits of IEP membership, delivery of a bespoke leadership series, self employment sessions, etc. In addition, the partner portal provides access to a wide range of information, which is segmented into strands, including teaching and learning, leadership academy and employability skills. A number of new initiatives are in the development stages, which include breakfast briefings and learn-out loud pod casts, which aim to address and include different stakeholders within partner organisations. One partner made the following comment:

"If you think training or other support for staff is needed to improve performance it will be provided or at least facilitated."

A range of qualifications are available to contribute to the Continuous Professional Development (CPD) of partner's staff, for example, leadership and management, assessor awards, employment related services award, job brokering programme, etc.

Partners confirmed that learning and development is promoted through a Learning Prospectus, quarterly People Development Post and the partner portal, they believe the range of opportunities meets the differing needs of staff directly and indirectly involved in the delivery of the service.

Kirkpatrick's learning evaluation model is used to monitor and establish the impact of training activities on the performance of the centres, and a similar approach is being developed to evaluate the impact on partner organisations, which will be reviewed throughout the assessment in 2016.

2c) Contracting and funding

Seetec provided an overview of a procurement process, which included promotion of the service to be commissioned using a variety of communication methods and encouraging potential partners to complete an EOI, subsequently the business development team ensure all EOIs are completed and meet the baseline criteria using a ready reckoner scoring system prior to being forwarded to the SCSB for review. The SCSB establish whether the partner organisation meets the requirements of all stakeholders, and those suitable are progressed to the due diligence stage.

Partners who could recall the procurement process confirmed that it was a fair and transparent process, and that communications were effective throughout each stage. They confirmed that the telephone line and email support was responsive and provided appropriate information and advice. Some partner comments included:

"Clear process for recruitment, understood the different stages."

"The due diligence and discussions prior to us submitting the EOI were really useful and comprehensive. There was an open approach to the whole process."

Partners confirmed that a letter was received advising of a successful / unsuccessful outcome following the EOI activity, which provided a clear indication of the next steps. For example, successful partners gained an outline of the indicative volumes expected, management fee and if appropriate the unit price, which would be confirmed following Seetec being advised of their success by the commissioner / procurer. Those that were unsuccessful were provided with initial feedback, but encouraged to seek further feedback on an individual basis to identify action to be taken in future EOI submissions.

Throughout the EOI process the business development team are responsible for communications with potential partners, and following contract award successful partners receive an implementation pack, which provides an outline of the due diligence requirements and starts the six-week transition to working with the operations team.

Partners confirmed that the due diligence process was straightforward and meetings with the SCM provided the opportunity to review the plans and policies submitted and identified support required in preparation for the contract starting, for example, development of security plans, safeguarding policy, etc.

Partners confirmed that the funding / payment arrangements were fair, proportionate and due to the approach taken by the Prime every effort was taken to reduce the financial risk. Some partners described their experiences, which included open and frank discussions prior to the start of the contract and subsequently reworking of the delivery model to mitigate financial risk. Some partner comments included:

"The financial model was discussed early, which allowed time to come to an agreement."

"They monitored my cash-flow to ensure that I am always in a position to trade, as a result I have substantially increased my offering and employment of staff."

"Their funding approach has helped me to create a number of social enterprises which employ people who would otherwise be long term unemployed."

Spot purchase partners confirmed that they discussed the daily / service rate, which was agreed and reflected in the SLA prior to engaging in any delivery of activities.

As previously stated, successful partners receive an offer letter, which outlined the roles and responsibilities of all parties, expectations, performance, unit prices, indication of the management fee and what they get for their money, which is subsequently confirmed within the SLA. Partners confirmed that the SLA clearly indicated the obligations of both parties, including performance, quality and compliance visits and reviews and the development of Quality and Performance Improvement Plans (QPIP). In addition, reference was made to financial payments, PIN, breach of contract, contract termination, etc. Throughout the life of the contract quarterly reviews of the SLA are undertaken to ensure obligations and expectations are fulfilled, and partners are not facing undue financial risk, as a result of this process there was evidence of adjustments to payment flows being made.

The SCSB review all contracts on an annual basis, or more frequently if appropriate, consequently it was identified that six-months after contract award with a partner, Seetec was taking all the risk, as a result, following negotiations with the partner a three-stage payment structure was agreed and reflected in a revised SLA. Some partner comments included:

"Agreement was signed following discussions and amendments."

"They were very flexible."

"The SLA is reviewed every quarter."

"Seetec's documents are perfectly clear and make sure that you know exactly what is required from you and what you can expect in return."

Partners confirmed that geographical spread and capacity provided a clear rationale to support a viable and transparent of market share within the supply chain. Some partner comments included:

"The market share is based on geographic spread and capacity."

"50/50 and 100% due to the location of Seetec centres, it's straightforward."

The requirements of the supply chain were taken into account pre and post contract award due to Seetec's openness and commitment to ensuring partners do not face undue financial risk. As a result, partners believe that the negotiations in relation to volume, funding / finance and performance expectations were open and agreeable to both parties. Some partner comments included:

"There was consultation and open negotiation."

"They were looking for a minimum of 50, we were looking for between 50 – 75, which was agreed."

"We negotiated and agreed the contract."

"Open discussion when targets adjusted and a new SLA."

"Our needs were taken into consideration pre and post contract award."

Partners confirmed that the self-billing strategy is straightforward and provided a clear process for claims validation. Throughout this assessment there was no evidence of the payment / funding arrangements not being honoured within the terms and conditions for end-to-end, tiers 1 and 2 partners. One partner made the following comment:

"Paid promptly, self billing is very good – know who and what we're being paid for."

A high proportion of spot purchase partners confirmed that payment had been made in line with the terms and conditions, which were agreed at the start of the contract. There was evidence of one partner experiencing difficulty due to the sign-off process consequently, this had been rectified with a payment being made in advance, which was drawn down and re-invoiced when fully claimed.

Partners confirmed that the offer letter indicated the management fee of between 15 – 18% and listed the services received as a result, for example, systems training, PQM and SCM visits, performance management and quality and compliance checks, best practice sharing, Learn and GO web-ex, e-learning, access to qualifications at a reduced rate, etc. Some partner comments included:

"The management fee was less than the previous prime, but we get more for our money to date."

"I am perfectly clear what we pay and I think their charges are reasonable for the services that we get."

"Management fee not unreasonable and I feel I could have negotiated."

3 Conduct

3a) Demonstrating commercial and business integrity

A Code of Business Ethics is promoted on the website providing potential partners with an indication of what they can expect when working with them. Subsequently, throughout the EOI and due diligence processes potential partner's values are tested and aligned to; growth of skills, quality of service and the customer being at the heart of the service. Partners clearly understand what is expected of them and believe it is paramount to the success of the relationship to share values at the start. Some partner comments included:

"It's not about the numbers, it's the support to the clients, and we've opted not to work with some primes due to their values."

"Aligned the contract at the start to the vision and values."

"We are clearly aligned with their principles even though they are couched in different language."

"Their values are promoted on the website and I have spent time with their staff, who are a true reflection – business like and professional."

Whilst there has been some collaboration post due diligence to ensure that the values / principles are still aligned this is not consistent practice across the supply chains, in the future, consideration could be made to mutually agreeing a set of core values / behaviours, which are reviewed and measured throughout the life of the contract.

The TUPE strategy had been used in recent times when undertaking an acquisition, which resulted in staff being transferred to Seetec. The process appeared to provide a smooth transition for staff and was a practical demonstration that an effective strategy was in place. People who had experienced the process described a series of interviews and information flow, which was wholly appropriate, despite one making reference to a slow start.

Seetec confirmed that discussions take place with partners when appropriate to review options, and when required support has been provided to partner organisations to support TUPE activities.

A high proportion of partners confirmed that the interactions with Seetec staff are positive and supportive. They believe there is a healthy relationship where-by all parties; partner and Seetec are working together to achieve a common goal. Partners made reference to the daily, weekly and monthly personal and electronic contact, which were positive, including those that had experienced a PIN as a result of poor performance. Some partner comments included:

"Quality audits are used in a developmental way."

"The Supply Chain Manager helps us a great deal to improve."

"There is an openness which encourages you to speak to them."

"The PIN was a worthwhile process and provided us with focus."

Communication of legislative and regulatory requirements and appropriate updates are made through email and / or the partner portal, which requires an acknowledgement of receipt and read, and if not completed within a period of time the partner is unable to access the portal. The PQM and / or SCM checks understanding and application of the requirements throughout future tele-kits and visits, consequently, partners confirmed that communication and follow up was effective.

Similarly, changes to the contract are communicated through email and / or the partner portal and dependent upon the message appropriate follow-up is instigated by the SCM. Some partner comments included:

"I'm confident that Seetec tell us about legislation appropriately."

"I think we get to know things fairly quickly, I can't remember ever having been caught out for lack of knowledge."

3b) Quality Assurance and Compliance

The Supply Chain Framework provides partners with a clear outline of the quality and compliance monitoring activities and those responsible for the different aspects. For example, SCM takes responsibility of the compliance audits, whilst PQMs complete the quality audits. Partners are aware of the monthly file checks on Partner Enterprise, tracking of the customer journey and outcomes, etc. The result of the file check, determines the frequency of future activities, as these are risk rated; red, amber and green, however, some partners were unclear as to the frequency of the checks.

Similarly, PQMs undertake quality-monitoring visits, which are risk based and once again determine the frequency of the activity. It was evident throughout some interviews that partners failed to understand the rating and frequency of the visits and as a result, consideration could be made to ensuring partners understand the use of the RAG rating and the future visits scheduled.

Compliance and quality monitoring incorporate a range of interventions to assure the quality of service delivery, and the outcome is discussed and documented in the performance and quality improvement plan (PQIP), which is reviewed throughout the following performance review and subsequent quality / compliance audit. Partners confirmed that the process was supportive and ensured they were meeting the expectations of the Prime and commissioner / procurer. One partner made the following comment:

"The audits are followed up by written reports and we agree a Performance Improvement Plan as a result."

A recent new partner was fully aware of the quality and compliance assurance activities and was to have a visit within a month of starting the contract with the aim of identifying areas for improvement in the early stages, as opposed to waiting for three-months and having to rectify errors.

Seetec are **matrix** accredited and subject to annual continuous improvement checks, which assures the IAG being provided. A number of partners delivering the skills programme have achieved **matrix**, or expected to achieve the standard within a six-month period of joining the supply chain.

Throughout the quality-monitoring visits observation of partner's staff delivering the service are undertaken and questions posed to check the understanding and rationale for the IAG provided. Findings are discussed with the member of staff and partner, and actions documented on the PQIP.

There was evidence of some partners having their own supply chain, and when questioned they confirmed that observations of delivery staff to assure the IAG being provided are undertaken, however, to date these had not been requested throughout the quality-monitoring undertaken by the PQM. Consequently, consideration could be made to establishing clear processes to assure the IAG being provided by partner's internal supply chain.

Seetec have been accredited with the ISO27001 demonstrating the implementation of robust systems and processes to assure the security of data and assets, which are subsequently reviewed throughout audits undertaken by the commissioners / procurers. The organisation has invested in a lead for security, which consequently takes ownership for delivery centres and partners. Throughout due diligence partners are expected to complete a number of questions, and submit supporting evidence in the form of policies and plans. A visit was made to the partner premises to review the findings against the evidence submitted. The findings were risk rated, discussed and documented in the PQIP, which determined the frequency of future visits, however, a minimum of an annual visit is undertaken.

Some partners made reference to the support to develop appropriate plans and policies supported by cost effective solutions, for example, encryption of email and £100 licence for each laptop. Some partner comments included:

"Free consultation, which has had a great impact."

"We submitted our security plans, gained a visit from the Head of Security and put a few more controls in place, it was really supportive."

The health, safety and welfare of customers visiting the centres and partner's premises are taken into consideration. Throughout due diligence a number of questions are to be answered in line with legislative requirements, which are supported by the submission of policies, procedures and risk assessments. Once again a visit to partner premises was undertaken to review the findings against the evidence submitted, a risk rate provided, which once again informed future monitoring activities, however, health and safety is checked throughout every visit made by a PQM and SCM through informal observation, and policies, procedures and risk assessments reviewed on an annual basis.

The same approach is taken to ensure appropriate practices and policies are in place to assure the safeguarding of people at risk; due diligence, visit to premises and discussion throughout monitoring visits. Access to a range of learning and development activities is

provided every three-months throughout the Learn and GO sessions, and also available through the partner portal.

The head office premises have successfully gained accreditation of ISO14001 demonstrating their commitment to environmental sustainability, and consequently, there is a plan to bring their delivery centres into line. Partners submit their environmental sustainability policies and plans throughout due diligence and as a result, they are encouraged to develop targets at local level, which tended to be very general, for example, use less paper, introduce a mileage allowance for cycles, reduce energy, etc.

Recently a SCM had engaged partners in discussing and agreeing objectives for the shredding and collection of confidential waste (contributing to both ISO27001 and 14001), which is to be monitored on a quarterly basis. However, whilst on an annual basis the policies and plans are reviewed there was very little evidence of targets being monitored and improvements and achievements acknowledged. As a result, consideration could be made to incorporating the requirements for environmental sustainability into the SLA and actively monitoring environmental sustainability throughout monitoring visits.

Reference was made to PQMs and SCMs identifying, sharing and monitoring good practice throughout the quality and compliance monitoring visits and monthly performance management reviews. In addition, the weekly tele-kit, working with Seetec centres and more recently partner meetings, for example, skills tutors, provide other opportunities to identify and share good practice.

Whilst there is a level of understanding regarding 'good' practice, this is not consistent across the supply chains, as a result consideration could be made to defining excellent and good practice, and actively recognising innovation and sharing across the supply chain through consistent approaches, including tele-kits and regular partner meetings.

3c) Honouring Commitments

A high proportion of partners confirmed that Seetec honoured their commitments at all stages; pre and post contract award, and continue to be open to discussion and negotiation, if they experience any difficulties with the service delivery and / or meeting expectations. The quarterly review of the SLA provides all parties with the opportunity to review and respond to changes, for example, reshaping and redesigning the delivery to respond to the market shift, including discussions relating to finances to ensure partners are not put at risk.

Those partners interviewed confirmed that they were aware of the complaints procedure, however, they reiterated that the working relationships with Seetec were open and honest and they have the confidence to discuss anything with the SCM and / or PQM and members of the senior leadership team, including grievances, and consequently believe these would be resolved promptly.

Members of the senior leadership team stated that they would fully respect the decisions made as a result of the Merlin Mediation Service, if it were to be deemed to have not acted in accordance with the principles of the Merlin Standard. A number of partners are aware of the

Merlin Mediation Service (Work Programme), but believe they will never need to use it based on the behaviours displayed and relationship developed with Seetec. However, in the future, consideration could be made to reminding partners of ICE and the Merlin Mediation Service, (the latter for DWP programmes) from time-to-time.

A range communications including one-to-one meetings ensure that partners are clear of expectations before, during and post contract award, and subsequently the SLA provides them with a clear indication of expectations post and throughout the life of the contract.

Comprehensive information is shared across the supply chains, including league tables, which provide partners with a clear indication of their performance in comparison to others, which is valued by a vast majority. One partner made the following comment:

"It's good to be able to compare because if somebody is better than you, there is the chance to ask them how they are approaching that area."

3d) Performance

As previously stated, Seetec centres and partners operating within the same geographical area work together sharing information, good practice and supporting the development of staff. Whilst there was some evidence of partners working together, sharing vacancies, this was minimal. As a result Seetec could be more proactive in promoting the opportunities and actively encouraging them to work together.

The Supply Chain Framework provides an outline of the processes to manage performance throughout the life of a contract, which are clearly understood by partners. The monthly visit provides partners with a RAG rating and the actions required, which are documented within the PQIP. Partners confirmed that the visits are constructive and PQMs recognise and support innovation and consequently share good practice. The visits with SCMs provide partners with the opportunity to raise issues and concerns regarding the commissioning / procurement of the contract. One partner made the following comment:

"Able to discuss any issues or concerns."

Performance expectations are clearly defined at the start of a contract; communicated through the offer letter and subsequent meetings, including monthly performance reviews. The review on a quarterly basis of the SLA reconfirms the performance expectations, and reflects any changes agreed.

Partners gain access to MI through the Provider Enterprise platform, which is fit for purpose and provides consistent, accurate and appropriate performance information, which is shared across the supply chain. Whilst Seetec centres have access to a second MI platform, Qlikview this is not available to partners due to the security of data, consequently, some SCMs prepare regular reports, whilst others prepare upon specific reports on request. Interviews indicated that partners believe they would benefit from access to Qlikview, however, consideration could be made to ensuring they understand how to interrogate and use the information and SCMs consistently produce the reports requested, which has started to be implemented within London and the East of England.

SCSB review value for money gained from partners and consequently make appropriate decisions to change supply chains, for example, it was identified that tier 3 intervention partners for the Work Programme failed to deliver value for money and as a result these were removed, those partners affected had the opportunity to increase capacity, gain support and become an end-to-end or tier 1 / 2 partner, or provide services on a spot purchase basis.

Partners made reference to providing value for money through having an impact on and meeting client needs, whilst others described specific activities, for example:

"We charge a daily rate and it is more cost effective to arrange for two clients to attend a course."

"We recommended other services, not just ours, which provided a choice of costs."

Whilst there was a good, consistent understanding of value for money by senior and operational managers, it was evident that some partners failed to have the same level of understanding, as a result, consideration could be made to defining and communicating 'value for money' across the contracts held.

Partners are able to access and drill down a range of reports from the MI system, which clearly indicates the progression of a customer. Subsequently, customers are RAG rated and reviewed with the PQM throughout performance reviews to establish the support provided and agree future interventions to enable a customer to progress at an appropriate pace. Some partners also made reference to the trigger payments, which indicate the distance travelled by customers.

3e) Promoting Diversity and Equality

Throughout due diligence partner organisations are requested to submit a Diversity and Equality policy, which is aligned to that of Seetec and meets the needs of legislation and the commissioner / procurer. Subsequently, this is reviewed at the initial implementation meeting and on an annual basis to ensure currency.

A range of learning and development activities are provided to support partner's staff promote diversity and manage equality throughout the service delivery through the Learn to GO web-ex and partner portal. Partners believe that Diversity and Equality is embedded in all aspects of the service delivery, and every opportunity is provided to customers to access appropriate support to achieve their aspirations.

The data is collected and entered into Provider Enterprise, which is accessible to partners to analyse and use, consequently some partners made reference to reviewing the number of female and male using the service and the gender and ethnicity. However, it was evident that some partners believe that Seetec are analysing and using the data and there is currently no requirement for them to do so.

Some partners made reference to analysing and using the data throughout the performance management meetings in London and the North West, which had resulted in trends being identified and appropriate action being taken, for example:

- The provision of a service was adjusted to meet the age and health issues experienced by some customers,
- The Bangladeshi customer base was increasing, and as a result a tutor with the language skills was developed to provide the service.

In the future, consideration could be made to educating PQMs and partners on the importance of monitoring, analysing and using the data, which may influence the service delivery and identify gaps at local level and across the supply chain.

4 Review

4a) Supply chain review

Feedback is gained from different stakeholders, for example, **matrix** assessment, OFSTED inspection, PAT audit, Merlin assessment, etc. and the findings recorded in the Quality Improvement Plan (QIP) to contribute to continuous improvement across supply chains.

A quarterly customer feedback survey is undertaken to identify successes and areas for improvement, as a result of one survey it was identified that 30% of customers were failing to have an email set up at the start of their journey, subsequently, this number has reduced.

A 'You said, we did', approach is adopted across all centres and partner organisations with the aim of capturing instant feedback and identifying areas for improvement. In addition, the complaints and compliments are referenced within the quality-monitoring visits and issues addressed, for example, managing specific customer expectations and identifying appropriate action within an agreed timeframe.

Feedback is also gained from the wider networks, for example, employers, Local Authorities, Housing Associations, JobCentre Plus and specialists providing support to customers with specific health issues. As a result, the findings are used to ensure the service continues to provide for and meet customer's needs.

An annual SAR is generated and includes feedback from partners. Partners delivering the skills programmes develop their own SAR, which feeds directly into that of Seetec, whilst those partners involved in the Work Programme are informally invited to feedback areas for improvement through different approaches. In the future, consideration could be made to encouraging and supporting all partners to undertake an annual SAR.

The Quality Improvement Plan (QIP) clearly indicates the areas for improvement, which in the past has included, initial assessment and action planning, client feedback, moderation, diversity and equality, sharing good practice, etc. Partners made reference to some communications relating to areas for further improvement as a result of the SAR throughout quality-monitoring visits and performance reviews with PQMs and SCMs.

Partners confirmed that email and the partner portal are used to communicate information relating to the wider policy and strategy of the commissioner / procurer, which was followed up throughout the visits with the PQM and / or SCM and on occasions throughout the partner meetings, which provide the opportunity to reflect on the level of understanding and how the supply chain continues to be aligned. Partners once again made reference to any changes to the contractual requirements being discussed, agreed and reflected in the SLA.

Partners provided a range of examples of the impact the service had on individual customers and progressing them to achieve the planned outcomes. Reference was made to supporting people and addressing specific health related issues, for example, mental health, drug and alcohol dependence, reducing the number of unemployed prisoners, development of a community within a hub, which encouraged peer support, etc. Others provided quantifiable examples, which included:

- 98% of Work Programme customers continue to be in business one year later, contributing to reducing worklessness, poverty and health related issues,
- 28% of customers supported back to work against a national average of 15%.

Whilst individual partners had an understanding of the impact they have on the wider social objectives, consideration could be made to recognising and communicating the impact of the supply chains as a whole.

The SCSB play an active role in the review of the supply chains to ensure they continue to evolve and improve to meet the changing needs of the customers and the commissioner / procurer. On a monthly basis partner performance is analysed and strategies to improve performance identified, and on an annual basis supply chains are fully reviewed and if appropriate refreshed to meet the needs of the customer and commissioner / procurer, for example:

- Encouraging two partners initially providing a spot purchase service to submit an EOI and become part of the skills delivery supply chain to support customers at different stages of their journey.
- Development of contingency plans in the event of partner leaving the supply chain, for example, an organisation recently went into liquidation, and a plan was instigated to ensure customers continued their journey.

The team working ethos developed across London indicates that staff are positive, enjoy their work, genuinely gain job satisfaction and they are proud to work for and in partnership with Seetec. Consequently, consideration could be made to sharing excellent / good practice and developing similar approaches across the supply chains, which has a positive impact on people's wellbeing.

Seetec encourage employee wellbeing through a range of strategies, for example, flexible working, respond to requests to reduce working hours, national gym membership, cash plan, employee help line, etc. In addition, every effort is made to support people's learning and development needs for their current role and contribute to their CPD to support their career aspirations, including membership to the IEP.

As previously stated, Seetec head office premises have successfully gained accreditation of ISO14001 demonstrating their commitment to environmental sustainability, and plan to bring their delivery centres into line. Systems and processes are in place across the organisation, for example, shredding and collection of confidential waste, close down of all computers at 8.00pm, recycling, use of web-ex and conference calls, etc. In the future, the development of a holistic approach to environmental sustainability and the development of measurable targets, which are monitored, could have a positive impact on environmental sustainability and contribute to meeting the commissioner's / procurer's expectations.

Conclusion

Seetec continues to meet the requirements of the Merlin Standard having demonstrated that the behaviours are positive and supportive, and communication is open and honest.

It was evident throughout this assessment that it has responded to the feedback provided throughout the initial Merlin assessment in 2012, which has resulted in significant improvements against the principles of the Standard.

Whilst a number of areas of excellent / good practice have been demonstrated, lessons learnt from previous experiences could continue to be applied and contribute to continuous improvement of the supply chain performance. Similarly, the sharing of good / excellent practice, successes and achievements experienced within the supply chains could contribute to meeting the commissioner's / procurer's objectives, the needs of the customers and improve the performance of the supply chains.

The Supply Chain Framework provides a clear structure for the business development team, PQMs and SCMs to design, procure, quality assure, performance manage and continuously improve, as a result PQMs and SCMs should be encouraged to implement the systems and processes consistently to contribute to improving the management of supply chains.