



merlin

promoting supply chain excellence

CXK LIMITED

Assessment Dates: 12/09/2016 to 14/09/2016

ASSESSMENT SERVICES
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1. About the Organisation

CXK is a charity which supports children, young people, adults and families. The services, which are delivered throughout the South-East, deliver support, advice and guidance to help people progress into meaningful employment, education or training. CXK work with a number of different partners, including local authorities, regional education providers, national charities and trade associations, as well as employers and research bodies. The aim of CXK is to make a difference to the lives of people across the South-East so that everyone can maximise their potential and achieve their aspirations.

CXK has a national reputation for delivering high quality, impartial and independent careers advice and guidance. They have established a reputation for innovation and leadership in developing holistic services that make a difference for those furthest from the jobs and learning.

CXK has made significant progress against its business objectives over the last three years and now has a diverse portfolio of income streams and types of funding. CXK works alongside a network of 27 partner organisations from the private and third sector delivering a range of government programmes. Charitable organisations currently make up 75% of the Supply Chain Partners that work with CXK across the 4 programmes which they currently deliver on behalf of commissioners. CXK operate a model of combining their own delivery with supply chain managed arrangements. This model enables CXK to deliver customer centred services for programme commissioners and customers.

Included in the scope of the Merlin assessment was the delivery of two locally commissioned programmes, Young Healthy Minds (YHM - 50% delivered by CXK and 50% delivered by Supply Chain Partners) and a 'Parenting' contract which finished delivery in August 2016. In addition, two large nationally commissioned programmes, the National Careers Service commissioned by the Skills Funding Agency (SFA) and delivered across the SELEP (Essex, Kent and East Sussex) utilising 55% CXK delivery and 45% Supply Chain Partner delivery and the National Citizens Service (commissioned by the Cabinet Office and NCS Trust) across Kent, East and West Sussex with 19% delivered by CXK and 81% delivered by 10 Local Delivery Partners (LDP's). CXK have not been mandated by any of the commissioners to undertake the Merlin Assessment but choose to undertake assessment under a voluntary arrangement.

2. Assessment Methodology

Initial discussions were held with CXK in April 2016, where the requirements of the Merlin Standard were explained and the contracts and range of Supply Chain Partners in scope for this assessment confirmed, in accordance with the agreed guidelines. Ongoing discussions finalised the sample and the timelines required for the Self-Assessment Questionnaire, Pre-Assessment Notes, and evidence gathering timetable – all of which were submitted by CXK as agreed.

The assessment team (lead assessor Rob Mottram and team assessor Chris Smart) interviewed a total of 17 representatives from 16 Supply Chain Partners. 10 Representatives of CXK were interviewed. All principles of the Merlin standard were fully assessed. The sample included representatives of organisations who deliver a range of services on behalf of CXK and to a range of commissioners. Supply Chain Partners interviewed were at various stages of their relationship and included past partners of CXK. In addition to the CXK personnel that were interviewed, during the assessment a number of documents were made available for the team to review, including an example Expression of Interest (EoI) and Invitation to Tender (ITT) document.

3. Assessment Outcome

Overall	%
Overall Outcome	75% - Good
Supply Chain Design	80% - Good
Commitment	72% - Good
Conduct	74% - Good
Review	73% - Good

4. Areas of Significant Strength

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

- The unique make up of CXK's supply chain; extensive use of organisation's from the charitable sector in the delivery of a range of services to meet customers needs. This blend, and the approach taken by CXK is enabling effective involvement of supply chain partners at contract design, bid and development stage which allows CXK to make good use of a range of Supply Chain Partners special skills. (1a.1, 1a.2 & 1a.3)
- Improved and good communication channels, particularly at the procurement stage and during contracting, which allows Supply Chain Partners to operate within an open, honest and increasingly transparent environment. (2a.1, 2c.1, 2c.3 & 3a.3)
- Supply Chain Partner representatives report a professional and supportive culture where collaboration is being developed. (2a.1, 2a.4, 2a.5 & 3a.3)
- Quality Assurance arrangements are very robust across all contracts managed by CXK, these arrangements balance both contractual compliance with qualitative measurements and ensure customers receive high quality provision. (3b.1)
- The robust and strong approach that has been taken to the implementation of policies and processes which ensure and maintain the security of all data within the supply chain. (3b.4)

5. Areas for Improvement

The following areas for improvement could be considered for review and improvement. The numbers in brackets cross-reference the findings to the relevant element and criteria of the Merlin Standard.

- Consider the value of developing a Supply Chain Partner 'charter' or similar document that can be used to agree mutually agreed principles. (3a.1)
- Further develop the Performance Improvement Notice & Planning approaches and ensure consistency of deployment across all managed contracts. (3d.3)
- Consider the benefits of allowing further opportunities for Supply Chain Partners to collaborate further (for example to develop a more inclusive Self Assessment Report) and to share best practice. (2a.3, 3b.8 & 4a.2)
- Ensure that the learning and development opportunities are provided to all Supply Chain Partners across the contracts in the most appropriate format of delivery. Not only will this enhance staff's abilities it will engender collaboration and the sharing of best practice. (2b)
- Whilst Supply Chain Partners feel confident to challenge and raise issues, CXK need to reinforce the dispute resolution processes available and the Merlin Mediation Service is available and understood by all parties. (3c.2 & 3c.3)
- CXK need to take a more progressive approach to the use of Equality and Diversity data within the supply chain network. (3e.3)
- Ensure that the procedures used by CXK are adequate to ensure that the policies & procedures requested from Supply Chain Partners are reviewed to ensure they are current, accurate and inclusive. (3a.4)
- Ensure that a clear strategy is developed in collaboration with Supply Chain Partner's to both understand and embed an approach to improving environmental sustainability. (3b.7)

6. Findings Against the Merlin Standard

1) Supply Chain Design

1a) Supply Chain Design

CXK have a good approach to its supply chain design. Since the last assessment in 2014 CXK have secured two significant national contracts which are delivered using a network of Supply Chain Partners; the National Citizens Service and the National Careers Service. A business development team review all new business opportunities and CXK are increasingly working with a variety of both current and potential delivery partners to ensure that and services are designed with both the customer and the special skills of the Supply Chain Partner in mind. The best approach to meeting commissioners needs are ensured using a robust selection and due diligence processes, these processes ensure successful Supply Chain Partner's have a good track record in working with the client group in a suitable geographical location.

CXK blend both a 'consortia' approach and a more traditional prime/sub prime model of delivery. Since the last assessment in 2014, CXK have further developed their supply chain procurement processes with a more comprehensive tender process that focuses on fairness, transparency and more robust due diligence. Expressions of interest are scored using CXK's scoring framework, which is shared with Supply Chain Partners and applied consistently to all potential providers and comprises core criteria designed to assess organisational infrastructure and suitability for the supply chain and tender specification. Core criteria include assessment of policy and procedural framework, financial health, track record, quality assurance and health & safety.

"we are ensuring that we use the skills of the partners that are interested in working with us, with the latest piece of commissioning we are doing we really are sitting down and seeing who is good at which aspect – it's the way to work going forward." – CXK

"it's a good model, we are a charity, the other partners are charities and the prime is a charity, they know how we work and what makes us tick, its not about making money it's a bout meeting our respective missions" – Supply Chain Partner

CXK's Supply Chain Partner delivery is broken down as follows: 25% private sector and 75% being charitable or from the not for profit sector. For delivery of both National Citizens Service and Young Healthy Minds the service delivery is carried out by 100% charitable Supply Chain Partners, CXK is unique in this regard, CXK specifically encourages participation from the VCSE sector. CXK utilizes its own delivery arm which it uses to compliment its Supply Chain Partner delivery.

Contract	SCP Delivery %
National Careers Service	45%
National Citizens Service	81%
Young Healthy Minds	50%

CXK utilise a very small amount of 'spot purchase' provision which is used to ensure that customers receive either individual support or to ensure that there are sufficient resources to cover service delivery.

Since the last assessment in 2014, CXK continue to engage with a range of organisations outside the formal supply chain, these arrangements are used mainly to provide further support to customers of a more specialist nature, and this was confirmed by Supply Chain Partners. Supply Chain Partners are also encourages to maintain and use their own relationships and with wider networks to enhance the customer offer.

2) Commitment

2a) Collaboration, Cooperation and Communication

As at the assessment in 2014, Supply Chain Partners reported positively on how CXK communicated during all stages of procurement. Of note were the steps taken to ensure that potential supply chain partners linked to the National Careers Service contract were kept up-to-date when there was a hiatus in the awarding of the contract. This delayed the process by six months. The organisation continues to use its long-term contacts within a consortia and network approach, a particularly good example related to the Young Healthy Minds contract where a clear consortium led by CXK has been developed.

In terms of the National Careers Service and Young Healthy Minds contracts, activities to inform decisions, including the design of systems and processes was observed during the assessment. In terms of the National Careers Service, this related to the development of the Self-Assessment Report (SAR) processes and for Young Healthy Minds it was the development of a database that could be accessed by all relevant parties taking into account appropriate levels of access permissions. It was noted that the National Citizens Contract the systems and processes were not as easy to develop, as many of the systems used were developed and owned by the NCS Trust. One partner commented "*...It is difficult because sometimes the Trust come directly to us. For example, (name) from the contact centre can muddy the water but then, it can feel quite helpful.*"

Collaborative working continues to be promoted across the supply chains by the use of quarterly meetings. This works well with the exception of the National Citizens Service contract where seasonal reviews take place to ensure communications between CXK and the Supply Chain Partners are good and clear. It was noted however, that the summer months are a difficult time for regular meetings take place.

"We started off with regular meetings but they have stopped. There are planning days and now have a structured catch up weekly with CXK but last few months no networking has taken place. This is expected to change at the end of September 2016. It isn't their fault – it is just that the contract is so demanding this time of year."

Supply Chain Partners recognised the improvement to the support they were receiving through the recent appointment of a new member of staff. Overall, partners appreciated the opportunity to share expertise and explore contractual expectations. Young Healthy Minds Supply Chain Partners continue to research specific issues relating to improving outcomes for their customers. An example of development related to children referred with ADHD and ASD where it was recognised that the service provision that was being delivered was having such a positive impact on children that the commissioner requested that a specific programme should be developed; The result was the development of "*Incredible Me*", which is aimed at and supports primary aged children with ADHD and ASD. National Careers Service partners described how they had supported each other with using the IT system, 'YETI', and also in developing approaches to address long waiting times for customers to be seen. Collaboration within the individual supply chains is being actively encouraged by CXK. However, as at the assessment in 2014, it is considered that further benefits could be enjoyed by encouraging and developing further collaboration and the sharing of best practice across the contracts.

In nearly all instances, Supply Chain Partners reported being impressed with CXK's transparency of communication, with CXK making every effort to ensure that partners clearly understand roles and responsibilities. For example, early communication with National Careers Service Supply Chain Partners made the business relationship transparent. On-going clear communication through regular meetings has ensured there is no ambiguity about the business relationship. However the communications between CXK and Supply Chain Partners vary depending on the contract being delivered, as described earlier; CXK have not yet developed a consistent approach in this regard. CXK has however developed a consistent and structured approach to communicating with its National Careers Supply Chain Partners, regular phone calls are used to discuss contractual performance with representatives at well structured quarterly reviews. email and phone calls as necessary supplement quick fix responses, which Supply Chain Partners value and like. Communications with Supply Chain Partners delivering Young Healthy Minds continues to follow a structured approach. Regular review meetings are held between Supply Chain Partners and partners are able to meet and discuss directly with the programme commissioners, this contributes significantly to the openness and transparency enjoyed by Supply Chain Partners and is seen as best practice. Supply Chain Partners considered that interactions were open, however, whilst answers to the questions relating to a potential new contract had been undertaken together in a meeting, there was concern that the actual responses had not been shared with the partners.

2b) Developing Supply Chain Partners

CXK has continued to develop its strategic approach to the development of its Supply Chain Partners, for example, in terms of training and development it has brought together members of the Young Healthy Minds Supply Chain to undertake learning in mentoring, the effectiveness of this is reviewed by the contract manager at quarterly review meetings. With funds generated from the delivery of contracts, for example the National Citizens Service, other contracts delivered by CXK benefit; Supply Chain Partners delivering Young Healthy Minds were encouraged around to say what they felt would enhance the service given to its clients, consequently, a group of young people participating in the National Citizens Service contract raised £1000, this was used for the purchase of wellbeing bags to give to clients as they leave Young Healthy Minds as the contract draws to an end.

Examples were provided about how CXK support its Supply Chain Partners to seek additional sources of funding with partners commenting:

"Today we will be looking at a revised profile and do more in Essex and less in Kent. From a LEP point of view did look at another potential contract and decided not to run for it. However, only we have only been on this contract a year and the question has just not arisen."

"They know what our market place is like and therefore we would not want to work outside those boundaries. We suspect that is why we have not been told about additional avenues of funding."

"Yes! We have done lots of work in the past on NEET projects and most recently in a round of ESF projects where we put in an Expression of Interest."

"We spoke about ESF contracts but they are not going for those. However, I think they would give us a reference if we should need it."

Supply Chain Partners confirmed that development of staff employed within the Supply Chain was provided. Many examples were provided by Supply Chain Partners and related to the development of Labour Market Information for example in relation to the National Careers Service. In addition, a regular update bulletin is provided by CXK to its partners within this contract. A further spoke of support was in the management and guidance provided in using the Management Information system utilised by CXK, YETI. Some Supply Chain Partners mentioned how they had to also ensure that staff were developed as a requirement of their accreditation to the **matrix** Standard. Some Supply Chain Partners mentioned that whilst CXK had made it clear from the outset of the contract delivery that there was little additional funding available for training and development of staff that CXK had managed to support such activities, with training and development taking place at the regular networking meetings. Other Supply Chain Partners considered that there was not much in the way of development at present but expected that this would be addressed as the contract developed. Within the Young Healthy Minds consortia it was clear that training and development had been an on-going feature within the consortium during the period of contract delivery.

2c) Contracting and Funding

None of the Supply Chain Partners of CXK had any reason to say that the procurement processes had not been fair and transparent. All Supply Chain Partners were clear about the process by which they had reached the shortlist of potential Partners. Evidence was provided about how in terms of the National Careers Service contract the approach had been improved and clearly documented. Supply Chain Partners welcomed the way in which CXK was prepared to listen and learn from the experiences shared of some partners who had links with other primes contracting organisations. This open approach appears to have helped smooth the transition in the early stages of the contract delivery. At the assessment in 2014, it was found that core criteria had included the assessment of policies and procedural frameworks, financial health, track record and quality assurance and this approach continues. Contract-specific criteria provide specific insight into suitability for the service in question and the number of organisations from the charity sector involved in CXK Supply Chain delivery is a testament to the strategic direction favoured by CXK.

Most Supply Chain Partners considered that the funding and payment arrangements had been fairly allocated, however, there were some Supply Chain Partners who wished to be provided with more funding and CXK were clear in their explanation as to why this was not currently possible. There were some tensions expressed in terms of the cost of travel between the various parts of Sussex and Essex to CXK's main offices based in Ashford; this was particularly challenging for Supply Chain Partners from the charitable sector. Nearly all Supply Chain Partners commented that the financial model adopted by CXK was in line with the contract and made clear from the outset. Another said:

"The contract is clear and it is down to us to ensure that we complete the paperwork properly so that we are paid on time."

Each of the organisations within the Supply Chain explained that they held a contract to work with CXK. This set out clearly roles and responsibilities of each partner. They explained that the contract was extremely detailed. One commented:

"The contract is about a thousand pages long! But it sets out everything that we need to know and acts as a good source of reference."

Overall, Supply Chain Partners considered that market share had been allocated fairly. However, in regard to the National Citizens Service contract it was considered that in some areas one Supply Chain Partner may have the monopoly which meant that delivery was challenging, as a consequence CXK found that for a new deliverer to take such numbers on it was too great a challenge and after a year of delivery the Supply Chain Partner was more aware of the likely achievable performance and were delivering more realistic performance. Other Supply Chain Partners commented that CXK have encouraged them to provide strong performance expectations and targets during discussions. For the allocation of Young Healthy Minds and the National Careers Service the proportions and allocations were considered to be fair.

Supply Chain Partners, as mentioned earlier were impressed with the way in which CXK kept them well informed in regards to the implementation of the National Careers Service contract. Contract award had been put on hold owing to an appeal by another organisation, this hiatus provided CXK with an opportunity to build its communication links with the Supply Chain and to explore further performance expectations.

"The whole process was open and clear... but we would like more!"

In terms of pre and post contract arrangements relating to processes and payment structures, National Careers Service Supply Chain Partners were generally content. They confirmed that these were discussed at review meetings, with a Supply Chain Partner commenting that any changes were *"Explored in a good spirit with no animosity."* There was less positive feedback relating to how the contracting and funding requirements of Supply Chain Partners involved with the delivery of the National Citizens Service; Supply Chain Partners considered that this was not the fault of CXK, Supply Chain Partners explained how changes were being actioned and the positive support being provided by CXK. All Supply Chain Partners spoke highly of the support that was now in place at CXK in terms of the monitoring and review of the contract. In terms of Young Healthy Minds, pre and post contract award processes and payment structures had been agreed through the consortium.

All Supply Chain Partners were satisfied with the way in which payment is made for contract delivery, there were some comments in relation to delays earlier in the contract life cycle. However, these delays had not caused financial difficulties to those effected and had been quickly remedied. It was noted that in relation to the Kent Parenting contract, that the Supply Chain Partners had been provided with a programme summary for each outcome required, which was considered by Supply Chain Partner to have been very helpful. There was no evidence to suggest that the transfer of funds/finance within the network was not working effectively. No Supply Chain Partners suggested that they had not received payment on time. Where there had been a discrepancy as mentioned earlier in this report, the issues had been efficiently resolved.

As was identified during the assessment in 2014, due to the high level of consultation and negotiation throughout the procurement process Supply Chain Partners were fully aware of the value of the contract. Currently, most are aware of the associated costs and management fees. However, some did not know if a sum was being retained by CXK. It was noted that the document published by CXK on its website continues to provide information about the fees and any other associated costs that partners might incur.

3) Conduct

3a) Demonstrating Commercial and Business Integrity

Overall, Supply Chain Partners believed that they did work to a mutually agreed set of core principles. It was considered that these were probably set by the Commissioner of each contract. Supply Chain Partners thought that mention of such principles might be found within the contract between CXK and themselves, with Supply Chain Partners commenting;

"I cannot remember exactly what they are but I am sure I could find them on the overheads used at our first networking meeting!"

"I don't feel like a huge connection with the principles of CXK but we seem to be aligned. We are larger and their projects run longer – we have a larger spread – but generally and ethically they are similar."

"I think that we are in it for the same reasons which is to support young people. I think that CXK have a sound history there".

As at the assessment in 2014, it was suggested that CXK might like to consider the development of the Common Accord and the creation of a Partner/CXK charter, to date CXK have not developed such framework and as such it remains an area for consideration for CXK should they wish to further strengthen this important area. Such a framework will underpin a range of elements within the Merlin Standard.

As at the assessment in 2014, CXK has significant experience of successfully managing TUPE both as an outgoing employer and an incoming employer. Transferred staff confirm being treated fairly and in accordance with current legislation and cited good and clear communication being provided by CXK. Honest and transparent dialogue with the outgoing provider and effective consultation and engagement of all affected staff takes place and since the last assessment in 2014 two significant incoming TUPE processes have taken place, when CXK became prime contractor for the National Careers Service and National Citizen Service contracts in the South East of England area. These consultations involved the TUPE of over 60 staff into CXK. These consultations did not result in any instances of employment tribunals being brought by affected individuals. Recruitment and redundancy policies reflect current TUPE legislation and due diligence processes ensure Supply Chain Partner documentation encompasses all relevant practice and process.

Throughout the assessment, it appeared that interactions between CXK and its Supply Chain Partners were positive and supportive. It was clear that there were challenging issues in relation to the delivery of the National Citizens Service contract where demanding performance targets are in place. Supply Chain Partners confirm that CXK had put in a number of measures to rectify the situation, including the recruitment of additional staff and a planned two-day event where Supply Chain Partners would work with CXK to further explore and develop the approaches undertaken to address issues hampering delivery.

"On a scale of one – five with five being really good, I would make our relationship a five. I am perfectly happy with the service that they provide as part of the relationship. They are honest with me and I feel I can be honest with them without it affecting our relationship. We have worked with them for about five years and got to know them over that period of time and cannot think what would make it better." – Supply Chain Partner

CXK ensures that legislative and statutory updates continue to be provided to its Supply Chain Partners. These changes are communicated by e-mail, face-to-face and network meetings. Supply Chain Partners delivering the National Citizens Contract reported often received the same information from the commissioner (National Citizens Trust) as well as from CXK. A recent example of such changes related to the Common Inspection Framework (CIF) and the perceived challenges with how Ofsted were going to judge the National Careers Service against the CIF, these concerns have been addressed by CXK by ensuring that Supply Chain Partners have been involved in discussions concerning Ofsted at network meetings, through quarterly review meetings and via e-mail.

3b) Quality Assurance and Compliance

The embedding of and reviewing, checking and improving culture continues to be a fundamental aim of CXK's quality assurance strategy. Observation of practice remains at the core of the activities undertaken. For the National Citizens Service Supply Chain Partners are expected to contribute to the observation process by undertaking such activity with their own staff with the outcomes being shared with CXK. Generally, this approach has been well accepted by Supply Chain Partners although a very small number indicated that it placed a greater burden on their delivery of the contract. The processes and guidelines that were in place at the assessment in 2014 to ensure consistent, high quality practice across all the delivery partners have been updated where necessary and appropriate. Supply Chain Partners considered that the process was complimentary and supported them in enabling them to deliver a high level of service to their clients.

Results and findings of quality assurance activity continue to be shared with Supply Chain Partners at quarterly review meetings and via the performance management process. Examples were given following observation of delivery practice to support and improve the customer experience. For example, findings from Young Healthy Minds quality assurance recent research student reports highlighted a gap in communication with parents, this was addressed with Supply Chain Partners and a process introduced which results in all parents receiving a closure summary report and receive at a progress phone call.

CXK is accredited to the **matrix** Standard and expects its Supply Chain Partners delivering the National Careers Service contract to achieve the Standard. All of the organisations interviewed as part of the Assessment process confirmed that they were accredited. Since the assessment in 2014 CXK have introduced a Contact Centre so that customers could access information, advice and guidance (IAG) and ongoing support via the telephone. It was noted that there were three dedicated staff working on the contact centre.

As at the assessment in 2014 Supply Chain Partners confirmed that they had policies pertaining to the security of data, Health and Safety and Safeguarding. These policies were reviewed during due diligence and are forwarded to CXK on an annual basis, however it appeared that whilst the policies were carefully reviewed at the due diligence stage of contracting, a detailed check on the content and currency of the policies was not actually undertaken by CXK, as such it is suggested that CXK look to strengthen this area. In terms of data security, evidence was provided that indicated one Supply Chain Partner held ISO 27001 framework for a contract held with another commissioner. A recent Security Review was conducted by the Skills Funding Agency which indicated that CXK are strong in this area. For the National Careers Service contract, it was clear that user access to YETI was carefully monitored. For Young Healthy Minds, measures are in place to reduce the risk of data loss with the electronic system been created whereby details about an individual would be recorded only by initials and case number.

Checks are made to ensure that the environment where services are delivered to customers conform to Health and Safety Regulations. Some Supply Chain Partners spoke of holding IOSH qualification to enable them to undertake checks on premises.

CXK continues to ensure that its staff and those of its Supply Chain Partners undertake the relevant Disclosure and Barring Service (DBS) checks. It was found that CXK has adapted its own Safeguarding Policy to make specific reference to sub-contractors. Supply Chain Partners are required to escalate any issues in line with their own procedures, whilst maintaining a clear link to CXK management where support and advice is always available.

Supply Chain Partners were aware of a policy requirement relating to the environment, some Supply Chain Partners recall that this had been required at the due diligence stage. As at the assessment in 2014 it was noted that there was still more that could be done to ensure that all Supply Chain Partners understood the importance of environmental sustainability, this remains an area of development for CXK. CXK are actively reviewing ways to impact on this area, for example by reducing unnecessary travel, increasing the use of webinars for meeting and training purposes and considering the use of the Virtual Learning Environment to share some common areas for learning and development.

Most Supply Chain Partners considered that the definition of excellent/good practice was set within the contract. CXK continue to ensure that such information continues to be shared across its networks. Partners said:

"Good practice is defined by setting out their requirements of NCS and they do observations which are great and they audit what is acceptable and not acceptable. We also self-audit on a quarterly sample and that is sent off and CXK oversee what we have entered make a judgement of how we grade ourselves."

"We use an observation schedule so everybody is observed at least once a year. The scale measures outstanding to requires improvement. It is reassuring for the Counsellors as it could be difficult to have people in the room. What we do had been agreed to be appropriate and we go into initial session before therapeutic session is set up."

3c) Honouring Commitments

All Supply Chain Partners agreed that any changes to contracts following implementation have been clearly explained. Changes in the contract are carefully recorded; changes can be preceded by a telephone call to the Supply Chain Partner indicating that there might be a need to increase or decrease the numbers in their contract. A small number of Supply Chain Partners expressed some concern about the short deadlines that were placed on requests which were made, however it was noted that on occasion these requests are made to meet the commissioner's deadlines. For example, it was felt by Supply Chain Partners that they could be alerted sooner to the requirement to increase performance outcomes at the end of the month in relation to the National Careers Service contract.

Whilst there is a robust dispute resolution in place and referred to in the respective contracts, few Supply Chain Partners were aware of its content. Very few Supply Chain Partners were aware of the Merlin Mediation Service and as such CXK need to remind its Supply Chain Partners about this process. At the time of assessment there had been no formal complaints from the supply chain. CXK senior managers have stated they would fully respect decisions made as a result of the Merlin Mediation Service if it had been deemed to have not acted in accordance with the principles of the Merlin Standard.

On the whole, CXK and its Supply Chain Partners were aware of what was expected of them during and after contract award and during the subsequent life of the contract, with Supply Chain Partners commenting:

"They do their best to honour what was agreed and have done a good job since taking over from the other Prime."

"We also talk about expectations in the reviews and they are also covered during the networking events in general."

3d) Performance

The ethos of the Supply Chain Partners within the contracts delivered using a supply chain continues to be one of collaboration to support and promote the performance of their individual network and contract. This was of particular note within the Young Healthy Minds contract where partners appeared to be working as a consortium. The networking meetings and ease of access to CXK by e-mail or telephone helps to ensure that performance levels can be maintained and anomalies addressed promptly with Supply Chain Partners commenting:

"I can think of at least one instance around how we now do group sessions and this has been shared with other providers. There was also some good input from another Partner in terms of YETI."

"There are so many factors that can have an influence. If we can share and look at other Regional contractors who appear to be in a contract that is not so diverse it may help. It is hard enough to get

the kids to sign up but what trips us up was those who signed up and then did not turn up. As the programme develops it should improve."

"Some are undertaken individually but we also know how the contract is performing through the network meetings."

"We have every opportunity to share ideas when one or other has a problem. We helped with YETI whilst another College provided input about the benefits of group sessions to reduce waiting times."

"Our performance reviews are carried out individually and in groups. We all have a common aim and it is good to share."

Supply Chain Partners continue to be clear about what they need to achieve in both qualitative and quantitative terms. Supply Chain Partners referred to the contract as the prime document where such expectations were set out. Most Supply Chain Partners considered that performance expectations were clear from the outset, Supply Chain Partners involved with the delivery of the National Citizens Service contract spoke openly of the challenges that the high performance targets had presented, Supply Chain Partners were complimentary about the actions taken by CXK to help remedy the situation and welcomed the recent appointment of an addition member of staff to support improvements in performance.

A number of Management Information (MI) systems are used by CXK and its Supply Chain Partners, these systems have been selected to reflect the differing needs of the customers which they support. 'YETI' is the system used for the National Careers Service contract, for Supply Chain Partners delivering the National Citizens Service, Salesforce is the system mandated to be used by the commissioner and for Young Healthy Minds, this contract continues to be supported by IYSS and the referral coordinator spreadsheets. It was noted that CXK collates and presents the data in a variety of formats to meet the changing needs of the commissioner's and Supply Chain Partners reported finding the systems effective in producing consistent, accurate and appropriate information. Support had been provided through collaborative approaches by one of the Supply Chain Partners in terms of ensuring that all Supply Chain Partners in the National Careers Service contract could use YETI effectively.

"We do run two systems which are spreadsheets that back up the data and are probably down to glitches which the Trust and CXK are aware of. If asked to prove that the data on Sales Force is correct we would need to show our back up." – Supply Chain Partner

Supply Chain Partners believed that value for money across the contracts would have been covered in Expressions of Interest (EoI) and the subsequent due diligence. Within the National Careers Service contract, Partners suggested that value for money was intrinsic in the key performance indicators which if not met would lead to non-payment.

"VFM, well I know it is the Government's agenda. We have not really talked about it an awful lot. We know we provide excellent VFM because we would provide our service to non-priority customers."

Parameters used by CXK to identify value for money for the current contracts include: due diligence; previous track record; tendering information submitted; and then during delivery; performance against quarterly targets; and in some cases over performance. Targets are designed to be stretching in order to obtain best value for money and optimise performance.

A variety of measures are used to measure the progress of customers including the distance travelled during their time on programme. Supply Chain Partners delivering Young Healthy Minds continue to use Strengths and Difficulties Questionnaires and evaluations to measure distance travelled by their customers. For the National Careers Service, distance travelled relates to where the client is in terms of learning and work. For the National Citizens Service, the ultimate goal is graduation from the programme.

3e) Promoting Diversity and Equality

There continues to be a clear commitment to Diversity and Equality. As identified at the assessment in 2014 it was noted how well embedded this was in the delivery of services, with CXK being asked to consider how the activities to promote diversity and equality might be further developed. It was noted during this assessment that CXK needs to take a more progressive approach to the use of Diversity and Equality data within the Supply Chain network. CXK and its Supply Chain Partners are committed to Diversity and Equality in relation to customers, clients and staff, with Supply Chain Partners confirming:

"It is covered over the induction but it is also gets mixed in with Prevent and Safeguarding."

"We are asked for good practice in relation to Equality and Diversity particularly in the recent SAR process. It is also important in terms of the contract to ensure that we can be clear about the people we are providing the service to."

As identified during the assessment in 2014 the monitoring of Supply Chain Partners and their adherence to policy and process is carried out in a variety of ways. This includes:

- demographic data that is collected;
- views and experiences of those experiencing services and other stakeholders; and
- through the comments, complaints and compliments process.

Demographic data is collected for Young Healthy Minds to ensure that the services are reaching a wide demographical group as per the contract requirements, and recruitment to these programmes adheres strongly to the Diversity and Equality Policy. In terms of the National Careers Service, the focus is upon people in the priority groups which also takes into account social demographics and payment structures reflect these priority groups. The National Citizens Service focuses upon a Social Mix of young people within each team which should include gender, sex, abilities, background and schools. This is checked and challenged during observations. From within each contract, there are clear parameters for measuring and evaluating the data collected relating to Diversity and Equality.

4. Review

4a) Supply Chain Review

Feedback is actively gathered by CXK, this feedback is collected by the approaches CXK take to interfacing with a wide range of stakeholders, CXK utilize the feedback gathered by a number of external audits including **matrix**, Skills Funding Agency and Ofsted. Customer feedback is routinely collected on all programmes and this feedback is used to make changes to delivery. Feedback from Supply Chain Partners is also gathered, however CXK recognize that they may need to consider how to more routinely canvas SCP's in a systematic fashion to allow them to more actively develop a clear understanding of how CXK's SCP view the sub contract management approach taken. CXK use the feedback they receive well, a number of the recommendations made from the Merlin Assessment in 2014 have been implemented, including increasing the staffing levels in the management of Supply Chain Partners.

CXK have in place a number of effective and inclusive processes to support continuous improvement; self-assessment processes are promoted across the Supply Chain network, as at the assessment in 2014, CXK gather views from partners in respect of their strengths and weaknesses in relation to teaching, learning and assessment in particular on the National Careers Service contract. Supply Chain Partners are also encouraged to share their views on CXK's competence; this feedback is included within their Annual Self Assessment Report. Supply Chain Partners are required to have in place Quality Improvement Plans detailing how they intends to deal with the issues raised via the Self Assessment process. Supply Chain Partners reported that these processes helped them to improve practice and performance.

Supply chain partners are kept informed of wider policy and strategic information through bulletin updates. CXK's leaders and manager are active members of a number of commissioning groups and as such are able to access information relating to contract delivery, priority target groups and geographically challenging areas. A range of communication avenues such as network meetings, email, and one-to-one discussions are used to share this information.

Supply Chain Partners, particularly those delivering the National Citizens Service & Young Healthy Minds contract freely discussed how their work impacts positively on the wider objectives of the respective commissioners, including how they make people more employable, increase their financial awareness, improve mental health and well being. The delivery of the National Citizens Service contract has had a significant impact on communities, individuals self esteem, the ability for young people to work in teams. The wider benefit to communities was also evident from National Careers Service delivery partners who spoke of instances where fundraising events had generated income which was redistributed to local good causes. CXK gather case studies from Supply Chain Partners and share them within the network to evidence the positive impact the programmes are having on customers.

"The young people on NCS programme gain far more than personal involvement. They actually touch the lives of people in communities and improve their local area facilities."

CXK continues to ensure that programs and supply chains evolve to meet the changing needs of customers and commissioners, steering group meetings are used to identify areas for improvement and ensure agreed actions are implemented.

Supply Chain Partners delivering National Citizens Service describe how market share can be reallocated across the supply chain to ensure the service is meeting the needs of the customer's contract performance indicators. Supply Chain Partners who demonstrate good performance (and the desire to) are awarded with additional and increased levels of volume; this enables them to generate more income, expand their services and help more people. For example, it was identified that the National Careers Service needed to increase its service offer in Essex in order to meet the needs of clients in certain areas of deprivation.

Supply Chain Partners confirmed, particularly those involved in the delivery of National Citizens Service contracts confirmed that their programme was having a positive impact on improving the local community, for other contracts unemployed customers were opting to undertake periods of volunteer work, the success of these outcomes and the Supply Chain Partner contribution to these are shared by CXK and celebrated with Supply Chain Partners. CXK has promoted employee wellbeing through a number of initiatives, including joint training, network away days and regular meetings which provide an opportunity for staff to contribute to service development. Environmental sustainability forms part of the due diligence process, with CXK ensuring that Supply Chain Partners have an equal or better standard of commitment to this area.

7. Conclusion

This assessment provided the opportunity to review CXK's approach to Supply Chain Management for the current contracts it delivers on behalf of a number of commissioners against the Merlin Standard. Since their initial assessment against the Merlin Standard in 2014 CXK have continued to refine a number of key systems and processes; in many ways they have needed to as the contracts they deliver using a Supply Chain network increase in size, scale, financial value and complexity. CXK continue to learn from the management of Supply Chain Partners alongside their own delivery of contracts and implement improvements. These improvements contribute to the modest increase on the score achieved in 2014.

It was evident to the assessment team that since their last assessment CXK continue to remain fully committed to developing its approach to the management of its Supply Chain Partners and choose to volunteer to be Merlin accredited as a way to ensure they continue to improve practices and develop the Supply Chain Partners capacity it works with.

ASSESSMENT TYPE	REVIEW
ASSESSOR'S DECISION	STANDARD MET
LEAD ASSESSOR'S NAME	ROBERT MOTTRAM
VISIT DATE	12/09/2016 – 14/09/2016
CLIENT ID	C11943