



merlin

promoting supply chain excellence

Assessment Report

For

Ingeus

By Rob Mottram

On behalf of emqc Ltd

Assessment Date: 9th June – 12th June 2014

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About the Organisation

Ingeus is one of the UK's leading welfare-to-work providers. Since 2002, Ingeus has assisted over 200,000 clients into suitable, lasting work. In the UK, Ingeus Group of Companies is a wholly owned subsidiary of Providence Service Corporation, a NASDAQ listed company.

Ingeus have been delivering the Work Programme since June 2011 in the following 7 Contract Package Areas; East of England, East Midlands, West London, North East, Cumbria, Lancashire, Merseyside & Halton, Scotland and West Yorkshire. The Work Programme contract in England is part financed by the European Social Fund. Ingeus also delivers the government's Mandatory Work Activity programme in East Midlands and the North East. The Work Choice programme is delivered in South London and Lambeth, Southwark and Wandsworth. Job Centre Plus Support Contract's are delivered in Birmingham, Leicestershire, Northamptonshire and Nottinghamshire. Skills Support for the Workforce contracts are also delivered across a number of regions including East Midlands, Derbyshire & Nottinghamshire, Lancashire, North East and Sheffield City.

Ingeus work in close partnership with Jobcentre Plus and the Department for Work and Pensions, in addition to many private, public and voluntary sector organisations to achieve a common goal. Ingeus' supply chain brings together over 120 expert organisations across the UK for the delivery of Work Programme, Work Choice, Mandatory Work Activity and a series of skills based contracts. Ingeus's delivery partner network comprises of providers from the third, public and private sectors in all the areas in which Ingeus operate. Ingeus' partners provide a wide range of services, both nationally and locally, delivering a complete end-to-end service to providing specialist services that support clients with specific needs.

Assessment Methodology

An initial planning meeting between the Lead Assessor and representatives of Ingeus, including the assessment coordinator took place in April 2014 where support and guidance was given, including information as to how the assessment would take place. Following this meeting a teleconference was held to select and agree the Supply Chain Partners who would be interviewed. Following this meeting, Ingeus created schedules for each of the assessors.

During the assessment a representative sample of the supply partners across all of the contracts held where Ingeus deliver contracts were spoken to, by telephone or in most instances by face to face interviews. A national employer and a Local Employer Partnership representative were also to. During the assessment, assessors reviewed a range of documentary evidence and IT systems provided by Ingeus, interviewed a wide range of staff, including senior managers and customer facing staff from the Supply Chain Network and a range of staff from Ingeus.

A total of 27 representatives from 26 Supply Chain Partners were interviewed. 27 representatives of Ingeus were interviewed. 1 representative from a national employer was interviewed and 1 representative of a Local Enterprise Partnership were also interviewed. All principles of the Merlin standard were fully assessed by a team of 3 assessors; Rob Mottram (Lead Assessor), Neil Potentier and Sally Ann- Harding who spent a total of 12 days onsite.

Assessment Outcome

| | |
|---------------------|-----------|
| Overall % | 89% |
| Overall Outcome | Excellent |
| Supply Chain Design | Excellent |
| Commitment | Excellent |
| Conduct | Excellent |
| Review | Good |

Strengths

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

- ▲ Approach to how consultation with potential and existing Supply Chain Partners influences the design of programmes and services to meet the widest possible range of stakeholder needs, including those of employers. (1a.2, 1a.3, 2a.2 & 2a.3)
- ▲ The development and refinement of services and products available to Supply Chain Partners and the evidence of these being used consistently.(2a.2, 2a.5, 2b.1, 2c.7, 3b.1, 3b.2, 3b.4, 3b.5, 3d.2 & 4a.2)
- ▲ Consistent, accurate and appropriate Management Information, shared across the supply chain, which underpins the clarity of performance expectations, collaboration between partners and the supply chain design. (3d.4, 3d.3, 3d.1 & 1a.2)
- ▲ Use of feedback and responsiveness to development points raised at initial assessment demonstrates commitment to continuous improvement. (4a.1, 4a.5)
- ▲ Effective and well-designed supply chains, comprising of a good mix of diverse organisations, which meet customers holistic, needs and support commissioners, procurers and other partners in meeting and delivering comprehensive specialist support. (1a.1, 1a.2, 1a.3, 4a.5, & 4a.6)

Areas for Improvement

In order to support the organisation to further develop and improve its supply chain delivery strategy, the following suggestions for improvement are made. It should be noted that the Self-Assessment Questionnaire submitted in preparation for the assessment was a very accurate document and clearly Ingeus know themselves very well. The numbers in brackets refer to the criteria of the Standard to which the areas relate.

- ▲ Increase the use of the equal opportunities data that that has been collected and analysed by Ingeus within the Supply Chain. (3e)
- ▲ Ensure that the full range of supply chain management services are provided and implemented (where appropriate) within Skills and subsequently awarded contracts. (2b.1, 2c.7, 3b.1, 3b.2, 3b.4, 3b.4, 3b.5, 3d.2 & 4a.2)
- ▲ Identify the appropriate and measurable impacts on the wider social objectives for both Ingeus and the Supply Chain. (4a.4)

Areas Requiring Further Development

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

Assessment Findings

Supply Chain Design

1a) Supply chain design

Ingeus demonstrate and Supply Chain Partners were able to validate a particular strength in this area. Ingeus have developed a very robust approach which is built around a 3 phase model. Review, research and develop. A key element of this approach is the in-depth research it undertakes with a variety of public sector third sector and specialist delivery partners. Since the last assessment in 2012, Ingeus have further developed and refined this approach and applied lessons learned from previous contract design. In 2013 the National Employability Team (NET) was formed which consists of three specialist areas, Service Design, Service Excellence and Service Improvement. The Service design team works with Ingeus's Business Development team to ensure there is a clear understanding of the commissioners objectives, significant analysis of data is used to guide and direct thinking.

Where timeframes permit, partners are encouraged to, and work with Ingeus on co-designing processes and delivery models, for example in Northern Ireland Ingeus are working with strategic partners to develop appropriate service delivery models for the Steps 2

Success contract. Ingeus are also working with partners closely developing approaches to the National Citizenship Service, including funding the secondment of a member of staff into Ingeus's Business Development team.

Around 40% of Ingeus delivery is being undertaken by a network of partners who enrich and meet the holistic needs of its customers and local demographics. 48% of the supply chain is from the voluntary sector, 13% from the public sector and 39% from the private sector. Currently 62% of Ingeus's supply chain are classified as SME organisations. Ingeus Work Programme supply chain includes the Accessible Community Experts (ACE) network, which is made up of specialist organisations who provide support to customers with specific needs through spot purchase arrangements, since 2012, four additional delivery partners have been added to this network in direct response to changing customer needs.

"...Using us was right for this area due to our experience and infrastructure and we're pleased Ingeus recognised this – Supply Chain Partner

Supply Chain Partners were able to validate that Ingeus continues to develop effective strategies to deliver comprehensive support services to customers and stakeholders. Locally based operational staff link with a range of organisations including Housing Associations, Local authorities, Further Education colleges and other skills based agencies. Since the last assessment Ingeus has further developed and strengthened its approach to employer engagement in recognition of employers importance as a vital stakeholder in the delivery of employment programs. This development is having significant successes in matching customers to employer vacancies. In addition Ingeus have invested and setup an online partner network portal which enables Ingeus to engage with a large number of potential partners and more rapidly respond to commissioners needs. Potential and interested partners are encouraged to register on to the network portal, from where they are kept informed of opportunities that may arise. Ingeus are increasingly using their skills based contracts to develop customers and better prepare them for employment.

2 Commitment

2a) Collaboration, cooperation and communication

Supply Chain Partners validated that during all stages of the procurement processes, communications were clear and transparent, as identified at the previous assessment. Supply Chain Partners have been given comprehensive resources, key documentation and good levels of individual support from contract managers to support the clarity of communication. The partner network portal has further enhanced and improved this area which encourages partners to register their basic details and provide information in respect of their Service delivery capabilities, including geographical footprint, previous successfully delivered contracts, external accreditations and legal/financial information. A number of documents and testimonials of existing delivery partners can be accessed by interested and prospective partners at very early stages of partnership arrangements. Once registered, partners receive updates on future opportunities to partner with Ingeus and other possible tender opportunities that Ingeus may not be tendering for in their own right. Supply Chain

Partners indicate that the level of contact from Ingeus is very appropriate and find the Delivery Partner Bulletins useful. These bulletins contain information relevant for individual contracts and type of delivery an improvement on previous practices. The Ingeus Networks site (online website) is also used regularly by partners and provides a 'library' of resources which help partners in their operational delivery.

"...They've [Ingeus] improved the bulletin, we don't get it every week any longer but the content is targeted to what we need – it saves us reading through long documents trying to filter what's relevant to us and our contract delivery – Ingeus do all the hard work" – Supply Chain Partner

Ingeus communications with its Supply Chain Partners are comprehensive and consistent, a range of mechanisms including contract managers, monthly and quarterly reviews, Supply Chain Management Framework and regional delivery partner forums all contribute to the strength validated by the Supply Chain Partners and allows partners to improve performance and deliver effectively on behalf of Ingeus.

Supply Chain Partners validated and were able to describe how consultation informed decisions, including the design of systems and processes. A number of recent examples were cited by partners including the development of a revised process to support employment opportunities for customers, operational Supply Chain Partner staff forming User Acceptance Testing Groups (UAT) to influence changes to management information systems alongside the considerable work done with strategic partners in co-designing delivery models. An annual delivery partner survey is now embedded into Ingeus's communication strategy and feedback provided over the last three years has led to Ingeus providing the supply chain with systems, services and products which continue to evolve according to Supply Chain Partners changing needs.

"...I know they will listen and take on board any suggestions, ideas, comments and constructive criticism" – Supply Chain Partner

Ingeus and its Supply Chain Partners clearly demonstrated how supply chain works collaboratively and with open participation to deliver comprehensive services to customers. Ingeus have built on the good practices identified at the last assessment and as the relationships have further matured developments have included using a strategic partnership between themselves and the charitable arm of the Premier League football club to draw on the strengths of both organisations in designing and delivering services. Ingeus Employer Services Team share job vacancies with Supply Chain Partners who in turn share them with each other, alongside partner forums to address operational challenges and the sharing of comparative performance data. Innovative and interesting initiatives aimed to increase performance are shared with Supply Chain Partners, for example the 'Mission Possible' initiative held during the historically quiet months of December and January stimulated customer activities through the setting of specific targets and prizes offered by Ingeus. This type of co-ordinated approach is highly effective in promoting participation for all stakeholders.

Clear communications are key to the successful partnership arrangements and ensure there is no ambiguity regarding the business relationship. Contract managers provide support and

are the 'face-of Ingeus' for many of the Supply Chain Partners. Clearly written documentation, available from up to date centrally controlled systems, such as the supply chain management framework and a range of guides, bulletins and other supporting documents contribute to this area. Many of the managers who support Supply Chain Partner delivery are experienced practitioners and understand operational issues clearly.

"...I was concerned that their Employment Services Team might disturb the relationship we had with employers – it didn't" – Supply Chain Partner

Partners were able to validate that Ingeus has created a culture which is honest, open and without unreasonable constraint. Ingeus clearly set out their values for supply chain management which references openness, transparency and integrity. Contract managers play an integral role in fostering these relationships. In addition Ingeus has introduced a "Ask the supply chain" facility which allows partners to E-mail with queries or questions for the centralised supply chain management team. Communications between Supply Chain Partners and it's contract managers are frequent and are of a positive nature. Supply chain partner surveys and the publication of subsequent findings also are a valuable and well liked feature of the activities undertaken by Ingeus. Access to the Ingeus 'Networks' site, (which provides access to a wide range of documents including all previous bulletins, contact details and organisation charts) conference calls and site visits all contribute to this area of strength. IT queries and issues are managed through the 'Service Now' portal and allows Supply Chain Partner staff to track what progress has been made with their query or issue, and importantly when they can expect to see actions completed and their problem resolved.

"...They are open, honest, helpful and supportive and have not let us down" – Supply Chain Partner

2b) Developing Supply Chain Partners

Ingeus development of Supply Chain Partners is very strong. Ingeus combines a structured approach and bespoke localised support to Supply Chain Partners. Partners benefit from a wide range of support, including infrastructure, contract management staff and resources, this contributes greatly to their development of capabilities. Ingeus 'Networks' site contains a very comprehensive library of resources available to Supply Chain Partners, for example including workshop materials and session plans, legislative processes, reference material on Information Security and up-to-date guidance on Universal Credits. The development of the Employer Services team has allowed Supply Chain Partners to access 'ringfenced' job vacancies and provide employers with access to pre-screened customers. Supply Chain Partners are also able to access subject area specialists, for example in the area of Data Security, where staff provide valuable and well received guidance to help Supply Chain Partners develop capacity within this area. All of these support mechanisms are provided at no additional cost to the Supply Chain Partner.

Through the ongoing development of its partner network portal Ingeus are able to advertise opportunities to obtain additional funding to appropriate registered organisations. These opportunities are also promoted via the regular bulletins sent to current Supply Chain Partners. Opportunities to bid jointly with Ingeus are explored and in a small number of

cases, Ingeus has been able to support delivery partners facing particular challenges to undertake research into these challenges to better understand how these challenges may be overcome in future. For example, Ingeus are currently working with a partner to look at welfare to work delivery in rural geographies, the findings of which will be shared within the Supply Chain Partner network and with other interested external parties.

Promotion and facilitation of staff development within the network is very good, Supply Chain Partners were able to validate that Ingeus have improved and refined approaches to deliver focused development activities in the most appropriate areas. A 'Train the Trainer' approach is used alongside workshops to develop staff, Best Practice sharing forums, access to materials and resources, job shadowing and tailored support which is identified by the respective Supply Chain Partners Contract Manager's close working relationship. Ingeus also carry out Supplier Development Assessments, which provide focused support for individual Partners and are delivered either following requests from the Supply Chain Partner or through consultation with contract managers where a specific need is identified.

"...throughout our time we've had various types of training – caseload management, motivational interviewing techniques, dealing with complaints, understanding ESA customers, its really good" – Supply Chain Partner

2c) Contracting and funding

Supply Chain Partners validated that procurement processes used by Ingeus are fair and transparent. Ingeus adopt a 2 phase approach. Interested Partners are required to register on the partner network which alerts them to appropriate opportunities. Once appropriate opportunities are identified a completion of a "Call for Proposals" form is made which gathers more specific and detailed information to allow Ingeus to make procurement selection. EOIs are assessed and organisations are communicated with indicating whether they have been successful. For unsuccessful applicants feedback is offered to help them strengthen future applications.

In line with the diverse range of contracts which Ingeus manage their approach to funding and payment arrangements is a combination of mirroring commissioners terms where appropriate, and where required Ingeus devise individual payment terms for specific contract delivery, for example paying upfront start and job start payments. Where financial risk is identified Ingeus work to help these organisations and support them with practical solutions, such as bringing forward payments. A payment schedule is also shared with partners and a recent reconciliation exercise carried out by Ingeus has resulted in a significant amount of money being highlighted as outstanding and paid to the Supply Chain Partners.

Ingeus have devised contractual documentation which clearly defines the obligations of themselves and its Supply Chain Partners. Significant amounts of contractual documentation is provided to partners at the different stages of procurement, different sets of core terms and conditions are issued to the different types of delivery partners it works with and Ingeus provides partners with service specifications, all of which contribute positively to this area. Ingeus's Supply Chain Management Framework document contains details of performance management processes; the compliance assurance framework,

Information Security guidelines and contract specific guidance all support Supply Chain Partners in meeting their obligations. A dedicated contracts officer oversees all of the contract variations that are required and ensures Supply Chain Partners and Ingeus meet their requirements.

Market share is clear and Supply Chain Partners were able to validate their understanding of this during the assessment. Providers understand that allocation is based on their submitted capabilities and follows extensive negotiation between themselves and Ingeus. Re-allocation of volume of market share has been introduced with some contracts, which is driven by performance information and allows for greater flexibility in ensuring commissioners needs are being met. As referral volumes have reduced, Ingeus have been proactive in sharing as much relevant information as they can to allow Supply Chain Partners to most effectively plan and prepare for the reduced referral flow. Ingeus have taken into account the requirements of Supply Chain Partners particularly well in the context of reduced referral flow and have managed sensitively relationships between themselves and their partners to enable smooth transition of customers as well as not choosing to exercise any of its early exit financial penalties.

There is a successful strategy to manage the transfer of funds within the supply chain, which was validated by Supply Chain Partners. For most partners a self-billing process ensures once validation checks have been made claims are paid promptly, usually within 7 days. ACE network partners receive payments with 30 days of receipt of invoice. There were no examples given by the supply chain where payments have been held unnecessarily or delayed and Supply Chain Partners are satisfied with the current arrangements.

"...We always get paid on the day we should get paid" – Supply Chain Partner

"...Never had any issues with accuracy and we get the money in the bank 7 days later" – Supply Chain Partner

As at the assessment in 2012, Ingeus remain very open and transparent about its management fee, which partners indicate is at a lower level than other prime organisations. Ingeus also ensure that all partners are aware of and the range of support they receive which partners were able to validate during the assessment.

'...we're really comfortable with the management fee, its less than the other prime we work with" – Supply Chain Partner

"...We get a lot for our money, no doubt about that" – Supply Chain Partner

3 Conduct

3a) Demonstrating commercial and business integrity

As in their previous assessment, Ingeus have developed supply chain arrangements to utilise partners who share its company values. These values reinforced with Supply Chain Partners through the documentation provided at all stages of the relationship. Ingeus believe

performance should be delivered with integrity and honesty, transparency and fairness. Values for its approach to supply chain management are detailed below;

- Act with integrity
- Be open and transparent
- Drive high performance and continuous improvement
- Be flexible and responsive
- Take a pro-active and collaborative approach

Supply Chain Partners interviewed validated that their own organisations values were reviewed at due diligence stage and that they firmly believe their values are shared and importantly partners were able to confirm that Ingeus's management approach is in accordance with the values it promotes.

As identified during the assessment in 2012, Ingeus have clear and effective strategies to manage the TUPE process. Ingeus believe in a collective responsibility to ensure fairness of TUPE liabilities. A recent transfer of a number staff where delivery was brought 'in-house' was managed by Ingeus smoothly and staff were provided with additional support and training to enable them to rapidly understand Ingeus's delivery model and expectations. A TUPE toolkit for Supply Chain Partners is also available, which contains useful guidance to help organisations manage the TUPE process.

Interactions between Ingeus and its Supply Chain Partners are very positive and supportive. The Ingeus Supply Chain Management Framework provides clarity of expectations and responsive and skilled staff at all levels of Ingeus contribute significantly to the strength in this area. The contributions of many of the centralised National Supply Chain Team enhance this area significantly and Supply Chain Partners mentioned many teams during interviews held.

"...Monthly meetings are welcoming and participative, we could not be happier with the relationship" – Supply Chain Partner

'...We've had load of contact with the Employment Services Team, We've filled a whole 'Pound' store with our clients" – Supply Chain Partner

A range of approaches ensures that Supply Chain Partners receive timely updates to support and allows them to maintain legislative and regularly requirements. The main method remains the focused and contract specific Delivery Partner Bulletins, which reference and provide links to the Ingeus NetWorks site. Contract Managers follow up and test understanding of changes with Supply Chain Partners at regular contract reviews, with support offered where required to help partners implement any changes or requirements.

"...We get changes communicated via the bulletins and the DPAR (Delivery Partner Assurance Rating) tests whether we are on track" – Supply Chain Partner

3b) Quality Assurance and Compliance

Ingeus have effective and proportionate approaches to monitor the quality of delivery and customer experience within the supply chain. Since the last assessment in 2012 improvements have been made and additional activities are now used within a risk based and contract management led model. Activities to monitor delivery include carrying out observations, customer feedback activities (including the running of focus groups), compliance and audit activities, Supplier Development Assessments, Delivery Partner Assurance Reviews and the review of other available management information. The refinement of processes has resulted in the development of a Compliance and Audit team whose focus is on ensuring compliance and a National Employability Team who are responsible for other quality assurance activities. This revised approach is providing Supply Chain Partners with meaningful and useful feedback, which is produced in an easy to understand format and helps engage partners. This approach is allowing partners to develop their capabilities and understanding within this area. Where assurance activities identify deficiencies, these are fed back to contract managers and inform development and training options for the Supply Chain Partner network.

“...Its an ever improving picture, we know exactly where we are” – Supply Chain Partner

Ingeus have implemented policies and processes to ensure they maintain security of all data and assets within the supply chain. Ingeus balance supporting the Supply Chain Partners through consultation, and ensuring compliance through enforcement. As in 2012, due diligence activities establish a baseline for all providers, a security plan template, which is closely aligned to the DWP’s own security plan template and provides assurances that Supply Chain Partners meet Ingeus’s required standard prior to contract delivery. Ingeus secured ISO27001 accreditation in July 2013 and a number of the Supply Chain Partners it works with also have achieved compliance to this internationally recognised standard. Information Security audits are carried out with Supply Chain Partners on their delivery sites by experienced and qualified auditors who provide partners with feedback and where necessary guidance to assist them in improving approaches to data security. This type of guidance is valuable to the Supply Chain Partners it supports.

Healthy and safe work environments are assured by Ingeus through processes at the due diligence stage, to ensure the Supply Chain Partner meets Ingeus’s required standard. A health and safety manager has responsibility for overseeing Ingeus’s approach and ensuring consistency across its Supply Chain Partners. Partners are required to complete a self-declaration that is reviewed to check adherence to Ingeus’s standard.

People at risk and vulnerable groups are appropriately safeguarded by Ingeus through an appropriate set of policies and practices. The Health & Safety Manager has responsibility for this important area. All partners are required to submit safeguarding policies as part of the due diligence process, staff employed within the partner network are not permitted to work with customers or access customer data until this has been completed. All Supply Chain Partners are also required to make a self-declaration in line with Baseline Personnel Security Standard (BPSS). Contract managers receive safeguarding training and Delivery Partner Assurance Reviews (DPAR) check policies are embedded in operational practices.

Ingeus assures itself of Supply Chain Partners commitment to environmental sustainability, as identified during the assessment in 2012, due diligence activities required partners to submit environmental sustainability policies which are reviewed for suitability. Delivery Partner Assurance Reviews (DPAR) checks policies are embedded in operational practices. Ingeus hold accreditation to the Green Mark Level 1. Bulletins are used to raise awareness of this area with Supply Chain Partners and promote sustainability. Regionally based Contract Managers and the use of technologies, such as webinars demonstrate the practical approaches taken by Ingeus to reduce carbon emissions.

Excellent practice is currently identified, monitored and shared with the supply chain through a variety of methods. Ingeus identifies excellent practice during performance review meetings and through the monitoring that takes place with Supply Chain Partners. Ingeus encourage Supply Chain Partners to share their areas of excellence with others at quarterly forums on topics such as claims processes and supporting customers claiming ESA. A caseload management system has been developed by Ingeus, which has been shared with Supply Chain Partners to use should they wish to, some partners have chosen to adopt this system to support their contract delivery.

3c) Honouring Commitments

Supply Chain Partners were able to confirm that contract negotiations were clear and open, and partner expectations have been managed effectively. Key documentation is used to ensure clear information is available to partners. Open and frequent communication between Ingeus and its Supply Chain Partners during the pre-contract negotiations allow Supply Chain Partners to raise and discuss questions relating to their contract. A dedicated contracts officer processes the large number of contract variations that are communicated to the supply chain.

Supply Chain Partners are aware of Ingeus's formal dispute resolution process. At the time of assessment there had been no formal complaints from the supply chain. Supply Chain Partners have expressed concerns regarding the decline in referral numbers and this has been managed by Ingeus effectively.

Ingeus 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.

Strong processes ensure that at every level within supply chains, all parties are aware of each other expectations, clear written documentation and open communication reinforces expectations. Senior managers of Ingeus are visible to the Supply Chain Partner and attend forums where partners have opportunity to discuss operational challenges and concerns. Partners were communicated to openly and promptly recently when Ingeus were acquired by a large American organisation.

"...We were a bit worried what the impact on us might be with Providence buying Ingeus, but they talked about it very openly at the last forum which put our minds at rest" – Supply Chain Partner

3d) Performance

Ingeus approach to performance management is excellent. Careful selection processes ensure that the most appropriate Supply Chain Partner works within a set geographical area. Where possible transition points in the programme delivery model are built in to further promote collaboration amongst partners. Comparative data is shared with Supply Chain Partners where possible, this data sharing contributes greatly to the sense of openness and transparency within the network and promotes best practice identification and sharing amongst Supply Chain Partners. Contract managers meet with Supply Chain Partners on a regular basis and review performance against agreed targets, these reviews focus on future performance rather than historical past performance. The expansion of the Employer Services Team and the sharing of job vacancies which they source through the links they develop with national employers, such as Poundworld and B&M Stores contributes significantly to the collaborative approach to promote performance.

Clear channels support regular performance review with a structured approach taken by Ingeus to ensure that at all levels within the Ingeus network performance is recognised. Supply Chain Partners confirmed monthly and quarterly reviews are consistent in regularity across all CPAs and that Ingeus Senior Managers attend reviews where necessary. For partners who do not reach required levels of performance the 'Performance Support Process' is very effective at ensuring Partners receive appropriate support to achieve their targets.

"...We were in service failure, we worked collaboratively with the new Contract Manager and it really felt like they [Ingeus] wanted to keep us as part of their supply chain, the contract manager has been very proactive, it's a lot more carrot and lot less stick" – Supply Chain Partner

Supply chain forums also provide useful and valuable opportunities for partners to meet, exchange ideas, promote best practice and hear from Ingeus on forthcoming changes or initiatives that are being proposed. Comparative performance data is also shared with the partners which detail both comparisons within their own region, but also shares information relating to Ingeus supply chain performance at a national level, this approach further drives competition and performance.

Performance expectations are clearly defined and understood. Open and frequent discussions between supply chain managers ensure clarity. Agreements set out the minimum performance expectations during the tender process, Contract Managers agree performance profiles with the onus on delivery partners detailing what performance is required to achieve quarterly and annual performance targets. Information gateway also provides clarity to support this area. Ingeus are currently exploring mechanisms to allow for in year re-profiling, which will be discussed and agreed with partners where implemented and appropriate changes formally documented.

As at the previous assessment, Ingeus provide Supply Chain Partners with sophisticated Management Information systems, which produce consistent, accurate and appropriate information. For Work Programme provider's very robust performance data is generated by

Ingeus' management information system (Information Gateway) which gathers information from IngeusWorks. A Caseload Management Framework has also been developed to better support front line delivery staff and operational managers which is offered as a tool to help providers. A suite of standard reports is produced and partners are encouraged to develop their own suite to meet their individual requirements. The extensive reporting capabilities go beyond key performance indicators such as starts, job outcomes and sustainability to provide information pertaining to the quality of service being offered to customers and advisor efficiency.

Supply Chain Partners continue to benefit positively from Ingeus' significant economies of scale in the delivery of large-scale contracts across a range of contract package areas with a wide range of products, services and support which are made available to them. A dedicated team focuses on identifying service improvements, applying lessons learned and driving value for money. For example, useful reference documents relating to claims are available to partners which has improved performance and also generated increased Value for Money through the Supply Chain Partners being able to claim all of the outcomes they are entitled to. Customer continue to benefit from services and support offered by organisations outside Ingeus's own supply chain through the provision of signposting.

3e) Promoting Diversity & Equality

Ingeus continue to demonstrate and Supply Chain Partners validate the alignment of commitment to diversity and equality. All partners at the initial stage of expressing an interest in work with Ingeus are required to confirm they have equality and diversity policies in place. Supply Chain Partners commitment to this requirement is checked on annual basis through completion of management information questionnaires and through the Delivery Partner Assurance Review process. Ingeus's arrangements meet the needs very effectively of a range of diverse customers and since the last assessment in 2012 have focused attention on customers in receipt of health related benefits and have implemented a developed a good range of strategies and activities to address this.

"...They [Ingeus] have the same view as us about equality and diversity, we want all our customers, regardless of ethnic background, age, or anything else you may choose to categorise them with to succeed and get jobs." – Supply Chain Partner

Ingeus collect and analyse significant amounts of data, including Equality and Diversity data. This data is used extensively by Ingeus to identify future supply chain design decisions and identify less well performing customer groups. This analysis has resulted in Ingeus issuing Equality and Diversity Impact measures to the supply chain which it is hoped will drive performance in these areas, however this area remains underdeveloped and further promotion is required.

4 Review

4a) Supply chain review

Ingeus's approach to how it actively seeks and uses feedback has improved significantly since the assessment in 2012. A wide range of stakeholder groups are communicated with on an on-going and regular basis. The findings of the feedback is contributing to the development and approach to all its supply chain management activities. Proactive and systematic, annual delivery partner surveys and customer feedback surveys draw views from large numbers of respondents. These structured feedback mechanisms are complimented by customer complaints IT service desk satisfaction surveys, assurance team audits, delivery partner forums, supplier development assessments, and from feedback gained at performance review meetings. External audits completed by Commissioners, Such as DWP Provider Assessment Tests (PAT) and Compliance Monitoring Officer (CMO), also provide results which are used to inform and improve practices. Regionally based staff engage with and keep well informed of stakeholder requirements and strategies, for example large employers moving into an area or local tender opportunities.

Ingeus continually gather intelligence and information from its Supply Chain Partners to inform improvement activities. Self-assessment is embedded in the actions and activities carried out and please contribute to the improvements and refinements made since the last assessment in 2012. A small number of Supply Chain Partners were unable to describe the process of self-assessment or their contribution to it due in part to the on-going and continuous approach taken by Ingeus. Ingeus very accurately self assessed in preparation for the Merlin assessment and had identified the areas for improvement.

Ingeus keep its Supply Chain Partners informed of wider policy and strategy information, in particular focussing on the DWP 11 policies and how these align to the wider social objectives of the commissioner by way of including articles in the bulletins, during regional Supply Chain Partner forums and by distribution of the DWP produced newsletter "Touchbase". Ingeus also promote good news stories which showcase customer successes relating to the impact of sustainable employment, equality and diversity, and environmental sustainability.

Ingeus are increasingly able to ensure the effectiveness of the design and review of supply chain activities and how the activities undertaken by its Supply Chain Partner have a positive impact on external stakeholders, however Ingeus need to consider how to further engage their Supply Chain Partners and ensure a measurable impact on the wider social objectives of the commissioner. Ingeus were able to provide a good range of case studies to demonstrate how the activities have impacted positively on its customers. Ingeus are increasingly using their skills based contracts to develop customers and better prepare them for employment.

Conclusion

Ingeus has demonstrated behaviors that fully meet the requirements of the Merlin Standard, and many areas of excellent practice have been demonstrated.

It was evident to the assessment team that since their last assessment Ingeus have continued to develop their approach to supply chain management. The responsiveness shown by Ingeus to development points raised at initial assessment demonstrates clear commitment to continuous improvement.

Supply Chain Partners confirmed that Ingeus actively display and staff behave in a professional and positive manner, essential behaviors expected of a Prime contractor organisation.