



merlin standard

2018

PREVISTA LTD

COMPACT REPORT

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1. KEY INFORMATION

Assessment Type	ACCREDITATION REVIEW
Assessor's Decision	STANDARD MET
Anniversary Date	20/03/2020
Assessment Dates	19/03/2018 – 21/03/2018
Lead Assessor's Name	SUSAN SMITH
Customer ID	C19068
Assessment Reference	PN103354

2. ASSESSMENT OUTCOME

OVERALL OUTCOME	70% Good
1. Design	70% Good
2. Procure	80% Good
3. Contract	80% Good
4. Fund	60% Satisfactory
5. Develop	73% Good
6. Performance Manage	63% Satisfactory
7. Quality Assurance and Compliance	65% Satisfactory
8. Review and Close	68% Satisfactory

3. METHODOLOGY

At the point of assessment, Prevista Ltd continues to be mandated by Department for Work and Pensions (DWP) to be accredited against the Merlin Standard due to being a delivery Partner (Prime) for the Youth Engagement Fund, DWP Well Being and the 50+ programme. Primes are required to be reaccredited every two-years and consequently the organisation came forward for Merlin re-accreditation. In addition, Prevista also has supply chains as a result of contracts with a number of other commissioners, including the Education and Skills Funding Agency (ESFA) and the Big Lottery.

The assessment team comprised of Susan Smith (Lead Assessor) and Lorna Bainbridge (Team Assessor) supported by a coordinator from within Prevista Ltd. The Lead Assessor started to work with the coordinator in December 2017 to establish the scope and discuss the logistics of the assessment. The dates for the on-site were identified and a plan of action agreed.

A booking form was submitted to Assessment Services Limited along with a spreadsheet indicating a full list of past, present and potential Supply Chain Partners including those delivering an end-to-end service, specialist or ad-hoc service.

In advance of the Assessment an online survey was issued to all 49 Supply Chain Partners with an invitation to participate in the assessment by completing the questionnaire. Responses were received from 17 present, two past and three potential Supply Chain Partners. The results of the survey informed the focus of interviews for the assessment team and contributed to the overall scoring.

The Lead Assessor was in regular contact with the coordinator prior to the on-site activity to review the schedule and logistics. All documentation required for the assessment; Self-Assessment Questionnaire (SAQ), Pre-Assessment Notes (PAN) and schedule were shared to enable the assessment to take place as planned.

The assessment team (two assessors) spent a total of three days each reviewing documentary evidence and undertaking interviews with Prevista staff involved in the strategic and day-to-day management of the supply chains as well as interviews with 20 Supply Chain Partners as per the Merlin guidelines.

During the assessment, a significant number of written documents were made available, including those relating to supply chain design, improvement plans, contracts, Supply Chain Framework, Financial Management Handbook, quality, communications and contract and performance / quality management. Demonstrations of systems such as drop box and Abintegro (e-learning platform) also took place.

4. ABOUT THE ORGANISATION

Prevista Ltd is a private sector company established in 1995 that currently delivers services alongside Supply Chain Partners across employability, skills and youth provision. It delivers services across a range of key commissioners including the ESFA, DWP, Big Lottery and London Councils. Since the last Merlin assessment in 2016 Prevista has started to deliver services across the ESFA pre-NEET/ NEET, apprenticeships and traineeships and Big Lottery provision delivering opportunities for BAME women in South London.

The vision is to *"Create possibilities and transformation within our communities by being the best at providing skills, employment, youth and enterprise services, meeting the challenges of today, seizing opportunities of tomorrow."* The mission is *"We promise new levels of thinking, pushing the boundaries of what is possible for our learners, partners and communities."* Prevista's work often involves delivering services to support people who are at the margins of society and for this the Supply Chain Partners are of vital importance.

In order to achieve the vision and mission, Prevista requires a diverse, innovative and varied supply chain. To become part of the Prevista supply chain, potential Partners have to demonstrate a track record of delivery, capacity to respond, and financial / quality capability to deliver the services / activities required. Five key questions are now used in order to ascertain the 'fit' with the Prevista vision before a detailed due diligence process takes place.

At the time of the re-accreditation assessment the following indicates the split between direct delivery and that of a supply chain across the contracts areas:

Skills: direct delivery 50% / Supply Chain Partners 50%

Employability: direct delivery 20% / Supply Chain Partners 80%

Youth Provision: direct delivery 0% / Supply Chain Partners 100%

Since the assessment in 2016 the number of Supply Chain Partners that Prevista works with has increased due to their success with new contracts, which has brought about challenges. It has opted to partner with a number of voluntary, charitable and community-based organisations, some of which are less familiar with a formal, commercial approach to supply chain management. Prevista has a quarterly Merlin Steering Group that evaluates progress and works together to resolve challenges. There is also regular Board oversight of the supply chains performance. Prevista describes itself as a "slim Prime".

The following compact report provides an overview of the findings against key criteria within the Merlin Standard, areas of strength, areas for significant development which require action and areas to consider for development over the forthcoming two-years.

5. AREAS OF SIGNIFICANT STRENGTH

A number of significant strengths were identified during the Assessment and these are described below. The numbers in brackets refer to the criteria of the Standard:

There are clear and transparent procurement processes that mean Supply Chain Partners are made aware of the requirements for submitting Expressions of Interest and gain feedback on their submissions. A scoring process has been implemented since the last Merlin assessment. In addition, the use of drop box to ensure a fair and transparent due diligence process is cited by many Supply Chain Partners as being a strength. (2.1)

Prevista does negotiate proactively with Supply Chain Partners about volumes and funding levels during the design and contract mobilisation stages. Many Supply Chain Partners spoke of being asked for realistic estimates for delivery and in some cases, these were challenged by Prevista, however the Supply Chain Partners acknowledged this was helpful in assisting them to create "*a steady and measured build-up of delivery capacity*". (2.4)

It is very clear what Supply Chain Partners need to do in terms of performance volumes, quality standards and what error rates are tolerated. There is a commercial approach that many of the high performing Supply Chain Partners find is direct and achievable. (3.2)

There are numerous examples of Prevista supporting, developing and encouraging Supply Chain Partners to evolve and build capacity. These include provision of a regular funding bulletin that is collated showing details of funding available for Supply Chain Partners that may not necessarily include Prevista; support for Supply Chain Partners to write and submit bids for other funding; the provision of training on challenging beliefs to reduce barriers to progress in the market; and help and guidance to change business models and access new opportunities, such as apprenticeships and traineeships. Some Supply Chain Partners acknowledge that the offer has been made but they have declined due to it not being part of their vision but have appreciated the offer of support nonetheless. (5.2)

6. AREAS FOR DEVELOPMENT

A number of areas where further development would be beneficial were identified during the Assessment. These are for the Organisation to consider as a contribution to continuous improvement. The numbers in brackets refer to the criteria of the Standard:

Whilst it is accepted that some supply chains benefit less from collaboration than others, Prevista is encouraged to review the time and energy it spends in encouraging Supply Chain Partners to work together. There are some good examples of this occurring and indeed proactive Supply Chain Partners seek out their own opportunities for collaboration; however more could be done to share good practice within contracts and also between supply chains. The annual celebration events are not viewed by Supply Chain Partners as collaboration sessions, so this might be considered in the design of future activities. (1.4 / 6.6)

Prevista has undertaken detailed work to review and share its values with staff. The recent Investors in People Gold accreditation result is testament to this. However, it is suggested that Prevista now review the values and contextualise them to ensure all Supply Chain Partners understand the behaviours expected when working together. This may come in the form of a supply chain code of conduct or similar which can be reviewed during performance management or contract review meetings. As a result, Supply Chain Partners will be better able to articulate the shared values of the supply chain and what this means in practice. It is important that Supply Chain Partners recognise the relationship is firmly grounded in commercial reality and that Prevista is not a large Prime. (1.5)

Whilst some Supply Chain Partners are aware of their market share, the level of understanding varies across the different contracts. Equally there is less understanding over the life of the contract and after various re-allocations of the resultant market share for Supply Chain Partners. Prevista is asked to consider how this information can be communicated such that decisions taken or changes made can be seen to be done by joint agreement. (2.3)

Prevista and Supply Chain Partners have invested in an e-learning portal and all Supply Chain Partners have log in access to this. Although designed initially with learners in mind, there are many e-learning modules that could be useful for staff in Supply Chain Partner organisations. Currently there are no statistics on the usage by Supply Chain Partners (only overall usage) so it is suggested that Prevista not only encourage the use of the system but also set up the system to report on usage by Supply Chain Partners. Discussions about the impact of the learning and also identification of future needs could form part of the performance management process. (5.3 / 6.3)

Prevista is encouraged to continually review the work load of its Supply Chain Managers in order that there is sufficient time for open communication and support where required by Supply Chain Partners. Recent additional resources within the Skills supply chain have been noted by Supply Chain Partners as making a real difference in terms of the quality of the information, advice, guidance and support provided through to having performance management meetings back on track. (6.2 / 6.3 / 7.3)

Supply Chain Partners refer to active updates about the Apprenticeship Act and Prevent (Counter Terrorism Act) which was completed in a timely manner. There is encouragement to continue to update Supply Chain Partners about new legislative and regulatory requirements. However, there are some planned activities and communications around General Data Protection Regulation (GDPR) and the Modern Slavery Act and these are actively encouraged. Processes that double check Supply Chain Partners understanding of their requirements in relation to changes could also be strengthened such that Prevista can assure itself that changes are being made. (7.1)

Information, advice and guidance (IAG) to Supply Chain Partners is satisfactory, however documents such as the recently updated Supply Chain Management Framework could be communicated more effectively and more prominently stored on drop box for reference. If the drop box is being used as a partner IAG portal, then it is suggested that Prevista review the file structure and its contents. Additionally, the partner section on the website is out of date and requires updating. (7.3)

Partners were able to provide anecdotal evidence of the impact on the wider social objectives of the commissioners, as well as the positive impact on the customer groups and staff, for example in the case of learners / young people distance travelled was being measured which indicated improvements in confidence and self-worth, health and wellbeing, etc. Whilst Prevista have invested in an external evaluation to establish the positive impact on different the stakeholders and communities this failed to be completed in preparation for this Merlin assessment. In the future, consideration could be made to working with stakeholders and commissioners more effectively and drawing upon their knowledge in terms of reducing crime rate, homelessness, improvements to customer's mental and physical health. (8.2)

7. AREAS REQUIRING SIGNIFICANT IMPROVEMENT

The following areas were identified as needing improvement as there was limited or insufficient evidence found during the assessment (a score of less than 3). The numbers in brackets refer to the criteria of the Standard:

There were a significant number of Supply Chain Partners taking part in the 2018 Assessment, by either completing the on-line survey or by attending a face to face interview, that feel Prevista has not discussed, agreed and executed a successful strategy to manage the transfer of funds. This relates to the time between submission of evidence by Supply Chain Partners and actual payments being made. This is between 60 and 90 days and this timescale can be extended if there are incorrect evidence submissions by the Supply Chain Partner. The 30 day timescale applies between the instruction to invoice being issued and payment being made. This difference is not clearly understood by Supply Chain Partners. The error report reviewed during the Assessment was seen to be self-explanatory and some Supply Chain Partners felt that support was available on request to help them understand the errors. Prevista however could also be more timely in the reporting of errors in evidence submissions, more proactive in offering support to explain the errors and in sending the instruction to invoice to Supply Chain Partners. Equally Supply Chain Partners are encouraged to agree and meet deadlines for the re-submission of corrected evidence. Once all errors are cleared and the instruction to invoice is raised, payment is made within the stated 30 days timescale. Supply Chain Partners interviewed on a face to face basis, that cited their dissatisfaction with payments, elaborated that they did feel payment would be made eventually or indeed confirmed that payment had eventually been made once all errors had been corrected and that they now understand the timescales for the whole process and their responsibility for accurate evidence submission. Prevista could be much more explicit in the Supply Chain Management Framework, the Service Level Agreement and through discussions with potential and present Supply Chain Partners what the process and timescales are before the instruction to invoice is raised, i.e. for the entire process from evidence submission to payment. It is recommended that Prevista undertake a case by case review with the current Supply Chain Partners to ensure clear timescales are agreed to resolve any outstanding concerns. (4.2)

Whilst Prevista does have its own Self-Assessment report and Quality Improvement Plan, the majority of Supply Chain Partners taking part in the Assessment either through the survey or through interview did not feel they took part in the process nor was the Prevista report shared with them. It is recommended that Prevista develop a more inclusive process for generating their annual continuous improvement plan and action plan that is based on performance and quality assurance findings and that this is shared more proactively with Supply Chain Partners. (6.7)

8. FINDINGS

The feedback below is reported against key criteria of the Merlin Standard, aligned with the “Plan-Do-Review” business cycle.

PLAN
<p>Through planning an effective supply chain, the range of Partners and how they are engaged ensures there is a group of organisations that cover a diverse range of providers that all understand the requirements of the contract and their contributions to achieving the desired outcomes.</p>
<p>Prevista’s supply chain design incorporates a varied mix of organisations that meet the needs of the commissioner as identified through the research activities. It includes organisations such as colleges, local authorities, private training providers and charities. For example, the ESF Pre-NEET and Youth Engagement Fund contracts include a number of small community and voluntary sector organisations due to their ability to engage with hard to reach young people and as a result of their good connections in schools and other alternative education providers. To further ensure Prevista has a good blend and scope of Supply Chain Partners, it also engages with stakeholders such as Local Enterprise Partnerships and Local Authorities to understand issues more thoroughly, for example regeneration priorities or ‘at risk of NEET’ factors for young people. Supply Chain Partners confirmed that there was a good mix within the respective supply chain, but this did not alleviate competition. For some supply chains there is less visibility of other Supply Chain Partners, for example in the delivery of apprenticeships. Since the last assessment in 2016, Prevista has also started to work with tier 3 specialist providers to provide support to the Partners.</p> <p>Prevista provides information to potential Supply Chain Partners about its procurement process through meetings, telephone calls, social media and emails. Supply Chain Partners who had experience of the procurement process since the last Merlin assessment confirmed that communications during all stages of activity were proactive and relevant, and proportionate to the service being procured. Supply Chain Partners referred to a straight-forward approach to securing Expressions of Interest (EOI) and due diligence, which was robust. For each contract / programme an EOI and due diligence is required even for existing Supply Chain Partners, and they recognised that this was to ensure it was transparent and fair. Due diligence includes the submission of all policies and procedures. One Supply Chain Partner made reference to attending a presentation where they learned more about the opportunity to work with Prevista. Comments from Supply Chain Partners included <i>“The approach to EOI and due diligence is robust, but transparent and fair”</i>; <i>“The aims and objectives of the contract was made clear before we started to work on the EOI”</i> and <i>“We were unsuccessful on one contract and X called us to explain and then emailed to confirm.”</i> The procurement approach includes preparing the specification, advertising, evaluating tenders, post tender negotiations and preparing and finalising contracts. It is felt by Prevista senior managers and Supply Chain Partners that a new earlier ‘5 key questions’ approach that really seeks to understand why Supply Chain Partners want to be</p>

involved will assist in securing Partners that are about delivering services rather than winning contracts.

Supply Chain Partners are clear about what they need to achieve and have contractual schedules and programme plans in place which detail the outcomes required on a monthly basis. The only areas of concern arise when the commissioner changes the requirements or is slow in providing both Prevista and its supply chain with clear definitions of what is required. One Supply Chain Partner commented that *"We are aware of performance expectations prior to signing the contract, and subsequently reviewed monthly, if not weekly, and daily, like our error rates!"* Performance expectations are in the main discussed and negotiated prior to tender and then followed through into the Service Level Agreement contract.

At the point of contracting with Prevista Supply Chain Partners agree the payment profile, which varies between contracts. For specialist Supply Chain Partners, a rate for the service is agreed. Supply Chain Partners confirmed that Prevista have been sympathetic to contract variations and have adjusted fee and re-profiling to support their delivery. For example, some Supply Chain Partners have secured a reduced management fee, others have seen the management fee deferred for 12 months, others have seen the administration fee removed and some have negotiated a lower fee for the funds held back to cover future audit risk. Staff explained, and two Supply Chain Partners corroborated that one-off payments have been made to reduce the financial risk to them. Another Supply Chain Partner spoke of being provided with *"advance payment of costs in order to support my cash flow before we hit any outcomes and without this I wouldn't have been able to deliver, however we are now performing really well as a result"*.

DO

Supply Chain Partners are supported to develop their services to meet or exceed expected performance and quality assurance requirements.

Supply Chain Partners indicated that the contract set up is a supportive process. Prevista makes sure Supply Chain Partners have everything they need to deliver the programme through discussion and use of the dropbox facility for paperwork and the provision of systems in some cases. Discussions included negotiation around quality, value for money and delivery. The formality of discussions depends on the size of the contract and the specific requirements within the funding regime and these requirements are made clear to Supply Chain Partners at pre-contracting stage and reiterated or updated throughout the life of the contract. An illustrative quote from one Supply Chain Partner reflected *"For each contract you get a handbook which is bespoke to that contract, and they help you set the contract up."*

The culture of communications is open and honest. The majority of Supply Chain Partners used words such as open, transparent, positive and felt they can raise any concerns openly. Staff spoke about *"taking time to build relationships"* with Supply Chain Partners and sharing information to help all partners to understand their contribution to the success of the contract or project overall; however, on some occasions timeliness of response was an issue. One Supply Chain Partner's Chief Executive felt that they could have open and frank discussions with Prevista's Managing Director. Comments included: *"Yes, we can have open, honest dialogue and it does tend to be supportive, but it could be quicker."* *"Communications is getting better."* *"Communications could be clearer."* As noted in the areas for development recent increases in supply chain management capacity are addressing this.

Performance reviews between Supply Chain Partners and Prevista Supply Chain Managers have been taking place at varying frequencies. Performance report emails are sent to Supply Chain Partners followed up by additional performance reviews where necessary. Quality and Data Performance Reports are used to create RAG (red, amber, green) ratings to make success rates clear. Partners confirmed that this was supportive and that they were able to talk about anything relating to the contract, including issues and challenges, and what was going well. Comments included *"Contract management is good, reviewing performance almost daily"* and *"Formal performance is monthly and you can discuss issues and challenges as well as what is working well."*

Performance Improvement Plans are put in place if informal support and guidance fails to get the partner back on track regarding performance. One Supply Chain Partner commented that the process of performance improvement had assisted them greatly in improving their delivery position.

The Management Information systems and approaches used in each contract / project vary according to the funding and contractual requirements. For current projects, Management Information is sent to Supply Chain Partners on a monthly basis. Prevista has the overall view across the contracts and Partners receive the same Management Information for their individual organisation.

The reports provide the data required to manage the performance of the contract, including error reports. Prevista provides three types of reports – factual indicating number of starts and outcomes and what can be claimed, errors report to correct things within the forthcoming month to claim the following month and a business intelligence report which provides forecasting for the forthcoming 12 months in terms of starts and outcomes, as well as budget. Supply Chain Partner comments included:

"We get a three-monthly error report which are to be addressed." and "The biggest issue was the errors report it always took so long to be updated."

In terms of processes that monitor the quality of delivery and check for compliance, there are audits and monitoring visits, and surveys assessing the quality of service for customers. There is a quality cycle whereby desk top research and visits are undertaken to Supply Chain Partner premises and Partners are RAG rated against key themes, which indicates the frequency of future visits (Green = annual, Amber = 6 monthly, Red = monthly). Key findings are reported back to the Supply Chain Partner. One Supply Chain Partner commented that *"They trust us, it's a grown-up relationship, they do site visits, audits and monitoring, its fit for purpose."*

REVIEW

Review and evaluation is used to demonstrate the impact of the services delivered and continuously improve service delivery.

Both Prevista and Supply Chain Partners were able to share examples of how the work they are delivering is having a measurable impact on the commissioner's wider social objectives. This included gaining and sustaining employment, improvements in adult skills and qualifications, unemployment reduction, NEET reduction and impact on attendance, attitude and behaviour of school age young people (pre-NEET). More specifically, the achievement of the contract Key Performance Indicators, and more importantly sustained work, has had a positive impact on young people and reduced anti-social behaviours. Comments included: *"Worked with 6000 pre-NEET and supported 80% to remain in education, which has resulted in the reduction of number of people on the risk register."* *"As a result of getting into schools earlier we've been able to engage and start work on providing choice and options, reducing the number of unknown destinations."* and *"Ultimate impact is the number of vacancies advertised for flexible part time working."*

A positive impact is generated on customers, stakeholders and the wider community. Information data is collected and shared which demonstrates how customers, through the work of the supply chain, have been encouraged to develop themselves and their wellbeing such as improved school attainment, gaining qualifications, improved mental wellbeing and accessing skills and employment. Comments included: *"Through our work with people we encourage them to be creative, and subsequently recognise young people for their work, which builds confidence."* *"The impact on the 35 young people who participated in the residential programme for Youth at Risk became ambassadors for young people."* *"Provided access to the service earlier, supported schools as there is another person to provide the additional support in a time of limited resources."* and *"Young people have gone up a level in their functional skills throughout the eight-week support."*

9. CONCLUSION AND CONDITIONS OF ACCREDITATION

In conclusion, this assessment provided the opportunity to review the Prevista practices for the current contracts and projects against the Merlin Standard. The senior leaders should be mindful that any significant organisational or senior staff changes, decision reached by the Merlin Mediation Service / Independent Complaints Examiner or additional contracts using a significant different supply chain, may require a strategic review to ensure the organisation continues to operate in line with the Merlin principles.

Holders of the Merlin Standard Accreditation must:

- Maintain and continually improve upon their approach to Supply Chain Management.
- Cooperate with annual Reviews as required by Assessment Services Ltd
- Inform Assessment Services Ltd (merlin@assessmentsservices.com) or their Lead Assessor if the key contact name or contact details change.
- Inform Assessment Services Ltd of any significant changes made to the organisational structure, senior management or systems that may impact on their accreditation; email:
- Inform Assessment Services Ltd immediately if they gain additional contracts.
- Inform Assessment Services Ltd of any serious complaint or rise in numbers of complaints received from Supply Chain Partners.
- Not undertake or omit to undertake any activity that may be misleading and/or may cause Assessment Services Ltd and/or the Merlin Standard to be brought into disrepute.
- Only use the Merlin Standard Quality Mark for the areas within the scope of the accreditation and in accordance with the guidelines.
- Ensure in cases where accreditation is withdrawn or where they do not come forward for Accreditation Review, remove from display any certificates or plaques issued by Assessment Services Ltd and do not display the Merlin Standard Quality Mark, nor refer to being a former holder of the Merlin Standard.
- Be aware that Assessment Services Ltd reserves the right to remove any accreditation and/or certification previously applied if payment is not received for services provided.
- Submit their Booking Form for re-accreditation to the Merlin Standard at least 4 months prior to the accreditation anniversary date ensuring all pre on-site activity is completed in a timely way including planning, payment, completion of the Self-Assessment Questionnaire (SAQ), Pre-Assessment Notes (PAN) and interview scheduling. Accreditation Reviews are due 2 years from the anniversary accreditation date; it is expected that organisations will be assessed by this date or will risk being de-accredited.

 ASSESSMENT SERVICES	
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