



merlin standard

2018

**THE INTRAINING GROUP LTD
(Part of NCG)**

CONTENTS

1. KEY INFORMATION	3
2. ASSESSMENT OUTCOME	3
3. METHODOLOGY	4
4. ABOUT THE ORGANISATION.....	5
5. AREAS OF SIGNIFICANT STRENGTH.....	6
6. AREAS FOR DEVELOPMENT	7
7. AREAS REQUIRING SIGNIFICANT IMPROVEMENT.....	10
8. FINDINGS.....	11
9. CONCLUSION AND CONDITIONS OF ACCREDITATION.....	25

1. KEY INFORMATION

Assessment Type	ACCREDITATION REVIEW
Assessor's Decision	STANDARD MET
Anniversary Date	23/06/2020
Assessment Dates	18/6/2018 – 20/6/2018
Lead Assessor's Name	PAUL HESP
Customer ID	C16231
Assessment Reference	PN103598

2. ASSESSMENT OUTCOME

OVERALL OUTCOME	76% Good
1. Design	67% Satisfactory
2. Procure	90% Excellent
3. Contract	87% Excellent
4. Fund	87% Excellent
5. Develop	80% Good
6. Performance Manage	69% Satisfactory
7. Quality Assurance and Compliance	76% Good
8. Review and Close	56% Satisfactory

3. METHODOLOGY

The Intraining Group Ltd (TIG) nominated a Coordinator to support the planning and scheduling of the Assessment. The Coordinator submitted a Self-Assessment Questionnaire, and Pre-Assessment Notes based on this were shared before the Assessment by the Lead Assessor. The Lead Assessor prepared an Assessment Plan, and the Coordinator created a Timetable for interviews in line with this.

In advance of the Assessment, a survey was carried out of the Supply Chain Partners, and all 90 were invited to participate. 17 (19.1%) Supply Chain Partners responded. The results of the survey showed significant inconsistency and were of limited value because of the low response rate, therefore the scope of the planned Assessment was extended in order to increase the interview sample size.

27 Supply Chain Partners (30% of the supply chain) were interviewed during the Assessment, including 19 present, 4 potential, 3 past. In addition, one Supply Chain Partner that was both past and potential was included.

The Assessment was undertaken by two Assessors (Paul Hesp and Christine James) over a period of three days. Reviews of documentary evidence were included during the Assessment period, and interim feedback was provided during the Assessment.

The Assessment launched with an Opening Presentation given by the Coordinator and Senior Team. Each Assessor spent 2½ days gathering evidence against the Standard through interviews with Staff of TIG and NCG (the ultimate parent entity) and Supply Chain Partners. The Assessment concluded with verbal feedback being given by the Assessment Team and discussed with members of senior management.

Interview sessions were held with Staff, and with past, potential and present Supply Chain Partners as follows:

- 14 Remote or face to face interview sessions with staff (some individually, some groups)
- 27 Remote Interview Sessions with Past, Present and Potential Supply Chain Partners.

Supply Chain Partners were representative of all programmes in which a supply chain operates, specifically DWP¹ Work Programme, SDS² Apprenticeships, ESFA³ Apprenticeships and Adult Education Budget (AEB).

¹ Department for Work and Pensions

² Skills Development Scotland

³ Education and Skills Funding Agency

4. ABOUT THE ORGANISATION

TIG is a private training provider, operating nationally and providing employment, learning and skills solutions to adults and young people. As a member of NCG, TIG has access to some central NCG services, staff, policies and procedures, and uses these resources in the management of its own contracts with ESFA, SDS and other commissioners. TIG also makes use of these central resources in the management of a DWP Work Programme contract and an ESFA Adult Education Budget contract on behalf of NCG.

Three programmes were delivered through supply chains at the time of assessment. They are:

- Work Programme, commissioned by DWP and delivered in the West Midlands (CPA14).
- Apprenticeships, commissioned by ESFA and accessing funding via the Apprenticeship Levy. This is delivered nationally across England.
- Modern Apprenticeships, commissioned by SDS and delivered across Scotland.

There were 64 present, 22 potential and 5 past Supply Chain Partners across the three programme areas; a total of 90 unique organisations, some represented in more than one category.

Established in 2008, the company is headquartered in Sheffield and has staff based in multiple offices around the country. In recent months a transformational restructuring programme has begun, and this was in progress during the assessment. Some staff and managers will be affected by the restructuring, which involves a change from the previous nationally-based structure to a new regionally-aligned structure. A new Senior Leadership Team has been appointed. Staff numbers have reduced considerably since the last assessment, in response to changing market conditions, and are set to reach 250 by the end of the restructuring

TIG adopts the NCG strategic purpose of "*Unlocking Potential Through Learning*", and defines a set of three values:

"OWNERSHIP: Being responsible for what we do

VALUING OUR PEOPLE: It all starts with our people

BEING OPEN AND HONEST: The truth builds trust and respect"

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:

The way in which TIG promotes opportunities and selects Supply Chain Partners is particularly transparent and objective. Their DPS⁴ portal is robust and user-friendly, and the weighting and scoring frameworks that are applied are very clearly explained to applicants. In addition, the quality of feedback both to successful and unsuccessful applicants is detailed and highly valued by applicants. (2.1)

The approach to managing TUPE⁵ is not only diligent and well-informed, but also it is underpinned by a strong ethical focus on the interests of staff and of customers who are affected when undertakings are transferred. (2.2)

The contractual documentation is very carefully created and avoids any ambiguity over the obligations and expectations of both parties. The introduction of a draft document has been successful and helps clarify contractual obligations. There is proactive dialogue between staff and Supply Chain Partners, throughout the contracting stage. Supply Chain Partners are very clear about what is expected in all aspects of their relationship. (3.1, 3.2)

TIG is mindful of financial risk to the supply chain and to individual Supply Chain Partners and demonstrate particular responsibility in the decisions they take. This was evident in consideration of a declined change in the WP funding model and a decision not to bid for Prison Education framework because of assessed financial risk. There is also excellent practice in the application of risk bandings to limit contract values and hence restrict exposure of Supply Chain Partners. (4.1)

There is full transparency in the application of management fees. All Supply Chain Partners have a full and clear understanding of how fees are applied. The level of management fee is also made public and this adds to the open and transparent nature of all dealings with the supply chains. (4.3)

There is a very strong focus on supporting Supply Chain Partners to fulfil their contractual obligations, and it was clear that staff felt a responsibility to assist and support rather than to tell and direct. TIG staff meet with their Supply Chain Partners to explain in detail how to complete paperwork and submit online reports, and their support has extended to allowing use of their own offices where establishment costs have become disproportionately high due to reducing customer volumes. (5.1)

TIG's communications channels are excellent, and this ensures that all legislative, regulatory and strategic policy changes of relevance to the supply chain are recognised and acted upon by all Supply Chain Partners. Email alerts are well written and attract the attention of their Supply Chain Partners. The balance between too much and too little information has been perfectly struck. (7.1)

⁴ Dynamic Procurement System

⁵ Transfer of Undertakings (Protection of Employment) Regulations

6. AREAS FOR DEVELOPMENT

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

Some of the provision that has been procured is long established, and consultation may have become less proactive than in the past in relation to the design of the supply chain. Although there is evidence of consultation with Supply Chain Partners before mini-competitions and during contract life, some opportunities to innovate the supply chain design could be missed. An increased focus on current apprenticeship demand, gaps in geographic coverage and sectoral provision may refresh the consultation process. (1.3)

The assessment found that TIG were proactive in encouraging Supply Chain Partners to work collaboratively, however the extent to which this actually happens was restricted, possibly by competitive considerations on the part of some Supply Chain Partner. Practical collaboration takes place mostly between TIG and specific Supply Chain Partners. Although it may be challenging, if TIG are able to encourage and create more direct collaboration *between* Supply Chain Partners (rather than *with* Supply Chain Partners) this may provide additional benefits to service users and increased practice sharing opportunities for Supply Chain Partners. (1.4)

The core principles and behaviours are implicit rather than explicit, and there was some inconsistency in the way staff and Supply Chain Partners described these underpinning values. It would be advantageous to further develop and document the principles and behaviours that are desired across the supply chain, and in doing so to gain the mutual agreement and support of the Supply Chain Partners to upholding them. (1.5)

Evolution of the supply chain is ensured in a satisfactory manner, the key measure being quality reviews carried out by TIG of each Supply Chain Partner. Most change in the supply chain is attributable to changes in the commissioners' requirements, and the extent to which customers' needs influence the evolution of the supply chain was less clear. Supply Chain Partners were unable to give many examples of how the supply chain has been reviewed and how it has evolved. The focus of supply chain review processes appears to be heavily weighted to contractual requirements. This area could be further developed by introducing a more discreet reflection on changing customer needs, which was inclusive of the Supply Chain Partners. It may be appropriate for example to ask how the supply chain could respond and evolve in light of benefits and welfare changes, and cutbacks affecting social and family support services. (1.6)

The Dispute Resolution Process is clearly documented and well designed. However, in the limited cases where it has been invoked, or thought to have been invoked, there is some lack of understanding on the part of Supply Chain Partners' as to the status of disputes. Differences in opinion are not adversely affecting the current relationship and may be relatively technical than substantive, but nevertheless where challenges have been raised, not all have been completely dealt with in the eyes of Supply Chain Partners. In cases where the formal process is not invoked by a Supply Chain Partner, it may be appropriate to review the outcomes of challenges, and ensure that there is full recognition by the relevant Supply Chain Partners of cases being closed. (3.3)

The transition of MI systems was a significant project, and risk of payment disruption was anticipated, communicated to the supply chain and mitigated through planning and manual work-arounds. There was some disruption to expected payments, and the vast majority of Supply Chain Partners felt that in the circumstances TIG did all that could have been expected to avoid any partner being out of pocket. Among the confusion however, there may be some Supply Chain Partners whose payments have not yet been restored to normality, with unreconciled receipts still remaining a concern for some Supply Chain Partners. It would be appropriate for TIG to revisit this matter and determine if there are any remaining concerns among Supply Chain Partners, and to intervene where appropriate in order to gain complete confidence within the supply chain that business is indeed back to normal. (4.2)

There was inconsistency among Supply Chain Partners over the extent to which their staff are being developed. Some say there have been no learning interventions facilitated by TIG, and others are impressed by the amount of development they have been able to access. This could not be attributed during the assessment to differences between programmes. It may be that, because most learning and development of the supply chain staff is managed by Supply Chain Managers (SCM) there is some inconsistency at that point. In addition, some Supply Chain Partners who have well-developed staff training provision themselves, say they have not needed staff development to be provided by TIG. TIG may wish to reflect on how they could ensure greater consistency in identifying and facilitating learning interventions, and in addition how to raise the recognition and value of learning and development across the supply chain. One means to gain greater consistency in recognising the availability and impact of learning interventions could be to coordinate this activity nationally, aiming to share and standardise the approaches of SCMs, to capture the impact of learning, and to disseminate the results across the supply chain. (5.3)

The transition from Maytas to PICS management system is largely complete but further development remains outstanding. Matters such as outbound letter automation are a work in progress, and there is a plan in place to finalise PICS technical development and to complete the user training of TIG and supply chain staff. (6.4)

Practice sharing appears to have become less common place, and in some areas Supply Chain Partners miss the regular contact they had with their peers, for example in Work Programme, where the supply chain has diminished and referrals have stopped, meetings appear to have been discontinued or are less frequent. In Scotland however, practice sharing among Supply Chain Partners appears more prolific, and is facilitated through supply chain meetings. SCMs play an important part in England by suggesting the adoption of practices they have observed in other Supply Chain Partners where there is an identified need or aspiration to improve. TIG may wish to consider the feasibility of restoring meetings where the supply chain can interact physically, or potentially virtually if appropriate conferencing solutions for all Supply Chain Partners can be used. (6.6)

Supply Chain Partners have inconsistent experiences of support for providing impartial information, advice and guidance (IAG). Some have independently achieved the **matrix** Standard, some have not. Some have been given guidance and information about achieving the **matrix** Standard, others say they have not, and were not aware it may have been available. It was unclear what the policy is. Managers may wish to reflect on how Supply Chain Partners have been informed about the availability of support in maintaining or working toward **matrix** accreditation, and reinforce their message as appropriate so that all, including in Work Programme and in Scotland, are clear about the offer. (7.3)

Some Supply Chain Partners say there have been no discussions with TIG about the introduction of the Modern Slavery Act, and (specifically those below the £36m threshold) were unaware of how or if they were affected. Others have had discussions and been provided with relevant information. TIG are currently in transition with regards to their policy for Modern Slavery, and there has been a recent commitment to secure full compliance across the supply chain. Given the size range of Supply Chain Partners this may be challenging, the smallest organisations in particular are likely to need considerable education, encouragement and support in becoming fully compliant. This is a bold development area going above and beyond legal requirements, and implementation of the policy may address the gaps in communication and awareness in some areas of the supply chain. (7.5)

In general, TIG's management of supply chain review and closure is not fully developed. There is an incomplete approach to some aspects, for instance in relation to assessing the impact of supply chain activities on intended customer groups, external stakeholders and the wider community, focus is weak in relation to the wider community, and some extended thinking will rapidly address this gap and complement the good practice in relation to intended customers. Equality and diversity monitoring and in particular the use of data to inform quality improvements will also benefit from further development, and is presently slightly hampered by the incomplete development of PICS, which as yet is unable to capture and report on protected characteristics. There was also a degree of uncertainty among some Supply Chain Partners who were nearing completion of a contract over the practicalities of closing their contract, although they were not unduly concerned. For clarity, it may be beneficial to set clearer milestones, with clarity being established through unambiguous documentation of the end of the contractual relationship. The process of exit is clearly documented, but some practical timeline management would help Supply Chain Partners identify what has to happen, and when. (8.3, 8.4, 8.5)

7. AREAS REQUIRING SIGNIFICANT IMPROVEMENT

The following area was 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 criterion of the Standard:

The annual QIP⁶ would be strengthened by a more inclusive approach. Supply Chain Partners presently don't feel engaged in a supply chain QIP; some provide copies of their own QIP and SAR⁷ where they exist to TIG, others haven't done so. Some Supply Chain Partners do not know if there is a QIP relating to the supply chain. Because Supply Chain Partners are not engaged in the QIP, they are less likely to proactively support the actions it contains. If TIG were to substantially develop their approach to quality improvement planning there are specific benefits to be gained. These would include enriched input into identifying necessary or desired improvement areas, more innovation in suggesting solutions and actions, and greater and accelerated actions in securing improvements. TIG managers may wish to consider plans for engaging their supply chains in the quality improvement process and sharing a supply chain QIP with all Supply Chain Partners. (6.7)

Only limited evidence was available to show that TIG assesses the supply chain's impact on wider social objectives or policy intent of the commissioners. Fragmented examples of case studies were useful, but do not present a complete picture. Supply Chain Partners were unable to articulate how they impact in these areas. A holistic, planned approach should be developed, potentially on an annual or contract life-cycle basis. Managers may wish to consider how and when they define and share the relevant social objectives and wider policy intent, and how they subsequently capture and report the impact the supply chain has. In taking this forward, models such as the Social Return on Investment (SROI) might be useful, and there may well be relevant expertise available in their sister company and charitable organisation Rathbone. (8.2)

⁶ Quality Improvement Plan

⁷ Self-Assessment Report

8. FINDINGS

PRINCIPLE 1: Design

A diverse supply chain was initially created to deliver the Work Programme, featuring large and small, private and public sector and charitable organisation representation. In Apprenticeship delivery, the supply chain has been designed around geographic capability and sectoral expertise and is dominated by relatively small training providers, including one College. Consideration has also been given recently to other opportunities, including an example of a prison education framework when TIG informally approached a number of organisations within their present supply chains as Supply Chain Partners, to better understand capability, and in particular evaluate their networks and connections; the aim of this exercise was to identify a small number of Supply Chain Partners who could contribute strategically to the design of an appropriate supply chain, although a decision was taken not to bid because of financial risk.

Supply Chain Partners make their own arrangements to establish referral or signposting relationships with locally-based services such as counselling support and confidence-building programmes, and TIG's SCMs maintain lists of known suppliers of similar services. Some Supply Chain Partners have accessed details of support organisations from TIG when their own local contacts have been unsuitable for particular needs. According to some Supply Chain Partners, the level of contact and of sharing such connections has reduced over time, although there was no evidence that customers' support needs were going unaddressed.

"Sometimes it would be nice to hear more from them." –Supply Chain Partner

The supply chains are well established, and contracts are relatively mature, so the amount of evidence relating to initial supply chain design was limited. Ongoing design is reviewed on an ad-hoc basis. For example, some Supply Chain Partners engaged in the Work Programme supply chain have found the diminishing volumes as the contract winds down to be financially unattractive or unsustainable, and TIG has been able to agree an exit, without having to replace Supply Chain Partners; hence the supply chain has evolved in its membership over time. Similarly in Apprenticeship delivery, on Scotland in particular, a number of Supply Chain Partners have exited having secured direct delivery contracts, and decisions were taken to accept that volumes would fall. Evidence of the principles of good practice were found in consultation with Supply Chain Partners over the prison education framework. It was noted that although no bid was ultimately made, TIG called and emailed all the Supply Chain Partners who had contributed to debrief them, explaining the rationale behind the decision not to bid. This gesture was appreciated by the Supply Chain Partners and leaves the door open for future consultations around design.

TIG has endeavoured to create an environment that supports collaboration. However to some extent, cynicism among some, and competitive considerations among others, mostly so in Apprenticeship delivery, play a part in stifling collaboration between Supply Chain Partners. Some Supply Chain Partners in the Work Programme supply chain recall times in the past when collaboration had been higher, associating those times with frequent physical network meetings where they would meet and interact with peers. The frequency of networking opportunity has diminished in England, as volumes of customers and the size of the supply chain has reduced. Most examples of collaboration found during the assessment were between individual Supply Chain Partners and TIG. For instance, one Supply Chain Partner in Scotland who is delivering Modern Apprenticeships described how they pass referrals to TIG for learners on Management Apprenticeships, describing that collaboration as two-way but not operable across the network.

"I had a couple of meetings in Sheffield with other providers and tried to get some referrals going, but it didn't work; zilch" –Supply Chain Partner

"It's not for me to know who else is in the supply chain" –Supply Chain Partner

The values developed and deployed within TIG are the same values that managers say represent the core principles and behaviours of the supply chain. Specifically, these are ownership, valuing our people, being open and honest. In general, Supply Chain Partners are aware of the TIG values, and say that they see a good ethical and strategic fit between themselves and TIG. Some relate strongly to these, seeing good synergy with their own organisational values. Many Supply Chain Partners believe in the values, but it cannot be said that those values have been mutually agreed with the supply chain.

Most evidence of how the supply chain is reviewed and evolves to suit changing needs came from staff; Supply Chain Partners were not able to validate the strategies or approach. At the time the Work & Health Programme was being tendered as a successor to Work Programme, TIG had looked to increase the specialist providers, particularly in the areas of disability and health conditions, and mental health support, because it was clear that those needs had increased among the defined customer base. In the current programmes, there appears to be an informal and unstructured approach to monitoring changing needs, and it is incumbent upon SCMs to identify change and to lead an appropriate response.

PRINCIPLE 2: Procure

TIG operates a two stage approach to procurement, initially pre-qualifying potential Supply Chain Partners and completing due diligence checks, and subsequently conducting “mini-competitions” through which the supply chain for specific contracts is selected. This has the advantage of enabling relatively shorter procurement cycles against specific requirements and offering TIG access to pre-qualified suppliers on an ad-hoc basis. Suppliers self-register on the DPS⁸ online, and upload relevant requested documentation. TIG review the registrations, check organisations against the proprietary Red Flag Alert business intelligence database and approve or provide feedback as appropriate. Access to the DPS is promoted on the company website, and in online portals such as Contract Finder. The DPS is self-contained, in that it has clear instructions on how to use the system, and alerts registered suppliers to the availability of specific lots as they are procured. Supply Chain Partners find this approach fair and transparent. Very good feedback is provided post-procurement, and unsuccessful bidders find this feedback constructive, and helps them improve their understanding of requirements. Of particular note is that feedback gives a relative score for each question, based on the score of the highest-scoring bidder. A “specialist review” is carried out by TIG during due diligence, and these in-house subject experts are assigned to areas such as health and safety, safeguarding, human resource, and quality matters, scoring and providing feedback on submissions. All feedback and communication with potential Supply Chain Partners is via the SCMs, so as to provide a single point of contact.

TIG are knowledgeable and experienced in the application of TUPE and have provided clear guidance to members of their supply chain where TUPE is a consideration. Among the examples described by staff and by Supply Chain Partners were one where a provider external to the supply chain took over the contract of a Supply Chain Partner and transferred staff as part of that deal. TIG were able to provide ongoing consultation and guidance, inclusive of both parties, that enabled the transferee to join the supply chain, and hence secure the delivery of contract and ongoing employment of the staff. In another case, a Supply Chain Partner who wanted to end their relationship had three members of staff wholly assigned to the contract, and although they wanted to make the staff redundant TIG insisted on having the ELI⁹ data, and saw this as a moral as well as legal obligation, asserting that they genuinely wanted the staff. In another more complex example, TIG had lost a contract which was transferred to another provider, having three staff working on it themselves, but the new provider would not accept the staff; in this case, TIG agreed a settlement with the new provider, splitting the liability despite the legal liability, rather than see staff unfairly treated. TIG have also produced a Contract Assignment Checklist which has been shared with Supply Chain Partners, and helps determine if staff are caught by TUPE.

⁸ Dynamic Purchasing System

⁹ Employer Liability Information

The allocation of market share is clear and transparent, and Supply Chain Partners understand how their allocations have been decided. In some cases Supply Chain Partners have been disappointed by their allocations, and in one example one such Supply Chain Partner explained that they had accepted and been satisfied by the rationale that SDS were particularly cautious, and it was important not to over-promise on volumes. In Apprenticeship provision, Supply Chain Partners are consulted proactively about the volumes they would like annually, and track record, capacity and growth risk are taken into account, as are considerations such as avoiding direct competition within the supply chain in specific subject areas.

There is open, two-way discussion and negotiation of volume and funding expectations prior to contracting. Supply Chain Partners were clear about what they should expect, and confirmed that the contractual documents that followed matched those expectations. The performance expectations were made clear, and discussions with many Supply Chain partners were held face to face before contract award to ensure clarity, recognising that there were different appetites for negotiation and discussion.

PRINCIPLE 3: Contract

Contractual documentation is carefully designed, mirroring the commissioners' contracts. A "Precedent Contract" template is in use, and SCMs edit these to make them specific to each Supply Chain Partner. Supply Chain Partners say they found the contract documentation clear and unambiguous. Staff commented that the rapid turn-around of contract acceptance demonstrates little clarification is needed, and that few queries are raised.

Contracts include a schedule identifying the precise performance requirements and detailing Key Performance Indicators. An on-boarding meeting is held with each Supply Chain partner to talk through and provide guidance on the specific requirements. A portal accessible 24 hours a day is provided, where Supply Chain Partners access detailed information and guidance including the SMF,¹⁰ and other guidance documents. The combination of highly proactive dialogue and self-help via the reference portal is very effective in ensuring clarity over performance expectations.

There is a clearly documented dispute resolution process. Supply Chain Partners believe TIG are open to challenge, and that the dispute resolution process will be followed and outcomes upheld. There have been few instances of the process being used, but where a dispute or complaint is raised it is handled by the Contracts Team. Of two challenges raised, one went to the full dispute resolution process, the other according to staff did not, but according to the Supply Chain Partner was not followed up. In the case that did go through formal proceedings, the matter was resolved to both parties' satisfaction, and ESFA were copied in to the response.

¹⁰ Subcontract Management Framework

PRINCIPLE 4: Fund

Arrangements for funding and payments are strong, and do not present undue risk either to the Supply Chain Partners or to TIG. In considering potential new contracts and opportunities, TIG are mindful of the risk that may be faced by the supply chain, and this results in some opportunities being declined, for example when evaluating the prison education framework opportunity, it was decided that on the limited information available to tenderers, some financial risks may put smaller providers at risk, and a strategic decision was made not to bid. Similarly, when DWP offered an alternative funding model for the Work Programme, rapid consultation with some of the Supply Chain Partners confirmed that there was considerable apprehension over the level of discounting expected, and the change was declined.

There are mixed experiences among Supply Chain Partners about the accuracy and timeliness of payments. It is acknowledged by TIG that the change of systems from Maytas to PICS was problematic and resulted in delays and inability to calculate many payments for a period of time. However, TIG and some Supply Chain Partners have different views as to whether the resultant issues have been fully resolved. Some Supply Chain Partners say they still have unreconciled payments, and others assert that delays in their payments predated the system change, and still continue. The majority feel TIG dealt with the system change as well as could be expected, and respected that they made payments on profile rather than on actual results to ensure cashflow disruption was mitigated. Issues with the change of system have not affected the supply chain in Scotland, where Maytas continues to operate, with PICS being run alongside; this is likely to be a less risky transition than in England, where Maytas was discontinued before PICS was launched.

There is complete transparency over management fees, which are standardised at 20% for all Supply Chain Partners across all contracts. This is made clear publicly on the website, as is the historic fee policy. No Supply Chain Partner had any misunderstandings over the size of fee. Supply Chain Partners in general feel the fee is fair, and most could describe the support that TIG is providing for this fee. Support includes a designated SCM, quality assurance and performance management, advice and guidance, training and development opportunities. One of the Supply Chain Partners currently pays a higher fee, but that has been agreed by exception and acknowledges a higher intensity of quality assurance and performance management support.

PRINCIPLE 5: Develop

There is very strong attention to supporting, developing and encouraging Supply Chain Partners to fulfil their contractual obligations. Throughout the life of the contractual relationship SCMs maintain a close relationship with their Supply Chain Partners, and proactively and responsively support their needs. SCMs meet with Supply Chain Partners to go through paperwork and evidence requirements in detail. Training of supply chain staff has been carried out by webinar and face to face on Supply Chain Partners' sites to ensure user familiarity and confidence in the new PICS learner management system, including for new staff, and a help desk has been set up to handle any queries. Recently in Work Programme, one Supply Chain Partner had found that because volumes were diminishing as their customers exited the programme (but no new referrals are being taken on) it became impractical financially to maintain rented premises in the area, and after discussion with TIG it was agreed they could make use of TIG's own offices in the same area.

Even before becoming accepted into a specific supply chain, potential Supply Chain Partners have opportunities to develop their business through the range of mini-competitions that are promoted on the DPS. Supply Chain Partners can access opportunities to work with other NCG group companies and wider opportunities advertised through the ProActis tendering portal, well as with other supply chains managed by TIG. A number of small Supply Chain Partners have been encouraged and developed by TIG to the extent that they have now secured their own direct funding contracts and exited the supply chain. SCMs do not suppress this development, and accept that it would not be in their interests to do so. One Supply Chain Partner confirmed that they had been introduced to sister company Rathbones and were now in contract with them, and that interestingly the same individual acts as SCM in both organisations making the relationships more straight forward. Other Supply Chain Partners described how they were approached with a view to rapidly becoming a Supply Chain Partner for an AEB contract, and although they were unable to provide capacity they had appreciated the offer and opened their eyes to this type of work for the future. Other Supply Chain Partners valued their experience as participants in Trailblazer pilots, and had learned much about developing and embedding new Standards as a result.

The attention given to staff development across the supply chain is inconsistent. Some Supply Chain Partners say they have either not been offered, or have not wanted, any development for their staff. The approach taken to identifying needs across the supply chain appears fragmented, in that SCMs have this responsibility and some are more proactive and holistic in their monitoring and identification of training needs than others. Some SCMs and Supply Chain Partners described training of staff in systems and paperwork as examples of learning interventions, but this could be considered an essential part of the support necessary for Supply Chain Partners to fulfil their obligations (Criterion 5.1), rather than true staff development. Similarly, some Supply Chain Partners confirmed that their staff had participated in mandatory Prevent and Safeguarding training using TIG resources or attending face to face courses, and some staff have still not received their certificates although this has been chased by the Supply Chain Partner. It is doubtful that an effective training needs analysis is planned or in place across the supply chain. At best, training needs analysis can be recognised at a local level.

PRINCIPLE 6: Performance Manage

All Supply Chain Partners were clear on who their SCM is. SCM's act as a single point of contact, but this does not detract from other direct interactions with specific individuals, such as with Business Development team members during consultations and preparations for bids, and with specialists during due diligence when appropriate. Communications generally are proactive and very responsive, although one Supply Chain Partner was critical of response times to enquiries, attributing this negative change to staff having insufficient time. There has been an overall reduction in staff numbers, and this has affected the contract management team; there has also been turnover in staff that has impacted on relationship management temporarily. In general, staff changes have been well-communicated, and the supply chain believe communication channels are effective. Communications appear to be very strong in Scotland in particular, where twice-yearly conferences are held, enhancing the regular performance management and relationship-driven communications. When and if Supply Chain Partners want or need to make contact with other staff, their SCMs act as a signpost, and make introductions as appropriate. Supply Chain Partners described weekly telephone calls with their SCMs and frequent emails as the key channels for communications.

The supply chain culture is positive, and Supply Chain Partners and their SCMs feel comfortable to raise issues or concerns. Communication is honest and open, and SCMs retain a positive manner throughout the relationship. Internal reports that include data and comments about Supply Chain Partners are shared and discussed. So too are any external reports relating to the supply chain. One Supply Chain Partner had not been receiving remittance advice notes but raised this with their SCM and the matter was promptly resolved. Newsletters are just being introduced, and although not yet fully embedded are providing an additional communications channel.

"Very open and supportive. Their emails are very concise and when I ask them to expand, they do" –Supply Chain Partner

Performance Review Meetings are scheduled monthly or quarterly, and are driven by data from the PICS system. SCMs send an agenda and/or data to their Supply Chain Partners in advance so they can prepare, the intention being that meetings, either face to face or remote, can be focussed and productive. The approach to performance review and the process for Performance Improvement Plans (PIP) are well documented in the SMF, and familiar to Supply Chain Partners. Some Supply Chain Partners feel that in the context of performance review, response times have slowed down or have been inconsistent. One described how a change of SCM resulted in hardly any contact with the new SCM for up to a year, however, the original SCM was reappointed to their account and normal communications were restored. Another said that two or three SCMs have moved on and response times are currently too slow, adding that TIG staff have too much to do now and are often firefighting. One Supply Chain Partner's performance had deteriorated due to having a relatively high number of learners on learning breaks, and an intervention from their SCM prompted them to take a firmer line with learning breaks; as a result, their Assessors are now less likely to agree to learning breaks, and the numbers on learning breaks has fallen to an acceptable level.

"It's not like a snail's pace, it's slower than that" –Supply Chain Partner

Management information systems in use are PICS and ProAchieve, as well as documentary records of quality review processes. These collectively produce data for use in reviewing, managing and improving performance of the supply chain. A major project in 2017 saw the Maytas learner management system replaced with PICS but the changeover was not smooth, resulting in what TIG perceived as short term disruption, but several Supply Chain Partners say the disruption lasted several months, and in some cases there are outstanding issues that have not been fully reconciled relating to discrepancies between data and payments. Some further development is ongoing, particularly in relation to process automation, but all data has been migrated. Some of the disruption of availability of data, during a period that was longer than had been anticipated may have tainted the views of some Supply Chain Partners about the new system. Some see it as an improvement, particularly Work Programme Supply Chain Partners, and others remain sceptical. Maytas remains in use in Scotland for SDS contracts and is running in parallel with PICS until the changeover later this year. Data is input into MI systems directly by Supply Chain Partners, although some have passed information to TIG and this has been input by TIG staff temporarily. Training has been provided for supply chain staff in the use of the new PICS system, delivered via webinars and onsite training sessions at Supply Chain Partner sites. Security of access to systems is assured by Supply Chain Partners needing to use a security key that generates a unique password with each use.

"We were aware they were having some issues with reports, but even they didn't think it would be as bad as it was" –Supply Chain Partner

TIG are successful in encouraging and supporting performance improvements in their supply chains. Good use is being made in Apprenticeship provision of stretch targets, which are above the contractual target of achieving 5% above national averages for achievement rates. Several Supply Chain Partners achieved their stretch targets last year, although it is recognised that factors such as the departure of some overseas workers (attributed to uncertainty over Brexit) will compromise this year's results in some sectors. Recognition of particularly high performance is explored through "Deep Dive" processes, in which TIG visit suppliers, talk and walk through their approaches, and aim to make connections between positive results and good practices. Good practices are shared via SCMs with Supply Chain Partners who may be struggling with performance. For example, one who was in a PIP was encouraged to change their staffing levels and management style, based on conclusions made in a Deep Dive exercise, leading to improved results. In that case, very low performance levels of 32% have been turned round, with a current prediction of 72%.

Some delivery practice is observed and recognised directly by TIG, and this is shared among SCMs who then have it available at their discretion to share with their Supply Chain Partners. Supply Chain Partners have different experiences of the extent to which good practice is shared, and it was found during the assessment that the highest levels of activity appear to

be in Scotland, where physical meetings with the collective supply chain remain a constant feature, and often facilitate discussion between members of their approaches to specific aspects of delivery. Elsewhere, some Supply Chain Partners say there is no sharing of practice, that there is less now than there has been historically, and others are sceptical about sharing their good practice with peers who may be competitors. One example of an effective process for identifying and addressing improvements is that of optimisation events, where direct delivery staff and Supply Chain Partners get together to find 'lost performance'. Each has a list and they call or visit either Jobcentre Plus offices or employers to validate or obtain evidence of unclaimed outcomes. A recent session brought in £44k of revenue that otherwise could not have been claimed.

There is inconsistency in the involvement of Supply Chain Partners with the annual quality plan. Some send copies of their own SAR to TIG, others make numeric or data inputs into the SAR. Some have seen TIG's completed SAR, others have not. It is clear that the process for generating supply chain quality improvement plans is not embedded, and more needs to be done to secure the input of Supply Chain Partners in all contracts, and to share the resulting quality plan with all. TIG have already identified that more work needs to be done here.

"We have our own QIP and have sent it to TIG, but I don't know if TIG have one" –Supply Chain Partner

PRINCIPLE 7: Quality Assurance and Compliance

TIG are very effective in keeping their supply chains up to date with legislative and policy changes. Specialists within TIG, and within NCG, share latest information well, making use of professional networks and alerts to stay abreast of developments. Information of relevance to Supply Chain Partners is collated and passed to SCMs, who manage email communications with their contacts. Matters including Modern Slavery Act and GDPR have been relatively recent topics on which information was distributed, including links to authoritative information sources, and in each case specialists (HR and IT staff) were available via SCMs to provide additional clarity or support as required. The introduction of the Apprenticeship Levy was also communicated and discussed on a one to one or group basis. In Scotland, there were discussions around how this may impact or present opportunities for the supply chain at a funding event. Digital newsletters are in the process of being rolled out, and are expected by TIG to simplify the updating process incorporating other news as well, and requiring less manual distribution input, and are also designed to be more readable and engaging.

The approach to monitoring the quality of delivery and the customer experience is good. There is an appropriate range of methods in use across the supply chains, the results of which feed into the annual SAR and QIP process, and when applicable into performance management. The findings of quality assurance activities are shared with Supply Chain Partners and their SCMs. During the initial due diligence checks and annual reviews, the policies and procedures of each Supply Chain Partner are reviewed, including those relating to quality and compliance. A Quality Review is conducted each quarter with Supply Chain Partners to monitor progress against the QIP, and this includes reference to TIG's high level QIP as well as the individual Supply Chain Partners' QIPs. The Quality Team also monitor external reports, such as Ofsted, Awarding Body EV reports, DWP CMO reports and ESFA Audits. Observations of delivery are conducted by TIG and recorded and feedback provided to individual staff and their management. File audits are carried out by the Compliance, Assurance and Quality Teams. The amount of quality assurance activity varies according to the assessed risk of each Supply Chain Partner.

"They haven't carried out as much QA activity with us as with other contractors" –Supply Chain Partner

There are good communications channels in place for disseminating information across the supply chain, and performance management and relationship management arrangements provide ample opportunities for advice and guidance of Supply Chain Partners on an as required basis. IAG is delivered by Supply Chain Partners to customers in all contracts, and the Work Programme delivery is virtually all IAG in nature. Inconsistency was found in the uptake of the **matrix** Quality Standard by Supply Chain Partners, and some were unclear if it was a contractual expectation, with views varying from it being a requirement within six months to not being required at all. Some Supply Chain Partners have achieved the Standard, others have not. There was also inconsistency in the awareness of Supply Chain Partners of availability of support from TIG to achieve the Standard, although TIG assert this support is available. The observations of delivery extend to IAG delivery, and provide useful feedback for staff in the supply chain.

Arrangements for ensuring and monitoring security are good, and includes the submission and review of Security Plans for some contracts. Although there is no requirement for Supply Chain Partners to hold ISO27001 Certification, the audits and Security Plans are undertaken in line with the requirements of that Standard. Due diligence also extends to health and safety, environmental sustainability and safeguarding, with specialists in TIG reviewing and monitoring policies annually. Strict guidelines are provided to all Supply Chain Partners covering these matters and are incorporated within the SMF. There was a good understanding across the supply chain relating to information security and safeguarding requirements, but environmental sustainability policies, obligations and expectations appeared less clear.

TIG are covered by their parent NCG group Statement on Modern Slavery, which is published as required by legislation. A Code of Conduct is in place for Supply Chain Partners, which appears to have made little impact on Supply Chain Partners and makes no direct reference to the Modern Slavery Act. In assessment interviews, a small number of Supply Chain Partners (and it is important to note that the majority are not in scope of the Act, having a turnover of less than £36m) had any understanding of obligations or guidance that may have been placed on them by TIG in relation to the Modern Slavery Act. The Code of Conduct is in the process of being revised, and the DPS and reference documentation has been updated and pending governance approval will be reissued. The new strategic approach regarding Modern Slavery is to require all Supply Chain Partners to fully comply with the Act.

PRINCIPLE 8: Review and Close

Supply Chain Partners and TIG collect feedback from customers and use the results to inform improvements. An example of this was provided by one Supply Chain Partner who confirmed that as a result of learner feedback, their initial IAG approach was changed, and this had the effect of improving them from 5% below national average, to 5% above. Some Supply Chain Partners say they use the results of TIGs surveys to validate their own. All survey results are shared by TIG with the respective Supply Chain Partners. Some Supply Chain Partners said they provided copies of their own survey results to TIG, but that TIG did not to their knowledge carry out surveys of their customers. On an annual basis, TIG also reviews relevant external reports such as Ofsted and DWP reports, and considers these feedback sources alongside information gathered from LEPs¹¹ and Regional Work Programme Forums. These all inform the annual SAR process, which in turn generates the QIP.

Limited evidence was available relating to the impact of the supply chain on wider social objectives or policy intent of the commissioners. This was a matter of some uncertainty among TIG staff, and there are groups already formed beginning to work on this recognised weakness. Among the supply chain there are some Supply Chain Partners who have developed their own approaches to measuring social impact against a range of defined values. However, for the supply chains, there was an absence of defined objectives. The evidence of impact was in the form of case studies and good news stories, which largely relate to customer and learner successes, and hence could be considered contractually related rather than of direct relevance to wider social impact. Some staff have begun defining social impacts which are likely to be more meaningful, among them reductions in crime rates and increased family wellbeing. These themes are being further developed.

The extent to which supply chain activities have a positive impact on intended customer groups is assessed through customer feedback and destination data, but is not formally recorded or reported. As described above, case studies play a part in this assessment. TIG and the Supply Chain Partners have good data available to them that would demonstrate positive impact, but it lacks any recognised collation, and therefore is not readily found or recalled. Some individual staff of TIG and some Supply Chain Partners have their own views about impact on communities, and it would be useful to capture this and bring it together in an appropriate report.

Equality and diversity monitoring is not fully developed and progress is presently slightly hampered by the incomplete development of PICS, which as yet is unable to capture and report on protected characteristics. Focus of TIG is more on monitoring of customer profiles than on staff within the supply chain, and some consideration should be given to this. There is established practice, temporarily being managed manually, in monitoring and reporting on protected characteristics and payment groups of customers and learners. Evidence of any proactive use of the monitoring data to affect change or improvement was relatively weak.

¹¹ Local Enterprise Partnership

Among the findings it was apparent that there may be a degree of complacency over engagement of representative demographic groups in the Work Programme because referrals have been accepted from Jobcentre Plus and could not be influenced by the supply chain, however, consideration could be given to making comparisons of how different groups fare in their outcomes having progressed through the support process. An example of gender imbalances being recognised within the supply chain was described by a Supply Chain Partner; they raised their knowledge of male under-representation in nursing roles with their SCM, as yet no response or action has been decided, but this is potentially an example of where supply chains can impact on equality, rather than merely monitor.

The process for Supply Chain Partner exit is well documented, but may not always be clear to Supply Chain Partners when they are approaching an exit. Some Supply Chain Partners who were nearing completion of a contract over the practicalities of closing their contract, although they were not unduly concerned. Others who had exited described robust activities, for instance with appropriate care being taken over the physical security of records that were collected by secure courier in reference-coded sealed boxes for return to TIG. Consideration is also given to learners and customers, with arrangements to hand over or take over responsibility for any remaining on programme high on SCM agendas.

9. CONCLUSION AND CONDITIONS OF ACCREDITATION

There has been considerable change in The Intraining Group since the last assessment. This assessment found some inconsistencies in the application of processes and practices between different staff, possibly as a result of structural changes and short-term resourcing issues. TIG will benefit from a period of consolidation in order to restore stability, but the drive and ethos remains to ensure continuous improvement.

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@assessmentservices.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.

	
PO Box 14, Grantham, Lincolnshire NG31 0EL	T: 0044 (0) 2038805059 E: merlin@assessmentservices.com https://twitter.com/merlin_standard