



merlin standard

2018

KENNEDY SCOTT

COMPACT REPORT

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1. KEY INFORMATION

Assessment Type	REACCREDITATION REVIEW
Assessor's Decision	STANDARD MET
Anniversary Date	10/09/2020
Assessment Dates	10/09/2018 – 11/09/2018
Lead Assessor's Name	LORNA BAINBRIDGE
Customer ID	C10055
Assessment Reference	PN103438

2. ASSESSMENT OUTCOME

OVERALL OUTCOME	82% Good
1. Design	87% Excellent
2. Procure	80% Good
3. Contract	87% Excellent
4. Fund	73% Good
5. Develop	87% Excellent
6. Performance Manage	83% Good
7. Quality Assurance and Compliance	84% Good
8. Review and Close	76% Good

3. METHODOLOGY

Kennedy Scott was mandated to undertake an initial assessment against the Merlin Standard prior to 30th August 2016 as a result of being awarded the Specialist Employability Support contract by the Department for Works and Pension (DWP). The SES contract continues to be delivered by Kennedy Scott and as a result came forward for a reaccreditation review against the Standard.

The assessment team comprised of Lorna Bainbridge (Lead Assessor) and one Team Assessor: Christine James, and were supported by two Coordinators from within Kennedy Scott. The Lead Assessor and Coordinator started planning the assessment in February 2018 whereby the logistics of the reaccreditation review and the on-site dates were provisionally agreed.

The Lead Assessor was in contact with the Coordinator prior to the on-site to review the scope, schedule and logistics. The Merlin Survey was distributed nine weeks prior to the on-site date. The Self-Assessment Questionnaire (SAQ) and Pre-Assessment Notes (PAN) were submitted in line with the guidelines and within the agreed timeframe. The interview schedules were prepared and shared with the Assessors in preparation for the on-site activity in a timely manner.

The Lead and Team Assessor spent 1.5 days undertaking interviews with 72% of the tier 2 Supply Chain Partners, in addition a representative sample of potential and past Supply Chain Partners were also interviewed. Interviews included Kennedy Scott's staff involved in the strategic and day-to-day management of the supply chain to enable the assessment team to gain a full understanding of the delivery model, including the systems and processes implemented.

Following the interviews, verbal feedback was provided to the Chief Executive Officer (CEO) Chief Operating Officer (COO), Business Development Manager (Joint Coordinator of the reaccreditation review), Quality and Compliance Manager and Supply Chain Manager (Joint Coordinator of the reaccreditation review). This indicated the outcome of the reaccreditation review, areas of strength and those to consider for further improvement against the Principles of the Merlin Standard.

4. ABOUT THE ORGANISATION

Kennedy Scott was formed in September 1989 as a subsidiary of The Principles Group. After 18 months, the current CEO acquired the company outright and has remained owner-manager for the last 27 years. Kennedy Scott provides a range of services to those hardest to reach / furthest away from the job market and experience multiple barriers.

The current portfolio of contracts is diverse and comprises national DWP/ESF (European Social Fund) Prime Contract for Specialist Employability Support, the DWP/ESF Work Programme and Work Choice, DWP/ESF Work and Health Programme, DWP/ESF Help to Work, DWP/ESF Journey to Work and DWP/ESF Work Routes. In addition, Elevate Berkshire for Reading Borough Council and Oxforward for Oxfordshire County Council.

Kennedy Scott was primarily a subcontractor to Prime organisations delivering the DWP Work Programme across the South East, London, and Hertfordshire, and the Work Choice in Bedfordshire, Hertfordshire and Berkshire. In 2015, the Organisation became a Prime when it was awarded the SES contract, and has subsequently been awarded the Oxforward and Help to Work contracts whereby it opted to design a supply chain. The purpose of designing the supply chains was to achieve the funders' objectives.

Currently the Specialist Employability Support (SES) supply chain comprises of six Supply Chain Partners (referred to as Partners throughout the report) delivering 25% of the contract value, whilst the Oxforward supply chain comprises of one Partner delivering 5% and 15% of the Help to Work contract is being delivered by five Partners.

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:

Kennedy Scott considers using a range of organisations in its supply chains, including private, public and third sector, and of differing legal status. In addition, there was evidence of using large national organisations, small and medium enterprises through to sole traders with the aim of meeting the commissioner's objectives and addressing the diverse needs of customers. The Partnership Network is a central resource listing approximately 400 organisations which are either current or potential Partners within a supply chain and / or provide specific niche services which Partners can access to meet the customer's needs. Once again these are from different sectors, legal status and range from national through to sole traders. (1.1)

Partners are actively encouraged to identify and work with organisations outside of the supply chains to support customers at a local level, and if appropriate direct these organisations to the initial Expression of Interest (EOI) to register on the Partnership Network. Consequently, the Partnership Network provides Partners with access to a wider network to support the delivery of the service and meet specific customer needs. In addition, the Circle of Support; a delivery model designed and adopted by Kennedy Scott, encourages active working relationships to be developed and maintained with others that are already working with the customer, for example, social worker, health provider, etc. (1.2)

Consultation with potential Partners is a key focus when preparing to submit a bid for a new contract / service, which was evidenced through the Greater London Authority (GLA)2Work bid and the more recently Working Wales. Potential Partners spoke of reviewing a delivery model to suit the needs of the customers within Wales and address the commissioner's requirements. One Partner comment included: *"They're really good at valuing our opinion – they know we know Wales."* Similarly, throughout the life of the contract Partners made reference to being consulted about the delivery model, systems and processes, for example, phase three of the SES contract is imminent and as a result Partners have been consulted about the customer journey for a twelve-month programme. (1.3)

Performance expectations are communicated to potential Partners prior to the submission of the EOI to ensure they are clear regarding the anticipated requirements and outcomes, which means they can make an informed decision to bid for a contract. Subsequently, upon contract award the performance expectations are discussed in detail and throughout the life of the contract weekly reporting and monthly performance reviews ensure Partners clearly understand what is expected of them. One Partner comment included: *"There's no uncertainty about what's expected, its discussed at the start, clearly documented in the SLA (service level agreement) and handbook, and referred to weekly with the Supply Chain Manager."* (3.2)

Partners are supported to fulfil their contractual obligations from contract award and throughout the life of the contract. This included initial set-up for the SES contract which included five days training and subsequently ongoing support to address changes in the commissioner's requirements, changes to documentation and KSIS (Kennedy Scott Information System). In addition, in the event of new staff starting extensive support is provided to ensure understanding of the operational contractual requirements. Some Partner comments included: *"The on-boarding was great and included system training, training on the Circle of Support, review of crib-sheets and loads of other bits."* *"The ongoing support is great to ensure we meet the contractual obligations."* *"They have facilitated a meeting with Jobcentre Plus (JCP) staff to support referrals."* (5.1)

Opportunities to access other funding / grants is promoted on the website, as well as through newsletters and emails, and on occasions direct contact, for example, information was provided regarding The London in Communities Fund 2018/19 to some Partners. Some Partners spoke of being introduced to others (national organisations) with the aim of entering their supply chains to provide a niche service. Whilst others referred to joining the supply chain having had no previous experience of working on Government contracts and through the guidance and support of Kennedy Scott have achieved performance expectations and as a result had the opportunity to increase their market share and move into other areas to deliver the service. (5.2)

Partners spoke highly of the relationship with the Supply Chain Manager (SCM) and the support gained and felt confident to discuss issues and concerns regarding the contract openly, as well as identify what is working well. In addition, the COO was referred to as being responsive and supportive and genuinely listening to their challenges and identifying solutions. Partners clearly understood who to approach to gain appropriate support for different aspects of the contract, for example, performance, quality and compliance, finance, KSIS (including Management Information and reports), etc. and confirmed that people were consistently positive and supportive, and more importantly communicated openly and honestly. (6.1, 6.2)

Performance management is a two-way process, whereby performance expectations and outcomes are closely monitored, and support provided to address issues as they arise. Partners confirmed that the process was effective and enabled them to identify what is working well and areas for improvement. Once again, the SCM was viewed as open and honest, positive and supportive, and having a genuine desire to create a partnership, recognising that the success of Kennedy Scott is reliant upon the Partners as well as the performance of the direct delivery team. (6.3)

Communication of updates to legislative and regulatory requirements were viewed as being timely by the Partners. They spoke of updates to General Data Protection Regulation (GDPR) being initially communicated by newsletters and email, and subsequently followed up by the SCM to ensure understanding and implementation, as well as training being provided. Similarly, communication regarding contractual changes was easy to understand with an indication of what was expected of the Partner as a result of the change/s. Partners spoke of quizzes being introduced on occasions to check receipt, understanding and implementation of policies and processes, including those relating to health and safety, safeguarding, prevent, data security, etc. (7.1)

A range of audits are undertaken to ensure Partners are compliant and meeting the contractual requirements of the commissioner, which include file checks, review of action plans and observations of staff. Partners spoke of the activities being robust and findings identifying areas for improvement, for example, improving the content of action plans, ensuring paperwork is supported with the correct evidence, etc. In addition, Partners referred to customer feedback and the monitoring of the provision of the service. Some Partner comments included: *"They facilitate clients to give feedback which goes to Kennedy Scott – we then get the results but its anonymised."* *"They're really good at getting us to get feedback – we've upped our game on that."* (7.2)

Feedback from external audits, assessments and inspections is valued by the senior leadership team as this informs plans for continuous improvement. This was evidenced through the improvements made since the Merlin assessment in 2016, whereby there was increase of 15% in the overall score. In addition, feedback is actively sought from Partners, both informally and informally, which is subsequently responded to, for example, a pilot for a paperless strategy is being implemented, a streamlined process for uploading the 1420 form was designed, etc. More recently, the COO undertook a 'listening exercise' whereby 90% of Partners were involved in answering a set of questions and had the opportunity to share their ideas and opinions with the aim of making improvements to different practices, for example, payment cycle, reduction in compliance checks, etc. (8.1)

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:

Partners spoke of being aligned to the values and commitment to equality and diversity of Kennedy Scott, and the fact that this was one of the deciding factors to work with them. Subsequently, Partners confirmed that whilst values had not been discussed since the initial procurement activities Kennedy Scott continued to uphold the values throughout the life of the contract, which was also one of the findings of the 'listening exercise'. However, in line with the requirements of the Merlin standard; *'the design of the supply chain involves mutual agreement upon a set of core principles and behaviours'*, this was not found to be the case. As a result, in the future consideration could be made to engaging Partners in conversations to agree a set of principles / behaviours by which the supply chain will operate, and Partners and Kennedy Scott may consider measuring themselves against these to ensure they are being upheld throughout the life of the contract. (1.5)

Kennedy Scott have introduced a self-billing process to enable Partners to raise invoices for the service provided on a monthly basis. Whilst improvements have been made to the process some Partners continue to experience a range of issues, which results in late payments. The issue of payments was also raised throughout the 'listening exercise', and Kennedy Scott have further plans to address the matter, which it is urged to do so in order to meet Partner's expectations. (4.2)

A range of learning and development activities have been provided to support the delivery staff, which includes safeguarding, prevent, GDPR, KSIS, disability awareness and mental health first aid, etc. Whilst this meets the requirements of the Merlin standard consideration could be made to being more proactive and complete a training needs analysis, and subsequently measure the impact as a result to establish the return on investment. (5.3)

Kennedy Scott has taken positive action to ensure the Organisation and its Partners adhere to the principles of, or if meeting the relevant criteria, fully comply with the requirements of the Modern Slavery Act. This has been achieved through the inclusion of a Modern Slavery policy / statement being included in due diligence, however, a number of Partners were not aware that this had been requested of them. Consequently, consideration could be made to implementing the approach in future due diligence and / or audit activities, and raise delivery staffs' awareness around the topic and what this means in practice. (7.5)

Some Partners (national organisations) were aware of the wider social objectives of the commissioner and as a result were able to provide examples of how they had impact on these, however, this was less evident with some of the smaller Partners. Consequently, consideration could be made to communicating the wider social objectives and subsequently, as a supply chain measuring the impact on them to demonstrate the difference the service is making in a wider context. (8.2)

Partner's strategies and plans for equality and diversity are aligned to that of Kennedy Scott and subsequently, equality and diversity is promoted through a quarterly newsletter, which Partners confirmed. A high proportion of Partners recollected capturing information relating to equal opportunity, however, only two could cite that they analysed and used the data to inform improvements. Consequently, consideration could be made to increasing Partner's understanding and ability to monitor equal opportunities data and how this could be used to make improvements. (8.4)

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:

A number of interventions take place to identify areas for improvement at Partner level, for example, performance reviews, audits, observations of practice and informal discussions. In addition, Partners are encouraged to complete an annual Self-Assessment Report (SAR), which results in a Quality Improvement Plan (QIP). Whilst these are submitted to Kennedy Scott and subsequently influence the QIP for the respective contract, Partners failed to recognise how they contributed, and could not recall seeing the final document. Consequently, in the future, consideration could be made to ensuring Partners are aware of how they contribute to the QIP, as well as providing easy access to it to enable them to appreciate how they contribute to future improvements across the supply chains. (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>An area of significant strength was the fact that Kennedy Scott considers using a range of organisations in its supply chain, which are of different legal entities and sectors, as well as varying sizes in order to support the achievement of the commissioner’s objectives. This was also apparent within the Partnership Network whereby there was a broad mix of organisations. Partners were aware of others in the respective supply chain and confirmed that there was a good mix of organisations with different skill sets / niche market to meet the various needs of the customers.</p> <p>The make-up of the supply chains is reviewed to address performance issues and the changing needs of the customers. There was evidence of smaller organisations being brought into the supply chains to provide specific services to meet customer needs and to increase recruitment, as well as replacing those that had underperformed. The Partnership Network provides an effective resource to identify potential Partners to join the supply chains.</p> <p>A strategy to manage TUPE (Transfer of Undertakings Protection of Employment Regulations) has been designed and subsequently executed over the past two years. For example, in the event of a Partner leaving the supply chain, consideration has been made to TUPE through consultation with the respective Partner. Human Resources seeks legal advice from an external Consultant in the first instance and if appropriate, the strategy is mobilised to transfer staff. One interviewee explained the process that was experienced and confirmed that Kennedy Scott communicated effectively, honoured the terms and conditions of employment, and subsequently made the transfer promptly.</p> <p>As previously noted in the area of strengths, performance expectations are outlined to potential Partners prior to the submission of the EOI and subsequently discussed further upon contract award to ensure a full understanding. The weekly reporting and monthly performance reviews focus on performance expectations; areas whereby expectations are being met and not met throughout the life of the contract.</p> <p>Whilst performance expectations are discussed and agreed they are also documented within the SLA / contract, and appropriate variations, as well as Partner Handbook and monthly performance review documentation.</p>

The financial models are designed by the COO in preparation for tendering for a new contract opportunity, this is based on the information provided by the commissioner, and subsequently these are shared with Partners. Where feasible these are shared with Partners prior to the submission of the EOI to contribute to effective decision making. Upon contract award the finances are formally reviewed with the Partner, and where appropriate, financial modeling is undertaken to ensure a clear understanding, especially in relation to the payment by results model to ensure the Partner is not put at undue financial risk. In addition, the payment arrangements are discussed and agreed to ensure Partners understand how to draw down money due. Some Partner comments included: *"Yes, it's fair and proportionate – we wouldn't have agreed to it if it wasn't."* *"We're paid a fair amount for the work we do."*

DO

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

Another key strength of Kennedy Scott is in the area of supporting the development of Partners to fulfil their contractual obligations from contract award and throughout the life of the contract. Partners spoke in-depth regarding on-boarding for a new contract, and those joining the supply chain at a later stage confirmed that extensive support was provided to ensure they were equipped with the necessary resources, knowledge and skills to deliver the contract.

A number of Partners are experiencing contracting with a Prime on a Government contract for the first time, however, they felt well supported and valued by Kennedy Scott due to the approach taken to ensure they could meet their contractual obligations at the start and throughout the life of the contract. Partners gave specific examples of the support gained from Kennedy Scott; quality and compliance activities, marketing materials, customer journey processes, etc. In addition, one Partner explained that due to internal resources being limited Kennedy Scott had provided administration support.

Kennedy Scott provide extensive support to Partners to encourage them to build capacity and develop comprehensive services to ensure they remain viable and sustainable organisations. This is achieved in many ways, for example, through monitoring and improving performance, and subsequently increasing their market share and / or volumes, facilitating meetings with JCP, etc. One Partner spoke of reviewing their business model with Kennedy Scott, which was subsequently changed and as a result the "organisation became stronger".

In addition, other funding streams / grants are promoted widely, and if appropriate joint bids are considered, or Kennedy Scott is willing to provide support to the Partner in the bid writing process. Kennedy Scott has also played a role in introducing some of the smaller Partners to national organisations such as Pluss, Remploy, etc. and as a result they have joined their supply chains and delivering the Health and Work Programme.

Staff within Kennedy Scott consistently spoke of developing a true partnership whereby the supply chain and direct delivery was seen as one; and stated '*our success is dependent on the success of the Partners and as a result we build strong relationships*'. This was echoed by the Partners, who confirmed that it was a partnership approach with Kennedy Scott being very supportive. They believe that communication is consistently forthcoming; direct, open and honest, and they are confident to discuss anything in relation to the contract and their own business, for example, staff shortages.

A robust approach to performance management has been designed and implemented, which Partners felt was supportive and positive due to the style adopted by the SCM. Whilst performance in relation to the targets was a primary focus, Partners felt that Kennedy Scott understood the challenges they faced, especially the smaller organisations, and as a result worked together, supporting them to identify realistic solutions. For example, one Partner explained that the referral target was removed to enable them to focus on customer progression and outcomes.

Partners spoke of different and sometimes innovative approaches being shared by the SCM through the performance review discussions and best practice days. For example, ways of keeping customers engaged at the start of the programme, effective use and engagement of employers, progression strategies, etc.

Monthly management information is readily available and accessible for all Partners to enable them to monitor performance, which Partners find is accurate and reliable. Information is also available which indicates the overall performance of the contract. The KSIS provides access to performance information on a daily and weekly basis, and once again, Partners felt this was valuable and helped drive performance at Advisor level.

Similarly, alongside performance management the approach to ensuring compliance and quality of delivery, including the customer experience is robust. A range of activities take place to ensure the Partners are compliant and meeting the contractual obligations; findings are communicated to the Partner and if required, support provided. Partners spoke of improvements being made as a result of audits and checks undertaken by Kennedy Scott, and the assurance that this provides to ensure they are meeting specific obligations.

There was evidence of Kennedy Scott adopting a more flexible approach to quality assurance and reducing the frequency of audits and checks to reflect the number of customers on programme. As a result, it was felt that the activities were proportionate and effective.

Customer feedback is gained to establish the level of satisfaction in relation to the overall service and experience gained throughout the programme.

REVIEW

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

As previously stated, there were varying levels of understanding in relation to the wider social objectives of the commissioner. However, some Partners provided examples of the contribution made; reduces reliance on benefits, integrating disabled people into society, reducing worklessness, reducing generational unemployment within households, etc. Some Partners spoke of the Circle of Support and the impact on customers in relation to the ongoing support mechanisms to ensure sustainment of progression and / or employment

In terms of the impact on the intended customer groups this is measured through the 'good news' stories. Case studies are prepared and shared by Partners and Kennedy Scott which outline the positive impact on customers, for example, progression and moving closer to the labour market, improved confidence, better health and wellbeing, ability to socialise with others, etc.

The impact on external stakeholders and the wider community is reviewed by Kennedy Scott and promoted at events, for example, Employability Day, and at different meetings with the commissioners, Employment Related Services Association (ERSA), etc.

9. CONCLUSION AND CONDITIONS OF ACCREDITATION

In conclusion, this reaccreditation review provided the opportunity to evaluate the practices of Kennedy Scott against the Merlin Standard. As a result, the Organisation will be accredited with the Standard for a further two-years. The senior leadership team should be mindful that any significant organisational or senior staff changes, and / or being awarded additional contracts using a significantly different supply chain may require a strategic review. Kennedy Scott will be due a re-accreditation review in September 2020.

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.

 ASSESSMENT SERVICES	
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