



merlin standard

DTS LEARNDIRECT

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1. KEY INFORMATION

Assessment Type	INITIAL ASSESSMENT
Assessor's Decision	STANDARD MET
Anniversary Date	23/01/2021
Assessment Dates	21/01/2019 – 23/01/2019
Lead Assessor's Name	LORNA BAINBRIDGE
Customer ID	C14480
Assessment Reference	PN104015

2. ASSESSMENT OUTCOME

OVERALL OUTCOME	62% Satisfactory
1. Design	63% Satisfactory
2. Procure	65% Satisfactory
3. Contract	67% Satisfactory
4. Fund	60% Satisfactory
5. Develop	60% Satisfactory
6. Performance Manage	69% Satisfactory
7. Quality Assurance and Compliance	60% Satisfactory
8. Review and Close	56% Satisfactory

3. METHODOLOGY

DTS learndirect (referred to as DTS or the Organisation throughout the report) is mandated by the Department for Work and Pensions (DWP) to be assessed and subsequently accredited against the Merlin Standard. This is due to being a delivery Partner (Prime) for the Work Programme. The Organisation is also a Prime provider for a number of ESF (European Social Funding) contracts whereby a supply chain has been designed to support the delivery of the service, and as a result these were included in the scope of the assessment.

The assessment team comprised of Lorna Bainbridge (Lead Assessor) and Neil Potentier (Team Assessor) supported by a coordinator from within DTS. The Lead Assessor started to work with the coordinator in October 2018 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 spread-sheet indicating a full list of Supply Chain Partners (referred to as Partners throughout the report). All Partners listed were current, there were no potential or past.

In advance of the assessment, a survey of the Partners was carried out, with all 32 being invited to participate. Responses were received from 37.5% of the total. The results of the survey informed the focus of interviews for the assessment team and contributed to the overall scoring.

The Lead Assessor liaised 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 in line with the agreed timescales to enable the assessment to take place as planned.

The assessment team spent a total of 1.75 days each reviewing documentary evidence and undertaking interviews with DTS staff involved in the strategic and day-to-day management of the supply chains. In addition, 56% of the Partners across all contracts were interviewed.

The following report provides an indication of the findings against all the criteria within the Merlin Standard, which was evidenced across the supply chains, as well as areas of strength and areas to consider for development and significant improvement over the forthcoming two-years.

4. ABOUT THE ORGANISATION

DTS learndirect was previously known as learndirect Ltd which was acquired by Dimensions Training Solutions (part of the Stonebridge College Group) on 23rd June 2018. DTS has recently defined its strategy which is based on '*everyone working together with a collective purpose and responsibility to gain a successful and rewarding working environment delivering value to all stakeholders*'. This is underpinned by four principles; '*The Base – to run our Business*', '*Protect – our Learners*', '*Drive – Value*' and '*Grow Sustainably*'. Subsequently each principle is supported by a set of values / behaviours.

The contracts previously under learndirect Ltd were novated to DTS in July 2018 and as a result every effort was made to ensure it has been '*business as usual*' for Partners and Learners. DTS has continued to gain funding from DWP and through ESF and has recently bid for contracts due to start later in 2019 as the current portfolio of contracts come to a close on 31st March 2019.

In order to meet the requirements of the commissioners and address customer's needs DTS recognise the value of designing and working with supply chains to deliver a range of services to meet contractual requirements, as well as a diverse range of customer needs. The following provides an indication of the current contracts and the breakdown between direct delivery and supply chain:

Work Programme – DWP funding – Contract Package Area (CPA) 12 Gloucestershire, Wiltshire and West of England - 44% direct delivery and 56% supply chain.

Skills Support for the Workforce (SSfW) – ESF - Derbyshire & Nottinghamshire, Lancashire - 100% supply chain.

Skills Support for the Unemployed (SSU) – ESF - London Health and Social Care, London Travel and Tourism, Hertfordshire, Manchester and West of England - 26% direct delivery and 74% supply chain.

Skills Support for Redundancy (SSR) – ESF – Stoke and Staffs - 100% supply chain.

Not in Education, Employment or Training (NEET) - ESF - West of England - 37% direct delivery and 63% supply chain.

5. AREAS OF SIGNIFICANT STRENGTH

Areas of significant strength were identified during the assessment and these are described below. The numbers in brackets refer to the criteria of the Standard:

The Atlas Management Information (MI) System has evolved and as a result provides Partners with access to one platform to undertake numerous functions. This includes but is not limited to providing a range of reports for operational, management and strategic staff to enable current performance to be measured and forecasting to be completed against the contract volumes and monetary value. Consistently Partners made reference to access to current and accurate MI which has proven to be invaluable to measure performance and forecast on a weekly basis. (6.4)

Whilst the following was not a significant strength it would be remis of the assessment team not to recognise the efforts of staff to ensure professional business relationships were maintained with Partners throughout a period of turbulence. A high proportion of Partners spoke of communications being ongoing, open and honest and staff remaining positive and supportive, despite uncertainty throughout the months from June to August 2018. (6.1, 6.2)

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:

The greatest challenge DTS face is that of gaining consistency across the contracts and implementing robust approaches to working with and managing the supply chains that are fit for purpose and proportionate. The development of the Supply Chain Management Framework (SCMF) is aligned to the principles of the Merlin Standard and sets out the practices to be adopted from designing through to reviewing supply chains. Consequently, DTS is encouraged to implement the SCMF to contribute to working effectively with Partners and gaining consistency. (Principles 1, 2, 3, 4, 5, 6, 7 and 8)

DTS have recently undertaken a full business review and identified areas requiring critical action, as well as areas for continuous improvement, which has resulted in the development of an action plan. This is actively encouraged, it may prove beneficial to review the requirements of the Merlin Standard to ensure key actions are in place, and that development and improvement points raised in this report are addressed. (Principles 1, 2, 3, 4, 5, 6, 7 and 8)

Whilst some Partners made reference to consultation and providing feedback in relation to Atlas, the SCMF and activities within the supply chain, there was less evidence of consultation prior to submitting a tender and as the contracts are coming to a close. In the future, consideration could be made to consulting Partners to inform tenders being submitted by DTS and subsequently upon contract award to inform the delivery model, systems and processes, which continues throughout the entire life of the contract. (1.3)

DTS and individual Partners work closely in order to promote and provide the services to meet customer needs and contractual requirements. However, there was minimal evidence of Partners working in collaboration with one another, as a result, as the new contracts 'go live' consideration could be made to encouraging and facilitating collaborative working within and in some cases across supply chains. (1.4)

Partners confirmed that the allocation of market share was viable and transparent at the start of the contract. However, throughout the life of the respective contract a number of variations have taken place, and as a result some Partners lacked clarity regarding the current percentage of the market share. Consequently, as variations in contracts take place, consideration could be made to reviewing the allocation of the market share and communicating to the respective Partner. (2.3)

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:

Partners spoke of the values of learndirect Ltd, which had been promoted at the start of the respective contract, however, very few were aware of the current DTS values and what these meant in practice. Consequently, DTS is encouraged to review the positioning of the values, what these mean in practice and how these are to be communicated. This would ensure Partners understood what was expected of them when working with the Organisation. It may be timely to establish a set of core principles and behaviours for the supply chains which Partners are involved in establishing to allow mutual agreement at the start of the new contracts. Once again, this would provide clarity regarding principles and behaviours. (1.5)

Some Partners were aware that there was a management / contribution fee, however, in terms of what they received for that payment they were only able to cite Atlas. In the future, a more proactive approach could be taken to explain, discuss and agree the management / contribution fee and what this provides to the Partner. In addition, throughout the life of the contract consideration could be made to reviewing the fee with Partners, as the support requirements change. (4.3)

Partners made reference to being able to approach DTS staff and gain additional support, as required, throughout the life of the contract, however, there was very little evidence of actively promoting and facilitating the development of staff within the supply chains. As a result, consideration could be made to reviewing the learning and development needs of staff throughout the monthly Contract Performance Review (CPR) and / or undertake a full training needs analysis at different points of the contract. This approach would enable the Organisation to facilitate learning and development for staff, and subsequently measure the impact on performance. (5.3)

Currently, effective / best practices are identified throughout the monthly CPR and subsequently shared across the supply chain, however, Partners are unaware of this (sharing) taking place. In addition, cases of effective / best practice are identified through the Partners submitting case studies, which are monitored by the Organisation and forward to the relevant commissioner. However, Partners are not aware of these being shared across the supply chain. Consequently, consideration could be made to reviewing how DTS identify, share and monitor cases of practice to support the improvement in performance and service delivery. (6.6)

DTS senior management clearly understand what is expected of them and the supply chain to meet the requirements of the Modern Slavery Act 2015. A plan is in the process of being implemented with a deadline of 31st March 2019 for completion. As a result, DTS are encouraged to implement the plans to ensure Partners adhere to the principles, or if meeting the relevant criteria fully comply with the requirements. (7.5)

Some Partners gave anecdotal examples of how they believed the delivery of the service had made a positive impact on the wider social objectives and / or policy intent of the commissioner. DTS learndirect has completed an Impact Assessment for the Work Programme, which indicates the impact, however, Partners failed to recollect sight of the report. Consequently, consideration could be made to involving Partners in the development of the report and subsequently sharing such information with them, in the future. (8.2)

8. FINDINGS

PRINCIPLE 1: Design

DTS recognise the importance of working with supply chains that are made up of different types of organisations from the public, private and third sector; charitable and social enterprises. In addition, organisations of varying sizes have been utilised within the supply chain with the capacity and ability to deliver a range of general or niche services, regulated and / or non-regulated training. Some Partner comments included:

"The supply chain covers all bases and can respond should a need emerge."

"The design matches LEP priorities."

"There is a good balance (of SCPs) and they always have their eyes open for new ones."

"All skills are covered, and it links to Labour Market Information."

Extensive research is undertaken prior to bidding for a contract to ensure a clear understanding of the aims and objectives of the commissioner, customer groups and potential numbers. DTS engage with different stakeholders, for example, Local Enterprise Partnerships (LEPs) to identify the priorities in the different areas. This has influenced the approach taken in preparation for the new contracts to ensure the commissioner and customer's needs are met.

DTS have supported Partners to develop and maintain relationships with key stakeholders within the area they operate, for example, LEPs and DWP JobCentre Plus (JCP). Partners have developed their own wider networks to deliver support services to customers, which DTS recognise as a necessity to ensure the holistic needs of the customers are met. In the future, DTS intend to identify the wider networks Partners are using throughout the Expression of Interest (EOI) and subsequently support them to develop their strategies further to enable them to meet the changing needs of customers effectively. This is encouraged and the impact will be reviewed during the Merlin reaccreditation review in two years.

As reported in areas for development, there was some evidence of Partners being consulted and encouraged to provide feedback, which has informed 'tweaks' to Atlas and the development of the SCMF. Partners confirmed that DTS is receptive to feedback, listen and implement their ideas; changes and improvements. However, in the future, more could be done to engage and consult Partners to design and inform the delivery model, systems and processes throughout the life of the contract, and towards the close of a contract.

Collaborative working was evident between DTS and individual Partners to promote and provide services to meet customer needs and contractual requirements. As reported in areas for development, there was some evidence of Partners working together, for example, in one area, two Partners had developed a strong relationship, which had led to working together and sharing resources, however, evidence of this nature was limited. Consequently, further work could be undertaken to facilitate open participation and the sharing of resources across the supply chains.

There is a strong commitment to equality and diversity across all supply chains which is embedded in the practices of both DTS and Partner organisations. As reported in the areas for significant improvement, further work is required to ensure there is a set of core principles and behaviours which are mutually agreed, adopted and subsequently reviewed across all the supply chains.

The make-up of the supply chains has been reviewed and as a result there was evidence of new Partners being brought into the network to work with different groups, for example, Black, Minority and Ethnic groups (BME). In addition, Partners providing specific niche training opportunities have been brought into the respective supply chain, for example, glass and welding qualifications.

PRINCIPLE 2: Procure

Potential Partners are made aware of the opportunity to work with DTS through a range of media, for example, website, email, direct approach, etc. Partners are provided with key information regarding the contract requirements and outcomes to enable them to make an informed decision as to whether to complete an EOI.

The EOI is made available through Bravo, and as a result, Partners confirmed that access was easy and the process straight-forward as it was in line with other Prime organisations. If required, support is available to Partners whilst completing the EOI. Some Partners were aware of the scoring methodology which is used, whilst others were unsure, however, consistently they spoke of the procurement process being fair and transparent.

Communication updates are provided to Partners throughout each stage of the procurement activity, and subsequently upon contract award Partners are advised of whether they have been successful or not. The assessment did not provide the opportunity for the Assessors to review communication to unsuccessful Partners, due to all Partners gaining a contract throughout the period that DTS learndirect had been operating. As a result, DTS are encouraged to ensure communication of the outcome is clear and provides effective feedback to enable potential Partners to submit an appropriate EOI in the future.

Partners spoke of a robust approach to due diligence whereby financials, resources available, policies and procedures, etc. were requested. Once again, support was available to gain clarification of the requirements.

A strategy for Transfer of Undertakings (Protection of Employment) Regulations (TUPE) is in place which is underpinned by processes to ensure effective consultation and communication with staff potentially transferring in or out of the Organisation. In the event of changes to the ownership of contracts, full consideration would be made to the TUPE implications. The assessment team was advised that there had been no TUPE activity in relation to Partners in the past six-months, and as a result the strategy was not reviewed; however, assurance was provided, that if applicable in the future the TUPE strategy would be mobilised.

The allocation of the market share is based on key factors, for example, size and fit of the organisation, past track record, delivery model, capacity to mobilise, knowledge and skills. This information is gathered throughout the EOI, and subsequently the market share is reviewed with Partners prior to entering into a formal contract.

Partners confirmed that the allocation of market share was viable and transparent due to the evaluation of the key factors at the start of the contract. Subsequently, throughout the life of the contracts extensions and variations have taken place. Whilst Partners delivering in one area were aware that they had 100% of the market share and those operating in niche fields gained 100% of the customers, those operating in the same geographical area as others had less of an understanding of the market share allocation. Some Partner comments included:
"They are very proactive in making allocations based on performance and demand."
"They have matched to LEP priorities. This is fair."

Partners are encouraged to present a 'delivery plan' prior to contracting with the aim of sharing anticipated volumes and unit prices, which is reviewed and negotiated with DTS prior to entering into a formal contract. Similarly, performance expectations are discussed in line with those of the commissioner and DTS and these are subsequently agreed with Partners. Consequently, Partners felt their requirements were taken into consideration and for some Partners this process ensured that the contract was viable.

The monthly CPR also provides Partners with the opportunity to review performance and re-negotiate volumes. Recently, Partners have been encouraged and supported to prepare and submit forecasts and actual performance on a weekly basis through Atlas, and this information has been used to review volumes and there was evidence of re-negotiations taking place and Partners increasing their delivery volumes.

PRINCIPLE 3: Contract

Contractual documentation reflects the requirements of the commissioner and is designed to clearly define the obligations of both the Organisation and the Partners. Partners confirmed receipt of the contract following negotiations, and prior to starting to deliver the service. The contracts were deemed to be fit for purpose and ensured a good understanding of expectations of all stakeholders; DTS, Partners and the commissioner.

In the event of any changes and /or extension following contract award, these are reviewed and discussed with Partners to ensure the contract continues to be viable and there is a clear understanding of the obligations and expectations. Subsequently, a variation of contract is designed and shared with the Partners to sign to indicate their acceptance of the new requirements. The recent contract variation was issued via Atlas, whereby Partners could sign and accept the changes through a paperless activity. Consequently, such documentation is readily accessible to reference throughout the life of the contract. A number of Partners made reference to the simplicity of this approach.

As previously stated, the performance expectations are shared with Partners prior to submitting an EOI which are subsequently reviewed throughout the negotiations stage prior to entering the contract. As a result, Partners confirmed that they clearly understood the expectations before entering into any form of relationship and these were reviewed in greater detail prior to starting the delivery of the service.

The monthly CPR provides the opportunity to review performance against expectations which results in clarity of actions being gained for the forthcoming month. The introduction of forecasting on a weekly basis and reporting actual performance against the contract provides an additional opportunity to review expectations and identify appropriate action on a weekly / monthly basis.

The dispute resolution process including the availability of an Independent Case Examiner (ICE) (where required) is included within the contractual documentation. Partners cited the contract and the website as resources to access the dispute resolution process. However, Partners explained that they were confident to escalate an issue informally in the first instance and believe that this would be managed effectively, eliminating the need to follow the formal process.

At the time of the assessment there was no evidence of any formal dispute / complaints / appeals against DTS from its Partners, as a result this process was not fully reviewed. Members of the senior leadership team stated that they would fully respect the decisions made as a result of third-party mediation services, if it were to be deemed to have not acted in accordance with the principles of the Merlin Standard.

PRINCIPLE 4: Fund

DTS ensure that the funding and payment arrangements are fair, proportionate and do not cause undue financial risk for Partners, which is achieved through open and honest discussion prior to entering the contract. DTS ensure that the Partner has sufficient cash flow, the necessary resources to deliver the service and are able to work within the payment terms and conditions. One Partner spoke of financial risk been discussed and the numbers required in order to deliver a viable programme, and as a result a minimum number of customers was agreed. It was also agreed that volumes would be increased further when performance expectations were being met. Another explained the detailed discussions around the impact of both under-performing and over-performing to ensure the contract was feasible and would have no detrimental impact on the business.

A strategy for managing the transfer of funds was discussed and agreed, and as a result Partners understood the self-billing process through the usage of Atlas, which ensures invoices are raised in a timely manner. DTS commit to making payments for claims made by the 20th of the following month, and a high proportion of Partners confirmed payments are made in a timely manner and accurately. Some Partner comments included:

"We were pleasantly surprised that they maintained payments so smoothly."

"Payments are made consistently on the 20th of each month."

"Atlas does everything for us and provides DTS with all the information they need for the claims, it is accurate and results in payments being right."

Partners recognised that there was a management / contribution fee, and in some cases cited the percentage value, but over and above the provision of Atlas failed to recognise what else they received in return for the payment. Some Partners made reference to value for money in return for paying the management fee due to the fact that Atlas is a 'great' system, however, this was not consistently verified.

PRINCIPLE 5: Develop

Partners spoke highly of the support gained at the start of the contract in terms of access to training; support for Atlas and the related systems and processes. In addition, Partners explained that they have access to the policies and procedures of DTS through the Provider's Portal, to enable them to clearly understand the minimum requirements to meet the contractual requirements. Some Partners confirmed that they have used the policies and procedures provided as guidelines when designing their own.

Throughout the life of the contract changes to Atlas, for example, forecasting, as well as updates to systems, processes, policies and procedures are communicated to Partners and appropriate support provided to ensure they have understood and implemented the requirements. Some Partner comments included:

"Our high achievement is due to the support DTS have given to date."

"The Provider's Portal gives us access to the policies and procedures we need in place, which we can adopt as ours."

"The initial training on Atlas was great, and support continues to be available."

Partners provided a range of examples to demonstrate how they have been supported, developed and encouraged to evolve, build capacity and develop comprehensive services. One Partner explained: the contract has provided the opportunity to open another training centre, increase staff numbers by over 50% and enabled them to bid for other contracts. Whilst another made reference to gaining a Work Based Learning contract and increase the numbers participating in basic maths and English courses.

DTS promote additional funding streams, for example, the new ESF contracts, and where appropriate encourage and support Partners to bid for these opportunities. Partners confirmed that they were made aware of new business opportunities via the Provider's Portal, email, or direct contact. Some Partner comments included:

"They have encouraged us to bid for the next contract, which follows this."

"They are really interested in making sure you have a sustainable business."

A high proportion of Partners stated that staff were competent in the role and as a result had not required any additional learning and development needs following the initial set up. Some Partners spoke of the open-door approach and how they were able to access additional support / ask key questions and DTS had been very responsive to these and consequently no formal training had been identified. There was very little evidence of DTS actively promoting and facilitating the development of staff within the supply chains, and consequently this is an area requiring significant improvement.

PRINCIPLE 6: Performance Manage

Partners were aware of their key contact/s and their roles and responsibilities from within DTS, and a high proportion were highly complementary regarding their professional approach, accessibility and responsiveness. They explained that everything regarding the contract goes through the key contact, for example, performance, quality assurance, finance, etc. however, if necessary, individuals with specialist knowledge were readily available and again, professional and responsive. Partners understood that it was their responsibility to share information received from DTS with others within the organisation to ensure appropriate action was taken.

A high proportion of Partners commended DTS on being so open and honest in their communications, from the start; June / July 2018 and continued throughout the past six-months whereby a turbulent time has been experienced by many. Professionalism was cited by many, as staff had consistently been positive and supportive despite the uncertainty they were facing.

Partners are confident to discuss a wide range of topics regarding the contract and their own organisation, share their frustrations, ideas and opinions and believe they are well received by staff. Some Partner comments included:

"Excellent communications which have not diminished despite changes to DTS."

"Communications can be anything; face-to-face, telephone, email, at any-time of day."

"All good - we talk at least three or four times a week."

"We get right down to the learner detail."

"Communications work for me."

"There are a range of communication methods, and they are responsive to them all."

"We haven't met X face-to-face but had plenty of telephone conversations."

"No lying. They are the best Prime we have worked with."

A number of Partners confirmed that the monthly CPR had taken place over the past six-months via telephone, as opposed to face-to-face. This had provided them with the opportunity to review performance in depth, as on occasions individual customer progression was reviewed. Partners confirmed that they were confident to discuss anything relating to the contract; issues and concerns, and as a result gained extensive support from individual DTS staff members. It was noted that some Partners had not had the opportunity to review performance formally every month, which indicates there has been some inconsistency across the contracts.

Partners explained the requirement to submit weekly forecasts and actual performance data against key indicators, which had provided them with a greater focus on performance and contributed in identifying key actions to be undertaken to achieve the contractual requirements. Some Partner comments included:

"They are really good at CPRs which include compliance and innovation."

"The new weekly forecasting is really helping us to drive performance."

"The CPRs have tended to be by telephone, which is ok, but we have a face-to-face this week; it will be good to put a face to the name."

As reported in the area of significant strengths, Atlas is a robust MI system, which consistently provides access to accurate and appropriate performance information. Partners confirmed that the system is 'excellent' and provides them with a range of MI which enables them to review and manage performance. They explained that the system enables them to drill down performance to individual job coach, which has proven to be valuable when managing performance of the front-line staff. Some Partner comments included:

"Atlas – excellent."

"Gives you everything you need to know to manage performance on the contract."

"It has been tweaked from time-to-time, and improvements made as a result."

"Everything is in one place, even contracts are being shared through Atlas."

"Coming to terms with Atlas helped us take more control and this impacted on our performance."

Some Partners made reference to DTS staff working closely with them to encourage and support performance improvements and cited some examples. One Partner made reference to achieving a higher number of training outcomes through a review of their approaches to working with customers, whilst another spoke of increasing numbers completing English and maths courses. Another explained that the percentage of job outcomes had exceeded those expected due to the way they were mapping the progression of customers and subsequently supporting them once they had entered employment, and this was as a result of working with the Supply Chain Manager. In the future, a consistent approach is required across the contracts to actively encourage and support performance improvements of Partners.

Whilst a few Partners explained that DTS identifies cases of practice through the CPR and submission of case studies there was uncertainty of how these were shared and monitored across the supply chains. Consequently, this area requires significant improvement, Some Partner comments included:

"We used to have Partner forums and they were good for sharing practices, but they have stopped."

"We shared some of our practices; evidence gathering and methods for progression, but I don't know if, or how these were shared."

"Case studies are submitted every month, which demonstrates effective practice, but I don't know what happens to them, except some are shared with ESFA."

Partners explained that previously they were expected to complete an annual Self-Assessment Report (SAR), which was resultant in the development of a Quality Improvement Plan (QIP). Subsequently, Partners confirmed that their findings of the process contributed to the SAR and QIP for the contract as a whole, and the final QIP was shared with them. This process had just started under DTS, and Partners felt that a similar approach was to take place.

PRINCIPLE 7: Quality Assurance and Compliance

Communications relating to updates of regulatory or legislative requirements are conducted through email and / or the monthly CPR, and subsequently reviewed in the next CPR to ensure understanding of the requirements and implementation within an agreed timescale. Partners recollect email communication regarding the General Data Protection Regulation (GDPR) (learndirect Ltd) and relevant information and advice being provided to ensure they were prepared for the date required. As previously indicated, DTS share their policies and procedures with Partners to provide them with guidance to enable them to meet the minimum legislative and regulatory requirements. Some Partner comments included:

"Excellent updates I can share with the team."

"Excellent, DTS tell us exactly what is happening."

"Very clear communication which advises us of the action to be taken."

Some Partners confirmed that similar communications had been received regarding the Modern Slavery Act 2015, and they had been advised of the requirements in relation to the turnover and what this meant in practice. As a result, a few Partners had taken the necessary steps to demonstrate they were adhering to the principles of the Act, however, this was not consistently confirmed across the supply chains.

DTS have adopted the quality assurance activities that learndirect Ltd had designed and implemented, which include file checks and audits, review of errors on Atlas, as well as feedback from customers. Partners clearly understood the compliance activities and believed them to be fair and proportionate. They explained that the findings were communicated to them and a realistic date agreed for submission / amendment to ensure the issue was closed down. These quality assurance activities should become embedded over the forthcoming months and subsequently Partners will be able to confirm the robustness of the approach adopted by DTS. Some Partner comments included:

"The file checks and audits are straight-forward and identify areas potentially where we aren't compliant."

"Atlas now shows us errors, and so we can take the necessary action."

"There was a glitch entering destinations, which showed up as errors, but this has been put right now."

Partners spoke of seeking customer feedback through surveys, forums and face-to-face interactions with delivery staff, which subsequently informed improvements to the service. Some Partner comments included:

"Customer feedback contributes to improving the quality of service."

"Surveys, forums and one-to-one interaction with a job coach indicates whether we are doing a good job."

DTS learndirect is **matrix** accredited and Partners confirmed that the information, advice and guidance was timely, appropriate and enabled them to make decisions to inform delivery of service and subsequently improve performance.

DTS require Partners to have a robust observation policy to ensure the information, advice and guidance provided by delivery staff is current, accurate and tailored to meet their needs at an individual level. The monthly CPR includes a review of the observations that have been undertaken in the previous month, and any findings that raise concern. In addition, whilst **matrix** accreditation is not mandated DTS express interest in a Partner's status and review accreditation and the annual continuous improvement check reports throughout the CPR. Some Partner comments included:

"In the past we have had observations by X, more recently IAG has been discussed at the CPR."

"Own internal observations are reported to DTS."

"Audits and file checks on Atlas review the IAG provided by staff."

DTS has strategies, policies and procedures, as well as risk assessments for information security, health and safety, safeguarding and environmental sustainability to ensure they are reflective of the current legislative and regulatory requirements and meet the commissioner expectations. These are currently under review and include the wider requirements, for example, there is a clear action plan to ensure the Modern Slavery Act 2015 is addressed before the end of March 2019.

The Organisation ensures its Partners have effective information security, health and safety, safeguarding and environmental sustainability policies, procedures and risk assessments throughout due diligence and subsequently these are reviewed on an annual basis. New Partners made reference to the robust due diligence which included the submission of different policies, procedures and risk assessments whilst long-standing Partners spoke of re-submitting the policies and procedures annually throughout the life of the contract. In addition, reference was made to checking staff training to ensure they were undertaking the minimum mandatory learning and development activities.

PRINCIPLE 8: Review and Close

DTS learndirect actively seeks feedback from a range of stakeholders; formally and informally to inform improvements. Partners spoke of DTS being receptive to feedback, acknowledging issues and making changes to systems and processes, including Atlas. As previously stated, feedback is sought from Partner's customers, and DTS seek feedback from their own customers through direct delivery.

Compliance Monitoring Officer (CMO) audits undertaken by DWP have been executed, and once again DTS has been receptive and built improvements into their action plan for the forthcoming months. In addition, feedback is gained from LEPs, this has resulted in identifying unique Partners to address gaps in the provision of a service.

DTS also made reference to feedback from other assessments and inspections, for example, **matrix** and Ofsted whereby findings are duly added to the quality improvement plan.

Some Partners made reference to the impact on the wider social objectives or the policy intent of the commissioner, for example, reducing worklessness, removing debt and reducing homelessness, less reliance on Foodbanks, moving customers closer to the labour market, etc. Whilst anecdotal evidence was provided DTS have undertaken an impact assessment for the Work Programme, and in the future, this could be far more inclusive to enable Partners to truly understand the wider social objectives or the policy intent of the commissioner and the impact they (Partners) have had to contribute to these areas.

Partners provided examples of the positive impact the service had on the customer in terms of building self-confidence and self-worth, increasing employability skills and moving closer to the workplace, increasing independence, etc. Examples were provided regarding the positive impact on staff; stable employment, job satisfaction and in some cases new skills set gained. Equally, a number of Partners explained the positive impact on the organisation; increased capacity and income streams, increased staff numbers and opportunity to diversify to contribute to being a sustainable business.

All Partners described the process for collecting equal opportunities data through Atlas and there was exemplary evidence of some Partners analysing and using the data to inform improvements. Examples included, changing the approach to working with different customer groups, improving marketing materials to attract different customers, i.e. female, Asian, etc. However, such practice was inconsistent. Some Partner comments included:

"We collect and analyse data regarding equal opportunities, and it is representative of the area; white male, unemployed."

"We changed the way we worked with some groups to increase progression."

"In one area it is predominantly Asian, female and another white male, which is typical of the areas."

"We have been encouraged to measure participation by payment groups."

Partners promote equality and diversity through learning and development activities for staff, as well as actively marketing to different groups of potential customers through the JCPs, LEPs and referral partners.

The SCMF was referenced at the start of the report, which addresses each stage of supply chain management; design, procurement, contracting through to evaluation and closing of a contract. In addition, the contract documentation makes reference to a process required to close down a contract.

Some Partners had started to have conversations with DTS regarding the closure of the Work Programme and the suite of ESF contracts and were due to formalise the requirements in the forthcoming weeks. Partners had a broad understanding of the requirements and due to the use of Atlas felt the process would be straight-forward. Some Partner comments included:

"We were prepared for July 2018 and will adopt the same plan."

"We've had some conversation with X and aware of what is expected."

"The exit plan is to be agreed with DTS shortly."

Some Partners spoke of exiting the Adult Education Budget (AEB) contract under learndirect Ltd, which was straight-forward and resulted in final payments being made, a majority of the time. As a result, a number of Partners were confident regarding the exit plan, however, this was not reviewed throughout the assessment of DTS learndirect as no Partners had exited under the new ownership.

9. CONCLUSION AND CONDITIONS OF ACCREDITATION

In conclusion, this assessment provided the opportunity to review the practices of DTS for the current contracts against the Merlin Standard. The accreditation review in two-years time will enable the Organisation to demonstrate how the current practices, policies and behaviours deployed in the management of the supply chains have become consistent and embedded.

DTS may consider undertaking a health check in January 2020 whereby an Assessor could review actions taken throughout the year to establish and the impact on the supply chains. This may also provide an indication of how embedded the practices have become and whether the issue around consistency has been addressed. Alternatively, DTS could come forward for an accreditation review at any stage throughout the following 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. Similarly, any decisions reached by the Independent Complaints Examiner may also result in a strategic review being required to ensure DTS 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@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: (merlin@assessmentservices.com)
- 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



PO Box 14,
Grantham,
Lincolnshire NG31 0EL

T: 0044 (0) 2038805059

E: merlin@assessmentservices.com

https://twitter.com/merlin_standard