|  |  |
| --- | --- |
|  DWP_BLK_SML_AW  | REDACTEDSenior Commercial Category Manager Employment Category Department for Work and Pensions3rd Floor, Hartshead SquareSheffieldS1 2FD[www.dwp.gov.uk](http://www.dwp.gov.uk)  |
|  |  |  |
| 30 November 2021 |

Fedcap Employment Limited

Suite 006 BIZ HUB

Cleveland Business Centre

Oak Street

Middlesbrough

TS1 2RQ

**CHANGE AUTHORISATION LETTER: IPES CAL 01**

Dear REDACTED

**Contract (as amended) between the (1) Secretary of State for Work and Pensions (the “Authority”) and (2) Fedcap Employment Limited (the “Contractor”) identified in Schedule 1 (the “Contract(s)”)**

1. The Authority and the Contractor hereby agree to amend the Contract identified at Schedule 1 to this Change Authorisation Letter in accordance with this Change Authorisation Letter and the schedules attached to this Change Authorisation Letter.
2. Terms used but not otherwise defined in this Change Authorisation Letter have the same meaning as set out in the Contract(s) to which the term refers.
3. The Authority and the Contractor hereby agree to incorporate the Additional Services & Innovations (“ASI”), which are set out in Schedule 3 to this Change Authorisation Letter, into the Contract as part of the Services to be supplied by the Contractor under the Contract. The Authority and the Contractor further agree that the definition of “Services” in clause A1.1 of the Contract shall be amended accordingly.
4. The Contractor hereby undertakes to provide the ASI set out in Schedule 3 to this Change Authorisation Letter in accordance with the Authority’s requirements.
5. The Contractor hereby undertakes to procure the consent of the Guarantor to the variation of the Contract in accordance with this Change Authorisation Letter such that the due and punctual performance of the obligations of the Contractor under this Change Authorisation Letter shall be guaranteed by the Guarantor in accordance with the terms of the Deed of Guarantee at Schedule 9 of the Contract.
6. This Change Authorisation Letter shall be interpreted and construed so that it varies each IPES CAL 01 Contract identified in Schedule 1 to this Change Authorisation Letter individually.
7. Each IPES CAL 01 Contract, including any previous variations, will remain effective and unaltered except as amended by this Change Authorisation Letter.
8. Notwithstanding any other term of the IPES CAL 01 Contract(s) the Parties agree to incorporate this Change Authorisation Letter into each Contract identified in Schedule 1 to this Change Authorisation Letter. Each Contract identified in Schedule 1 to this Change Authorisation Letter is hereby modified in accordance with the terms of this Change Authorisation Letter.
9. This Change Authorisation Letter will take effect from 1 January 2022.
10. The Authority will carry out a review annually to satisfy itself that the ASI are being delivered in accordance with the Authority’s requirements. This annual review will include, but not be limited to, the Authority verifying that: (i) the deliverables of the ASI are being achieved; (ii) the goals of the ASI are being met; (iii) delivery in accordance with the Authority’s requirements can be evidenced; and (iv) that the ASI are, in the opinion of the Authority, providing value for money.
11. As consideration for delivery of the ASI in accordance with the Authority’s requirements, the Authority will make the ASI Payment(s) set out in Schedule 2. The Authority reserves the right to stop any ASI Payment where the Authority’s requirements, including but not limited to those set out at paragraph 10 (i) – (iv) of this Change Authorisation Letter, are not being met.
12. The Authority also reserves the right to stop ASI Payment(s) where the Contractor commits a Service Failure in respect of any of the Services.
13. Expiry of this Change Authorisation Letter shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to the expiry of this Change Authorisation Letter.

***Schedules attached to IPES CAL 01***

1. The Parties agree and acknowledge that the following Schedules, which are attached to this Change Authorisation Letter, are hereby incorporated into and form part of the Contract
	1. Schedule 1 to this Change Authorisation Letter: Contract modified by this Change Authorisation Letter;
	2. Schedule 2 to this Change Authorisation Letter: ASI Payment Model;
	3. Schedule 3 to this Change Authorisation Letter: Additional Services & Innovation (“ASI”).

***Miscellaneous***

1. This Change Authorisation Letter shall not constitute a waiver of any right or remedy of the Authority or the Contractor arising before, during or after this Change Authorisation Letter, except to the extent set out in this Change Authorisation Letter.
2. If there is an inconsistency between any of the provisions of this Change Authorisation Letter and the provisions of the IPES CAL 01 Contract, the provisions of Change Authorisation Letter shall prevail.
3. The provisions of each IPES CAL 01 Contract shall, save as amended in this Change Authorisation Letter, continue in full force and effect, and shall be read and construed as one document with this Change Authorisation Letter.

Please confirm your acceptance of this Change Authorisation Letter by countersigning this Change Authorisation Letter and uploading a scanned copy to the Jaggaer (DWP e-portal) fileshare folder named REDACTED by 16:00 on Tuesday 14 December 2021.

If you have any queries, please contact the team on REDACTED

Yours sincerely,

REDACTED

REDACTED

Senior Commercial Category Manager

For and on behalf of the Authority

We hereby acknowledge receipt and accept the terms of IPES CAL 01.

Signed: REDACTED

For and on behalf of the Contractor

Name: REDACTED

Position: CEO

Date: 6th December 2021

**Schedule 1: Contracts modified by this Change Authorisation Letter**

The following contracts are modified in accordance with this Change Authorisation Letter:

|  |  |  |  |
| --- | --- | --- | --- |
| **Contract Type** | **Contract Reference** | **Contract Name/Description** | **Contract Start** |
| IPES: Intensive Personalised Employment Support | ECM\_7707 | Intensive Personalised Employment Support CPA4 - Southern | 02/12/2019 |

**Schedule 2: ASI Payment Model**

As consideration for delivery of the ASI in accordance with the Authority’s requirements, the Authority will make ASI Payment(s) in the form of increases to the Service Fee for a specified period of time. The table below shows the current Service Fee Periodic Payment, the amount of each ASI payment, the amount of the Service Fee Periodic Payment including the ASI Payment and the period for which ASI Payments will be made.

1. The ASI Payment Period i.e the period over which ASI Payment(s) will be made is as follows:

**1st January 2022 – 31th December 2024 (36 months)**

1. The amount of each ASI Payment is as follows:

REDACTED

1. The total amount of ASI Payments are follows:

REDACTED

The table of Service Fee Periodic Payments in Schedule 4 of the Contract is replaced with the following:

REDACTED

**Schedule 3: Additional Services & Innovation (“ASI”)**

**The Contractor will supply the following Additional Services and Innovation in accordance with the Authority’s requirements.**

* **REDACTED**

REDACTED is a digital self-management support system for people who need help remembering things, making decisions, planning, or managing anxiety. It's not condition-specific, but is often used by people who are autistic, who have learning difficulties, or who are managing mental health challenges. We have based the costs on REDACTED that are in pre-work support that have a learning difficulty that they feel prevents them from being able to progress closer to employment.

REDACTED allows us to set objectives collectively with the customer, our IPES team and their specialist support to understand where a customer feels they would encounter problems by doing a task and they develop solutions which they have at a touch of a button through an easily accessible smart app. They have access to a 24/7 traffic light support system where it asks them how they are feeling today – red/amber 3 times in a row would automatically raise the alarm to the REDACTED team. The support is solutions based to intervene before the point of crisis.

We recognise that with some of our customers and more so as a result of the pandemic that they either have chaotic lives and REDACTED would provide structure and accessible support 24/7 or they have been isolated at home with no social circle, REDACTED helps to set them small steps which they design and agree in a recognisable format/language to help them build their confidence and embark on a path leading to social inclusivity and provide the customer with independence.

We would also be able to gather data about the customers progression using the REDACTED app through regular monthly reports along with structure milestone review points at 4, 8 and 12 months. Our approach to using REDACTED would be for targeted support to make sure we can measure impact on employment goals.

Proposal Outcome

REDACTED:

* REDACTED service – retention, frequency of usage of the App for IPES customer
* Progression closer to job goals – voluntary work, number of interviews secured, job start, job outcomes milestones
* Customer Evaluation/Feedback
* Customer Engagement on IPES Programme – improved attendance, completion of actions

Implementation Timing

* 1 month for REDACTED roll out to REDACTED IPES customers

Cost Breakdown

We have contacted REDACTED who provided us a quote of REDACTED

for REDACTED licences which we would purchase again in subsequent years for a total spend of REDACTED. This will provide licences for REDACTED of our current and future caseload to access to the service.

REDACTED

**Fedcap ASI Proposal Clarifications – REDACTED**

**How long can a participant have access? Does it get taken away when they go into IWS? If so, is this fair/right?**

The licence lasts for 12 months but can be renewed if required to make sure the support continues after this timescale.

Once the participant goes into work and if they require further access to the app, we can help facilitate onward support with Access to Work – who do use REDACTED. This will make sure of continuity of support and aid the transition from pre-work, into work and prevent any risks of double funding or duplication. The personalised strategies on the app can also be moved across to the licence on Access to Work, so the participant won’t have to ‘start again’ with setting out their specific requirements, which again should help smooth the transition into work

**How would the conversation around losing access go? This could be a risk if a participant becomes dependant on this service. (appointment reminders etc)**

REDACTED is specifically configured to promote independence and long-term coping strategies outside of using the app. It isn’t designed for ongoing or permanent usage but to promote other mechanisms or techniques to manage appointments, self-care.

Typically, REDACTED usage for customers currently accessing the support is between 6-12 months, after which other strategies are used by the participant and/or usage of the app starts to decline.

If a participant did need a few more months access to the app to see them to the end of their IPES journey we would renew the licence and would suggest in Warm Hand back to JCP the continuation of the service.

**Can licence be reallocated when somebody gets into work? Can a licence be used more than once within a year?**

As outlined above we would work with Access to Work to make sure the support from REDACTED is maintained for that participant when moving into work. The license can be reallocated to another pre-work participant to support them to achieve their independence and job goals.

A group licence can be used for 12 months for one or multiple participants based on their needs or their engagement with the app.

**What is the rate of return on this?**

To measure rate of return we would set-up a controlled pilot to measure progression. We have previously set-up a similar pilot when looking to measure impact of other health/disability support on employment milestones.

A REDACTED group vs Control Group would be allocated as part of this pilot. The selected participants in the REDACTED group will be matched against active participants who had not accessed this support, using a set of defined characteristics to reduce the risk of other demographic or circumstantial factors impacting on progression. The matched characteristics could include referral month, age, gender, type of health/disability, length of unemployment. The control group would have access to normal Fedcap provision and services, and the REDACTED group would also access this but in addition access to the app. We would measure progress in the two groups at REDACTED reassessments at 13 weeks and job entry and job outcome milestones.

REDACTED have also done some work with local councils measuring financial and reduced dependency on other services. For example, REDACTED for 10 users saved REDACTED in the 12 months of using REDACTED. REDACTED were able to save REDACTED across 20 users. These saving were on costs of care and/or A&E usage for users. We could also explore rate of return or reduced dependency on other services for IPES participants.

Once a participant is registered with REDACTED, they are set-up with their specialist to create goals they want to achieve via a User Evaluation tool. This is then reviewed at 4 month and 9 months to monitor progression against these objectives. We would work with REDACTED to measure impact through these measures.

**Some further thought around scalability and repeatability – what would it look like if we wanted to roll this out wider amongst IPES CPAs or beyond (WHP etc)**

Should this be rolled out wider amongst IPES CPAs/WHP extra licences can be purchased. There is no limit on the number of licences.

REDACTED is currently operating across the UK, there are no geographical limitations. Regional Managers at REDACTED engage with new CPAs/providers once they’ve agreed to use the service. They provide training through digital channels to upskill Employment Advisers/Keyworkers about the app, so that they feel confident talking about it with their participants.

A Specialist Adviser at REDACTED will ‘meet’ with the participant once they’ve been allocated a licence, in most cases via Microsoft Teams, to configure their access and help them to set their goals. As this initial meeting is completed through digital platform it enables greater geographical coverage.

The learnings from the ‘Pilot’ REDACTED vs Control group could also help inform best practice, maximise impact on people returning to work, which can then be taken forward amongst other IPES CPAs or beyond.