**Call-Off Specification for the**

**Work and Health Programme**

Date: 30 June 2017

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# Section 1: Overview

## Introduction

* 1. The Work and Health Programme (WHP) has been designed in line with the Department for Work and Pensions (DWP) five key objectives as set out in the single Departmental Plan[[1]](#footnote-1): 2015 to 2020, along with plans for how these will be achieved and measured. They are to:
* run an effective welfare system that enables people to achieve financial independence by providing assistance and guidance into employment;
* increase saving for, and security in, later life;
* create a fair and affordable welfare system which improves the life chances of children and adults;
* deliver outstanding services to our customers and claimants; and
* deliver efficiently: transforming the way we deliver our services to reduce costs and increase efficiency.
  1. DWP will always positively seek to improve and introduce efficiencies in its operations and delivery. DWP will work with the supplier where such improvements impact on processes associated with this Programme.

## The Work and Health Programme Call-Off Specification

* 1. The Secretary of State for Work and Pensions is inviting suppliers who have entered into the Umbrella Agreement for Employment and Health Related Services (UAEHRS) to participate in Mini Competition(s), in respect of each of the CPA(s) to which they have been appointed, to be awarded a Call-Off contract to deliver WHP services. This Call-Off Specification supplies information about DWP’s requirements so that potential suppliers can develop comprehensive delivery proposals and relative pricing schedules. The Call-Off Specification comprises two parts which will be useful in preparing bids. They are:
* the main requirements for delivery; and
* the annexes which contain additional information.

## Background to Work and Health Programme

* 1. DWP currently provides additional employment support to those in (or at risk of) long-term unemployment through contracted provision. The largest such contracted provision is the Work Programme.
  2. Persons who have a disability with more complex issues are currently assisted by Work Choice, voluntary contracted employment provision which helps participants achieve and stay in employment.
  3. Referrals to both the Work Programme and Work Choice are scheduled to end in 2017.
  4. The economic climate and the labour market are considerably stronger than when the Work Programme and Work Choice programmes were designed and introduced. In January 2017 the United Kingdom (UK) Labour Market Statistical bulletin from the Office for National Statistics (ONS) reported[[2]](#footnote-2) that:
* there are more people in work than ever before (31.8 million);
* the female employment rate is at a record high;
* the employment rate is 74.5% which is a record high;
* unemployment stands at 4.8% - the lowest rate for over a decade; and
* long-term unemployment is at the lowest level since 2008.
  1. The Labour Survey Quarter 2 2016 statistical release from the ONS (labour market status of disabled people) reported[[3]](#footnote-3) that:
* the disability employment rate gap has been broadly stable and currently stands at 32.2 percentage points. Over the last three years, the disability employment gap has decreased by two percentage points;
* there are 3.7 million people of working age who have a disability and are out of work; and
* there are 590,000 more persons who have a disability in work than three years ago.
  1. Given the current labour market conditions outlined at paragraph 1.8, the reduced unemployment rate and the improved economic conditions, the contracted employment provision of the future can be smaller and provide more focused support. It will need to provide additional and more intensive support than Jobcentre Plus can offer[[4]](#footnote-4) and deliver sustained employment outcomes above a specified earnings threshold.
  2. The WHP is part of a new Personal Support Package for people with health conditions and disabilities set out in the Work, Health and Disability Green Paper[[5]](#footnote-5). Making progress on the manifesto ambition to halve the disability employment gap is central to the Government’s social reform agenda of building a country and economy that works for everyone. The Green Paper sets out how DWP will make early progress on this as well as setting out proposals and seeking views across a range of health, employer, welfare and

## Work and Health Programme Requirements

* 1. From November 2017 the WHP will be DWP’s new contracted employment provision that will help persons who have a disability, the long term unemployed (LTU) and specified disadvantaged groups to find sustained work. The WHP will target those who are most likely to benefit from the additional support of the programme.
  2. The WHP will:
* provide additional support that is distinct and additional to that available through Jobcentre Plus;
* predominantly remunerate suppliers on a Payment by Results (PbR) basis in order to drive sustained employment outcomes; and
* support current and future local plans for service integration for individuals who have multiple barriers to work and/or have a disability. DWP agreed, through the Government’s Devolution Deal and City Deal process, to work with a number of combined authorities/city regions to ensure local priorities influence the design and delivery of WHP by co-designing the programme with those areas.
  1. In order to achieve sustained employment outcomes, suppliers will be required to:
* provide participants with more tailored support than is available in their locality;
* have strong links to national and local employers;
* link up with health and social care services and other local services; and
* take an holistic approach to tackling the barriers to employment faced by participants.

## Integration with Local Areas

* 1. It is imperative that the WHP integrates with local services and health provisions and supports local service integration plans. The WHP needs to work with the resources and successful programmes available within local areas. This will ensure that effective use is made of local funding streams and the expertise of local service suppliers so that participants with multiple barriers to work can receive co-ordinated and holistic support. As well as being a benefit to WHP participants, this approach will contribute to the Government’s wider devolution agenda. The primary objective of service integration is to achieve higher levels of employment outcomes for the target groups than previous DWP programmes.
  2. Potential WHP suppliers are required to describe in their bids, if they were to be successful, how they would:
* deliver to participants a service integrated with local services;
* link up with local provision and funding streams; and
* support future plans for local service integration.

## Regional Devolution within England

* 1. The Government is committed to decentralising power and taking some decision-making away from Whitehall and putting it in the hands of local people and businesses. Areas that have agreed Devolution Deals[[6]](#footnote-6) with Government are being given a greater say in how public funds are spent in their local area. This will give them increased influence over how public services are developed and delivered in their localities.
  2. Geographical and socio-economic information about those Devolution Deal Areas (DDAs) is provided alongside the Invitation to Tender (ItT) suite of documents to help potential suppliers understand more about each area and help them form proposals on how WHP will be integrated with services in local areas. This additional information does not replace, but should supplement, the WHP core requirements outlined within the main body of this Call-Off Specification such as the participant groups, eligibility criteria and identification process which are all documented within Section 2.
  3. Each DDA has also provided information about the current priority groups within their area. Jobcentre Plus is aware of DDA priority groups within each Contract Package Area (CPA) and this would be one of the factors when determining who should be referred onto WHP. Please refer to paragraph 2.23 for more information about the DWP Gatekeeper Assurance Function.

## Critical Success Factors

* 1. Below are the Critical Success Factors (CSFs) which will be used by DWP to determine the overall effectiveness of the WHP.
  2. DWP will use the bidding process to establish how potential suppliers intend to deliver against these CSFs and through that, agree performance measures which will be used to hold suppliers to account.

### **Critical Success Factor 1**:

Help persons who have a disability, the LTU, and other specified disadvantaged groups to find and sustain work as measured by earnings received (or duration of self-employment for the self-employed).

### **Critical Success Factor 2**:

Integrate the WHP with local services and local health provision so that WHP participants can receive co-ordinated, holistic support.

### **Critical Success Factor 3**:

Support the principle of localism by ensuring that the WHP meets local priorities in the DDAs and the national Programme better reflects local needs.

## Contract Package Areas

* 1. There will be six CPAs for the WHP. The Greater London boroughs (London) and the Greater Manchester Combined Authority (GMCA) are not included within the six CPAs listed below. DWP is making arrangements for the WHP in London and GMCA to be funded by grant. It is currently envisaged that the procurements in London will be conducted by four lead Greater London boroughs (City of London, Croydon, Ealing and Redbridge); the procurement in Manchester will be conducted by the GMCA. Accordingly, procurement for the WHP in these areas is outside this mini-competition. However, at any time before contract signature, DWP reserves the right, at its absolute discretion, to include some or all Greater London boroughs in the Home Counties CPA and in turn it reserves the right, at its absolute discretion to include GMCA in the North West England CPA. The CPAs are:
* Central England (WHP CPA 1)
* North East England (WHP CPA 2)
* North West England (WHP CPA 3)
* Southern England (WHP CPA 4)
* Home Counties (WHP CPA 5)
* Wales (WHP CPA 6)
  1. There will be one contract awarded per CPA. For CPAs 3 and 6 the exact start exact call-off service start date will be agreed with suppliers, but DWP is committed to having the WHP in place in all CPAs by February 2018 (for every month that implementation is after 1st November 2017 the contract volumes and value will be reduced by a month’s equivalent). As part of their bids, potential suppliers will be asked to provide an Implementation Plan and advise DWP of the earliest date on which they could be ready to start providing services in accordance with DWP’s requirements.
  2. For CPAs 1, 2, 4 and 5 the call-off service start date will be January 15th 2018.
  3. A map showing the CPAs and a list of the Local Authorities within each CPA can be found at Annex 2.

## Evaluation of Work and Health Programme

* 1. DWP will develop an evaluation strategy to determine the long-term effects and the outcomes of the WHP. To do this, DWP will use existing data (such as MI) and other knowledge captured as part of delivery. DWP may conduct quantitative and qualitative research to build up a picture of the support delivered. Researchers may wish to visit and interview programme participants, the supplier, and their supply chain (e.g. partnership suppliers) as part of the evaluation.
  2. The supplier must support and fully co-operate with the evaluation activity conducted or commissioned by DWP or the European Social Fund (ESF) Managing Authority. The supplier will be contacted in advance about any evaluation activity and research.
  3. To assess the impact of the WHP, participant outcomes will be assessed against a control group of non-WHP participants. This control group will be selected from the pool of eligible WHP potential participants ahead of referrals.
  4. DWP wants to compare and contrast different delivery models and reserves the right to operate a Public Sector Comparator (PSC) alongside the WHP contracts and control group. This will enable DWP to quantify and isolate the impact of different delivery approaches and techniques and will support future policy design. DWP will use reasonable endeavours to ensure the PSC is managed so that it does not have a negative impact on the delivery models of suppliers in live running.

## Funding Model

* 1. There will be two distinct elements to the WHP funding model. Suppliers will be paid:
* a Delivery Fee; and
* an Outcome Payment - subject to the conditions set out at paragraphs 5.5 – 5.6 of this Call-Off Specification being met, which will include a price acceleration element.
  1. Please see Section 5 for more information about the funding model.

## Contract Duration and Implementation

* 1. The Call-Off services will consist of:
* an implementation period from Call-Off Commencement Date to Call-Off Service Start Date (by which time the supplier must be ready to receive referrals); then
* referrals will take place between the Call-Off Service Start Date and the Referral End Date (1st November 2022), which will mean up to five years of referrals, dependent upon when the Call-Off Service Start Date occurs; and
* DWP will have an option to extend referrals for up to two further years beyond the original Referral End Date; then
* service delivery will continue for a maximum of 456 days[[7]](#footnote-7) after the last start on provision – please see paragraph 2.9; and
* In-Work Support and outcome achievement/earnings tracking period will continue for a maximum of 700 days (up to 456 days on the WHP plus up to 182 days of In-Work Support, plus a further 61 days for the supplier to make a claim for final self-employed outcomes) after the last start on provision – please see paragraph 2.9;
* the last outcome payment will be made by DWP to the supplier no later than 791 days after the last start on provision;
* there will be on-going contractual obligations on the supplier, e.g. document retention requirements.
  1. Supplier Implementation Plans (submitted as part of their tender) must document their anticipated Service Start Date for the provision and how they aim to meet this Service Start Date. Discussions will take place post contract award to establish the exact service start date. However, there may be exceptional circumstances post contract award whereby a supplier may not be able to meet a date within the commencement period. If this is the case, DWP may negotiate a Service Start Date outside the commencement period, taking into account the relevant circumstances.

## Maximum Duration of Participation

* 1. Suppliers will be expected to record the end date for a participant. This will be at the point that;
* the participant completes the programme early (see early completer at paragraph 1.37); or
* participation on programme automatically ends, at 456 days from the date the participant started on the programme, where the participant is not in employment at this point; or
* where the participant is in employment at the end of the 456 day period, such that In Work Support may be provided, the programme for the participant will then end no later than 639 days from the date the participant started on the programme.
  1. Suppliers must input a participant’s end date in Provider Referral and Payments system (PRaP), record the participant’s destination/outcomes and the end date for ESF Management Information (MI) purposes, as detailed in paragraph 1.38.
  2. Once a participant starts WHP provision they will remain on that provision until they become a completer or an early completer.
  3. If a participant moves out of the CPA in which they are attending the WHP, they stay on the provision with the original supplier and the supplier must continue to support that participant.

## Early Completer

* 1. Information about early completers and the actions required will be detailed in the PG (Chapter 11). All participants that start on the provision will be counted for performance management purposes.

## Completing Provision

* 1. The supplier will be notified by Jobcentre Plus when a participant completes their time on the WHP. The supplier will be required to complete an Exit Report with the participant and send it to the participant and Jobcentre Plus. Suppliers are required to record all completion dates on PRaP.

## Change of Circumstances

* 1. Suppliers must notify DWP (Jobcentre Plus / Universal Credit Service Centre) of four changes about the participant. They are when the participant has:
* has disengaged (voluntary participants only)
* has re-engaged following a disengagement (voluntary participants only)
  1. Additionally the supplier must have processes in place to receive changes from DWP, consider them, and potentially take action e.g. adjust the support they provide to the participant.
  2. More information about Changes of Circumstances will be made available in the Provider Guidance.

## Participant moves to another geographical area

* 1. If a participant (regardless of participant group) changes address to one outside the contract package area they will remain the responsibility of the supplier. It will be up to the supplier to arrange appropriate support via the supplier and their strategic partners to deliver the service requirement until the end of their allotted time. For the avoidance of doubt, this also applies to participants who move to London, Manchester or Scotland.

## Supplying Participant Completion Data

* 1. On completing provision (where a participant completes the provision duration, or completes early), suppliers are required, for the purposes of ESF, to collect participant destination information. ESF results can be defined as:
* improvements in the labour market situation (i.e. employed/unemployed/ inactive status);
* movement into education or training;
* gaining a qualification; or
* gaining basic skills.
  1. These results must occur within the provision duration or within 28 calendar days following the participant’s completion date. Results that manifest themselves outside this period do not need to be reported.
  2. Completion data must be evidenced. The level of evidence required will depend on whether the result is paid or unpaid. Further guidance on evidence requirements can be found at: [European Social Fund data evidence requirements - eligibility and results guidance](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/519597/ESF_Data_Evidence_Requirements.pdf).
  3. The supplier must also supply DWP with the latest contact details held for the participant.
  4. Result information must be securely submitted to DWP. Full details of the method of collection and notification will be provided before the contract starts.

## Work and Health Programme Funding and Participant Volumes

* 1. For each CPA, the anticipated starts for the planned five years of referrals to the programme are shown in the following table, alongside the associated anticipated funding paid across that five-year period and the payment tail in the following 639 days. Greater London boroughs and the Greater Manchester Combined Authority areas are outside the scope of this document as referenced at paragraph 1.21. The figures in the table below are given on a non-reliance basis and are subject to change in the absolute discretion of DWP. For details of participant group volume breakdowns please see the Contract Cost Register guidance section of the Instructions to WHP Bidders.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **November 2017 Start** | | **December 2017 Start** | |
|  | **Anticipated**  **Starts** | **Anticipated Contract Value** | **Anticipated Starts** | **Anticipated Contract Value** |
| CPA1 – Central England | 37,000 | £84.6m | 36,000 | £83.2m |
| CPA2 – North East England | 51,000 | £117m | 50,000 | £115m |
| CPA3 – North West England | 18,500 | £42.8m | 18,500 | £42.1m |
| CPA4 – Southern England | 31,500 | £72.8m | 31,000 | £71.6m |
| CPA5 – Home Counties | 24,000 | £55.7m | 24,000 | £54.8m |
| CPA6 – Wales | 16,000 | £36.3m | 15,500 | £35.7m |
| **TOTAL** | **178,000** | **£409.1m** | **175,000** | **£402.3m** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **January 2018 Start** | | **February 2018 Start** | |
|  | **Anticipated**  **Starts** | **Anticipated Contract Value** | **Anticipated Starts** | **Anticipated Contract Value** |
| CPA1 – Central England | 35,500 | £81.8m | 35,000 | £80.4m |
| CPA2 – North East England | 49,000 | £113m | 48,500 | £111.1m |
| CPA3 – North West England | 18,000 | £41.4m | 17,500 | £40.6m |
| CPA4 – Southern England | 30,500 | £70.4m | 30,000 | £69.1m |
| CPA5 – Home Counties | 23,500 | £53.8m | 23,000 | £52.9m |
| CPA6 – Wales | 15,000 | £35.1m | 15,000 | £34.5m |
| **TOTAL** | **172,000** | **£395.4m** | **169,000** | **£388.5m** |

## European Social Fund

* 1. WHP has been designed so that ESF money can be added to the programme in future and DWP can use WHP as match funding against its other ESF contracts. DWP is a Co-Financing Organisation (CFO) for ESF in England only. As such, its provision is designed to be ESF compatible.
  2. DWP will seek to build flexibility into WHP contracts which may enable the inclusion of ESF funding at a later date (i.e. all of the CPAs listed at paragraph 1.21 apart from Wales[[8]](#footnote-8)) if possible and desirable.
  3. In Wales, ESF is distributed through the Welsh European Funding Office via an open call process, details of which can be found on the Welsh Government Web site (<http://gov.wales/funding/eu-funds/2014-2020/?lang=en>).
  4. Throughout the life of the contract, suppliers and sub-contractors will be required to meet ESF specific requirements set by the European Commission (EC). The ESF requirements will be set out in the Terms and Conditions (T&Cs) of the contract but include, without limitation:
* retain evidence at all stages for participants who have started on provision;
* keep supporting evidence of the activity underpinning claims for payment from DWP for the full retention period;
* capture, maintain and retain a complete audit trail of key documents and electronic information at all stages throughout the process;
* comply with the publicity requirements of the EC. DWP will work with suppliers on the information that their material needs to cover to ensure the relevant DWP and ESF standards are met. DWP must approve all publicity material before publication or use;
* meet the requirements relating to sustained development, equality, diversity and equal opportunities;
* make all required documentation for each participant available until at least 31st December 2026 (date subject to change/extension) so that an adequate audit trail exists. This is a key audit requirement;
* be subject to relevant European audits; and
* further details and information can be found in the Generic Guidance for DWP Providers – ESF Requirements 2014–2020 (England only), Chapter 11b, Annex 6.
  1. MI will also need to be collected by the supplier which meets ESF requirements.
  2. On the UK’s exit from the European Union (EU), there might be a continuing obligation on suppliers to meet ESF conditionality for any funds underwritten by the Government when ESF funding ends. Suppliers will be notified accordingly

# Section 2: Service Requirements

## Aim of the Provision

1. The aim of the provision will be to move participants into sustained employment. The participant groups are listed at paragraph 2.11.

## The Work and Health Programme Delivery Model

1. DWP believes that suppliers are best placed to understand what works to help individuals back to work and are therefore best placed to design a service to achieve the objectives of the programme*.* This Call-Off Specification focuses in general on setting out the minimum service delivery expectations and outcomes required. DWP is inviting potential suppliers to demonstrate through their bids how they will support WHP participants to gain and sustain employment.
2. The success of WHP contracts will be measured against the percentage of programme starts who sustain direct or self-employed employment which meets the WHP job outcome definitions – see paragraphs 4.6 – 4.7.
3. DWP will measure performance within each CPA. This will be in respect of those participants within the overall CPA, the CPA Customer Groups, and the overall DDA. As such, suppliers will be asked to bid against this requirement – see paragraph 4.23. More information about the DDAs is available in the ItT suite of documents.
4. In addition to achievement of the job outcome performance the supplier offers, the success of WHP provision will be measured against a series of Customer Service Standards (CSSs) to ensure that service delivery expectations are met throughout each stage of the participant journey. Suppliers must submit a minimum of two CSSs against each of the following five headline areas:

* Pre-Programme Engagement (including methodology and expected conversion rate of referrals to starts by each participant group);
* Programme Engagement (including frequency and method of contact, disengagement/re-engagement approach, caseload sizes – maximum and average);
* Pre-Work Support (including frequency and method of contact);
* In-Work Support; and
* Programme Exit (including timing of report completion and minimum content, timing and update of DWP systems). The exit report must give specific details on what activities the participant has undertaken; any qualifications gained; behaviours and next steps. This should include free text of at least 500 words written by the participants Personal Adviser (or equivalent).

1. Bidders will need to provide details of how they will deliver and measure their success in these areas and any additional CSS areas identified within their proposed services delivery model as part of their bid. These will be additional to the minimum CSSs set out at paragraphs 4.24 to 4.26. Any proposed CSSs submitted by bidders need to be specific, measureable/quantifiable, relate to the customer journey, add value to the performance/customer journey, and be able to be assured. All the CSSs which must be met by a supplier and, which may at DWP’s discretion include the proposed CSSs submitted in the bid, will be identified by DWP in the WHP Contract before the contract is entered into.
2. DWP Compliance Monitoring Officers (CMOs) will perform regular evidence based checks to ensure that suppliers are adhering to the delivery models set out in their contract. More information will be detailed in the PG.
3. These checks will consist of two elements – a Standard Measure (quantitative) and a Service Standard (qualitative). The standards are designed to improve the service being provided to the participant and the checks will focus on supplier performance against their service delivery model and compliance with the processes DWP accepts in their bid.
4. Suppliers must deliver an individually tailored service for each participant. The delivery of this service will last for up to 456 days on provision, ending at the point that a participant achieves the earnings level required to meet the job outcome definition – please see paragraphs 4.6 – 4.7. Appropriate In-Work Support should be offered up to the point that the outcome measure is achieved. This can extend up to 182 days past the 456 days maximum service delivery period, where employment has commenced within that 456 days participation period, making a maximum 639 days working with the participant. More information about In-Work Support can be found at paragraphs 2.43 – 2.45.
5. While suppliers will be paid for the results they deliver, they are also responsible for designing the services that will drive these results. Suppliers have the freedom to propose their service design in response to this Call-Off Specification, which must show how it will be additional and distinct from the support available via Jobcentre Plus and therefore deliver additional employment outcomes for those who start the programme. As there are variations in the support on offer at each Jobcentre Plus office, it is incumbent upon the WHP supplier to determine what is available through Jobcentre Plus in each locale in order to deliver the requisite additionality.

## Participant Groups

1. The participant groups will be targeted referrals by Jobcentre Plus comprising:

* persons who have a disability attending WHP on a voluntary basis;
* early access disadvantaged groups attending WHP on a voluntary basis; and
* LTU attending WHP on a mandatory basis.

1. Over the contract duration it is anticipated that at least three quarters of the starts will be persons with a disability and the remainder will be a combination of LTU and early access disadvantaged groups. DWP reserves the right in its absolute discretion to change the proportion of each customer group which are referred at any point and the overall number of referrals made at any point and bidders are reminded that any volumes set out in paragraph 1.48 of the Call-Off Specification or elsewhere are merely indicative and are subject to change.

## Persons who have a Disability

1. Persons with a disability can be referred on a voluntary basis, at the most appropriate time by a Work Coach when the criteria below is met, the potential participant:

* has a disability or disabilities as defined in the Equality Act 2010;
* can be helped, in the opinion of DWP, by the offer;
* has already been helped by Jobcentre Plus with their core jobsearch activity (if appropriate). Core jobsearch activity includes basic jobsearch skills, tasks such as Curriculum Vitae (CV) writing, use of e-mail and support with the use of Universal Jobmatch (UJ). Jobcentre Plus will initially support individuals with these skills before they move into contracted provision, unless the Work Coach identifies that it is beneficial for an individual to go to the WHP immediately;
* needs more support than can be provided within the standard Jobcentre Plus offer (or through other available services and provision); and
* has committed to the goal of finding employment within one year.

1. The Work Health and Disability Green Paper (see Annex 6), announced the intention to offer a place on the WHP to all new Employment Support Allowance Work-Related Activity Group (ESA WRAG) and Universal Credit Limited Capability for Work (UC LCW) individuals who meet the eligibility criteria at paragraph 2.13 and who wish to volunteer to join the WHP. Indicative referral volumes which are subject to change in the absolute discretion of DWP are included in the table at paragraph 1.48.

## Early Access Disadvantaged Groups

1. Early entry to the WHP will also be available to a number of disadvantaged groups. These are groups who may need additional support to move into employment and supporting these groups is a policy priority for DWP. Allowing early access to WHP will help provide support at the right time for these groups.  Some of these groups may have needs which will require additional support that the WHP supplier will not be expected to deliver, for example English Language training for refugees.
2. Referrals for these groups will be at the discretion of the Work Coach, at the most appropriate time on a targeted voluntary basis, when the judgement of the Work Coach is that an individual would benefit from early access to the programme and the following criteria are met. The individual:

* can be helped, in the opinion of DWP, by the offer;
* has already been helped by Jobcentre Plus with their core jobsearch activity (if appropriate). Core jobsearch activity and the intentions of Jobcentre Plus is defined at paragraph 2.13;
* needs more support than can be provided within the standard Jobcentre Plus offer (or through other available services and provisions); and
* has committed to the goal of finding employment within one year.

1. The early entrant groups are set out below. If other groups are identified as policy priorities for the DWP then they may be added to the list set out below:

* a carer;
* an ex-carer;
* a homeless person;
* a former member of Her Majesty’s (HM) Armed Forces;
* a member of the HM Armed Forces reserves;
* a partner of current or former Armed Forces personnel;
* a person for whom a drug/alcohol dependency (including a history of) presents a significant barrier to employment;
* a care leaver; and
* a refugee.

## Long-Term Unemployed Claimants

1. LTU claimants within the intensive work search regime in Universal Credit (UC) and equivalent JSA claimants will be eligible for the WHP after 24 months unemployment.  The calculation of 24 months will include rules linking periods of unemployment as currently apply. Whether these claimants access the WHP will be determined by a process of random allocation. If a claimant is randomly allocated, they will be referred by the Work Coach to the supplier on a mandatory basis.
2. On-going participation in the WHP for the LTU group is mandatory and suppliers will be given the delegated authority to require this group to undertake activity which would help them find and retain work. If LTU claimants mandated to the WHP fail to undertake mandatory activity, the supplier will refer the case to the DWP Labour Market and Decision Making Team.

## Participant Identification

1. Work Coaches will use their expertise and skills to perform the key role of identifying eligible participants from the target groups to participate in the WHP and then engaging them to access the provision. All voluntary WHP referrals will be at the discretion of the Work Coach.
2. The Work Coach Delivery Model is a model of Work Coach support operating within Jobcentre Plus. It enables Work Coaches to support all claimants, regardless of the benefit claimed. Jobcentre Plus Work Coaches will have a key role to play in identifying the right potential participants to go on the WHP and engaging them in accessing the provision. Work Coaches will use their discretion, supported by available tools, to determine whether someone should be referred to the programme.
3. The sources of information that the Work Coach will have available to them to help them make the decision about whether an individual would benefit from referral to the WHP will include:

* full guidance about the aims, principles and qualifying criteria for WHP;
* the District Provision Tool (DPT) and Disability Hub to identify suitable provision prior to considering WHP and to determine if the content of WHP meets the needs of the individual;
* the Disability Employment Adviser (DEA) who will provide upskilling, support and coaching to enhance the ability of the Work Coach to support disabled individuals move closer to or into work by identifying the most appropriate provision for the individual; and
* the WHP Selection Tool which is currently being developed. It is expected that it will support the determination of a potential participants’ eligibility, and select participants into a control group and/or onto the PSC where this applies (please see paragraphs 1.27 – 1.28).

1. Jobcentre Plus is developing a Gatekeeper Assurance Function which will be in place to manage the referral levels against the volume profiles and local targets. These will be considered regularly as part of the management arrangements. This assurance function will ensure any over and under subscription is promptly addressed. Jobcentre Plus is final decision maker for determining if an individual meets the eligibility criteria for the WHP.
2. The Work Coach assessment of the eligibility of the participant for WHP will be captured to support Jobcentre Plus’ internal quality assurance and performance management processes.
3. The relationship between suppliers, Jobcentre Plus and DWP Performance Managers’ will enable feedback about the eligibility and flow of participants to form a key element of Jobcentre Plus continuous improvement processes. Suppliers may also be required, when requested by Jobcentre Plus and DWP Performance Managers, to provide good news stories to DWP.

## Participant Referral Process

1. WHP suppliers must acknowledge a participant referral from DWP on PRaP within two working days of the referral being sent by DWP.
2. DWP will transfer appropriate participant information and data held on DWP systems to WHP suppliers to enable them to offer a bespoke and personalised service to participants.
3. The supplier must make initial contact with the participant by appropriate means to make arrangements for the face-to-face Participant Start meeting and send the participant confirmation of the time and place. This meeting must take place within 10 working days of the referral from DWP. The shape and content of this meeting is for the supplier to propose, but it must include the ESF requirements in paragraphs 2.29 – 2.34 (in England only).
4. The initial meeting with the potential participant, which must be face-to-face, will discuss the provision and the needs of the individual. The supplier must retain evidence (as DWP requires) of this meeting having taken place. The supplier must inform the participant that the provision is funded by ESF and issue the appropriate ESF leaflet. Participation in the WHP provision must allow participants who are in receipt of benefit to meet the requirements attached to their benefit, for example the conditionality requirements attached to their benefit.
5. Start - The point at which the individual starts to participate in the programme, by attending a face to face interview. This should be recorded in PRaP as the start date, this may be a retrospective date if you are entering the start date after the face to face interview was conducted. You must provide evidence of this. Examples of acceptable evidence will include (in England) an appropriately completed ESF1420 (or other similar ESF) form, or evidence of initial action planning activity.
6. The Start Date - is day one of the 456 calendar day period that you have to work with the participant
7. The supplier must also, at the initial face-to-face meeting, obtain personal details from the participant and gain consent for this information to be passed to Jobcentre Plus. An ESF form 2 (more information will be available in the PG) must be accurately completed for each individual and must include:

* participant characteristic data (which will be detailed in paragraph 14, chapter 4 of the PG);
* a declaration from the participant that they understand that the provision is funded by ESF and that they permit their information to be stored and used to register them for ESF and future ESF research;
* endorsement (signature) from the participant that the data provided is correct;
* the postcode of the venue where the in-depth needs assessment is to be conducted and initial Action Plan is agreed; and
* endorsement (signature) from the supplier that the information supplied is correct.

1. The supplier must store the original ESF form securely and send a copy to DWP within five working days of participant signature. It is envisaged that the supplier will send the form via e-mail (more details will be defined in the PG).
2. DWP will check information contained in the form. Inaccurate forms will be returned to the supplier within 20 working days of receipt.
3. Following the initial engagement period and face-to-face start meeting, high level Action Plan activity will then need to take place. An agreed Action Plan must be in place within 20 working days of the referral which is a CSS, as shown at paragraph 4.24. Information about the content and detail required in the Action Plan will be made available in the PG.
4. Suppliers should outline their CSSs in relation to customer engagement from the referral to the initial interview, the shape of that face-to-face meeting and their action planning/review processes as part of their bid and will be monitored against these. Please see paragraphs 2.5 and 2.6.

## Signposting Organisations

1. A limited number of organisations will be authorised to act in partnership with suppliers in order to identify suitable individuals for signposting to Jobcentre Plus for onward referral to WHP (if appropriate). Jobcentre Plus terms these organisations Signposting Organisations (SOs). Jobcentre Plus DEAs have the primary responsibility of identify and engaging SOs. Suppliers can signpost partner organisations to the DEA to be considered as SOs. Around 2% of Work Choice participants were initially identified by an SO. This provides an indication of the volume of WHP participants that might have an SO as their initial identification source.

## Mandation /Benefit Sanctions

1. Participation in the WHP for the LTU group is mandatory. Suppliers will have the delegated authority to require participants from this group to undertake activity which would help them find and retain work. If LTU participants mandated to the WHP fail to undertake mandatory activity, the supplier will refer to the DWP Labour Market and Decision Making Team who will decide if a benefit sanction is appropriate.
2. Where appropriate and in line with the legislative provisions relating to the benefit a claimant receives, Work Coaches may set mandatory Work Focussed Interviews (WFIs) to discuss measures which potential voluntary participants could take to enhance their employment prospects. In these circumstances, and again where appropriate, information about participation in the WHP may be included as a potential option. WFIs may also be conducted with voluntary participants if they cease to engage with the WHP.
3. The PG will set out the details of the mandatory elements of the WHP and the relevant sanctions processes.

## Safeguarding

1. When Jobcentre Plus identifies an individual as vulnerable, the supplier will be notified. Safeguarding procedures must be followed when dealing with these individuals to take account of the unique challenges they may face when being referred to mandatory activity.
2. Safeguarding action must be taken each and every time a supplier mandates a vulnerable individual to a mandatory activity. These measures are essential to ensure the individual understands what is required of them and the subsequent consequences if they fail to undertake the mandatory activity as defined. It is the supplier’s responsibility to make every effort to see vulnerable individuals face-to-face to ensure that they fully understand their responsibilities.

## In-Work Support

1. Following a job start, the supplier, where appropriate, must provide In-Work Support to help the participant stay in work as outlined in paragraph 2.9.
2. The supplier must ensure that arrangements for the continuation of In-Work Support, beyond the end of the support provided by the supplier, including Access to Work (AtW) where that is appropriate, are in place before the supplier support ceases. The supplier must ensure compliance with ESF reporting requirements. Further information will be in the PG.
3. Suppliers should outline their CSSs in relation to In-Work Support as part of their bid and will be monitored against these – please see paragraph 2.5.

## Delivery Location

1. The potential supplier is required to deliver the provision across the entire CPA via a range of engagement methods that should include but is not limited to fixed delivery premises (on a full and/or part time basis), which complies with the Equality Act 2010, and outreach services to ensure that the WHP is accessible to all participants.It is important that as a minimum suppliers deliver from at least one location in each Local Enterprise Partnership (LEP) area within the CPA and within that, where applicable, each Category of Region (CoR) within a LEP area. For more information about a CoR please refer to Annex 5, and for more information about LEPs please refer to Annex 6.
2. All premises must be easily accessible to participants using regular public transport, meet all legal requirements and provide facilities commensurate with the requirements of this Call-Off Specification, and be compliant with the Equality Act 2010. Suppliers will be required to ensure that if participants have to travel to meetings at the supplier’s premises, they can do so  by public transport door-to-door and such travel will take no longer than 90 minutes in each direction by a route and means appropriate to their circumstances.
3. DWP has recently reviewed its future estates requirements and is in the midst of re-negotiating leases for the sites it wishes to retain. However DWP will be divesting a number of existing Jobcentre sites.
4. Therefore, it should not be automatically assumed that Providers will be able to locate themselves in current Jobcentre sites as some existing sites will not be available in the future and lease conditions may not necessarily permit sharing.

## Provider Management Information

1. To support active performance management of the contract, the supplier will be required to provide a Monthly Performance Return (MPR) as part of the MI to be provided by the supplier containing key data that drives the performance of the contract. The content of the MPR will be determined by DWP, informed by dialogue with the supplier. More specific information, including the format and deadlines for the MPR, will be included in the contract and the PG prior to the contract start date. The MPR is likely to include, but is not limited to, information such as the following:

* the number of supplier and end-to-end supply chain staff working on this contract (including data on absences) and in what roles, including a full-time equivalent (FTE) breakdown;
* caseload sizes per adviser; (potential suppliers are expected to state in their tenders the average and maximum caseload size each of their, and their end-to-end supply chain advisers will be expected to manage);
* the number of people participating within the main element of the supplier delivery model;
* supplier performance against the CSSs agreed in the supplier contract;
* participant attendance at face-to-face and group sessions and potentially other agreed channels of engagement; and
* the performance and management of the supply chain.

1. DWP may amend/supplement the information it requires in the MPR at any time including but not limited to amendments to cover the supplier’s particular organisational structures/mechanisms for delivery of the services.
2. Suppliers will also be expected to provide DWP with any information it may require in order to fulfil its legal obligations under relevant legislation (including, but not limited to, The Freedom of Information Act (2000) and The Data Protection Act (1998).

## Participant Transfer to Work and Health Programme from Existing Provision

1. Participants on the Work Programme and Work Choice will not transfer to the WHP, but will continue to receive support on their current programme. Individuals that have previously been on DWP programmes and meet the eligibility criteria, can be referred to the WHP.

## Participant Journey

A flowchart of the end-to-end WHP Participant Journey can be found at Annex 1.

Section 3: The Commercial Approach

## The Commercial Approach

## Overview

1. There will be a number of Call-Off competitions from the UAEHRS in relation to the WHP. UAEHRS suppliers in each of the Lots will be invited to bid for a contract in that Lot. For the avoidance of doubt, we will refer to CPA’s for the WHP Call-Off but they will align geographically with the Lot structure of the UAEHRS. It is anticipated that DWP will let one WHP contract per CPA:

* CPA 1 Central England.
* CPA 2 North East England.
* CPA 3 North West England.
* CPA 4 Southern England.
* CPA 5 Home Counties.
* CPA 6 Wales.

1. The Commercial Process will consist of three key stages:

* a presentation and evaluation questions (Initial Response);
* Commercial Dialogue including additional assurance; and
* Final Offer.

1. The Initial Response will be a presentation by potential suppliers which will be based on pre-published case studies and a written response to three evaluation questions. Further information on the criteria and scoring methodology is outlined in the ‘Instructions to WHP Bidders’. The three highest scoring UAEHRS Providers following this evaluation will be invited to the second stage of the process which is the Commercial Dialogue followed by Final Offer submission.
2. Commercial Dialogue will be an opportunity to discuss a number of elements which are set out in the ‘Instructions to WHP Bidders’ as issued alongside this Call-Off Specification. Following this dialogue period potential suppliers will be invited to submit a Final Offer which will be assessed to select preferred suppliers.
3. Alongside the Commercial Dialogue, DWP will carry out an additional assurance process on each WHP Bidder. This will provide confidence to DWP on the strength of the WHP Bidder bid through, for example, site visits and interviews. This process will be outlined in the WHP ITT, and will be the same for each WHP Bidder.
4. At all selection stages, WHP Bidders will be expected to provide evidence to demonstrate their ability to achieve the objectives of the WHP Mini-Competition.
5. DWP reserves the right to re-issue updated versions of all or part of the WHP ITT suite of documents at any time prior to the date advertised as the date for WHP Shortlisted Bidders to submit the WHP Final Offer to DWP, and to revise that date to provide a reasonable and proportionate amount of time for shortlisted WHP Bidders to respond to that update. If DWP issues an updated version of any part of the WHP ITT suite of documents after it has notified WHP Bidders of the outcome of its evaluation of the WHP Mini-Competition Initial Responses, DWP will not revise any score or re-evaluate any presentation or answer submitted during the WHP Mini-Competition Initial Response Stage in the light of such update.
6. Any clarifications or updates to documents will be issued to all WHP Bidders who remain in the WHP procurement process at the time DWP issues the clarification or update at the same time to ensure transparency and equal treatment.

## Performance Offer Evaluation

1. At the initial response stage of the evaluation process WHP Bidders will provide their indicative performance conversion rate, detailed information on this is provided within the Instructions to Bidders at paragraphs 47.4 to 47.8.
2. At Final Offer the performance offer will be evaluated as part of the financial evaluation. Please refer to section 52 of the Instructions to Bidders for further information.
3. DWP believe that more people could be helped through the WHP and would be interested in understanding UAEHRS Providers proposals that could offer increased start levels alongside lower costs and improved performance levels. The Department want to help as many people into sustained employment and therefore we are looking to maximise the budget available in this regard. However, UAEHRS Providers must outline a clear rationale for any bid based on 115% or more of the indicative volume of starts and the Department will evaluate that rationale as part of its evaluation process. The percentage increase applied will be based on total baseline volumes, but will only be applied to Persons in the Health and Disability and Early Access Disadvantaged participant groups. The increased start volume will be distributed generally across the CPA.

## The Commercial Timeline

1. The table below details the proposed procurement timetable. This is intended as a guide, and whilst the Authority[[9]](#footnote-9) does not intend to depart from the timetable, it reserves the right to do so at any stage. Should the Authority need to depart from this timetable, it will inform potential suppliers of changes as soon as practicable.

|  |  |
| --- | --- |
| Activity | Dates |
| WHP ITTs issued for each of the 6 CPAs | 27th Jan 2017 |
| Q&A - Set up and run an online/electronic Q&A facility | 2nd February 2017 |
| Last Questions received | 21st February 2017 |
| WHP Bidders submit WHP Mini-Competition Initial Stage Responses | 24th Feb 2017 |
| WHP Mini-Competition Initial Stage Presentations | 6th March – 24th March 2017 |
| DWP announces the WHP Shortlisted Bidders | 3rd April 2017 |
| WHP Shortlisted Bidders submit draft responses to the WHP Mini-Competition Commercial Dialogue Stage Questions to DWP | 28th April 2017 |
| WHP Mini-Competition Commercial Dialogue Stage sessions | 8th May 2017 – 23rd June 2017 |
| WHP Mini-Competition Final Offer Invitation to Tender pack published | 30th June 2017 |
| WHP Shortlisted Bidders submit WHP Final Offer | 10:00am 4th August 2017 |
| WHP Final Offers evaluated | August 2017 |

## Contract Duration and Start Date

1. The WHP contract will run for up to five years of referrals (dependent on implementation period) with the option to extend referrals by up to two years, subject to available funding and satisfactory performance. As the services will be delivered to each participant for up to 639 days, suppliers will continue to deliver the service until 639 days after the last start on the programme – please refer to Section 1 for more information.
2. For CPAs 3 and 6 the exact start exact call-off service start date will be agreed with suppliers, but DWP is committed to having WHP contracts in place for referrals to begin between November 2017 and February 2018. It is expected that suppliers in these CPAs will meet a service delivery start date within this window and their ability to do this will be assessed in the WHP Mini-Competition Commercial Dialogue Stage in the assessment of their Implementation Plans to be submitted as part of their WHP Final Offer. For CPAs 1, 2, 4 and 5 the call-off service start date will be January 15th 2018.
3. It should be noted that by ‘service delivery start date’ supplier’s must be immediately ready, across the full CPA, to receive referrals and offer participants a place on the programme in line with the requirements outlined in Section 2 of this Call-Off Specification. Where the call-off start date for live referrals falls after the start of the month, meaning a part month delivery, the first instalment of the delivery fee will be calculated and paid at the pro rata amount (for the purposes of this payment, 30 days will be used as the basis for the calculation).

## WHP Tender Evaluation

1. The WHP Mini-Competition evaluation will be a 3 stage process:

* Stage 1 – WHP Mini-Competition Initial Response Stage
* Stage 2 – WHP Mini-Competition Commercial Dialogue Stage
* Stage 3 – WHP Final Offer

More details on each of these stages is set out in the Work and Health Programme Mini-Competition Instructions to Bidders.

1. DWP will manage the WHP Mini-Competition evaluation process.
2. As part of the evaluation process, DWP reserves the right to invite DDAs to contribute to the evaluation. In such cases, the DDAs must have the required ethical walls and declaration of non-interest in place before they are involved with any part of the evaluation process.

## Market Share

1. DWP reserves the right to limit the award of WHP Contracts to any one organisation to 30-35% of market share to preserve, as far as possible, a diverse supply base. WHP Shortlisted Bidders, at WHP Final Offer stage, will be asked to provide a ranked order of preference for their WHP Tenders. DWP will consider WHP Shortlisted Bidders preference order in determining the award of WHP Contracts alongside, at its absolute discretion, wider value for money including, but not limited to, relatives scores of WHP Shortlisted Bidders in each contract package area and performance offers.

## Notification to the Preferred Suppliers

1. The Authority anticipates that on the current timetable it will be in a position to name the preferred suppliers during September 2017. It may, at that stage, require the preferred suppliers to enter into a preferred supplier access agreement to facilitate access to customer systems, sites, data and people. The Authority will also prepare a detailed schedule for clarification to finalise the contract documents.

## Standstill Period

1. When the Authority is satisfied that the contract documents are in a position to be signed, it will notify all relevant parties of its intention to award the contracts. However, it will not conclude the award until the end of the standstill period, which is envisaged to last 10 days. Contract signature will follow the end of the standstill period.

## Debrief to Unsuccessful Suppliers

1. At the commencement of the standstill period unsuccessful suppliers will be provided with details of the characteristics and relative advantages of the successful tender. They will also be provided with an opportunity for debriefing at the end of the standstill period.

## Transfer of Undertaking (Protection of Employment) Regulations 2006

1. Suppliers should submit TUPE compliant bids on the basis that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (“TUPE”) may apply in relation to Work Choice only, but not Work Programme. However, suppliers should be aware that if it transpires at a later stage in the procurement process that TUPE will not apply, or may apply only in part it is DWP’s expectation that suppliers would revise their bids on the appropriate basis. For the avoidance of doubt all suppliers should at this stage submit TUPE compliant bids.
2. DWP will provide further staffing information, if and when any such data becomes available from the incumbent suppliers, however DWP makes no representation or warranty as to the accuracy of any  data and accepts no liability for any inaccuracies in the data.
3. DWP offers no warranty or indemnity provisions in respect of TUPE and/or in relation to any transferring staff.
4. DWP envisages that should TUPE apply, employees working on the current service shall transfer to the supplier or its sub-contractors, under TUPE along with the services. If it transpires that there are any former public sector employees in scope to TUPE transfer, the supplier will be expected to comply in full with its obligations under new “Fair Deal for staff pensions” policy in order to enable any such employees to participate in the relevant public sector scheme following the transfer date.  The new “Fair Deal” policy can be found at <https://www.gov.uk/government/publications/fair-deal-guidance>.
5. In accordance with the Best Value Authority ( Pensions) Direction 2007, it is a condition of the contract that the new employer, Potential Supplier, offers local government or former local government employees membership of either the local government pension scheme (LGPS) through the new employer becoming an admitted body to the LGPS and paying the requisite contributions; or an alternative pension scheme which has been certified by Government Actuaries Department as broadly comparable to the LGPS.
6. Suppliers pricing models must include the costs associated with any staff transfers of these employees. If the costs associated with a TUPE transfer (including pensions costs) are subsequently found to be lower than envisaged, the supplier shall make a corresponding reduction in the contract price.

## Open Book Accounting

1. As part of the Cabinet Office Guidance on Open Book Contract Management in Public Sector Contracts, there will be an Annual Contract Review between the supplier and DWP Commercial, Finance and Operational leads.
2. Open Book Contract Management is a structured process for the sharing and management of costs and operational and performance data between the supplier and DWP. The aim is to promote collaborative sharing of data between parties as part of financial transparency. The outcomes should be a fair price for the supplier, value for money for DWP and performance improvement for both parties over the life of the Contract.

## Costs and Expenses

1. Potential suppliers are not entitled to claim from the Authority any costs or expenses which may be incurred in preparing and/or submitting a tender. This applies whether or not the supplier or any other organisation is successful and also applies to any additional cost a potential supplier may incur if the Authority modifies or amends its requirements or if the Authority cancels this procurement for whatever reason.
2. The Authority reserves the right to discontinue this tendering process at any time and not to award a contract.

## Working with Small and Medium Enterprise

1. DWP is committed to supporting the Government target of 25% of Government spending with third party suppliers to go through Small to Medium Enterprises (SMEs) through either direct or indirect spend where it is relevant to the contractual requirement and provides value for money. DWP therefore actively encourages suppliers to make their sub-contracting (if applicable) opportunities accessible to SMEs and implement SME-friendly policies by:

* opening their supply chain to SMEs by splitting requirements into smaller elements to make them more attractive to the SME market whilst bringing innovation, flexibility and value for money;
* advertising any sub-contracting opportunities where appropriate and economical to do so, for example by using Contracts Finder or informing local networks/partners;
* where possible paying SMEs earlier than the contractual requirement of 30 days from receipt of valid invoice; and
* working with SMEs throughout the life of the contract to develop innovative and cost effective solutions delivered through the supply chain.

**Evaluation Process**

Go- Live

**Additional Assurance**

Contract signed and completed

Submit WHP Final Offer

Q & A Process

WHP ITT issued

Submit answers to WHP Mini -Competition Initial Stage Questions

Shortlist to 3 WHP Shortlisted Bidders

Submit answers to WHP Mini-Competition Commercial Dialogue Stage Questions

WHP Mini- Competition Initial Stage Presentation takes place and evaluation of WHP Mini Competition Initial Stage Response

Commercial Dialogue

Evaluation of WHP Final Offer and Governance

**WHP Mini-Competition Initial Stage Response preparation**

**WHP Final Offer**

**WHP Mini-Competition Commercial Dialogue Stage**

**Implementation**

# Section 4: Delivery Expectations

## Introduction

1. This section provides an overview of the delivery expectations relating to quality, performance and contract management. Supporting information will be detailed in the PG.
2. DWP is committed to raising the standards of its contracted provision making continuous improvement an integral part of its contracting arrangements.

## Performance Expectations

1. DWP is seeking proposals from each bidder in its tender for robust and stretching performance levels and meaningful and measureable CSSs which will be designated separately as Tender Minimum Performance Levels (tMPLs) and the Tender Customer Service Standards (tCSS). On award of the Contract, the tMPLs and tCSSs agreed with DWP will form the contracted Minimum Performance Levels (MPLs) and CSSs in the Contract entered into with the successful bidder. DWP is committed to ensuring that all participants have a meaningful experience that moves them closer to the labour market, even when they do not achieve sustained employment during their time on the programme.
2. The tMPLs and the tCSS you propose in your tender will be tested at all stages of the procurement process, including assumptions made and evidence provided. On award of the Contract, the tMPLs will form the contracted MPLs and the tCSS will be included as part of the CSSs in the Contract entered into with the successful bidder. The performance management regime will measure suppliers against the contracted MPLs and CSSs and DWP will seek to utilise appropriate commercial levers to ensure good quality of service across all participants.
3. Performance against employed and self-employed outcome targets will be measured and managed on a cohort profile basis. (A cohort relates to participant starts in a calendar month). Only one outcome can be achieved per participant and must be wholly achieved in either employment or self-employment. So the employed job outcome earnings threshold must be achieved entirely with employed earnings i.e. not include any earnings from periods of self-employment. In the same way, self-employed job outcomes may not include any periods of employed work as part of the calculation of time in self-employment, used to generate a self-employed outcome payment.
4. An Employed Job Outcome will be achieved when a participant’s earnings reach an earnings threshold equivalent to the participant working at the National Living Wage (NLW), for 16 hours per week, for 182 days – please refer to paragraph 5.5. Achievement of these outcomes will be identified automatically by DWP.
5. A Self-Employed Outcome will be achieved when the participant has been trading on a self-employed basis for a cumulative period of 182 days – please refer to paragraph 5.6. As part of making a successful claim, the supplier will need to identify and submit self-employment claims within 700 days of participant starts.

## Performance Management Regime

1. Within an overall framework, DWP will employ an active and consistent Performance Management and Intervention Regime (PMIR). This will centre on monthly Local Engagement Meetings (LEMs) and Contract Performance Review meetings (CPRs) which will be the key vehicles through which DWP drives delivery of performance and service delivery through these contracts. Chaired by DWP, LEMs will be made up of Devolution partners and local area stakeholders providing a forum with which they can discuss and support performance improvement, service delivery and service integration across the CPA. DWP will also meet with individual DDAs on a quarterly basis to discuss performance and local integration for that specific combined authority/city/ region. Suppliers could be invited to discuss performance in the specific DDA at these meetings including their support to local service integration.
2. CPRs will be conducted by DWP with each supplier and will focus on reviewing the supplier’s delivery of services against the contractual MPLs and CSSs. Supplier performance will be managed on both quantitative and qualitative aspects of the contracts, including, but not limited to, an in-month, rolling three month, rolling 12 month and cumulative basis from day one of the Contract.
3. DWP will use MI presented by PRaP for the on-going management of the provision and for discussion with suppliers. DWP will also expect suppliers to capture and use their own MI and retain evidence for contractual and performance purposes (e.g. self-employed outcome claims).
4. DWP’s performance teams,including local area stakeholders may visit supplier premises on an ad hoc (announced and unannounced) basis to investigate performance for example, under or high performance.
5. As DWP is committed to transparency on how its programmes are working, suppliers need to be aware that MI will be shared across suppliers and may also be fed into published official statistics on DWP provision. Consequently suppliers must treat information they have access to as restricted, and for their use only, ahead of formal publication. Official statistics may also cover DWP’s assessment of delivery of the services against the contractual MPLs and CSSs at supplier level.
6. At a national level, DWP will host regular Operations, Partnership and Stakeholder Forums to give a strategic focus to programme performance and delivery.

## Supplier Directly Employs Participants

1. The supplier must notify DWP when they, or a supply chain partner employs a WHP participant within a part of their business directly related to WHP contracted provision. Suppliers cannot claim or receive an outcome payment for anyone they or their supply chain partner(s) have employed directly or indirectly, or use/contract with on a self-employed basis. The earnings from any such periods of employment or self-employment with the supplier or its supply chain partner(s) cannot count towards the achievement of an outcome for either payment or performance purposes. An example of self-employed work would be:

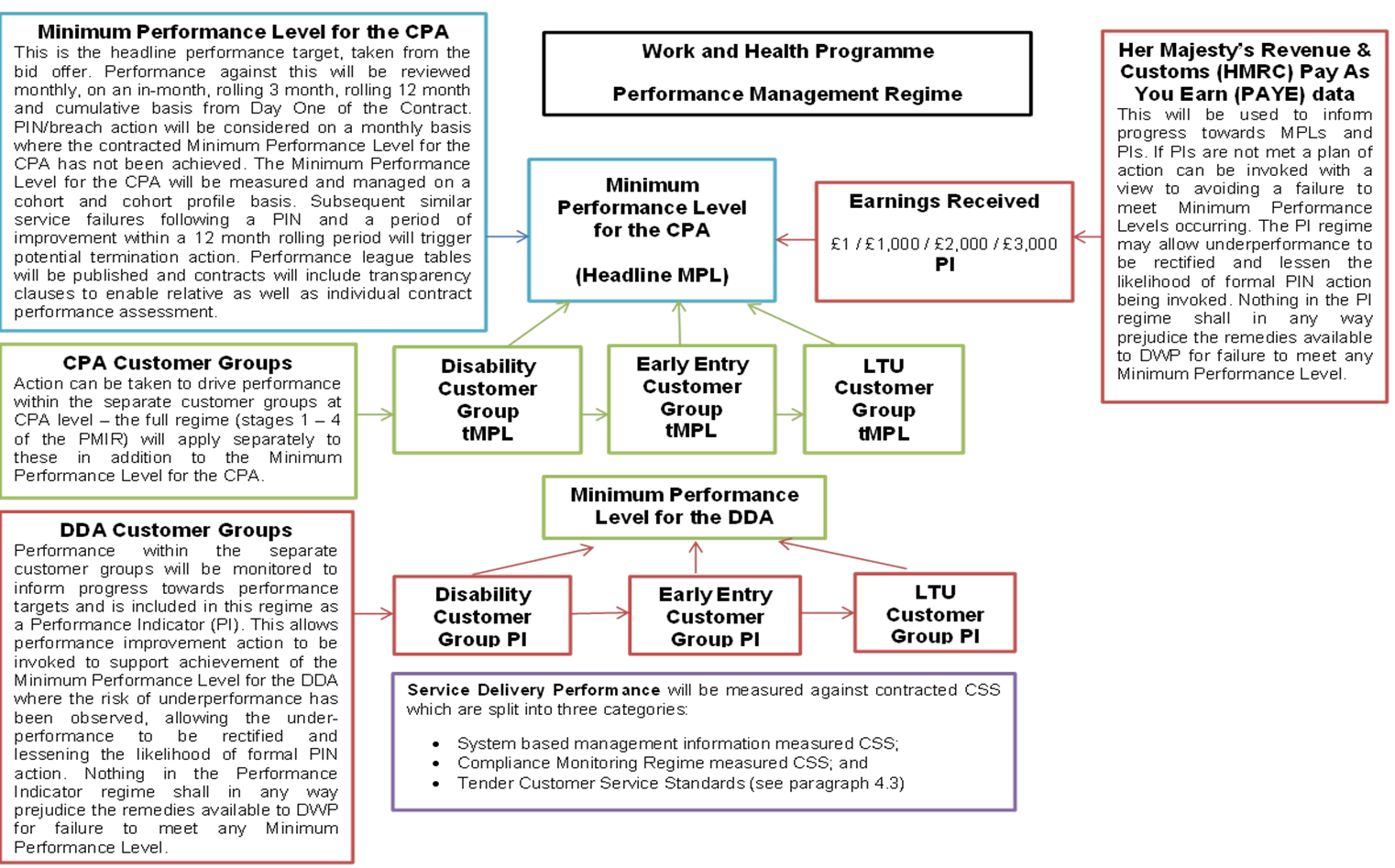
* a supplier or a supply chain partner uses/contracts with a participant on the WHP as a private Information Technology (IT) contractor to work on their systems.

1. The supplier must not provide any financial incentive, however funded, to employers (for example funding and/or payment) to support the employment of participants.
2. The supplier may provide appropriate services and support to employers to help with the engagement and employment of participants. The supplier must not make a payment, from whatever source, to an employer or offer employers either a full or part contribution towards a participant’s wage.
3. Should a supplier provide funding for equipment or training, this must not be paid directly to the employer in any circumstances.
4. For participants in self-employment, where the participant has a clear business plan which would benefit from financial support through either working capital and or equipment, the supplier may provide up to a maximum of £1,000 for working capital and/or equipment per participant for the purpose of the self-employed business. The supplier must retain evidence of the Business Plan and any payments related to the working capital and/or equipment. A failure to do so could result in the outcome payment being disallowed for payment and performance purposes.
5. For the purpose of WHP, if the supplier decides to provide working capital and or equipment to an individual to support their self-employed business, the supplier should not consider this to be in any format a loan to the individual.
6. If DWP discover that a supplier has failed to retain evidence of equipment or training purchases, or that the supplier has offered a financial incentive to secure an employment outcome, DWP will treat this seriously. Depending on the circumstances, DWP may seek to terminate the contract.
7. If an outcome payment has been made in the above circumstances and DWP later discover this, DWP will seek to recover these funds.

## Performance Expectations

1. The following three tables and paragraphs show the categories under which performance will be measured and managed and the standards which relate to the delivery of customer service.
2. The Minimum Performance Levels (MPLs) are:

|  |  |  |
| --- | --- | --- |
| **MPL** | 1 | MPL for the CPA.  **Notes**: This is the headline performance target; a CPA-level % conversion rate taken from the tender offers for each of the separate customer groups. Performance will be measured and managed on a cohort and cohort profile basis. |
| 2 | Disability Customer Group tMPL.  Those persons who have a disability attending WHP on a voluntary basis; x% of ‘Participant Starts’ will realise a job outcome. Performance will be measured and managed on a cohort profile basis. |
| 3 | Early Entry Customer Group tMPL.  Early access disadvantaged groups attending WHP on a voluntary basis; x% of ‘Participant Starts’ will realise a job outcome. Performance will be measured and managed on a cohort profile basis. |
| 4 | LTU Customer Group tMPL.  For the LTU attending WHP on a mandatory basis; x% of ‘Participant Starts’ will realise a job outcome. Performance will be measured and managed on a cohort profile basis. |
| 5 | MPL for the DDA.  **Notes**: Once the Contract is entered into, the MPL for the DDA will be measured both distinctly from and as part of the MPL for the CPA. Performance will be measured and managed on a cohort and cohort profile basis.  This is an aggregate of the performance against performance targets for each of the separate customer groups at DDA level; a DDA-level % conversion rate. Suppliers will not be measured against the performance targets for each of the separate customer groups. Such targets will operate merely as Performance Indicators (PIs) which give an indication of progress towards meeting performance levels. |



1. The following table shows the minimum CSS that will utilise IT based management information:

|  |  |  |
| --- | --- | --- |
| **CSS** | 1 | 1. 100% of ‘Referrals’ will result in a ‘Participant Start’ or failure to attend within 10 working days of referral. 2. This activity will be recorded in PRaP within 15 working days of referral. |
| 2 | The supplier must acknowledge a ‘Referral’, within two working days of the referral, on PRaP. |
| 3 | No more than 4% of referrals will be in backlog.  (**NB**: backlog is defined as an accumulation of uncompleted work or matters needing to be dealt with. In line with CSS1, this would be a figure greater than 15 working days). |
| 4 | No single referral will be in backlog for more than 25 working days from date of referral. |

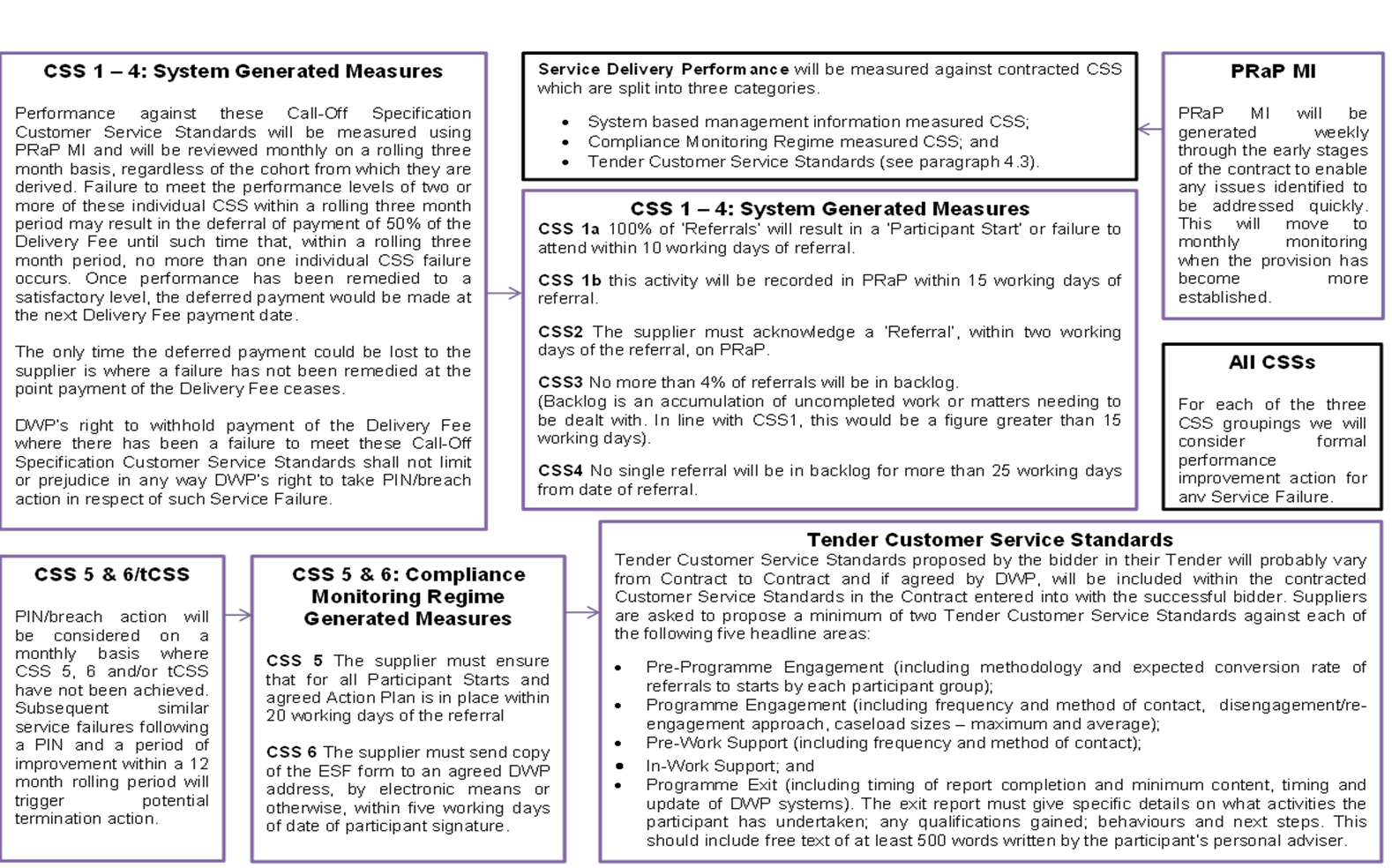
1. Payment of the Delivery Fee, as described in Section 5, will be subject to meeting the above four CSSs. The basic principles for application of deferral of the Delivery Fee are as follows:

* Failure to meet two or more of the four CSSs (labelled as numbers 1 to 4), which form this suite, in one or more in-month periods (when viewed across a rolling three-month window) may result in 50% of the Delivery Fee being withheld until the failure is remedied.
* This ‘withholding’ of half of the Delivery Fee would continue until such a time that “within a three-month rolling period, no more than one individual CSS ‘failure’ is evident across the four CSSs that form the suite”.
* Once performance has been remedied to a satisfactory level, the Delivery Fee would be placed back into payment and any ‘withheld’ fees would become due for payment at the earliest opportunity (expected to be next due payment date).
* If a supplier is unable to remedy a ‘failure’ for which the Delivery Fee has been deferred, the supplier shall no longer be entitled to receive, and DWP shall be relieved of any obligation to pay, the withheld Delivery Fee.

1. The following minimum CSSs will be measured via a sample-based Compliance Monitoring Regime:

|  |  |  |
| --- | --- | --- |
| **CSS** | 5 | The supplier must ensure that for all ‘Participant Starts’, an agreed Action Plan is in place within 20 working days of the referral. |
| 6 | The supplier must send copy of the ESF form to an agreed DWP address, by electronic means or otherwise, within five working days of date of participant signature. |

1. As detailed at paragraph 2.5, suppliers must also propose a minimum of two tCSSs against each of the five headline areas. These tCSSs will be included as part of the contracted CSSs in the Contract with the successful bidder.



## Performance Management Regime Guiding Principles

1. The guiding principles are:

* All contractual levers will be used both separately and cumulatively from the start of the contract.
* Performance against MPLs, CSSs and PIs will be reviewed each month, on, but not limited to, an in-month, rolling three month, rolling 12 month, and cumulative basis from day one of the Contract. PI action will be considered on a monthly basis where contracted targets have not been achieved. We will hold suppliers to cohort positions as well as the Minimum Performance Level for the CPA.
* All Job Outcome performance measures will include cumulative performance from day one of the contract and cumulative performance of each cohort and cohort profile.
* Subsequent similar service failures following a Performance Improvement Notice (PIN) and a period of improvement within a 12 month rolling period will trigger potential termination action.
* HMRC PAYE data will be used to monitor progress towards meeting PIs. If PIs are not met, a plan of action can be invoked with a view to avoiding a failure to meet MPLs occurring. The PI regime may allow under performance to be rectified and may lessen the likelihood of formal PIN action being invoked. Nothing in the PI regime shall in any way prejudice the remedies available to DWP for failure to meet any MPLs.
* DWP’s right to withhold payment of the Delivery Fee where there has been a failure to meet CSSs shall not limit or prejudice in any way DWP’s right to take PIN/breach action in respect of such service failure. Furthermore, nothing in the PI regime shall in any way prejudice DWP’s ability to withhold payment of the Delivery Fee.
* Performance league tables will be published and contracts will include transparency clauses to enable relative as well as individual contract performance assessment.

1. The supplier must be able to communicate with and receive communications from DWP by unencrypted e-mail.

# **Section 5: The Funding Model**

## Background

1. The current welfare reform agenda provides the opportunity to build upon the success of previous PbR models, whilst adapting to account for lessons learned, ensuring a better outcome for the participant.
2. The WHP Funding Model will predominantly be PbR to drive sustained work outcomes. DWP will pay for outcomes measured using earnings data provided by HMRC.

## Summary

1. There will be two distinct elements to the WHP Funding Model. Suppliers will be paid:

## A Delivery Fee

1. The Delivery Fee will be an amount payable by DWP to the supplier on a monthly basis in respect of each month in which Referrals are made. The Delivery Fee will be calculated as:

* 30% of the Estimated Possible Total Contract Value (EPTCV), as estimated by DWP in its absolute discretion, divided by Estimated Possible Number of Months (EPNM) in which services are to be provided, as estimated by DWP in its absolute discretion (please see table at paragraph 1.48);

Where due, the Delivery Fee will be paid:

* (without the supplier needing to claim) monthly in arrears, at a date to be agreed; and,
* paid for each month throughout the period between the Call-Off Service Start Date and the Referral End Date up to a maximum of 60 months (see paragraph 1.31 for Contract Duration and Implementation and see paragraph 4.25 for conditions attached to the payment of the Delivery Fee).

## An Outcome Payment

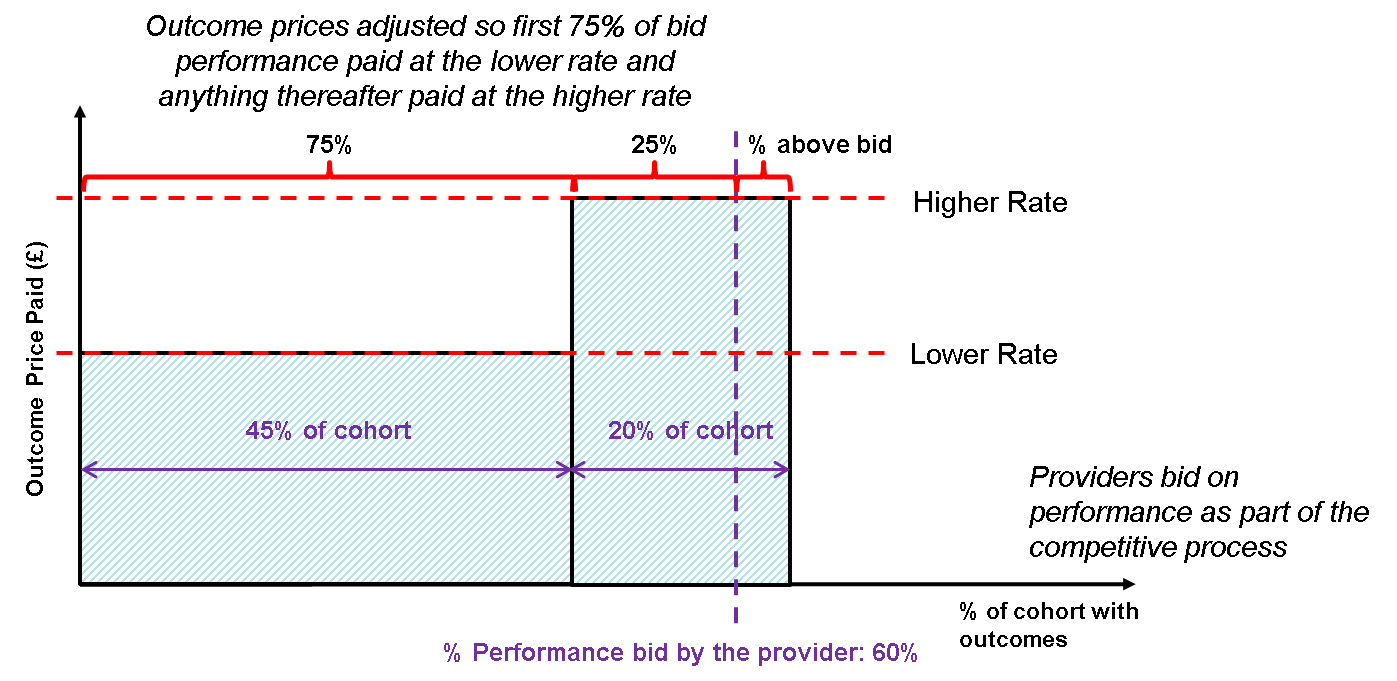
1. For the employed, an outcome payment would be triggered when a participant receives, in the (456 + 182) day period from the participant’s Start Date on WHP, the equivalent earnings of someone working for 16 hours per week for 182 days, earning the adult rate (aged 25 or over) of the NLW. This threshold currently stands at approximately £2,995, and will be uprated in line with NLW. An outcome will be achieved when earnings become equal to, or surpass the NLW adjusted threshold appropriate on the date of the payment which caused cumulative earnings to trigger the threshold. Cumulative earnings, below the threshold which are paid prior to threshold uprate will not be prorated towards the increased threshold – their value will remain and contribute towards the new threshold which will have to be met in full.
2. For the self-employed, an entitlement to an outcome would be triggered when a participant achieves a cumulative period of not less than 182 days self-employment. Any period of self-employment can only be counted once regardless of whether the participant has one or multiple self-employed occupations during that period.

## Accelerator Payment Mechanism

1. Price Acceleration takes place when the number of outcomes achieved by a provider exceeds the volume of outcomes specified by DWP as required to allow an increased outcome fee to be paid in respect of each outcome achieved above the volume specified by DWP.
2. For each calendar month cohort of participants starting on the programme (all customer groups to be included in the monthly calculation of the number of starts for accelerator payment purposes), a standard outcome payment will be paid for the first 75% of the contracted outcome volumes (75% of the tMPL) at aggregated participant group level and all further outcomes achieved (above and beyond) will be paid at a higher rate. This higher rate is set 40% higher than the lower rate.

## Accelerator Model Example

1. A potential supplier in their tender submission indicates that they will be able to achieve outcomes for 60% of participants who start on the programme.
2. Within the price acceleration mechanism, this would mean that within any particular cohort, the first 75% of the performance bid will be paid at the standard rate. In this instance, this would equate to the first 45% of the cohort who achieve an outcome (75% \* 60%).
3. Any outcomes achieved above the 45% point will be paid at the higher rate. This is the remaining 25% of the performance bid (i.e. 15% of the cohort), plus any outcomes over and above the bid. For example, if the potential supplier achieves 65% of starts resulting in an outcome within a particular cohort, the first 45% will be paid at the standard price and the residual 20 percentage points (15% remainder of the cohort plus 5% performance above the bid) will be paid at the higher rate:

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1. The payment mechanism diagrams at Annex 3 illustrate some of the above.

## Validation

## Employed Work

1. Participants moving into employed work will be identified by DWP solely using HMRC (PAYE) on-line data submitted each time an employee is paid by an employer, on or before their pay date. DWP already use this information to pay Universal Credit (UC) and to validate outcomes claimed by suppliers holding contracts for the Work Programme. Suppliers will be paid based on the outcomes observed in this data.
2. DWP will share the following information with suppliers, related to the validation of earning based outcomes:

* when a participant’s earnings are first declared to HMRC, following a confirmed start on the programme;

* when a participant has achieved income milestones of £1,000 and £2,000 during their employment; and
* an automatic outcome payment once the earning threshold is reached.

1. DWP systems will interrogate the data supplied by HMRC to identify when an eligible WHP participant, within the qualifying period, had cumulative earnings surpassing or equalling the minimum threshold set to constitute an outcome.

## Self-Employed Work

1. The data supplied by HMRC does not contain earnings from self-employment. Therefore, self-employed outcomes will be based on duration of self-employment – please see paragraph 5.6 and not on earnings. Suppliers will track and claim self-employed outcomes. DWP experience of previous programmes suggests that the percentage of self-employed outcomes could be around 15%, although there is no cap on the proportion of self-employed outcomes suppliers can claim. Within five working days of the participant informing a supplier they have commenced self-employment, the supplier must update PRaP with the date the self-employment started.
2. DWP will conduct pre and/or post payment validation checks to determine whether the supplier is entitled to receive payment(s) against the claims submitted. Validation checks will be performed at the optimum time(s) to allow DWP systems to be updated. Ultimately, eligibility for payment will rely on validation being confirmed independent of the supplier and/or its supply chain partners. If DWP identify any fails whilst completing their manual pre-payment validation, the claim will be backed out of PRaP and will not be paid, if it is found to be a fail at the post-payment stage it will be backed out of PRaP and the payment recovered. Should a supplier establish a subsequent valid self-employed outcome for the participant, the line will be available for them in PRaP, to resubmit another claim. It is expected that the necessary steps will have been taken to establish the validity of the claim and the information supplied with it. Including the initial claim the supplier will be allowed a total of three attempts to make a claim, should these fail, the self-employment line will be closed down for that participant and a fourth attempt will not be allowed (an employed outcome will still be possible). If a third claim is attempted it will be the subject of a final reassessment overseen by a Senior Executive Officer (or above) member of DWP staff to ensure all processes and procedures have been followed correctly. DWP will monitor the number of failed claims for assurance and performance management purposes.
3. Claims which fail any pre-payment validation checks may not be paid. Claims which DWP is unable to conclusively validate/invalidate in post payment validation will be apportioned as passes or fails. Apportioning of these ‘unable to validate’ claims will be in line with the proportion of claims from the same period which were conclusively passed/failed. DWP will in any case recover any overpayment(s) including any associated with claims failing validation and any claims which DWP has been unable to conclusively validate/invalidate and which are apportioned as fails. This will be in accordance with the provision in the T&Cs of the contract.
4. Where, in any period, DWP checks less than 100% of the available claims it may extrapolate, across the total population of self-employed claims from the same period, the error rate consequent to checks conducted on a sample of claims (which will have been drawn on a random basis) and recover any consequent overpayment(s). The contract T&Cs will detail how the error rate is derived but in summary it is the fails (i.e. the actual fails plus those unable to validate claims apportioned as fails) divided by the total claims checked. This will be done in accordance with the provision in the T&Cs of the contract.
5. DWP may, where a supplier secures WHP contracts in more than one of the WHP CPAs (please refer to paragraph 1.21), undertake validation on the basis of a sample or samples of claims. Samples will be drawn on a random basis. A sample may be drawn from across a selection (up to and including all) of the supplier’s WHP contracts (with the error rate being extrapolated across the claims from those contracts); from each contract (with the consequent error rate being extrapolated across the claims from the contract from which the sample was draw); or through a combination of approaches.

## Payments to Suppliers

1. All payments will be made through PRaP in line with the amounts agreed in the contract payment schedules, which will be attached to the T&Cs. Please note that DWP can only make direct payments to UK bank accounts.

# Section 6: Supplier Assurance and Governance

## Contracted Employment Programmes Provider Assurance Team

1. The primary purpose of the Contracted Employment Programmes (CEP) Provider Assurance Team (PAT) is to provide the DWP CEP Director with an assurance that supplier systems of internal control are such that payments made to suppliers are in accordance with DWP and Treasury requirements.
2. PAT reviews and tests suppliers’ systems of internal control to establish how effective they are at managing risk to DWP in relation to CEP expenditure, service delivery and data security.
3. This work is carried out by PAT by reviewing suppliers’ internal control systems to assess their ability to manage risk across these key areas:

**Governance Arrangements** – covering the supplier’s governance arrangements, systems for tracking and reporting performance and their anti-fraud measures;

**Service Delivery** – includes the supplier’s systems for starting, ending and moving participants through provision and generally looks to ensure that DWP is getting the service it is paying for. This section also covers management of the supply chain;

**Claim Procedures and Payments** – looks to ensure that suppliers have in place effective systems to support their claims for payment, including appropriate segregation of duties;

**Data Security** – looks to ensure that suppliers have in place adequate systems to safeguard DWP data whilst it is being stored and/or transmitted around their organisations. This scope area is assured by DWP’s Supplier Security Team; and

**ESF Requirements** – CMOs will check that the ESF Regulatory Requirements, in terms of Marketing and Publicity; Sustainable Development; Equality and Diversity; and Document Retention, are being adhered to. More information will be made available in the PG.

1. The PAT operates at a national level enabling it to present CEP suppliers operating across regions with a single view of the effectiveness of their systems. Each supplier will have a nominated Senior Supplier Assurance Manager and therefore a single point of contact within DWP for management of assurance related issues/concerns.
2. On completion of each review, suppliers are awarded an assurance rating from the following four categories – weak, limited, reasonable and strong. They are also sent a formal report which details the review findings including key strengths and areas for improvement; where weaknesses have been identified they are asked to complete an action plan setting out appropriate steps for improvement and this is followed up at an agreed point.
3. The timescale for a subsequent review is determined by several risk factors; these include the supplier’s current assurance rating, the contract value and intelligence from internal stakeholders. Supplier reviews are conducted over a period of up to five months. The resource allocated to each review depends on the complexity of the contract delivery.
4. Findings from each review are routinely reported to the relevant category managers/supplier managers and other DWP stakeholders. DWP may take actions in the following circumstances:

* if following a weak or limited assurance level from PAT, the supplier’s subsequent assurance level is the same or worse for the same reasons, or the supplier is awarded a consecutive third weak or limited assurance, regardless of the reasons;
* following a review, if the supplier fails to submit and/or implement the Action Plan within the agreed timescale;
* where there are suspicions that a supplier may be acting inappropriately the team will refer to Internal Investigations as the experts trained in the legalities and techniques required to carry out formal investigations; or
* where there are serious concerns around data security these are reported through the respective channels to colleagues in Supplier Security Team.

1. DWP may periodically publish supplier assurance levels and names (note - this will not include reports or supporting information). This is to satisfy a commitment DWP made in response to a Freedom of Information request and to support DWP’s commitment to public transparency.
2. The PAT will work with successful suppliers to ensure that they understand what is expected of them, and are therefore adequately equipped to develop robust systems to support their service delivery model throughout the duration of the contract.

## The Department’s Code of Conduct and Merlin Standard

1. The Department’s Code of Conduct spells out the key values and principles of behaviour which DWP expects of suppliers which are essential for creating healthy, high performing supply chains. Suppliers that contract with the DWP will be expected to operate in accordance with the Code of Conduct.
2. The Code is in Annex 1 of the DWP Commissioning Strategy and can be found at; <https://www.gov.uk/government/publications/dwp-commissioning-strategy-2014>
3. Potential suppliers need to be aware that they must attain the Merlin Standard, if not already held, where they have a supply chain within their delivery model for this contract. Further information can be found in the generic call off T&Cs and the final requirements will be in the WHP T&Cs when published.
4. The current contract for the Merlin Standard expires in 2017 but it is envisaged it will be replaced and its successor will follow similar principles. For further information on the Merlin Standard please see the following:

<http://www.merlinstandard.co.uk/>

<http://www.dwp.gov.uk/docs/merlin-standard.pdf>; and

<http://www.dwp.gov.uk/docs/sub-contracting-merlin-guidance.pdf>

## The Disability Confident Scheme

1. The Disability Confident scheme aims to help employers make the most of the opportunities provided by employing disabled people. It has been developed by employers and disabled people’s representatives. The scheme takes employers on a journey from being Disability Confident Committed (Level One) to being a Disability Confident Employer (Level Two), then going on to be a Disability Confident Leader (Level Three). Signing up to Disability Confident is a condition of contract with DWP and becoming a Level Three, Disability Confident Leader must be obtained within 12 months of the WHP contract award. As a Disability Confident Leader, the supplier will be showing disabled people that they are serious about leading the way and about helping other businesses to become Disability Confident. More information can be found on the following webpage:

<https://www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme>

## Life Chances Through Procurement

1. DWP is required by the Public Services (Social Value) Act 2012 to have regard to economic, social and environmental well-being in connection with public services contracts. Our contracts also include obligations from the Equality Act 2010.
2. Life Chances[[10]](#footnote-10) through Procurement (LCTP) is part of DWP’s response to these obligations and allows Commercial Directorate to make a greater contribution to the objectives of DWP. The Life Chances Schedule in the Standard Terms and Conditions communicates this to our suppliers. The schedule addresses the following DWP Priority Groups:

* **Disabled People**: a person is disabled under the Equality Act 2010 if they have a physical or mental impairment that has a substantial and long-term negative effect on their ability to do normal daily activities;
* **Young People**: people under 25 are under-represented in work and training which affects future life chances and increases social inequality;
* **Older Workers**: people over 50 are often overlooked for employment opportunities despite high levels of skill and experience;
* **Black and Minority Ethnic People**: a person who identifies themselves as being of non-white descent;
* **Ex-Offenders**: people with unspent convictions who often face discrimination resulting in difficulty securing employment;
* **Apprenticeships:** providing work and practical training with study for people from all walks of life.

1. It is mandatory to include the Life Chances Schedule in DWP contracts where the contracts duration is more than 12 months.

## Data Security

1. In order to protect DWP information appropriately, suppliers must put into effect and maintain the security measures and safeguards appropriate to the nature and use of the information throughout their supply chain. All suppliers of services to DWP must comply and be able to demonstrate compliance, with DWP’s relevant policies and standards including the DWP (Authority’s) Security Standards. The Standards are based on and follow the same format as International Standard 27001, but with specific reference to DWP’s use. DWP information must not be processed outside the UK without the express written permission of DWP in line with the DWP Security Policy for Contractors and DWP Standard Terms and Conditions as published on [gov.uk](https://www.gov.uk/government/collections/dwp-procurement-policies-and-procedures#terms-and-conditions-of-contract-).
2. Security assurance for suppliers and their supply chain is through completing a draft security plan. Suppliers will be expected to submit their draft security plans as part of their response to this competition and are expected to maintain this. This will set out the security measures to be implemented and maintained by the prime supplier throughout the entire supply chain in relation to all aspects of the service, including processes associated with delivery. Suppliers must send their draft security plan as part of their tender for WHP by completing and returning the template. Further information is available in the Instructions to WHP Bidders.
3. Data security is one of the areas risk assessed by the CEP PAT. In addition data security will remain subject to spot checks by the Supply Chain Information Assurance Team (SCIAT). Furthermore, the Head of Compliance will continue to regularly report the number and outcomes of data security checks carried out during the previous quarter to the DWP Permanent Secretary.
4. In the event of any breach of information security which may or may not result in an investigation by the Information Commissioner’s Office (ICO), DWP will consider whether a major breach of contract has occurred within the T&Cs. Suppliers will be responsible for paying any fine levied on DWP following an investigation by the ICO.

## Legislation and Principal Regulations

1. Suppliers must ensure that they remain compliant with current and future changes in the law and DWP Policy, supporting the Secretary of State in meeting all obligations under the relevant legislation and principal regulations as set out in the Terms and Conditions. For example:

* ensuring the WHP supports the DWP’s Public Sector Equality Duty as outlined in the Equality Act 2010;
* providing appropriate services to ensure compatibility with the Equalities Act for example, to enable communication with participants who do not speak English as a first language, or who are deaf, hearing impaired or have a speech impediment; and
* where the supplier is operating in an area with a high minority ethnic population, materials in the appropriate ethnic minority language must be made available on request.

# Glossary of Abbreviations

|  |  |
| --- | --- |
| **Abbreviation** | **Description** |
| **AtW** | Access to Work |
| **CEP** | Contracted Employment Programmes |
| **CFO** | Co-Financing Organisation |
| **CMO** | Compliance Monitoring Officer |
| **CoR** | Category of Region |
| **CPA** | Contract Package Area |
| **CPR** | Contract Performance Review |
| **CSF** | Critical Success Factor |
| **CSSs** | Customer Service Standards |
| **CV** | Curriculum Vitae |
| **DEA** | Disability Employment Adviser |
| **DDA** | Devolution Deal Areas |
| **DPT** | District Provision Tool |
| **DWP** | Department for Work and Pensions |
| **EC** | European Commission |
| **EPNM** | Estimated Possible Number of Months |
| **EPTCV** | Estimated Possible Total Contract Value |
| **ESO** | External Signposting Organisations |
| **ESF** | European Social Fund |
| **ESA (WRAG)** | Employment and Support Allowance (Work Related Activity Group) |
| **EU** | European Union |
| **FTE** | Full-Time Equivalent |
| **HM** | Her Majesty’s |
| **HMRC** | Her Majesty’s Revenue & Customs |
| **ICE** | Independent Case Examiner |
| **ICO** | Information Commissioner’s Office |
| **IT** | Information Technology |
| **ItT** | Invitation to Tender |
| **JSA** | Jobseekers Allowance |
| **LCTP** | Life Chances Through Procurement |
| **LEM** | Local Engagement Meeting |
| **LEP** | Local Enterprise Partnership |
| **LTU** | Long Term Unemployed |
| **MI** | Management Information |
| **MPL** | Minimum Performance Level |
| **MPR** | Monthly Performance Return |
| **NLW** | National Living Wage |
| **NOMS** | National Offender Management Service |
| **OFSTED** | Office for Standards in Education |
| **OJEU** | Official Journal of the European Union |
| **ONS** | Office of National Statistics |
| **PAT** | Provider Assurance Team |
| **PAYE** | Pay As You Earn |
| **PbR** | Payment by Results |
| **PG** | Provider Guidance |
| **PI** | Performance Indicator |
| **PIN** | Performance Improvement Notice |
| **PMIR** | Performance Management and Intervention Regime |
| **PRaP** | Provider, Referral and Payment system |
| **PSC** | Public Sector Comparator |
| **SCIAT** | Supply Chain Information Assurance Team |
| **SFA** | Skills Funding Agency |
| **SME** | Small to Medium Enterprise |
| **tCSSs** | tender Customer Service Standards |
| **tMPLs** | tender Minimum Performance Levels |
| **T&Cs** | Terms and Conditions |
| **TUPE** | Transfer of Undertakings (Protection of Employment) Regulations |
| **UAEHRS** | Umbrella Agreement for the provision of Employment and Health Related Services |
| **UC** | Universal Credit |
| **UC (LCW)** | Universal Credit (Limited Capability for Work) |
| **UJ** | Universal Jobsmatch |
| **UK** | United Kingdom |
| **WFI** | Work Focussed Interview |
| **WHP** | Work and Health Programme |

# Annex 1: Participant Journey

## Voluntary Participant with a Disability

**End to End – WHP Journey**

**Outcome Three**

The participant has not commenced work after 456 days on the WHP. If appropriate, they return to Jobcentre Plus via a handover from the supplier, which details all activity undertaken during WHP participation.

**Outcome Two**

The participant stops engaging with WHP.

Supplier confirms cessation with Jobcentre Plus and records on PRaP.

If the participant is still on benefit, they return to Jobcentre Plus via a handover from the supplier, which details all activity undertaken during WHP participation.

**Outcome One**

The participant moves into work and notifies Jobcentre Plus and/or supplier.

The supplier continues to support the individual if appropriate whilst in work, with the agreement of the individual, for a period up to 182 days.

Appropriate action is taken to amend/ close the claim.

WHP supplier ensures the participant remains fully engaged in the programme and the activities that will help towards work.

The participant may report a change of circumstances to Jobcentre Plus.

The participant may report a change of circumstances to the supplier.

Jobcentre Plus and the supplier share relevant information about the participant.

When the participant starts the WHP, the supplier ‘attaches’ via PRaP between Jobcentre Plus, participant and supplier.

Once agreed, the Work Coach refers the potential participant to the WHP on PRaP or clerical form.

The potential participants’ details are sent to the supplier via PRaP.

Work Coach determines potential participant's eligibility for WHP.

Gatekeeper role:

a. ensures there is a place available;

b. participant is eligible and,

c. manages the profiled volumes for ESA (WRAG), LEPS, Local Health priorities and ESO participants, taking into account RCG and drop-out rates.

## Early Access Disadvantaged Groups (EADG) Participant

**End to End – WHP Journey**

**Outcome Three**

The participant has not commenced work after 456 days on the WHP. If appropriate, they return to Jobcentre Plus via a

handover from the supplier, which details all activity undertaken during WHP participation.

**Outcome Two**

The participant stops engaging with WHP.

Supplier confirms cessation with Jobcentre Plus and records on PRaP. If the participant is still on benefit, they return to Jobcentre Plus via a

handover from the supplier, which details all activity undertaken during WHP participation.

**Outcome One**

The participant moves into work and notifies Jobcentre Plus and the supplier.

The supplier continues to support the individual if appropriate whilst in work, with the agreement of the individual, for a period up to 182 days.

Appropriate action is taken to amend/ close the claim.

WHP supplier ensures the participant remains fully engaged in the programme and the activities that will help towards work.

The participant may report a change of circumstances to Jobcentre Plus.

The participant may report a change of circumstances to the supplier.

Jobcentre Plus and the supplier share relevant information about the participant.

When the participant starts the WHP, the supplier ‘attaches’ via PRaP between Jobcentre Plus, participant and supplier.

Work Coach refers the potential participant to the WHP on PRaP or clerical form.

The potential participant’s details are sent to the WHP supplier via PRaP.

Work Coach determines the potential participant's eligibility for WHP.

The Gatekeeper function ensures there is a place available and allocates a priority place for the ESA (WRAG) participant.

## Long Term Unemployed (LTU) Participant

**End to End – WHP Journey**

**Outcome Two**

The participant has not commenced work after 456 days on the WHP.

They return to Jobcentre Plus via a handover from the supplier, which details all activity undertaken during WHP participation.

**Outcome One**

The participant moves into work and notifies Jobcentre Plus and supplier.

The supplier continues to support the individual if appropriate whilst in work, with the agreement of the individual, for a period up to 182 days.

Appropriate action is taken to amend/ close the claim.

WHP supplier ensures the participant remains fully engaged in the programme and the activities that will help towards work.

The participant may report a change of circumstances to either Jobcentre Plus or the supplier.

Jobcentre Plus and the supplier share relevant information about the participant.

When the participant starts the WHP, the supplier ‘attaches’ via PRaP, and via a handover between Jobcentre Plus, participant and supplier.

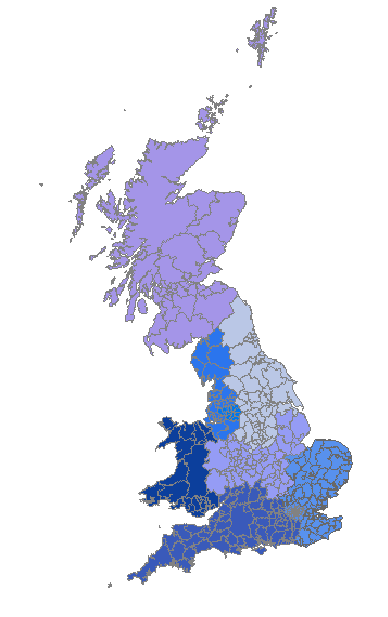
Work Coach determines claimant's eligibility for WHP.

(Participant may be selected into control group or PSC)

Once agreed, the Work Coach refers the participant to the WHP on PRaP or clerical form.

The participant details are sent to the WHP supplier via PRaP.

# Annex 2: Contract Package Area Information

**

**North East England**

**North West England**

**Southern England**

**Home Counties**

**Wales**

**Central England**

## Local Authorities within Contract Package Areas

|  |  |  |
| --- | --- | --- |
| **CENTRAL ENGLAND**  Aylesbury Vale  Bedford  Birmingham  Blaby  Boston  Bromsgrove  Cannock Chase  Central Bedfordshire  Charnwood  Corby  Coventry  Daventry  Dudley  East Lindsey  East Northamptonshire  East Staffordshire  Harborough  Herefordshire, County of  Hinckley and Bosworth  Kettering  Leicester  Lichfield  Lincoln  Luton  Malvern Hills  Melton  Milton Keynes  Newcastle-under-Lyme  North Kesteven  North Warwickshire  North West Leicestershire  Northampton  Nuneaton and Bedworth  Oadby and Wigston  Redditch  Rugby  Rutland  Sandwell  Shropshire  Solihull  South Holland  South Kesteven  South Northamptonshire  South Staffordshire  Stafford  Stoke-on-Trent  Stratford-on-Avon  Tamworth  Telford and Wrekin  Walsall  Warwick  Wellingborough  West Lindsey  Wolverhampton  Worcester  Wychavon  Wyre Forest | **HOME COUNTIES**  Ashford  Babergh  Basildon  Braintree  Breckland  Brentwood  Broadland  Broxbourne  Cambridge  Canterbury  Castle Point  Chelmsford  Colchester  Dacorum  Dartford  Dover  East Cambridgeshire  East Hertfordshire  Eastbourne  Epping Forest  Fenland  Forest Heath  Gravesham  Great Yarmouth  Harlow  Hastings  Hertsmere  Huntingdonshire  Ipswich  King's Lynn and West Norfolk  Lewes  Maidstone  Maldon  Medway  Mid Suffolk  North Hertfordshire  North Norfolk  Norwich  Peterborough  Rochford  Rother  Sevenoaks  Shepway  South Cambridgeshire  South Norfolk  Southend-on-Sea  St Albans  St Edmundsbury  Stevenage  Suffolk Coastal  Swale  Tendring  Thanet  Three Rivers  Thurrock  Tonbridge and Malling  Tunbridge Wells | Uttlesford  Watford  Waveney  Wealden  Welwyn Hatfield  **NORTH EAST ENGLAND**  Amber Valley  Ashfield  Barnsley  Bassetlaw  Bolsover  Bradford  Broxtowe  Calderdale  Chesterfield  County Durham  Craven  Darlington  Derby  Derbyshire Dales  Doncaster  East Riding of Yorkshire  Erewash  Gateshead  Gedling  Hambleton  Harrogate  Hartlepool  High Peak  Kingston upon Hull, City of  Kirklees  Leeds  Mansfield  Middlesbrough  Newark and Sherwood  Newcastle upon Tyne  North East Derbyshire  North East Lincolnshire  North Lincolnshire  North Tyneside  Northumberland  Nottingham  Redcar and Cleveland  Richmondshire  Rotherham  Rushcliffe  Ryedale  Scarborough  Selby  Sheffield  South Derbyshire  South Tyneside  Staffordshire Moorlands  Stockton-on-Tees  Sunderland  Wakefield  York |
| **NORTH WEST ENGLAND**  Allerdale  Barrow-in-Furness  Blackburn with Darwen  Blackpool  Burnley  Carlisle  Cheshire East  Cheshire West and Chester  Chorley  Copeland  Eden  Fylde  Halton  Hyndburn  Knowsley  Lancaster  Liverpool  Pendle  Preston  Ribble Valley  Rossendale  Sefton  South Lakeland  South Ribble  St. Helens  Warrington  West Lancashire  Wirral  Wyre  **SOUTHERN ENGLAND**  Adur  Arun  Basingstoke and Deane  Bath and North East Somerset  Bournemouth  Bracknell Forest  Brighton and Hove  Bristol, City of  Cheltenham  Cherwell  Chichester  Chiltern  Christchurch  Cornwall  Cotswold  Crawley  East Devon  East Dorset  East Hampshire  Eastleigh  Elmbridge  Epsom and Ewell  Exeter  Fareham  Forest of Dean  Gloucester | Gosport  Guildford  Hart  Havant  Horsham  Isle of Wight  Isles of Scilly  Mendip  Mid Devon  Mid Sussex  Mole Valley  New Forest  North Devon  North Dorset  North Somerset  Oxford  Plymouth  Poole  Portsmouth  Purbeck  Reading  Reigate and Banstead  Runnymede  Rushmoor  Sedgemoor  Slough  South Bucks  South Gloucestershire  South Hams  South Oxfordshire  South Somerset  Southampton  Spelthorne  Stroud  Surrey Heath  Swindon  Tandridge  Taunton Deane  Teignbridge  Test Valley  Tewkesbury  Torbay  Torridge  Vale of White Horse  Waverley  West Berkshire  West Devon  West Dorset  West Oxfordshire  West Somerset  Weymouth and Portland  Wiltshire  Winchester  Windsor and Maidenhead  Woking  Wokingham  Worthing  Wycombe | **WALES**  Anglesey  Blaenau Gwent  Bridgend  Caerphilly  Cardiff  Carmarthenshire  Ceredigion  Conwy  Denbighshire  Flintshire  Gwynedd  Merthyr Tydfil  Monmouthshire  Neath Port Talbot  Newport  Pembrokeshire  Powys  Rhondda, Cynon, Taff  Swansea  The Vale of Glamorgan  Torfaen  Wrexham |

# Annex 3: Funding Model

**Payment Model**

**–**

**Payment Points**

**Key**

**Participant Out of Work**



**Allotted Time begins**



**Jobcentre Plus**

**Referral to**

**Programme**

**A**

**C**

**B**

**Job**

**Start**

**Attachment**

**Date**

**Recorded**

**D**

**Job Outcome**

**Payment**

**Trigger Point**

**Period of Earning**

**Payment Model**

**–**

**Payment Points**

**Key**

**Participant Earning**



**Allotted Time begins**



**A**

**C**

**B**

**Job**

**Start**

**D**

**Job Outcome**

**Payment**

**Trigger Point**

**Outcome Payment once earnings**

**reach NLW x 16 Hours x 182 Days**

**Scenarios -** The following diagrams describe how the funding model will work and walks through some scenarios to illustrate this

**Payment Model**

**–**

**Scenario A High Earning**

**Key**

**Participant Out of Work**



**E**

**Job Outcome**

**Payment**

**Trigger Point**

**Period of Earning**

**Payment Model**

**–**

**Key**

**Participant Earning**



**Allotted Time begins**



**Jobcentre Plus**

**Referral to**

**Programme**

**A**

**C**

**B**

**Job**

**Start**

**Attachment**

**Date**

**Recorded**

**Outcome Payment Point had participant been**

**earning the NLW x 16 Hours x 182 Days**

**D**

**182 Days**

**91 Days**

Jobcentre Plus refers a participant to the programme and the 639 day timer for achieving an outcome begins (A). The supplier undertakes initial two-way engagement with the participant and records the date of this activity (B). The supplier works with and helps the participant secure employment (C). In this example, the participant earns enough to trigger the outcome threshold in three months (D), which is three months earlier than if they had been earnings 16 Hours x NLW x 182 days (E)

**Payment Model**

**–**

**Scenario B Intermittent**

**Earnings**

**Key**



**E**

**Participant**

**Leaves**

**Work**

**Participant**

**Out of Work**

**Payment Model**

**–**

**Key**

**Participant Out of Work**

**Participant Earning**



**Allotted Time begins**



**Jobcentre Plus**

**Referral to**

**Programme**

**A**

**C**

**B**

**Job**

**Start**

**Attachment**

**Date**

**Recorded**

**Outcome Payment Point had participant been**

**earning the NLW x 16 Hours x 182 Days**

**D**

Jobcentre Plus refers a participant to the programme and the 639 day timer for achieving an outcome begins (A). The supplier undertakes initial two-way engagement with the participant and records the date of this activity (B). The supplier works with and helps the participant secure employment (C). In this example, the participant then leaves work (D). The supplier then works with the participant to get them back in to work. However, the gap in employment causes the participant’s cumulative earnings to be lower compared to someone who had earned at a constant 16 Hours x 182 Days x NLW (E). In this example, the participant secures steady employment again and an outcome is triggered at point (F).



**F**

**Job Outcome**

**Payment**

**Trigger Point**

**Payment Model**

**–**

**Scenario C Participant**

**Doesn’t Achieve Outcome**

**By End of Programme by an**

**outcome payment triggered**

**in the tracking period**

**Key**



**Allotted Time begins**



**Jobcentre Plus**

**referral to**

**Programme**

**A**

**B**

**Job**

**Start**

**Attachment**

**Date**

**Recorded**

**D**

**Job Outcome**

**Trigger Point**

**Payment Model**

**–**

**Key**

**Participant Out of Work**

**Participant Earning**



**Allotted Time begins**



**Jobcentre Plus**

**referral to**

**Programme**

**A**

**C**

**B**

**Attachment**

**Date**

**Recorded**

Jobcentre Plus refers a participant to the programme and the 639 day timer for achieving an outcome begins (A). The supplier undertakes initial two-way engagement with the participant and records the date of this activity (B). The supplier works with and helps the participant secure employment (C). However, the participant has not earned enough to trigger an outcome by the time they leave the programme (D). Due to the 182 day tracking period between points (D) and (F), the supplier still received the payment for the job outcome at (E).

**E**

**F**

**End of Six Month**

**Tracking period**

**End of Attachment**

**182 Days Earnings**

**Tracking Period**

# Annex 4: Additional Information

1. This section provides additional information potential suppliers should consider when setting out their tender, and expected delivery standards.

## Financial Support for Participants

1. Participants must not be worse off by virtue of attending WHP provision. Suppliers are responsible for travel and additional support costs while Participants are participating. The following paragraphs provide the guidelines used by Jobcentre Plus when determining financial support in these areas.

## Additional Support

1. Additional support is defined as any support that allows a participant who needs extra help to attend and participate fully in provision (e.g. clothing, childcare and specialist equipment e.g. a specialist keyboard). Suppliers must, as part of their obligations under the duties of the Equality Act 2010, take the necessary steps to obtain and provide special aids or services that might be needed for participation. Potential suppliers must include these costs within the financial part of their proposal. Further information relating to specialist equipment can be found at:

<https://www.gov.uk/reasonable-adjustments-for-disabled-workers>

## Travel Expenses

1. The supplier is responsible for funding the participant’s travel costs to attend WHP provision. If the participant attends interviews arranged by the supplier e.g. to undertake work related activities, job interviews or other related inter-views, then the supplier is responsible for funding their travel costs.
2. The supplier will be required to actively promote the access to funding for travel expenses as part of their promotional campaign.
3. There is no requirement to provide a participant with travel expenses once they have moved into work, however, should the supplier wish to offer to fund travel costs to cover the time between any last benefit payment and first salary payment, this will be at the supplier’s discretion and will not be included in outcome payment claims.

## Childcare

1. Where it is a barrier to participation in the WHP provision, childcare should be funded by the supplier. Childcare for attendance should only be funded for an approved activity, if it is provided by:

* carers registered with OFSTED (Office for Standards in Education);
* a carer accredited under the Childcare Approval Scheme, run on school premises out of school hours or as an out of hours club by a Local Authority; or

* schools or establishments exempted from registration under the Children’s Act 1989 or operated on Crown property.

1. The supplier will be required to actively promote the access to funding for childcare costs as part of their promotional campaign.
2. The parent or guardian can make alternative arrangements. However, costs should not be paid unless the carer is in one of the above categories (see paragraph A4.7).
3. The child/children must satisfy the age requirement (see below) and be a dependant of, and residing with the participant.
4. DWP currently sets its costs for childcare up to the Tax Credit limits. Potential suppliers should consider the following limits when developing and pricing their proposals:

* help with childcare costs can be paid up to, but not including, the first Tuesday in the September following the child’s fifteenth birthday;
* parents requiring childcare for five days a week can claim up to a maximum of £175 per week for one child and £300 per week for two or more children; and
* if the participant is attending an approved activity of less than five days a week, they can claim up to the maximum daily rates of £35 per day for one child and £60 per day for two or more children.

1. Suppliers must not recommend particular childcare facilities to participants. This is to ensure that DWP and/or the supplier does not take on the liability for the safety of children. It is the parents’ responsibility to decide with whom they entrust the care of their children.
2. Suppliers may choose to arrange for a crèche facility to be on their premises. However, they must ensure it is the parents’ choice whether their child uses the facility. Suppliers should also ensure that any crèche facilities adhere to current legislation.

## Replacement Caring Costs

1. Suppliers are expected to fund replacement care costs for individual participants, who are:

* aged 18 or over;
* not in work, or work less than 16 hours per week; and
* spend a significant proportion of their lives providing unpaid support to relatives, partners or friends who are ill, frail, disabled or have a mental health or substance misuse problem.

1. Carers must be participating in an approved activity and/or incur one-off replacement care costs when attending an interview with a supplier or employer which has been pre-arranged/agreed by the supplier. Other alternatives, such as moving the time/date, should be considered before replacement care costs are paid.
2. The supplier will be required to actively promote the access to funding for replacement caring costs as part of their promotional campaign.
3. Replacement care costs should not be paid if the replacement care is provided by family members.
4. Replacement care must be provided by a Local Authority registered supplier, a Local Authority preferred supplier, or a recognised care organisation within the local area. Suppliers should work with Jobcentre Plus to ensure they meet these criteria.
5. Suppliers must not recommend particular replacement care to participants. The carer, or the person being cared for, must do this, as it is their responsibility to decide who should provide the care.

## Checks for the Disclosure and Barring Service

1. Should the service provision need a check as required and permitted by the Disclosure and Barring Service, suppliers are responsible for the associated costs.

## Provider Referrals and Payments System

1. Suppliers will use PRaP to receive their referrals, record participant activity (when participant starts, completes, ends provision, starts a job and remains in a job for the specified sustained period) and make claims for payments.
2. Suppliers will need to have met relevant security requirements before contracts go live. More information on PRaP can be found at:

<https://www.gov.uk/government/publications/provider-referrals-and-payments-prap-system-for-dwp>

1. Direct access to PRaP will be made to the lead supplier. Further information regarding PRaP actions will be detailed in the PG.

## Interaction with other Provision/Participation in other Programmes/Initiatives

1. For each specific provision, DWP PG will detail information relating to participation in other programmes and initiatives.
2. Suppliers are expected to help participants to access other relevant services for which they are eligible so that WHP provision is experienced as part of a coherent package of employment and health. When participants are referred to other services, suppliers must ensure an effective exchange of information to help deliver a seamless service to the participant. Any exchange must be in accordance with the Data Protection Act.

## Partnership Working

## Suppliers Working with Government, DWP and Jobcentre Plus

1. During the lifetime of the contracts, there will be regular interactions between suppliers and DWP to ensure the effective delivery of the provision. Suppliers should ensure they establish robust links with local Jobcentre Plus representatives to facilitate effective partnership working.
2. The supplier will be required to inform Jobcentre Plus when participants start/ leave/complete provision in accordance with the PG.
3. The supplier will be required to work collaboratively with both DWP and sub-contractors (where applicable) throughout the life of the contract to resolve any delivery and/or supply chain issues and deliver continuous improvement.
4. Transparency throughout the Supply Chain will be key to collaborative working and DWP will require the supplier to share market information and good practice via contract review meetings.
5. As the contracting body, DWP will be the single point of contact for suppliers. DWP will facilitate contact between the supplier and DDA representatives where it is deemed to be necessary. There will be no requirement for the supplier to contact the DDA representatives directly or vice versa.

## Working with Strategic and Local Partners

1. Partnerships are central to the delivery of DWP objectives and statutory duties and DWP believes that effective partnership working will be key to effective delivery of WHP provision. As a result, suppliers are required to work with a wide range of local partners to ensure the best possible experience for every participant.
2. Suppliers are required to work with local partners to ensure that proposals reflect the specific needs of participants across the CPA and take into account local strategies and services. Suppliers should aim to improve performance and individual service wherever possible and improve the effective use of public funds in a locality/area.
3. Local partners may include, but are not limited to:

* DWP/Jobcentre Plus;
* Local Enterprise Partnerships;
* Local Authorities;
* Regional ESF Partners;
* Employers;
* National Offender Management Service (NOMS);
* Skills Funding Agency (SFA);
* Local Health Services;
* Voluntary and Community Sector and Specialist Organisations; and
* Big Lottery.

1. Regular contract review meetings will be used to explore continued and increased use of SMEs where appropriate throughout the life of the contract.

## Participant Feedback and Complaints Handling

1. Suppliers must have an appropriate complaints process (this should apply to the whole supply chain, if appropriate) to attempt to resolve participants’ complaints. Where complaints cannot be resolved, a participant can complain to the Independent Case Examiner (ICE), who will mediate between the supplier and participant to attempt to broker a resolution.
2. Suppliers must explain the feedback and complaints processes to participants at the start of provision as part of their induction. Further information regarding complaint resolution will be detailed in Chapter 13 of the PG, the T&Cs and DWP suppliers complaint resolution core briefing pack.

## DWP Customer Charter

1. DWP is committed to providing high quality and efficient services to our customers. The DWP Customer Charter sets out the standards that customers can expect and what their responsibilities are in return. DWP are dedicated to raising the standards of all our contracted provision and require all suppliers and sub-contractors to embed the principles of the Customer Charter into the services they deliver on DWP behalf. The customer charter can be found at: <http://www.dwp.gov.uk/docs/customer-charter-dwp.pdf>

## Business Continuity

1. As part of the contract implementation, suppliers will be asked to supply details of how business continuity arrangements will be implemented and how these requirements will be covered. As part of the contract, DWP expects suppliers to:

* provide robust Business Continuity Plans and Disaster Recovery arrangements for all services;
* provide DWP with sufficient evidence to demonstrate these are in place;

* regularly test all contingency arrangements, providing relevant evidence and outcomes of tests to DWP via Category Managers; and
* immediately notify DWP in the event of a business continuity incident or a significant disaster.

## Data Sharing and Data Protection

1. DWP treats its information as a valuable asset and considers that it is essential that information must be protected, together with the systems, equipment and processes which support its use.
2. DWP and suppliers will be sharing sensitive personal data about participants. In order to ensure that data is shared only when appropriate and necessary and in accordance with the Data Protection Act 1998, all data sharing between DWP is tested in a privacy impact assessment. This is an internal document designed to provide assurance to DWP as the data controller that the data sharing is lawful and appropriate processes are in place to protect DWP information “
3. In order to protect Departmental information appropriately, suppliers and their supply chain (if appropriate) must put into effect and maintain the security and safeguards appropriate to the nature and use of the information. All suppliers of services to the DWP must comply with the DWP’s relevant policies and standards. The Standards are based on International Standards 27001, but with specific reference to the DWP’s use. Compliance is demonstrated through the completion of a security plan. Potential suppliers are required to submit a draft security plan as part of their tender and are expected to maintain this. Further information will be available in the T&Cs.

# Annex 5: Definitions

**Action Plan** means the action plan agreed between the contractor and an individual participant in relation to the Call-Off Services. Such action plan must detail activities linked to the requirements of the Call-Off Contract, set out clear goals and must be agreed and signed by the participant and contractor, or otherwise as required by the Call-Off Specification.

**Completer** means an individual who has completed the WHP to which this Call-Off Contract relates.

**CPA** means Contract Package Area.

**Customer Service Standards (CSS)** means the service levels to which the Call-Off Services are to be supplied by the contractor as set out in Section 4 (MPLs and CSSs) of this Specification.

**Delivery Fee** means the amount(s) set out in Section 4 is more particularly described in Section 4 and 5 of this Call-Off Specification.

**European Social Fund or ‘ESF’** means one of the five European Structural and Investment Funds for which common principles, rules and standards are defined by Regulation (EU) No. 1303/2013 of 17th December 2013.

**ESF Categories of Region**

The European Union Regulations governing use of the funds in 2014-2020 define three different categories of ‘region’ in Europe:

* **Less Developed Regions** - areas (as defined at Nomenclature of Units for Territorial Statistics (NUTS) 2 level, which equates approximately to large counties, groups of smaller counties and some cities) with a Gross Domestic Product (GDP) per capita below 75% of the EU27 average. These areas would receive a higher level of structural funds will have more headroom to fund activities outside of the four top priorities for the European Regional Development Fund (ERDF) and ESF, and will need to find less matched funding (the structural funds can form up to 80% of eligible costs in the 2014-2020 period). The only area in England expected to fall into this category is Cornwall and the Isles of Scilly.
* **Transition Regions** - areas with a GDP per capita between 75% and 90% of the EU27 average. Transition regions would receive a slightly higher than average intensity of ERDF and ESF but this funding would have to be more heavily concentrated on selected activities than in less developed regions. Projects can be financed at a maximum rate of 60% for ERDF and ESF (different rules are expected to apply for the European Agricultural Fund for Rural Development (EAFRD). Places within this category in England are expected to include: Devon, Lincolnshire, East Yorkshire and North Lincolnshire, Shropshire and Staffordshire, South Yorkshire, Durham and Cumbria, Tees Valley, Merseyside and Lancashire.
* **More Developed Regions** (ERDF and ESF only) - areas with a GDP per capita above 90% of the EU27 average. Most parts of England fall into this category. At least 80% of ERDF will most likely need to be spent on four thematic objectives (innovation, ICT, Small and Medium Sized Enterprises and low carbon) under ERDF and on four investment priorities under ESF. Projects are financed at a maximum rate of 50% under ERDF and ESF (different rules are expected to apply for EAFRD).

**Managing Authority** means the Contracting Body operating on behalf of the Secretary of State, and is responsible for administering the European Social Fund 14-20 Programme (in England) by means of which this Call-Off Contract is funded (where applicable)

**Minimum Performance Level(s) or ‘MPL(s)’** means the performance levels to which the Call-Off Services are to be supplied by the contractor as set out in Section 4 of this Specification.

**Month** means a calendar month.

**Outcome** means an Employed Job Outcome or a Self-Employed Outcome a Contracting Body Determined Outcome or a Contractor Claimed Outcome (as applicable).

**Outcome Payment** means the fee payable by the Contracting Body to the contractor on achievement of an Outcome as set out in Section 4 of this Specification.

**Participant Start** has the meaning set out at paragraph 2.30 of this Call-Off Specification.

**PRaP** means DWP’s prescribed Provider Referral and Payments system, which DWP uses to refer participants and pay suppliers, and/or any equivalent Contractor Body supplier referral and payments system. For the avoidance of doubt, where PRaP is not available, a clerical system may be adopted by the Contracting Body in its place.

**Provider Guidance** means the instructions and recommended practices, including any instructions of an operational nature, and/or relating to sustainable development and promotion of race equality and non-discrimination, copies of which have been provided by the Contracting Body to the contractor prior to the Call-Off Commencement Date, and any other instructions and recommended practices as updated by the Contracting Body to the contractor from time to time.

**Referral** means details of a prospective participant recorded on PRaP by the Contracting Body in anticipation of participant start, and "Referred" shall be construed accordingly.

**Universal Credit** means a welfare benefit that supports people who are on a low income or out of work due to unemployment or heath issues. It is designed to support households and ensure that where people are working they can sustain that employment and progress towards a life free from benefits.

**WHP Day Count Convention**

For transparency purposes to enable suppliers to understand the thresholds for triggering outcome payments, DWP has defined all time periods relating to outcomes in the WHP Call-Off Specification in calendar days. For consistency, DWP has then expressed all time periods in the WHP Call-Off Specification in calendar days.

DWP has calculated aggregate time periods in the WHP Call-Off Specification on the basis of:

* + - 2 months = 61 calendar days
    - 3 months = 91 calendar days
    - 4 months = 122 calendar days
    - 6 months = 182 calendar days
    - 12 months = 365 calendar days
    - 15 months = 456 calendar days
    - 21 months = 639 calendar days
    - 23 months = 700 calendar days
    - 25 months = 760 calendar days
    - 26 months = 791 calendar days

This is the ‘WHP Day Count Convention’.

Each time period in the WHP Call-Off Specification which is the product of aggregating two or more time periods has been rounded in accordance with the ‘WHP Day Count Convention’.

**Working Days** means any day other than a Saturday, Sunday or Public Holiday in England and Wales.

# Annex 6: Other Additional Information

* Bravo Solutions Portal

<http://bravosolution.co.uk/>

* DWP Commissioning Strategy 2014

<https://www.gov.uk/government/publications/dwp-commissioning-strategy-2014>

* Procurement – Terms and Conditions at DWP

<https://www.gov.uk/government/organisations/department-for-work-pensions/about/procurement#terms-and-conditions>

* DWP Generic Provider Guidance

[https://www.gov.uk/government/collections/dwp-Provider-guidance](https://www.gov.uk/government/collections/dwp-provider-guidance)

* Local Enterprise Partnerships Information

<https://www.lepnetwork.net/about-leps/>

* Equality Act 2010 (Guidance)

<https://www.gov.uk/guidance/equality-act-2010-guidance>

* Official Journal of the European Union (OJEU)

<http://www.ojeu.eu/>

* The DWP Single Departmental Plan 2015 - 2020

<https://www.gov.uk/government/publications/dwp-single-departmental-plan-2015-to-2020/dwp-single-departmental-plan-2015-to-2020>

* European Social Fund (ESF) Requirements 2014 – 2020 (England Only)

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/488979/pg-chapter-11b.pdf>

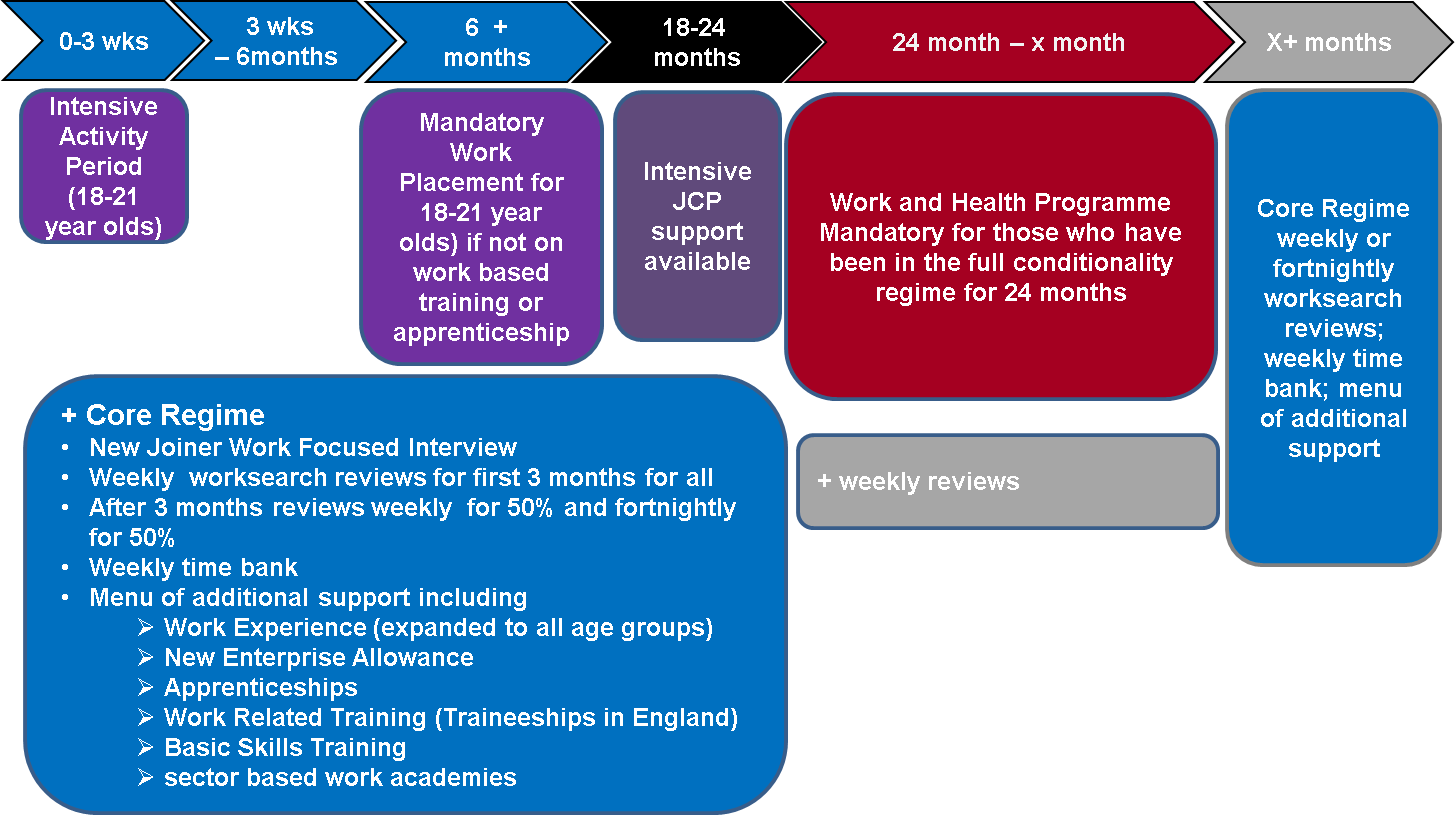
* United Nations Convention on the Rights of Person with Disabilities

<https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities.html>

* Improving Lives, The Work Health and Disability Green Paper

<https://www.gov.uk/government/consultations/work-health-and-disability-improving-lives>

# Annex 7: Jobcentre Plus Current Single Operating View



1. First published on 19th February 2016, please see annex 6. [↑](#footnote-ref-1)
2. In the period September to November 2016. [↑](#footnote-ref-2)
3. In the period April to June 2016. [↑](#footnote-ref-3)
4. Please see the Jobcentre Plus Current Single Operating View at annex 7. [↑](#footnote-ref-4)
5. Improving Lives. The Work, Health and Disability Green Paper. Department for Work and Pensions, October 2016. Cm 9342. [↑](#footnote-ref-5)
6. Devolution Deals are agreements between Central Government and local government to devolve powers and spending on public services away from Whitehall departments to local areas. These areas are represented by consortiums of local authorities, coming together on a county-wide or sub-regional basis. Devolution Deals are a bottom up process to allow areas to drive their own economic growth and the transformation of public services. [↑](#footnote-ref-6)
7. Please see Annex 5 (Definitions) for the ‘WHP Day Count Convention’ for this reference to days and others in this Call-Off Specification where it is applicable. [↑](#footnote-ref-7)
8. Wales is funded separately, therefore is not included in this programme. [↑](#footnote-ref-8)
9. The term Authority used here and throughout Section 3 refers to the Secretary of State for Work and Pensions. [↑](#footnote-ref-9)
10. <https://www.gov.uk/government/publications/life-chances-through-procurement-guidance-for-dwp-contractors> [↑](#footnote-ref-10)