

Flexible New Deal Question and Answer Log – 8.5.08

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FINANCE

<p>23</p>	<p>In Para 3.9 of the Instructions to Bidders it states that "DWP will indicate the maximum amount of business likely to be awarded" to any single bidder. Will this indication cover the maximum amount of work a single bidder may be awarded in both Phase 1 and Phase 2 of flexible New Deal? In other words, if Bidder A is awarded its maximum threshold in Phase 1, will they be considered for further contracts in Phase 2? This is a key issue, as it may influence the bid strategy of bidders who are incumbent New Deal providers in Phase 2 districts, and who may place greater priority on competing in these areas rather than those in Phase 1.</p>	<p>Phase 1 and Phase 2 are separate procurement exercises, decisions made as to the amount of DWP business that may be awarded in relation to a ranking of relative financial risk in and the requirements of the procurement scope. Decisions relating to phase two of the procurement will be assessed in relation to the prevailing risk assessment of the bidder field and scope requirements of phase 2.</p>
<p>24</p>	<p>In Para 7.4 of the Instructions to Bidders it states that some bidders may be judged as being "over reliant" on DWP business to remain viable. To clarify this remark, at what current percentage of turnover derived from DWP contracts might it be considered that a provider is too high a risk to become a flexible New Deal Prime Provider?</p>	<p>There is no benchmark and 'over reliance' on DWP business is not being used as a single measure to reject an organisation on the basis of financial risk. DWP reliance will represent about 10% of the overall finance risk assessment with the focus being on financial viability.</p>
<p>38</p>	<p>Can you clarify whether there is a minimum turnover per annum which an organisation has to have before being eligible for entering a PQQ?</p>	<p>No minimum turnover level has been set which Organisations have to meet before being eligible to submit a PQQ.</p>

59	When can providers claim outcome payments? Is there a cut-off point for a provider to make a claim for an outcome payment?	A provider can claim an outcome payment as soon as they are satisfied that the individual for which they are claiming has been in employment for the required period of time. There is no cut-off point for submitting claims but, given that this process is also the means by which provider performance is measured, it is in both provider (and DWP's) interest for claims to be submitted as promptly as possible.
84	Is there scope for introducing tolerances or different levels of unit costs should volumes change? E.g., if volumes fall below the indications, unit costs increase.	The Department is currently working through the detail of the funding model and further information will be provided at ItT stage.
93	Can fND funding be used as an ESF Match by contractors?	No – Contractors in England only should assume that they cannot use FND as a Match for ESF Funding. However we do expect to be using this funding as Match for DWP's ESF programme and will be asking England FND providers to comply with certain ESF requirements in relation to this. In Wales and Scotland there may be scope for providers and/or their subcontractors to use FND funds as match. Enquiries on this should be made to the ESF Managing Authorities for Wales and Scotland.
102	Will there be any additional financial capability analysis over and above the assessment of PQQ response?	Yes. PQQ analysis on its own will determine whether the bidding organisation has the financial stability needed to mount a credible tender. Further more in-depth analysis at ITT stage will determine whether bidders have the financial capability/capacity to deliver fND business for the projected scope of business.
104	Is there any prospect of start-up costs being refunded?	No. We would expect bidders to amortise these costs in their pricing model.
105	How will the viability of Special Purpose Vehicles (SPVs) be assessed?	There is no set model, since SPVs will vary considerably in size and type. All partners will be assessed proportionately to their stake in the SPV.
106	If a company bids as part of a family of companies, with interests and primary registration overseas, will the financial assessment be of the UK subsidiary or of the whole group ?	This will depend upon the contracting organisation and its formal and legal relationship with other companies. Where a legal relationship exists, e.g. Group or guarantee then the wider 'group' of companies will be assessed.

108	Will the financial model be further assessed and checked at ITT stage ?	Yes. A very thorough assessment will take place at the ItT stage .
113	Are DWP making assumptions about the level of capital investment required by a potential supplier ?	No. At this stage, questions regarding working capital are designed to allow assurance that this issue is being considered by bidders.
115	How will we judge the track record of, for example, a consortium SPV of a number of smaller organisations?	We will check the viability of each partnering entity as well as the financial stability of the SPV as a whole.
118	Our financial year ends 6 May 08, can unaudited accounts be submitted under current year forecast in part 5, Section A?	As stated in the instructions to bidders, current year forecast applies to the bidder's current accounting year and if the organisation is in Quarter 4 of trading then the current year forecast should be provided as the most recent year.
119	What tool will be used to pull together liquidity/gearing in order to rank providers?	This will be done using an Excel based tool developed in house to assess relative risk. Please also see the response to question 393 in the Finance section.
120	What weighting will be used to correlate the financial and quality assessments?	The PQQ evaluation of quality and financial capability are totally independent. The quality scores will determine successful providers and the financial capability assessment will determine the level of risk involved and how much business DWP are likely to award to those providers. Please also see the response to question 393 in the Finance section.
121	What level of percentage of business with DWP is acceptable?	There is no benchmark or hurdle rate set, this question will be considered alongside other financial measures in order to arrive at an overall assessment. Please also see the response to question 393 in the Finance section.
146	PQQ instruction 7.4 indicates that DWP will assess bidders' turnover, liquidity and gearing to determine whether bidders are of sufficient size and adequate financial stability. Gearing is affected by an organisation's growth rate (which increases the denominator) and EBITDA (which can be used to pay down debt, thereby decreasing the numerator). How does DWP intend to take this information into account?	We recognise the issues but at PQQ stage we are looking to take a 'light touch' approach to each organisation's financial capability based on historic accounts. A more in-depth analysis will take place at ItT.

147	We assume that DWP wants all required financial information to be provided in GBP Sterling. For overseas bidders whose operating currency is not GBP Sterling, is there any particular fixed exchange rate that DWP would like bidders to apply to their financial information or are bidders allowed to make and explain their own assumptions in this respect? Should there be a fixed exchange rate requirement, we would be grateful if this could be provided for in Euros, Australian dollars and US dollars.	Bidders should submit in their native operating (and accounting) currency. Bidders should also convert this to GB sterling at the rate they deem appropriate, setting out the rationale for the rate used.
152	Set out in the fND PQQ is a list of each of the Districts / contract packages being awarded (Part 1). Providers are asked to 'Rank' their preferences. My question is:- if a bidder wishes to bid in all Areas / districts, will that bidder be disadvantaged in any way on the grounds that DWP may assume that the bidder does not have the capacity to deliver in all areas and may therefore fail @ PQQ or will a bidder who indicates all areas, be able to amend / adjust their preferences if they are successful @ PQQ?	Please see Q393 in the Finance section
182	Can DWP confirm that the only evidence required to support the achievement of a job outcome will be that the customer leaves the unemployment register?	FND Providers will be required to initiate their claims for payment (on the understanding that individuals are in work and have been in work for the specified length of time) and sign a declaration to that effect. The Department will provide the supporting evidence by way of an off benefit check. Where a payment is subsequently found to have been made without the customer actually being in work then the Department will seek to recover.
242	Much talk about linkages with structures on the ground – what is the view on ERDF (Economic Regeneration Development Fund) – could it be used as match funding?	More detail will be given regarding this at the ITT stage.
329	In the PQQ Financial Capacity section, there is mention of holding DWP contracts. How does this impact on suppliers who have not to date held any DWP contracts	When evaluating tenders there will be no preference given to suppliers who have already held or hold DWP contracts.

331	If DWP were to rank a supplier with a certain acceptable risk value and then that supplier were to secure other contracts as for example a sub-contractor that then exceeds that financial value risk, what action will be taken?	At the PQQ stage, this is not being assessed. It will however be assessed and considered at the contract award stage.
332	Is there an optimum level of current turnover expected in order to be able to bid for flexible New Deal contracts?	Given the size of “packages” available under flexible New Deal, there will be growth in terms of turnover and delivery compared to current capabilities. All PQQs will be evaluated to understand the level of risk involved. Please see response to 393 in the Finance section
334	If, because of financial risk, would DWP award a bidder the contract in only some of the areas they bid for?	DWP may seek to limit the number of contract packages awarded to any one provider based on financial risk.
337	How is the unit cost/pricing level arrived at?	The Department is not making any assumptions around unit costing. Bidders will arrive at a unit cost themselves and this will form part of their bid.
339	Are there any guidelines (or unwritten rules) giving the threshold for a bidder being big enough to be a Prime Contractor.	No, though DWP would consider any financial risks.
367	How is the 80% outcome element broken down and are outcomes offered as part of the bid?	50% of the contract price will be set aside for the achievement of intermediate job outcomes (13 weeks continuous employment) and 30% for the achievement of sustained job outcomes (in employment for 26 weeks out of 30). And yes, we would expect Providers to offer outcomes as part of the bid.
382	If the bulk of focus is on outcomes suppliers need to wait 13 weeks to claim job outcomes, this may cause cash flow problems.	DWP acknowledges that having to wait 13 weeks before claiming outcome payments is likely to cause cash flow difficulties for providers, particularly at the outset. As providers will no longer be required to gather employer evidence, this should speed up the process but the Department is also looking to weight the service fee payments in the early stages of the contract to balance out the inability to generate additional revenue at that time.

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How is the financial assessment done?

There will be separate quality and financial assessments. The quality assessment is used to draw up a shortlist to proceed to the next stage. The financial assessment is used to establish the potential financial risks associated with the funding of working capital and infrastructure to set up and operate potential contracts and the organisations going concern over the longer term. The financial assessment will not form part of the shortlist decision making process and will provide a focus for seeking additional evidence and assurance through the remainder of the procurement process. The quality assessment will be undertaken by evaluating the responses to questions 6-8. This quality assessment will be used to rank bidders for each area they have expressed interest in. We will use this to shortlist approximately 4 of the highest scoring bidders for each contract to proceed to the Invitation to Tender stage. In the ten areas where we are looking to appoint two providers in order to deliver customer choice, we will shortlist approximately 8 organisations for the two contracts. The financial risk assessment will be undertaken using the information provided in Part 5 of the PQQ. It will be based on a combination of four measures: Percentage Turnover Growth; Percentage of Turnover from DWP; ACID Test Ratio; and Debt Gearing. Three of the measures will be of equal weighting of 30%; Percentage of Turnover from DWP will be weighted lower at 10%. This is an initial assessment only; a more detailed assessment will be undertaken on all shortlisted bidders at the stage we assess the full tenders. Our financial risk assessment will enable us to provide feedback to each bidder on the level of business, from a risk based approach, we feel they are likely to be able to sustain. This will not affect whether or not they are shortlisted, as the quality score will determine that. However, we expect bidders to take the financial risk assessment into consideration when bidding by explicitly considering the number of contracts they would want to secure and deliver and by providing information, and demonstrating, why the company felt

418	Will suppliers be awarded incentives for achieving outcomes early?	Successful bidders will be paid for each outcome they achieve - there will be no additional financial incentives for achieving outcomes early other than that providers will receive payment sooner.
451	We are going to set up a model to work out costs. Is the funding for the contract or per individual?	The funding is on the basis of a contract value not per customer. Useful sources to help any consideration of funding include the FND evidence paper and the Tabulation Tool. Both of these are available on the DWP website (www.dwp.gov.uk).
453	There is a requirement to list all DWP Contracts, their value and their end date. Can you please confirm if you want the total indicative value over the contract (i.e. 3 years) or the annual indicative value?	Average annual value
467	Will funding be capped?	This is a work in progress. The budget for fND as a whole is finite. But we are keen to maximise performance across all contract areas. Further details will be available in the ItT.
485	If 20% of the service fee is for overheads, what fees are paid at other points? Is this standardised or vary by region?	The remainder of the contract price will be reserved for the achievement of job outcomes and sustained job outcomes. Each outcome achieved will be paid on a unit price basis which will determined by the successful bidder's contract price and the number of job outcomes/sustained job outcomes offered in the bid. Therefore, whilst not impossible, it is unlikely that unit prices will be standard across contract packages.
497	What do we see as a significant financial or business factor that may impact in the foreseeable future (5.6 in the PQQ)?	This is a matter for each individual bidder making sure that they look at financial events that may significantly impact on their position. Examples given in the PQQ are proposed mergers, take over approaches, rationalisations and reorganisations.
500	If I have received financial accreditation previously, can I use this again?	There is no intention to use financial accreditation given in other contracts or other circumstances as part of the financial capability assessment.
513	Will we have the sustained period for all customers?	The sustained outcome payment will apply to all customers provided they meet that criteria.
519	Is the contract value fixed?	More information regarding this will be given at the ITT stage.

535	Can you give us an indication of the payments that will be made for outcomes?	The outcome payment will vary from contract to contract depending upon the contract cost and the outcome offer. The funding model will result in 20% of the overall contract price being paid as a service fee, 50% of the contract price will be divided by the outcome offer to determine the rate payable per outcome and the remaining 30% of the contract price will be divided by the sustainment offer to determine the rate payable per sustained job.
536	Will the Financial Appraisal and Monitoring checking process be less than it is now?	DWP is in the process of reviewing the way in which it pays its providers, the validation done at point of payment and therefore the assurance function currently operated by FAM teams. We would hope to take on board views from providers in progressing this work and will of course communicate changes as and when they have been finalised.
554	Is there going to be financial capability checks to ensure there is protection for sub contractors?	At PQQ stage the overall financial capability assessment applies to the prime contractor. However in making this assessment we are looking at the overall capacity to meet commitments which would include payments to sub contractors.
607	Please can you clarify the payment structure for this project - do I understand this correctly? 20% OPPS 50 % when a client has retained a job for 13 weeks 30% when a client has retained a job for 26 weeks	20% of the contract price will be paid to the successful provider via a monthly service fee. This element will not be paid on a customer-by-customer basis but rather as a guaranteed payment. Your assumptions about the outcome payments are correct but these payments will be made on a unit price basis for each outcome subsequently achieved.
615	Does the Total Debt figure required in Part 5 Section A need to include debt amounts falling within one year.	Yes

<p>620</p>	<p>Section 5 requests turnover, liquidity and balance sheet information for our current fiscal year (the “current year forecast”). As a publicly reporting company, we do not make current year forecast information available, and this information would be considered to be “material, non-public information” under the rules of the United States Securities and Exchange Commission. Were we to disclose this information to DWP, and were DWP to disclose such information to third parties, we could potentially be held to be in violation of Securities and Exchange Commission rules. Can DWP assure us that such information, if provided, will not be disclosed under any circumstance?</p>	<p>Where an organisation deems the financial information to be commercially or price sensitive (e.g. could impact on share prices) then such information should be contained in a separate envelope clearly marked with the organisations name and "Restricted - Financial" and submitted within the PQQ documentation. The financial information will be passed to the finance team to open and examine as part of the financial capability assessment and be only accessed and retained by that team who will hold all such information on a restricted basis. The finance team will be subject to confidentiality agreements which explicitly ensure they are aware of the nature of the information and the impact and consequences of any disclosure. The finance team will ensure that reports and products are produced in manner not to expose such information to others unless written confirmation of release from the individual organisation concerned is obtained.</p>
<p>630</p>	<p>Can you please clarify what needs to be included in Accounts Receivable? Our understanding is that Accounts Receivable means Trade Debtors. Therefore, are you only including Trade Debtors in your calculations or will you use all of Current Assets? If you are only including Trade Debtors, how will you calculate the Acid Test ratio</p>	<p>The DWP will use the current ratio in our calculations, therefore the total of current assets is required.</p>
<p>631</p>	<p>Can you please clarify how you intend to calculate the Debt Gearing Ratio? Our understanding of calculating the Debt Gearing ratio is to divide Debt by Equity. If you are using this method, how will you calculate the ratio for FY07/08 & FY08/09 as the data is not requested in Part 5 Section A of the PQQ document?</p>	<p>The Gearing definition that DWP will be using is Total Debt/Total Assets, this is defined explicitly to prevent different interpretations of the ratio.</p>

<p>633</p>	<p>With regards to "Intermediate Employment Outcomes", and sustainable outcomes can you please advise whether the person needs a 100% reduction in benefits? Will there be a proposed payment (and performance) mechanism to recognise the work involved in helping a person achieve a partial reduction in benefits (i.e. part-time work) as a stepping stone to full-time work?</p>	<p>In order to qualify for outcome payments, the individual will have to be in work of at least 16 hours a week or more which will effectively take them off benefits. The Department recognises that some individuals may achieve part time work as a stepping stone to full time employment but this will not be rewarded by separate payments. Of course this will be taken into account when establishing the benchmark performance expectations for FND contracts.</p>
<p>637</p>	<p>Could you please advise on question part 5 of the PQQ for Flexible New Deal PQQ. It asks us to add detailed value and expiry dates, now we have a number of individual contracts with DWP and I need to know how we show these in the PQQ ? Showing Gross DWP turnover is no problem but do we in turn need to show each individual DWP contract</p>	<p>Please provide gross turnover and gross DWP turnover in Part 5.1. In the table below please show details of all DWP contracts including value and expiry date. Please limit this to current contracts only.</p>

HR

46	What are the likely numbers for TUPE?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
47	What stage of the model would JCP TUPE be applied to?	Stage 4 of Phase 1 of flexible New Deal
48	How does 2-Tier workforce work?	The Code of Practice on Workforce Matters in Public Service Contracts applies to new recruits after the date of transfer. It requires the new employer to offer employees working on the contract, employment on fair and reasonable terms and conditions which are overall, no less favourable. For details, please see: http://archive.cabinetoffice.gov.uk/opsr/workforce_reform/code_of_practice/index.asp
49	We offer an attractive remuneration package and support to our existing people. This drives performance so how is this assessed?	Reward for the existing workforce in an organisation is not assessed during the PQQ.
50	Will TUPE apply to Private Sector Led New Deals and Employment Zones? And when would this end?	Detailed impacting is underway and more details will follow at the ITT stage.
51	What does broad comparability mean when looking at offering final salary pensions?	Certifying schemes as broadly comparable is the responsibility of Government Actuary's Department. Schemes are broadly comparable if they can be actuarially certified as providing benefits of equivalent value. The overall value of the benefits, net of employee contributions, must be equal to or greater than that of the current scheme. Details of Civil Service Pensions can be found at: http://www.civilservice-pensions.gov.uk Details of the Government Actuary's Department website contains information on certifying future pension benefits. Please see www.gad.gov.uk
188	Is there recognition within DWP that current New Deal Gateway Providers may have an entitlement under TUPE to export staff to DWP/Jobcentre Plus?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.

194	When considering the implications of TUPE and the potential costs to successful organisations e.g. pension subscriptions, can DWP act as one central point in calculating and co-ordinating the likely costs to be incurred?	If TUPE is applied and Jobcentre Plus employees are transferred to the successful bidder, anonymised information on each individual will be supplied, i.e., salary, length of service, Pension scheme, etc. This will allow potential bidders to assess TUPE costs for individual contracts. We expect costs to vary depending on the size of contract and locality.
198	Would the project be willing to work with a Provider in formulating a case to test the TUPE position in court?	The introduction of fND will bring about a change to the current New Deal service delivery model with service provision transferring from Jobcentre Plus to fND Providers. DWP has sought legal advice on its position as a consequence is confident that TUPE does apply in this case. However, it will be for Providers to consider whether or not they need to seek their own legal advice.
263	If a provider is currently delivering Gateway and the intention is to move this in-house (stage 3 of new regime) will those delivering be subject to TUPE?	Whenever there is a transfer of work employers are required to consider TUPE regulations. This will also apply to work that may move back to Jobcentre Plus.
264	We assume that those delivering Gateway at present will be subject to TUPE	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
265	DWP indicate that they believe that TUPE may apply. We presume that legal advice has been obtained, will this be shared with providers?	No. Legal advice sought relates to elements of New Deal delivered by JCP. We do not anticipate sharing with providers and recommend that providers seek their own legal advice.
266	What would happen if a provider is obliged to take on staff who have delivered niche services like New Deal for Musicians or Self Employment but will not be delivering those options? In effect they have staff who are not qualified for the provision they will be delivering and, therefore, not have a role for them.	In all cases we would recommend providers discuss potential transferees ahead of any transfer to identify and resolve potential problems.

267	The pension requirement under TUPE is that providers must supply a pension broadly comparable to the Civil Service Pension. This will be very costly for providers who would be required to set aside an extra 35-40% of an individual's salary to meet this cost. Another issue is that a comparable pension cannot be bought in the market. Has the Department taken this into account in bid prices and can the Department investigate the average cost to the provider should TUPE apply and share with providers?	If TUPE is applied, salary and pension details of individuals will be included in the ITT. Potential bidders should use this information to assess overall costs. It will be for bidders to assess options for achieving broad comparability. (See also 51)
268	In the event that TUPE applies will DWP require a full list of staff and skill sets to inform the resourcing plan?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
269	Would the Department consider sharing their legal advice with all providers to cut the cost of each provider obtaining individual legal advice?	We recommend that potential bidders seek their own legal advice in areas specific to their business interest.
270	Where contracts end prior to the start of fND and, therefore, staff are no longer employed when new contract begins will TUPE apply?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
272	Can you explain why TUPE may apply to JCP staff?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
275	Is there any indication of the scale and size of TUPE for DWP. We understand that this will be made available at the ITT stage but is there any chance we could have this information now?	Work is currently underway to establish the TUPE position. If TUPE is to be applied, full details will be made available in the ITT.
402	Where might TUPE apply?	There are three instances where TUPE may apply: Jobcentre Plus to Provider, Provider to Provider, and Provider to Jobcentre Plus. However, as stated in DWP's announcement on 2.5.08, Jobcentre Plus staff are redeployed out of the undertaking.
404	Were the TUPE lessons learnt from Pathways?	Yes. A number of lessons were learnt from Pathways. The commissioning strategy commits the Department to doing more to facilitate information in this exercise. Further information will be provided at the ITT stage.

436	How does the transfer of customers work in areas where fND introduces two providers?	Detailed work is currently underway. More information will be made available at the ItT stage.
571	In a TUPE context how do current New Deal job roles currently delivered by Jobcentre Plus staff map across to the fND model?	There are no jobs which directly map across to fND. See also the answer to question 402 and the update on TUPE published on 2nd May
572	Will there be any provider to JCP TUPE for mainstream provision?	Detailed impacting is underway and more details will follow at the ITT stage.
574	Are we interested in bidders providing details of any volumes they have previously handled in a TUPE situation?	We may request bidders to provide evidence of this type of activity for the ITT stage if TUPE applies.
575	Are potential TUPE numbers likely to vary for each District?	Please see the announcement published on the DWP website 2.5.08. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
576	What is a GAD certificate? If we have not got one do we need one? Where can we find out more information about TUPE?	Information regarding the GAD certificate and TUPE are detailed in the Instructions to Bidders document on the DWP website. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/jcp/fnd_pqq_instruct_010408.pdf
577	Where a District has Private Sector Led (PSL), Employment Zone (EZ) and Mainstream New Deal providers will DWP say where and when TUPE will apply?	No. See also the answer to question 263.
578	When will you tell us whether TUPE will apply to JCP staff as we will need to know potential numbers coming across to inform the bid proposals?	Please see the announcement published on the DWP website 2.5.08. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
579	Will we provide help to providers on the provider to provider TUPE issue?	Should it be required, we expect to facilitate the transfer of information.
582	It is difficult to buy pension schemes that are broadly comparable to the Civil Service Pension scheme so would it be possible to buy out staff's final salary scheme rights?	Providers are advised to seek their own legal advice on TUPE. However, the Project are looking at ways they can help facilitate provider to provider TUPE in a similar way to the previous procurement exercises. Please see the announcement published on the DWP website 2.5.08. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
583	Currently we run the ND Gateway what will be put in the fND contracts to ensure TUPE is applied between providers when the new contracts come into force?	Any lessons learned from the recent provider to provider TUPE process will be considered and where appropriate applied to the fND. We do not expect to change our standard terms and conditions.

584	Will subcontractors be able to buy into Prime Contractors pensions schemes if they are GAD certificated?	This is for Sub-contractors and prime providers to negotiate. Please see the announcement published on the DWP website 2.5.08. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
585	How will you keep us up to date with changes to TUPE numbers?	Please see the announcement published on the DWP website 2.5.08. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
642	With regards to the TUPE update posted on your site today, we have the following question: If no DWP staff are transferring then there can be no requirement to replicate a civil service pension scheme, nor will there be the requirement to recognise a union for collective bargaining purposes etc. This also renders most of pages 17 and 18 of the PQQ irrelevant. Could you please advise?	DWP will redeploy those staff working within the undertaking prior to the work transfers. As a result, the Cabinet Office Guidance on staff transfers in the Public Sector no longer applies to New Deal work transferring out of JCP. Therefore there is no requirement to replicate terms and conditions (including comparable pension schemes) for those employees working on fND contracts. Further details will be provided at ItT stage. However, Providers are still required to complete pages 17 and 18 of the PQQ.
650	Is it possible to get data on the number of Job Centre Plus workers over time and forecast into the future?	Please refer to the letter posted on the DWP website 2.5.08, http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp , which provides an update on fND and TUPE.

JCP Gateway

178	Is DWP/Jobcentre Plus intending to implement any plans/activities to ease the workloads of Advisers under the proposed fND model?	Operational tests are currently being undertaken in certain sites, to assess the likely impact of stages 1, 2 and 3 of the model and associated processes on Advisers. DWP will evaluate the tests on an ongoing basis.
180	What “flexibility” will be available to Jobcentre Plus staff?	We are currently testing changes to the jobseekers regime and exploring levels of flexibility in Stages 1-3 of the new regime.
181	Will Jobcentre Plus Advisers have any discretion on where to allocate funding in considering the support available to customers?	See the answer to 180, however, advisors will not have control over provision delivered in Stage 4.

POLICY

<p>3</p>	<p>The flexible New Deal will replace the current New Deal 18 - 24 and 25+ and Employment Zones programmes". Does this include Private Sector Lead (PSL) as well?</p>	<p>This is correct.</p>
<p>19</p>	<p>Please can you confirm the revised Jobcentre Plus districts for Phase 2 of flexible New Deal? This is important to know at Phase 1 for organisations considering creating SPVs to know the relative strength of position of incumbent New Deal providers from a national perspective</p>	<p>Consultations are taking place on the best delivery structure for Phase 2 and information on Phase 2 areas is not yet available. Decisions on this will be announced in due course.</p>
<p>29</p>	<p>In Annex 3 of the Provision Specification (Para 3.1) it states that 50% of funding will be attributable to the achievement of "intermediate employment outcomes". Please can you clarify what this phrase means?</p>	<p>This means that 50% of the contract price will be paid to the successful provider on a unit price basis for each person they get into employment for a continuous period of 13 weeks</p>
<p>39</p>	<p>The district budgets given in Annex 4 of the Provision Specification, in relation to forecast volumes, do not appear to provide scope for any additional uplift in unit price in London. The total minimum indicative funding per customer in Central London & LSW is less than that in three other non-London Phase 1 districts, and only nominally higher than the other Phase 1 districts. The current New Deal makes provision for a percentage uplift in national rates for delivery in London to reflect higher operating costs, and this practice of funding uplift in the capital was also mirrored in the recent Pathways to Work tendering round. As such, are the budget figures for Central London & LSW correct, or can we expect to see a level of uplift?</p>	<p>The budgets quoted in annex 4 are indicative at this stage and have been quoted simply to provide potential bidders with a feel for the size of individual FND contract packages. DWP will further refine these indicative allocations in advance of the ItT and in so doing will take into account other factors including London weighting. However, this will not affect the overall sum of money available for Phase 1 FND contracts.</p>

<p>41</p>	<p>I read in the introduction the Procurement Exercise for Phase One of the flexible New Deal –Amendment to Contract Packages " The district of Cheshire, Halton and Warrington will be moved to Phase Two of the flexible New Deal procurement. This will minimise the changes we are making, and ensure that we are not putting any bidders at a disadvantage in the procurement process. Consultations are taking place on the best delivery structure for Phase 2, including Cheshire, Halton and Warrington. Decisions on this will be announced in due course". As our organisation is interested in delivering this programme, could you let me have a date when the announcement will be made on the above? Could you please expand/explain further what is meant in the sentence from the above statement "This will minimise the changes we are making, and ensure that we are not putting any bidders at a disadvantage in the procurement process".</p>	<p>We expect delivery of phase 2 to begin approximately one year after phase 1. Therefore, we intend to begin the procurement process early in 2009, award contracts in Spring 2010 and begin delivery in Autumn 2010. Amendments to contract packages were minimal to ensure that the changes affected as few providers as possible.</p>
<p>73</p>	<p>Will providers have Secretary of State authority to mandate activity?</p>	<p>We anticipate that providers will have Employment Officer status.</p>
<p>82</p>	<p>Won't larger and longer contracts generate more complaints?</p>	<p>We do not anticipate a rise in the number of complaints. There will be a full Contract Management Framework in place to monitor the fND contracts.</p>
<p>83</p>	<p>Existing contractors already provide satisfactory performance. Will the move towards larger and longer contracts, force out smaller contractors?</p>	<p>No. Smaller contractors are being encouraged to deliver on a sub-contract basis. The networking events described during the briefing sessions demonstrates in part the continuing commitment DWP has to small and third sector organisations</p>
<p>179</p>	<p>What is the current awareness level amongst Jobcentre Plus Advisers of the flexible New Deal?</p>	<p>Full details of the model and role of Advisers are available to all staff on the DWP intranet site.</p>
<p>183</p>	<p>Have DWP a current expectation of what the success rate should be for fND?</p>	<p>The current view is that there will be a significant increase to the levels of performance previously achieved by Employment Zone and New Deal contracts. DWP will be modelling its minimum expectations for the ItT exercise.</p>

185	Will there be any Ofsted involvement in fND?	Yes, the provision will be subject to inspection by Ofsted and their equivalents in Scotland and Wales. The star rating system is still in development and being tested in London. We expect the star rating system to be used in the fND model.
186	What are the 3 “mandatory interventions” mentioned at stage 3?	These 3 interventions can be any 3 meaningful activities to be undertaken by a customer to address their own individual needs e.g. referral to a debt counsellor or a set target to the level of job applications to be made.
204	Will customers receive extra benefit / allowance on flexible New Deal?	Customers will be signing fortnightly and staying on JSA (Jobseekers allowance). However if they enter a period of full time work related activity for more than a fortnight a training allowance can be payable.
205	Regarding the handover from Jobcentre Plus to fND what will be the Jobcentre Plus involvement then?	Jobcentre plus will remain responsible for paying JSA and any training allowances, for fortnightly signing and for any JSA sanctions. Jobcentre Plus also retain ownership of the customer throughout their time on JSA and customers will be able to bring any problems with their provision to Jobcentre Plus if they have not been able to resolve them with their provider. There will be a formalised approach by which DMs and ERMs will hold discussions with Providers through Provision Engagement Meetings (PEMs) these discussions will focus on Jobcentre Plus interactions with providers , from an operational perspective, referrals and customer experience issues.
211	Is the Management Information (MI) to be enhanced? We were promised efficiencies through electronic transfer of information for the previous New Deal which did not materialise?	There is currently a significant piece of work being undertaken to develop and implement a new Management Information system that will offer enhanced efficiencies to both Jobcentre Plus and fND providers. This will include the electronic transfer of data.

213	Increased rights and responsibilities for jobseekers – what are these?	The work to develop Stages 1 to 3 of 'the model' includes an increased emphasis and clarity on the rights and responsibilities of customers claiming Jobseekers Allowance. This means that Jobseekers can expect appropriate levels of support from Jobcentre Plus and that Jobseekers must fulfil a number of obligations to satisfy their claim for Jobseekers Allowance. Further details of the 'customer journey' will be provided during the ItT stage
214	During the first twelve months the customer is working with the Jobcentre. Is there to be an increase in staffing levels to meet demand?	We have a keen interest in ensuring the introduction and ongoing delivery of fND is a success. This includes considering the resource levels and activities of Jobcentre Plus staff to deliver effective services during the first 12 months of a customers claim. This work is ongoing and running in parallel to the development of the ItT.
215	What about links to Local Authority Areas (LAAs) and City Strategy –are you looking for synergy/dialogue with these?	In short yes and we are continuing to work on the detail. We are considering how best the wide range of local partnerships and their strategic objectives can compliment the fND. We expect that at ItT stage specifications will have supporting information that will encourage synergy and not duplication. As we move forward we will be looking to Prime Providers to develop and continue to have a dialogue with us about these issues
227	Is there a maximum number of hours of mandatory activity for customers?	A customer cannot do more hours than what is outlined in their jobseekers agreement. For example, some lone parents may have restricted hours due to child care commitments.

<p>257</p>	<p>Will providers be able to refuse to work with any customers referred to them?</p>	<p>fND is a universal provision for JSA customers across the country. We recognise that there will, of course be some customers that are difficult but we cannot say in blanket terms that a provider is able to refuse to deal with such customers. A process will be in place to deal with such instances on a case by case basis similar to that which is operated on Pathways. Customers referred to fND provision will have been with JCP for at least 6 months, if not 12, and therefore, we would already have an indication of the nature of the client and any issues and circumstances they may have which could inform a decision. This is a mandatory program so we are committed to have provision in place for all customers.</p>
<p>271</p>	<p>In the event that there is no provision to replace fND in 5 (or 7) years would providers be liable for redundancy costs of staff TUPE'd in now by a provider or will DWP under write redundancy liability?</p>	<p>Post flexible New Deal - too early to say business continuity is still being discussed with ministers.</p>
<p>308</p>	<p>Will you be providing any confidential client data in an encrypted electronic format? We are using PGP Desktop Professional 9.8 for Windows, as prescribed by DWP for the Pathways project. It would be helpful if you could confirm use of the same encryption technology for any data transfer within the fND programme.</p>	<p>This is a work in progress. More information will be available in the ItT.</p>
<p>314</p>	<p>What expectations do DWP have, that customer views will be taken into account?</p>	<p>Customer views were take into account during the public consultation in 2007.</p>
<p>315</p>	<p>Are there any updates on the fND pilot areas in Edinburgh and Wrexham?</p>	<p>The pilots are operational tests of the JCP delivered Stages 1, 2 and 3. They are not pilots of Stage 4 fND. The Department will provide information regarding these in due course.</p>

349	Providers are reliant on JCP for referrals - Do you think JCP has quality / quantity of staff to do good job in stages 1 to 3 incl. transfer of information/resources to FND provider.	Yes. Detailed work is currently underway to consider the impact of changes to the JSA regime (Stage 1 to 3) and also to consider how best to facilitate the exchange of information between Jobcentre Plus staff and fND providers (Stage 4). Part of this work will include identifying learning/development needs and then developing appropriate training solutions.
350	Will clients be fast tracked to stage 3 if they require additional help e.g. basic skills?	Provision will focus on those with greatest need and advisers will have discretion to fast track if it is in the customers needs and where this is clearly beneficial.
351	What will ensure Gateway overstayer rate is minimised?	fND is a new programme and we will work closely with JCP advisors to ensure the proper procedures are in place and working effectively.
392	Who do DWP see as Stakeholders?	Stakeholders are any organisations or individuals who have a stake in the services that are to be provided, major examples could be JCP, City Strategies, employer organisations etc.
411	The PQQ mentions new IT systems, is it ready and will it work ?	There is a parallel change project underway to provide a more robust payment and referral system.
435	Will providers already delivering New Deal be offered a run down contract? In some cases, providers may not want a run down contract because TUPE will then not apply. In this case, what happens to the stock of existing New Deal customers?	DWP will work with providers on a case by case basis.
442	Are you recruiting more Jobcentre Plus advisors?	The development of fND does not include the recruitment of new advisors. JCP routinely monitors its staff and recruits accordingly.
443	Will Jobcentre Plus advisors get re-trained?	Appropriate learning and development will be supporting the implementation of fND.
445	The model says 6 weekly signing. Does this mean they sign every 6 weeks?	No – it means 6 weeks of signing every week.
447	Can customers reach the provider before they have been unemployed 12 months?	Yes, some jobseekers will be fast tracked to the Gateway.
452	What was the strategy for identifying the areas in the second phase?	A number of criteria were considered when deciding how to phase FND. These included pinpointing areas in most need and those involved in the skills pilots.

534	Does the JCP Adviser have any link to the Action Plan?	We propose to share the JCP action plan at the point they move to provision. The JCP Action plan agreed between the provider and the customer, the Jobcentre Plus adviser is not part of that agreement.
551	How will the IT systems work?	Detailed information about IT systems and processes will be provided in due course.

PROCUREMENT

4	Do you have a rough time table of events or the amount of time allocated to the key steps such as PQQ, ITT etc.	The procurement timeline for Phase 1 of flexible New Deal is contained within the instructions to bidders which can be accessed by following the attached link. The timeline for Phase 2 will be published later in the year. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/jcp/fnd_pqq_instruct_010408.pdf
5	Has the procurement event taken place in Scotland for the flexible New Deal tendering activity?	The Provider event for Scotland will be held in Edinburgh on the 11th April. The full list of events and timetable can be accessed by the following link. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/jcp/fnd_pqq_instruct_010408.pdf
6	We are interested in attending any events aimed at possible prime contractors or sub contractors in Sussex & Surrey, & all other districts in the South East.	The provider events for the contract packages for districts in the South East including Surrey and Sussex will be held in London on 9th and 10th April. The full list of events and timetable can be accessed by the following link. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/jcp/fnd_pqq_instruct_010408.pdf
9	Will overseas bidders who are not currently registered as businesses in the UK be expected to register such a business for inclusion in their PQQ, or will their relevant incorporations from their home country be deemed as acceptable for the purposes of the PQQ?	Non-UK and non-EU registered companies do not need to be registered in the UK for consideration.

10	We are a provider operating in the South Tyne and Wear Valley contract area. This area is not on the list of areas eligible for the flexible new deal. Is that because this area will be included in phase two of the rollout or are there any other reasons	The South Tyne and Wear Contract Area you refer to will be included in the rollout of Phase 2 of the flexible New Deal that will go live in October 2010. However, each contract area will include more than one Jobcentre Plus district. There will be separate events next year for the Phase 2 contract areas.
11	Please could you advise if Phase 1 covers Herts and Beds as I couldn't see this area in the list? Thanks.	The Hertfordshire and Bedfordshire Contract Area you refer to will be included in the rollout of Phase 2 of the flexible New Deal that will go live in October 2010. However, each contract area will include more than one Jobcentre Plus district. There will be separate events next year for the Phase 2 contract areas.
12	I've just received an email regarding Expressions of Interest for flexible New Deal and wondered why the North East / Tyne & Wear / Northumberland is not listed in the areas of delivery. Could you explain why please?	The North East / Tyne & Wear / Northumberland Contract Areas you refer to will be included in the rollout of Phase 2 of the flexible New Deal that will go live in October 2010. However, each contract area will include more than one Jobcentre Plus district. There will be separate events next year for the Phase 2 contract areas.
14	I believe the successful prime contractor for flexible New Deal in Liverpool was awarded yesterday. Can you confirm if this is the case and if so who won?	Flexible New Deal contracts have not yet been awarded. The Pre-Qualification Questionnaire for the 1st Phase of flexible New Deal was issued today, 20th March 2008. The contracting process for flexible New Deal in Liverpool and Wirral district and Greater Mersey district forms part of the 2nd Phase of contracting that begins next year. Please see the following link for more information. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/notice_to_providers.asp
15	Can you advise which boroughs are covered by the Central London contract?	The Central London District covers the four London Boroughs of Camden, Islington, Westminster and the Royal Borough of Kensington and Chelsea
16	We assume Prime contractors have not yet been selected for this delivery – please confirm	This is correct. Please see response to question 4 re the procurement timetable.

<p>17</p>	<p>Can a prime contractor in principle offer to deliver across only part of a Phase One Contract area – i.e. can an organisation be a Prime for Cheshire, Halton and Warrington but not submit an offer for North and Mid Wales</p>	<p>The contract package for Cheshire, Halton and Warrington and North and Mid Wales has been reconfigured. However, contract packages for this exercise will include more than one Jobcentre Plus district, therefore the Lead Provider would need to be able to cover the whole area. Organisations whose bid does not cover the whole contract package will not be successful. See also Question 35.</p>
<p>18</p>	<p>What will happen to the current New Deal contracts that are not listed in this round of tendering? I presume that those areas not on the list will form part of phase two of the implementation? Does this mean that current contracts will be extended to accommodate the additional year of delivery?</p>	<p>To ensure that these services continue to be delivered, and to a high standard, ahead of Phase 2 fND coming online, we will either be extending existing contracts, taking into account the continuing need to ensure they deliver performance and value for money, or letting new contracts where it is appropriate up to the end of September 2010. Discussions with existing Providers will take place at least six months prior to their current contract expiring. It is our hope that by giving notice of our intentions now we will give suppliers the security they require to ensure quality provision remains in place, and to invest in necessary improvements where appropriate, whilst we develop our longer-term plans.</p>
<p>20</p>	<p>In Para 1.6 of the Instructions to Bidders it states "only one PQQ response is required per legal entity". In respect of this, can an individual legal entity submit a PQQ in its own right and - at the same time - also be party to an SPV led by another provider (and named as such in their PQQ). In other words, could the same legal entity be named in multiple PQQs as either an SPV member or as a direct bidder?</p>	<p>Yes, We are prepared to consider such bids but will need to seek assurances as to how potential bidders will manage any conflict of interest.</p>
<p>21</p>	<p>In Para 2.5 of the Instructions to Bidders it states that there will be a shortlist of approximately four bidders "for each contract". Does this mean that in those districts where there will be two contractors appointed the short list of bidders at the ITT stage will include approximately eight bidders?</p>	<p>Yes, there will be approximately eight bidders.</p>

<p>22</p>	<p>In Para 2.7 of the Instructions to Bidders it states that DWP will "hold a reserve list of bidding organisations". At what point will organisations who are not on the short list know that they are on the reserve list (as this may influence their bid preparation strategy, even if they are not subsequently invited to bid)?</p>	<p>Bidders will be informed that they are on the reserve list at the same time that short-listed bidders are notified.</p>
<p>25</p>	<p>We would like to check our understanding of Para 7.6 of the Instructions to Bidders. Assuming that the four organisations who scored the highest PQQ marks are shown to have met and exceeded all of DWP's selection criteria, including financial capacity to deliver multiple flexible New Deal contracts - does this mean that it is possible that only these four organisations alone could progress to the second stage of the bid process (i.e. the same four bidders short listed for every available Phase 1 contract)?</p>	<p>Yes in theory, but we are not expecting this to happen in practice.</p>
<p>27</p>	<p>In the PQQ Part 1, bidders are required to rank their preference of districts to bid for. How will this ranking be taken into account in the evaluation of the PQQ? Under what circumstances would a high scoring, financially scalable bidding organisation fail to be shortlisted in any district(s) on the basis of their ranking preferences, all other considerations being equal?</p>	<p>The ranking of contract packages in Part 1 of the PQQ will not be used in any way to short list bidders. The information is intended only to provide us with an early indication of potential for market failure.</p>
<p>28</p>	<p>For clarity, is there any page limit for completion of Part 4 of the PQQ?</p>	<p>There is no page limit for responses to Part 4 of the PQQ.</p>

<p>30</p>	<p>Question 4.5 of the PQQ asks if bidders are "affiliated" or "associated" with other organisations with capability of delivering flexible New Deal. For the purpose of answering this question, please can you clarify what criteria might define an "affiliated" or "associated" relationship with such an organisation? Furthermore, please can you clarify whether or not any such information presented in response to this question might be used by DWP for any other purpose aside from evaluating the competency of the bidder who has presented it as opposed to, for example, soliciting additional bidders to participate in Phase 2 of the competition?</p>	<p>This information gives us an indication of mutual dependencies. We do not envisage using this in Phase 2 at all and will not be taken into account in the evaluation process in Phase 1.</p>
<p>31</p>	<p>Please can you clarify how private sector bidders who are not registered companies in the UK should respond to Question 4.9 of the PQQ. Such a company may not be either a limited company or a plc as recognised in the UK. Would it be permissible for bidders to amend the form to add a further option, along the lines of - (iv) a private company legally registered in a country other than the UK?</p>	<p>Companies/organisations who are not registered at the companies' registry in the UK should complete Question 4.14 of the PQQ providing a full explanation.</p>
<p>32</p>	<p>What makes a good PQQ?</p>	<p>Make sure you answer all the questions. Do not assume that assessors will know your company – if it is not written in the answer it will not be assessed.</p>
<p>34</p>	<p>How do I find Lead Providers to work with?</p>	<p>A list of attendees will be published on the DWP website. The list will indicate (where information available) whether an organisation wants to bid as a Lead Provider or if they are a subcontractor.</p>

<p>35</p>	<p>We can only cover part of a contract package. Should we bid?</p>	<p>DWP does not advise or recommend who should bid as a Lead Provider. The contract packages for this exercise will include more than one Jobcentre Plus district, therefore the Lead Provider would need to be able to cover the whole area. Organisations whose bid does not cover the whole contract package will not be successful. Organisations will need to consider this when deciding whether to submit a PQQ as a Lead Provider or whether to seek to operate as a sub contractor to a Lead Provider.</p>
<p>36</p>	<p>Can we submit a PQQ as a Lead Provider and another as part of a consortium?</p>	<p>Yes, we will accept a PQQ from an organisation bidding as a lead provider and another as part of a consortium.</p>
<p>40</p>	<p>Many thanks for the notice concerning changes to contract packages, particularly for Wales. However the notice published on the DWP website yesterday is a little unclear, as it states the contract packages for Wales are:</p> <ul style="list-style-type: none"> · North and Mid Wales with South East Wales; and South West Wales and South Wales Valleys <p>And also</p> <p>South Wales Valleys, South East Wales, North & Mid Wales, South West Wales</p> <p>Can you please clarify which is correct.</p>	<p>The first contract package is South Wales Valleys and South West Wales. The second contract package is North & Mid Wales, South East Wales</p>
<p>61</p>	<p>How will DWP manage the risk of contractors offering too low a price in this type of tendering?</p>	<p>Price is not the only factor. We also look at quality issues to ensure that we achieve the best overall value for money along with realistic and achievable outcomes.</p>

62	Are DWP committed to awarding fND contracts based on the lowest price?	DWP is not committed to awarding contracts based on the lowest price. DWP awards its contracts based on a principle known as the Most Economically Advantageous Tender (MEAT). At ITT stage DWP will measure the price and the competency and capability of organisations bidding for flexible New Deal. Part of the PQQ assessment is to assess the financial capability of delivering these contracts so that the risk of providers not being able to deliver is minimised.
63	Is there a fixed frequency of interaction between DWP and their suppliers?	Increasingly DWP are dealing with top tier suppliers in a Strategic Relationship Management capacity to enable us to look at performance and share best practise. There is a Contract Management Framework in place that indicates the level and frequency of interaction between DWP and our providers.
65	Can we have more than one contract area ranked in first place on the PQQ.	Yes. For example, if you wanted four areas to be ranked as number 1, the fifth area would be ranked as number 2.
66	Is exclusivity between Prime Contractors and Sub-Contractors frowned on by DWP?	Yes. Sub-Contractors should not be pressured into exclusivity arrangements with Prime Contractors. DWP would appreciate feedback from sub-contractors who have been approached in this way.
69	Are there plans to have multiple providers in other contracting rounds?	Yes. This is part of our Commissioning Strategy and is the direction of travel for DWP contracting activity.
71	If you decide to form a Special Purpose Vehicle then can you use the track record of the individual organisations in the PQQ and ITT?	Yes you can.
74	Does the 20% service fee remain the same in multiple provider areas if the 50/50 split of referrals changes?	20% of the contract price will be paid to the successful provider by way of the service fee, irrespective of the volumes going through the contract. DWP is currently looking at the best way of making these service fee payments to ensure appropriate sharing of risk/reward with FND providers.
75	Are Special Purpose Vehicles less likely to pass the PQQ?	Only you can decide to submit a PQQ. You will have to demonstrate that you have the skills to run this type of delivery model.

76	Is the whole of Wales in Phase 1?	Yes, this is correct
77	If volumes change significantly then is there a trigger point at which renegotiation will occur?	There will be opportunities throughout the life of the contract to discuss with Providers any significant changes to the volumes.
79	How will price versus quality be measured?	Price and quality will be evaluated at ITT stage. It is not relevant for PQQ. Please also see the response to question 393 in the Finance section.
86	In Choice areas, what is the scope for variance between providers?	More information regarding this will be given at the ITT stage.
99	In light of contractors facing a larger risk than DWP with fND contracts, will DWP consider either a minimum guarantee of outcomes or volumes?	More information regarding this will be given at the ITT stage.
100	How often will volumes be reviewed, and will they be capped?	More information regarding this will be given at the ITT stage.
109	How will you ensure that Primes do not attempt to renegotiate less favourable terms with subcontractors than those agreed and presented to DWP.	We will ensure that there are routeways for subcontractors to communicate to DWP any such behaviour. In addition the principles of the Code of Conduct will be enshrined within the contract. Some elements of the Code of Conduct may be a requirement of the Contract - these will be made clear to Prime contractors and Subcontractors at the ItT stage.
111	Will we mandate things which might impact the viability of the supplier ?	No.
123	I've heard of a JCP operated a pilot in Wandsworth and wanted to know the impact of fND on this?	The purpose of the pilot is for JCP to assess internally how fND will affect JCP. Any change to the pilot will be communicated from commercial from existing providers.
124	Can providers bid as primary, SPV and sub-contractor in one area?	Yes, but providers need to demonstrate to the DWP how they will deal with conflicts of interest, and how they propose to manage the above. See question 36. Needless to say that DWP will take action on any suspicions of collusion.
127	Will providers be evaluated by external companies?	No, not at PQQ stage. Further information will be given at ITT stage.
128	What does "simply bound" mean in relation to the PQQ submissions?	Do not send extra marketing material or bind your response in expensive and bulky folders or ring binders. You will be assessed on the content of your PQQ only. Spiral bound responses are ideal.

129	What is the DWP looking for in the organisation chart?	The DWP will be looking at the structure of potential providers, giving the DWP a feel for capacity of providers, which areas will be in charge of the fND provision. There is no assessment of the organisation chart.
130	Can providers have both a 5 year and 7 year contract in different areas?	Yes
131	What is the definition of a sub contractor?	A sub contractor is defined as a company which delivers some of a primary provider's provision. The DWP has no expectation how much a primary provider delivers itself. The primary provider can deliver all, some or none of the provision. The DWP is evaluating the primary provider's expertise in accessing/managing sub contractors. At the ITT stage the primary provider must inform the DWP which sub contractors it is using, defining the connection as a commercial relationship or as a partnership.
132	How will commercially sensitive information be handled, in respect of the freedom of information act?	The providers need to inform the DWP which parts of information submitted in their tenders are commercially sensitive. The DWP will not deliberately release commercially sensitive information. The DWP will inform the provider if a request has been received for information which has need marked commercially sensitive.
133	What is the required font size for the PQQ?	The font size is Arial 12 as per the Instructions to Bidders.
134	Do the providers fill in the boxes on the PQQ?	Yes.
135	Why is Part 2 of the PQQ write protected?	This is due to the provider having to physically sign the PQQ. Electronic signatures will not be accepted.
136	In 7.1, does the DWP want information on just the worst performing contract?	The DWP requires information on just the worst performing contract, plus the 5 best performing ones (6 in total).
137	In 7.2, the PQQ states, how has the provider tried to improve performance on the worst performing contract?	The provider needs to state how the provider has tried to improve the worst performing contract.
139	If a potential provider submits a bid at the PQQ stage as a primary provider, can they change to a SPV between the PQQ and ITT stage?	We recognise that there may be situations where mergers/acquisitions take place. Each one notified to us will be judged on its own merit.

<p>141</p>	<p>What level of detail does the DWP require about the SPV?</p>	<p>The DWP needs details of the company structure. This would indicate indications of capability e.g. if a large company is part of the SPV, the SPV could have a greater financial capability, but if the large company only has a 5% stake, this affects the financial capability and assessment of the SPV.</p>
<p>142</p>	<p>How do you form a consortium?</p>	<p>Where organisations intend to bid as a 'consortia' they have two options:</p> <ul style="list-style-type: none"> • nominate a lead organisation who will act as the prime supplier, with the other organisations as sub-contractors; or • set up a new legal entity, i.e. a 'Special Purpose Vehicle' to bid for the contracts. <p>Bidders who choose to form a 'Special Purpose Vehicle' will need to outline in the PQQ how the new legal entity will operate (see Question 4.19 in the PQQ).</p>
<p>143</p>	<p>Please will you reaffirm that attached supplementary information i.e. support letters will or will not be considered at the PQQ stage.</p>	<p>Attached supplementary information will not be considered at the PQQ stage.</p>
<p>144</p>	<p>Our initial financial modelling suggests that flexible New Deal contracts may not return a "profit" or "surplus" for some time, requiring successful bidders to financially underpin flexible New Deal for up to 24 months, and possibly even longer. If the Charity Commission considered that a third sector organisation could not use its surpluses to underpin a government contract in this way, as such spending was judged as being incompatible with its charitable remit, this would by definition imply that no third sector provider could become a flexible New Deal Prime Contractor. On this point, what reassurances has DWP secured from the Charity Commission to ensure that the design of fND does not breach any regulations that govern how any third sector bidders utilise their reserves?</p>	<p>DWP are currently looking into this with the Departments solicitors. We recommend potential suppliers seek their own independent legal advice on this.</p>

<p>145</p>	<p>Question 4.19 asks bidders to “provide details of how and when (if not already) the SPV will be set up.” PQQ instruction 3.11 instructs bidders forming a SPV to “outline in the PQQ how the new legal entity will operate (see Question 4.19). Asking how the entity will operate is different that asking how and when the entity will be set up. Please can you clarify how bidders should respond to this requirement?</p>	<p>Part 4.19 is for completion by SPVs that are yet to be formed. Bidders should respond to this question by describing the process that they will use to set up the SPV, how far they have got in the process of setting up the SPV and when the SPV will be fully formed. See Q71, 75 and 105.</p>
<p>149</p>	<p>PQQ 4.2 Please confirm that for an SPV, this question applies only to the SPV and not to the parent companies.</p>	<p>This question applies to the SPV only.</p>
<p>150</p>	<p>Part 7 Annex. If a contract has multiple performance targets, how does DWP want this question answered? If certain performance targets are far more important than others, does DWP want an indication of this? This might be especially important for non welfare-to-work contracts, where the relative importance of performance measures may not be intuitively obvious to DWP.</p>	<p>It would be helpful to have an indication of the relative importance of targets. Providers should determine which target information they wish to include.</p>
<p>151</p>	<p>PQQ Part 8. In relation to quality standards held by potential market entrants, we would not expect DWP to necessarily be familiar with accreditation systems applied in markets outside of welfare to work and, in particular, in countries other than the UK. Market entrant bidders are thus disadvantaged by the page count entitlement in this respect as they not only need to detail their accreditations but they additionally need to explain why these standards are relevant and transferable to fND. Would DWP consider extending the page count entitlement for Part 8 for market entrant bidders to accommodate this?</p>	<p>Bidders need not explain their quality standards. If DWP require an explanation, this will be requested through the clarification process.</p>

<p>155</p>	<p>Given that in any statistical data provided, the highest% of any unemployed group is those with disabilities If the Government is going to make any progress towards meeting it's target of 80% employment, then there will have to be a concerted effort to move more people with disabilities in to employment.</p> <p>1) Public Sector organisations have a 'Duty to Promote' disability in all the services they provide. What will successful Lead Providers and their partners have to demonstrate to meet this requirement?</p> <p>2) It is not unreasonable to expect that a number of flexible New Deal customers will be disabled and may need some form of adjustment/support to participate in the programme provision. What assurances will contractors have to provide to satisfy these requirements?</p>	<p>More detail will be given regarding this at the ITT stage.</p>
<p>156</p>	<p>The drive for 3rd sector involvement backed by a code of conduct for PCs and evaluation of sub-contractor management in tenders is great but how are DWP going to align this with competitive pricing - use of sub-contractors is generally more expensive, particularly specialist organisations that provide more intensive support. How are DWP going to evaluate this fairly so that PCs who embrace the drive for 3rd sector / specialist involvement are not penalised if their overall costs are higher than those that tender with fewer / no sub-contractors?</p>	<p>We are looking for what works and what adds value, Prime bidders must make their own judgement on this. We will not be penalising or advancing bids simply on the proportion of sub contractors or third sector delivery partners.</p>
<p>159</p>	<p>Gateway – in Sheffield it was stated that the Gateway would not just be delivered by JCP but would also include delivery providers – DWP are currently looking at tendering for this. Do they have details of the timescales for this tender round, bearing in mind that Phase 1 Gateway is due to start 6 months before fND?</p>	<p>It is planned that wider 'support contracts' will be in place from autumn 2009, and all opportunities to tender will be advertised on the DWP website. Any requirements until this point will be met through existing provision</p>

<p>160</p>	<p>We are interested as a sub contractor for flexible New Deal. I attended the Sheffield event and was wondering if I could have contact details of those that attended the event. I am interested in talking to the prime contractors and also potential consortium of sub contractors.</p> <p>Would it also be possible to have details from the other provider events when they happen. We are interested in supplying services on a national basis and are aware that some prime contractors for other areas will not have been at Sheffield.</p>	<p>We will publish the contact details of all the organisations who attended the fND Bidder Events in conjunction the presentation slides on the DWP Internet site on Friday 18th April. This can be accessed via the following link: http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp</p>
<p>168</p>	<p>Please can you clarify the following questions in relation to the fND PQQ documentation.</p> <ol style="list-style-type: none"> 1. Page 8 of the Instructions to Bidders document states that 'financial capability to act as a flexible New Deal supplier' will be assessed although there is no weighting attached to this key area unlike the other 5 key areas, as described on page 9. Will financial capability have as weighting? 2. How will this key area be assessed? 3. Who will be assessing the completed PQQs? 4. Within the requirements for submission of the PQQ - please can you confirm what you mean by simply bound? Can you confirm that no copies should be submitted in a ring binder or sealed by a binding machine? 5. Which figures from the accounts do we need to include for each of the lines requested in the Liquidity and Gearing sections in Part 5 - Financial Information, Section A of the PQQ as there is a potential to double count some of them under these headings 6. You cannot type in Part 2 of the PQQ document. Please issue another version 7. Why has Cheshire and Warrington been removed? 	<ol style="list-style-type: none"> 1. Please see question 393. 2. Please see question 393. 3. Qualified procurement personnel within DWP will be assessing the completed PQQs. 4. Please see question 128. 5. Please see question 393. 6. Please see question 135. 7. Please see question 17.

<p>168 Cont</p>	<p>8. How will the organisation chart be assessed? What are DWP looking for from 4.2? 9. Will progress2work, progress2work-LinkUP and New Deal mentoring be replaced by fND?</p>	<p>8. Duplicate 129 - closed 9. Duplicate 13 closed</p>
<p>170</p>	<p>With regard to the proposal that Jobcentre Plus will be producing Action Plans for clients during the Gateway period, are DWP expecting to outsource any provision during this period?</p>	<p>Essentially, it will be the Adviser who will lead and determine the activity to be undertaken by customers during the Gateway period, but DWP are looking at how local strategic partnerships and city strategy initiatives can be utilised. It is likely that Programme Centre type provision will be implemented and customers could be referred to the Adult Careers Service for further in-depth screening. Partnerships with the Learning and Skills Council will also be developed to provide appropriate training packages. See also q.159</p>
<p>184</p>	<p>Do organisations have to state who they intend to sub-contract with at the ITT stage, as it could be that potential Prime Contractors may subsequently wish to become sub-contractors if their tender is unsuccessful?</p>	<p>Details of the organisations that a bidder intends to subcontract with is not required for the PQQ stage of the competition. This information is required at the ItT stage. Therefore, if a bidding organisation is unsuccessful at PQQ stage, there is still the opportunity for them to be involved as a subcontractor and included in another bidder's ItT response.</p>
<p>187</p>	<p>Are DWP delivering Gateway directly and is there likely to be any additional procurement outside of fND to support Gateway activities?</p>	<p>The FND Gateway period is primarily about developing the relationship between the customer and their Adviser. There may be some further procurement, outside of FND, for focussed job search type provision which will be met initially through existing provision. It is planned that wider 'support contracts' will be in place from autumn 2009, and all opportunities to tender will be advertised on the DWP website. Also see question 159 & 170.</p>
<p>190</p>	<p>How will the award of fND contracts be determined? Pathways to Work bids were assessed 60% on quality and 40% on price and it is important that this balance is proportionate and does not allow organisations to understate their price to secure a contract.</p>	<p>Further work at ITT stage will be required to determine how price and quality are to be considered within the assessment process.</p>

191	How many organisations are DWP likely to carry through to the ITT stage?	This will be dependent on the number and quality of the PQQs received for each cluster, but there will probably be between 4 and 8 organisations invited to tender per area. See also q.21
195	With potentially very high redundancy liabilities being taken on by successful bidders, in the instance of a change of Government and subsequent policies, would there be a possibility of DWP indemnifying providers against the likely significant costs incurred?	DWP will seek to provide further information to short listed suppliers at the ItT stage.
196	When capacity building and entering local area agreements, we make business decisions based on which organisations provide best performance. Is there any likelihood that, as a fND Provider, organisations will be obliged to enter business relationships as a result of city strategy influences?	No, organisations will not be obliged to enter into contractual arrangements they have not selected themselves. However, we will expect fND providers to work in partnership with city consortia. Further information will be provided at the ItT stage.
199	What will be the impact of fND on the 5 existing self employment contracts?	Self employed contracts will cease at the point fND is introduced. We recognise there is some transitional issues and will be discussing these with the affected providers shortly.
201	The Instructions to Bidders document states we are required to use the supplied PQQ template to submit our response. However, this template appears to be protected and will not allow us to insert/paste tables or diagrams into the response sections. Is this deliberate? if not would it be possible to re-issue the template with this functionality enabled.	The template is protected to ensure that bidders comply with the font, page and margin requirements and will allow for the input of text only. If you wish to submit tables or charts for your answer to question 4.2, then please do so on a separate sheet with the question number clearly marked. For responses to other questions, please use narrative in the boxes provided on the PQQ template

<p>206</p>	<p>What performance management meetings will be taking place and with whom?</p>	<p>Provider Performance Reviews will take place between the Contract Manager and Provider on a regular basis. The frequency of these will be dependent on risk; High Risk contracts will subject to formal Provider Performance Reviews at least every quarter. More information on the process will be available in the fND Contract Management Strategy which will be available by mid May 2008. The Budget is now held by DWP Director and not District Managers, however we expect that formal Provider Engagement Meetings (PEMs) meetings will take place at District, Regional and National level, but there will be a formalised structure in place.</p>
<p>207</p>	<p>How frequently will Performance Management meetings take place?</p>	<p>Formal Provider Performance Reviews will be held on a regular basis, the level of engagement will be determined by risk ; High risk contracts will be subject to quarterly Provider Performance Reviews. Supplier Relationship Management (SRM) Teams will be responsible for managing key strategic providers, and looking at performance across all the Providers contracts. It is expected that strategic meetings will be held with these providers on a regular basis.</p>

<p>208</p>	<p>Is performance to be managed “off-benefit” rather than the Provider proving a customer is in work?</p>	<p>The outcome definition is that a customer spends 13 weeks in work, or 26 out of 30 weeks in work depending on the outcome being claimed. In order to reduce bureaucracy we will be verifying outcomes using an off-benefit check – but this is only for verification purposes. Providers cannot claim an outcome unless a customer has moved into work. Providers will still be required to make their claims for payment and in so doing will need to assure themselves that individuals have been in employment for the required periods of time. However, to minimise bureaucracy, DWP is no longer asking providers to get evidence from employers to support their claims and will simply provide this evidence by way of an 'off-benefit' check. The detailed process is still in development and further information will be provided as soon as it becomes available.</p>
<p>210</p>	<p>What consultation regarding this exercise will there be with the third sector and sub contractors?</p>	<p>In addition to the public consultation in 2007 other activities are taking place such as the Welfare to Work (W2W) Convention in June where potential subcontractors can have discussions with Potential Prime providers. The names of bidders successful in the Pre-Qualification Questionnaire (PQQ) will be published on the DWP website in time for potential sub-contractors to approach them. Separate arrangements are being made for dialogue with the Third Sector. We are in consultation with the office of the Third Sector. We are working with the Improvement and Development agency National Programme for the Third Sector Procurement to enable commissioners to understand the implications of working with the Third Sector. Part of the process is capacity building work helping them to understand competitive tendering. The Office for the Third Sector also have a newsletter and we will be looking at sign posting on that.</p>

216	How many layers of the supply chain can there be?	We are not prescriptive with regard to levels of sub contracting, but bidders will need to demonstrate added value of the inclusion of sub contractors and the value for money it represents.
223	Can SPVs (Special Purpose Vehicles) have sub contractors?	Yes. The SPV will need to demonstrate the value in having sub-contractors.
229	What if the Prime Contractor does not pay its Sub-Contractors?	DWP intends to develop a code of conduct to ensure that the rights of Sub-Contractors are protected. See also 109.
232	As a current mentoring provider how would we be paid as a Sub-Contractor bearing in mind that at present we receive a one-off payment for each customer?	It is recommended that you negotiate with the Prime Contractor to achieve the best possible financial deal.
240	Hypothetically there could be a scenario where you hold prime status in one district but be a sub contractor to another prime in another district. Is this acceptable as there may appear to be lack of choice.	Yes, the choice is at Prime Contractor level.
247	Annex 7 requires lead contractor performance on 5 best and 1 poor performing contract. Do you want consolidated list of all consortia members performance or can you add to it later?	Providers should choose the best, most relevant contracts out of all the ones they hold. More info will be given at the ITT stage.
249	Do you require a PQQ if you wish to deliver specialist support i.e. self employment.	No only prime organisations need to submit a PQQ. If you wish to sub contract with other likely primes need to speak to them and sell your services. Short listed bidders to stage 2 will be announced so sub contractors can contact organisations then. Learning and Development Workshops will be held at the Welfare to Work Convention in June 2008 to encourage networking of primes with sub contractors.

<p>253</p>	<p>What discussions with other government departments are you having with regard to the financial in relation to small providers to assist them bid? How will they enable them to access funds?</p>	<p>We are in discussions with the office for the 3rd sector they will be part of the stakeholders as we develop the good practice guide, we recognise this is an issue for 3rd sector organisations. There is a necessity for negotiations with 3rd and primes to settle their own terms for payment. We would be interested in your view and feedback, both primes and subs as this is a risk to all. We are encouraging providers to take on 3rd sector providers on a time materials basis, not just mirroring down the terms of their contract with us, to ensure that they achieve their individual targets. This will ensure they can engage with specialist providers to ensure that they are reaching their customer base.</p>
<p>254</p>	<p>You ask for commercially sensitive information to be provided within the PQQ. Will the PQQ be treated as a commercially sensitive document and, therefore the information fall outside the Freedom of Information Act.</p>	<p>Not all information is commercially sensitive. Therefore, some information contained within the PQQ will be subject to the FOI rules and application. We shall liaise with providers if necessary</p>
<p>260</p>	<p>Can you clarify how SPVs will be assessed. Will they be assessed as the sum of the whole or as individuals</p>	<p>We want to know about the finances of the SPV itself and individual financial information of all companies involved. This is so we can see exactly what is being brought to the table</p>
<p>261</p>	<p>You stated that you wish to bring new players into the market but will weight existing performance as a qualification. How will this work for new providers who have not got a track record with the Department?</p>	<p>We are not just looking at business done with the Department but also at business done with your other customers. Evidence of organisational competence and experience of working with subcontractors. Those who currently do business with the Department will not necessarily score at a higher rate than those who do not. The questions have been developed specifically to ensure a level playing field.</p>
<p>274</p>	<p>It has proved difficult in the past to obtain full details of staff being TUPE'd from other providers making it difficult to calculate indicative costs. Can DWP do something to compel those providers from whom staff are being TUPE'd to provide full information as soon as possible?</p>	<p>We are aware of past issues. We will look closely at how we can facilitate the exchange of information. More information will be given at the ITT stage.</p>

277	What if two primes in one district use the same sub contractors – will there be the level of choice that DWP expect.	DWP is looking to provide customer choice at prime contractor level. We recognise that in some cases, prime contractors may use the same sub-contractors.
281	On SPV section B Q1 legal entity clear but not sure what the new SPV company name might be what do we put in Part 4. Q4.16?	Indicate the current status and ensure the name is finalised for the ItT.
282	Under SPV do we answer Part 3 for ourselves? What about each member of the SPV?	You can answer for yourselves and when we ask questions later you could as part of SPV ask other organisations to adopt your principles. Again DWP look at the proportions and financial information.
287	PQQ asks for names of senior executives – this may not yet be possible in SPV model.	If the SPV has not yet been formed the names of the senior executives of all the existing organisations should be given.
289	Q4.8 asks if organisations are registered charity – this may be true but not registered in the UK. How do we address this?	Please note the situation in the relevant box.
291	DWP ask for performance achievements but some of existing contracts have 20+ performance measures – how should this be addressed?	Identify the key outcomes and any linked to welfare to work activity or employment. However DWP do not want to disadvantage other successful delivery mechanisms that are not employment related so most relevant experience and performance to demonstrate your organisations capabilities is relevant.
296	Are you also looking for financial requirements for other parts of the business	DWP are asking for limited information at PQQ stage. In depth checks will come at ITT stage but before contract award.
297	My organisation will probably go forward as a sub contractor as we can offer whole range of support to customers not specifically training. Do we need to submit PQQ to register our interest?	No, only the lead entity needs to submit a PQQ. There is opportunity now to speak to those who may wish to move towards primes but if not can wait till preferred bidders are short listed and their names will be published. DWP will be looking at terms of engagement of primes and sub contractors – not financial capability of sub contractors.
301	TUPE does not apply in USA but same principles have been adopted do you think it relevant to include this in PQQ where we have managed transition of large numbers of staff from one organisation to another.	Yes include it. We can then see if you have had relevant expertise.

302	Can I have more details of the Welfare to Work Convention 2008 and the Learning & Development Workshops	These can be found at www.cesi.org.uk . Further details will also appear on DWP website
303	To what extent will cities strategies bodies be involved in evaluating the PQQ responses received by DWP? Will any evaluation they are engaged in add to DWP's scoring of a PQQ?	We are currently in discussion with cities and other stakeholders to agree their role within the procurement of fND contracts.
306	Please can you clarify if we are able to use colour in the organisational chart or if this also needs to be printed on recycled paper using black ink? Also can the organisational chart be on 2 pages of A4 or are we able to use A3 paper?	The organisational chart should be on A4 paper, but can cover more than one sheet. If you intend to use colour please be aware that we may need to photocopy it and need to be able read it in black and white.
310	Are there two providers for each area in Scotland?	Yes, there will be two providers for Phase 1 of the contract packages in Scotland. These providers are expected to cover the full contract area
335	If a bidder is considering using a Special Purpose Vehicle (SPV) would they be required to have established the SPV as a legal entity and list all of its members at the PQQ stage?	DWP would accept the intention of the SPV being established at the PQQ stage. DWP would, however, require to know the main members to allow us to judge the financial risk.
336	Charities are (probably) legally prohibited from forming a Special Purpose Vehicle (SPV). How can they therefore apply?	Individual organisations should take their own legal advice on whether or not to submit a bid.
338	What are a bidders liabilities/obligations under the contract?	The DWP's standard Terms and Conditions are published on the website. These will give a broad outline of provider's responsibilities. There may however be some changes to these prior to the award of contract. There will be discussions with Providers. http://www.dwp.gov.uk/supplyingdwp/doing_business_with_dwp/terms-conditions.asp
356	DWP wants innovative bids but how will these be evaluated evenly when there is no defined specification?	Full details regarding innovation will be given at the ITT stage.
359	Managing Agent bids – where is the choice for customers if the Prime Contractors both use the same subcontractors?	It is a possible that same subcontracts will be used, however the proposals for delivery will be different. Choice will be at prime contractor level.
384	How will bids be evaluated where lead suppliers propose to use the same specialist subcontractors ?	More information about this will be given at the ITT

<p>391</p>	<p>What is DWP definition of what constitutes a relationship between a Prime contractor and subcontractor?</p>	<p>Generally a sub contractor relationship is one where there is a funding agreement between Prime Contractors and Sub Contractors. Partners or other stakeholders can also be classed as sub contractors but this can also apply in cases where a relationship exists but no funds change hands</p>
<p>394</p>	<p>Who is on the consultation group for drawing up the Code of Conduct between Primes and subcontractors?</p>	<p>We will shortly be publishing on the DWP website the terms of reference of the people involved and summaries of the meetings.</p>
<p>398</p>	<p>If there are delays in the Primes being paid by DWP, can this be passed on to subcontractors?</p>	<p>Prime contractors will be expected to pay subcontractors without delay, any delays in original claim will not be carried forward. Various payment structures will be possible between primes/subs. We expect prime contractors to pay their sub contractors within 30days regardless of any delay in payment to prime contractors.</p>
<p>416</p>	<p>What evidence will be looked for to demonstrate partnership arrangements are in place ?</p>	<p>Organisations are not asked to demonstrate that partnerships are in place for fND at PQQ stage. At the ITT stage we expect to see formal proposals and evidence of commitment from partner organisations.</p>
<p>421</p>	<p>Just been bought out by a AMERICAN company , do we apply as a new organisation who have no track record? Could we put in 2 PQQs for each entity ?</p>	<p>The PQQ should be submitted by the legal entity that is bidding to deliver fND</p>
<p>422</p>	<p>Under contracts we have not had OFSTED inspections , will this mean we score less points ?</p>	<p>We are looking for evidence of successful delivery of quality provision. We would not solely consider OfSTED scores.</p>
<p>427</p>	<p>PQQ weighting, is it on the website?</p>	<p>Weighting information is contained in the PQQ documentation.</p>
<p>458</p>	<p>Can the organisation chart requested at Part 4.2 be attached as a separate annex?</p>	<p>Yes, the organisational chart can be attached separately. The font size does not have to be 12pt Arial but must be of a sufficient size that the chart is clear and readable. Please ensure that any supplementary sheets are marked with the question number</p>

459	Can you tell us what the process is for becoming a sub-contractor, including timetable.	If you wish to become a subcontractor, you need to market your organisation to potential prime providers and make any arrangements before the deadline for the submission of ItT responses (12 Nov 2008). DWP will facilitate some of this marketing activity through an event at the Welfare to Work Convention and through publishing the names of organisation who attended the PQQ briefing events on the DWP website.
461	Does the SPV have to be a formal legal entity before bidding?	We are not asking people to form joint venture partnership organisations, need to decide is it right for them, they may decide to use a lead supplier.
462	Are you aware of any organisations using SVP who here won contracts based on this model ?	Not in welfare to work but in other areas.
463	In the case of Manchester there are very few voluntary organisations who could compete here, most would be as sub contractors. Looking to set up a best practice guide, how do you encourage voluntary sector organisations to apply? It is great that you have a best practice guide but especially in the past Prime Contractors push you into areas you're not skilled in due to the money?	The Best Practise guide is in development. Many of the recommendations we will expect to be included in our contracts. We do not think all Third sector and Voluntary sectors are excluded. Pathways had good results. Of 350 subcontracts ½ are charitable or Third Sector organisations. For this competition which is different and much bigger, we expect some joining of organisations from charitable and Third Sector and private organisations to make SPVs. There will be a role for Third Sector – diverse group of customers to group with and we want the best placed people to do this i.e. sub contractors.
468	When are the L&D Workshops?	We are conducting a limited tendering exercise at the moment. These will be in June before the ITT is issued. This will be advertised on the website.
469	Can you explain the Exclusivity and prime Contractors issue	Sub Contractors should be free to work with as many Prime Contractors or other sub contractors as possible, and negotiate the best deal for themselves. We are concerned that we are getting feedback that potential Prime Contractors are telling potential sub contractors that they must sign up exclusively at this point. We need to be told about any instances of this as it will not be looked upon favourably.

470	Paragraph 3.6 in the PQQ Instruction to Bidders states that multiple supplier customer choice contracts will be worth in the region of £8million - £23 million. Does the refer to the value of each contract?	No, it refers to the total value of contracts within the contract package area. This means that individual contracts will be in the region of £4million - £11.5 million each per annum.
471	Can I make a plea to consult with the third sector about the events that you intend to deliver to enable networking.	We are already in discussion with a number of umbrella organisations. Let us know of any national groups that you think we should consult with. We are open to suggestions about the events but provider shouldn't wait for DWP to facilitate networking, they should start to network themselves
473	Will the pressure to keep prices low impact on the service that providers give to the hardest to reach?	We expect providers to develop- a personalised action plan to meet the needs of every customer. In the ItT, providers will be asked to describe their understanding of the barriers that customers face, how the service they develop will meet those needs, and the quality standards that they will apply. The winning bid will give best value and meet customer needs.
474	Want to stress the importance of working with housing associations to address concentrations of unemployment - keen to be partners.	There is some really good work going on the ground that providers will want to link in to. When we get to the ItT stage, we will hold one event in each area linking preferred bidders in with local partners.
476	Is it possible to submit a PQQ as a stand-alone organisation and then submit the ItT, if successful at PQQ, as a joined-up legal entity?	No, you must be sure when you submit your PQQ to state in what status you are bidding. Once short listed, you will have to bid on that basis.
486	In regions where clients have choice between two companies, one company might not get any clients.	We will provide information prior to ItT on this issue.
488	Does a partnership have to be a formal entity or is a service level agreement alright.	If you intend to set up a new legal entity, we need to know your intent in the PQQ. You don't have to set up legally at this stage. However, the legal entity must be in place for submission of the ItT.
491	Can we have a thumbnail idea of turnover to contract size. Middle size organisations need to know whether to apply as a prime or a sub.	We can't give examples but with contracts that offer £4m per year as a minimum. It goes without saying that small organisations with a low turnover need to consider whether to bid. A SPV may be better.

493	When ESF was contracted in Cornwall, an event was held for sub-contractors with preferred bidders. Will you be doing the same?	We will hold an event with ERSA at the Welfare to Work Convention in Birmingham in June. We will also look to other opportunities . We are looking to develop a pro-forma to issue via a number of organisations for potential sub-contractors to complete that can be uploaded. if you have any good ideas let us know.
495	As a local authority we have been able to complete in question 4.7 as public sector organisation is an option given- however there is no box relevant to our legal status in 4.9 as we are neither a public limited company, private limited company - limited by shares or by guarantee. This also means 4.10 onwards is not relevant/can not be completed. Therefore can you confirm we do not need to complete question 4.9, 4.10, 4.11, 4.12, 4.13 and 4.14 and give assurances that we will not be penalised for non completion of these sections	Public sector organisations, should cross the three 'No' boxes in question 4.9. Questions 4.10 to 4.14 are only relevant to those organisations who have crossed 'yes' to one of the boxes in question 4.9, therefore a public sector company that has crossed the three 'No' boxes does not need to respond to these questions. Part 4 of the PQQ is not scored. Public sector organisations that tick 'no' to all the boxes in question 4.9 will not be penalised for not completing questions 4.10 to 4.14.
496	What are "other guarantees" meant by within section 5.4 of the PQQ (pg.10)?	The PQQ asks if the bidder is willing to arrange for a guarantee if required and it may not be necessary in all circumstances. Examples of "other guarantees" can be letters of credit or deeds of financial guarantee issued by financial institutions. A Parent Company Guarantee is one means providing financial surety but depending upon the status of the bidder may not be the only means.
498	What defines a "single legal entity?" e.g., Multiple subsidiaries of the same organisation	A legal entity is an organisation which is registered with Companies House or the international equivalent. In contracting for fND, DWP will contract with one legal entity only and not multiple legal entities i.e. each contract will be with one organisation.
501	In what detail would you like us to go to in terms of the structure? Do you want us to give an overview of the structure in general, or a breakdown of structure per package?	We are seeking a general overview. More information regarding this will be given at the ITT event.
504	Are you aware of any organisations using SVP who here won contracts based on this model ?	Not in welfare to work but in other areas.

511	Are there any cross-boundary issues where people living near a boundary could go to another provider over the boundary?	fND is mandatory provision. All eligible customers within the set boundaries will be referred to that provider.
516	Is there a possibility of telephone contact after these events?	No, there is an email address for communications.
524	Will sub contractors be able to access the same information as Primes?	The information is published on the website with access for all. The ITT will not be published on the website this will only be sent to those successful at PQQ stage.
530	If you're not named on the ITT can you be a sub?	We expect prime contractors to name the sub-contractors they intend to work with when completing the Invitation to Tender. However, we recognise that circumstances may change during the life of the contract which may result in the prime contractor needing to work with new or additional sub-contractors. In these cases, the prime contractor will need to have a discussion with DWP to agree any changes.
531	What will happen if a sub goes bust?	We will discuss impact and alternative arrangements with the prime contractor.
555	What happens to sub contractors if the Prime goes into liquidation and delivery has started?	DWP would look at alternative delivery arrangements. We would also undertake a full impact analysis in the event of this occurring.
559	<p>How will the weighting for each section of the PQQ/ITT work during the assessment process? Also, will Providers be made aware of this in time to ensure they take the weighted system into account when completing their PQQ and ITT?</p> <p>Example 1: Section 6 has a overall weighted score of 5, however the section is broken down into 2 elements: Section 6a - weighting of 2 Section 6b - weighting of 3</p> <p>Example 2: Section 6 has a overall weighted score of 5, however the section is broken down into 2 elements of equal weighting: Section 6a - weighting of 2.5 Section 6b - weighting of 2.5</p> <p>Example 3: Section 6 will not be broken down into smaller sections as above i.e. 6a,6b and therefore the section is rated on the overall quality of the response provided?.</p>	<p>Part 9 is not scored. It is purely a compliance check. Failure to answer positively to questions 9.6 and 9.7 will result in automatic elimination from this competition.</p> <p>The weightings for sections 6, 7 & 8 are provided at paragraph 7.3 of the PQQ Instructions to Bidders.</p> <p>Part 6 has an overall weighting of 4 and will not be broken down further; Part 7, Questions 7.1 to 7.4 have an overall weighting of 3 and will not be broken down any further; Part 7, Question 7.5 has an overall weighting of 3 Part 7, Question 7.6 has an overall weighting of 2; and Part 8 has an overall weighting of 2 and will not be broken down any further.</p>

562	Will DWP be able to provide guaranteed volumes?	No. However, DWP will continue to provide our best assumptions and will hold regular reviews with Providers to discuss and review delivery and the impact of volumes.
563	Will DWP be able to set up an online catalogue of Providers showing their experience so Prime contractors are able to see what organisations are out there to possibly sub-contract with?	DWP certainly like this idea, and will investigate the best way to build a database of Providers listing their expertise which can be accessed by all online.
564	Will there be a weighting system on Job Outcomes? i.e. higher value given for a Lone Parent going into work or a homeless person?	There is no intention of a weighting system on Job outcomes at this stage.
565	Will providers have a choice to decline Customers or not?	Prime Contractors will not be able to decline any Customer referred to them by JCP. Prime contractors will be obligated to provide relevant individual tailored support to every Customer referred to fND.
566	How will DWP ensure Customers will not be 'parked' by Providers due to the costs involved in helping them overcome barriers?	This will be covered as part of the Contract Management process, which is currently being developed further. More information will follow soon. Evidence to suggest particular Customers are being 'parked', will result in a review of a Providers star rating.
567	Can the offer provided in the ITT be re-negotiated after submission?	No. The offer supplied in the ITT will be taken as a providers best and final offer.
568	Will discounts be expected where a Provider is proposing to contract for more than one area?	Yes, DWP would expect to see efficiency savings offered on multiple bids if successful.
569	Will a Provider be able to request a review of the contract?	All contracts will have formal reviews every 18mths, however Providers will be able to request an earlier review if required.

<p>570</p>	<p>If a provider or DWP wanted to terminate an FND contract before the agreed end date, how much notice would need to be given?</p>	<p>In line with our recently published commissioning strategy and our wish to have a more strategic relationship with our providers the FND contracts will have a 12 month termination clause, as opposed to the 3 or 6 month periods used in previous contracts. This means that, in principle, either party to the contract could give 12 months notice to terminate without reason. The existing clauses regarding termination for breach reasons will still apply. We will be including a copy of the updated terms and conditions within the ItTs that are issued to shortlisted bidders.</p>
<p>587</p>	<p>Part4, 4.2 of the PQQ asks for details of the organisations structure; do you require full written descriptions of all job roles or is an organisational chart sufficient?</p>	<p>We do not require full job descriptions for every individual role but a brief overview of management roles and responsibilities. An organisation chart on its own would not answer the question in sufficient detail, so it should be supported by some narrative.</p>
<p>589</p>	<p>Please can you provide further guidance on the contracts that we are allowed to include in Part 7 Annex (the summary of contracts). Is it permissible to include contracts that have been running for less than 12 months? How recent should the contracts be? Please confirm it is permissible to include contracts that have now reached the end date.</p>	<p>As detailed in the question, you should include details of contracts that your organisation has held in the last three years. These may be current or expired contracts. In order to gain a clear picture of performance, current contracts should have been running for at least a year.</p>
<p>590</p>	<p>Section 4 Question 4.7 & 4.9: we are in the early discussions as to the legal status of a proposed SPV, this has yet to be decided so what do we put in question 4.7 & 4.8. Would "TBA prior to ItT" be suitable?</p>	<p>The legal entity needs to be formalised prior to submitting an ItT.</p>
<p>591</p>	<p>If you're bidding as an SPV, does 7.1 require information on the 5 best and 1 worst contracts jointly between providers, or would each organisation making up the SPV have to detail 6 contracts each?</p>	<p>We require information on 6 contracts only at this stage. We will look at performance closely in the ItT stage. It is for you to decide which of the partner organisations contracts to include.</p>
<p>593</p>	<p>If you're an SPV comprising a number of organisations, is the response to parts 6,7 and 8 still 12 pages?</p>	<p>Yes, the page limit for sections 6, 7 & 8 is 12 pages in total.</p>

<p>594</p>	<p>When entering information in to the PQQ document all text comes up highlighted, although it does not print as highlighted. This makes it very difficult to work in the document as all other functions such as spell check, font, font size, are not available. Could the PQQ document be altered to make it more user friendly please.</p>	<p>The PQQ template will not be changed. The text is highlighted because the template is a word form with the font set at Arial 12. This is the font and size that must be used when competing the PQQ. Use of any other font/size would result in a response being noncompliant. If you wish to spell check your response, you should do this in a separate word document and then paste your response into the PQQ.</p>
<p>595</p>	<p>We missed the last round of briefings on the above subject which ended last week. Could you give us more information as the next round of briefings please?</p>	<p>Phase 2 will be advertised in the same way as Phase 1. Adverts will appear in the press and on the DWP website.</p>
<p>597</p>	<p>Question 1.9 of the PQQ states that bidders who do not hold Momenta Accreditation will be asked to "become accredited if you are invited to Stage 2". This will be problematic for SPVs, as newly formed legal entities created in some instances specifically to bid for FND, in that they may not immediately meet the Momenta criteria in their own right (even if their parent companies do). For example, Momenta require the submission of two years of annual accounts as part of the accreditation - which clearly a newly formed SPV won't be in a position to provide until 2010 at the earliest. As such, will the FND commissioning process necessitate a review of Momenta criteria to accommodate SPVs, or will some other measure be put in place to ensure Momenta criteria is not unduly restrictive to SPV market entrants?</p>	<p>We will provide full information on this at the ItT stage.</p>
<p>598</p>	<p>In response to Q&A Log Question 66 you suggest that DWP may "frown upon" exclusivity between prime bidders and subcontracts where the latter is "pressured" into agreeing exclusivity. Presumably DWP has no objection to exclusivity between bidders and subcontractors where this is agreed with mutual consent without undue pressure, and where both organisations understand and accept the commercial risks of such exclusivity. Is this correct?</p>	<p>We think it likely that sub-contractors will want to work with a number of potential prime contractors in order to provide as much opportunity for eventual involvement as possible. In the unlikely event that a sub-contractor decides they want to work exclusively with only one potential prime contractor that is their decision; however, we are continuing to take this forward and will set out our proposals in the Code of Conduct.</p>

602	How will DWP assess a provider's performance data against their competitors, particularly when looking at bids from overseas providers.	We will not be comparing bidder's performance information with that of other bidders. The evaluation will consider a bidder's performance against their individual targets.
606	Please could you clarify whether question 7.5 requires the bidder to refer specifically to how they have met the needs of customers similar to those who will be helped on Flexible New Deal (i.e.. Jobseekers), or will responses that refer to meeting the needs of any customer group be acceptable?	The latter applies, responses that refer to meeting the needs of any customer group is acceptable.
608	The PQQ is form based and protected and there is little / no opportunity for formatting text in the format that it stands which makes the response difficult to read. Is DWP aware of this and is there any flexibility in allowing us to unprotect the document so that we can format text – i.e. use bullet pointed lists etc.	The template is protected to ensure that bidders comply with the font, page and margin requirements and will allow for the input of text only. The protection should not be removed.
610	Please can you confirm whether the 12 page limit for questions 6-9 include the annex to question 7.1?	The page limit does not include the Annex to part 7, which should be completed separately. Please see paragraph 5.7 of the PQQ Instructions to Bidders.
611	Can you clarify that as Cheshire, Warrington and Halton having been reconfigured and are now to be Phase 2 that any interested parties interested in delivery only in these areas are not expected to complete a PQQ during Phase 1 by the deadline set? I am presuming that a whole new PQQ and tendering process will be launched to support delivery in Phase 2? How will you alert interested parties of this Phase 2 process or will we need to monitor your website?	If you are interested in a Phase 2 district only, you do not need to bid for Phase 1. Phase 2 will be advertised in the same way as Phase 1. Adverts will appear in the press and on the DWP website.
613	In Part 4, Q4.6, please define your term for Executive Directors/Partners. As a registered charity would you prefer if we define Executive Directors as Trustees or our Strategic Management Team who are the employed team with executive responsibility?	Please provide details of both the Board of Trustees and the Strategic Management Team.

<p>614</p>	<p>In phase one you show London Central (defined as Westminster, Camden, Islington, Kensington and Chelsea) and Lambeth, Southwark and Wandsworth. In the Annex to spec you show 2 contracts anticipated for that area. Does this mean that London Central and Lambeth, Southwark and Wandsworth are two different contract areas, or that they are one area and two providers will be contracted to service all 7 boroughs?</p>	<p>There is one contract area with two providers.</p>
<p>617</p>	<p>Part 5 – Section A - with regards to the request to list DWP contracts, can you confirm if this should be only live/current contracts OR if this is all DWP contract we have held as an organisation including expired contracts?</p>	<p>Please list current contracts only.</p>
<p>621</p>	<p>1) Can one parent organisation put in two tenders under two subsidiaries? 2) How can org. charts be inserted 3) Can you give two areas the same priority – i.e. two number 1s.</p>	<p>1) Yes, any legal entity can make a bid. 2) Please see question 458. 3) Yes.</p>
<p>626</p>	<p>Q5.4 – can you explain what a guarantee or performance bond is?</p>	<p>These are standard commercial terms. A performance bond guarantees the performance of the contractor. If the contractor does not perform, the surety will provide performance or payment for damages resulting from non completion of the work.</p>
<p>627</p>	<p>Please provide evidence of how your organisation has identified and met the specific needs of the customer(s) you have been contracted to deliver to. Please would you define what you mean by 'customer'? Does this mean the contracting authority or the end users of the contracting authority?</p>	<p>In the context of this question, we are looking for evidence of how your organisation has identified and met the needs of the customers that you deliver the service to. This does not mean the Contracting Authority</p>

<p>628</p>	<p>Can you please clarify how the scoring and weighting system works for parts 6-9. Especially for parts 6&7 where there are multiple sections.</p>	<p>Part 9 is not scored. It is purely a compliance check. Failure to answer positively to questions 9.6 and 9.7 will result in automatic elimination from this competition.</p> <p>The weightings for sections 6, 7 & 8 are provided at paragraph 7.3 of the PQQ Instructions to Bidders.</p> <p>Part 6 has an overall weighting of 4 and will not be broken down further; Part 7, Questions 7.1 to 7.4 have an overall weighting of 3 and will not be broken down any further; Part 7, Question 7.5 has an overall weighting of 3 Part 7, Question 7.6 has an overall weighting of 2; and Part 8 has an overall weighting of 2 and will not be broken down any further.</p>
<p>634</p>	<p>There is currently "panic" in the market, with primes trying to tie up subs ahead of the PQQ. Could we take a bit of steam out of the situation by indicating that an expansion of PQQ identity would be acceptable at ITT stage (perhaps with some extra checks). In other words, a prime could pre-qualify and then at ITT stage strap on further resources in legal entity terms.</p>	<p>We can have some flexibility here. In an example whereby the prime pre-qualifies and later on joins with another organisation to make a new, expanded legal entity we wouldn't automatically knock them out. However, they would need to alert us as soon as they made this decision and we would want to have a discussion with them to ensure that the financial, management and organisational capacity of the new entity was at least as strong as that in the original PQQ.</p>
<p>635</p>	<p>We are concerned at the level of "immaturity" in the market, with many players failing to read contracts before signature.</p>	<p>We have formed a small consultation group comprising of organisations and representative bodies in all sectors to help us develop some guidance/principles on how the arrangements between prime and sub-contractors should operate. The group is meeting for the first time (1st May) and we will be publishing the initial outcomes alongside the ItT in late July.</p>

638	The PQQ template provided has formatting restrictions. We would like to recreate the template without those restrictions however, due to the template being locked we cannot establish margin sizes. Could you advise please to ensure that our PQQ remains compliant?	The formatting protection is to ensure that all bidders complete the same template and comply with the margin and font restrictions. You must complete and return your response using the PQQ template provided. Responses submitted on other documents will not be accepted
639	Within the new jobseekers regime and fND, is it likely that some JCP staff may TUPE out to fND providers?	JCP has looked at the impact of fND stages 1-3 of the jobseekers regime and other welfare reform changes. With that in mind the Department can now confirm that whilst TUPE is in scope for the transfer of work, JCP will redeploy the staff before the work transfers to fND suppliers.
640	'Is there a page limit on the organisation chart for Part 4 4.2 of the PQQ?	There is no page limit for the organisation chart
644	Will the standard terms and conditions on your website apply for the Flexible New Deal contracts?	We recognise that our current terms and conditions do not adequately reflect our new commissioning strategy and the move to longer, larger contracts with strategic partners. We are in the process of reviewing these and will issue a revised version at the Invitation to Tender stage.
645	Do you have information on the budget, spend and performance by provider for Employment Zones?	We do have information relating to these areas. However, it is available in files that we cannot place on this log. Please contact the fND mailbox at sheffieldmayfieldcourt.flexiblenewdeal@dwp.gsi.gov.uk if you would like to receive this information.
647	Could you please provide a definition of the Marches district (i.e. list all local authority districts included in the contract package)? From the Jobcentre Plus website this appears to include Powys.	The Provision Specification and Supporting Information held on the DWP website details the local authorities included in the Coventry & Warwickshire, The Marches and Staffordshire contract package. http://www.dwp.gov.uk/supplyingdwp/what_we_buy/fnd_pqq.asp
652	We are currently completing the tender for the Phase One -Flexible New Deal. As part of this, one of the questions is asking for a Unique ID. We don't seem to have ever received one of these, even though we are an Accredited Provider of JCP/DWP.	If you are an Accredited Provider you will have received a notification with your Accreditation Number. If you do not have a record of this, please phone the Momenta Helpline on 0870 190 3828.

<p>653</p>	<p>Is it possible for secondees from Jobcentre Plus to be placed with an organisation, who intends to submit a PQQ for the fND, to feed into fND development and smooth the transition.</p>	<p>It is not appropriate at this stage in the competition to agree to any requests for secondments to or from Jobcentre Plus as this may place organisations in an advantageous position.</p>
<p>654</p>	<p>Is it possible for potential bidders to meet with District Managers to discuss fND and detailed proposals for delivery?.</p>	<p>At this stage there is little value in holding meetings with all interested organisations as we have not yet undertaken the shortlisting process. Short listed bidders will be invited to the Invitation to Tender events which will be held in August 2008. At that stage it will be very helpful for bidders to meet with District Managers to ensure that they have as a wide an understanding of the contract area as possible.</p>

STRATEGY

<p>1</p>	<p>Regarding the recent Notice to Providers concerning the Contracting for the flexible New Deal, I wanted to find out whether the New Deal for Musicians programme and the Self Employment programme will now form part of the prime contractor arrangements or if they will continue to be contracted out separately.</p>	<p>From October 2009, in phase one areas, the flexible New Deal will replace New Deal for Young People, New Deal 25plus, New Deal 50plus, Private Sector Led New Deals, New Deal for Musicians and Employment Zones. This includes the self employment programme. Therefore, by October 2009 in phase one areas, the existing contracts for the mandatory New Deals including New Deal for Musicians and self employment provision will be included into the Flexible New Deal. Successful providers will be free to offer provision for musicians and people who wish to become self-employed as part of their 'flexible' design. (see also 37)</p>
<p>2</p>	<p>With specific regards for the New Deal for Musicians, do you know when the current contracts are likely to expire or indeed whether the programme will continue or be dropped.</p>	<p>By October 2009, in phase one areas, the existing contracts for the mandatory New Deals including New Deal for Musicians will be included in the flexible New Deal.</p>
<p>13</p>	<p>In the specification there is no mention of Progress 2 Work or Link up. Are they regarded as voluntary programmes as in 2.5 of the specification and not part of flexible New Deal. Will they be commissioned under a separate round?</p>	<p>Progress to Work and Progress to Work Link-Up is out of scope of fND.</p>
<p>26</p>	<p>Para 1.8 of the Provision Specification lists the current provision that Flexible New Deal will replace. For clarity, will flexible New Deal also replace (a) the 5 current multi-regional New Deal Self Employment contracts (b) the national New Deal Mentoring contract covering Wales and (c) Programme Centres? If so, have these budgets been included in Annex 4 of the Provision Specification?</p>	<p>The existing New Deal self employment and mentoring contracts will come to an end in September 2009 or 2010, depending on whether they are located within phase 1 or phase 2 areas (see Annex 4 of PQQ specification for information on phasing). We are currently looking at what provision we want to be available in stages 1 to 3 after flexible New Deal is introduced, including Programme Centres and will procure this separately if necessary. The budgets for all JSA New Deals have been included in the budget for fND from September 2009 (phase 1 areas) and 2010 (phase 2 areas).</p>

<p>37</p>	<p>We currently deliver the self employment option of New Deal in Ayrshire. Having read the phase one document I see no mention of self employment. Can you clarify if this forms part of this tendering process or otherwise?</p>	<p>From October 2009, in phase one areas, the flexible New Deal will replace New Deal for Young People, New Deal 25plus, New Deal 50plus, Private Sector Led New Deals, New Deal for Musicians and Employment Zones. This includes the self employment programme. Therefore, by October 2009 in phase one areas, the existing contracts for the mandatory New Deals including New Deal for Musicians and self employment provision will be included in the flexible New Deal. Successful providers will be free to offer provision for musicians and people who wish to become self-employed as part of their 'flexible' design. (See also question 1)</p>
<p>44</p>	<p>1) Does it include the Self Employment Provision as there are references to mandatory programme which SE option is not? 2) The grouping of the areas is now wef 1/4/08 1) North & Mid Wales, with South East Wales and 2) South West Wales with South Wales Valleys,? 3) We support the two districts of South East Wales and South Wales Valleys now, but this excludes Cardiff and Vale of Glam which falls under private sector provision along with Bridgend, RCT etc. – is this area still excluded from the district described as South East Wales? 4) Cardiff & Vale was formerly earmarked for BOND – is this happening? 5) Also, my colleague in N Wales says Wrexham JC (not the district) is going through some pilot of the Flexible New Deal starting shortly – is this correct, how does this affect the current service provider to that Job centre?</p>	<p>1) Contracts for the self employment element of the New Deal will, where contained within phase 1 flexible New Deal contract areas, come to an end in September 2009. From October 2009 in phase 1 flexible New Deal contract areas the flexible New Deal suppliers will have the flexibility to decide how best to meet the needs of people wanting to become self employed. 2) These two contract packages are correct. 3) This area is not excluded from the South East district, as flexible New Deal Phase 1 will replace private sector led New Deal provision in these areas. 4) BOND is no longer going ahead. 5) Wrexham is one of the test areas for flexible New Deal and this will not affect the current service provider to that Job Centre. The pilot is focused on changes to operations in JCP in relation to fND.</p>
<p>52</p>	<p>Is there a minimum frequency to see customers?</p>	<p>There is no minimum frequency for supplier contact with customers. However, DWP would expect suppliers to establish a pattern of contact consistent with the customer's needs as identified in the action plan.</p>
<p>53</p>	<p>Is the four weeks of job activity a minimum or a maximum?</p>	<p>This is a minimum of four weeks continuous activity.</p>

54	Is the 13 week job outcome payment paid at the start of the job or at 13 weeks?	The outcome can be claimed after 13 weeks.
55	Is the 26 week payment counted from the job start or from the 13 week payment?	The outcome can be claimed after a customer has completed 26 out of a 30 week period in employment.
56	Can we have data for claimants who have had a job for 6 months?	DWP will provided baseline figures at the ItT stage.
57	How is the 13 week payment evidenced?	DWP would expect FND providers to know when a 13 week outcome has been achieved in order to make their claim for payment. The Department will provide the evidence to support this payment based on an 'off-benefit' check. The detailed process is still being developed and further information will be provided as soon as it becomes available.
58	How is the 26 week payment evidenced?	DWP would expect FND providers to know when a 26 week outcome has been achieved in order to make their claim for payment. The Department will provide the evidence to support this payment based on an 'off-benefit' check. The detailed process is still being developed and further information will be provided as soon as it becomes available.
72	Is the performance of current New Deal Providers published?	National performance figures are available and you can find information relating to performance in the evaluation reports. http://www.dwp.gov.uk/resourcecentre/
85	A full demographic breakdown of volume assumptions would be useful to Bidders at the ITT stage – for example; numbers of lone parents; numbers of over-50's, etc.	We will attempt to give as much information as we can based upon available data, if possible we will include a breakdown based on client groups.
88	Will there be definite volumes in the ITT upon which Bidders can base their unit costs?	Forecast volumes for each district will be included at ItT stage. We will continue to update these forecasts both prior to and after contracts commence.
89	With five and seven year contracts, there could be enormous variables in terms of volumes. Any more information on likely variables?	We will seek to provide more information at the ItT stage, we will also seek to provide updated forecasts to provider during the lifetime of the contracts.
90	In view of possible contraction in the labour market, is there any information available on availability of vacancies, etc within Districts?	The NOMIS website should provide this type of information for Bidders. https://www.nomisweb.co.uk/Default.asp

94	Will more customers start on fND than the current New Deal programmes?	fND is not readily comparable to the New Deals. Of those customers making a claim for JSA this year, it is envisaged that 1 in 10 of those customers will start on fND
95	Aside from fND and Pathways, what other programmes will be available to the unemployed from DWP?	A review of disability programmes is currently underway – this encompasses Remploy, Work Preparation and Workstep. Progress2Work and possibly Programme Centres may also be available.
97	What provision within fND will there be for Self Employment?	It is up to Suppliers to provide whatever support is appropriate for the individual customer. This could include self-employed provision.
101	What impact will the new Stages 1, 2 and 3 have on unemployment?	We expect that the refreshed JSA regime will result in approximately 90% of jobseekers moving off benefit before they reach 52 weeks and the fND.
157	Targets – in the Sheffield briefing it was said that jobs targets were still to be decided but DWP are obviously looking to improve on previous performance so if 40% was a baseline in previous tendering rounds they would look to see a step up from this. How do they see this working especially as PCs will now only start to deal with 18-24s at the 12 month stage rather than at 6 months and fND is designed to help the smaller numbers of “harder to help” customers?	We are still working on the details of our baseline expectations which will be available in the ItT. However, we would expect performance to increase based on the wide range of flexibility and discretion available to providers in the fND model.
162	Will job subsidies, which are currently available through New Deal provision, continue to be available to employers in the new model?	Subsidised New Deal vacancies will not be a feature of the flexible New Deal.
163	When claiming a sustained employment outcome, will subsidised and non-subsidised job outcomes, be treated in the same way?	Subsidised New Deal vacancies will not be a feature of the flexible New Deal.

164	Will clients only be referred to stage 4 once they have completed the previous 3 stages of fND, regardless of how long this will take, or is the referral time bound to the 12 month anniversary of their date of claim?	We expect the majority of customers will be referred to providers at the point at which they have spent 12 months on Jobseekers Allowance. Linking rules mean that any break of less than 4 weeks will result in the customer returning to stage 3 at the point at which they left – therefore it is possible for some customers to be referred later than 12 months from the start of their original claim.
165	Will the Department provide a discretionary fund for work wear etc?	No separate discretionary fund will be available to providers – all funding is included as part of the contract funding.
171	At the 12 month stage, will successful Prime Contractors be expected to work to the Action Plan produced by Jobcentre Plus?	Providers will be expected to fully consider the Action Plan in identifying and developing the most appropriate guidance and support for the customer
172	How does Progress 2 Work and Progress 2 Work Link-Up provision link to Flexible New Deal?	Progress 2 Work provision is outside of Flexible New Deal. See q.13 in the Strategy section
173	What is meant by “Work Related Activity”?	Providers will need to consider what the most appropriate activities are for individual customers, but it is not envisaged that this will involve sitting in a class room receiving advice. Providers will be required to implement performance incentives in promoting work activity in accordance with the main purpose/aim of the provision.
174	How will the Prime Contractor be expected to provide any additional training e.g. use of Learndirect, if they only have the 20% service fee at their disposal? Are there any implications with regard to Double Funding?	We expect prime contractors to have the financial capacity to invest in provision on the basis of the overall contract value. We are currently investigating the impact of fND on other provision and will further information in due course.

<p>175</p>	<p>How “flexible” can Prime Contractors be in delivering to customers?</p>	<p>The PQQ and the ItT will outline a minimum specification, i.e. that a customer must have an in depth personalised action plan, have regular contact with the provider and take part in a minimum of 4 weeks continuous full time work related activity if they have not found employment. Other than this contractors have complete flexibility to design a tailored personalised programme for customers. Contractors will need to take into account the aims of the programme and current regulations.</p>
<p>176</p>	<p>How do DWP conclude that minority ethnic customers are still being disadvantaged in the labour market?</p>	<p>DWP have a responsibility to provide opportunities for all and there is a sizeable gap recorded in the rates of minority ethnic customers in employment. Providers will be required to state how they intend to address such disproportionate rates in those areas where this is evident.</p>
<p>177</p>	<p>Will those customers identified with Basic Skills needs when entering flexible New Deal; have been “fast tracked”?</p>	<p>The focus will be on customers who need more support and customers with Basic Skills requirements may opt to be fast tracked to the Gateway Stage or link with integrated skills Providers.</p>
<p>192</p>	<p>Is there going to be an opportunity for other customer groups to access the provision within fND?</p>	<p>Any change to current policy may lead to the possibility of other customer groups becoming eligible for such provision. Any changes to the current design would be discussed and negotiated as part of the strategic reviews undertaken with providers.</p>

197	How do you become a City Strategy member?	<p>The consortia will be the lead partnership for tackling employment issues for disadvantaged people, nested within the local family of partnerships, and will have responsibility for the development and delivery of outcomes and targets to tackle localised pockets of persistent worklessness. Membership of the 15 Pathfinders was established with the conception of the City Strategy in May 2006.</p> <p>However, the City Strategy Consortia, will work with local providers through the competitive tendering process for the flexible new deal. It is at this stage that suppliers can be involved in The City Strategy, by bidding to deliver contracts in one or more of the 15 areas.</p>
202	What is the proposed tracking period (currently 6 weeks) for customers exiting fND and going into employment after completing Stage 4?	This will remain at 6 weeks.
203	On the presentation slides Stage 3 states three mandatory activities are these just LSC (Learning and Skills Council) or other?	We are currently considering what provision will be required to support Stage 3. This could consist of provision delivered by a range of organisations
209	In future will there be a strategic / Joined up approach with other agencies? Difficulties at present given LSC are running their competition at the same time.	There are meetings currently regarding the commissioning strategy to have a joint commissioning strategy with other government departments i.e. the LSC. We cannot say however that by the time fND commences we will have same definitions (i.e. in terms of Job Outcomes) and we will be looking to providers to manage those ambiguities. LSC have different Outcomes to DWP in that the customer must remain with the same employer for a sustained outcome.
217	Will there still be specific 18 – 24 provision?	No. This will be subsumed into fND.
221	What happens if a customer does not have a job after twelve months?	We are currently working up options for post fND activity and expect to publish plans due course.
222	Hardest to help customers will need more support yet there is no payment incentive for this?	We expect Providers to offer support that is appropriate to each individual customer.

225	Will self employment as an outcome still exist?	The same outcome payments will be paid for those customers that enter self employment as are paid for those entering employment, we will not distinguish between the two.
228	Where is the best source of information on volumes?	Please look in the PQQ at the list of helpful links to other websites.
234	Will Self Employment support be available as part of the JCP Gateway period of fND?	No decision has yet been taken on what programme support will be made available during the JCP Gateway period of fND.
236	There is a fresh definition of job outcomes & sustained job outcomes – is this linked to the 50% funding	Yes. 20% of the contract will be paid as a service fee. Of the remaining 80%; 50% will be paid after 13 weeks of continuous employment and 30% will be paid after 26 weeks employment within a 30 week period
243	Does the model provide an element for disadvantaged groups and those harder to help – is it through LAA linkages and will there be early entry available?	It will be based on an individuals' previous history of claiming benefit. It will be based on "individual" rather than areas and there will also be the opportunity for volunteers to fast track to Stage 3 only.
245	All acknowledge MI is crucial and I know where I sit within the region in performance terms but if I am looking to attract business from other regions is there any opportunity for DWP to publish performance information on current new deal providers across the country?	More detail will be given regarding this at the ITT stage.
262	There are no indications of job outcome rates providers will be expected to achieve within the PQQ. Can you provide those now?	We are currently working on these for inclusion in the ITT
279	What happens if client leaves employment at 5 month stage – where do they go?	Customers who re-claim within 26 weeks will automatically go back to the provider for the balance of their time on flexible New Deal. .
298	Definition of job outcome – is it possible that I could achieve a sustained job outcome payment but not a shorter term job outcome because of the 26 out of 30 week job?	More detail will be given regarding this at the ITT stage.
299	What if customer goes off sick at 24 weeks?	If a customer is still classed as employed, self employed and is off benefit, then this will count as an outcome if they are still in work at 26 weeks. It will not count if that individual claims ESA.

309	Is there going to be any customer choice to stay on their existing training programmes	We expect that any full time training will be complete before referral to a fND provider. Any part time training can continue if the provider agrees with the customer that it is beneficial and increases their chances of entering work.
318	What will happen in the fND Gateway period with respect to contracted provision? Will 18-24 Gateway to Work stay? Are the existing contracts envisaged to continue?	The existing Gateway arrangement will cease and the new Stage 3 Gateway will be put into place. Existing contracted provision will end.
321	Providers encounter problems when they refer a customer a job but the customer does not take it up. Will fND providers have the power to enforce jobs on clients?	fND prime providers will have employment officer status, therefore they may refer a customer who refuses an offer of employment to Jobcentre Plus for Sanction.
324	A problem encountered by some customers on starting work is arrears with their housing benefit. Who is joining up the flexible New Deal with Housing Benefit regulations so that customers have a successful transition into work?	Providers will be expected to advise customers on Housing Benefit and Council Tax benefit run on and are able to signpost customers to additional support and advice on debt.
327	Will DWP be undertaking checks with HMRC, as this is a very long process?	DWP will make job outcome payments based on an off benefit check. However, we may use other sources to validate provider performance.
328	Does the term extended job search mean an increase in the customer's availability for work?	Yes, it is related to the restriction on the type of job a customer will look for, with a move towards the customer looking for any suitable job. JCP will match customers to jobs based on for example national minimum wage, travel, availability and push customer harder to consider a broader range of job options.
342	What is meant by focus on place	We want the provision to reflect the needs and circumstances of a particular locality.
352	How will DWP combine all agendas in Wales e.g. WtW, Skills agenda and DWP agenda?	DWP will continue to work closely with the Welsh Assembly in all these areas, particularly with respect to the devolved skills agenda, and ensuring that there is a fit with the wider national welfare to Work approach.
353	Lone parents – parental caring responsibilities How will JCP work with Las in ensuring we identify lone parent needs i.e. childcare places as Lone parents will now be more involved in looking for work? In some areas there is no provision.	Each district has a Childcare partnership manager who may be able to provide specific detail on local provision. More information will be provided at the ItT stage

354	180,000 vol. In year one nationally – does that equate to 18,000/9,000 in the first year in Scotland?	Further details on the volumes is available from PQQ Annex 4. Details on the expected volumes for the areas in Scotland not included in FND Phase 1 will be provided during the procurement of FND Phase 2.
355	JCP will have customers for first 12 months, what information on characteristics will be passed on?	The action plan developed and implemented in stage 3 will be passed to fND providers when the customer is referred. More information will be provided at ItT stage.
362	What are the characteristics for Lone Parents coming onto FND?	Further information on the characteristics of Lone Parents affected by the welfare reform proposals are provided in the Equality Impact Assessment (http://www.dwp.gov.uk/welfarereform/readyforwork/impact-assessment.pdf)
363	How was it decided that 10 of the contracts would have 2 suppliers and is Scotland one of the 10?	Criteria used included issues such as Rural/ Urban make up and contract value. For phase 1 Scotland is one of the 10 – please see the PQQ documentation.
365	Can you be on fND and participate on other programmes?	There is nothing stopping fND participants from engaging with other programmes provided that customers still meet the JSA and programme eligibility criteria.
366	A client requires a specific piece of training to upskill costing e.g. £500, what fund is this paid from?	Providers are responsible for providing any training that they deem appropriate for a particular customer. Providers will be expected to meet these costs as part of the overall contract package.
368	Do all referrals come via Jobcentre Plus local office?	Yes, it is a mandatory programme for all JSA clients. There is no onus on provider to "recruit" participants
370	Scotland and Wales have devolved parliaments, has this been taken into consideration in fND?	Yes, the devolved responsibility in Scotland and Wales is recognised therefore we are working very closely with the relevant organisations to deliver fND in a way that takes this into account.

371	How were volumes worked out and the Geography of contract packages? Were events in coming years that impact on the labour market taken into account e.g. Commonwealth Games?	We have linked up whole Jobcentre Plus districts to eliminate problems with mixed boundaries for ease of organisation. We wish to establish meaningful contract packages and drive competition by having more than one provider. Information on how the volumes have been calculated is provided in PQQ Annex 4. Local labour market activity will be included at ItT stage and we anticipate that providers will reflect this in their bid.
372	Why has this model been used in terms of fND and contracts	The design of the fND and the contracting strategy were based on evidence of current and past programmes and on extensive consultation in 2007. All consultation and evidence papers are available on the DWP website.
374	What are the numbers involved for Scotland?	Information is held within PQQ as to specific volumes however only half of Scotland is part of phase 1. There is currently no information available about contract packages for phase 2
376	Do we have a rough idea of how many job outcomes and sustained job outcomes will be achieved?	The Department are currently undertaking further study regarding this and further information will be provided at ItT stage.
378	At stage 4 if a client claimed another benefit, what would happen?	If a customer claims another benefit other than JSA they will move off fND - a Job outcome would not be paid for this. Should they return to JSA within 26 weeks they will be returned to the provider for their remaining time on fND.
380	How much support is there in relation to special needs or specific barriers e.g. dyslexia, would this be likely to enhance a bid?	A provider will be expected to deliver the appropriate support based on a customer's individual needs, we will not specify what this support should be.
386	Clarification of what customer choice is available in the first year if referrals will be made randomly, can customers specify preference ?	Random allocation will apply in the first year, and details will be included in the ItT.
401	Expectations of performance – these are useful for setting standards. Will these be included in the ITT?	The ItT will include details of our minimum expectations. .
408	Can we have someone who has worked for a number of employers within a 13 weeks as a successful outcome?	As long as a customer has had 13 weeks continuous employment we would pay an outcome.

409	Is there a tracking period?	Providers will need to track customers in order to claim an outcome payment for them when they reach 13 or 26 weeks in work.
410	Why can't a contractor claim an outcome outside the tracking period?	The contractor can claim an outcome outside the tracking period, however, the job has to have commenced within 6 weeks of leaving the programme.
413	Historically self employment has had flex in benefit system, will this still apply ?	Test trading regulations will still apply to those involved in the flexible New Deal.
417	Is it recognised that it takes time and outcomes are not as great with people with special needs. How will you ensure Prime Contractors include provision for special needs.	For a provider to be successful we expect to see evidence in the bid of how all needs will be catered for.
423	Star rating, this will come into play in FND, how will this be used in evaluation?	More information about this will be given at the ITT stage
426	Where can we find more statistical data?	nomisweb.co.uk national statistics publish all the statistics and the information can be broken down, also www.dwp.gov.uk resource centre gives additional information
431	With such large contracts, a small change to predicted volumes will have a large impact. What safeguards are there in place to help the provider if this occurs?	There will inevitably be fluctuations in volumes that we cannot predict in advance. Contract managers will closely with providers throughout the contract. There will be regular reviews and ongoing dialogue to address situations that arise.
432	Do you have a job entry rate in mind?	Minimum expectations of job entry rates will be given in the ITT.
434	Do the indicative volumes include eligible stock?	Yes, all existing customers will be moved over to the new JSA regime and fND within the first six months of operation.
437	Does fND specify the number of hours that the provider has to spend with the client?	No. The time spent with a customer will need to reflect their individual needs. We do specify that providers must have regular contact with a customer.
439	What is an intermediate job outcome?	An intermediate job outcome can be claimed once the customer has been in employment for 13 weeks.
449	How did you get to your expected volumes?	We look at the national flows of jobseekers through different durations of unemployment. District flows are then derived from the national figures. See Annex 4 of the PQQ for further details.

450	What is the forecast for what is going to happen to unemployment?	More information about unemployment forecasts can be found on the Treasury website. http://www.hm-treasury.gov.uk/
454	Will there be the facility on Flexible New Deal to offer customers exploring the self employment route the opportunity to "test trade" for a period of time? If so, will this time count towards the four weeks continuous activity?	Test trading regulations will still apply to those involved in the flexible New Deal. This could count towards the 4 weeks mandatory, full time activity. Providers would be expected to ensure that the customer does this full time, or based on the hours of availability specified in the JSaG.
455	What proportions of existing fND eligible customers enter full time self employment? Also, do DWP have figures for sustainability at the 13 and 26 week points?	Further information on sustainment at 13 and 26 weeks will be provided at ITT. In addition, information is available from the DWP tabulation tool (http://www.dwp.gov.uk/asd/asd1/tabtools/tabtool_nd.asp)
456	How will the "In-Work Better Off Credit" pilot operate for individuals entering self employment?	We are still working through these plans and will have further details at a later date.
464	We work with the hardest to help in rural areas where long term support is required. You've talked about people being directed to fND but is there an opportunity for people to self nominate?	Priority groups will be able to volunteer to Fast Track to the JSa regime Stage 3 (the Gateway period) after this they will enter fND. Customers cannot currently volunteer direct to the fND.
465	What about the people not on JSa or INCAP?	fND is designed for Jobseekers other support is available for those in receipt of other benefits, such as NDLP for lone parents.
466	We are a current Prime Contractor in the Manchester area. Does that mean that our current volumes stop in April 2009?	We are currently working up plans for transitional arrangements, However, we will work with individual providers when details are known.
475	How much time will a customer spend with the third sector and what is the maximum amount of time they can stay in training?	There is no minimum time specified, the provider will determine the support that is relevant for a customer's needs up to a maximum of 12 months.
477	How will training be provided/paid for? Will ESOL needs be met out of the fND budget or can customers be sent to wherever it is already paid for?	We expect you to deliver whatever has been agreed on the customer's action plan. We will give you information of what is available locally that you can tap into. Providers must pay for training that is not available already locally.
478	Guidance on double-funding will be needed. Learndirect provision is not accessible by someone on fND because of the hours.	Double funding guidance will be issued at ItT stage. If a customer is undertaking full time training for longer than 2 weeks they will move onto a training allowance rather than JSa for the duration of their training.

479	Can someone who wants to be self employed be fast-tracked straight into provision?	Customers cannot be fast tracked directly to the fND. Some customers will be fast tracked at the personal advisors' discretion to Stage 3 based on their individual needs.
481	The existing regime for mandated sanctions is not effective. What sanction will be applied under the new regime?	Work is underway to take this forward. We are looking from the ground up at what can be done to improve and streamline the process and testing the improvements.
483	Will we able to mandate customers to other provision e.g. Learndirect.	Yes, if it is included in the Action Plan.
487	Is the 4-week mandatory period once in 12 months	We expect everyone to undertake 4 weeks of full time work or work-related activity as a minimum, it can be more. The provider will decide which and build this into the action plan based on individual needs. Some customers may benefit from doing this more than once.
492	Intensive support doesn't happen until further down the line. How did this come about?	The evidence paper sets out the rationale (http://www.dwp.gov.uk/welfarereform/readyforwork/flexible-new-deal.pdf). The key thing is that the majority of customers don't need intensive support, 80% find a job within 6 months. Early identification and fast track of customers who need help from day 1 will be vital.
494	If a client starts fND, enters a job, fulfils 26-week period then comes back within 12 months, do they come back to the provider as a new start giving the potential for a second job outcome?	A customer who enters sustained employment for at least 26 weeks out of 30 will go back to Stage 1 of the JSA regime should they subsequently re-claim JSA. If they remain on JSA for 12 months they will be referred to a provider and that provider can claim further job outcomes for them.
505	As new Deal prime provider, our experience has been that that the numbers we were told would be referred (from July 06) have turned out to be substantially less. Is this likely to happen again?	We will do our very best to provide you with accurate figures. However, there will always be inherent risks around accurately predicting unemployment.
506	Will the baseline flexible New Deal starts that you quoted be referrals to providers?	The figures in annex 4 of the PQQ relate to expected starts with fND providers
507	Can you provide a projection for numbers into employment or is any similar information available?	Benchmark volumes will be provided at ItT stage
508	In the choices areas, will customers be split 50:50?	Yes, during the random assignment period. We are exploring options for the subsequent period.

509	Do we know as a percentage overall how many customers want to go into self employment?	No, but the vast majority move into jobs as opposed to self employment, in terms of current volumes it's very small.
510	In your presentation you mentioned the impact of ESA, lone parents measures and equalising state pension age. How much of an impact will this have on the volumes you gave us?	More information regarding this will be given at the ITT stage.
512	Will you at second stage be breaking down super district figures to help us to target our infrastructure?	No. Information on the geographical distribution of jobseekers reaching 12 months unemployment is available at the super output level from https://www.nomisweb.co.uk/Default.aspx
514	Is there going to be a toughening up of sanctions?	We are looking at ways of simplifying and streamlining the sanctions process in order to provide a clearer link between non-compliance and the sanction. The general principle of the new JSA regime is that conditionality is ramped up with duration of the claim. By the fND stage the customer is required to carry out, on a mandatory basis, all agreed actions.
518	If the 4 weeks work experience is set up but not completed due to a customer going into employment, is the job claimable?	Yes. The 4 weeks full time work related activity must be completed in the 12 month period only if the customer does not find work.
520	Is the cost for the 4 week employment activity paid out of the Job outcome fee?	Costs for the 4 week work related activity must be built into a provider's bid - there is no separate payment for providing this element.
521	If a customer wants part time work (under 16 hours) can the work experience be completed over a longer period than 4 weeks?	The work related activity must be full time unless the customer has an agreed restriction to their hours of availability in their JSAg. Therefore for the majority of customers part time work will not count towards the 4 weeks, continuous work related activity.
522	How do they sign on if they are on full time work experience?	The customer will move over to a training allowance. Further details will be given in the ItT.
523	Is Test Trading allowed?	It is up to the Provider to provide relevant training and support for each individual customer. Test Trading regulations will still apply.
525	The older client group those over 60 and on pension credits, a 59 year old would have no motivation to go onto fND for 12 months.	Providers must take into account the barriers that each individual faces in finding employment, including those barriers faced by older workers, which could include motivation.

526	For people aged 59 it's not worth it, would we get paid a sustained Job outcome?	It is not acceptable to assume that a customer's working life will end at age 60. And yes, you will receive a sustained job outcome payment if the customer is eligible.
528	Some people sign off as they are already working and signing and it pushes them off benefit, will an outcome be paid for that?	AN outcome will not be paid. As now, if providers suspect that a customer is fraudulently claiming JSA then they will be expected to report it.
532	Can a job be on a short term contract? Will it be paid even if it's not expected to last e.g. seasonal work?	The focus of flexible New Deal is sustained jobs - not temporary employment and providers will need to take this into account. An outcome will only be paid if a customer is in work for 13 weeks. Sustained outcomes will only be paid if a customer is in work for 26 out of 30 weeks.
540	What about appropriate jobs?	In stage 3 any appropriate job means that a customer cannot restrict their availability based on wages, job type or hours unless this is agreed as part of their jobseekers agreement (for example a lone parent may restrict the hours they can work due to childcare responsibilities).
541	Why is fND left until 12 months?	90% of jobseekers move off JSA within 12 months without the additional support provided by fND.
542	If after 12 months they still need help can it be extended?	We are currently working up plans for activity for customers who have reached 2 yrs on JSA. These plans will be published at ItT stage.
543	When Pathways ends will it merge into fND?	There are no current plans to end Pathways to Work provision.
544	For ESA claimants in some areas there are 3 providers, pathways and possibly 2 other contractors how will affect them?	fND is not currently available for those in receipt of ESA.
545	In Pathways there is condition management, will it be in the ITT for fND?	No, this was a part of a Pathways requirement. However, should condition management programmes be appropriate for customers in the local area then there is nothing stopping fND providers from supplying it.

<p>546</p>	<p>What measurement criteria is there for people to enter early?</p>	<p>Those aged over 18 will be Fast Tracked to stage 3 of the JSA regime on a mandatory basis if they have claimed JSA for 22 out for the previous 24 months. Those aged 18 will be fast tracked if they have been classed as NEET or on JSA for a combined total of 6 months. Priority groups may volunteer for early entry to stage 3 based on their needs and the discretion of JCP personal advisers.</p>
<p>547</p>	<p>What impact will growth of the economy have?</p>	<p>We continually review volumes forecasts based on the latest economic forecasts - we will notify providers of any changes in expected volumes and we will review contacts as necessary to take this into account</p>
<p>548</p>	<p>How will signing on and work placements work?</p>	<p>Duplicate 522 - closed</p>
<p>550</p>	<p>Repeat customers - The balance of time means they could be there for ever?</p>	<p>Should a customer in fND re-claim JSA within 26 weeks of entering work, then the customer will return to the provider for the balance of their time on fND. The incentive is clearly for providers to ensure that customer enter sustained work.</p>
<p>552</p>	<p>Would somebody not eligible for Pathways be eligible for fast tracking on fND?</p>	<p>Everyone in receipt of IB or ESA is able to volunteer for support in Pathways to Work . Those in receipt of JSA who have a health condition or disability will be able to volunteer for fast tracking to stage 3 - if the personal adviser agrees that it is appropriate.</p>
<p>553</p>	<p>Will ESA/IB be included in the assessment of benefit history to fast track customers</p>	<p>No, only time on JSA will be taken into account.</p>
<p>557</p>	<p>Would it be possible to provide: a full list of all the Jobcentre Plus providers in each of the 14 Phase 1 FND areas including contracts held, performance data and contact details; a full list of all of the LSC providers in each of the 14 Phase 1 FND areas including contracts held, performance data and contact details?</p>	<p>We will look to provide additional information on each locality at the ItT stage</p>

599	In response to Q&A Log Question 162 you state that subsidised vacancies will not be a specified requirement for FND. Despite this, could providers still offer customers and employers subsidised vacancies as part of their FND proposition as a flexible black box measure, funded at their own risk? If not, what other restrictions may be placed on how FND money is spent?	Full information relating to any restrictions within the black box or use of funding will be available at the ItT stage.
600	The response to Q&A Log Question 202 appears to be inconsistent. It suggests that customers exiting FND into a job will only need to be tracked for 6 weeks, but the short and sustained job outcome triggers are 13 weeks and 26/30 weeks respectively. Surely customers should be tracked for up to 30 weeks, is this not correct?	The job outcome needs to have started within 6 weeks of the customer leaving. The provider will be required to track the customer.
603	In stage 4, since the participant is still signing on a fortnightly basis, would any activity have to take into account the "16 hour" rule?	Any full time training, or activity that is for longer than 16 hours and lasts for longer than 2 weeks will result in the customer having to move onto a training allowance.
604	Would participants in Stage 4 be eligible to access Work Based Learning provision (funded by WAG in Wales) and/or FE College courses?	More information regarding this will be given at the ITT stage.
618	Please can you advise us, what the re-qualification criteria for FND will be? In addition, will clients be subject to a clock stop procedure during their time at stage 4 concerning Failure to attend etc?	Customers who leave JSA for less than 26 weeks or obtain a sustained job during stage 4 will be referred back to providers for the balance of their time on fND. More information on Failure to Attend will be provided at the ItT stage.
619	Please indicate how success will be measured i.e. Will job outcomes be counted against programme completers or starts?	More information regarding this will be given at the ITT stage.

<p>623</p>	<p>Could you please clarify the following: The specification indicates that in providers delivering Stage 4 FND that clients must as a minimum complete 4 weeks work related activity &/or full time employment as part of their development. If a client joins at week 1 and is supported into employment week 3 therefore not being able to complete the 4 week mandatory activity would the outcome still be eligible? Equally if through the first 2/3 weeks we support action planning and development with the client then moving onto the 4 week work related activity but finds work half way through this, again would this be an eligible outcome?</p>	<p>More information regarding this will be given at the ITT stage.</p>
<p>651</p>	<p>Are there any Local Authority-led initiatives to reduce long-term unemployment not covered by Flexible New Deal?</p>	<p>Yes. Local information will be provided at the ItT stage.</p>

VOLUMES

81	Who organised the contract packages?	The contract packages were determined through internal consultation within DWP.
91	Will there be a cap on volumes should unemployment increase?	More information regarding this will be given at the ITT stage.
98	Including the revised Gateway period and the anticipated numbers of customers volunteering to enter fND, what percentage of the customer group is expected to enter fND?	Given the rate of which jobseekers leave JSA in the first 12 months, we expect slightly less than 10% will reach the fND stage.
251	What are the likely volumes in West Wales?	The “Provision Specification and Supporting Information” pack (Annex 4) gives anticipated combined volumes for South Wales Valleys, South East Wales and South West Wales. At the ITT stage more information will be available on volumes. The figures are being re-calculated to take account of the recent decision to re-define the geographical boundaries for the contracts in Wales, following which South West Wales and South Wales Valleys will form one contract.
252	What support might be available to Contractors if projected volumes do not materialise?	The flow of customers should be at the levels anticipated as this is a mandatory programme and as such customers will be required to attend. Compensation payments are unlikely to feature but we would expect the regular review meetings conducted with Contractors to address those issues/factors which might impede referrals or take-up of provision.