

Questions and Answers
from the Invest to Save and Personalised Employment Programme
Events
28th and 30th July 2009

	Subject area: Invest to Save		
No.	Question		Response
Invest to Save			
<i>Pilot Area Questions</i>			
1	How were the pilot areas selected?		Areas were selected based on a variety of factors including a mix of urban, rural, labour market economy, existing infrastructures/partnerships already in place.
2	West Midlands is a very large area, will one contract cover the whole area?		The current assumption is that one contract will cover Birmingham and Solihull, Black Country and Coventry and Warwickshire.
3	How many suppliers will there be in each area?		There will be one supplier per contract package area (five in total).
<i>Procurement Questions</i>			
1	What is DWP expecting suppliers to deliver, condition management, health services?		DWP will keep as open a specification as possible and are looking to suppliers to specify what the best solutions will be to meet the needs of the ITS customers.
2	With the current state of the job market, will the project go ahead on the date indicated?		Yes, under current plans, particularly given that the opposition as well as the Government have expressed their support for the model. In the meantime DWP will work with suppliers to help ensure that contracts are viable. Ministers will have the final say.
<i>Funding Questions</i>			
1	How will the I2S funding model operate?		The funding model is still being developed. As set out in the presentation we expect the contracts to be outcome based
2	How will the supply chain be rewarded?		It will be up to the provider to negotiate payment processes with the supply chain.
3	How will the evidencing, tracking and monitoring be carried out?		May be based on the FND model and include a combination of 'off benefit checks', spot checks and provider MI. The aim is to keep it as simple as possible.
4	Regarding the Funding model, what will the numbers be and how much per week will they get?		Information regarding the Funding model will be provided at PQQ stage.
5	Funding Model – Is there any possibility for an achievement		The I2S model is based on job outcomes only as the programme is linked to benefit savings, therefore no achievement outcomes are payable.

	outcome in addition to the job outcome?		
6	Funding Model – will there be a 18 month 'tracking period' at the end of the contract?		We are looking at developing 'Evidence Requirements' that are reasonable for all concerned. It's likely that DWP will honour outcome payments after the contract end date although arrangements have still to be finalised.
7	Will payments be milestone e.g. 13, 26, 39 weeks?		We are considering payments made on a monthly or possibly quarterly basis, subject to this being possible with the PRAP system.
8	Will Housing Benefit savings be included?		We are currently anticipating only ESA savings are included. There are many reasons for this e.g. administrative complexities including IT incompatibility, HB administered by LAs and claimed back from HMT, the fact that many customers will still receive HB when they are in work.
9	Customers joining the support group are voluntary customers, will the benefit savings be passed on for this group?		Yes, we would pass on the benefit saving for any customer that moves into work, including support group customers.
10	Is additional/separate money available for specialist equipment?		We would expect providers to comply with the Disability Discrimination Act in their provision of services to customers, as with current Pathways provision. We are not planning to provide separate money for specialist equipment, although this may be available locally.
11	Will the I2S programme include employers having access to 'Employer Subsidies'?		Under current plans employer subsidies are only available for JSA customers.
12	Will Tax Credits be deducted from outcome payments?		There are no plans to deduct tax credits from outcome payments.
13	Will DWP consider an allocation of intervention funding to ensure all clients get access to interventions in their journey?		Invest to Save is intended to give providers as much flexibility as possible in how they support customers. Therefore we don't want to ring-fence funding for specific purposes.
14	What will the percentage outcome payments split be?		Our assumption is this will be 100% outcome with no service fee or percentage split.

15	Will job outcomes be measured on 8 or 16 hours?		In order to get the benefit saving it has to be 16 hours.	
16	Does Self Employment count as a job outcome?		Yes, as long as the customer is working over 16 hours per week.	
17	Could 'benefit savings' in specific districts not be given to local authorities, LSPs and other key organisations? The money could then be used to develop localised services, after programmes have finished.		Giving responsibility for ItS contracting to sub-regional partnerships would involve transferring a significant amount of financial risk, as well as potential reward, down to a local level. Until we know whether the ItS model can be effective, this level of risk transfer isn't feasible. We couldn't agree to pass on potential savings without the risk as savings are required to counter the financial risks to DWP.	
18	Will this initiative introduce an increase in 'cherry picking'?		We don't think so, but we will look at any unintended consequences as part of the evaluation.	
<i>Work Capability Assessment Questions</i>				
1	Will the work capability assessment (WCA) be the same as ESA?		The WCA is currently being reviewed. Existing IB customers and ESA customers will be subject to the same WCA process.	
2	Given the importance of the initial work capability assessment, is there scope to challenge the outcome?		Yes, existing appeals structures will apply	
3	Will DWP consider providers undertaking work capability assessments as part of its programme?		No, we believe that there would be a conflict of interest if providers were to carry out WCAs for the customers they then go on to support through Invest to Save.	
<i>Fit with other programmes – Questions</i>				
1	Where does I2S fit in with Work Step		We will be looking at the links with IDEAS (now Work Choice) including how the payment	

	and In Work Support?		structures fit together. There is no reason why Work Choice activity should not count as work-related activity.	
2	How does I2S fit with other programmes and provision such as Pathways and Workchoice?		See question 1 for Work Choice. Pathways will still run in ItS areas, to provide support to new and existing ESA customers not on ItS.	
3	Has any work been done to look at lessons learned from Pathways processes around the application of conditionality especially in relation to Benefit Delivery Centres (BDCs) where many systems proved ineffective?		We are looking to learn from Pathways/BDCs etc and how they are delivered with the aim of improving processes and systems and providing suppliers with the tools to do the job.	
4	What is the relationship with the Specialist Disability programme?		See question 1 on Work Choice.	
<i>Miscellaneous Questions</i>				
1	The term 'dead-weight' used in the presentation is perhaps not the correct terminology?		Agreed – will change the terminology in future presentations.	
2	Will there be Equality Impact Assessments or monitoring by impairment?		There will be an Equality Impact Assessment. Our aim is to monitor by impairment wherever the data allows. Monitoring by impairment is currently being looked at and a workshop will be set up in the near future to discuss it. Interested parties should contact Helen Musgrove.	
3	How can I2S support organisations who work with people who will take years to get into work i.e homeless people? Will this have to be negotiated with the Primes through a 'black box' approach?		Prime contractors will need to negotiate appropriate funding agreements with sub-contractors.	
4	Are you doing any		Yes, we are carrying out an equality impact	

	work to ensure there are no equality impacts?		assessment and will look at the impact of the programme on different groups as far as possible through the evaluation.	
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