

**progress2work-LinkUP
and
Welfare Reform Drug Recovery Pilot**

**Provision Specification and Supporting Information
England, Scotland & Wales
2010 – 2015
Invitation to Tender Stage**

12 February 2010- v1

Since the publication of the Pre-Qualification Questionnaire new information has become available which enhances or clarifies the original Specification and Supporting Information. In order to highlight all (significant) changes and/or updates to the PQQ version of this Specification, boxes have been placed around the new text.

For clarification: the terms 'supplier' and 'provider' are interchangeable in this document



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Abbreviations

ADF	Adviser Discretionary Fund
CARAT	Counselling, Advice, Referral, Assessment and Throughcare
CEP	Commercial Employment Provision
CFO	Co-Financing Organisation
CJAs	Criminal Justice Agencies
CMF	Contract Management Framework
CPA	Contract Package Area
CRB	Criminal Records Bureau
CSP	City Strategy Partnership
DAATs	Drug and Alcohol Action Team
DATs	Drug Action Team
DDA	Disability Discrimination Act
DED	Disability Equality Duty
DoH	Department of Health
DSOs	Departmental Strategic Objectives
DWP	Department for Work and Pensions
ESA	Employment Support Allowance
ESF	European Social Fund
EU	European Union
fND	flexible New Deal
HMIE	HM Inspectorate of Education
HRA	Human Rights Acts
IB	Incapacity Benefit
IS	Income Support
ItT	Invitation to Tender
JCP	Jobcentre Plus
JSA	Job Seekers Allowance
JSAg	Job Seekers Agreement
LDA	Local Development Agency
LEP	Local Employment Partnership(s)
LSC	Learning and Skills Council
LPM	Local Programme Management (Team)
MI	Management Information
NTA	National Treatment Agency
PA	Personal Adviser
PCT	Primary Care Trust
PDU	Problem Drug Users
PQQ	Pre-Qualification Questionnaire
PRaP	Provider Referral and Payment (system)
PSAs	Public Service Agreements
p2w	progress2work
p2wLinkUP	progress2workLinkUP
QR	Quality Review
SAR	Self Assessment Report
SCRO	Scottish Criminal Records Office
SoS	Secretary of State
SRM	Supplier Relationship Management (Team)
TUPE	Transfer of Undertakings (Protection of Employment Regulations) 2006

1. Executive Summary

- 1.1 This document outlines the service required by the Department for Work and Pensions (DWP) for a new employment support programme which will replace the existing progress2work (p2w) and progress2workLinkUP (p2wLinkUP) programmes. This programme will be referred to as 'the new progress2work-LinkUP programme' throughout this document. The new progress2work-LinkUP programme will provide a voluntary, tailored package of support for several specific customer groups (stabilised/recovered drug misusers¹, ex-offenders/offenders, alcohol misusers and the homeless) who are considered to be among those facing the greatest disadvantage in the labour market. Additionally, five of the Contract Package Areas (CPAs) will also include the requirement to deliver a pilot to test a new employment support regime for problem drug users (in England only).
- 1.2 This document builds on the PQQ Provision Specification and Supporting Information, providing more detail about our requirement so that bidders can develop comprehensive delivery proposals and accurate pricing schedules. It comprises two parts: the main specification which sets out requirements for delivery, and the annexes, which contain additional background information including CPAs and volumes, that bidders may find useful in preparing their proposals.
- 1.3 This specification is being provided to those suppliers who were successful at the PQQ stage of the competition and subsequently invited to submit a tender for specific contract package areas as described in individual Invitation to Tender information. It provides indicative budgets, an overview of the funding model, indicative customer volumes and information about performance and contract management arrangements. It invites suppliers to meet those requirements as effectively and cost-efficiently as possible.

Background

- 1.4 The new progress2work-LinkUP programme and Welfare Reform Drug Recovery Pilot are part of the DWP Drugs Strategy and will contribute to delivering on Government commitments in:
- the National Drug Strategy '*Drugs: Protecting Families and Communities*' 2008 -18;
 - the Green Paper "*No one written off: reforming welfare to reward responsibility 2008-2009*" - a wide ranging consultation on the future of welfare which set out plans for improving support and work incentives to create a system that rewards responsibility and delivers greater choice and control over the support that is provided;
 - the White Paper "*Raising expectations and increasing support: reforming welfare for the future*", which was published in December 2008 and sets out

¹ This applies to illegal drugs only.

in detail the plan for the future as part of the vision for a personalised welfare state, where more support is matched by higher expectations for all; and

- the [Welfare Reform Act 2009](#).

- 1.5 These initiatives are part of a wider programme of reforms which are intended to deliver more tailored and personalised support than that provided by the existing Employment Support Allowance (ESA) or Jobseeker's Allowance (JSA) regimes, and reflects the Government's commitment to ensuring that the benefit system supports the new focus on re-integration and personalisation.
- 1.6 It is envisaged that contracts will be awarded in early August 2010 and the new provision will commence in October 2010. The contracts for the new progress2work-LinkUP programme will be for five years initially, with a possible extension of up to two years. The Welfare Reform Drug Recovery Pilot will be included in the new progress2work-LinkUP contracts in specified areas within five CPAs and they will run for two years, also from October 2010, and will be followed by a six month evaluation period.
- 1.7 The new contracts will be in line with DWP's Strategy regarding larger and longer prime contracts and the standard funding model.
- 1.8 European Social Fund (ESF) monies will be used to add value to the contracts in England, including the five pilots. Potential suppliers for English Contract Packages will therefore need to be aware of, and to comply with, ESF objectives. Please see the additional requirements for ESF contracts included at Annex A.

2. Introduction

- 2.1 There are two elements to this commission; a new progress2work-LinkUP programme, which will be based on, and replace, two existing voluntary employment support programmes; progress2work and progress2workLinkUP, and a number of Welfare Reform Drug Recovery Pilots which will test a new employment support programme. At PQQ stage, it was envisaged the new 'additional support programme' available in the pilot areas would be mandatory but subsequent changes to the policy mean that the new provision will now be voluntary.
- 2.2 Please note that there is a further, third, element to this commission in the London Contract Package Area where the London Development Agency are investing funds to enhance the DWP programme.

- 2.3 Contracts will be let to deliver the new progress2work-LinkUP programme in every Jobcentre Plus District in England, Scotland and Wales. Five of the contracts in England will include a pilot element.

New progress2work-LinkUP programme

- 2.4 The new progress2work-LinkUP employment support programme will replace p2w and p2w-LinkUP². p2w is available nationally and provides specialist employment support to unemployed customers who are stabilised/recovered drug misusers. p2w-LinkUP provides similar support to ex-offenders/offenders, alcohol misusers and the homeless. It is available in around half of the Jobcentre Plus Districts (see Annex B for a list of those Districts which have LinkUP coverage at present). There is currently no specific support in place for these customer groups in the remaining Districts. Both programmes are voluntary, and are available to customers who are eligible for any working age benefit.
- 2.5 The new programme, in much the same way as the existing programmes, will involve referring customers to specialist providers via a range of referral sources including Jobcentre Plus Personal Advisers, flexible New Deal (fND) and Pathways providers, PCTs and the Prison and Probation Services. The specialist contracted provider then agrees a way forward with the customer using local contacts to offer help on a range of issues, typically training, housing, debt and family breakdown. The existing programmes jointly cost around £20 million per year and help approximately 20,000 customers.
- 2.6 The decision to merge the programmes was made by Ministers last year on the advice of professionals from the field and the existing programmes' independent evaluators who determined that different eligibility arrangements served little purpose due to the overlapping nature of the customer group³. As customers are often disadvantaged by a combination of barriers the programme distinction is no longer considered appropriate, and unifying the programmes will provide a more holistic approach to supporting these customers, while at the same time extending support to p2wLinkUP customer groups in every Jobcentre Plus District in Britain.
- 2.7 The new programme will continue to be a voluntary programme which will sit alongside mandatory national provision such as fND and Pathways to Work. The aim of the programme is to engage and support customers from a disadvantaged background, helping them work towards securing and sustaining employment.

² In March 2001, the Chancellor of the Exchequer announced a £40 million investment over three years to help unemployed people with a previous drug misuse problem, move into work. The resulting p2w initiative initially ran in 31 pathfinder sites and was extended into further sites in 2002/2003. By 2004, p2w was running in all Jobcentre Plus

³Department of Work and Pensions research report No. 464. progress2work and progress2workLinkUP-an explanatory studies to access evaluation possibilities. <http://research.dwp.gov.uk/asd/asd5/rports2007-2008/rrep464.pdf>

2.8 Delivery of the new progress2work-LinkUP programme will commence in October 2010. We expect around **32,000** customers to benefit from the new progress2work-LinkUP programme each year, including additional places made available as a result of ESF funding being applied to the Project, and places for homeless customers being jointly funded by DWP and the London Development Agency in the London contract package area. See **revised** volume information at Annex D. Details of the Contract Package Areas are also included in Annex D. **Please refer to these as they have been updated since the PQQ iteration of the specification.**

Welfare Reform Drug Recovery Pilot

2.9 In five of the CPAs, DWP will also be requiring providers, as part of the same contract, to pilot a new voluntary programme aimed at Problem Drug Users (“PDUs”- defined as users of crack cocaine or heroin). The pilot areas are:

- Central London
- Cumbria & Lancashire
- Birmingham & Solihull
- West Yorkshire

- Merseyside (**now also including Halton**)

2.10 Proposals around introducing a new employment support regime for PDUs were included in the Welfare Reform Green and White Papers, and the [Welfare Reform Act](#), which provides the legal basis for this new provision, came into effect in November 2009. As part of the contract in five pilot Districts, DWP will ask providers to pilot the new Additional Support Programme. The Pilot will be called the Welfare Reform Drug Recovery Pilot.

2.11 The Welfare Reform Drug Recovery Pilot will include testing various new powers contained in the Welfare Reform Act and supporting regulations, including using new data sharing mechanisms with the criminal justice agencies to identify PDUs. This will be in addition to changes to our internal systems which will help with the identification of PDUs through the JSA and ESA new claims process, e.g. via the claims medical process (via ATOS), adviser questioning, and self-identification.

2.12 In the Pilot areas, customers who are claiming ESA or JSA, who are identified as being Problem Drug Users, and who are in tier 3 or tier 4 treatment (see Annex O) will be offered a place on the new Additional Support Programme, which includes payment of a Treatment Allowance (same rate as JSA/ESA but with relaxed benefit conditionality) and provides integrated and personalised support on a voluntary basis. NB: we are using the term ‘Treatment Allowance’ internally and for clarity in this specification, but to avoid any potential stigma associated with treatment, we will not use the term Treatment Allowance in any external correspondence. Any letters or forms for example will continue to refer to ESA and JSA.

- 2.13 The Additional Support Programme and Treatment Allowance will be available for a total of up to 12 months (or exceptionally for up to 18 months - see paragraph 8.11) as long as the customer maintains their treatment, and continues to adhere to their (voluntary) rehabilitation plan and take advantage of the additional support. During their time on the Additional Support Programme they will be exempt from some of the normal conditions of entitlement for benefit in order to give them the time and space they need to focus on their recovery. For example, those on JSA will not be required to sign on or show that they are actively seeking work, and those on ESA will not have to attend WFIs. There will be no sanction should an individual withdraw from treatment, but they would no longer be eligible for the Additional Support Programme, including payment of Treatment Allowance, and would return to full conditionality.
- 2.14 Where problem drug users are *not* already in treatment, they will be required to attend an assessment with a Drug Treatment Provider. Problem Drug Users who are neither prepared nor ready to engage with treatment services will also be required to sign up to a **mandatory** rehabilitation plan that will direct them to attend a series of assessments and a Treatment Awareness Programme with the aim of encouraging them into treatment. If they fail to engage in these activities without good cause, they will be subject to possible benefit sanctions.
- 2.15 In some cases where a customer does not admit problem drug use, but the JCP PA or fND/Pathways provider has 'reasonable grounds for suspicion' that the person may be dependent on drugs, and that this may be a factor affecting the person's prospects of obtaining or remaining in work, they can mandate the customer to attend an assessment with a drug treatment provider, and potentially to a drug test or series of drug tests if they fail to attend the assessment without good cause. What constitutes reasonable grounds will be defined by guidance, and providers of the pilot Additional Support Programme will not be required to undertake this - the reasonable grounds process is part of the process of identifying potential participants which will be completed before the referral to the pilot provider is made.
- 2.16 As mentioned above, once on the additional support programme customers will be paid a 'Treatment Allowance' which will be the equivalent of their benefit. Customers taking part in the pilot Additional Support Programme will not be required to comply with mandatory Pathways to Work or fND activities while on the programme. After completing the Additional Support Programme, customers who have not found work will return to these mainstream mandatory programmes. Customers taking part in the Additional Support Programme will not be able to participate in the new progress2work-LinkUP programme at the same time (though those who are assigned to the control group will be able to, if they meet the eligibility criteria).
- 2.17 The Welfare Reform Drug Recovery Pilot will last two years and the maximum period a customer will be able to participate in the Additional Support Programme will usually be twelve months (see 8.11 for exceptions to this). No new starts will be allowed after the first year of the pilot, so that all participants will have time to finish within the two year period. The pilot will be followed up with a six month formal evaluation.

2.18 Please note that the new mandatory referral regime which is being introduced at the same time as the Welfare Reform Drug Recovery Pilot (see Annex H) will NOT apply in the first year of the Pilot in the pilot areas but will commence in the second year from October 2011. During the first year of the pilot, the existing voluntary referral regime will continue in these areas for customers in the control group.

3. Rationale for the New Provision

3.1 As noted above, the decision to merge p2w and p2wLinkUP was made on the expert advice of professionals from the field and the existing programmes' independent evaluators who determined that merging the programmes was in the best interests of the target customer groups.

3.2 The Welfare Reform Drug Recovery Pilot will increase the provision for customers with problem drug use and help them to prepare for and look for work, whilst providing the necessary support and specialist help to enable them to do so, and will contribute to meeting Ministerial commitment to tackling drug dependency within the benefit system.

3.3 Both the new progress2work-LinkUP programme and the pilot will contribute to a number of Public Service Agreements (PSAs) and DWP Departmental Strategic Objectives (DSOs) including:

PSA 25: "Reduce the harm caused by alcohol and drugs"

PSA 8: "Maximise employment opportunity for all"

PSA 16: "Increase the proportion of socially excluded adults in settled accommodation and employment, education or training"

PSA 23: "Make communities safer"

PSA 9: "Halve the number of children in poverty by 2010-11, on the way to eradicating child poverty by 2020" and

PSA 13: "Improve children and young people's safety"

3.4 The new progress2work-LinkUP programme will provide more holistic support to customers with multiple disadvantages than is currently available. It will also extend LinkUP services to Districts who do not have this provision at present.

3.5 People who work are better off financially, in terms of their health, well-being and self-esteem, and in terms of future prospects for themselves and their families. Work promotes choice and independence for people, supports society and increases community cohesion. Access to employment, training, and skills opportunities has a positive impact on drug treatment, enhancing clinical outcomes and reducing criminality and levels of re-offending. Supporting customers into

employment should make a positive impact on health, crime, employment, social inclusion and neighbourhood renewal agendas.

- 3.6 The economic and social costs of Class A drug use are estimated to be around £15.3 billion per year⁴. A report by the National Treatment Outcome Research Study showed that for every £1 spent on proper treatment and rehabilitation services for drug users, £9.50 is saved on criminal justice and other public expenditure⁵.

4. Procurement Approach

- 4.1 DWP will procure the new provision via a two stage procurement exercise:

- The first stage involved a Pre-Qualification Questionnaire (PQQ) to shortlist a number of suppliers for each CPA against the criteria outlined in the Instructions for Bidders.
- This second stage is an Invitation to Tender (ItT) for those suppliers selected following the first stage.

4.2 The ItT stage will be supported by one event. More information about the ItT supplier event can be found in the Instructions for Bidders section of the ItT pack. Please also see the procurement timetable at Annex C for key dates relating to this procurement.

- 4.3 Contracts will be delivered by a network of Prime Contractors. It is unlikely that any Prime Contractor will be able to deliver the provision without support from other specialist niche organisations. The DWP Commissioning [Code of Conduct](#) sets out the key values and principles of behaviour that DWP expects of suppliers and which are essential for creating healthy and high performing supply chains. DWP expect all Prime Contractors to ensure that their sub-contractors, whether in the private, public or third sector, are treated fairly in line with this Code of Conduct (see Annex J).

- 4.4 For the CPAs in England, Prime Contractors may opt to deliver all of the requirement themselves, or may choose to deliver part of the requirement in conjunction with sub-contractors. As European Social Fund (ESF) monies will be applied to the contracts in England, including the five pilot, Prime Contractors must comply with ESF requirements and deliver some of the local specification directly. In **Wales and Scotland only** Prime Contractors may also opt to be Managing

⁴ Gordon L, Tinsley L, Godfrey C and Parrott S (2006) The Economic and Social costs of Class A drug use in England and Wales, 2003/04 in Singleton N, Murray R, and Tinsley L (eds) Measuring Different Aspects of Problem Drug Use: Methodological Developments, Home Office Online report 16/06, Home Office.

⁵ Godfrey C, Stewart D, Gossop M (June 2004) "Economic analysis of costs and consequences of the treatment of drug misuse: 2-year outcome data from the National Treatment Outcome Research Study (NTORS)". *Addiction*. 99(6)pp. 697-707

Agents, which means they can sub-contract the entire provision and have no direct delivery.

- 4.5 The Prime Contractor model can also include a consortium arrangement where one organisation acts as a lead contractor on behalf of a number of suppliers in partnership.
- 4.6 Whichever Prime Contractor model is chosen, DWP will need to be satisfied that capacity, expertise and local links are in place to ensure the successful delivery of the contract.
- 4.7 DWP expects all providers to develop effective delivery arrangements capable of meeting a wide range of needs from a diverse customer group. The supplier capabilities laid out in the [DWP Commissioning Strategy](#) (paragraph 5 refers) must be demonstrated at both bid stage and during live running.
- 4.8 Proposals are invited from organisations across the private, voluntary/non-profit and public sectors, either alone or in partnership, which have the expertise and commitment necessary to work with this diverse customer group and bring them together with employers to achieve sustainable employment.
- 4.9 Suppliers must meet the DWP Security Standards and the requirements of the Data Protection Act 1998 to keep customer and DWP information secure. Prime providers must take steps during the lifetime of the contract to ensure that they remain compliant with current and future changes in the law. Additionally, providers will be expected to support the Secretary of State (SoS) in meeting their obligations under the Disability Discrimination Act (DDA) and Human Rights Act (HRA). This includes the new Disability Equality Duty, which places a new obligation upon Public Authorities to promote equality of opportunity for disabled people.

4.10 DWP are committed to an open and transparent approach throughout the procurement process. DWP would like to bring to potential suppliers' attention the possibility of further opportunities during the life of the contract. These changes could include, for example, extension of provision to other customer groups or changes in the delivery model to reflect good practice or changing Ministerial and/or policy requirements. These could involve changes in the volumes beyond tolerance levels and the types of customers to be supported. Any such changes will be subject to discussion and agreement at the appropriate time.

5. The Commissioning Strategy

- 5.1 DWP published its [Commissioning Strategy](#) in February 2008 setting out principles which should be applied to the commissioning of all DWP provision. The Commercial Strategy for this provision reflects those principles. It seeks to use competition as the main lever to drive value for money, and strives for a balance between the risks providers will carry in terms of working capital and the potential rewards available through outcome focused funding. The intention is that DWP

contracts will be appealing to existing suppliers in the market, whilst encouraging new market entrants.

- 5.2 Suppliers should experience a seamless cycle from Commissioning Strategy to Commercial Strategy to Procurement Strategy to performance management arrangements.
- 5.3 DWP expects to implement a provider capabilities framework in the course of these contracts. The framework spells out the specific capabilities and requirements that make up a high-performing supply chain and an effective Prime Contractor. DWP will contract, inspect, manage and intervene on the basis of these capabilities and requirements. See Annex K for more details.

5.4 Wherever possible, DWP works with partners to help shape the delivery of its contracted employment programmes, specifically with sub-regional partnerships which are: City Strategy Partnerships, Multi-Area Agreement Areas, and The City Region pilots, and Suppliers may be required to deliver additional requirements in some contract packages as part of co-commissioning agreements with local partners.

5.5 As part of this procurement we are working with:

- The London Development Agency (LDA).and
- Edinburgh City Strategy Pathfinder (CSP);

5.6 In the London CPA there is an additional requirement being funded by the LDA, which will enhance the programme for homeless customers. This must be delivered, in addition to the requirements of the new progress2work-LinkUP programme, by the supplier who is successful in this CPA.

5.7 In the Edinburgh, Lothians and Borders, Forth Valley Fife and Tayside CPA there is a potential additional requirement funded by the Edinburgh CSP, which may be incorporated into the contract later through a variation.

5.8 These additional requirements are detailed in full below at paragraphs 24 and 25.

6. Contract Size and Duration

- 6.1 DWP is seeking tenders at this, the second stage of the competition which reflect proposals for a five year contract with an option to extend for up to a further two years, subject to satisfactory performance. These longer, larger contracts are in line with the DWP Commissioning Strategy. DWP intends to award one contract per CPA following the tender evaluation process. In those Districts where a pilot is being undertaken, this will be contained within the same contract, but the pilot element of the contract will run for only two years.

6.2 There will be **18** CPAs throughout England, Scotland and Wales with one Prime Contractor per CPA. Reducing the number of contracts will bring about efficiencies for DWP and for providers, rationalising administrative functions and allowing the smaller specialist organisations to concentrate on the front line help and support.

6.3 A list of the CPAs can be found at Annex D. **Please note that there have been some changes to the CPAs since the PQQ specification.** Wherever possible CPAs fit the Sub-Regional Partnerships' geography and will also ensure effective coverage in rural areas. Most CPAs are larger than individual Jobcentre Plus Districts.

7. The Service Requirement - New progress2work-LinkUP Programme

7.1 This section describes what the minimum requirements will be for the new progress2work-LinkUP provision.

7.2 The aim of the new progress2work-LinkUP programme is to develop provision to replace the existing p2w and p2wLinkUP programmes, which will support Jobcentre Plus in delivering more and sustained job outcomes by delivering high quality, timely and flexible support to customers who face barriers to employment as a result of one or more of the following circumstances; because they are a (stabilised) drug misuser, an ex-offender/offender, homeless, or an alcohol misuser.

7.3 The new progress2work-LinkUP programme is intended to support individuals as part of a range of local services. Potential bidders must take into account the viewpoints and opinions of those organisations tackling drugs misuse, offending, homelessness and alcohol misuse and recognise that provision to support this customer group into employment should complement existing local partnerships and provision. The following is not intended to be an exhaustive list, but these may include:

- Drug Action Teams (DATs) and Drug and Alcohol Action Teams (DAATs) with whom suppliers are encouraged to set up formalised liaison arrangements where possible;

- Primary Care Trusts;
- Police, Prison and Probation Services;
- Local Authorities;
- Homelessness Agencies, Alcohol Treatment Agencies and National Treatment Agencies;
- Drugs Co-ordinators (in England only, funded by the Department of Health until 2011);
- Local Employer Partnerships (LEPs).

7.4 Customers will be referred to providers of the new progress2work-LinkUP provision from a variety of sources (see paragraph 7.10) including JCP, fND and Pathways providers. The contracted provider will then undertake an initial assessment to

establish whether the customer is suitable for the provision. Our expectation is that the support the provider will offer will typically involve the following:

- A nominated adviser (support worker) will be allocated to the customer and will maintain close contact with them, anticipating any problems that may cause drop-out or relapse and helping the customer to deal with them (via other agencies where appropriate);
- Completing an Action Plan outlining a programme of activity tailored to the individual customer's needs. The expectation is that the agreed programme of activities will build to a full time schedule of 30 hours per week. This may include activities on their mandatory programme (if applicable) e.g. fND or Pathways, as well as activities agreed with either the PA or provider, subject to any health considerations, including for example attending specialist training, counselling sessions, jobsearch activities and so on to make up the 30 hours;

- | |
|--|
| <ul style="list-style-type: none"> • Where individuals are still in treatment for drug or alcohol misuse the individually tailored action plan should link to the care plan agreed between the individual and the relevant drug or alcohol treatment provider, with joint agency reviews encouraged where possible; |
|--|

- Providing specialist advice away from the normal flexible New Deal and other mainstream measures, and offering access and referral to appropriate specialists;
- Where appropriate, identifying the need for and signposting to additional specialist provision to help customers overcome additional barriers to employment. This might include: benefit and welfare advice, health and hygiene issues, substance misuse, accommodation, debt, advice on criminal record disclosure etc;
- Making better use of mainstream DWP contracted provision that is on offer, ensuring that customers receive the ongoing support they need to remain engaged throughout the mainstream provision (e.g. while participating in the new progress2work-LinkUP provision the customer may also be on Pathways, fND and other contracted provision) or other specialist provision, minimising dropout and relapse into drug or alcohol misuse;
- Engaging the customer and building their understanding of the ways in which tackling their barriers and preparing for work can be complementary;
- Providing support on either a group or one-to-one basis, and building commitment and motivation to improving the customer's employability and finding them appropriate employment;
- Tackling lifestyle issues that are likely to inhibit a return to work, for example housing issues, substance abuse, health issues, debt, or addictive behaviour (e.g. such as gambling);
- Providing a flexible approach, so that appropriate support may initially focus on identifying and addressing lifestyle issues. This support should reduce as their lifestyle stabilises and seeking employment becomes the focus of the programme;

- Identifying the customer's job goals and expectations through individual assessment, and taking into account the impact their disadvantage may have on achieving them;

- Referring the customer to appropriate further education or training provision where this will address skills needs that form a barrier to employment or move the customer closer to employment;

- Working with all relevant referral sources and marketing the service on offer to ensure caseloads are managed well, and networking with local Jobcentre Plus staff and other agencies to ensure they understand the service available and appropriate referrals are made;
- Providing post employment support and working with the customer and/or employer as necessary for up to 30 weeks to secure sustained employment.
- Those whose lifestyle is too chaotic to engage with mainstream provision or employment should, where possible, be referred to other appropriate provision or agencies and encouraged to re-engage with this provision when they are ready to do so.

7.5 Eligible Benefits

7.5.1 Customers eligible for the new progress2work-LinkUP provision will be customers claiming, or those who would be eligible to claim but are not currently receiving, any of the following working age benefits: Jobseekers Allowance; Income Support; Incapacity Benefit; Incapacity Benefit under the Incapacity in Youth rules; Carers Allowance; Disability Living Allowance; Severe Disability Allowance; Employment Support Allowance, and those receiving Widows Pension. In particular, this means that providers will be able to work with prisoners in the period immediately preceding the date they are due for release.

7.5.2 Unemployed people who are not claiming benefit, including indirect benefit recipients, for example, a person who is the partner of someone claiming a qualifying benefit, will be eligible as long as other p2w-LinkUP criteria apply.

7.5.3 In addition to being in receipt of, or eligible to claim, one of the eligible benefits they must be disadvantaged in the labour market due to one or more of the barriers listed at 7.6 below.

7.5.4 While a customer is participating in the new p2w-LinkUP provision they will continue to receive benefit as long as they still satisfy the relevant qualification criteria. As participation on the programme is voluntary the customer can leave at any time without the risk of sanctions to their benefits.

7.5.5 JSA customers who are not attending any other type of provision will be required to continue to produce evidence of jobseeking activity at the Jobcentre Plus as usual. They are still subject to the qualifying conditions for JSA, i.e. being available for and actively seeking work and fulfilling the requirements set out in their Jobseeker's Agreement (JSAg).

7.6 Eligibility by Disadvantaged Group

In addition to being in receipt of, or eligible to claim, at least one of the eligible benefits listed above, the customer must be disadvantaged in the labour market due to one or more of the following barriers:

7.6.1 Recovered / Stabilised Drug Misusers

This group includes:

- Customers who have a history of drug misuse who are recovered, have completed drug treatment programmes, or who are stabilised but still undergoing drug treatment, and are able and available to work, but who need additional support to get into, and sustain, a job due to their previous drug related problems;
- Those identified by Jobcentre Plus, fND/ Pathways providers, or other local partnerships as unlikely to succeed in getting work, training or participating in the mainstream provision, without extra help, because of their history of drug misuse, but who have obtained control of their use.

7.6.2 Offending Background

Within the offending background customer group, DWP would expect suppliers to work with the Prison and Probation Service (including CARAT teams) to ensure that the most appropriate customers, i.e. those most likely to re-offend if this support is not offered, are referred. This is likely to include:

- individuals with an offending background who are on final release, having served a recent custodial sentence (within the last 12 months);
- those serving a non-custodial sentence under supervision of the Probation Service; or
- any individual with an offending background who is disadvantaged in the labour market.

Please refer to Annex P for details of current Jobcentre Plus support for offenders in prison.

7.6.3 Homelessness

- This group includes customers for whom homelessness is a significant contributing factor to their labour market disadvantage, i.e. may be sleeping rough, or have no secure address to which job seeking correspondence can be sent.

- It also includes those who are at reasonable risk of homelessness, and for whom this is a significant barrier to employment. This is defined as individuals in the following (or comparable) circumstances: sleeping rough; sleeping on friends' floors; living in squats; in temporary accommodation; hostel residents, or in Bed and Breakfast accommodation.
- The homeless customer group is amongst the hardest to help, and we will expect providers to work with specialist housing agencies, charities and local authorities to help gain stable accommodation as the first step before moving into labour market activity.

7.6.4 Recovered/ Stabilised Alcohol Misusers

This group includes:

- Customers who have a history of alcohol misuse who are recovered, who have completed alcohol treatment programmes, or who are stabilised but still undergoing treatment, and are able and available to work, but who need additional support to get into, and sustain, a job due to their previous alcohol related problems;
- Those identified by Jobcentre Plus, fND/ Pathways providers, or other local partnerships as unlikely to succeed in getting work, training or participating in the mainstream provision, without extra help, because of their history of alcohol misuse, but who have obtained control of their use.

7.6.5 It is recognised that some customers may have multiple barriers which will need to be addressed.

7.6.6 Ratio of Different Customer Groups

Currently, in those areas which have both p2wLinkUP and progress2work, the customer ratio is around 50:50 – i.e. drug users account for around 50% of starts and the other 50% is made up of customers from the homeless, alcohol misuser and offender groups. We will be seeking to maintain a similar ratio for the new provision, with around 40-60% of starts being from the stabilised drug misuser group. However this is not a fixed ratio, and will depend on local conditions. We would not expect providers to have a fixed quota for each group, or in any circumstances turn away customers because they belong to a particular group and their 'quota' was full - we expect providers to take on any eligible customer, from any group, providing the provision has capacity. Take up by customer group will be monitored via the contract management process. Please note that the indicative ratio of customers is not applicable to the transition caseload.

7.7 Duration of the Programme

- 7.7.1 DWP expect the average period of participation on the new progress2work-LinkUP programme to be around 6 months, with a maximum of 12 months in most cases. However, there is flexibility to extend this if, at the end of 12 months, the provider conducts a review with the customer and they agree that they have made, and are continuing to make progress towards achieving employment, and achieving an employment outcome in time remains a realistic possibility (as well as the customer continuing to meet the eligibility criteria). In this situation, the provider can choose to extend the provision beyond 12 months and there will be no maximum period of participation stipulated.
- 7.7.2 There is also no limit to the number of times a customer can return to the provision, subject to their satisfying the eligibility criteria at the time, and there being places available.
- 7.7.3 Should a customer leave the provision because they have secured employment, but subsequently become unemployed again and return to JCP to make a new claim, their adviser can re-refer them if in their view the customer still have an eligible barrier and meet the other eligibility criteria. This would be less likely to be the case the longer they had been employed, unless they had relapsed/ re-offended etc.
- 7.7.4 In cases where there has been no contact between the provider and the customer for a period of 4 weeks, and the provider has been unable to contact and re-engage them during this time, the customer will be taken off the caseload, and the provider will need to notify JCP. Should the customer re-establish contact with the provider at a later stage, and assuming the provision has capacity, the provider will need to assess the reasons for the disappearance and what has happened during the break, and update the Action Plan with relevant steps.
- 7.7.5 Where a customer disengages but returns to the provision within 4 weeks, this will be counted as a continuous period.
- 7.7.6 If a customer fails to make ongoing progress towards employment, they will need to be referred to other provision in line with their needs.

7.8 Childcare, Travel and Additional Support

Once a customer is accepted onto the provision, the progress2work-LinkUP supplier will be responsible for ensuring their customers have the practical and financial support they need to move towards employment and to undertake the activities documented in their action plan. Suppliers will be expected to cover these costs within their organisation, so bidders must include these costs within the financial part of their proposal.

In some circumstances, suppliers may need to coordinate childcare and travel arrangements with Jobcentre Plus and / or other organisations from which customers are receiving support.

7.8.1 Childcare

Customers on employment programmes should never be worse off by virtue of their participation. Suppliers will therefore be responsible for funding childcare for customers' children where a need for childcare arises as a result of their involvement in interventions with the provider. The cost of providing this service will be built into the overall contract price, and bidders must include these costs within the financial part of their proposal. DWP does not have estimates on how many customers might require childcare.

Suppliers may only fund childcare for attendance at an approved activity or for attendance at interview if it is provided by:

- carers registered with Ofsted (Office for Standards in Education) or the Care Commission (Scotland);
- a carer accredited under the Childcare Approval Scheme, run on school premises out of school hours or as an out of hours club by a Local Authority; or
- schools or establishments exempted from registration under the Children's Act 1989 or operated on Crown property.

The parent can make alternative arrangements. However, payment cannot be authorised unless they are in one of the categories outlined above. The child must satisfy the age requirement, and must be a dependant of and residing with the customer.

Jobcentre Plus currently sets its costs for childcare up to the Tax Credit limits. Bidders should consider the following limits when developing and pricing their proposals:

- help with childcare costs can be paid up to, but not including, the first Tuesday in the September following the child's 15th birthday;
- parents requiring childcare for five days a week can claim up to a maximum of £175 per week for one child and £300 per week for two or more children; and
- if the customer is attending an approved activity of less than five days a week, they can claim the maximum daily rates of £35 per day for one child and £60 per day for two or more children.

Suppliers must not recommend particular childcare facilities to customers. This is to ensure that DWP/Jobcentre Plus and/or the supplier are not liable for the safety of children. It is the parents' responsibility to decide with whom they entrust the care of their children. Suppliers may choose to arrange a crèche in their premises. However, they must ensure it is the parents' choice whether their child uses the facility. Suppliers should also ensure that any crèche facilities adhere to current legislation.

7.8.2 Travel expenses

Where a customer is attending activities with the progress2work-LinkUP provider it is the provider's responsibility to fund their travel costs. Bidders must include these costs within the financial part of their proposal.

Where a customer is referred by the progress2work-LinkUP provider to other activities such as other DWP contracted provision, training courses etc, DWP will expect the p2w-LinkUP provider to work with the other organisation to establish whether Travel and Childcare costs will be met, and if not, it will be the responsibility of the progress2work-LinkUP provider to meet these costs.

7.8.3 Additional Support

Additional support is defined as any support that allows a customer who needs extra help to attend and participate fully in provision. Suppliers must, as part of their obligations under the reasonable adjustment duties of the Disability Discrimination Act (DDA) and Disability Equality Duty (DED), take the necessary steps to obtain and provide special aids or services that might be needed for participation. Bidders must include these costs within the financial part of their proposal. Examples of the types of support a customer might need include: the services of a communicator for the deaf; access to specialist equipment; an interpreter if they do not have English as a first language; and visual aids.

7.9 progress2work-LinkUP Discretionary Fund

- 7.9.1 Funding has been agreed to provide a ring-fenced discretionary fund for the new progress2work-LinkUP programme, which will be administered by JCP. The purpose of this fund is to cover the cost of any goods and services needed to support customers on the provision who do not have access to the Adviser Discretionary Fund (ADF) or any other funding Jobcentre Plus can offer.
- 7.9.2 These discretionary payments can be used to help customers overcome barriers which may be preventing them from applying for, taking up or sustaining a job, such as to buy suitable clothing for an interview or to start a job, to help with travel or transport costs, to purchase customised training not available under any other Jobcentre Plus programme or initiative, to help with living costs in the first few weeks of employment such as paying bills and housing costs. The discretionary fund can also be used to provide support or fund diversionary, or other, activity that would prevent the customer relapsing and/or dropping out of the programme.
- 7.9.3 It cannot be used to pay for things that are funded in other ways (i.e. for funding travel to interview where the customer is eligible to use the Travel to Interview Scheme) or to provide help where the customer has capital available to them that could be used to fund the need. Nor can it be used as an inducement to take up work or for payment of a debt or fine or to fund Criminal Record Bureau (CRB) or the Scottish Criminal Records Office (SCRO) Disclosure certificates.
- 7.9.4 It is envisaged that the discretionary fund will be managed by JCP in each CPA. They will use their professional judgment to determine whether the money would: make a difference to the customer's chances of obtaining or accepting a job offer and sustaining that job (or self employment); remove a barrier; enable the customer to take steps that they could not otherwise consider; or help to prevent drop-out or relapse. If the answer is yes, and they judge it to be a sensible use of public funds, then the payment should be authorised.
- 7.9.5 Further details about how the discretionary fund will be operated and what it can be used for will be included in the provider guidance.

7.10 Referral

- 7.10.1 Referral onto the programme will be via Jobcentre Plus and a range of other organisations, including the Prison and Probation Services, Drug Action Teams (DATs) and Drug and Alcohol Action Teams (DAATs), commissioned treatment or employment programme providers, registered housing charities, registered health care professionals, local authorities (including for example social services and housing departments), third sector, voluntary organisations and religious groups. There will also be cases where the customer contacts providers directly.
- 7.10.2 Providers will need to market their service to the most appropriate referral sources in their Districts including those listed above and Drug Treatment Agencies, Primary Care Trusts, homelessness agencies and alcohol treatment agencies. Other key local partners will include Careers/Connexions services, Drugs Co-ordinators,

Pathways to Work providers and flexible New Deal Partnerships, and other contracted employment support (such as disability employment support). This will ensure appropriate referrals are made to their provision.

7.10.3 In particular, we would expect providers to ensure that agreed referral routes and protocols from the local drug treatment system to the new p2w-LinkUP programme are in place in each drug partnership area.

7.10.4 In order to monitor the flow of customers through the new progress2work-LinkUP programme, Jobcentre Plus will need to be informed of those customers who have joined provision via other referral routes besides Jobcentre Plus. More detailed processes will be provided in the Provider Guidance.

7.10.5 Some customers referred to the provision will not be ready to attend or may not need the support of this programme. The decision about whether to accept customers onto the provision rests with the provider, though the expectation would be that suppliers will take on anyone who is suitable. If necessary the customer will be referred or signposted to more appropriate provision/help.

7.10.6 In the case of inappropriate referrals we would expect the provider to re-refer the customer to their referral source, and record details of the case for contract management purposes. To help avoid such a referral the provider's marketing strategy needs to be clear, with links in place to move customers onto the right provision. Further details will be included in the Provider Guidance.

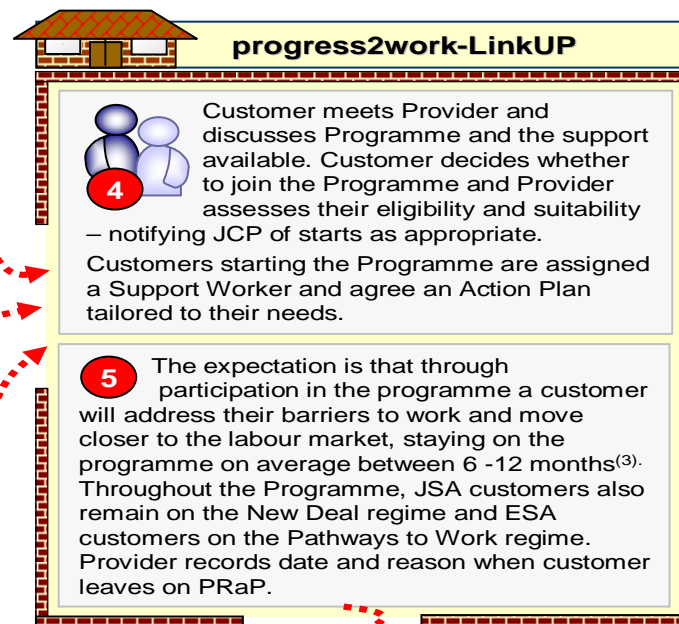
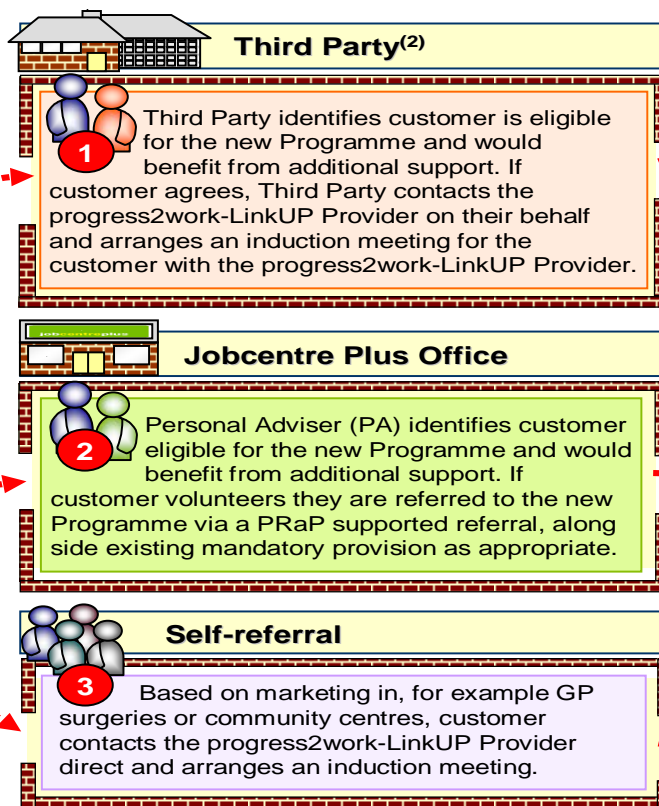
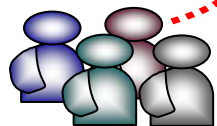
7.11 Customer Journey- progress2work-LinkUP

progress2work-LinkUP

High Level Customer Journey

Version 2.0 (12- 2-10)

Eligible customers⁽¹⁾ can volunteer for the new Programme through 3 referrals routes



Job outcomes will be paid to the Provider if a customer starts work where the job meets the short or sustained job outcome definitions and starts within the agreed tracking period.

(1) Customers are eligible for the new progress2work-LinkUP provision if they are disadvantaged in the labour market due to one or more of the following barriers: recovered/stabilised drug misuser (applies to illegal drugs only); homelessness; recovered/stabilised alcohol misuser; offending background and will be claiming, or would be eligible to claim but are not currently receiving, any of the following working age benefits: Jobseekers Allowance; Income Support; Incapacity Benefit; Incapacity Benefit under the Incapacity in Youth rules; Carers Allowance; Disability Living Allowance; Severe Disability Allowance; Employment Support Allowance, and those receiving Widows Pension. Unemployed people who are not claiming benefit, including indirect benefit recipients, for example, a person who is the partner of someone claiming qualifying benefit, will be eligible as long as other p2w-LinkUP criteria apply. (2) Third Party can include: Drug Treatment Providers, Probation Service, Local Authorities, Homeless Organisations, Training Providers, Primary Care Trust etc. (3) There will be flexibility to extend the Programme where the provider and customer agree that this would be beneficial and could enable the customer to secure employment.

7.12 Transition Arrangements

7.12.1 This paragraph sets out the principles that will govern transition arrangements. It is not a detailed statement of process. Further details are provided at Annex E.

7.12.2 Transition Aims include:

- Existing contracts end on stipulated dates.
- Transition for participants is seamless – there are no negative impacts for them.
- All parties (participants, providers, staff) understand what will happen when, and why.

7.12.3 The transitional arrangements period will commence from contract award in August 2010 and some activities relating to transition will need to be completed prior to contract go-live in October 2010.

7.12.4 All current p2w and p2wLinkUP customers will continue to be supported by the new progress2work-LinkUP programme. This will entail a carefully managed transition plan for existing customers who will transfer from existing to new providers. There are currently up to 11,000 p2w/p2wLinkUP customers. All these customers are guaranteed a place on the new progress2work-LinkUP programme. Therefore arrangements will need to be made to move customers to the new providers.

7.12.5 New providers will have to:

- work with existing providers and with DWP to ensure that sensitive issues are managed effectively on behalf of all current customers;
- work closely with the existing providers to ensure a smooth and seamless transition for customers;
- contact each individual to arrange a face to face review to ensure that they continue to receive the support they need within the new programme and conduct an assessment of the support and development needs for existing customers in the Contract Package area from contract go-live;
- have support arrangements in place to help existing customers understand the changes.

7.12.6 Referrals will continue to the current provision until the end of August 2010. From the beginning of September, all customers will be referred to the new provision, to start in October.

7.12.7 The incoming provider will be able to claim job outcomes for customers who transfer to the new provision.

7.12.8 As part of the transition process, customers who are identified as being eligible for the pilots will be offered access to the Additional Support Programme before being offered the new p2w-LinkUP. If they decline the Additional Support Programme, or are assigned into the control group, they would then be offered the progress2work-LinkUP provision.

8. The Service Requirement - Welfare Reform Drug Recovery Pilot

- 8.1 The aim of the Welfare Reform Drug Recovery Pilot is to test a new Additional Support Programme which will provide specialist tailored support to customers who face a specific disadvantage in the labour market as a result of their misuse of crack cocaine or heroin (Problem Drug Users – “PDUs”). The provision will be **voluntary**, and customers attending the pilot Additional Support Programme will not be able to join the progress2work-LinkUP programme at the same time (however those in the control group can join progress2work-LinkUP if eligible).
- 8.2 Heroin and crack cocaine users who are in receipt of Jobseekers Allowance (JSA) or Employment Support Allowance (ESA) will be identified via the benefit system (e.g. via the medical element of the ESA claim process, or via adviser questioning) and also via new data-sharing with the criminal justice agencies. They will also be encouraged to self refer where they are already in treatment and it is felt that they would benefit from the additional support available.
- 8.3 Customers who are identified as problem drug users and in treatment (tier 3 or 4 - see Annex P) will be offered the new Additional Support Programme, which will provide integrated and personalised support, on a voluntary basis and which includes payment of a Treatment Allowance.
- 8.4 For the purposes of evaluation, customers eligible for and expressing an interest in the Additional Support Programme will be allocated via a process of random assignment to either a ‘treatment’ or ‘control’ group. Only customers in the ‘treatment’ group will be enrolled in the Additional Support Programme, with customers in the control group having access to normal mainstream provision (such as p2wLinkUP if appropriate). This is to enable the net impact of the new programme to be measured.
- 8.5 The Pilot Support Programme, including Treatment Allowance (which will be paid by Jobcentre Plus and equivalent to the customer’s benefit), will be available to the customer for up to 12 months (exceptionally 18 months as detailed below at paragraph 8.9) as long as they maintain their treatment and take advantage of the additional support available, agreeing a (voluntary) rehabilitation plan and undertaking the specified activities.

- 8.6 The requirements of the new programme will replace the conditions of ESA or JSA while on the programme, and payment of the Treatment Allowance will be conditional on the individual complying with their rehabilitation plan. It will remove some of the normal conditions of entitlement for benefit in order to allow drug users the time and space to focus on their recovery. For example, this will mean that those on JSA will not be required to sign on or show that they are actively seeking work, and ESA customers will not have to attend WFIs. Whilst in receipt of the Treatment Allowance, individuals on JSA will be able to take part in full-time further education or training as the '16-hour rule' will no longer apply.
- 8.7 There will be no sanction for failure to comply, or should an individual withdraw from treatment, but they would no longer be eligible for the Additional Support Programme or Treatment Allowance and would return to mainstream conditionality.
- 8.8 Where problem drug users are not already in treatment, they will be required to attend an assessment with a Drug Treatment Provider. Following this if they are neither prepared nor ready to engage with treatment services, they will be required to sign up to a (mandatory) rehabilitation plan that will direct them to attend a Treatment Awareness Programme, which will be delivered in the form of 6 sessions, over 6 weeks, by a Drug Treatment Provider. This will have the aim of encouraging them into treatment. This programme will be made available by the NTA in each of the pilot areas and is not part of the service requirement for the p2w-LinkUP/pilot contracted providers. If the customer fails to engage in these activities without good cause, they will be subject to benefit sanctions.
- 8.9 Where the customer has not admitted that they are a PDU but there are reasonable grounds for suspecting that problem drug use is an issue, customers can also be mandated to attend an assessment with a Drug Treatment Provider by JCP PAs, or fND/Pathways providers.
- 8.10 As participation in treatment and the activities agreed to in their voluntary rehabilitation plan are a condition of the Additional Support Programme and Treatment Allowance, providers will be responsible for notifying Jobcentre Plus of customers' engagement. If an individual drops out of treatment or no longer wishes to engage with the additional support available through the pilot programme, they will return to mainstream conditionality with no sanctions.
- 8.11 If the customer loses contact with the provider or relapses, there will be a period of 4 weeks in which they can remain on the Additional Support Programme and Treatment Allowance while the provider tries to contact them and get them back on track. If the provider is not successful in re-engaging them in this timeframe, the provider would be expected to notify JCP. The customer would leave the support programme, lose entitlement to the Treatment Allowance, and would revert back to mainstream conditionality. They would be eligible to rejoin the Additional Support Programme and receive the Treatment Allowance again subsequently, should they re-engage with treatment.

8.12 Our expectation is that this provision will typically include the following:

- Suppliers will be expected to offer focused, continuous support, including drawing up a (voluntary) rehabilitation plan at the first meeting with the customer and regularly reviewing it (at least once a week) to ensure that momentum is being maintained.
- The (voluntary) rehabilitation plan will incorporate a distance travelled assessment tool, which has been developed in consultation with treatment practitioners, and builds on earlier work by Northumbria University. See paragraph 8.10 below and Annex I for further information.
- It will include the steps the customer will take to tackle their issues and to move towards employment, and the provider will be expected to agree with the customer which areas they need to make progress against and what activities will be undertaken to ensure improvement is made.
- The provider will work closely with treatment providers and other specialist provision/support in the locality to help customers access the support they need in a joined up and coherent fashion. This might include issues related to housing, their mental health, probation, and other areas of the distance travelled model, as well as development and work related activities. The emphasis should, where possible, be on ensuring that the customer is accessing relevant available services to address these issues, and to support them to do so through advocacy.
- Providers will be expected to make use of locally available provision including, for example, work trials, short periods of work experience or volunteering, appropriate further education or training provision, specialist help for those with disabilities or health problems, specialist advice about debt, housing, health issues, etc., registration on an education or employment-related training course, or any other appropriate activity.
- It is expected that the initial period on the programme will focus on stabilising the customer's condition and assessing and agreeing their overall programme needs. As the customer progresses through the programme the emphasis should move from stabilisation to re-engagement with the labour market, though this will need to be done at a pace that is appropriate for the individual customer and where necessary take account of any other health conditions.
- Where a customer is stabilised in treatment at the beginning of the programme, or reaches this stage partway through, it is envisaged that the type of support they will receive will be not dissimilar to that delivered by the mainstream progress2work-LinkUP programme. This will ensure that, where a customer has stabilised in treatment, but not found employment, by the end of the pilot programme, they will have a seamless transition to the mainstream progress2work-LinkUP programme. This is one of the key reasons for contracting both the Welfare Reform Drug Recovery Pilot and progress2work-LinkUP with the same provider
- The nature of, and length of time engaged in programme activity will be dependent on the personal circumstances and needs of the individual, and would not be expected to exceed 30 hours. In particular, for those joining from ESA the provider will be expected to take the customer's health conditions into account when agreeing the level of activity that will be undertaken. Whilst on the programme those joining from JSA will not be required to sign-on or provide a Jobcentre Plus Personal Adviser with evidence of their recent job search activity.

- A proportion of customers will leave the programme before the 12 month point to take up employment. Those who remain for the full duration will be referred by their Jobcentre Plus Adviser, upon completion, to an appropriate benefit and provision (e.g. Pathways to Work, fND, new progress2work-LinkUP programme).
- Providers will be expected to prepare customers for this transition by ensuring that their chaotic drug use has been stabilised to the point where they will be able to engage and benefit from mainstream employment provision and where appropriate their basic skills will have demonstrably improved. As part of the transition providers will be expected to encourage customers to join the new progress2work-LinkUP programme after leaving the pilot programme to ensure that they have ongoing specialist support if appropriate.
- Providers will need to work closely with Jobcentre Plus and drug treatment providers to ensure the progress of each customer is known. In particular, bidders will be encouraged where possible to set up or participate in regular joint case conferences with a customer's drug treatment worker, and other relevant key workers (such as mental health or probation). Failure of a customer to comply with the programme or treatment must be reported back to Jobcentre Plus as this will result in the withdrawal of the Treatment Allowance and return to mainstream conditionality.
- Potential Bidders are invited to provide information on how they might use former drug treatment service users and peer support groups ('experts by experience') in the delivery of the additional support programme.

8.13 Distance Travelled

Given the complex and difficult nature of the client customer group being targeted in the Drug Pilot (problem drug users, many of whom will not be stable in treatment) it was recognised from an early stage that it would not be sensible or realistic to use job outcomes alone as a measure of the effectiveness of the Additional Support Programme in the pilot. It was therefore agreed that it would be desirable to measure a customer's progress in moving closer to the labour market against a number of softer behavioural outcomes using a 'distance travelled' approach. To this end, DWP has worked with Northumbria University and the NTA to develop a distance travelled model. Please refer to Annex I for more details.

8.14 Cut off dates / time on the provision

The maximum period a customer can stay on the Additional Support Programme and Treatment Allowance will be 12 months in most cases, or exceptionally 18 months, in total. The exceptional circumstances we envisage could include for example where a customer remains in treatment, and an extension would either enable them to finish a course of full-time education or training in which they had enrolled whilst on the provision, or where removal of the allowance would be likely to trigger a relapse. The decision to extend would have to involve a case conference with the treatment provider, the employment support provider and JCP at a minimum. This will only be an option for customers who started during the first six months of the pilot, as the Welfare Reform Drug Recovery Pilot will end at the end of year 2.

8.15 As the pilot will run for a fixed period of two years, and it will take a certain amount of time to complete each stage of the process, there are inevitably cut off dates for certain aspects, to ensure we can offer each participant starting on the support programme a minimum of 12 months. For example referrals to the assessment with a drug treatment provider, Additional Support Programme and Treatment Awareness Programme will stop in September 2011. This means, for example, that anyone who participated in the Treatment Awareness Programme in September would not then have the option of starting on the pilot Additional Support Programme as there would not be a full 12 months remaining. The last drug tests will take place in August 2011.

8.16 Travel and Childcare and Additional Support

In the same way as for the new progress2work-LinkUP provision, once customers are accepted onto the provision, the supplier will be responsible for ensuring they have the practical and financial support they need to move towards employment and to undertake the activities documented in their action plan. This includes providing for travel and childcare needs arising from the customer's attendance at their provision. As suppliers will be expected to cover these costs within their organisation, bidders must include these costs within the financial part of their proposal.

In some circumstances, suppliers may need to coordinate travel and childcare arrangements with Jobcentre Plus and / or other organisations from which customers are receiving support. DWP does not have estimates on how many customers might require childcare. Please refer to 7.8 above for further details around appropriate childcare provision.

8.17 Discretionary Fund

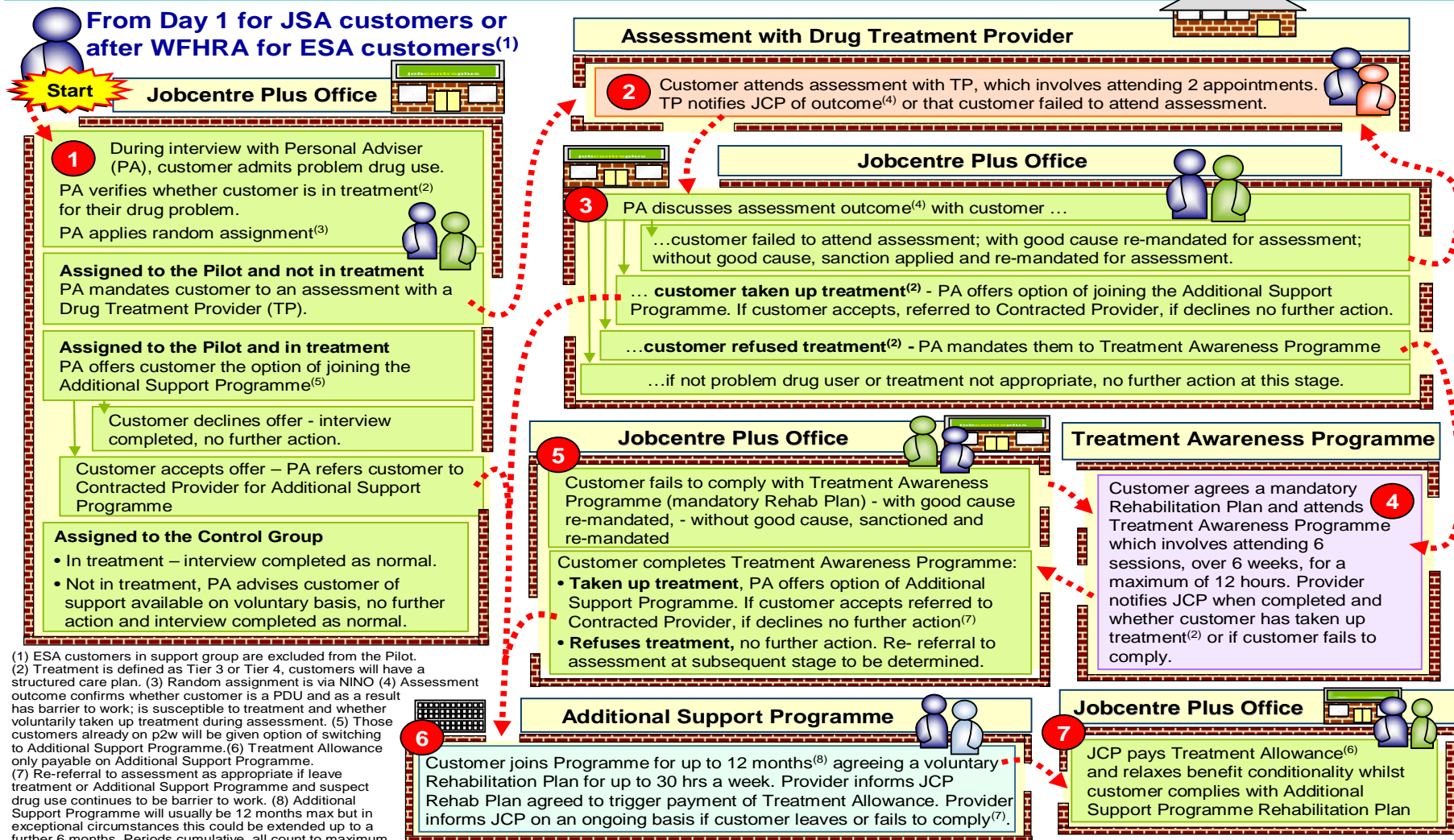
Funding has also been agreed to provide a discretionary fund for the Welfare Reform Drug Recovery Pilot. This will operate in the same way as the progress2work-LinkUP discretionary fund, detailed at paragraph 9.1, and will be administered via JCP. Please refer to paragraph 7.9 for further details.

Customer Journey- Welfare Reform Drug Recovery Pilot

Pilot – customer admits problem drug use

High Level Customer Journey

Version 2.0 (11-2-10)

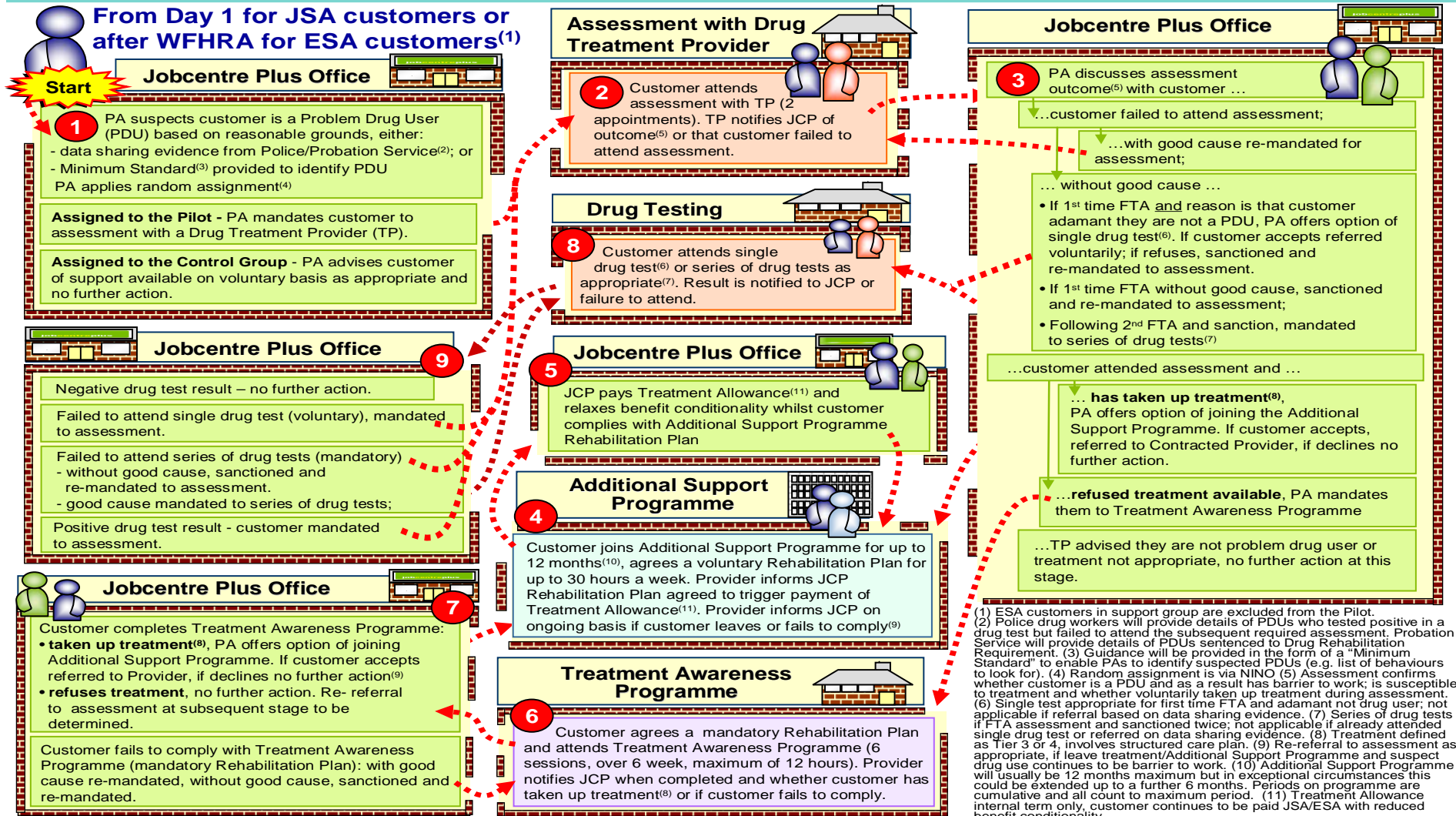


(1) ESA customers in support group are excluded from the Pilot.
 (2) Treatment is defined as Tier 3 or Tier 4, customers will have a structured care plan. (3) Random assignment is via NINO (4) Assessment outcome confirms whether customer is a PDU and as a result has barrier to work; is susceptible to treatment and whether voluntarily taken up treatment during assessment. (5) Those customers already on p2w will be given option of switching to Additional Support Programme. (6) Treatment Allowance only payable on Additional Support Programme. (7) Re-referral to assessment as appropriate if leave treatment or Additional Support Programme and suspect drug use continues to be barrier to work. (8) Additional Support Programme will usually be 12 months max but in exceptional circumstances this could be extended up to a further 6 months. Periods cumulative, all count to maximum.

Pilot – reasonable grounds for suspecting drug use

High Level Customer Journey

Version 2.0 (11-2-10)



Please note that as the random assignment process has not yet been finalised, the above customer journeys may be subject to change.

9. Strategic partnership working

- 9.1 Partnership working will be key to effective delivery of both the new progress2work-LinkUP provision and the pilot. Suppliers are expected to identify and work with a wide range of organisations to ensure an effective approach to shared local and national objectives. Suppliers must work with their local strategic partners to ensure that their proposals reflect the specific needs of customers in each contract package. In particular, potential bidders will be expected to attend relevant local drug partnership planning and commissioning groups.
- 9.2 Suppliers are expected to develop their contribution as significant local partners, gaining credibility and standing at a local level, and contributing to the development of local initiatives. Suppliers, through their local partnership arrangements, will increasingly enable DWP customers to access other relevant local services to which they are entitled, reducing hand-offs and streamlining referral routes.
- 9.3 Suppliers and Jobcentre Plus staff will have regular dialogue at appropriate levels to ensure that they jointly deliver effective services to customers. Suppliers will operate alongside Jobcentre Plus District Managers and Customer Service Directors as well as local partners to ensure that their provision integrates appropriately with other services delivered in local areas to the benefit of all customers.

10. Programme Funding

- 10.1 The indicative funding available to deliver the new progress2work-LinkUP programme has increased since the PQQ specification to reflect the increased volumes. The current funding envelope is £32 million per annum including approximately £5m p.a. ESF funding. The funding for the pilots also includes ESF funding. Please see Annex D for more details of the volumes and CPAs.
- 10.2 The European Social Fund (ESF) is one of the Structural Funds designed to strengthen economic and social cohesion in the European Union (EU). The ESF aims to: extend employment opportunities to unemployed, inactive and disadvantaged people; and develop a skilled and adaptable workforce. Both the pilots and the progress2work-LinkUP contracts in England will be partly funded with ESF funding. Please see Annex A for further details of ESF.

11. Funding Model/ Ratio

- 11.1 The following paragraphs provide information about the Funding Model, outcome definitions and performance targets. Bidders who were successful at Stage One (PQQ) are required, as part of this second stage (ItT) to complete a pricing proposal detailing their contract costs and performance offer. To assist with this, they will need to refer to the table of indicative customer volumes and indicative budgets, together with the performance expectations and targets detailed below. Contracts will be awarded and prime providers paid in accordance with the DWP Outcome Based Funding Model and Standard Definitions.
- 11.2 The funding model and ratio is the same for both the new progress2work-LinkUP programme and the pilot. The same ratio has been agreed because, although the pilot customers will be further away from the labour market initially, this programme will be a more intensive full-time programme than the new progress2work-LinkUP programme, resulting in accelerated progress towards job readiness. DWP expects that some customers who go onto the pilot programme will be job ready within the 12 months, while others may need longer and will be encouraged to move onto the new progress2work-LinkUP programme when they move back onto mainstream provision.
- 11.3 It is anticipated that new interventions in Jobcentre Plus, such as the introduction of Drugs Co-ordinators, which are intended to build awareness and to help support a cultural shift in attitudes to drug use and the benefit system will help contribute to an increase in outcomes in relation to the drugs customer group (in England).
- 11.4 The overall contract value will be split into a delivery payment and job outcome payments. Our aim is a delivery payment of 70% of the overall contract value with 30% of the overall contract value representing job outcomes; 20% for short job outcomes (a job that has lasted 13 weeks) and 10% for a sustained job lasting 26 weeks out of 30 weeks. This is consistent with the standard funding approach and PRaP requirements.
- 11.5 The delivery payment will be paid monthly in arrears in equal monthly instalments over the lifetime of the contract. These payments will equate to 70% of the agreed total contract value and will be based on the indicative number of customers expected on the programme whilst giving providers some degree of certainty in meeting their fixed costs. These payments will be automated through the new electronic Provider Referral and Payment system (PRaP see para 14). Tolerances will apply to the delivery payment- see paragraph 13 for more details.
- 11.6 Payment for the achievement of **Job outcomes** will be made on a unit price basis. The unit price for outcomes will be derived from the remaining 30% of the overall contract value and the performance offer within the bids. 20% of the bidder's contract value will be paid for a short job outcome and 10% of the bidder's contract value for a sustained job outcome. The total short job outcome value (20% of total contract price) will be divided by the total short job outcome performance offer to give a unit price per short job outcome and the total sustained job outcome value (10% of the total contract price) will be divided by the total sustained job outcome performance offer to give a unit price per sustained job outcome.

11.7 Bidders are advised that different outcome targets and outcome prices apply in relation to the co-commissioning element of the service requirement in the London CPA. Please see section 24 for further details.

11.8 Job outcomes will be defined by a simple definition. The standard DWP job outcome definitions will be used, and are described below.

11.9 Standard Funding Definitions

DWP's Standard Outcome Definitions provide a high level set of definitions for application across programmes. Of these, the definitions relevant to this provision are as follows.

Job Outcomes

Job Outcomes will be paid where the job meets the short or sustained job outcome definitions and starts during the allotted time with a provider or where a tracking period applies.

Short Job Outcome: Minimum 16 hours per week, continuous employment that has lasted 13 weeks.

Sustained Job Outcome: Minimum of 16 hours per week, in employment for at least 26 weeks out of 30 (breaks in employment totalling 4 weeks or less are acceptable).

11.10 Job Outcome Tracking Period

Providers may claim the short job outcome where the job starts within six weeks of the customer leaving the new progress2work-LinkUP programme or pilot and the job has lasted 13 weeks as defined above. **More details and definitions will be supplied in the Provider Guidance.**

11.11 fND/ Pathways providers will also be able to claim an outcome payment where a customer they refer onto the provision subsequently secures employment, if the fND/Pathways requirements for claiming job outcomes are met, and within the constraints of the applicable tracking period.

11.12 An additional outcome payment at 52 weeks will be payable in the London CPA in some cases. Please see paragraph 24.4 for further details.

12. Provider Performance Targets

12.1 The new progress2work-LinkUP programme and Welfare Reform Drug Recovery Pilot will have two key performance indicators:

- As a minimum, DWP expects 20% of customers starting on the provision to achieve a short job outcome (which we expect to be - a job which should be for a minimum of 16 hours per week and have lasted 13 weeks. For customers entering self employment, the customer must have traded independently for 13 weeks);
- As a minimum, DWP expects that 10% of customers starting on the provision will achieve a sustained job outcome (a job which must be at least 16 hours per week and last at least 26 weeks out of 30 weeks. Breaks in employment should not exceed four weeks. For self employment, once the customer has traded independently for 26 weeks out of a 30 week period the provider can claim the sustained employment outcome).
- Bidders are required to reflect at least these minimum performance targets in their pricing schedules (see the ItT Instructions for Bidders for further information). If bidders fail to meet these minimum requirements DWP reserves the right to deem their bids non compliant.

<p>12.2 See also paragraph 24 for details of the additional performance targets associated with the co-commissioning requirement in the London CPA.</p>

13. Delivery Fee Tolerances

13.1 The current economic climate creates some degree of uncertainty around the volume planning assumptions (expected inputs as opposed to outputs, ie customer starts) used in the contracting process. To address this, the Department has introduced tolerance bandings for this provision relating to the volume of starts given in the ITT. Tolerances will only be applied to the delivery payment.

13.2 The delivery payment will remain unchanged as long as the volume of starts remains within +/- 15% of the ITT volumes. If volumes should go above or below +/- 15% then bidders are asked to provide details of what their delivery payment would be if volumes were to increase or decrease to +/- 25% of the ITT volumes. Further details of the tolerance banding requirements are included in the ITT Instructions to Bidders.

13.3 Any levels of volumes referred to in the specifications are indicative only and shall not be binding on DWP. No guarantee can be given by DWP in respect of the number of customers starting on the programme during the terms of the contract.

14. Provider Referrals and Payments (PRaP) system

14.1 In October 2009, DWP introduced an electronic Provider Referrals and Payments system to replace the former clerical process for new Commercial Employment Provision. PRaP will deliver a quicker, more secure and accurate service for customers and providers.

14.2 DWP will need assurance that providers are compliant with the DWP Minimum Security Standards before they will be given access to PRaP. The standards will be included in the contract Terms and Conditions, and should be made available to providers' planning and IT departments (see also Annex G).

14.3 Providers will also be asked to submit a Security Plan during the tendering process. Providers are responsible for meeting any costs associated with the security plan and accreditation process.

14.4 Suppliers will use a standard web browser (Internet Explorer) to access PRaP following user authentication via the Government Gateway. The Supplier must complete the registration process required by the Government Gateway before seeking access to the PRaP System including the creation of passwords both for the Government Gateway and PRaP, and may only use the access provided by these passwords to gain access to the PRaP System website. Suppliers will be able to download referral information such as contact details and other relevant customer data in either .pdf or .csv file formats.

14.5 Suppliers will be required to record certain actions within PRaP e.g. start dates, leaver dates and outcomes. PRaP will automate all payments of monthly service fees and payable outcomes as appropriate.

14.6 Suppliers will also be required to provide management information using the Provider Referrals and Payments System.

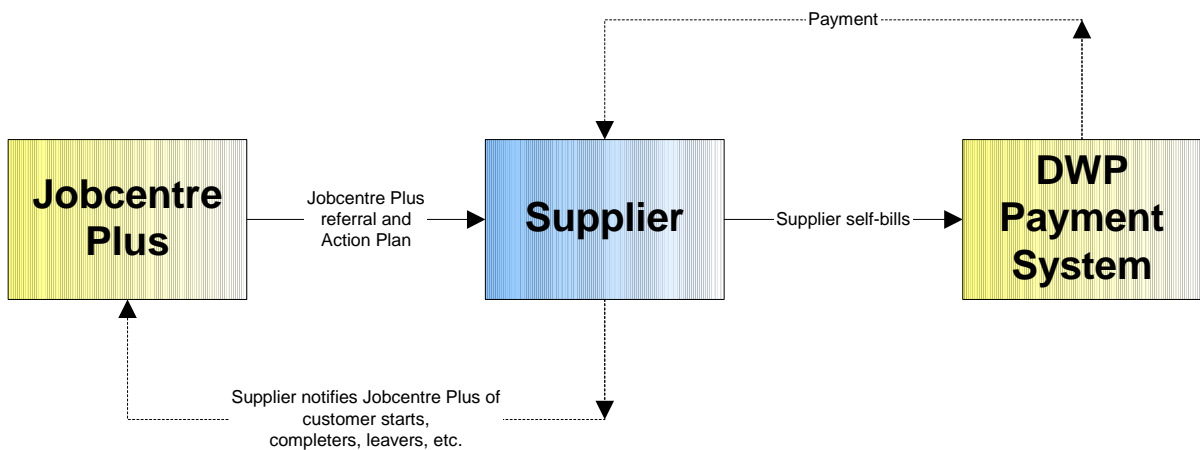
14.7 Direct access to PRaP will be limited to Prime Providers and, as they will have access to some personal customer data they will need to comply with the Departmental Security policies and the Data Protection Act for onward transfer of this data through their own systems.

14.8 The Supplier shall supply the DWP with the names, job titles and a description of the responsibilities of each member of its staff who will require access to PRaP. The Supplier is responsible and accountable for all use of its passwords and must take sensible measures to protect them.

14.9 Access to the PRaP System website by anyone other than the Supplier or its authorised staff is prohibited. The Supplier will not, and will ensure that its staff will not, allow any other member of its staff or any third party who has not been granted access to the PRaP System by DWP to gain access to it.

14.10 Figure 1. Electronic Referrals and Payments System

This diagram summarises the processes supported by the electronic PRaP system process, showing automated links between Jobcentre Plus, DWP and the supplier.



15. Payments to Suppliers

- 15.1 Suppliers can only claim a job outcome for customers once a start has been registered with DWP. It is anticipated that job outcomes will be claimed by the supplier promptly within three months. Payment of all eligible amounts will be released daily after a start on provision has been recorded.
- 15.2 Suppliers will not be limited/ restricted to the achievement of their performance offer and therefore capping will not be applied to these contracts at contract inception, but DWP reserves the right to implement such in future.
- 15.3 It will be the responsibility of suppliers to report achievement of job outcomes/ sustained job outcomes to DWP and therefore initiate the claim for payment. Before doing so, suppliers will need to satisfy themselves that their outcomes meet the standard definitions and that they have the appropriate evidence to support their claim. Suppliers will need to assure themselves that a customer has been in work for the relevant period, and therefore must obtain/maintain adequate assurance/evidence to support any claim should a review of the claim be undertaken by DWP.
- 15.4 Suppliers will be expected to maintain sound systems of internal control which must include appropriate checks, monitoring and evidence to ensure that they only submit claims for payments to which they are entitled.
- 15.5 Suppliers will need to confirm explicitly that they believe that a customer has entered employment and that they are content a payment is due. This will be in the form of a statement when the supplier completes the electronic claims process. Suppliers will need to ensure they have obtained the necessary evidence to support all job outcomes and that they are content that a payment is due.
- 15.6 PRaP will validate claims for payment using off benefit checks prior to payment. In the event of any claims failing the off benefit check, suppliers will be required to supply additional evidence to DWP prior to payment of the outcome claim.
- 15.7 Suppliers will need to become familiar with and understand the standard definition for a Short Job Outcome and a Sustained Job Outcome, which are detailed above. All claims for Job Outcomes will be validated against these standard definitions.
- 15.8 All claims for payment will be administered through the PRaP system.

16. Data Protection/Security

- 16.1 Prime Providers and their sub-contractors will need to have access to certain personal customer and DWP data in order to deliver the new provision. For this reason, and in order to be able to access PRaP, they will be required to comply with the Departmental Security Standards and the Data Protection Act regarding data storage, data movement, data access and data usage etc.
- 16.2 Prime Providers must put into effect and maintain appropriate technical, organisational and personnel measures to ensure the prevention of unauthorised or unlawful processing of personal data and accidental loss or destruction of, or damage to, personal data.
- 16.3 The Provider shall take reasonable steps to ensure the reliability of any staff that have access to PRaP data and shall ensure that all staff required to access the data are informed of the confidential nature of the data. Data must not be transferred outside the UK without the express written permission of DWP, which must be applied for in writing. DWP will not permit the storage of personal data outside the UK.
- 16.4 Assurance of Prime Supplier and sub-contractor security compliance will be via supplier completion of a draft security plan as part of their tender. The security plan will need to set out the security measures to be implemented and maintained by the Prime Supplier in relation to all aspects of the services and all processes associated with the delivery of services and shall at all times comply with the Department's security policies and standards. A draft security plan will be required at Invitation to Tender stage. The final version of the plan is required within 20 days of contract signing.
- 16.5 The security plan is embedded into the document entitled 'Security Plan Completion Guidance for Providers' included in the ItT pack. Further reference to the completion and submission of the security plan can be found in the Instructions for Bidders document. Further information on Data Protection and Freedom of Information can be found in the draft Terms and Conditions of the contract which is also included in this ItT pack. Please note, bidders are expected to meet any costs this may involve.
- 16.6 At this stage DWP require suppliers' draft security plans to be completed as far as they are able without incurring unnecessary expense. If suppliers reach preferred bidder stage they will be required to provide information in full for each contract package area where they are preferred bidder. This will allow security experts to begin assessment before contracts are signed.
- 16.7 On-going annual assurance will also be required throughout the life of the contract. Further information on Data Protection and Freedom of Information will be available in the ItT and Provider Guidance and in the draft terms and conditions of the contract which will be included in the ItT pack.

17. Management/ Performance Information

17.1 Collection of MI

DWP will collect MI to support the following activities:

- monitoring of contractual obligations around delivery of mandatory activity;
- provide support in the delivery of key business process;
- ongoing financial evaluation of the contract and suppliers; and
- evaluating the success of the programme.

Regular MI required from suppliers by DWP will be included in more detail in the DWP Provider Guidance, including the arrangements for collection of data and the timetables for returns.

This will include collection of MI via PRaP, and other methods. We expect that more details will be made available during the formal Q&A process.

Where DWP requires additional information, suppliers must complete and return this within the agreed time limits. DWP will work with suppliers in developing the management information process.

17.2. Data collection process

We will aim to make the process as straightforward as possible by:

- utilising the data providers already record on their own systems as part of their day to day business;
- requesting the minimum amount of information possible; and
- developing a simple but secure data transfer system.

The information will need to be individual level data with suitable identifiers to allow DWP to merge records with its administrative data and for ESF purposes.

The frequency of data returns will be determined later when evaluation time tables have been finalised. Suppliers must purchase DWP approved software for encrypting data before sending ("PGP"- with an estimated cost of £50-80).

It is likely that the existing Webtool will be replaced by a new web based data transfer system. Further details will be made available to providers as soon as they are available.

18. Quality, Performance and Contract Management

This section outlines elements of the contracted employment provision that relate to quality, performance and contract management. Key policy areas covered are:

- The Provider Capabilities Framework;
- Quality and Internal Improvement and Inspection;
- Contract Management;
- Momenta accreditation
- Customer feedback and complaints handling
- (CEP) Provider Assurance Team; and
- Star Rating.

18.1 Provider Capabilities Framework;

The DWP Commissioning Strategy introduces the Provider Capabilities Framework. The framework spells out the specific capabilities and requirements that make up a high-performing supply chain and an effective Prime Contractor. DWP will contract, inspect, manage and intervene on the basis of these capabilities and requirements. See Annex K.

18.2 Quality and External Inspection

18.2.1 DWP is committed to raising the standards of its contracted employment provision making continuous improvement an integral part of its contract management arrangements. Providers are required to apply the principles set out in the DWP Quality Framework which promotes providers commitment to quality improvement through continuous self assessment and development planning. See DWP Quality Framework attached at Annex L or follow [this link](#).

18.2.2 Suppliers will be required to evaluate their provision and submit an annual Self-assessment Report (SAR). The report should be supported by an action plan that shows how the supplier will address areas for improvement and build on strengths. The SAR will feed into the Contract Management Review process.

18.2.3 The provider will be responsible for ensuring that customers have access to suitable, high quality support and guidance in a way that provides a good service and an excellent customer experience. The prime provider will be responsible for all sub-contractors in this matter. For the new provision to offer the most effective support possible to customers a number of key features need to be integral to its delivery. Providers must:

- focus strongly on performance;
- deliver quality support;
- provide minimum standards of support for all;
- build strong links with local employers and key partner organisations; and
- support the DWP Diversity and Equality policy.

18.2.4 External Inspection

Providers of DWP contracted employment provision are subject to external inspection by Ofsted in England, Estyn in Wales and HMIE in Scotland. This is to provide independent assurance to the taxpayer, through the Secretary of State for Work and Pensions, that publicly funded provision is delivering a quality service.

The DWP Provider Guidance chapter 16 and 17 gives current information on self-assessment and external inspection. This will be updated to reflect the changes to Ofsted and Estyn's Common Inspection Framework and the introduction of inspection in Scotland from January 2010. The DWP Provider Guidance is available at the following links:

<http://www.dwp.gov.uk/docs/pg-chapter-16.pdf>

<http://www.dwp.gov.uk/docs/pg-chapter-17.pdf>

18.3 Contract Management

- 18.3.1 Contracts will be managed in line with DWP Contract Management arrangements using the Contract Management Framework (CMF) which sets out a standard process for managing CEP provider performance based on an assessment of risk against a range of factors including contract value, performance and an assessment of quality.
- 18.3.2 The contract management process incorporates monthly analysis of management information, performance management, quality assessment and customer satisfaction feedback. The provider will need to appoint a named Supplier Manager who will work with the DWP Contract Manager to ensure that the provision is delivered in accordance with the requirements of the contract, that the quality of service is high and that required standards and performance levels are met.
- 18.3.3 Contracts will be managed by the Local Programme Management (LPMs- though soon to be known as account managers) Teams or Supplier Relationship Management Teams (SRM), depending on the size, nature, and the numbers of contracts held by the provider. Smaller suppliers may be managed by the Local Procurement Management teams (LPM) who are based throughout the country. Supplier Relationship Management (SRM) Teams, who are based in Sheffield, Edinburgh and London, have responsibility for the development and maintenance of working relationships with our major suppliers.
- 18.3.4 See also Annex A which provides more information on ESF contract management and audit arrangements.
- 18.3.5 The LPM/SRM team will regularly monitor the provider's performance and will conduct regular provider performance reviews. Risk assessment will inform the frequency of these reviews – ranging from 1 (low-risk) to 4 (high-risk) per year. There will also be informal meetings and reviews, as required, to address specific

issues. Providers will also be required to attend provider engagement meetings with Jobcentre Plus (and both JCP and drug partnership commissioners in respect of performance relating to the support of people with drug misuse barriers) to discuss local issues related to performance. These meetings will be important to develop good local working relationships with Jobcentre Plus and provide an opportunity to address local operational delivery issues.

18.3.6 Regular management information required from suppliers by DWP will be included in more detail in the Provider Guidance, including the arrangements for collection of data and the timetables for returns. The supplier will be expected to provide any additional management information as required by DWP to support management of performance.

18.4.7 Providers will need to take responsibility for managing issues and addressing poor performance with their sub-contractors. Providers will also be responsible for ensuring that sub-contractors meet all performance, security, quality, equality and legislative standards.

18.3.8 DWP is moving away from a basic contract compliance model and into an approach where we will be able to share future thinking and insights from other delivery/ management experience, jointly identifying opportunities for efficiency gains or better outcomes. DWP will be looking to suppliers to signal changes they are experiencing in customer characteristics so that it can factor those changes into policy development.

18.3.9 Sub-Contractors

The responsibility for managing and monitoring the performance and quality of sub-contractors will rest entirely with the prime contractor who will be required to ensure that the terms of the contract with DWP are fully reflected in the terms of contracts with all sub-contractors; they adhere to the Code of Conduct; they have appropriate Safeguarding policies in place and they shall be bound by the same obligations as will apply to the prime. This means that primes will need to ensure that sub-contractors understand the objectives of the provision, and their part in the delivery of this, so that there is no compromise in the levels of quality and performance.

Specifically primes will need to:

- contract manage and support sub-contractors closely;
- ensure that they have in place appropriate administrative systems;
- have appropriate arrangements in place to check health and safety requirements (included in the HSQ1) of sub-contractors;
- make sure sub-contractors are aware and have a copy of DWP guidance; and
- ensure that DWP have right of access to sub-contractors.

- In particular, prime contractors will be responsible for ensuring that sub-contractors meet performance, quality, DDA, Disability Equality Duty, Human Rights Act, Health and Safety regulations and Data Protection Act standards and will need to take responsibility for managing issues and addressing poor performance within sub-contractors.
- The DWP will reserve the right to exercise its discretion to veto the use of any proposed sub-contractor(s) before, during and after the award of any contract.

18.4 Momenta accreditation

It is a condition of contracting with DWP that suppliers are accredited. Accreditation is carried out by Momenta on behalf of DWP. Prior accreditation is not a condition of bidding for contracts, rather preferred bidders will be required to undergo this process prior to contract award. Once suppliers have been accredited, the details will be held on a Provider Register and they will not be required to submit the information again in order to tender for further contracts during the subsequent twelve months. However, they will be required to ensure that the information is updated on an annual basis. Details of what is required from bidders to obtain accreditation can be found on the Supplying DWP web pages at the link below: <https://www.momenta-accreditation.co.uk/jcp/about.php>

18.5 Customer feedback and complaints handling

Suppliers should put in place a range of mechanisms for encouraging feedback from customers. Customer feedback will be an integral part of every supplier's performance monitoring system. Suppliers must ensure systems are in place to allow customers to resolve any grievances, concerns or complaints promptly and with the minimum level of bureaucracy, without causing them embarrassment. This includes complaints in relation to discrimination. Suppliers must always try to resolve problems internally. In some circumstances, however, it may be necessary to contact DWP/Jobcentre Plus for additional advice. Similarly, suppliers should direct the customer to contact DWP/Jobcentre Plus when their complaint relates to issues concerning benefit (e.g. sanctions). Suppliers must record any discussions and their outcomes, allowing the customer to see and sign the record. Customers will be told the outcome of issues raised by them through complaints procedures.

18.6 Contracted Employment Programme (CEP) Provider Assurance Function

18.6.1 The primary purpose of the (CEP) Provider Assurance function is to provide the DWP Employment Group (EG) Delivery Director with an assurance that:

- payments made to DWP Contracted Employment Programme Providers are in accordance with DWP and Treasury requirements;
- public funds and DWP data are protected;
- value for money has been obtained.

18.6.2 This is achieved through the operation of a national standard risk based approach to Provider Assurance work. The Provider Assurance function will operate at a national level enabling them to present CEP providers operating across regions with a single view of the effectiveness of their systems – each provider will have a nominated Senior Provider Assurance Manager and therefore a single point of contact within DWP for management of assurance related issues/concerns.

18.6.3 The work of the Provider Assurance team is delivered primarily by visiting providers to review the systems of internal control in place to manage the risks to DWP in relation to CEP expenditure. This will include the arrangements they have in place for their sub-contractors.

18.6.4 At the conclusion of their visit the Provider Assurance Team will discuss their findings with the provider and subsequently produce a report which will include an assurance rating for the overall system and an action plan detailing areas where control could be improved if necessary. Provider Assurance will feedback to contract managers, Supplier Relationship Managers and other key stakeholders any relevant issues.

Provider requirements

18.6.5 The supplier will arrange, where necessary, access to any of their delivery locations, including those operated by sub-contractors. More details will be included in the DWP Provider Guidance.

It will be the responsibility of Provider Assurance Teams to monitor suppliers to ensure compliance with these requirements.

18.7 Merlin Standard

During the procurement phase, DWP will be working with suppliers to develop the Merlin Standard. The new Standard will provide a means of assessing the success of supply chain behaviours equally through procurement rounds and once contracts are implemented. The Merlin Standard will underpin the contractual requirements of the Code of Conduct already part of the Prime Contract. Additionally it will link to a mediation and arbitration service where there is evidence that suppliers are acting in breach of the contractual obligations of the Code of Conduct. The contractual consequences of the Merlin Standard will be developed and communicated as part of the two year pilot activity. As this pilot period aligns with the procurement and implementation phases of Flexible New Deal Phase Two, suppliers are asked to bid on the basis that the Merlin Standard will apply to the Flexible New Deal Phase Two contract, either at the outset or during the contract period. Further information will be made available to bidders and compliance with the Standard will formally become part of preferred bidder discussions.

18.8 The Star Rating System

Star Rating is an assessment of a supplier's performance in terms of outcomes and quality. DWP applies Star Rating to all new contracted employment provision and details of how the process will be applied to progress2work-LinkUP is available at Annex K.

19. Evaluation

Independent evaluation will be an important element of the pilot and the new progress2work-LinkUP programme. Suppliers must participate fully in the evaluation.

19.1 Progress2work-LinkUP Evaluation Strategy

The evaluation of the new progress2work-LinkUP programme will be contracted out to independent research organisations with appropriate expertise within this field. Details of the evaluation have yet to be finalised, however, the overall strategy is to include consideration of the extent to which the programme meets its objectives and critical success factors.

The initial study will provide a baseline study of the *current* progress2work and p2wLinkUP programmes establishing the critical success factors, best practice, awareness of the programme and appropriateness of referrals.

The main purpose of the study is to evaluate the programme over the duration of the contracts and will look to build upon the baseline to review the success factors and best practice identified and use this to improve the performance of the programme and raise customer awareness of the support available.

The evaluation will also look to examine the extent to which providers build strong links with local employers and key partner organisations over the course of the contract; and support the Department's Diversity and Equality policy.

The evaluation is expected to last for the duration of the contract. Once a baseline has been established the evaluation will look at key indicators over the remaining years to revisit key areas of the evaluation to highlight improved performance. The evaluation will include interviews with all stakeholders including, providers, Jobcentre Plus, employers, other Government Departments, service user groups, the probation service, the NTA and customers. The research will consist of interviews with each group and are expected to take approximately one hour. Suppliers will be contacted in advance of the fieldwork and given detailed information on how the evaluation will impact on their time.

19.2 Evaluation of the Welfare Reform Drug Recovery Pilot

19.2.1 The details of the evaluation are still under review, however the following provides a high level description and highlights what DWP will require of providers. The detail given here is therefore, for information only but does reflect the discussions already conducted around the project. The full evaluation will consist of the following elements:

- Impact assessment
- Process evaluation
- Cost benefit analysis

19.2.2 The impact assessment will be conducted by random assignment of customers at the Jobcentre Plus office. The assignment will determine whether the customer is assigned to the intervention or control group. The random assignment analysis will be conducted using administrative data which may be supported by a survey of participants.

19.2.3 The process study will look at how the pilot is working from the viewpoint of all relevant stakeholders. The process study is based on a qualitative analysis i.e. interviews with the main stakeholders which will include customers, Jobcentre Plus staff, DWP contract managers, and provider staff. The cost benefit analysis will determine the cost effectiveness of the pilot and will require cost data from providers to help complete this process.

Data requirements

19.2.4 The evaluation of the pilot will be conducted using a mixture of DWP/Jobcentre Plus administrative data, survey data, administrative data and data from interviews of staff from organisations external to DWP. At the present time we cannot specify in detail what data will be required however, we would look to providers' cooperation in the evaluation by making staff available for interviews (typically interviews would last approximately an hour and would involve staff at all levels of the organisation, for example advisers and managers), providing administrative data for customers from existing sources and help in providing cost information. DWP will, wherever possible, look to keep the burden for data collection and provision to a minimum.

19.2.5 While it is expected that we will use existing systems to collect data, providers may be asked to capture additional information for the purposes of the evaluation. More detail will be given as it becomes available, and in provider guidance.

Legislation and Principal Regulations

Suppliers must take steps during the lifetime of the contract to ensure that they remain compliant with current and future changes in the law. Suppliers must support the Secretary of State in meeting their obligations under, for example:

- Jobseeker's Allowance Act and Regulations;
- Data Protection and Freedom of Information; and
- Disability Discrimination Act¹ (DDA).

20. Equal Opportunities

20.1 Customers must be provided with an environment free from discrimination or harassment, which protects their dignity.

20.2 Suppliers must ensure that provision makes a positive contribution to achieving the Government's equal opportunities objectives. They must work with DWP and Jobcentre Plus to achieve outcomes set out in equal opportunities action plans, which will be developed by Jobcentre Plus locally. These action plans should identify specific activities to improve equality of access and outcome for customers on Jobcentre Plus provision.

20.3 Providers must be aware of and deliver provision that takes account of equal opportunities issues in their local area and more generally, for example providing full access and support for disabled people, avoiding age and gender stereotyping, encouraging and facilitating access by customers from minority groups and tailoring provision to meet the needs of all customers.

20.4 Providers are responsible for ensuring they comply with all Equal Opportunities legislation. The more recent legislation includes the Equality Act 2006, the Disability Discrimination Act 2005, Race Relations (Amendment) Act 2000, the Employment & Equality (Age) Regulations 2006, Employment & Equality (Religion & Belief) Regulations 2006 and the Employment & Equality (Sexual Orientation) Regulations 2006. For practical information on how the DDA operates and information on the Disability Equality Duty (DED) see <http://www.dotheduty.org/>.

20.5 Suppliers must provide, on request, materials in alternative formats to meet the needs of customers with a wide range of disabilities and health conditions in line with the DDA. This must include, but is not limited to, the provision of large font material, Braille or audio format for visually impaired customers. Suppliers must also ensure that customers have full access to their services by ensuring support is provided where appropriate, such as sign language interpreter or practical support.

Welsh Language

20.6 The Welsh Language Act 1993 established the principle that the Welsh and English languages should be treated on a basis of equality in the conduct of public business and the administration of justice in Wales. DWP operates a Welsh language scheme which helps the public in Wales to use Welsh as part of their day to day lives. It is DWP's normal practice to ensure that all the services it provides for the public in Wales are available in Welsh and that all customers are aware of this fact. The principle also applies to all services delivered on our behalf by our agents and contractors. Suppliers must, therefore, ensure that they are able to satisfy this requirement when tendering to deliver services to DWP's customers in Wales.

Provision for speakers of other languages

20.7 Customers of any nationality may require an interpreter. Under the Race Relations Amendment Act (2000)¹ and the DDA, the supplier will be responsible for making appropriate provision to communicate with customers who do not speak English or Welsh, or who are deaf, hard-of-hearing or have a speech impediment. Where the supplier is operating in an area with a high minority ethnic population, materials in the appropriate ethnic minority language should be made available on request.

Equality, Diversity and Equal Opportunities accreditation

20.8 In addition to meeting the above legislation, the provider should promote equality in a proactive way by integrating gender equality and equal opportunities into the planning, implementation, monitoring and evaluation of the provision. Suppliers will be required to promote equal opportunities and ensure that provision identifies and meets the specific requirements of customers so that they can participate fully in provision. As part of the Momenta accreditation process, suppliers will be asked whether any findings of unlawful discrimination in relation to non-employment matters have been made against them in the last three years, or if any of their contracts have been terminated on the grounds of failure to comply with legislation prohibiting discrimination or contract conditions relating to equal opportunities. Suppliers will be asked to confirm that they have a complaints procedure in place and that complaints are addressed and monitored in relation to discrimination, and suppliers must also have an Equal Opportunities Policy for staff and customers, which should consider issues such as recruitment processes; meeting the needs of the varying customer groups; access to premises; and publicising the project to ensure equal treatment.

21. Health and Safety

21.1 Suppliers must:

- Ensure that the health and safety arrangements set out within the contracting process are monitored and reviewed as appropriate, both at the suppliers' and at any sub-contractors' premises.
- Provide Jobcentre Plus with timely and accurate reports of any relevant accidents occurring to Jobcentre Plus customers. Further details are supplied in Jobcentre Plus Provider Guidance which can be viewed on the DWP website at; <http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/provider-guidance>.
- The above requirements are in addition to Health and Safety legislation e.g. RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 1995) and the providers' own accident and investigation arrangements.
- Ensure that all elements of provision are delivered in a safe environment and customers receive health and safety induction, supervision, training and equipment, including safety equipment, which is appropriate to the provision being delivered (these are statutory requirements for all employees and customers).
- Ensure appropriate precautionary measures are taken when customers could come into contact with vulnerable groups such as children or the elderly.

Staff Vetting Procedure

Successful bidders will be obligated to comply with DWP staff vetting procedures, in those cases where staff are dealing directly with customers or are to be given access to DWP assets (defined as premises, systems, information or data). Full details of the actions required to comply with the above procedures, can be found in the guidance document 'HMG Baseline Personnel Security Standard – A Guide for DWP Contractors'. Please note, bidders are expected to meet any costs this may involve. A PDF version of this document can be viewed at:

<http://www.dwp.gov.uk/docs/aguidefordwpcontractors.pdf>

Consideration should also be given to the Safeguarding Vulnerable Adults Act vetting procedures viewable at:

http://www.isa.gov.org.uk/PDF/283896_ISA_A4_FactSheetNo1.pdf

22. Transfer of Undertakings Protection of Employment Regulations (TUPE)

- 22.1 As a consequence of merging and re-contracting progress2work and p2wLinkUP TUPE Regulations may apply to the services both at the time of award and in the event of any subsequent re-tendering. The application of TUPE would result in employees from the existing suppliers, and liabilities relating to them, transferring to the successful tenderer.
- 22.2 DWP will be neither the transferor nor the transferee of staff in the circumstances of any contract award as a result of this competition.
- 22.3 Individual Suppliers will need to take their own legal advice regarding TUPE and what effect this may have on a tender. DWP will expect all tenderers to comply with their obligations under TUPE, and where TUPE does apply DWP will expect successful tenderers to work co-operatively with other suppliers to ensure a smooth transition of staff from one supplier to another. Please see Annex F for more information about TUPE and [this link](#).

23. Localisation/ Co-commissioning

23.1 This section provides information about consultation and co-commissioning on the new progress2work-LinkUP programme with Sub-Regional Partnerships (SRPs), which are:

- City Strategy Partnerships;
- Multi-Area Agreement areas; and
- City Region Pilot areas announced in the Budget 2009.

Separate discussions have taken place in areas who do not have SRP arrangements, but the principle of working in partnership with local stakeholders to ensure that DWP programmes provide the support required to individuals wherever they live is consistent in all areas.

23.2 This information builds on Annex K of the PQQ Provision Specification and Supporting Information, providing detail about how the three levels of localisation have been considered in the procurement of contracts for the new progress2work-LinkUP programme.

23.3 Level 1 (consultation)

This has allowed SRPs the opportunity to ensure their strategic priorities are reflected in the specification.

- Level 1 gives SRPs a role in commenting on proposals from bidders in terms of their fit with the employment and skills landscapes in the contract package area.
- DWP will invite representatives of SRPs to review responses to the ItT and provide feedback which the DWP evaluation team will take into consideration when evaluating tenders.
- At Level 1, SRPs are also given a role in performance management. They will be provided with monthly performance information for the new progress2work-LinkUP programme contract(s) in their area. They may be invited to Provider Engagement Meetings so that they can see at first hand how the contract is performing and can work with suppliers to shape provision to meet local needs.

23.4 Level 2 (co-commissioning)

- In the London contract package area the SRP is investing funding in the new progress2work-LinkUP contract for a specific additional element of provision. Detail of this shared commissioning is below at paragraph 24.
- In the Forth Valley, Fife and Tayside Edinburgh Lothians and Borders contract package area the SRP will potentially invest funding in the new progress-2workLinkUP contract. Detail of this potential shared commissioning is at paragraph 25.
- Further Level 2 (co-commissioning) may be introduced in any area during the life of any new progress2work-LinkUP programme contract. An SRP may approach DWP with a proposal to invest funding to deliver a specific additional element of provision in the contract. Such proposals will be subject to negotiation and agreement with the supplier at the time.
- Level 2 (co-commissioning) gives the SRP closer involvement in performance management of the specific element of the contract that they are funding. This may mean that the SRP joins discussions with the DWP Contract Manager(s) and the Supplier(s) if there are issues of under performance.

23.5 Sub-Regional Partnerships

The City Strategy Partnerships are:

- Birmingham, Coventry and the Black Country
- Blackburn with Darwen
- Dundee
- East London
- Edinburgh
- Glasgow
- Heads of the Valley
- Leicester
- Liverpool
- Greater Manchester
- Nottingham
- Rhyl
- South Yorkshire
- Tyne and Wear
- West London

Multi-Area Agreements bring together local public and private sector partners to coordinate action across a wide range of policy interventions. Currently, Multi Area Agreements have been signed or are being developed in:

- Bournemouth, Dorset & Poole
 - Greater Manchester
 - Leeds City Region
 - Partnership for Urban South Hampshire
 - South Yorkshire
 - Tees Valley
 - Tyne and Wear
 - Leicester and Leicestershire
 - Liverpool
 - Pennine Lancashire
 - Fylde Coast
 - North Kent
 - Birmingham
 - Olympics (5 Host Boroughs)
- West of England

The April 2009 Budget announced two **City Region** pilot – in Greater Manchester and Leeds.

23.6 DWP takes very seriously its responsibility to ensure competition is maintained, value for money is achieved and all bidders are treated equally and in a non-discriminatory way during the tendering and contract award procedures. DWP has therefore agreed with SRPs a system of management processes, barriers, disciplines and confidentiality undertakings to ensure there is no conflict of interest in the procurement process and to prevent any disclosure to any employee involved in submitting a tender for this procurement of any confidential information from other bidders. Full details of the processes and procedures which have been put in place are available upon request.

23.7 **By confirming your intention to respond to this ItT you acknowledge the involvement of the SRPs in this procurement and confirm your acceptance of the adequacy of the measures put in place by DWP.**

24. LONDON CPA – Co-Commissioning Additional Requirement

This section describes an additional service requirement for the London contract package area. This additional requirement will enhance the programme for all homeless customers and must be delivered, in addition to the requirements of the new progress2work-LinkUP programme, by the supplier who is successful in this contract package area.

24.1 Background London Context

The focus of this additional requirement is homeless customers, including rough sleepers and those at risk of becoming rough sleepers (the definition of homeless customers can be found in para 7.6.3 of this Provision Specification).

Employment is key to sustaining life off the street and to providing opportunities for those in hostels to move into independent accommodation. Rough sleeping is the most extreme form of homelessness. The Mayor of London has committed to end rough sleeping in London by 2012. See this link for further details:
<http://www.london.gov.uk/mayor/housing/delivery-board/index.jsp>

The commitment, contained within his London Housing Strategy, takes forward in the capital the vision of the government's national rough sleeping strategy to bring rough sleeping to an end once and for all.

To deliver this commitment the Mayor has established the London Delivery Board – a strategic partnership to identify a lasting solution to rough sleeping.

Skills and employment opportunities are among the key work streams this Board is pursuing in recognition of the essential role these services play in sustaining life away from the streets for former rough sleepers. The importance of this role is recognised by the government's strategy which commits Communities and Local Government, Jobcentre Plus and the Department for Business Innovation and Skills to work together to ensure that people moving away from the streets get the targeted and sustained help that they need to get the right skills to find and keep a job. See this link for more details:

<http://www.communities.gov.uk/publications/housing/roughsleepingstrategy>

In April 2008 the London Development Agency (LDA) began a review of its labour market investment to demonstrate greater efficiency and effectiveness in its labour market interventions. In addition in the summer of 2008, the Mayor of London and the London Skills and Employment Board published its first employment and skills strategy which called for all of the delivery agencies in London to deliver 'sustained employment and progression' outcomes for Londoners.

As a result of these developments and internal analysis the LDA and its Board agreed to measure the sustainability of employment outcomes over 12 months.

24.2 Overview Of Requirement- London CPA Only

The LDA wish to co-commission the new progress2work-LinkUP programme in London. This additional investment will enhance the programme for homeless customers, the objective being to move a greater proportion of customers into sustained employment, including long term sustained employment. The LDA will initially invest up to £900,000 for the first two years of the contract.

If further funding is identified, the LDA may, in its sole discretion, consider further investment to extend the period of delivery of this additional requirement up to the full length of the Contract. The LDA are initially looking to secure an additional £900,000 through European Social Funding to double this investment for the first two years.

For the avoidance of doubt, no guarantee is given by DWP in respect of any additional investment (or the amount of any such additional investment) during the term of the Contract.

Throughout the remainder of this section the term 'enhanced programme' will be used to describe this additional requirement.

24.3 Service Requirement – London CPA Only

It is anticipated that around 15% of the customers who join the new progress2work-LinkUP programme will be homeless; for the indicative volume for this contract package (see Annex D) it is therefore anticipated that in the first two years around 870 of the customers starting on the programme will be homeless.

It is these customers who the LDA want the provider to support into long term sustained employment.

Customers who are homeless (including those with multiple barriers) will be tracked as a separate cohort by DWP within the progress2work-LinkUP programme. This will enable separate data to be captured to evaluate the success of this additional investment by the LDA.

All the customers who join the new progress2work-LinkUP programme will be offered the employment support described in Section 7 of this Provision Specification and this will be funded by DWP.

For the first two years the LDA investment will additionally provide the following for homeless customers:

- outreach engagement and recruitment,
- assessment and evaluation of distance travelled, and
- up to 12 months post employment support.

Post employment support for customers starting in the first two years may extend into the third and fourth years of the contract as necessary (see para 7.7 of this Provision Specification for duration on programme).

24.3.1 Outreach Engagement and Recruitment of Customers- LONDON CPA Only

Providers will need to build strong partnerships with a range of organisations to ensure that homeless customers are referred to the programme, including rough sleepers and those people who are at risk of becoming rough sleepers. Providers should consider how they will recruit rough sleepers who are not engaging with homeless organisations, for instance through street based outreach work. Additionally, providers should consider how they will recruit homeless customers who are not in receipt of active benefits i.e. JSA and ESA.

Rough sleepers are likely to be registered on the database of the Combined Homeless and Information Network (CHAIN)¹, a system which helps workers to share information and co-ordinate help for rough sleepers. Bidders should consider developing appropriate links with this network if these links are not already in place. <http://www.broadwaylondon.org/CHAIN>

Customers who are directly recruited through outreach activity must satisfy the relevant qualification criteria described in Section 7 of this Provision Specification. We recognise that customers may also be disadvantaged in the labour market due to other barriers however they must meet the homelessness definition to be included in this enhanced programme.

The customer group may include those in the control group of the Welfare Reform Drug Recovery Pilot who are also homeless (see Section 8 of the Provision Specification for details of the pilot).

24.3.2 Up to 12 Months Post Employment Support- London CPA Only

The major focus of this enhanced programme is to help customers to secure sustainable accommodation and long term sustained employment, that is sustained employment beyond the standard DWP definition of 26 weeks out of 30 weeks (para 12.1 of the Provision Specification refers).

We expect providers to have a strong case management approach, working with the customer and/or employer as necessary, focussing on both job retention, including active support to help customers stay in work, and progression. Active post employment support should also include re-employment activities – that is help to quickly find a customer work after losing their job or before they leave their job.

For those customers who sustain 52 weeks in employment as defined in para 24.4 below, providers will be paid an additional outcome payment.

24.4 Job Outcome Definitions- London CPA Only

Short and Sustained Job Outcomes are defined in Section 11 of this Provision Specification. Additionally for this enhanced programme a 52 weeks Sustained Job Outcome payment will be made where the job meets the job outcome definition below.

52 Weeks Sustained Job Outcome: Minimum 16 hours per week, in employment for at least 52 weeks out of 64 (breaks in employment totalling 12 weeks or less are acceptable)

24.5 Key Performance Indicators- London CPA Only

The key performance indicators and minimum requirements for the new progress2work-LinkUP programme are defined in Section 12 of this Provision Specification. For this enhanced element of the programme there will be an additional key performance indicator:

- 52 Weeks Sustained Job Outcome – the LDA expects that a minimum of 150 of the homeless customers starting on provision over the two years of the enhanced programme, will achieve a 52 Weeks Sustained Job (employment which must be at least 16 hours per week and last at least 52 weeks out of 64 weeks).
- Breaks in employment should not exceed 12 weeks.
- For self employment, once the customer has traded independently for 52 weeks out of a 64 week period the Provider can claim a 52 weeks sustained job outcome).

The LDA have commissioned research which concludes that this level of sustained outcomes is achievable however this will be the first time that a 52 weeks sustained outcome has been included in a contract. DWP will therefore not treat this additional 52 weeks sustained job outcome target as either a general or a specific performance target for the purposes of the contract. Clearly to achieve this level of performance on the enhanced programme, providers will need to deliver higher levels of performance on the short and sustained job outcome targets than the minimum expectations stated in Section 12 of this Provision Specification.

Providers will initially need to consider what level of performance they will offer for short and sustained job outcomes on the standard progress2work-LinkUP programme; then consider what additional short and sustained job outcomes they will deliver for this enhanced programme. These additional short and sustained outcomes will be funded by the LDA.

Providers will also need to consider what level of performance they will deliver for the 52 weeks sustained outcomes.

24.6 Management Information- London CPA Only

DWP will monitor performance through monthly analysis of management information and will share findings with the LDA. The Provider will also be required to supply additional information in order to monitor and evaluate this initiative. This will not be personal data but will include:

- Information to help the LDA understand which support agencies customers are being referred to and destinations of leavers from the programme,
- Numbers of rough sleepers starting on the programme, and
- Information to help the LDA understand distance travelled by homeless customers. There are a number of recognised tools available for measuring distance travelled by homeless customers and providers must state which one they will use in their tender.

The LDA may conduct local evaluation of this initiative and Providers must co-operate fully with any evaluation activity which they undertake.

24.7 Contract Management- London CPA Only

The contracting authority will be the Secretary of State for Work and Pensions and contract management will be the responsibility of DWP.

The LDA will delegate officers to be involved in joint meetings with DWP and the Provider if there are particular issues which need to be resolved. DWP and LDA will conduct a formal review with the Provider at the end of the first year. At this point the additional service requirement may be terminated if it is not meeting performance expectations. Any early termination will not affect payments due to be paid to the Provider for outcomes achieved from customers who have been on provision.

24.8 FUNDING - London CPA Only

Up to £900,000 will be provided through Single Programme Funding for the first two years of the contract. If delivery is successful and further funding is identified, LDA will consider further investment to extend the period of delivery. This will be subject to discussion and agreement at the appropriate time. The LDA funds will be paid directly to DWP so that they can be built into the contract between DWP and the provider and paid through the DWP payment system.

Clearly the 52 weeks sustained outcome payments will become claimable from the second year onwards; evidence to support all sustained job outcomes must be in place and payments claimed by 3rd January 2015.

24.9 Funding model / ratio- London CPA only

The customer group for this enhanced programme will be funded by both DWP and the LDA. DWP will fund the new progress2work-LinkUP programme service requirement and the LDA will fund the additional service requirement, enhancing the programme for this customer group. (For the DWP funding model and ratios refer to Section 11 of this Provision Specification).

The additional LDA funds are for the outreach engagement activity and the post employment support activities necessary to sustain customers in long term employment.

The funding model for the LDA additional requirement is as follows:

- 20% of the funding will be set as additional delivery payment. This will be paid monthly in arrears over the first two years of the contract in the standard way.
- 80% of the funding will available to pay for job outcomes i.e. additional short and sustained job outcomes (offered as in para 24.5 above) and 52 weeks sustained job outcomes.

All short and sustained job outcomes must be paid at the same unit cost for the whole contract.

The provider will be free to set a unit cost for a 52 weeks sustained job outcome within the following limits (a) minimum of 150 outcomes (b) minimum unit cost of £2000 and (c) the balance of the 80% funding after taking account of the amount of funding required for additional short and sustained job outcomes.

The following example is for indicative purposes only and shows how the DWP and LDA funding could translate into delivery and outcome payments.

The example uses annual figures and assumes that the customer starts, outcomes and price offered matches exactly the indicative volumes, value and minimum outcome expectations for the London contract package.

Part 1 - Standard progress2work-LinkUP programme

A	Annual Contract Value	=	£2,900,000
B	Delivery payment element (70%) (70% of A)	=	£2,030,000
C	Monthly delivery payment payable (B divided by 12)	=	£169,166.66
D	Short Job Outcome element (20%) (20% of A)	=	£580,000
E	580 Short Job Outcomes offered	=	£1,000 per outcome (D divided by 580)
F	Sustained Job Outcome element (10%) (10% of A)	=	£290,000
G	290 Sustained Job Outcomes offered	=	£1,000 per outcome (F divided by 580)

Part 2 – Enhanced programme for homeless customers

H	Total additional funding	=	£450,000
I	Delivery payment element (20%) <i>(20% of H)</i>	=	£90,000
J	Additional monthly delivery payment payable <i>(I divided by 12)</i>	=	£7,500
K	Outcome element (80%) <i>(80% of H)</i>	=	£360,000
L	71 additional Short Job Outcomes offered at £1,000 per outcome	=	£71,000
M	64 additional Sustained Job Outcomes offered at £1,000 per outcome	=	£64,000
N	Balance of outcome element available for payment of 52 weeks sustained outcomes <i>(K minus L and M)</i>	=	£225,000
O	75 x 52 week sustained job outcomes offered	=	£3,000 per outcome <i>(N divided by 75)</i>

24.10 Price Proposals- London CPA Only

Bidders should separately show within their price proposal the costs attributed to this additional service requirement. Costs which bidders would expect to incur for the standard service requirement should be excluded from this separate price proposal. The price proposal for this additional service requirement will be evaluated separately although will be part of the overall evaluation process. Providers should refer to the Price Proposal guidance for further details.

25. Edinburgh Lothians and Borders, Forth Valley, Fife and Tayside – Potential co-commissioning requirement

This section describes a potential additional service requirement for Edinburgh Lothians and Borders, Forth Valley, Fife and Tayside.

25.1. Background

The partnership of the Edinburgh City Strategy Pathfinder brings together a number of key organisations including the City of Edinburgh Council and NHS Lothian. Capital City Partnership (“CCP”) is the City’s inclusion partnership and the accountable body for the City Strategy Pathfinder. Through the Joined Up for Jobs strategy the partners work together to co-ordinate provision, including focusing effort on the needs of target groups with particular difficulties in relation to work and helping employers meet their skills and workforce needs. The partners aim to improve opportunities for those in Edinburgh who need jobs and to help employers find the workers they need.

They see local partnerships as an essential ingredient to achievement of their overall aims and they are already involved in other programmes concerned with addiction.

CCP may, in its sole discretion, invest around £40,000 in additional funding in the Contract for Edinburgh Lothians and Borders, Forth Valley, Fife and Tayside.

25.2. Potential Service Requirement- Edinburgh CPA Only

CCP may, in its sole discretion, invest funds to purchase additional customer starts on the new progress2work-LinkUP programme for customers living in the City of Edinburgh. The existing Progress2work LinkUP programme is not currently being delivered by a DWP provider in the City of Edinburgh and initially CCP wish to gain an understanding of the makeup of the customer group for the new merged programme. This will enable CCP to consider whether additional investment is necessary.

This additional investment would fund 40 additional customer starts, 8 additional short job outcomes and 4 additional sustained job outcomes on the basis of the standard funding model and performance targets; final breakdown of starts and outcomes will take account of the performance offer and price agreed with the supplier who is successful in this contract package area.

If delivery is successful and further funding is identified, CCP may, in its sole discretion, consider further investment to extend the period of delivery of this additional requirement up to the full length of the Contract.

DWP shall liaise with CCP in respect of any additional investment set out in this Section 25. DWP reserves the right to enter into discussions in good faith, at any time, to determine appropriate variations to the Contract (including, without limitation, the volume bandings and the associated Delivery Payments) to take account of any such additional investment. The Provider agrees to negotiate in good faith to amend the Contract such that, as amended, it is legal, valid and enforceable and reflects any such additional investment.

For the avoidance of doubt, no guarantee is given by DWP in respect of any additional investment (or the amount of any such additional investment) during the term of the Contract.

25.3. Management Information - Edinburgh CPA Only

DWP will share information with CCP in order for them to understand the numbers of customers starting on the programme and the distribution across the contract package area.

DWP may also ask the Provider to supply information to help CCP and DWP understand the characteristics of the customer group starting on the programme.

Annex A – European Social Fund Additional Information

This annex is used to give extra information for the pilot and progress2work-LinkUP contracts in England only

European Social Fund



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ABBREVIATIONS

CFO	Co-Financing Organisation
CMF	Contract Management Framework
DWP	Department for Work and Pensions
ESF	European Social Fund
EU	European Union
FTET	Full Time Education and Training
HMRC	Her Majesty's Revenue and Customs
LEP	Local Employment Partnership(s)
LSC	Learning and Skills Council

DWP has responsibility for ESF in England in only.

1. Purpose

This annex sets out the overarching delivery requirements which apply to all DWP European Social Fund (ESF) contracts and which are additional to, or complement, the particular requirements detailed in the main provision specification. It provides a clear and accurate description of ESF specific requirements, some of which are mandatory whilst enabling providers to offer innovative solutions to meet those requirements as effectively and cost-efficiently as possible.

2. Background

The European Social Fund (ESF) is one of the Structural Funds that promote economic and social cohesion in the European Union. ESF's purpose is to add value to Member States' policies to improve employment opportunities and skills, in line with the Lisbon agenda for growth and jobs. The legislative base is Article 146 of the Treaty establishing the European Community.

The European Commission approved the 2007-2013 ESF programme for England on 9 August 2007. England will receive about £2 billion of ESF funding which will be matched to an equivalent amount of domestic funding.

Most of the funding is administered at regional level through DWP and the Learning and Skills Council (LSC). A relatively small amount of funding is administered by Local Authorities and Regional Development Agencies. Within the scope of the national priorities, they use ESF funding to address regional employment and skills issues identified by Regional Skills Partnerships drawing on Regional Economic Strategies.

3. Funding For This Project

Adding ESF funding to Contract Package Area (CPA) budgets can be regarded as adding value on the basis that it will allow, for example, purchase of additional provision or allow more participants to be helped. Although DWP has not yet been given an allocation for 2011-13, there is a definitive allocation from the Commission to the England managing authority as set out in the Commission Decision agreeing the Operational Programme. This agreement also covers the commitment to contribute ESF funding to the new progress2work-LinkUP contracts until 2015.

4. Co-Financing and Match Funding

DWP has agreed to act as a Co-Financing Organisation (CFO) for ESF in England. DWP will manage its CFO arrangements through its Employment Group Delivery Directorate, with representation in regions, through Jobcentre Plus. This means that ESF funds in each Region will be distributed through ESF co-financing arrangements, in the form of competitive procurement exercises. As a CFO, DWP's role is to bring together ESF and domestic funding to increase employment opportunities for people not in work. ESF complements and adds value to domestic employment programmes. DWP will contract with provider organisations to deliver ESF initiatives in line with the regional ESF Frameworks and DWP's own objectives.

In bringing together domestic and ESF programmes DWP will use selected domestic programmes to meet the ESF requirements for match funding. Match funding is essential to the drawing down of ESF and the providers of programmes used as match funding will also be asked to carry out certain responsibilities of an ESF-funded organisation, including support for publicising ESF involvement in the programme. Providers of ESF contracts let under the CFO arrangement do not need to find their own match funding, this will be identified as administered by DWP.

5. ESF Objectives

ESF Priority 1 (Priority 4 in Cornwall and Isles of Scilly) of the England ESF programme for 2007-2013 concerns increasing employment opportunities and its objective is to increase employment and to reduce unemployment and inactivity. It will help to tackle barriers to work faced by people such as:

- people with disabilities and health conditions;
- lone parents and other disadvantaged parents;
- older workers;
- people from ethnic minorities;
- people with low or no qualifications; and
- young people, particularly if not in education or training.

The intention is that, by tackling and preventing worklessness, this priority will help to improve social inclusion and social mobility and, by helping unemployed and inactive parents to enter sustainable jobs and make progress at work, help to alleviate child poverty.

The specific DWP priority groups are:

- people on Incapacity Benefit especially those with children (reflects Child Poverty Agenda);
- lone parents;
- other people with children;
- the most disadvantaged (including people with addictions to drugs and alcohol); and
- Sub Regional Partnership activities.

Although the full ESF funding period beyond 2013 has not yet been agreed, there is a commitment to contribute ESF funding to the new progress2work-LinkUP programme until 2015. At present there is no information as to whether the ESF Objectives will change after 2013.

6. Added Value

It is an ESF requirement that ESF provision must add value to existing DWP provision and to other provision in the locality, and must not duplicate it. ESF provision could complement DWP provision in different ways, for example:

- targeting people who may not otherwise come forward to, or be eligible for, existing provision;
- extending the amount or range of provision available;

- providing additional support in key locations where additional barriers exist for people wanting to return to work;
- providing different or more intensive support to people facing greater barriers, alongside their involvement in the main domestic programme;
- providing specific help to particular disadvantaged people to help them find and keep a job;
- supporting people after they enter employment, to assist with sustaining and retaining a job;
- providing support to employers through Local Employment Partnerships to complement the help available to them through other DWP provision.

7. The Service Requirement

There is no specific ESF service requirement. The service requirement for the progress2work-LinkUP programme in England and the pilot is as per the main specification.

8. Procurement Strategy

All the English CPAs will receive ESF funding, as such it is not permissible for the Prime Contractor to act as a Managing Agent, i.e. the Prime Contractor cannot sub-contract all of the provision, it must deliver at least some of the provision directly.

In the English CPAs, it is therefore a requirement that the Prime Contractor delivers the entire provision either directly themselves or through a mix of their own direct delivery and the remainder through sub-contractors. Where a Prime Contractor intends to deliver the entire provision directly, then DWP will need to be satisfied that they have the capacity, expertise and local links in place to ensure that the contract is delivered.

The Prime Contractor model can also include a consortium arrangement where one organisation acts as the “lead” on behalf of members of the consortium or a Special Purpose Vehicle (where the Special Purpose Vehicle is the legal entity). DWP will contract with one legal entity only (which in the case of a consortium will be the lead). The legal entity must be in place at the time of entering into a contract

Prime Contractor Responsibilities

As a minimum, Prime Contractors will be required to:

- ensure delivery of the specific provision requirement including the starts and outcome targets detailed within each CPA specification and deliver some or all of the provision directly;
- manage the performance of sub-contractors and also make payments to sub-contractors in line with DWP requirements as appropriate;
- ensure that ESF specific compliance requirements are met by both themselves and where appropriate, their sub-contractors.

9. Contract Management

ESF projects will be managed and monitored in line with the Department's Contract Management Framework (CMF). This sets out the processes for monitoring contracts using a risk based approach taking into account key elements such as contract compliance (including ESF compliance), performance and quality.

10. Contract Management of Sub-Contractors

Where any of the tendered provision is to be sub-contracted, the successful provider is expected to use all reasonable endeavours to ensure that sub-contractors comply in all respects with the contract and all relevant legislation, including ESF compliance with regard to Marketing and Publicity, document retention, audit requirements and cross cutting themes etc. Please see the DWP Provider Guidance chapter 12a for more information.

DWP Contract Managers will manage Prime Contractor activity and the Prime Contractor will manage sub-contractors on an ongoing basis.

11. ESF Audit Requirements

The following list is not exhaustive. Providers and sub-contractors will be required, as a minimum, to:

- keep a full record of all costs necessary to deliver the contract;
- provide information on costs to DWP as required from time to time;
- maintain appropriate audit trails of individual participant records covering eligibility, attendance and progress;
- maintain evidence of promoting ESF to individual participants and the general public;
- maintain evidence of implementing and promoting the ESF cross-cutting themes – equal opportunities, gender equality and sustainable development;
- provide reasonable access to DWP and other authorised staff to records, contractor staff and participants, so that it can be verified that expenditure has been used in delivery of the contract.

For example: If a supplier pays a customer any travel costs, or pays a specialist training provider for additional support, robust processes **MUST** be in place to manage and demonstrate evidence of costs and processing of such payments.

The following is a list of the bodies, which require access for audit purposes - it is not exhaustive:

- European Social Fund – ESF Audit Authority
- The European Court of Auditors
- The European Commission's Auditors
- The National Audit Office
- Government Offices
- Other bodies as required by or on behalf of DWP

It cannot be emphasised enough that failure to meet audit requirements results in a high financial risk for both yourselves and DWP, **as failure to comply with any aspects of these requirements may result in funds being withdrawn after the event.** Funds used inappropriately or for ineligible participants or purposes are recoverable.

12. Document Retention

Prime providers will be required to retain and store key documents relating to participants and financial claims in line with their contract terms and conditions. It is an ESF requirement that these documents are retained for audit purposes, and for the full ESF determined timescale. **This is expected to be at least until 31st December 2022.** Prime Contractors will need to have systems in place that can be relied upon to meet the required audit trail, including documents generated by their sub-contractors, so that documents can be easily retrieved. The DWP Provider Guidance (Chapter 12a) sets out the range of documents for retention. These include participant documentation and documents supporting financial claims.

13. Publicity Requirement

Providers will be responsible for complying with contractual requirements for publicity and information-related measures to support for ESF, including complying with the publicity requirements of the European Commission.

Co-financing organisations are required to develop and implement communications plans for each ESF CPA, and for Cornwall and the Isles of Scilly, which will be reviewed annually. These plans will include the role of providers in helping to raise awareness of ESF support for employment provision among both ESF participants and the wider general public.

More detailed information will be included in Provider Guidance. Providers will be asked to (list is not exhaustive):

- publicise provision opportunities to potential applicants;
- use the ESF logo extensively in line with guidance, for example in leaflets, posters, newspaper articles/advertisements, newsletters, participant forms;
- display the ESF plaque prominently in line with guidance;
- raise awareness of ESF support amongst ESF participants and the general public;
- supply provider and provision details for inclusion in ESF public databases;
- provide case study or news story information and share good practice;
- support the review and evaluation of information and publicity measures.

Providers must communicate clearly in language that is understandable to a wide audience and support the ESF programmes cross-cutting theme of sustainable development by aiming to minimise the impact of measures on the environment. This will inform decisions on how publicity is undertaken, consideration should be given to the use of IT/web based publicity materials and paper based materials should make use of recycled materials.

Provision specifications include requirements for development and agreement of marketing proposals and materials locally with the DWP CFO, represented by Jobcentre

Plus. All marketing and publicity material produced to promote the programme must be approved by the Regional ESF team.

The ESF Managing Authority will maintain a database of operations, by region, on the national ESF website. This will include the names of projects and the project providers and the amount of funding allocated to the project. This will be generated from information supplied by the DWP CFO to the Managing Authority. It may also be used on the European Commission's website.

14. ESF Cross Cutting Themes

Equality, Diversity and Equal Opportunities

Commitment to equality and valuing diversity must be demonstrated. Relevant legislation must be complied with at all times and services provided must embrace diversity and promote equality of opportunity. Discrimination will not be tolerated on any grounds including gender, marital status, sexual orientation, race, colour, nationality, religion or age.

Through the terms and conditions of the contract, providers will be required to ensure that they and sub-contractors assist and co-operate with DWP to actively promote equality of opportunity for all persons irrespective of their, race, gender, age, disability, sexual orientation or religion. The provider is required to comply with an agreed Equality Policy, Training Plan, and Supplier Diversity Plan and ensure that any sub-contractors adopt and implement similar policies and plans.

Providers will be expected to support and be involved in Equality Impact Assessments undertaken by the Department at various stages, particularly once preferred bidders are known and in readiness for implementation.

In addition to this, every 12 months from the beginning of the contract the provider will be required to produce information recording the proportion of its employees who are female, disabled and the ethnic background of all employees. Every 12 months from the start of the contract the provider will be required to produce information recording the proportion of its sub-contractors that are small to medium sized enterprises, ethnic minority enterprises and black minority enterprises.

Providers will be asked whether any findings of unlawful discrimination in relation to non-employment matters have been made against them in the last three years. Also, they will be asked if any of their contracts have been terminated on the grounds of failure to comply with legislation, prohibiting discrimination or contract conditions relating to equal opportunities. Providers will be asked to confirm that they have a complaints procedure in place and that complaints are addressed and monitored in relation to discrimination.

Sustainable Development

DWP supports the goal of sustainable development to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Providers will be required to complete a policy statement to demonstrate that they satisfy and adhere to the four key aims and a sustainable development plan must be produced within 6 months of the contract start date. The plan will need to cover the following:

- how waste will be minimised and recycling promoted;
- how energy consumption will be minimized;
- how the use of transport may be minimised and public transport promoted;
- how awareness of environment issues will be promoted within the organisation.

This goal will be pursued in an integrated way through a sustainable, innovative and productive economy that delivers high levels of employment and a just society that promotes social inclusion, sustainable communities and personal well being. This will be done in ways that protect and enhance the physical and natural environment and use resources and energy as efficiently as possible.

Sustainable development has four main aims:

- social progress that recognises the needs of everyone;
- effective protection of the environment;
- prudent use of natural resources;
- maintenance of high and stable levels of economic growth.

Provision supported by the ESF should improve the employability of the participant and deliver environmental or community benefits by:

- minimising travel;
- using innovative delivery methods;
- supporting skills and jobs identified that will work towards improving conservation;
- identify skills needed in work areas that will have a positive effect on the environment;
- reduce skills gaps locally;
- placements through local and charitable organisations.

Providers will need to give an assurance that their waste is disposed by registered waste collectors and that WEEi regulations are observed with regard to the disposal of ink cartridges, toners, electrical consumables and equipment.

London only – Additional cross cutting theme for Health

In addition to the above ESF cross-cutting themes (i.e. sustainable development and equality, diversity and equal opportunities) please also note that the London ESF Regional Framework identifies Health as an additional cross-cutting theme for the programme. Successful providers will be asked to produce a plan as to how they will meet the requirements of this theme within six months of the contract starting.

Further detail can also be obtained using the following website link.
<http://www.lda.gov.uk/server/show/ConWebDoc.2216>

15. ADDITIONAL INFORMATION

ESF Provider Guidance can be accessed on the website at, www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/provider-guidance/ chapter 12A

Annex B – Details of existing p2w and p2wLinkUP provision

At present all Districts have progress2work provision.

The following Districts have p2wLinkUP:

East of England

Bedfordshire and Hertfordshire
Norfolk
Essex
Cambridgeshire and Suffolk

East Mids

Leicestershire
Nottinghamshire

London

South and South East London

North East

South Tyne and Wear Valley

North West

Greater Manchester Central
Greater Mersey
Liverpool and Wirral
Lancashire

Scotland

Forth Valley, Fife and Tayside
Glasgow

South East

Surrey and Sussex
Berkshire, Buckinghamshire and Oxfordshire
Kent

South West

West of England

Wales

South Wales Valleys

West Midlands

Birmingham and Solihull

Yorkshire and the Humber

South Yorkshire
West Yorkshire

Annex C - Procurement Timeline

Requirement	Date	
Successful 1 st stage bidders contacted with ItT documents	w/c	15/02/10
Successful 1 st stage bidder details, ItT specification and Terms & Conditions, posted on website	w/c	22/02/10
ItT event		23/02/10
ItT deadline	Noon	28/04/10
Preferred bidders notified	w/c	12/7/10
Post Tender Discussions with preferred bidder		12/7/10 – 30/07/10
Contract Award	w/c	02/08/10
Start up period		02/08/10 – 04/10/10
Go live		04/10/10

Annex D - Volumes & Contract Packages

In line with our published Commissioning Strategy DWP are seeking to rationalise the number of contracts currently in place for this programme. DWP currently have around 120 contracts for p2w and p2wLinkUP services and under the new combined programme DWP will award **18 contracts** (including the pilot in five of the areas). The contract values below include ESF funding for both the p2w-LinkUP programme and the five pilots in England.

These volumes represent our current planning assumptions and as such consider the impacts of all current and announced future policies. In the current economic and policy environment there is uncertainty around the potential future direction of these volumes, and these estimates may therefore change. If there are any significant changes we will seek to update you during the procurement process, and provide updated volumes prior to contract award. Suppliers should be aware that the DWP does not guarantee volumes or the number of starts to suppliers.

progress2work-LinkUP Contract Package Areas

Rationale

The indicative volumes have been derived from historical data collected from the existing p2w and p2wLinkUP programmes. Customer numbers on the existing programmes have remained relatively stable over the past three years, and the figures are based on the assumption that this will broadly continue to be the case. The volumes have been increased to allow for p2wLinkUP coverage being extended geographically, and an increase in places as a result of applying ESF funding.

Due to concerns about the accuracy of the volumetrics included in the PQQ specification, and the webtool information on which the volumetrics were based, further work has been done to review and revise them. We have used the information collected from the current live contracts both in terms of contracted figures and actual achievement last year, where appropriate adjusting volumes to better align the contracts with latent underlying demand, and have assumed that where p2wLinkUP has been added to p2w contracts, this will double the volumes, as experience has shown in the past.

Packages (including ESF funding in England package areas) Annual Values

CPA	Government Office Region	Districts	Total Starts	Contract Value
1	SCOTLAND	Ayrshire, Dumfries, Galloway and Inverclyde	480	£1,350,000
		Highlands, Islands, Clyde Coast and Grampian	870	
		Total	1,350	
2	SCOTLAND	Glasgow	1,250	£2,050,000
		Lanarkshire and East Dunbartonshire	800	
		Total	2,050	
3	SCOTLAND	Forth Valley, Fife and Tayside	700	£1,200,000
		Edinburgh, Lothians and Borders	500	
		Total	1,200	
4	WALES	North and Mid Wales	560	£1,300,000
		South East Wales	740	
		Total	1,300	
5	WALES	South Wales Valleys	650	£1,800,000
		South West Wales	1,150	
		Total	1,800	
6	LONDON	North and North East London	450	£2,900,000
		City and East London	420	
		Central London	550	
		West London	510	
		South London	530	
		Lambeth, Southwark and Wandsworth	440	
		Total	2,900	
7	EAST OF ENGLAND	Essex	340	£1,150,000
		Norfolk	170	
		Cambridgeshire and Suffolk	300	
		Bedfordshire and Hertfordshire	340	
		Total	1,150	
8	SOUTH EAST	Berkshire, Buckinghamshire and Oxfordshire	530	£2,100,000
		Hampshire and Isle of Wight	390	
		Surrey and Sussex	840	
		Kent	340	
		Total	2,100	
9	SOUTH WEST	Devon and Cornwall	1,200	£1,200,000
		Total	1,200	
10	SOUTH WEST	Dorset and Somerset	470	£1,400,000
		Gloucestershire, Wiltshire and Swindon	400	
		West of England	530	
		Total	1,400	
11 (& 12)	WEST MIDLANDS (no longer a CPA 12 – this was merged with 11)	Birmingham and Solihull	490	£2,050,000
		Black Country	490	
		Coventry and Warwickshire	400	
		Staffordshire	450	
		The Marches	220	
		Total	2,050	
13	EAST MIDLANDS	Lincolnshire and Rutland	160	
		Nottinghamshire	730	
		Derbyshire	400	
		Leicestershire and Northamptonshire	510	

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		Total	1,800	£1,800,000
14	YORKSHIRE & HUMBER	West Yorkshire	1,850	£1,850,000
		Total	1,850	
15	YORKSHIRE & HUMBER	South Yorkshire	850	£850,000
		Total	850	
16	YORKSHIRE & HUMBER	North East Yorkshire and the Humber	1,000	£1,000,000
		Total	1,000	
17	NORTH WEST	Cumbria and Lancashire	1,910	£4,600,000
		Greater Manchester Central	700	
		Greater Manchester East and West	1,380	
		Cheshire and Warrington (exc Halton)	610	
		Total	4,600	
18	NORTH WEST	Merseyside, including Halton	1,700	1,700,000
		Total	1,700	
19	NORTH EAST	Tees Valley	550	£1,650,000
		Northumbria	450	
		South Tyne and Wear Valley	650	
		Total	1,650	
			31,950	£31,950,000

Packages (including ESF funding in England package areas) Five Year Values

CPA	Government Office Region	Districts	Total Starts	Contract Value
1	SCOTLAND	Ayrshire, Dumfries, Galloway and Inverclyde	2,400	£6,750,000
		Highlands, Islands, Clyde Coast and Grampian	4,350	
		Total	6,750	
2	SCOTLAND	Glasgow	6,250	£10,250,000
		Lanarkshire and East Dunbartonshire	4,000	
		Total	10,250	
3	SCOTLAND	Forth Valley, Fife and Tayside	3,500	£6,000,000
		Edinburgh, Lothian and Borders	2,500	
		Total	6,000	
4	WALES	North and Mid Wales	2,800	£6,500,000
		South East Wales	3,700	
		Total	6,500	
5	WALES	South Wales Valleys	3,250	£9,000,000
		South West Wales	5,750	
		Total	9,000	
6	LONDON	North and North East London	2,250	£14,500,000
		City and East London	2,100	
		Central London	2,750	
		West London	2,550	
		South London	2,650	
		Lambeth, Southwark and Wandsworth	2,200	
		Total	14,500	
7	EAST OF ENGLAND	Essex	1,700	£5,750,000
		Norfolk	850	
		Cambridgeshire and Suffolk	1,500	
		Bedfordshire and Hertfordshire	1,700	
		Total	5,750	

8	SOUTH EAST	Berkshire, Buckinghamshire and Oxfordshire	2,650	£10,500,000
		Hampshire and Isle of Wight	1,950	
		Surrey and Sussex	4,200	
		Kent	1,700	
		Total	10,500	
9	SOUTH WEST	Devon and Cornwall	6,000	£6,000,000
		Total	6,000	
10	SOUTH WEST	Dorset and Somerset	2,350	£7,000,000
		Gloucestershire, Wiltshire and Swindon	2,000	
		West of England	2,650	
		Total	7,000	
11 (& 12)	WEST MIDLANDS (no longer a CPA 12 – this was merged with 11)	Birmingham and Solihull	2,450	£10,250,000
		Black Country	2,450	
		Coventry and Warwickshire	2,000	
		Staffordshire	2,250	
		The Marches	1,100	
		Total	10,250	
13	EAST MIDLANDS	Lincolnshire and Rutland	800	£8,000,000
		Nottinghamshire	3,650	
		Derbyshire	2,000	
		Leicestershire and Northamptonshire	2,550	
		Total	8,000	
14	YORKSHIRE & HUMBER	West Yorkshire	9,250	£9,250,000
		Total	9,250	
15	YORKSHIRE & HUMBER	South Yorkshire	4,250	£4,250,000
		Total	4,250	
16	YORKSHIRE & HUMBER	North and East Yorkshire and the Humber	5,000	£5,000,000
		Total	5,000	
17	NORTH WEST	Cumbria and Lancashire	9,550	£23,000,000
		Greater Manchester Central	3,500	
		Greater Manchester East and West	6,900	
		Cheshire and Warrington (exc Halton)	3,050	
		Total	23,000	
18	NORTH WEST	Merseyside, including Halton	8,500	£8,500,000
		Total	8,500	
19	NORTH EAST	Tees Valley	2,750	£8,250,000
		Northumbria	2,250	
		South Tyne and Wear Valley	3,250	
		Total	8,250	
			159,750	£159,750,000

Welfare Reform Drug Recovery Pilot

In choosing the five pilot areas DWP have consulted widely with NTA about the PDU populations in individual District areas. The pilots are located in areas with relatively high PDU populations in order to maximise volumes. This table sets out indicative volumes of PDUs who DWP estimate will enter the pilot programmes in each District. This takes into account the fact that half of eligible PDUs would be referred into a control group, rather than being referred to providers to enter the pilot programme.

Please note these volumes have also changed since the PQQ specification

Indicative pilot flows and contract values (all include ESF) customers who are 'in treatment'

Pilot Area	PDUs in effective treatment	Support Programme Volumes (revised)	Control group volumes	Total Funding
Merseyside (inc Halton)	8,110	850	850	£1,445,000
Central London	4,777	500	500	£850,000
Cumbria and Lancashire	7,412	750	750	£1,275,000
Birmingham and Solihull	5,944	600	600	£1,020,000
West Yorkshire	10,129	1,050	1,050	£1,785,000

Please note that the department does not currently routinely identify drug use as part of the benefit process, and there is considerable uncertainty about the behaviour of Problem Drug Users in the new identification and pilot process. This means that there is considerable uncertainty around the volumes estimates.

Annex E – Transition

Transition Success

Transition will be deemed a success if all participants who choose to be transferred smoothly to the new progress2work-LinkUP programme. The actions that prime providers carry out between contract award and contract start are therefore crucial. DWP will continue to provide relevant information to support prime providers during transition and has carefully considered the information and activities prime providers will need to undertake to support the needs of participants and ensure the quality of service during transition.

This Annex outlines transition arrangements and activities for participants moving from p2w/p2wLinkUP to the progress2work-LinkUP (p2w-LinkUP).

Transition Arrangements

The transitional arrangements period will commence from contract award in August 2010 and some activities relating to transition will need to be completed prior to contract go-live in October 2010.

All current p2w and p2wLinkUP customers will continue to be supported by p2w-LinkUP. This will entail a carefully managed transition plan for existing customers who will transfer from existing to new providers. There are currently up to 11,000 p2w/p2wLinkUP customers and it is expected that approximately 85% will transfer to the p2w-LinkUP.

- All these customers are guaranteed a place on p2w-LinkUP. Therefore arrangements will need to be made to move customers to new providers.

Transfer activities for a current p2w/p2wLinkUP provider who will become a prime provider or sub-contractor

Where the prime provider or sub-contractor intends to continue direct delivery to participants, the prime provider or sub-contractor should, as a minimum, undertake the following activity.

Providers will contact each participant at the earliest opportunity, at least 6 weeks prior to programme start, to:

- explain the changes to the programme;
- offer the opportunity to transfer to new progress2work-LinkUP programme.
- confirm the participant's personal details for PRaP (Provider Referral and Payment system) purposes and obtain participant's written consent to pass information to DWP.

In pilot areas, there are some additional requirements;

- eligible customers (i.e. Problem Drug Users in tier 3 or 4 treatment) should be referred to JCP for option of Additional Support Programme.

- If the customer were subsequently assigned into the control group following random assignment, they would then be offered the new progress2workLinkUP provision.

Initial communications (including method) to be discussed and agreed with DWP during transition.

- At least 4 weeks prior to the start date of the new progress2work-LinkUP programme, provide DWP with written confirmation of:
 - all p2w/p2wLinkUP participants who are transferring to the new programme;
 - details of participants who have declined the offer to transfer and reasons why;
 - transfer activities for a prime provider where the current p2w/p2wLinkUP provider will cease delivery; and
 - where applicable, customers interested in the option of being randomly assigned to the Additional Support Programme.

Where the current provider will not be delivering the new progress2work-LinkUP programme and participants need to be transferred to a prime provider, the prime provider or sub-contractor should as a minimum carry out actions detailed above and in addition:

- engage with the exiting p2w/p2wLinkUP provider(s) via information provided by DWP at contract award and agree the transfer arrangements with the exiting provider(s); and
- obtain relevant employer and supported business details from the exiting p2w/p2wLinkUP provider(s) to support the transfer of participants.

Actions required if a participant declines to transfer to new progress2work-LinkUP programme

If a participant indicates during the review meeting with the prime provider, sub-contractor or at any other point during transition that they do not wish to transfer from p2w/p2wLinkUP to the p2w-LinkUP, the prime provider or sub-contractor should confirm the participant's understanding and explore further the reasons for refusal and try to alleviate any concerns the participant may have.

The implications of declining to transfer should be fully explained to the participant and all other options should be explored by the current p2w/p2wLinkUP provider, prime provider and sub-contractor. The style and format of discussions should be tailored to best suit the participant's understanding and may mean the discussion taking place over a number of meetings.

Annex F – Transfer of Undertakings (Protection of Employment) Regulations 2006

The new progress2work-LinkUP provision replaces the current p2w and LinkUP programmes with effect from October 2010. Bidders are advised that they will need to consider the likelihood that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply to this transfer of work.

The purpose of TUPE is to protect employment rights, continuity of employment and the terms and conditions of service of people who are transferred from one employer to another when a business or part of a business (“an undertaking”) in which they work is transferred. The new employer takes over all rights, duties and obligations of the former employer. It is as though the individual’s contract of employment was originally made with the new employer and not the original employer. TUPE also places obligations on both the existing employer (the transferor) and the new employer (the transferee) to inform, and where appropriate, consult, representatives of all “affected employees”.

Potential transferees

It is not expected that there will be a transfer of DWP staff to new suppliers. However, there will be potentially Provider to Provider TUPE transfer which may include Local Authority/ex Local Authority staff.

Under TUPE, where there is a relevant transfer, TUPE applies the principle of an automatic transfer of contracts of employment from the previous service supplier to the new service supplier, whether the new supplier is a prime contractor or a subcontractor. Note also that TUPE may also apply when it is only part of a service that is subcontracted: in that case, staff who worked in the relevant part can expect to transfer to the subcontractor delivering that part of the service. The operation of TUPE can become very complex when subcontracting is involved and/or the service ends up being delivered by a number of suppliers.

Set out below is the DWP position with regard to TUPE and its application within this programme based on our legal advice. However, **suppliers must seek their own legal advice in relation to TUPE.**

In the context of the re-tendering of a contract, a relevant transfer under TUPE occurs:

- when there is a transfer of an economic entity that retains its identity in the hands of the new supplier;
- when there is a service provision change, as defined (i.e. where previously a supplier had an organised grouping of employees carrying out activities on behalf of a customer who intends that the same activities be carried out by another supplier).

Further, the Cabinet Office Statement of Practice Staff Transfers in the Public Sector, published in January 2000, requires that TUPE should apply to a re-tendering of contracts where staff originally transferred from the public sector.

Where there is a relevant transfer, employees assigned to the undertaking being transferred have their contracts transferred automatically to the new supplier. DWP

expects successful bidders to investigate whether TUPE applies in all cases to establish whether there should be an automatic transfer of staff from outgoing suppliers.

If TUPE applies, successful suppliers to whom public sector staff may transfer will be required to comply with the provisions for pensions laid down in Annex A of the “Staff Transfers in the Public Sector Statement of Practice” (see link to Cabinet Office below), including the provision of pensions certified by the Government Actuary’s Department as being broadly comparable to those provided by the public sector pension scheme which transferring staff are leaving.

Where it is clear an employee is assigned to an undertaking which transfers to an identifiable new supplier, TUPE must be allowed to apply so that the contract transfers in the usual way. It is also open to preferred bidders to offer employment to staff working in the service even if TUPE does not strictly apply to transfer employment automatically.

DWP will take very seriously any failure by preferred bidders to apply the law.

Further, any such failure may expose preferred bidders to legal action in the employment tribunal by redundant staff. **It is imperative therefore, that each of the preferred bidders seeks its own legal advice as to the application of TUPE and the Statement of Practice.**

Support for bidders on supplier to supplier TUPE

Clearly it is in all our interests to ensure that there is an early exchange of information to allow all stakeholders to consider the options and effect transfers where this is legally required or where both parties agree that it will ensure a smooth transition to the new contracts. DWP will facilitate, where necessary, the exchange of full and complete TUPE information between out-going suppliers of the service and the incoming service supplier(s) in line with the statement set out in DWP Code of Conduct (Annex 1 to the DWP Commissioning Strategy 2008). DWP will expect the transferor and transferee to reach agreement on compliance with the information provisions of TUPE and will not be offering any warranties as to the completeness of any information where we facilitate exchange (since we have no way of assuring this). Consequently DWP cannot provide an indemnity against any losses or liabilities resulting from failure to comply with TUPE.

Pensions

Whilst it is unlikely that any DWP staff will transfer to new suppliers, there will be groups of staff potentially transferring to new suppliers from existing suppliers for whom pension arrangements will need to be made. These arrangements are set out in various legislation and codes and statements of practice detailed below.

Although the transfer of occupational pensions is excluded from TUPE, the Cabinet Office has set out best practice guidelines initially in Staff Transfers in the Public Sector (2000) and subsequently A Fair Deal for Staff Pensions (Fair Deal). A copy of these guidelines can be obtained from the Cabinet Office (www.cabinetoffice.gov.uk).

Identified employee groups for pensions purposes

The potential supplier(s) will need to consider the pension arrangements required for the following groups of employees who could transfer to them from existing suppliers:

- Local authority employees who are members of the Local Government Pension Scheme including employees who had previously transferred from Local Government service.
- Supplier's employees in private pension schemes.

Local Authority staff

Local authority staff working for current local authority suppliers will be members of the Local Government Pensions Scheme (the LGPS). For these employees a new employer must either:

- provide, under Fair Deal, a pension scheme certified by Government Actuary's Department as "broadly comparable" to the relevant LGPS scheme for their future service and a bulk transfer agreement to allow them, if they wish, to maintain the link between their future earnings growth and their past service pension benefits. The authority will provide a bulk transfer agreement with the relevant actuarial assumptions specified; or
- under the Code, apply for admitted body status, thus allowing employees to remain members of the LGPS, by virtue of the enabling provisions of the Local Government Pension Scheme (Amendment etc.) Regulations 1999; and
- in either case, observe the Best Value Authorities Staff Transfers (Pensions) Direction 2007 ('Pensions Direction') by providing for pensions protection (as defined) to be enforceable for the relevant staff transferring to them. This may be achieved by the inclusion in the relevant contractual documents with the DWP a provision for the right to pension protection to be enforced pursuant to the Contracts (Rights of Third Parties) Act 1999. The Pensions Direction can be found at: <http://www.communities.gov.uk/publications/localgovernment/authorities-staff-transfers>

Transfers from public sector organisations are covered by the Code of Practice on Workforce Matters in Public Sector Service Contracts which requires a treatment of staff pensions similar to that provided for by the Code. It can be found at:

http://archive.cabinetoffice.gov.uk/opsr/workforce_reform/code_of_practice/index.asp

Suppliers' employees in private pension schemes

Suppliers' employees who are in private pension schemes are excluded from the provisions of The Fair Deal for Staff Pensions. Pension provision for this group of employees is covered by the Pensions Act 2004 (the Pensions Act) at:

http://www.opsi.gov.uk/Acts/acts2004/ukpga_20040035_en_1 and the Transfer of Employment (Pension Protection) Regulations 2005 at: <http://www.opsi.gov.uk/si/si2005/20050649>

The Pensions Act and the Transfer of Employment (Pension Protection) Regulations 2005 require the new employer to offer transferring employees the opportunity to participate in an occupational or stakeholder pension scheme following the transfer if they are eligible to participate in an occupational pension scheme before the transfer. Minimum benefits of the schemes to be offered are set out in the Pensions Act. Suppliers are advised to check the status of other private sector suppliers' pension schemes. If there is any doubt whether they are private pension schemes or not advice should be sought from DWP on the expected treatment of such schemes.

Supplier Requirements

Suppliers must provide details of their proposals for providing a pension scheme for the above groups of staff. In order to achieve the requirements of Fair Deal in respect of provision of broadly comparable pension schemes and bulk transfer agreements it is **mandatory** that suppliers start these negotiations as soon as possible so that the likely outcome of these negotiations is transparent before the award of contract.

Suppliers must provide details of their proposals for negotiating a pensions bulk transfer including a timetable with the incumbent service supplier and the employer's actuary. In addition, consideration must be given to pensions arrangements for new joiners to the workforce following commencement of the contract, as required by the Code, which applies to employees transferring out of local government service, and the Code of Practice on Workforce Matters in Public Sector Service Contracts, which applies to employees transferring out of other public sector organisations.

Prevention of a "Two-Tier" Workforce

Any transfers from DWP or other public sector employers are subject to the Code of Practice on Workforce Matters in Public Sector Service Contracts (2005);
<http://archive.cabinetoffice.gov.uk/opsr/documents/pdf/copwm.pdf>

This code of practice should be applied where a public sector employer transfers its employees to a private or voluntary sector partner as part of a contract to provide any service to the authority. They will ensure that new joiners to the transferred-out workforce are offered terms and conditions which are, overall, no less favourable than those of the transferred staff and will prevent the damaging 'two-tier' situation where TUPE transferred staff on good conditions work beside newly recruited staff on much poorer terms and conditions.

Similarly, transfers from local authorities are covered by the Code of Practice on Workforce Matters in Local Authority Service Contracts (2003).
<http://www.lge.gov.uk/lge/core/page.do?pagelid=119743>

The Code obliges the new employer to make pension provision for the transferred employees, as in Fair Deal above, or to apply for admitted body status, thus allowing employees to remain members of the Local Government Pension Scheme (LGPS), by virtue of the enabling provisions of the Local Government Pension Scheme (Amendment etc.) Regulations 1999.

Potential suppliers will need to consider the provisions of the respective codes and the extent to which they will apply to this transfer of work.

Additional sources of information:-

- Local Government Pension Scheme (Amendment etc.) Regulations 1999;
<http://timeline.lge.gov.uk/Amended/SI/19993438.htm>
- Staff Transfers in the Public Sector (2000, rev 2007);
http://www.civilservice.gov.uk/Assets/stafftransfers2_tcm6-2428.pdf
- A Fair Deal for Staff Pensions (2002) and (2004);
http://www.hm-treasury.gov.uk/d/pensions_bta_guidance_290604.pdf
- The Cabinet Office Code of Practice on Workforce Matters in Local Authority Service Contracts (2003);
http://archive.cabinetoffice.gov.uk/opsr/workforce_reform/code_of_practice/index.asp
- Pensions Act 2004;
http://www.opsi.gov.uk/Acts/acts2004/ukpga_20040035_en_1
- Transfer of Employment (Pension Protection) Regulations 2005;
<http://www.opsi.gov.uk/si/si2005/20050649.htm>
- The Cabinet Office Code of Practice on Workforce Matters in Public Sector Service Contracts (2005);
<http://archive.cabinetoffice.gov.uk/opsr/documents/pdf/copwm.pdf>, and
- The Best Value Authorities Staff Transfers (Pensions) Direction 2007;
<http://www.communities.gov.uk/publications/localgovernment/authorities-staff-transfers>.

Annex G - Security Policy for Suppliers of services to the DWP

In order to protect Departmental information appropriately, our suppliers must provide the security measures and safeguards appropriate to the nature and use of the information. All suppliers of services to the Department for Work and Pensions must comply, and be able to demonstrate compliance, with the Department's relevant policies and standards.

All suppliers must comply with the relevant Standards from the DWP Information Systems Security Standards. The Standards are based on and follow the same format as International Standard 27001, but with specific reference to the Department's use. The following are key requirements and all suppliers must comply with relevant DWP policies concerning:

Personnel Security

- Staff recruitment in accordance with government requirements for pre-employment checks;
- Staff training and awareness of Departmental security and any specific contract requirements.

Secure Information Handling and Transfers

- Physical and electronic handling, processing and transferring of
- DWP Data, including secure access to systems and the use of encryption where appropriate.

Portable Media

- The use of encrypted laptops and encrypted storage devices and other removable media when handling Departmental information.

Off-shoring

- The Department's Data must not be processed outside the United Kingdom without the prior written consent of DWP and must at all times comply with the Data Protection Act 1998.

Premises Security

- Security of premises and control of access.

Security Incidents

- Includes identification, managing and agreed reporting procedures for actual or suspected security breaches.

The Provider shall develop, implement and maintain a Security Plan during the period of the Contract, showing how they will address the key requirements of the Security Policy, and how they will implement appropriate arrangements which ensure that the Department's information and any other Departmental assets are protected in accordance

with prevailing statutory and central government requirements. These arrangements will clearly vary according to the size of the organisation.

Security Plans

Draft Security Plans are required at this Invitation to Tender stage of the tendering exercise, and the final version of the Security Plan will need to be submitted to and approved by the Department within 20 days of the Effective Date of contract award. The security plan should set out the security measures to be implemented and maintained by the Prime Contractor in relation to all aspects of the services and all processes associated with the delivery of services, in compliance with DWP’s policies and standards. It is the supplier’s responsibility to monitor compliance of any sub-contractors and provide assurance to DWP.

An outline Security Plan is included in the Terms and Conditions and sets out the security measures to be implemented and maintained by Providers in relation to all aspects of the services and all processes associated with the delivery of PRaP. Providers are responsible for the security of the Prime Contractor System (which in the context of the Security Plan is defined as “PRaP Provider Information Systems and Services”) and shall at all times provide a level of security which:

- a) is in accordance with Good Industry Practice and Law
- b) complies with DWP’s Security Policy
- c) complies with ISO/IEC27002 and ISO/IEC27001 (“ISO2700”)
- d) meets specific security threats to the Contractor System

The outline security plan is intended to aid Providers in producing a Security Plan to address all contractual security requirements. As each Provider will have their own different implementations of PRaP Provider Information Systems and Services, in order to determine the specific security threats as per d) above, it is necessary for each Provider to complete a security plan for assessment by DWP. Please note, bidders are expected to meet any costs this may involve.

DWP Baseline Security Standards

These minimum security standards are not new but DWP will need assurance that suppliers are compliant with them before they will be given access to PRaP. This will be done via the Security Plan mentioned above. The standards are included in the table below. Suppliers should make them available to their planning and IT departments.

DWP Baseline Security Standards
Significant Assets associated with the DWP Information Systems and Services must be the direct responsibility of nominated owners.
Significant physical Assets associated with DWP Information Systems and Services must be marked with an Asset number.
An Asset register must be maintained for all significant Assets associated with the DWP Information Systems and Services.
All Assets associated with DWP Information Systems and Services must be assessed to determine whether a Projective Marking is required.
Information that relates to the configuration, security or architecture of a DWP Information System or Service

<p>must carry a Protective Marking of RESTRICTED or the Protective Marking of the System to which it relates.</p>
<p>An identifying label must be applied to any DWP Official Information, such as Special Customer Records, that requires protective measures over and above those appropriate for the Protective Marking of the DWP Information System or Service with which it is associated.</p>
<p>The Protective Marking of Assets used for DWP Information Systems and Services, and of DWP Official Information, must be made known to all those who may have access.</p>
<p>Organisations with access to the DWP Information Systems and Services and DWP Official Information must, for each post, assess whether and to what level of Security Clearance is required.</p>
<p>Before any individual is allowed physical or electric access to DWP Information Systems and Services and or Assets associated with such systems an appropriate level of security check must be undertaken.</p>
<p>The use and protection of DWP Information Systems and Services and DWP Official Information must form part of a formally agreed contract that includes confidentiality (i.e. non-disclosure) requirements for DWP Official Information. Where DWP Information is the sole Asset concerned, the in the absence of a formally agreed contract its use and protection must form part of a legally binding confidentiality (i.e. non-disclosure) agreement.</p>
<p>Procedures must be in place to ensure that DWP Information Systems and Services and DWP Official Information are protected, and security preserved, when an individual terminates his/her employment or changes duties.</p>
<p>Personnel requiring access to DWP Information Systems and Services and DWP Official Information must be provided with an appropriate level of training to undertake their duties securely, before being granted access.</p>
<p>Personnel requiring access to DWP Information Systems and Services and DWP Official Information in support of DWP business must be made aware, before being granted access, of their personal responsibilities with regard to associated security policies and procedures and their legal obligations.</p>
<p>Personnel who will use or have access to DWP Information Systems and Services must be made aware:</p> <ul style="list-style-type: none"> • of the Department's ability to identify users and track their interactions with DWP Information Systems and Services; • that all suspected incidents of misuse will be investigated and appropriate disciplinary action will be taken.
<p>Personnel requiring access to DWP Information Systems and Services and DWP Official Information must on induction and regularly throughout their employment, receive effective security training and appropriate security awareness information.</p>
<p>All staff must be advised of their responsibility to recognise and to make known to the appropriate authority, all Security incidents and any information which indicates a security weakness in DWP Information Systems and Services.</p>
<p>All security incidents which affect DWP Information Systems and Services and DWP Official Information or affect the ability of the Department to meet the needs of its customers, must be reported, investigated and documented.</p>
<p>Procedures for reporting and investigating Security incidents must ensure the confidentiality of the information and its source.</p>
<p>There must be formal disciplinary process defined for individuals who breach or attempt to breach the security of DWP Information Systems and Services.</p>
<p>Controls and procedures must be in place to secure: a) the perimeter of sites; b) buildings; c) offices which hold or provide a means to access DWP Information Systems and Services and DWP Official Information.</p>
<p>DWP Official Information must be safeguarded from unauthorised access and accidental and deliberate loss or damage at all times.</p>
<p>Equipment used in DWP Information Systems and Services must not be sited in areas where it is known that there is an unaccepted risk of loss, damage or compromise.</p>
<p>The use of privately owned equipment to carry out DWP work must be controlled.</p>
<p>Comprehensive Work Instructions must be prepared and maintained for all DWP Information Systems and Services to ensure their secure and correct operation.</p>
<p>Operational and test and development environments for DWP Information Systems and Services must be segregated and access to them controlled.</p>
<p>The procurement process for DWP Information Systems and Services must ensure that the Department's security requirements are clearly communicated to all actual and potential Service Providers.</p>
<p>Contracts and agreements with an organisation providing DWP Information Systems and Services must include an undertaking on their part to comply with all HMG and DWP security policies, standards and procedures.</p>
<p>Organisations providing DWP Information Systems and Services must document the implementation of security controls and how they comply with ISSS and any associated security policies and standards.</p>

Service Providers for DWP Information Systems and Services must allow and provide for access to their premises and systems to enable compliance to be checked and monitored by the Department.
Adequate capacity and resources must be provided for the operation of DWP Information Systems and Services throughout the life of the system and service.
All DWP Information Systems and Services must meet defined acceptance criteria and be fully tested prior to deployment.
All DWP Information Systems and Services must obtain formal Accreditation prior to it becoming operational.
The deployment of new or upgraded DWP Information Systems and Services must ensure that the security of the system and its information is maintained throughout the deployment process.
All proposed changes to operational DWP Information Systems and Services or Services including changes to software, equipment and processes must be subject to formal DWP Change Control procedures.
Effective measures and procedures must be implemented for DWP Information Systems and Services to prevent or detect their infection by Malicious Software.
DWP Official Information and software held within DWP Information Systems and Services must be protected against loss by the implementation of formal procedures to generate, record, store and control the use of, back-up copies.
Measures must be established to archive DWP Official Information and provide access to archived information.
DWP Information Systems and Services must operate in an environment that protects them against the risks from environmental threats and hazards.
All Media containing DWP Official Information must be given a level of protection appropriate to the risks to the type of media and to the Protective Marking of the information it contains.
System Documentation must be protected from loss and access to it controlled and restricted to those with the appropriate and Need to Know.
All Media must be disposed of securely and safely in accordance with its Protective Marking and value when it is no longer required.
Access to DWP Official Information by third party organisations and their staff, must be controlled.
Where DWP Official Information or software that is used to provide DWP Information Systems and Services is to be exchanged, electronically or physically, the information must be protected to ensure the Confidentiality and Integrity and Availability of the information or software.
Cryptographic materials used in encryption products to protect DWP Official Information in storage or transit must be managed to protect against unauthorised access, usage and from loss.
DWP Official Information and security countermeasures must not be compromised through the use of electronic office systems.
DWP Official Information must not be put at risk of disclosure through the improper and careless use of telephone, fax and video facilities.
Access to DWP Information Systems and Services and DWP Official Information must be controlled in accordance with an access control policy statement and clearly defined and documented supporting procedures.
All equipment connected to DWP Information Systems and Services must be identifiable and controlled.
DWP Office Information in application systems must not be accessed or used without authority and business need.
DWP Office Information handled by DWP Information Systems and Services, by users and other systems and services, must be controlled in accordance with the Access Control Policy for the system or service.
DWP Information Systems and Services must have processes defined to authorise and report emergency access.
The provision, use and retention of Operational Data for training or testing purposes must be approved and strictly controlled.
Output from application systems handling Protectively Marked Information must be controlled.
DWP Official Information processed or stored in DWP Information Systems and Services must be protected in accordance with its Protective Marking.
Access to information on the configuration, security or architecture of information systems and services must only be available in accordance with the Access Control Policy for that system or service. Such as information must carry a minimum Protective Marking at least equal to which it relates.
For all DWP Information Systems and Services security requirements must be identified at the requirements phase of a project and justified, agreed and documented as part of the overall business requirement.
The use of backup data on DWP Information Systems and Services must be authorised, controlled and recorded.
The use of cryptographic techniques to protect the confidentiality, authenticity and integrity of DWP Official

Information must be approved by the Department's Security Authorities and procedures implemented to securely manage the cryptographic material.
Test Data must be protected and controlled and the provision, use and retention of Operational Information for system and acceptance testing must be strictly controlled.
All changes to DWP Information Systems and Services must be strictly controlled.
All key business processes must have a Business Continuity Strategy Plans and facilities must be put in place and maintained to ensure the DWP Information Systems and Services can recover and continue should a serious incident occur.
All organisations with access to DWP Information Systems and Services and DWP Office Information, including those within the Department, must have an organisational structure in place which clearly defines roles and responsibilities for the protection of those systems and information in accordance with the Department's security policies standards and procedures.
Personnel with specific security roles must have the training, resources and authority necessary to enable them to undertake their security responsibilities.
Design and use of all DWP Information Systems and Services must be compliant with all relevant statutory, regulatory and contractual requirements.
Access to and the use of cryptographic controls must comply with national agreements, laws and regulations.
All copyright or Intellectual Property Rights of others must be complied with by anyone undertaking work for, or on behalf of, the Department.
Organisational records produced and retained to support essential business activities or to meet statutory requirements must be safeguarded from unauthorised access, loss, destruction or falsification.
All DWP Official Information containing personal information must be handed in accordance with the Data protection legislation in force within the UK.
Any use of DWP Information Systems and Services for non business or other unauthorised purposes, without management approval, must be regarded as improper use of the facilities.
Reviews must be carried out to ensure the protection provided for official DWP Information Systems and Services is sufficient taking into account the assessed level of risks and reflects current threats and vulnerabilities.
Assurance must be provided that all DWP Information Systems and Services comply with the appropriate security policies and standards.
Terms of DWP audit access must be established for all DWP Information Systems and Services.

Fraud Prevention

The Department places the utmost importance on the need to prevent fraud and irregularity in the delivery of its contracts. All suppliers and sub-contractors will be required to, as a minimum, adhere to the following four principles;

- an established system to enable contractor staff to report inappropriate behaviour by colleagues in respect of performance claims (i.e. a "whistleblowers charter");
- a performance management system within the organisation that does not generate perverse incentives among individual employees to falsely claim performance achievement;
- a segregation of duties within the contractor's operation between those achieving performance and those reporting it to DWP; and
- an audit regime in place that provides for periodic check of the effectiveness of the performance reporting regime.

Annex H – Mandatory Referral Regime for PDUs

A new regime of mandatory referrals will commence at the same time as delivery of the new progress2work-LinkUP programme and the pilot, everywhere in England except the pilot areas, where it will come into effect in the second year of the pilot (from October 2011).

The new process will involve the introduction of **mandatory** referral of Problem Drug Users (PDUs- defined as misusers of heroin or crack cocaine) to an initial discussion with a Drugs Treatment Provider. It will apply to customers claiming JSA or ESA who self admit Problem Drug Use and are not in treatment and their drug use is a barrier to their employment (this change will apply to all Jobcentre Plus Districts in England⁶ except the Pilot areas).

Until April 2009 there was no specific routeway for identifying PDUs who were claiming JSA and ESA to help them to tackle their drug problem. Since April 2009 a regime of voluntary referrals has been in place, under which ESA and JSA customers who admit problem drug use and are not in treatment are voluntarily referred to a discussion with a Drug Treatment Provider (commissioned by the local drug partnerships and overseen by the National Treatment Agency) to ensure that they are aware of the support and services available to them. Customers currently have to agree to the referral, and give consent for their data being shared with the provider.

The Welfare Reform White Paper outlined an expectation that in future customers with a heroin or crack cocaine misuse problem would have a responsibility to move successfully through treatment and to actively seek employment in return for benefit payments.

The introduction of mandatory referrals from October therefore provides the “front end” process for JCP Advisers, FND/pathway providers to refer customers self admitting problem drug users to an initial discussion. Failure to attend without good cause can result in their benefit being sanctioned.

Problem Drug Users will be encouraged to engage with treatment services, but there is no requirement other than attending the initial discussion.

⁶ Health services are devolved in Scotland/Wales, therefore these proposals only relate to England. The department is working with the Scottish Executive and the Welsh Assembly to explore whether these measures can be extended to Scotland and Wales in line with their drug strategies.

Annex I - Welfare Reform Drug Recovery Pilot Distance Travelled Approach

Please note this entire section updates and replaces the information included in the PQQ specification around Distance Travelled.

Background

Given the complex and difficult nature of the client group being targeted in the Drug Pilot (problem drug users, many of whom will not be stable in treatment) it was recognised from an early stage that it would not be sensible or realistic to use job outcomes alone as a measure of the effectiveness of the Additional Support Programme in the pilot. It was therefore agreed that it would be desirable to measure a customer's progress in moving closer to the labour market against a number of softer behavioural outcomes using a 'distance travelled' approach.

To this end, Northumbria University were commissioned to develop a distance travelled model, building on work they had previously done for the Department for the WORKSTEP programme, which is aimed at disabled customers.

The model proposed by Northumbria University for the Drug Pilot covered eighteen key behaviours:

- job-seeking skills
- expectations of employment
- understanding requirements of employment
- reliability
- time management
- literacy and numeracy
- communication skills
- interpersonal skills
- problem solving
- appropriate behaviour
- adaptability
- motivation and commitment
- concentration
- self esteem and confidence
- personal presentation
- living skills
- money management
- health and well-being

The idea then being, that providers and customers would work together to identify and prioritise activity around those behaviours most applicable to the individual and their circumstances.

One of the key reasons for adopting a distance travelled approach, over and above demonstrating the effectiveness of the provision, is to provide a means of motivating the customer to engage in discussion with the provider and identify key areas to be addressed in their voluntary rehabilitation plan. Given the above, there are number of issues with the proposed approach that, on first reading, would appear to present themselves and make a case for further refinement of the model:

- 18 key behaviours would seem to be quite a lot for this client group to be able to focus on, identify with, and prioritise for action. Particularly in the early stages of their treatment journey when they are likely to be more chaotic.

- Criminality and criminal behaviour is a key issue facing this client group that has been omitted from the proposed model, and would seem worthy of inclusion.
- Drug and alcohol misuse, physical health, and psychological health are three key, and arguably distinct, issues affecting this client group which need to be addressed separately rather than in one category of 'health and well being' which would not seem to offer them the weight they deserve.
- Relationship issues (past and present), which are often a key driver for both ongoing substance misuse and seeking treatment, and may well present a barrier to recovery and employment if not resolved, do not feature in the list of behaviours identified for this client group.
- Training and skills (with the exception of literacy and numeracy which are included) is an obvious omission in the context of employment.

The revised approach

Discussion with NTA colleagues and treatment providers has highlighted the four key domains used by treatment providers in drawing up a comprehensive care plan for their customers. Similar domains also form the basis of the Treatment Outcome Profile (TOP) monitoring tool used by practitioners to review the progress of drug users in structured treatment. The domains are:

- drug and alcohol use (types, quantity and frequency, pattern of use, route of administration);
- physical and psychological health (blood borne infections, injecting related injuries, overdose, self harm, depression, anxiety, psychiatric co-morbidity, suicidal ideation);
- offending behaviour (legal issues, outstanding charges, prison/probation involvement/history, violent offences, criminal activity);
- social functioning (childcare issues, domestic violence, family, housing, education, employment, benefits and financial problems).

With the addition of appropriate behaviours related to finding employment, and with a specific focus on the impact that the other behaviours have on employment prospects, these would seem to form a good basis for any distance travelled model for the pilot support group. In particular, they have the distinct advantage that are particularly relevant to, and will resonate with customers and the wider treatment sector alike.

The Distanced Travelled Tool

It is therefore proposed that the distance travelled model should instead focus on a smaller number of behaviours (ten) which should be assessed on a scale of 0 to 10. It is also proposed that any behaviour set should be less heavily weighted towards employment outcomes, instead giving greater emphasis to indicators that support stability in treatment and recovery and which, implicitly, will also form barriers that will need to be overcome in order to gain employment.

The proposed behaviour types are as follows:

Behaviour Type	Supporting Evidence to be probed in discussion with customer, and to validate scoring
<p>1.Expectations of employment – Is employment a realistic option for the individual at the present time, or in the near future</p>	<ul style="list-style-type: none"> • Demonstrates a readiness for, and a willingness to seek work • Displays realistic expectations of employment and can match own skills to appropriate jobs. • Displays realistic expectations of the type of work that would be available to them. • Demonstrates a willingness to consider a variety of job opportunities. • Demonstrates realistic expectations and acceptance of the potential travel requirements involved in getting to and from a workplace • Has access to relevant tools or other equipment for chosen profession
<p>2.Employability and people skills – does the individual have the necessary basic employability and people skills</p>	<p>Demonstrates:</p> <ul style="list-style-type: none"> • reliability and punctuality – eg in attendance at appointments • an ability to maintain appropriate levels of personal hygiene • an ability to concentrate. • effective and appropriate communication and interpersonal skills • an appropriate level of confidence when dealing with new situations or meeting new people • an ability to manage the stresses of day-to-day life and employment
<p>3. Skills and training – does the individual have the necessary skills, training or qualifications to enable them to find sustainable employment</p>	<ul style="list-style-type: none"> • Reads and writes to functional level required. • Is appropriately qualified or accredited for particular jobs of interest • If appropriate, is aware of and able to access education and training opportunities to help gain employment, build confidence or act as diversionary activity
<p>4. Physical health – to what extent are any issues relating to physical health a barrier to employment</p>	<ul style="list-style-type: none"> • Is aware of and takes responsibility for current state of own physical health • Is undergoing treatment as appropriate for any physical health conditions • current state of physical health does not present a barrier to sustained employment
<p>5. Mental health – to what extent are any issues relating to physical health a barrier to employment</p>	<ul style="list-style-type: none"> • Is aware of and takes responsibility for current state of own mental health • Is undergoing treatment as appropriate for any mental health conditions (eg depression or anxiety or dual diagnosis) • Current state of mental health does not present a barrier to sustained employment
<p>6. Accommodation – to what extent to any issues relating to accommodation and housing a barrier to employment</p>	<ul style="list-style-type: none"> • Demonstrates a sense of self worth and self respect • Has access to stable housing, or is taking appropriate steps to address this issue. • Maintains accommodation to a safe and acceptable standard. • Displays knowledge of housing support available - is able to pay their rent or deposit, and has access to housing benefit and housing benefit run-on where eligible
<p>7. Money management – how confident does the individual feel about their ability to manage their finances should they find employment</p>	<ul style="list-style-type: none"> • Is able to furnish their accommodation adequately • has a bank account • feels confident in managing the transition from benefits to employment • Shows awareness of current financial situation • Can manage personal finances – budgeting household bills.

8. Offending behaviour – to what extent is offending behaviour or criminal activity (past or present) a barrier to employment

9. Substance misuse – to what extent is misuse of alcohol or drugs (past or present) a barrier to employment

9. Personal relationships – are any issues relating to personal relationships (past or present) a barrier to employment

- Shows understanding of the implications of debt and debt management.
- Is not currently offending
- Feels confident and able to disclose past offences
- Nature of past offences does not pose a barrier to professions of interest
- Is complying with conditions of parole or probation as appropriate
- is seeking treatment as appropriate for misuses of drugs and alcohol, or is otherwise in control of their drug and alcohol use
- is sober and otherwise un-intoxicated at meetings with provider
- Displays appropriate understanding and management of addiction including awareness of health risks, triggers and methods of relapse prevention.
- Feels that they are sufficiently stable in their recovery or treatment journey to be able to seek and sustain employment
- children – is able to access appropriate support to resolve issues of access; payment of maintenance; issues with social services; and to find appropriate child care
- is seeking help as appropriate to resolve any issues presented by domestic violence and other abuse (past or present)
- is seeking help as appropriate to resolve and issues presented by partners or families
- Displays an ability to resist peer group pressure
- Is able to form positive relationships with family members, friends, carers, colleagues or significant others

Next Steps

- DWP will work with psychologists to develop the precise wording to be put to the customer for each of the behaviours, and to test them with customers.
- DWP will develop guidance for providers on the use of the tool.
- DWP will develop a secure transfer mechanism for monthly returns of provider data.

Annex J - DWP Code of Conduct

As part of the DWP Commissioning Strategy⁷ and in the interests of developing and supporting healthy, high performing supply chains you will be required to ensure that all sub-contractual relationships adhere to the DWP Code of Conduct. The Code is attached as an annex to the DWP Commissioning Strategy and excerpted below. The Code of Conduct spells out the key values and principles of behaviour which DWP expects of suppliers and which are essential for creating healthy, high performing supply chains. Suppliers who contract with DWP will be expected to operate in accordance with the Code of Conduct.

Values

The Code of Conduct will be underpinned by a set of core values to be upheld by top-tier and delivery suppliers. They should:

- act with integrity;
- have respect for their partners (actual and potential), including the use of fair contracting and funding arrangements;
- ensure transparency, non-discrimination, equal treatment and accountability in relationships between both parties;
- ensure prompt and receptive responses to market place issues and challenges;
- encourage the sharing of good practice;
- promote equality and diversity in their own workforce and their supply chain; and
- be committed to achieving the best possible outcomes for our customers.

Pre-awarding of contract

- Sub-contracting opportunities should be advertised as openly and widely as possible;
- Application processes at the sub-contracting level should be open and fair, as simple as possible, consistent, and in proportion to the size of contract;
- Short listed top-tier suppliers cannot insist that potential delivery suppliers negotiate only with them and not their competitors;
- There will be no “poaching” potential delivery supplier staff during sub-contracting negotiations;
- Top-tier suppliers should ensure transparency in providing timely feedback to unsuccessful delivery suppliers;
- Both parties should agree the terms of delivery at the outset and with additional agreement on how risk is to be allocated;
- Top-tier suppliers with longer contracts will offer contracts to delivery suppliers of sufficient length (subject to performance) to enable long-term planning and investment;
- Funding should be on a basis that is fair to the different organisations involved and

⁷ DWP Commissioning Strategy: <http://www.dwp.gov.uk/docs/cs-rep-08.pdf>

reflects relative ability to bear particular risks. All suppliers will need, through the contract tendering process, to offer prices and have plausible expectations of what they can deliver, so that they are in a position to recover their costs.

Post-awarding of contract

- Top-tier suppliers will live up to any commitments they make to delivery suppliers at the time of contract award;
- Monitoring requirements and management information should not be overly bureaucratic and should be consistent, proportionate, clearly specified and agreed at the start of the contract;
- Neither top-tier nor delivery suppliers will engage in restrictive practices such as colluding on price;
- The development of smaller suppliers will be supported and encouraged;
- The top-tier supplier should provide a reasonable level of extra support for new entrants into the market;
- There should be transparency between top-tier and delivery suppliers about decisions or referrals of customers including the level and type of support needed.
- Timing of payments should be consistent and agreed with both parties, to ensure the level of risk is minimal on the delivery supplier;
- Top-tier suppliers should consider making payments in advance of expenditure (where appropriate and necessary) in order to achieve better value for money;
- There will be open lines of communication between suppliers to ensure any issues are resolved as soon as they arise as far as is practicable;
- Contracts between top-tier/delivery suppliers will allow a sufficient termination period, which will be agreed at the outset;
- Top-tier suppliers should not seek to obstruct or prevent delivery suppliers from presenting reasonable strategic or operational grievances to DWP.

Equality and Diversity

- All suppliers will have effective equality and diversity policies and will abide by DWP policy on equality and diversity where relevant and proportionate to the contract;
- Top-tier and delivery suppliers should promote diversity and equality in their ways of working, in relation to their own staff, their supply chain and in the delivery of services.

DWP will undertake to:

- uphold these standards as a good commissioner;
- monitor and enforce the Code of Conduct consistently and fairly;
- allow a sufficient period of time for short-listed organisations to fully develop their tender proposals, including development of partnership and consortia arrangements. In the case of larger procurement exercises this will not generally be less than 12 weeks;
- act as stewards of the supply chain in its initial stages supporting suppliers and Contract Managers in the implementation activity from contract award through to live running;
- actively promote awareness of and adherence to the use of the Code of Conduct by

- top-tier suppliers and delivery suppliers;
- provide a grievance route for delivery suppliers who believe that the Code of Conduct is not being adhered to; and
- ensure that delivery suppliers can have a 'voice' direct to DWP, not just as a vehicle for talking about common problems, but as an opportunity to share insights that are best understood by those dealing with our customers.

Annex K - Provider Capabilities Framework

The DWP Commissioning Strategy introduces the Provider Capabilities Framework. The framework spells out the specific capabilities and requirements that make up a high-performing supply chain and an effective Prime Contractor. DWP will contract, inspect, manage and intervene on the basis of these capabilities and requirements.

Principles

- The capabilities described in the framework will, collectively, need to be demonstrated by the supply chain as a whole. Some individual capabilities will be relevant to the Prime Contractors; others will more likely be evidenced by sub-contractors or partners. Some will need to be demonstrated by everyone.
- DWP will look to work with organisations who share our commitment to promote equality in the workplace. DWP will ask potential suppliers about their equal opportunities policies as employers and will work with suppliers to raise the employment of under-represented groups, amongst other key equality outcomes. DWP want to contract with organisations that are prepared to work to make progress within their own workforce and supply chain; DWP believe this is an indispensable part of demonstrating the capability to deliver employment services to our customers.
- Some capabilities will be reviewed as part of supplier management. This will include: ability to understand barriers caused by complex disabilities, particularly mental health conditions and learning disabilities; ability to work effectively with other delivery partners, including those in the public sector, notably Jobcentre Plus, skills organisations and local authorities; rigorous performance management; case management to assist people, particularly disadvantaged people, into sustained employment; strategic employer engagement to provide suitable and sustained jobs and a sound employer-facing infrastructure; local labour market knowledge and identification of skills needs and job opportunities; specialist understanding of sources of disadvantage and strategies to overcome it for all customer groups based on evidence; and capacity and capability to respond to changing economic conditions.
- Many will also be reviewed as part of self-assessment and inspection. Some may best be evidenced by this process such as: assessment of customer needs, and flexibility and personalisation in assisting them into employment; excellent customer experience; and investment by suppliers in the development of their own staff and their supply chains.

Star Rating

Star Rating is a supplier performance tool that has been recently developed in conjunction with existing DWP suppliers. It is applied to each contract within a piece of provision so a provider with more than one contract receives a Star Rating for each contract.

The Star Rating is a four-measure scale with four stars being the highest and one star being the lowest. It is calculated from three key performance areas, each of which has a number of Key Performance Indicators (KPIs), weighted as follows:

- 70% Performance;
- 20% Quality; and
- 10% Contract Compliance and Provider Assurance.

The Performance KPIs (Short Job and Sustained Job Outcomes) are based upon relative assessment. The relative assessment element compares performance against targets set out in each individual contract and ranks these against other contracts delivering the same provision. Points are then awarded to each contract dependent upon where it appears in the ranked order.

For the Quality KPI the markings come from the Quality Assessment Questionnaire (QAQ) which is part of the contract management process. The QAQ includes key questions from the External Inspection Framework and the markings agreed with the Contract Manager are then used for this KPI.

The Contract Compliance and Provider Assurance KPI is made up of two absolute measures. The first is an assessment made by the Contract Manager about contract compliance, measured against a set of agreed benchmarks. The second measure is the contract's Contracted Employment Provision Provider Assurance marking.

Points from each of the KPI's are totalled and a Star Rating awarded as follows:

Star Rating Points	Star Ratings Awarded
75 points and over	4 Stars
60 to 74.999 points	3 Stars
45 to 59.999 points	2 Stars
Under 45 points	1 Star

A more detailed description of Star Rating will be included in Provider Guidance but in the meantime you can learn more about Star Rating at:

<http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/star-rating-system>

Outcomes

The KPIs for Short and Sustained Job Outcomes are based upon relative assessment. The relative assessment element compares performance against targets set out in each individual contract and ranks these against other contracts delivering the same provision. Points are then awarded to each contract dependent upon where it appears in the ranked order. More information will be included in Provider Guidance.

Quality

The supplier's self assessment markings come from the Quality Assessment Questionnaire, which is part of the contract management process. The QAQ includes key questions from Ofsted's Common Inspection Framework and forms part of the contract management review process. More information will be included in Provider Guidance.

Contract Compliance

Compliance is made up of two absolute measures. The first is an assessment made by the Contract Manager about contract compliance, measured against a set of agreed benchmarks. The second measure is the contract's Financial Appraisal and Monitoring Risk Rating. More information will be included in Provider Guidance.

Annex L - DWP Quality Framework⁸

The DWP Quality Framework provides the basis of our approach to maintaining and improving in all DWP Contracted Employment Provision. The framework is supported by the Inspection Frameworks and the Provider Guidance.

The Key elements of the DWP Quality Framework are:

- Learning and Development Plans;
- Continuous Self-Assessment and Development Planning;
- Management and Review;
- Sharing good practice; and
- Independent external inspection.

Each key element of the Framework plays a critical role in raising standards; none of the elements are designed to stand alone. Embracing all these key elements will enable providers who have the prime responsibility for raising quality to pursue their continuous Improvement strategies.

In England, we will work with the Department for Business, Innovation and Skills⁹ (BIS) and the Learning and Skills Improvement Service (LSIS) to develop integrated improvement strategies covering employability and skills provision and advisory services.

⁸ DWP Quality Framework: <http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/quality-framework/>

⁹ Formerly the Department for Innovation, Universities and Skills.

Annex M - Sustainable Procurement Targets

DWP supports the main goal set out in the UK Strategy for Sustainable Development (Securing the Future¹⁰ 2005) which is to *'enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations'*.

The UK Strategy for Sustainable Development has four main aims:

- social progress that recognises the needs of everyone;
- effective protection of the environment;
- prudent use of natural resources; and
- maintenance of high and stable levels of economic growth.

An overview of sustainable procurement in DWP can be found in the DWP Sustainable Procurement Awareness Sheet for suppliers/providers below. This document also gives details of the Sustainable Operations on the Government Estate (SOGE) targets that DWP, along with all other central Government departments, must make progress towards.

When delivering services outside the DWP estate contractors shall, and shall ensure that where possible, their sub contractors, use all reasonable endeavours to comply with the principles set out in the UK Strategy for Sustainable Development and the SOGE targets.

If delivering services on the DWP estate (including Jobcentre Plus premises) contractors shall, and shall ensure that where possible, their sub contractors, work with DWP to assist in making progress towards the SOGE targets and the wider sustainable development principles.

Suppliers will be required to complete and provide a policy statement (within six months of the contract start date) to demonstrate how they will satisfy and adhere to the principles of sustainable development. As part of this policy statement, contractors will need to give an assurance that their waste is disposed of by a registered waste collector, in accordance with current regulations, and that items such as ink cartridges and toners are recycled or disposed of in the correct way. Assurance must also be provided that Waste Electrical and Electronic Equipment (WEEE) regulations¹¹ are observed with regard to the disposal of electrical and electronic equipment.

Suppliers must produce an action plan (within six months of the contract start date) to explain:

- how waste produced will be minimised and how recycling will be promoted within their business;
- how energy consumption will be minimised within their business;
- how the use of transport will be minimised and how the use of public transport will

¹⁰ Securing the Future: <http://www.defra.gov.uk/sustainable/government/publications/uk-strategy/index.htm>

¹¹ The Waste Electrical and Electronic Equipment Directive:
<http://www.berr.gov.uk/whatwedo/sectors/sustainability/weee/page30269.html>

- be promoted within their business, both to staff and customers where appropriate;
- details of a baseline assessment of their current position in terms of waste minimisation, recycling levels and energy consumption (energy consumption will only be required if current energy usage is available);
- annual estimates of the progress of the Sustainable Development actions detailed in their plan; and
- how staff awareness of sustainability will be increased in line with their sustainable development plan.

Sustainability must be integrated into services so that they are delivered through a sustainable, innovative and productive economy that delivers high levels of employment and a just society that promotes social inclusion, sustainable communities and personal well being. This will be done in ways that protect and enhance the physical and natural environment and uses resources and energy as efficiently as possible.

Provision will improve the employability of customers and deliver environmental or community benefits by:

- minimising travel;
- using innovative delivery methods to deliver services;
- supporting skills and jobs identified that will work towards improving conservation;
- identifying skills needed in work areas that will have a positive effect on the environment;
- reducing skills gaps locally; and
- providing placements delivered through local and charitable organisations.

DWP Sustainable Procurement

Building a better future



DWP SUSTAINABLE PROCUREMENT TARGETS

SUSTAINABLE PROCUREMENT GUIDANCE FOR DWP SUPPLIERS AND PROVIDERS

The Department for Work and Pensions is highly regarded in Government as an active proponent of Sustainable Procurement best practice. From the top down DWP's commercial function has endorsed social and environmental concerns as a single agenda and this will now be a "key work objective" for the Permanent Secretary. DWP supports the most vulnerable in society, working to reduce child and pensioner poverty, to help all those who can work to do so, and ensure people with disabilities can play their full part. In doing so, DWP aims to promote economic growth, tackle poverty and social exclusion, and minimise its own environmental impact – objectives which align with and fully support the 3rd UK Strategy for Sustainable Development – 'Securing the Future'. As the aims and priorities of the Department are to provide effective welfare reform, child support and pensions services we are in a prime position to take the lead on delivering the Government set targets for Sustainable Procurement.

It is our clear goal to incorporate Sustainable Development into our thinking but more importantly, into our actions. Considering what our actions mean for business, the environment and the community must become second nature in all of our

commercial dealings. DWP is making progress towards achieving this goal but the Department's size, spending power, resources and welfare objectives mean that we still have much more to do within the procurement community. The DWP Sustainable Procurement Strategy is key to ensuring that we specify sustainable goods and services wherever possible and encourage best sustainable practice throughout our supply chains. In achieving sustainability in its fullest sense we will maximise the potential our contracts hold for driving important social, economic and environmental improvements. If DWP is to fully meet its responsibilities and match the Government's commitment and targets for Sustainable Development then we need to deliver – and we are looking to our suppliers and providers to help us achieve more. We are supplying you with details of the targets that we are required to achieve. They are challenging - because Government does not underestimate the need.

DWP wants to manage its demand for goods and services - to actively make them more sustainable. So we will talk to you about our needs, and draw upon your skills and expertise to help meet the real threat of climate change - support equality in the workplace and tackle unlawful discrimination.

Contract Management in DWP requires that whatever you are supplying, your contract will be the subject of management review meetings.

SUSTAINABLE PROCUREMENT IS INTELLIGENT PROCUREMENT

As a supplier to DWP you can expect to have sustainable issues and Sustainable Development on the agenda.

Our commercial representatives will ask about sustainability in delivery of your contract - and this will include an understanding of your supply chain. The Department wants to be confident that Equality and Diversity, equal opportunity, fair pay and good employment practice exist throughout the supply line. Your organisations efforts, however large or small your business is, can contribute to our targets and objectives. If you are in business with this Department you will be pursuing sustainability.

So we have asked your DWP Contract Manager to pass this information sheet to you - to make plain the Department's intention to help tackle unsustainable demand and waste in society by managing our own business and our suppliers with sustainability in mind.

The Department has a Sustainable Procurement Strategy.

DWP has made the commitment to improving supplier performance

Recycle
Re-use
Reduce



through partnership with our providers - achieving recognition as a leading light in social and environmental procurement. The Department has a large social agenda which it must balance with securing value for money for the taxpayer while also improving its environmental performance. DWP has backed this drive by developing Sustainable Procurement specialists and supporting its commercial representatives with

training and tools to assess social and environmental impacts in Procurement. DWP is seeking to lead Government in delivering environmental and social sustainability. Whether you are a current supplier, or a potential one - take a look at the targets we are aiming for overleaf.....

DWP Department for
Work and Pensions
COMMERCIAL DIRECTORATE

DWP has a dedicated Sustainable Procurement team - Hayley Addison MCIPS & Dave Blackburn MCIPS. Contact them at Hayley.Addison@dwp.gsi.gov.uk or David.Blackburn@dwp.gsi.gov.uk.

Hayley and Dave are based at Benton Park View, Newcastle upon Tyne. (Room BP5101) They perform a central role in advising upon and pulling together the work of DWP Commercial Directorate in Sustainable Procurement - though if you are currently supplying to DWP the Departments contract managers can be your first port of call.

The DWP Commercial Directorate "Sustainable Procurement Implementation Group" (SPIG) is the hub of practitioner and strategic Sustainable Procurement activity. All the major contracting teams in the Department have a representative who is responsible for holding that teams sustainable strategy and plan. Those strategies underpin the Departmental



The DWP Sustainable Procurement Conference 2007. Top left - Hayley Addison takes the 100 strong commercially based audience through SPRAM. Top Right - Peter Shields DWP Commercial Policy Manager speaks on eradicating unlawful discrimination in contracts. Below - the DWP Sustainable Procurement Implementation Group review individual contract strategies for goods and services supplied to DWP.



Photograph by Alan Neilson

Sustainable Procurement strategy and feed into its objectives. Those objectives include all Government Flexible Framework and Quick Win targets. Full details can be found at www.sustainable-development.gov.uk/publications/index.htm

Sustainable Procurement Risk Assessment Methodology is the tool our contracting teams must apply before commencing a procurement. SPRAM - as we call it, provides the basic thinking that ensures that the Departments Sustainable Procurement targets and objectives are factored in to contract programs, so that value for money includes consideration of whole life costs and social issues. It is only used by DWP and reflects the Departments specific welfare role in society. SPRAM ensures that relevant and proportionate attention is paid to sustainability when we specify requirements and consider proposals.

Most importantly - once a supplier is on board - we want to continue to work together to make ongoing improvements to the sustainable efficiency of services and supplies. We can only achieve this in partnership with you - our suppliers, our partners in business.

The Sustainable Operations on the Government Estate (SOGE) targets are key goals for DWP. See below.

The Sustainable Operations on the Government Estate (SOGE) Targets

Carbon emissions from Offices

Reduce carbon emissions by 12.5% by 2010/2011, relative to 1999/2000 levels. Reduce carbon emissions by 30% by 2020, relative to 1999/2000 levels.

Carbon emissions from Road vehicles

Reduce carbon emissions from road vehicles used for Government administrative operations by 15% by 2010/2011 relative to 2005/2006 levels.

Achieve carbon emissions of 130g/km CO2 or lower for new road vehicles used for Government administrative operations by 2010/2011.

Carbon neutral

Central Governments office estate to be carbon neutral by 2012.

Energy efficiency

Departments to increase their energy efficiency per m2 by 15% by 2010, relative to 1999/2000 levels.

Departments to increase their energy efficiency per m2 by 30% by 2020, relative to 1999/2000 levels.

Waste arisings

Departments to reduce their waste arisings by 5% by 2010, relative to 2004/2005 levels.

Departments to reduce their waste arisings by 25% by 2020, relative to 2004/2005 levels.

Recycling

Departments to increase their recycling figures to 40% of their waste arisings by 2010.

Departments to increase their recycling figures to 75% of their waste arisings by 2020.

Biodiversity

Departments to meet or exceed the aim of having 95% of Sites of Special Scientific Interest (SSSI's) in sole ownership or control in target condition by 2010.

Water consumption

Reduce water consumption by 25 % on the office and non office estate by 2020 , relative to 2004/2005 levels.

Reduce water consumption to an average of 3m3 per person/per year for all new office builds or major office refurbishments.

DWP is a global buyer and is aiming to be the leading Government Department with regard to Sustainable Procurement and Sustainable Development.



Annex N – NTA information about PDU prevalence and numbers in treatment

Source: National Treatment Agency for Substance Misuse

KEY

PDU

Client that have presented for treatment with opiate and / or crack cocaine as a problem substance

In treatment

Clients that have presented to drug treatment services having a need for a structured treatment intervention; they might not necessarily have started the intervention or have been in treatment for 12 weeks.

In effective treatment

Numbers in effective treatment is defined as clients that have been in their treatment intervention for 12 weeks or more, or if they have left treatment before that time they did so in a care planned way

Prevalence rates

Home Office estimations of PDU populations broken to partnership areas definition

Penetration rates

Penetration has been calculated by dividing the numbers in effective treatment by the point prevalence estimates

NDTMS

National Drug Treatment Monitoring System

Jobcentre Plus District	No. of PDUs in treatment (Sept 07 - Aug 08)	No. of PDUs in effective treatment (Sept 07 - Aug 08)	Estimated prevalence (number of PDUs in partnership area) using smoothed estimates	Percentage of prevalence estimates who are in effective treatment
Bedfordshire & Hertfordshire	3460	3262	7160	46%
Berks, Bucks & Oxfordshire	5185	4766	8995	53%
Birmingham and Solihull	6331	5944	13614	44%
Black Country	4507	4187	8812	48%
Cambridgeshire & Suffolk	3170	2842	5140	55%
Central London	5146	4777	15028	32%
Cheshire, Halton & Warrington	3074	2876	5204	55%
City and East London	4273	3776	10336	37%
Coventry and Warwickshire	2156	1993	3904	51%
Cumbria	1460	1393	2261	62%
Derbyshire	3137	2973	5367	55%
Devon & Cornwall	4368	4096	6844	60%
Dorset & Somerset	3605	3361	6433	52%
Essex	2636	2455	5020	49%
Gloucestershire, Wiltshire & Swindon	3222	2962	5632	53%
Greater Manchester Central	4800	4563	9587	48%
Greater Manchester East & West	6786	6433	11698	55%
Greater Merseyside	2920	2757	4630	60%
Hampshire	3772	3466	6402	54%
Kent	3205	3005	5981	50%
Lambeth, Southwark and Wandsworth	4196	3884	12997	30%
Lancashire	6419	6019	10036	60%
Leicestershire & Northamptonshire	4396	4049	8070	50%
Lincolnshire & Rutland	1612	1522	2749	55%
Liverpool and the Wirral	5813	5353	10435	51%
London West	5037	4582	12529	37%

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Norfolk	2122	1912	3340	57%
North & East Yorkshire & the Humber	6518	6224	10648	58%
North & North East London	4310	3967	11357	35%
Northumbria	3679	3533	5504	64%
Nottinghamshire	4054	3821	7962	48%
South London	5101	4621	13828	33%
South Tyne & Wear Valley	2792	2679	3815	70%
South Yorkshire	6692	6416	11230	57%
Staffordshire	3258	3071	5672	54%
Surrey & Sussex	4982	4542	10187	45%
Tees Valley	4491	4331	6484	67%
The Marches	3285	3153	5459	58%
West of England	5389	5105	11016	46%
West Yorkshire	10720	10129	18073	56%
Total	172079	160800	329441	49%

Drug partnership	Jobcentre Plus district	No. of PDUs in treatment (Sept 07 - Aug 08)	No. of PDUs in effective treatment (Sept 07 - Aug 08)	Estimated prevalence (number of PDUs in partnership area) using smoothed estimates
Bedfordshire	Bedfordshire & Hertfordshire	842	812	1675
Hertfordshire	Bedfordshire & Hertfordshire	1769	1652	3535
Luton	Bedfordshire & Hertfordshire	849	798	1950
Cambridgeshire	Cambridgeshire & Suffolk	1200	1106	1654
Peterborough	Cambridgeshire & Suffolk	838	744	1191
Suffolk	Cambridgeshire & Suffolk	1132	992	2294
Essex	Essex	1830	1685	3486
Southend-on-Sea	Essex	600	574	1110
Thurrock	Essex	206	196	425
Norfolk	Norfolk	2122	1912	3340
Derby	Derbyshire	1297	1235	2373
Derbyshire	Derbyshire	1840	1738	2994
Leicester	Leicestershire & Northamptonshire	1338	1192	2764
Leicestershire	Leicestershire & Northamptonshire	1227	1137	1932
Northamptonshire	Leicestershire & Northamptonshire	1831	1720	3374
Lincolnshire	Lincolnshire & Rutland	1595	1506	2676
Rutland	Lincolnshire & Rutland	17	16	72
Nottingham	Nottinghamshire	1611	1495	4039
Nottinghamshire	Nottinghamshire	2443	2326	3923
Camden	Central London	1670	1550	4328
Islington	Central London	1332	1228	4107
Kensington and Chelsea	Central London	770	718	2965
Westminster	Central London	1374	1281	3627

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City of London	City and East London	30	27	60
Hackney	City and East London	1521	1344	3898
Newham	City and East London	1149	1008	2528
Tower Hamlets	City and East London	1573	1397	3849
Lambeth	Lambeth, Southwark and Wandsworth	1670	1542	5592
Southwark	Lambeth, Southwark and Wandsworth	1633	1514	4810
Wandsworth	Lambeth, Southwark and Wandsworth	893	828	2595
Brent	London West	1026	940	2779
Ealing	London West	1173	1077	3128
Hammersmith and Fulham	London West	965	878	2835
Harrow	London West	431	411	889
Hillingdon	London West	585	534	1162
Hounslow	London West	857	742	1736
Barking and Dagenham	North & North East London	462	430	1093
Barnet	North & North East London	661	620	1809
Enfield	North & North East London	616	545	1495
Haringey	North & North East London	1074	975	2666
Havering	North & North East London	308	292	909
Redbridge	North & North East London	546	485	1498
Waltham Forest	North & North East London	643	620	1887
Bexley	South London	271	233	608
Bromley	South London	411	384	1893
Croydon	South London	709	616	2507
Greenwich	South London	888	814	2160
Kingston upon Thames	South London	403	339	613
Lewisham	South London	1199	1111	3068
Merton	South London	399	364	1167
Richmond upon Thames	South London	407	385	886
Sutton	South London	414	375	926
Gateshead	Northumbria	946	899	1268
Newcastle upon Tyne	Northumbria	1358	1307	2411
North Tyneside	Northumbria	622	603	856
Northumberland	Northumbria	753	724	969
County Durham	South Tyne & Wear Valley	1452	1407	1957
South Tyneside	South Tyne & Wear Valley	464	446	752
Sunderland	South Tyne & Wear Valley	876	826	1107
Darlington	Tees Valley	455	423	656
Hartlepool	Tees Valley	711	682	942
Middlesbrough	Tees Valley	1472	1434	2228
Redcar and Cleveland	Tees Valley	620	584	1071
Stockton-on-Tees	Tees Valley	1233	1208	1587

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Cheshire	Cheshire, Halton & Warrington	1970	1856	3382
Halton	Cheshire, Halton & Warrington	525	476	766
Warrington	Cheshire, Halton & Warrington	579	544	1056
Cumbria	Cumbria	1460	1393	2261
Manchester	Greater Manchester Central	3318	3161	6549
Salford	Greater Manchester Central	900	861	2119
Trafford	Greater Manchester Central	582	541	919
Bolton	Greater Manchester East & West	1477	1392	2742
Bury	Greater Manchester East & West	577	547	998
Oldham	Greater Manchester East & West	827	794	1410
Rochdale	Greater Manchester East & West	1097	1057	1961
Stockport	Greater Manchester East & West	675	660	1425
Tameside	Greater Manchester East & West	886	813	1534
Wigan	Greater Manchester East & West	1247	1170	1628
Knowsley	Greater Merseyside	758	719	1308
Sefton	Greater Merseyside	1266	1180	2001
St Helens	Greater Merseyside	896	858	1321
Blackburn with Darwen	Lancashire	848	789	1438
Blackpool	Lancashire	1458	1404	2391
Lancashire	Lancashire	4113	3826	6208
Liverpool	Liverpool and the Wirral	3544	3134	7051
Wirral	Liverpool and the Wirral	2269	2219	3384
Bracknell Forest	Berks, Bucks & Oxfordshire	177	162	252
Buckinghamshire	Berks, Bucks & Oxfordshire	743	692	1351
Milton Keynes	Berks, Bucks & Oxfordshire	384	348	930
Oxfordshire	Berks, Bucks & Oxfordshire	1882	1747	2660
Reading	Berks, Bucks & Oxfordshire	752	680	1432
Slough	Berks, Bucks & Oxfordshire	590	524	1195
West Berkshire	Berks, Bucks & Oxfordshire	254	231	394
Windsor and Maidenhead	Berks, Bucks & Oxfordshire	222	211	380
Wokingham	Berks, Bucks & Oxfordshire	181	171	402
Hampshire	Hampshire	1811	1675	3197
Isle of Wight	Hampshire	393	382	522
Portsmouth	Hampshire	746	670	1254
Southampton	Hampshire	822	739	1429

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Kent	Kent	2521	2361	4606
Medway Towns	Kent	684	644	1375
Brighton and Hove	Surrey & Sussex	1302	1225	2928
East Sussex	Surrey & Sussex	1093	988	1865
Surrey	Surrey & Sussex	1434	1290	3192
West Sussex	Surrey & Sussex	1153	1039	2202
Cornwall & Isles of Scilly	Devon & Cornwall	1180	1120	1765
Devon	Devon & Cornwall	1378	1306	2197
Plymouth	Devon & Cornwall	1290	1183	2033
Torbay	Devon & Cornwall	520	487	849
Bournemouth	Dorset & Somerset	1228	1119	2174
Dorset	Dorset & Somerset	932	862	1697
Poole	Dorset & Somerset	306	275	595
Somerset	Dorset & Somerset	1139	1105	1967
Gloucestershire	Gloucestershire, Wiltshire & Swindon	1874	1767	3180
Swindon	Gloucestershire, Wiltshire & Swindon	652	572	1297
Wiltshire	Gloucestershire, Wiltshire & Swindon	696	623	1155
Bath and North East Somerset	West of England	642	611	1040
Bristol	West of England	3464	3347	7181
North Somerset	West of England	729	640	1255
South Gloucestershire	West of England	554	507	1540
Birmingham	Birmingham and Solihull	5830	5495	12577
Solihull	Birmingham and Solihull	501	449	1037
Dudley	Black Country	1043	949	1973
Sandwell	Black Country	1040	919	2169
Walsall	Black Country	1134	1076	2017
Wolverhampton	Black Country	1290	1243	2652
Coventry	Coventry and Warwickshire	1015	978	2071
Warwickshire	Coventry and Warwickshire	1141	1015	1832
Staffordshire	Staffordshire	1833	1714	3028
Stoke-on-Trent	Staffordshire	1425	1357	2644
Herefordshire	The Marches	554	540	856
Shropshire	The Marches	699	673	1061
Telford and Wrekin	The Marches	584	557	882
Worcestershire	The Marches	1448	1383	2659
East Riding of Yorkshire	North & East Yorkshire & the Humber	598	578	889
kingston upon hull	North & East Yorkshire & the Humber	2073	1950	3613
North East Lincolnshire	North & East Yorkshire & the Humber	1043	1009	1355
North Lincolnshire	North & East Yorkshire & the Humber	797	755	1308
North Yorkshire	North & East Yorkshire & the Humber	1161	1115	2196
York	North & East Yorkshire & the Humber	846	817	1287
Barnsley	South Yorkshire	1059	970	1702

PROTECT - COMMERCIAL

Doncaster	South Yorkshire	1694	1596	2922
Rotherham	South Yorkshire	1323	1298	1991
Sheffield	South Yorkshire	2616	2552	4616
Bradford	West Yorkshire	3281	3114	5063
Calderdale	West Yorkshire	855	824	1224
Kirklees	West Yorkshire	1571	1504	2628
Leeds	West Yorkshire	3236	2993	6347
Wakefield	West Yorkshire	1777	1694	2811

Annex O - NTA Four tiers of treatment

- Tier 1:** This level mainly involves interventions from general healthcare and other services that are not specialist drugs services, for example hospital A&E departments, pharmacies, GPs, antenatal wards and social care agencies. Tier 1 services offer facilities such as information and advice, screening for drug misuse and referral to specialist drugs services.
- Tier 2:** This is open-access drug treatment (such as drop-in services) that does not always need a care plan. Tier 2 covers things like triage assessment, advice and information and harm reduction given by specialist drug treatment services.
- Tier 3:** This is drug treatment in the community with regular sessions to attend, undertaken as part of a care plan. Prescribing, structured day programmes and structured psychosocial interventions (counselling, therapy etc) are always Tier 3. Advice, information and harm reduction can be Tier 3 if they are part of a care plan.

To be eligible for the pilot, customers must be in Tier 3 or 4, but as Tier 4 is residential, the majority of customers are expected to be in Tier 3.

- Tier 4:** This is residential drug treatment – inpatient treatment and residential rehabilitation. Treatment should include arrangements for further treatment or aftercare for clients finishing treatment and returning to the community.

The different types of drug treatment services

Advice and information

Advice and information is provided by non-specialists such as GP surgeries and accident and emergency departments. This should include:

- information about drugs and alcohol, and their effects
- advice on reducing and giving up drugs and alcohol
- information on reducing the potential harm from drug misuse, such as injecting more safely and preventing overdose
- how to get help for drug problems
- how to get help for other problems, such as housing and sexual health
- information for carers, partners and families of drug users.

Harm reduction

Most harm reduction is about preventing diseases passed on by contaminated blood (particularly HIV and hepatitis infections), and preventing overdose and drug-related death. All drug treatment services, whether residential or based in the community, should provide this as a core service. Examples of harm reduction are:

- needle exchange services, which distribute and dispose of needles, syringes and other injecting equipment (such as spoons, filters and citric acid)
- advice and support on injecting more safely, injecting less and preventing other people from starting to inject
- advice and information on preventing infections associated with drug misuse, particularly hepatitis A, B and C, and HIV (blood-borne viruses)
- testing, advice, information and counselling around hepatitis and HIV
- vaccination for hepatitis A and B
- access to treatment for hepatitis B, C and HIV infection
- advice and support on preventing overdose and drug-related death
- assessing clients and referring them to other treatment services if necessary.

Community prescribing

Community prescribing is specialised drug treatment in the context of a care plan. It is provided as part of primary care, by a GP with an interest in drug misuse or a doctor in a specialist drug treatment service. Where clients receive the treatment may depend on the seriousness of their problems, how long they have been in treatment or how stable they are. Community prescribing can include:

- stabilising a client on substitute drugs
- prescribing substitute drugs, such as methadone and buprenorphine, for a sustained period (maintenance prescribing)
- prescribing for withdrawal (community detoxification)
- prescribing to prevent relapse
- stabilisation and withdrawal from sedatives, such as Valium and Temazepam
- prescribing for assisted withdrawal from alcohol, where appropriate
- treatment for stimulant users, which may include prescribing to help relieve symptoms
- non-medical prescribing (by nurses or pharmacists).

Counselling and psychological support

Counselling is not to be confused with basic advice and informal support. It should be carried out by a trained and competent professional and be included in a client's care plan. Counselling needs to be formal, structured – with clearly defined treatment plans and goals – and regularly reviewed. Psychological therapies can include cognitive behaviour therapy (CBT), coping skills, relapse prevention therapy, motivational interventions and family therapies.

Structured day programmes

Structured day programmes usually run a set series of activities for a fixed period of time (for example 12 weeks). Clients attend these services according to a set attendance level (usually 3-5 days a week), as set out in their care plans. There is a timetable of activities which will either be the same for everyone, or be set individually for clients according to their needs. Programmes often include group work, counselling, education and life skills, and creative activities.

Detox

This is known medically as “assisted withdrawal” and involves a stay as an inpatient. Most people receiving detox are given medication to help clear their bodies of drugs. The inpatient treatment can also include stabilisation on substitute medication, emergency medical care for drug users in crisis, and in some cases treatment for stimulant users. As well as the inpatient treatment itself, other services may be available, such as preparation for entering inpatient treatment, counselling, help with alcohol problems, harm reduction and treatment for blood-borne viruses. Inpatient treatment is provided in:

- general hospital wards (usually psychiatric wards)
- specialist drug inpatient units (a whole ward or unit specifically for drug treatment)
- residential rehab units with attached detox units to help people come off drugs before entering the main rehab programme.
- Clients are normally admitted into inpatient treatment through community drug services. It is important that people leaving inpatient treatment receive proper support to maintain the positive changes they have made and prevent themselves relapsing.

Rehab

Residential rehabilitation (rehab) usually involves clients staying in a facility for weeks or months and a complete break from their current circumstances. Rehabs normally have a mixture of group work, counselling and other practical and vocational activities. There are several types of facilities:

- traditional rehab units, with programmes to suit the needs of different service users. Different units have different approaches, for example therapeutic communities and the 12-Step programmes used by Alcoholics Anonymous and Narcotics Anonymous. Most of these take clients from all over the country
- crisis intervention units (usually in urban areas) that help people in drug-related crisis. These are generally shorter stay units
- residential treatment programmes for specific client groups, for example pregnant women, people with liver problems and clients with mental illness. These may require joint initiatives between specialist drug services and other specialist inpatient units
- "second stage" or "move-on" supported accommodation, where some clients go to after rehab
- other supported accommodation, with the rehabilitation interventions (therapeutic drug-related and non-drug-related interventions) provided at a different nearby site(s).

As with inpatient treatment, clients will generally access rehab through community services. People entering rehab will usually have gone through detox before entering. This detox could be somewhere else – for example in a hospital, or in the community – or at the rehab itself, if it has an attached detox unit.

Aftercare

Aftercare is support that is planned for when clients leave structured treatment. The aim is to maintain the positive developments clients have made in their treatment, and help them return to normal life. Examples include help with housing, education, employment, general health care and relapse prevention.

Annex P - Jobcentre Plus Support for Offenders in Prisons

Employment and Benefit Surgeries (EBS)

Jobcentre Plus Employment and Benefit Surgeries are established in all prisons that require the service. The initiative focuses on offenders needs both upon induction and pre-release from prison. Jobcentre Plus advisers run the surgeries, working alongside Prison Service and other agency staff.

When an offender enters prison: they will be seen by an Employment and Benefit Surgery Adviser, who will assist them in closing their benefit claims and ensuring they receive any outstanding monies. The Adviser also takes action to retain a prisoner's employment where appropriate and provide a 'signposting' role in relation to other issues such as accommodation.

Prior to release: The EBS advisers meet with offenders to explore the job opportunities available to them and discuss any education and training needs. By concentrating on an individual's particular circumstances the adviser will signpost customers to the relevant help that Jobcentre Plus provides. They also provide customers with information about working age benefits and social fund, where appropriate, to assist in reducing the finance gap prisoners may face on release.

Those released from prison intending to claim JSA can access a new jobseeker interview via the Freshstart process which bypasses the normal contact centre routes.

Freshstart involves arranging a New Jobseeker Interview for the prisoner at their home Jobcentre Plus office on release. It ensures engagement with Jobcentre Plus at the earliest opportunity to consider jobs and mainstream provision, as well as speeding up the process for receiving JSA.

For offenders who wish to claim Jobcentre Plus benefits other than JSA advisers will signpost as appropriate.

Annex Q - Glossary of Terms

Contracted Employment Provision, Provider Assurance Team (CEP PAT)	The primary purpose of the Contracted Employment Provision Provider Assurance Team (PAT) is to provide DWP with an assurance that payments made to DWP Contracted Employment Programme Providers are in accordance with DWP and Treasury requirements, that public funds are protected and that value for money has been obtained.
City Strategy Partnerships (CSPs)	The City Strategy Partnerships aim to tackle worklessness in our most disadvantaged communities across the UK – many of which are in major cities and other urban areas. The strategy is designed to empower local areas, giving them the flexibility to provide local solutions to local problems and to deliver a significant improvement in employment rates amongst people of working age in their local area.
City Region	City regions go beyond local authority boundaries. They join more than one city together in terms of strategic planning - for example, on economic development, physical planning or strategic housing - and governance arrangements, such as through executive boards.
Co-financing	Co-financing is the chosen method of administering the ESF in England. It involves the simultaneous award of ESF and match funding as a unitary flow of money to suppliers of training and other human resource development initiatives. Co-financing organisations are the various organisations that develop and seek funding for ESF programmes. They include the DWP, the LSC, the Regional Development Agencies and some Local Authorities.
Common Inspection Framework (Ofsted)	Ofsted (England) Common Inspection Framework sets out the principles of inspection and ensures a uniform approach is applied across the sector.
Contract package	Successful suppliers will be offered contracts to deliver in specific areas. In some cases Jobcentre Plus districts have been brigaded. Contract package is the term used to describe the geographic area as well as the total amount of funding available for that area.
Critical Success Factors	The factors (i.e. the positive outcomes or benefits) against which the success of a programme will be judged in order to justify the investment.
Customer	An individual of working age who uses Jobcentre Plus services for the purposes of returning to work or claiming benefits.
DWP Quality Framework	The DWP Quality Framework provides the basis of our approach to maintaining and improving quality in DWP contracted employment provision.
Employment and Support Allowance (ESA)	ESA was a replacement for incapacity benefits for new claims only from October 2008. ESA will be paid to those eligible in return for undertaking work related interviews, agreeing an action plan and participating in work-related activity.
Invitation to Tender (IT)	A package of documentation issued to bidders at the second stage of a two-stage procurement exercise.
Jobcentre Plus	Part of the DWP, Jobcentre Plus provides an integrated service to people of working age. It offers help to people looking to move into work and support for people who cannot. Jobcentre Plus also provides a range of services to help employers fill their vacancies quickly.
Jobcentre Plus district	A specified area of England, Scotland or Wales, within which to deliver services to Jobcentre Plus customers.
Jobseeker's Allowance (JSA)	JSA – an allowance payable to customers who are out of work, or working less than 16 hours a week, are aged under 65 (for men) or under 60 (for women) and are actively seeking and capable of work.
Multi-Area Agreement (MAA)	A MAA is designed to be cross-boundary Local Authority Agreements. They bring together key players in flexible ways to tackle issues that are best addressed in partnership – at a regional and sub-regional level.
Ofsted	Office for Standards of Education inspects and regulates care for children and young people, and inspects education and training for learners of all ages.
Pre-Qualification Questionnaire (PQQ)	The first stage of a procurement exercise, in which a shortlist of suppliers is selected to move onto the second stage (the Invitation to Tender).
Prime contractor	The single legal entity with which DWP will contract to deliver progress2work and the Welfare Reform Pilot
Procurement	The process of purchasing goods and/or services, from identification on need to

	payment.
Provider guidance	Detailed guidance and information (including processes) which is provided by DWP/Jobcentre Plus to the successful suppliers to use when delivering the contracted service.
Provision	A term used to describe the services offered to a customer when they are participating in a government programme. These can be services provided in-house, for example, by Jobcentre Plus, or by organisations from the private and voluntary sector.
Sanction	A 'sanction' is a measure that reduces or extinguishes benefit even when there is underlying entitlement. Sanctions can be imposed by a Decision Maker for a fixed period and is imposed as a result of an action, for example, misconduct resulting in loss of employment for JSA purposes.
Sub-Regional Partnership	A strategic body, directing, influencing and co-ordinating a range of economic development and regeneration activities made up of CSPs, MAAs and City Regions.
Supplier(s)	The term used to describe suppliers (providers) of the Flexible New Deal. This includes all subcontractors involved in service delivery under the prime contractor procurement model.

Annex R - Additional Information / useful links

Further background information can be found in the following:

The Best Value Authorities Staff Transfers (Pensions) Direction 2007;

<http://www.communities.gov.uk/publications/localgovernment/authorities-staff-transfers>.

Cabinet Office Code of Practice on Workforce Matters in Public Sector Contracts:

http://archive.cabinetoffice.gov.uk/opsr/workforce_reform/code_of_practice/index.asp

City Strategy: <http://www.dwp.gov.uk/policy/welfare-reform/city-strategy/>

Data Protection Act 1998, Chapter 29:

http://www.opsi.gov.uk/acts/acts1998/ukpga_19980029_en_1

Direct.Gov Public Services site including information about welfare reform, benefits, employment information, p2w, drugs misuse and the NTA www.direct.gov.uk

Disability Discrimination Act 2005, Chapter 13:

http://www.opsi.gov.uk/Acts/acts2005/ukpga_20050013_en_1

Disability Equality Duty (DED): <http://www.dotheduty.org/>

Drugs: Protecting Families and Communities: The 2008 Drug Strategy;

<http://drugs.homeoffice.gov.uk/publication-search/drug-strategy/drug-strategy-2008?view=Binary>

DWP Commissioning Strategy; <http://www.dwp.gov.uk/docs/cs-rep-08.pdf>

DWP Corporate Publications <http://www.dwp.gov.uk/publications/>

DWP Information Directorate Statistical Tab Tool:

<http://research.dwp.gov.uk/asd/tabtool.asp>

DWP (2007) In work, better off: Next steps to full employment;

<http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/in-work-better-off/>

DWP (2008): No one written off: reforming welfare to reward responsibility:

<http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/no-one-written-off> (Green Paper)

DWP (2008): Raising expectations and increasing support: reforming welfare for the

future: <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/raising-expectations> (White Paper)

DWP (2007) Ready for work: full employment in our generation;

<http://dwp.gov.uk/docs/readyforwork.pdf>

DWP Policy Publications: <http://www.dwp.gov.uk/publications/policy%2Dpublications>

DWP Privacy Policy <http://www.dwp.gov.uk/privacy-policy/>

DWP Provider Guidance:

<http://www.dwp.gov.uk/supplying%2Ddwp/what%2Dwe%2Dbuy/welfare%2Dto%2Dwork%2Dservices/provider%2Dguidance/>

DWP Quality Framework:

<http://www.dwp.gov.uk/supplying%2Ddwp/what%2Dwe%2Dbuy/welfare%2Dto%2Dwork%2Dservices/quality%2Dframework/>

DWP Research Report Index: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

DWP Visions, Aims and Values (including Departmental Strategic Objectives, Public Service Agreements and Business Plan):

<http://www.dwp.gov.uk/about%2Ddwp/vision%2Daims%2Dand%2Dvalues/>

Employment and Support Allowance: <http://www.dwp.gov.uk/employment-and-support/>

European Social Fund in England: <http://www.esf.gov.uk/>

European Social Fund Provider Guidance:

<http://www.dwp.gov.uk/supplying%2Ddwp/what%2Dwe%2Dbuy/welfare%2Dto%2Dwork%2Dservices/provider%2Dguidance> chapter 12A

ESF Regional Framework 2007 to 2010:

<http://www.lda.gov.uk/server/show/ConWebDoc.2216>

A Fair Deal for Staff Pensions (2002) and (2004); http://www.hm-treasury.gov.uk/d/pensions_bta_guidance_290604.pdf

flexible New Deal: <http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/flexible-new-deal/>

Home Office work on tackling drugs misuse: www.homeoffice.gov.uk/drugs

Human Rights Act 1998: http://www.opsi.gov.uk/acts/acts1998/ukpga_19980042_en_1

Information on Civil Service Pensions: <http://www.civilservice-pensions.gov.uk/Menu.asp>

Jobseeker's Allowance – Help while you look for work:

http://www.jobcentreplus.gov.uk/JCP/stellent/groups/jcp/documents/websitecontent/dev_015482.pdf

Jobseeker's Act 1995, Chapter 18:

http://www.opsi.gov.uk/ACTS/acts1995/ukpga_19950018_en_1

Jobseeker's Allowance Regulations 1996:

http://www.opsi.gov.uk/SI/si1996/Uksi_19960207_en_1.htm

Local Government Pension Scheme (Amendment etc.) Regulations 1999;

<http://timeline.lge.gov.uk/Amended/SI/19993438.htm>

Local Strategic Partnerships Government Guidance:

<http://www.neighbourhood.gov.uk/publications.asp?did=187>

National Drug Strategy: <http://drugs.homeoffice.gov.uk/drug-strategy/>

National Treatment Agency: www.nta.nhs.uk

National Treatment Agency Tiers of Treatment:

http://www.nta.nhs.uk/about_treatment/the_tier_system.aspx

NOMIS Official Labour Market Statistics: <https://www.nomisweb.co.uk/Default.asp>

Office of public sector information - UK legislation:

<http://www.opsi.gov.uk/legislation/uk.htm>

Office for National Statistics at www.statistics.gov.uk or www.ons.gov.uk

Ofsted Common Inspection Framework; www.ofsted.gov.uk

Pathways to Work:

http://www.jobcentreplus.gov.uk/jcp/Customers/outofworkhelplookingforwork/Getting_job_ready/Programmes_to_get_you_ready/Dev_014884.xml.html

Pensions Act 2004; http://www.opsi.gov.uk/Acts/acts2004/ukpga_20040035_en_1
progress2work

http://www.direct.gov.uk/en/Employment/Jobseekers/programmesandservices/DG_173698

Race Relations Amendment Act (2000):

http://www.opsi.gov.uk/acts/acts2000/ukpga_20000034_en_1

The Law Relating to Social Security: <http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security/>

Social Security Legislation 2009/10 Volume II – income support, jobseeker’s allowance, state pension credit and the social fund, Sweet & Maxwell

Staff Transfers in the Public Sector (2000, rev 2007);

http://www.civilservice.gov.uk/Assets/stafftransfers2_tcm6-2428.pdf

Staff Transfers in the Public Sector Statement of Practice, Annex A: http://www.hm-treasury.gov.uk/media/D/C/staff_transfers_145.pdf

Transfer of Employment (Pension Protection) Regulations 2005;

<http://www.opsi.gov.uk/si/si2005/20050649.htm>

The Transfer of Undertakings (Protection of Employment) Regulations 2006:

<http://www.opsi.gov.uk/si/si2006/20060246.htm>

Welfare Reform Act: http://www.opsi.gov.uk/acts/acts2009/ukpga_20090024_en_1

Welsh Assembly Government website: <http://www.wales.gov.uk>

Welsh Language Act (1993): http://opsi.gov.uk/acts/acts1993/Ukpga_19930038_en_1.htm

DWP Welsh Language Scheme: <http://www.dwp.gov.uk/publications/corporate-publications/welsh-language-scheme/>