

## WORKSTEP to Work Choice

In November 2009 DWP ran a series of "WORKSTEP to Work Choice Transition events" in Edinburgh, Leeds and Cardiff. The following is the summary feedback from sessions on Programme Quality and the Relationship between Work Choice Prime and Sub-contractors. We will reflect the issues raised as appropriate within Work Choice guidance

### Quality

- Prime responsible for Self Assessment Report (SAR) – issues re resources within factories;
- Good practice for supported business to provide SAR and business plan;
- Pilot Ofsted inspection of a prime + subcontracted supported business – then issue guidance;
- How will overall Ofsted grades work across providers – cross provider issues with supported businesses;
- Will Ofsted be inspected on a whole contract package area basis;
- Annual self assessment – continual improvement plus challenge from the prime;
- Concerns that other subcontractors or primes do not have same Ofsted results or general standards that supported business has;
- Need good communication for sharing good practice between primes and subcontractors;
- Files for participants would be held where and by whom;
- Need to understand minimum standards required for example Ofsted/Estyn;
- No further imposition of extra standards;
- Not be required to use prime systems if subcontractor systems are OK;
- Does Ofsted inspect factories on behalf of prime or in own right; inspect the whole factory or just protected places; will inspection be every 4 years;
- Shared objectives and open approach required between prime and subcontractors;
- Relationship required to run supported business may be difficult;
- Would hope that primes will adopt good practice from subcontractors who may well have better Ofsted grades.

### Performance

- What happens about filling places if Local Authorities have embargo's on recruitment;
- Potential conflict of interest between LA subcontract and LA Supported Business;
- Progression payments for protected places - is this possible;
- Is there an opportunity to organise protected place payments based on a reconciliation of a 52 week year;
- Supported businesses should have autonomy for recruitment;
- Recommendation for work trials - for example like those in current Work Preparation - need to be able to fast-track on basis of business need;
- Need to consider how existing participants are 'graded' (which module)

and how that impacts progression targets;

- Specific targets for the supported business (progressions) need to be directly related to the proportion of module 3 customers within the protected places;
- Concern that primes may not have experience of client groups and barriers they face to employment;
- Long term employees might choose not to move on or progress;
- Can places be filled from work choice client base – would that entitle the work choice team to do a one off 'in work' payment;
- Time period to retain protected place unfunded – for lifetime of contract depending on circumstances of vacancy;
- Referrals – with agreement of the prime to be able to take referrals directly from DEAs plus have a choice of recruitment;
- Supported businesses to make decision about who they employ;
- Progression outcome payment for people in the supported business should be shared with the prime for added incentive;
- Intellectual property rights protected;
- 5-10% progression target unrealistic for existing stock of clients as would only be able to progress most skilled/valuable staff;
- Will supported businesses be paid for output payments;
- Who and how are vacancies filled. Who refers and decides and how does this fit with factory recruitment processes;
- Progressions can be challenging for post 2001 participants, so progression percentage should be set with this in mind;
- 1 to 2% is a feasible progression rate as matching some existing terms and conditions in terms of moving from an existing supportive environment can be difficult;
- Experience has proved that referrals with some specialist skills are few and far between.

#### Specific question – speed of filling a vacancy

The following represent the diversity of comments expressed on the above issue:

- Vacancies to be filled within 6 months – otherwise prime retains the place funding until filled;
- Places should be left open for at least 6 months;
- 3 months funding to retain empty protected places;
- 3 months recommended for filling vacancies – who will fill them, the prime or the supported business;
- 3 to 4 months to fill a vacancy;
- 3 months to fill a vacancy;
- 3 to 6 months for filling a vacancy – specialist roles take longer to recruit for and those with specialist skills are more likely to progress;
- Why should there be a requirement to fill protected places;
- Suggest that vacant places are not paid for until they have been filled for however long it takes;
- Local authority recruitment is a minimum of 3 months.

## **Communication**

- Early communication from all parties - many primes have not contacted supported businesses prior to bids being submitted;
- DWP to act as a first port of call in dispute resolution with primes. If no resolution pass to Merlin Standard process;
- Early stages should involve monthly review. After 6 months increase to quarterly;
- Good communication with primes to pre-empt any conflicts;
- Primes and subcontractors to provide information about other services which attract funding – will help two way selling of services;
- Contract review should be 6 monthly as a minimum;
- Clear guidelines/process required for resolving issues;
- Who is the factory responsible to for the overall service – the prime or DWP;
- Contract clauses should mirror main contract clauses.

## **Other**

- Subcontract for protected places sits with local council – in the event of a new participant into a factory – who then progresses, who receives the progression and sustained payment;
- Is there a time limit on places being left open – to allow time for recruitment;
- Reward for progressions should go to the factory, not the prime;
- Guaranteed short payment terms should be 30 days net;
- Need to make sure places that are not required from a business perspective are available should business conditions improve;
- Payment needs to be monthly;
- Extra funding for new starts or progressions – above £4800 pa;
- Places to be filled within 13 weeks while funding remains in place. Could be filled by prime contractor;
- Ensure that primes have a good knowledge about their local businesses and about who the jobs will be appropriate for e.g. a focus on specific disability;
- Ensure that primes are aware of the additional opportunities that supported businesses can bring to their contract e.g. training, additional supported jobs, assessments;
- Payments ideally paid in advance, monthly at minimum with yearly reconciliation;
- What will happen with Factory Support Grants in the future – re previous awards, will claw-back period lapse;
- Unfilled vacancies should be funded for 3 months only;
- Payment from Prime should be 3 months in advance;
- Payment should mirror DWP/Prime payments terms, for example 7 days;
- Payments made monthly.