Withdrawn

Chapter 12 – Performance Management

Contents

Introduction

1. This chapter sets out information on the following performance measures for
    Work Programme:

    - Minimum Performance Levels (MPL)
    - Twelve Month Rolling MPL(s)
    - Measured Payment Groups
    - Comparative Performance and Performance
      Attainment Levels

- Supporting Measures
- Exit Report
- Minimum Service Levels

Minimum Performance Level

2.   The Department will set a non-intervention performance for Payment Groups 1, 2, 6A and 6B reflecting the number of Job Outcomes that would be expected to occur in the absence of the WP. This is calculated by the Department based on the analysis of historical data.

3.   Minimum Performance Levels are set at non-intervention level plus 10% for end of each cohort. The Quarterly MPL(s) and the Twelve Month Rolling MPL(s) apply to Payment Groups 1, 2, 6A and 6B. Quarterly MPL(s) for each of Payment Groups 1, 2, 6A and 6B, means the number of Job Outcomes that the provider must achieve in the Quarter by the expiry of that Quarter. The Twelve Month Rolling MPL(s) for each of Payment Groups 1, 2, 6A and 6B means the total cumulative number of Job Outcomes that the provider must achieve in the Twelve Month Rolling Period.

4.   The End of Cohort Profiles are:
> PG1 – 38.4%
> PG 2 – 29.8%
> PG6A – 13.2%
> PG6B – 6.6%

How the profiled cohort performance is calculated

5.   There are four pieces of information used to calculate the End of Cohort Profile :

- The number of referrals to the Work Programme provider each calendar month;
- The minimum performance level for each cohort of referrals;
- The profile or distribution for the length of time between claimants being referred to the Work Programme and achieving a job outcome; and
- A one month lag has been added between a job outcome being achieved and a job outcome being claimed to allow for administrative activities.

6.   The number of referrals to each Work Programme provider is as those reported in the standard MI Dashboard issued to provider every month.

7. These four pieces of information are combined to calculate the number of job outcomes required to meet the Quarterly MPL(s) or the Twelve Month Rolling MPL(s).

Worked Example of how the profiling cohort is calculated

8. Consider a contract where for PG 1 (MPL = 38.4%) if there were 1,000 referrals in June 2011, allowing the 1 month lag:

    - We would not expect any Job Outcomes until January 2012 as it takes 6 months to gain a Job Outcome and we allow a month for Providers to report JOs to DWP.

    - In January 2012 we expect 1000 * 1.8% = 18 Job Outcomes

    - In February 2012 we expect 1000 * 2.7% = 27 Job Outcomes

    - In March 2012 we would expect 1000 * 2.6% = 26 Job Outcomes

    - By December 13, the last month in the profile trajectory (month 31) this cohort should provide a total of 384 Job Outcomes. This represents the 38.4% MPL for PG 1.

9. The total number of expected Job Outcomes per month is reported by repeating this process across all Cohorts and adding the monthly profile for each cohort.

10. Annex 2, 3 and 4 provides pictorial diagrams showing how the cohort's profiles combine to provide a total number of Job Outcomes for the month and for 12 month rolling periods.

Twelve Month Rolling MPL(s)

11. DWP will assess Work Programme provider performance by converting referrals to the Programme into Job Outcomes against their Twelve Month Rolling MPL(s) over a 12 month rolling period.

In this programme:-

    - A cohort represents one calendar month of Referrals eg January 2014.
    - Participants can achieve a Job Outcome up to 30 months after they are referred.

- 38.4% of PG 1 cohort must achieve a Job Outcome during 30 months.

- 29.8% of PG 2 cohort must achieve a Job Outcome during 30 months.

- 13.2% of PG 6A cohort must achieve a Job Outcome during 27 months.

- 6.6% of PG 6B cohort must achieve a Job Outcome during 27 months.

12. The MPL profile for Payment Groups 1, 2,6A and 6B from month 0 -31 is detailed in Annex 1.

13. Annex 5a provides a worked example of how the Department will calculate the rolling twelve month target using the profiles set out in Annex 1.

14. Annex 5b provides a worked example of how the Department will calculate the Quarterly MPL.

Measured   Payment Groups

15. Measured Payment Groups are Payment Groups 1, 2 and 6A.

16. At the end of each Quarter, the Department will measure the number of Job Outcomes achieved for each of the Measured Payment Groups to assess whether the Work Programme Provider has met the Twelve Month Rolling MPL for each of the Measured Payment Groups for the Twelve Month Rolling Measurement Period up to and including the last day of the Quarter.

17. Failure to reach the Twelve Month Rolling MPL for any Measured Payment Group (PG 1, 2 and 6A) at the expiry of each Quarter may lead to the Department instigating the formal performance improvement process.

Quarterly Performance Expectation & Twelve Month Rolling Performance Expectation

18. Quarterly Performance Expectation(s) and Twelve Month Rolling Performance Expectation(s) apply to Payment Groups 3,4,5,7, 8 and 9.

19. The performance expectation profile for Payment Groups 3,4,5,7, 8 and 9 from month 0 - 31 is detailed in Annex 1.

20. At each Contract Performance Review, the Department will assess the Work Programme Provider's performance against the Quarterly Performance Expectation(s) and the Twelve Month Rolling Performance Expectation(s).

Comparative Measurement

21. The Department will also assess the Work Programme Providers performance against the other Providers within the Contract Package Area.

22. The Department will share this information with you so you can see how you are performing alongside the other Providers and where you may need to make improvements to match or exceed them.

23. The Department will also encourage Providers to share good practice with other providers both within the CPA and more widely to ensure all participants are receiving quality provision.

Supporting measures

Attachment of participants

24. Work Programme Providers are required to attach a participant to provision within 15 working days of their referral to you from Jobcentre Plus.

25. If the participant was referred to the Provider under the Day 1 support opportunity type having made their claim to JSA in advance of their release from prison the Provider is required to attach them to the provision within 25 days.

26. Performance Managers will monitor both requirements to ensure participants are able to access provision within the stated timescales.

Exit reports

27. Providers are expected to provide 100% of exit reports within 10 working days of notification from Jobcentre Plus. Performance Managers will monitor this via information they receive from Jobcentre Plus. For more detail regarding exit reports please see Work Programme Guidance Chapter 10 – Completing the Work Programme.

Minimum Service Levels

28. The Department has agreed Minimum Service Levels for each Work
     Programme contract and Work Programme Providers must adhere to these
     standards. Work Programme Providers are required to provide written
     information regarding the Minimum Service Levels to Jobcentre Plus.
     Jobcentre Plus advisers will give this document to participants when they
     refer participants to the Work Programme.

29. Providers will receive monthly reports on the delivery of these Minimum
     Service Levels which will inform regular discussions with the Departments
     Performance Manager. This also applies to paragraphs relating to Exit
     Reports and Minimum Service Standards.

European Social Fund (ESF) compliance monitoring

30. ESF Contract Monitoring Officers (CMO) will undertake compliance checks
     for all Work Programme claimant groups. Performance Managers will liaise
     with the CMO to ensure you are meeting the necessary required standards
     for the ESF audit. For more information regarding ESF compliance please
     see the Generic Guidance Chapter 11- ESF Requirements.

Further Information

31. Further information on the Departments approach to performance
     management of the Work Programme and interaction with Work Programme
     Providers, please see the **Performance Management Regime** –

     https://www.gov.uk/government/publications/work-programme-performance-
     management-regime-provider-guidance

Annex 1 - Trajectory for each payment group – profiling

	month 1	month 2	month 3	month 4	month 5	month 6	month 7	month 8	month 9	month 10	month 11	month 12
PG1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	2.7%	2.6%	2.9%	2.1%	2.0%
PG2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	2.1%	2.0%	2.2%	1.6%	1.5%
PG3	0.0%	0.0%	0.0%	1.0%	1.6%	1.5%	1.6%	1.2%	1.1%	1.3%	1.2%	1.5%
PG4	0.0%	0.0%	0.0%	0.7%	1.1%	1.1%	1.2%	0.9%	0.8%	1.0%	0.8%	1.1%
PG5	0.0%	0.0%	0.0%	2.0%	3.0%	2.8%	3.2%	2.3%	2.2%	2.6%	2.2%	2.8%
PG6A	0.0%	0.0%	0.0%	0.6%	0.9%	0.9%	1.0%	0.7%	0.7%	0.8%	0.7%	0.9%
PG6B	0.0%	0.0%	0.0%	0.3%	0.5%	0.4%	0.5%	0.4%	0.3%	0.4%	0.4%	0.4%
PG7	0.0%	0.0%	0.0%	0.4%	0.6%	0.6%	0.7%	0.5%	0.5%	0.5%	0.5%	0.6%
PG8	0.0%	0.0%	0.0%	2.1%	3.2%	3.0%	3.3%	2.4%	2.3%	2.7%	2.4%	3.0%
PG9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	1.9%	1.8%	2.0%	1.5%	1.4%

|	month 13	month 14	month 15	month 16	month 17	month 18	month 19	month 20	month 21	month 22	month 23	month 24	month 25	month 26	month 27	month 28	month 29	month 30	month 31	Cohort Total
PG1	2.3%	2.0%	2.5%	2.0%	1.9%	2.1%	1.6%	1.5%	1.6%	1.1%	1.0%	1.1%	0.8%	0.7%	0.8%	0.5%	0.4%	0.5%	0.0%	38.4%
PG2	1.8%	1.6%	2.0%	1.5%	1.5%	1.6%	1.2%	1.1%	1.2%	0.8%	0.8%	0.9%	0.6%	0.6%	0.6%	0.4%	0.3%	0.4%	0.0%	29.8%
PG3	1.1%	1.1%	1.2%	0.9%	0.8%	0.9%	0.6%	0.6%	0.6%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	22.0%
PG4	0.8%	0.8%	0.9%	0.7%	0.6%	0.6%	0.4%	0.4%	0.5%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	16.0%
PG5	2.2%	2.1%	2.3%	1.8%	1.6%	1.7%	1.2%	1.1%	1.2%	0.9%	0.8%	0.9%	0.6%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	42.4%
PG6A	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%	0.3%	0.4%	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	13.2%
PG6B	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	6.6%
PG7	0.5%	0.4%	0.5%	0.4%	0.3%	0.4%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	8.9%
PG8	2.3%	2.2%	2.5%	1.9%	1.7%	1.8%	1.3%	1.1%	1.3%	0.9%	0.8%	0.9%	0.6%	0.5%	0.6%	0.0%	0.0%	0.0%	0.0%	44.7%
PG9	1.6%	1.4%	1.8%	1.4%	1.3%	1.5%	1.1%	1.0%	1.1%	0.8%	0.7%	0.8%	0.6%	0.5%	0.5%	0.4%	0.3%	0.3%	0.0%	27.1%

Annex 2 – Profiled Cohort Metric Example: An illustration of how job outcomes for new referrals build up

**For Payment Group 1, for one cohort, for example**
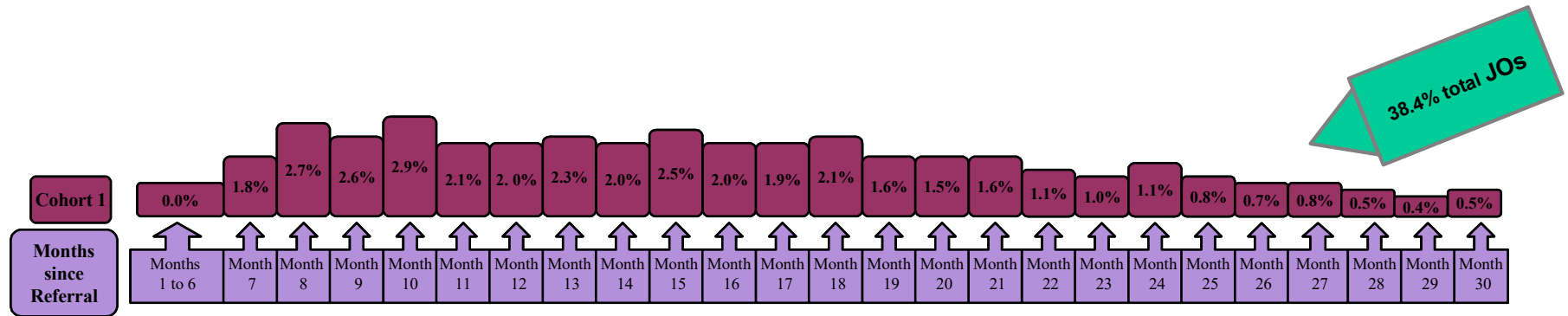
If we had 1,000 Referrals in one cohort, this would translate into the following Job Outcomes:
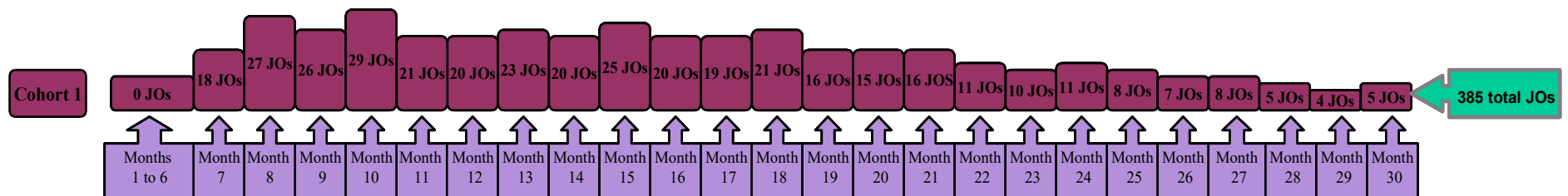
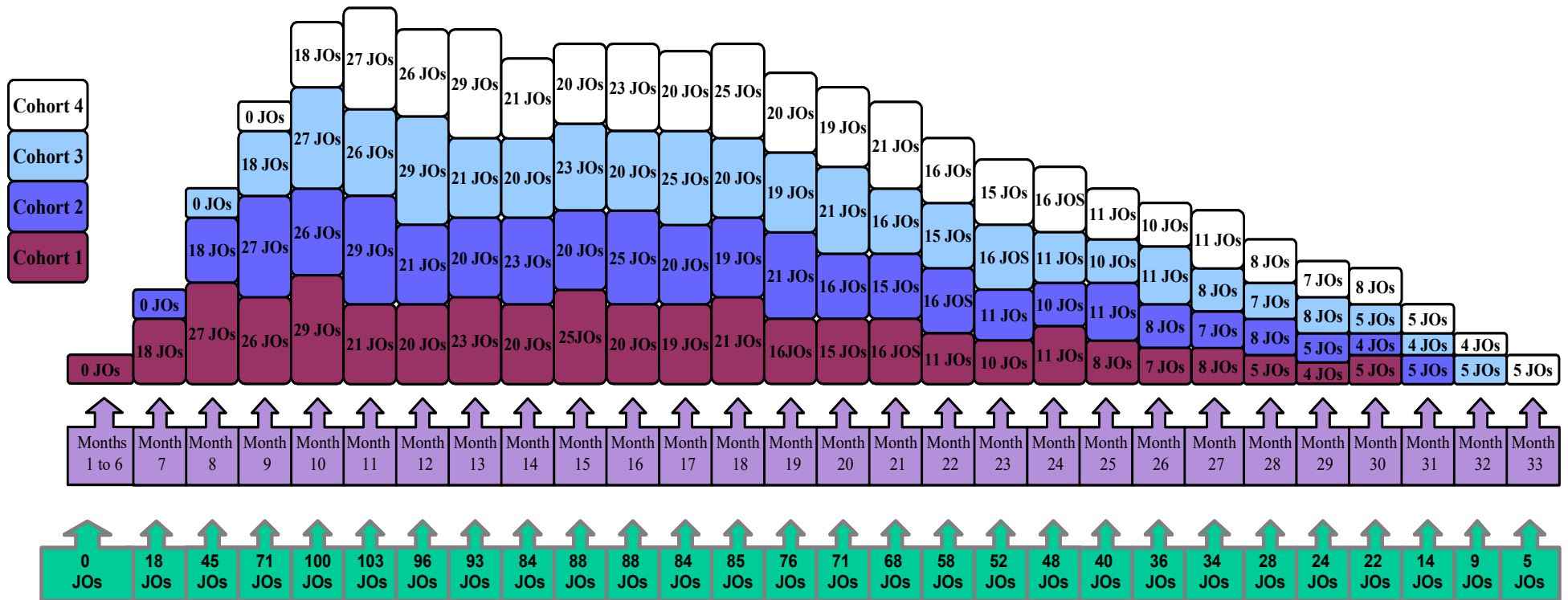NB: Sum of Job Outcomes above does not equal the cohort total due to rounding effects.

Annex 3a – How multiple profiled cohort works for Payment Group 1 as an example:

We simply layer them on top of each other. (Diagram assumes each cohort has 1,000 Referrals)
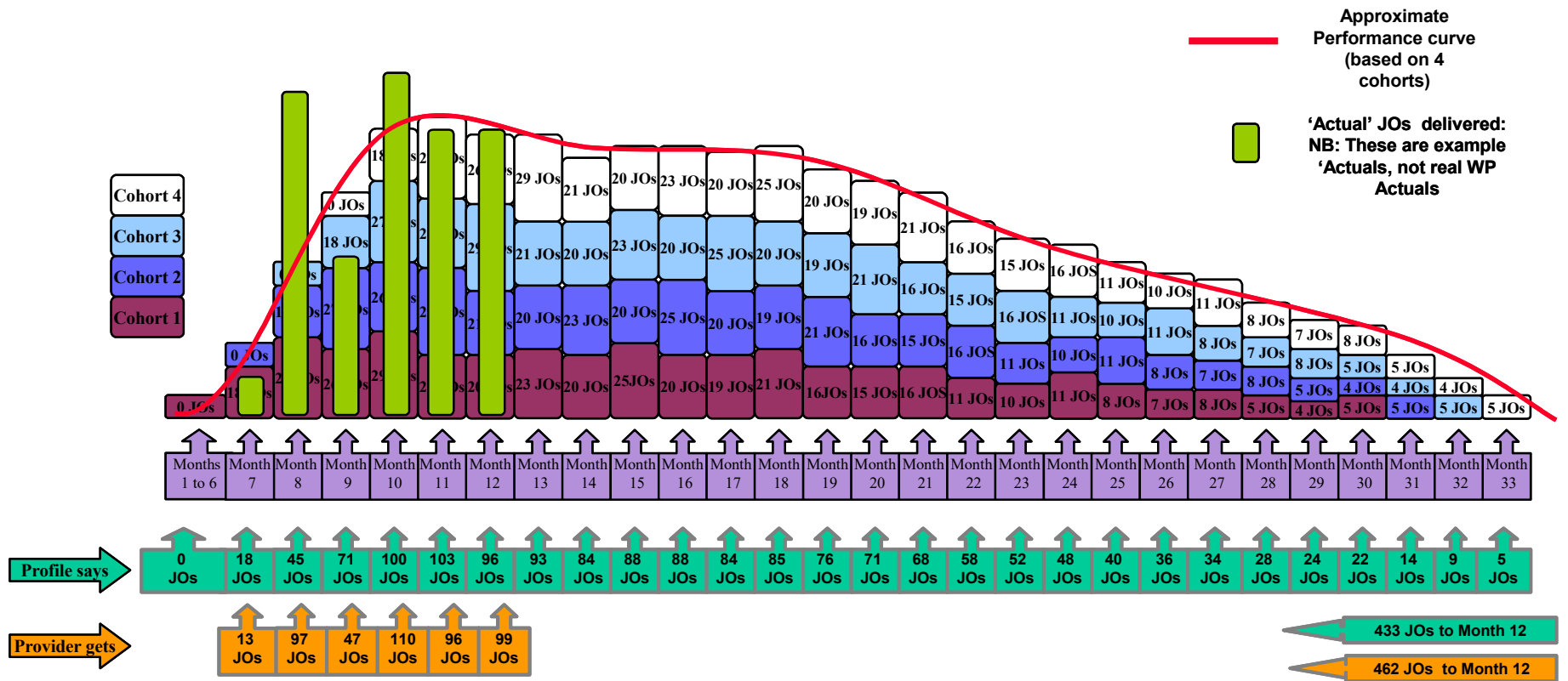
Version 4
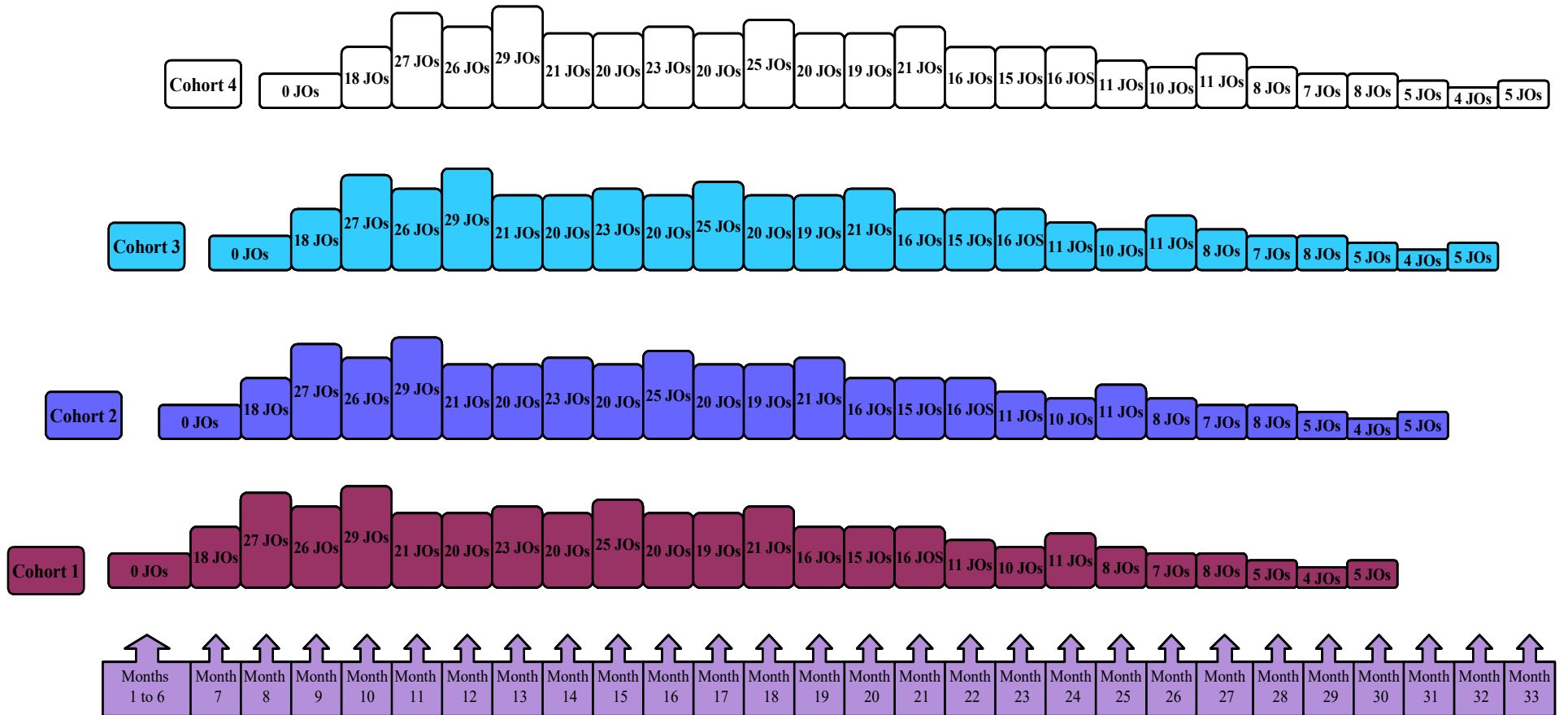
Annex 3b – Programme Curve

Once layered this can give us a programme performance curve:

We can establish a rolling year threshold by adding up any straight twelve month blocks of the boxes at the bottom.

Annex 4 – Example of Minimum Performance Level performance against 12 month rolling period.

For performance measurement purposes, the number of job outcomes achieved will be compared to the profiled Twelve Month Rolling MPL and Quarterly MPL . The profiled job outcomes will be dependent on the MPL performance level specific to each Payment Group and the actual number of referrals for that payment group.

After twelve months, in this example, the provider has achieved 462 Job Outcomes against a Minimum Performance Level of 433. That would be 107% of their profile.

Annex 5a – Example of how the Department will calculate the rolling twelve month targets using Annex 4 above:

If we assume March 2015 is month 20 from the diagram above and therefore the first quarter end for the Formal Quarterly Review (This is just an example for demonstrative purposes).

A) The twelve month rolling MPL (April 14 to March 15) would be the latest 12 months (so months 9 to 20): 71+100+103+96+93+84+88+88+84+85+76+71 = 1,039 Job Outcome target.

B) Our subsequent twelve month rolling MPL for the next quarter end (June 15) would be the latest 12 months (months 12 to 23 - July 14 to June 15): 96+93+84+88+88+84+85+76+71+68 +58 +52 = 985 Job Outcome target.

Annex 5b – Example of how the Department will calculate the Quarterly MPL using Annex 4 above:

If we assume March 2015 is month 20 from the diagram above and therefore the first quarter end for the Formal Quarterly Review (This is just an example for demonstrative purposes).

A) The quarterly MPL (January to March 15) would be Month 18 + month 19 + month 20 = 85 + 76 +71 = 232 Job Outcome target.

B) Our subsequent quarterly target (April 15 to June 15) would be: month 21+month 22+ month 23 = 68 +58 +52 = 178 Job Outcome target

NB: The above examples for Annex 5a and 5b is in reality over simplified, because it is only based on 4 referral cohorts, with no additional referral cohorts in subsequent months. In reality – the WP has new Referral volumes coming through each month.