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To our providers

Transfer of responsibility for contracted employment programmes.

Matthew Nicholas wrote to you on 10th November last year explaining that on 1st April 2007 responsibility for contracted employment programmes delivered by external providers would transfer from Jobcentre Plus to Work, Welfare and Equality Group (WWEG) and Commercial and Estates Directorate (CED).

This letter explains the new arrangements to support the transfer of responsibilities from 1st April (please see Annexes A and B for further information and a question and answer brief).

As part of these changes overall responsibility for procurement and contract management moves from Matthew Nicholas, Director of External Relations and Communications Directorate in Jobcentre Plus to David Smith, DWP's Commercial Director. A new 'Delivery Directorate' within WWEG will play a critical role, working closely with Jobcentre Plus, CED and our external partners in taking forward the welfare reform agenda.

The changes we have made as part of this transfer are primarily internal structural changes and we have made every effort to ensure that the strong relationships that exist between our people and providers continue. The people responsible for procurement and contract management transfer from Jobcentre Plus to CED, which means that providers will continue to work with the same individuals they worked with before April 1st.

Please contact your Operational Procurement Unit if you have any questions or need any clarification about this change.

Matthew Nicholas
Director of External Relations &
Communication

David Smith
DWP Commercial Director

Annex A – Further information about the transfer of responsibility for contracted employment programmes from Jobcentre Plus to Work, Welfare and Equality Group (WWEG) and Commercial and Estates Directorate (CED).

As part of the transfer of responsibility for contracted employment programmes Jobcentre Plus people responsible for the procurement and contract management of employment programmes, including those based in the five Operational Procurement Units (OPUs), transfer to DWP's Commercial and Estates Directorate (CED) on 1 April 2007.

The transferring procurement and contract management people will continue to work with providers as they do currently. CED will be responsible for commercial functions associated with contracted provision, including the end-to-end procurement process and contract management.

Jobcentre Plus Districts will continue to receive the full range of procurement and contract management services from the OPUs.

A newly created Delivery Directorate within WWEG, led by Alan Cave, will have overall responsibility for the design, commissioning and performance of employment programmes delivered through external providers. Stephen Martin is currently filling this post on an interim basis until Alan joins us on the 14th May.

Jobcentre Plus will continue to play a key role in the delivery of employment programmes – for example, referring customers to provision and representing DWP within local partnership arrangements. Jobcentre Plus will retain overall responsibility for local job outcomes and the customer experience.

Annex B - Provider Q and A

Why are these functions being moved into the centre of the Department?

Answer:

The movement of the procurement, finance and associated functions for contracted employment programmes delivered through external providers will provide greater clarity of respective roles for Jobcentre Plus and DWP. The change will enable Jobcentre Plus to focus on the services they deliver direct to customers; it will create a single centre of excellence for procurement within Commercial Estates Directorate (CED); it will bring strategy, policy and employment programme design closer together within Work, Welfare and Equality Group (WWEG); and give us greater clarity and coherence for financial management and planning.

What does the change of accountabilities mean for Jobcentre Plus's position in respect of employment provision?

Answer:

Jobcentre Plus will continue to play a key role in the delivery of employment programmes – for example, referring customers to provision and representing the Department within local partnership arrangements. Jobcentre Plus will retain overall responsibility for local labour market performance and the customer experience.

Will this change mean that the local element of contracts will be lost?

Answer:

No - Districts will continue to input their local requirements and priorities to programme specifications, and the OPUs will continue to source provision on their behalf and with their specific needs in mind.

Does this change the contract that I currently have with Jobcentre Plus and will there have to be a contract variation?

Answer:

No – the contract you currently have is actually with the Secretary of State for Work and Pensions – so there is no change.