



Department  
for Work &  
Pensions

# Accounting Officer System Statement

## Department for Work and Pensions

August 2017



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Print ISBN 978-1-78425-947-1

Web ISBN 978-1-78425-948-8

## Contents

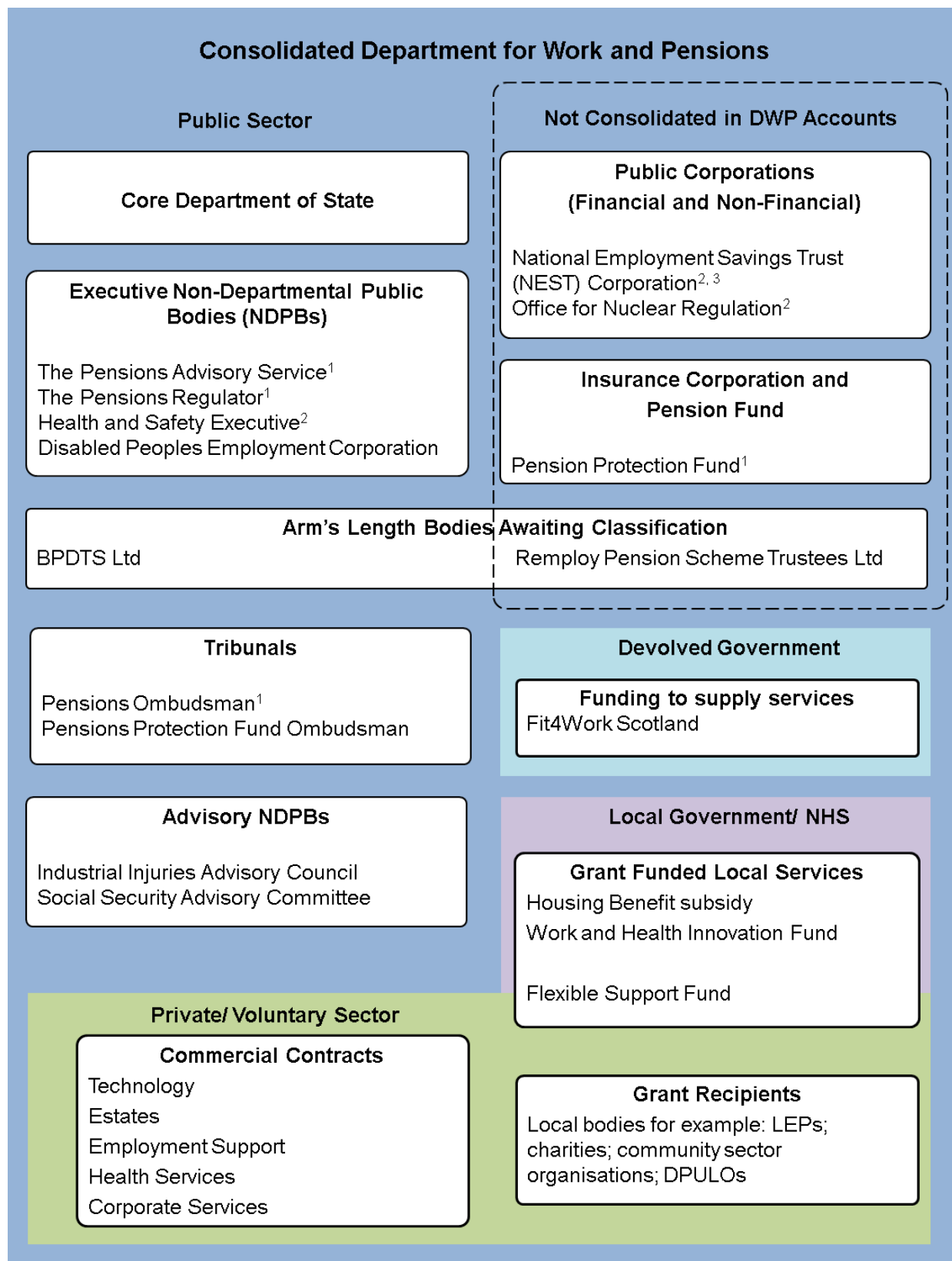
Section 1:	Statement of Accounting Officer's responsibilities	4
Section 2:	Diagram showing all parts of the system	5
Section 3:	Responsibilities within the core department	6
Section 4:	Relationships with arm's length bodies	9
Section 5:	Local funding arrangements	12
Section 6:	Grants to private and voluntary sector bodies, and third party delivery partnerships	15
Section 7:	Major contracts and outsourced services	18

## Section 1: Statement of Accounting Officer's responsibilities

- 1.1 I am the Principal Accounting Officer for the Department for Work and Pensions. This system statement summarises how I fulfill my responsibilities as an accounting officer, in accordance with HM Treasury's (HMT) guidance set out in Managing Public Money, and within the responsibilities and controls as set out in my delegated authority letter from HMT.
- 1.2 My department is responsible for developing policy and delivering essential services on work, welfare, pensions and child maintenance. This system statement summarises the accountability relationships and processes within my department, making clear who is accountable for what.
- 1.3 The Secretary of State for the Department for Work and Pensions and other departmental ministers have a duty to Parliament to account for, and be held to account for, the policies, decisions and actions of this department and its agencies. They look to me as the department's accounting officer to support them in making policy decisions and handling public funds, and to delegate appropriately within the department to deliver their decisions.
- 1.4 As accounting officer, I am personally responsible for safeguarding the public funds for which I have been given charge under the Department for Work and Pensions' Estimate. Where I have appointed additional accounting officers, their responsibilities are also set out in this system statement.
- 1.5 The system statement covers the core department, its arm's length bodies and other arm's length relationships. It describes accountability for all expenditure of public money through my department's Estimate, all public money raised as income, and major contracts and outsourced services.
- 1.6 This system statement describes the accountability system which is in place at the date of this statement, and which will continue to apply until a revised statement is published.

**Sir Robert Devereux KCB**  
**29 August 2017**

## Section 2: Diagram showing all parts of the system



<sup>1</sup> Receive additional funding from the levy on pensions providers

<sup>2</sup> Receive additional funding from charging for work done

<sup>3</sup> NEST is also an Executive NDPB for administrative purposes

## Section 3: Responsibilities within the core department

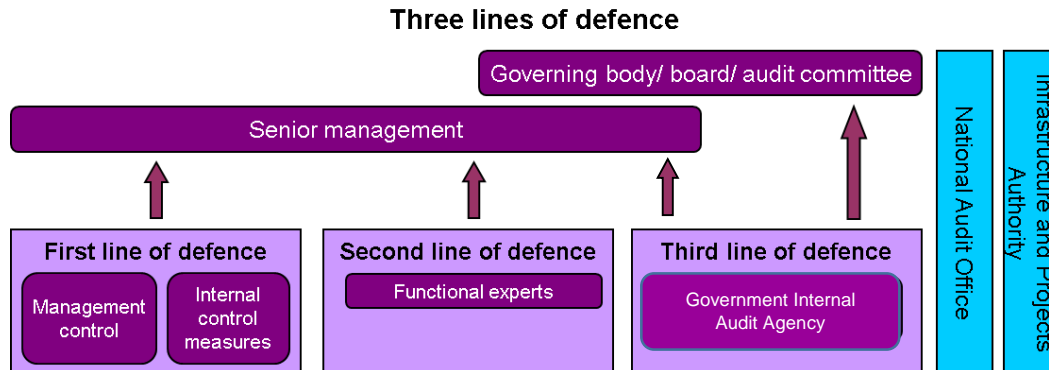
- 3.1 The executive team is the senior decision-making body for departmental management, and agrees the organisational structure, plans and resources that will deliver the department's agenda. The executive team maintains a strategic oversight of the department's major delivery commitments.
- 3.2 The Permanent Secretary, as accounting officer, issues letters of delegation to each director general setting out their spending authority in line with HMT delegated authority controls and responsibilities. Letters of delegation are also issued to senior responsible owners of change programmes.
- 3.3 At the end of the financial year, each director general provides the accounting officer with their assurance on the effectiveness of the controls that support their business activities and delivery of the department's policies.
- 3.4 The role and responsibility of each member of the executive team is set out in the chart below.

EXECUTIVE TEAM Permanent Secretary							
<b>Director General, Operations</b>	<b>Director General, Universal Credit Operations</b>	<b>Director General, Digital Group</b>	<b>Director General, Finance Group</b>	<b>Director General, Human Resources</b>	<b>Director General, Universal Credit</b>	<b>Director General, Strategy, Policy &amp; Analysis Group</b>	<b>Director General, Legal Services</b>
<b>Responsible for:</b>  Leading day to day delivery of DWP public services. Including - Pensions, Disability, Jobcentre Plus, and Child Maintenance Service	<b>Responsible for:</b>  The day-to-day running of Universal Credit Operations.	<b>Responsible for:</b>  Chief Digital Information Officer, providing expert digital and business transformation services, information management and security.	<b>Responsible for:</b>  Providing expert financial and commercial services, planning and performance management reporting, governance advice, and business partnering.	<b>Responsible for:</b>  Organisation Design and Development. Providing expert HR services and business partnering. Business Continuity Director.	<b>Responsible for:</b>  Senior Responsible Owner – Universal Credit and Head of Change.	<b>Responsible for:</b>  Providing ministers with a joined up view of their portfolios; Looking ahead and developing proposals for change. Managing the department's welfare spending.	<b>Responsible for:</b>  Providing appropriate legal expertise to support operational delivery, strategy and change.

- 3.5 The People and Resources Committee is a formal sub-group of the executive team and is responsible for planning and strategic decision making and governance on people and financial issues.
- 3.6 Our planning model requires our businesses to produce financial, business and workforce plans on a bi-annual basis. The summer planning round looks at the next 3 financial years on a rolling basis while the winter planning round focusses on the budget allocations for the following financial year. This ensures that the organisation knows what will be delivered, how much it will cost, who will be doing it, and how success will be measured. The integrated

planning approach is designed to ensure that, at all levels of the organisation, planning is not just about the finances.

- 3.7 Performance measures, levels and change deliverables are agreed as part of the planning process and these are monitored by the department.
- 3.8 The Investment Committee is a formal sub-group of the People and Resources Committee. It has executive oversight of departmental resources (people and finance).
- 3.9 The committee has the authority to make prioritisation decisions in respect of funding and resourcing new change initiatives. Where reprioritisation of departmental activity is required in order to adhere to parliamentary and HMT financial controls, the Investment Committee is responsible for making recommendations to the People and Resources Committee.
- 3.10 The Investment Committee is also the senior governance forum for the department's major change portfolio and will hold to account the programmes within the portfolio to ensure the delivery of agreed milestones to time and budget.
- 3.11 The department operates its risk management arrangements in line with the 'three lines of defence model'.



- 3.12 The 1st line of defence is responsible and accountable for leading, directing and controlling delivery and performance. They do so within a defined framework of policies, procedures and guidance defined by functional experts who act as the 2nd line of defence. The 3rd line of defence, provided by the Government Internal Audit Agency, gives the accounting officer an independent, objective assurance on the effectiveness of governance, risk management and internal controls, including the manner in which the 1st and 2nd lines of defence achieve risk management and control objectives.
- 3.13 The DWP Group Chief Internal Auditor provides independent assurance directly to the accounting officer, executive team and senior responsible

owners and also to the departmental board via the Departmental Audit and Risk Assurance Committee.

- 3.14 We also work with external assurers such as the National Audit Office and the Infrastructure and Projects Authority who provide independent assurance of our major projects and programmes.
- 3.15 All decisions that impact on annually managed expenditure (AME) must be agreed with HMT, as set out in the department's delegated authority letter. The Director General of Strategy, Policy and Analysis Group (SPAG) chairs our AME Board, which focuses on the proactive management of DWP AME. The SPAG Director General also chairs the quarterly Senior Welfare AME Group with HMT, in partnership with the DWP Finance Director General.
- 3.16 We share risks to our AME through the AME Risks Group, a cross-government board chaired by HMT. In addition, several programme boards with AME implications include HMT representation, such as the Universal Credit Programme.
- 3.17 The welfare cap, assessed by the Office for Budget Responsibility, is designed to ensure that AME expenditure on designated aspects of spending is contained within a predetermined cap and margin in a given year (currently 2021-22, as set in the Autumn Statement 2016).



## Section 4: Relationships with arm's length bodies

- 4.1 This section focuses on the department's relationships with its arm's length bodies (ALBs). The department sponsors 13 ALBs, which perform a number of functions, including regulation of pensions and the nuclear industry, protection and safeguards for the public, as well as the provision of information and guidance. They are:
- BPDTS Ltd
  - Disabled People's Employment Corporation (GB) Ltd (DPEC)
  - Health and Safety Executive (HSE)
  - Industrial Injuries Advisory Council (IIAC)
  - National Employment Savings Trust (NEST)
  - Pensions Ombudsman (PO)
  - Pension Protection Fund (PPF)
  - Pensions Protection Fund Ombudsman (PPFO)
  - Remploy Pension Scheme Trustees Ltd (RPST)
  - Social Security Advisory Committee (SSAC)
  - The Office for Nuclear Regulation (ONR)
  - The Pensions Advisory Service (TPAS)
  - The Pensions Regulator (TPR)
- 4.2 The Arm's Length Body Partnership Team has responsibility for managing the day-to-day relationships with the bodies on behalf of the accounting officer to ensure adherence with the accounting officer's financial management responsibilities. Our oversight approach is written into the framework documents that govern our relationships.
- 4.3 ALBs operate independently, but are held to account by the department. For the following ALBs, the Permanent Secretary, as Principal Accounting Officer, has designated the chief executive of each organisation as its Accounting Officer. These are listed in the DWP Estimate, Part III, Note D:
- BPDTS Ltd
  - Disabled People's Employment Corporation (GB) Ltd
  - Health and Safety Executive
  - Pensions Ombudsman/Pension Protection Fund Ombudsman
  - The Pensions Advisory Service
  - The Pensions Regulator
- 4.4 Most of our ALBs operate within our accounting boundary and are consolidated into the accounts of the departmental group. The exceptions are:

- National Employment and Savings Trust – which is also an executive non-departmental public body
  - Pension Protection Fund
  - Remploy Pension Scheme Trustees Ltd
  - The Office for Nuclear Regulation.
- 4.5 In most cases, the department is responsible for the relevant policy areas, with the exceptions of the Office for Nuclear Regulation and the Health and Safety Executive.
- 4.6 Our ALBs are independent entities, with their own boards who are responsible for delivery, performance management and ensuring that their risks are dealt with appropriately. There are a range of standard financial control arrangements in place to assure the departmental board that robust governance arrangements are in place for each ALB, tailored as appropriate, including quarterly accountability reviews with the chief executives and finance directors. Our risk management approach is written into the framework documents that set out our relationship. Departmental officials attend the bodies' own audit committee meetings and we encourage the sharing of risk management expertise – for example on cyber security. The departmental board receives a regular dashboard summarising the delivery, financial and risk management performance of our bodies.
- 4.7 We conduct an annual assurance assessment to provide assurance that we have a good overview of each body and this allows us to review our tailored partnership arrangements. Working together with the ALBs, these arrangements have assured us that we are broadly compliant with the new Cabinet Office *'Partnerships between departments and arm's length bodies: code of good practice'* and we have agreed a plan for further improvements.
- 4.8 Funding arrangements for the bodies vary. The majority of the pensions' bodies (the Pension Protection Fund, the Pensions Regulator, the Pensions Advisory Service, Pensions Ombudsman and Pension Protection Fund Ombudsman) are funded by grant-in-aid from the department, which is ultimately recovered from levies raised on occupational and personal pension schemes, collected by the Pensions Regulator. Pension Protection Fund activities are also funded by a separate levy and related income-generation, and grant-in-aid to cover administrative expenditure in its role as the Financial Assistance Scheme manager. The Pensions Regulator also receives a separate grant-in-aid from general taxation which funds its work implementing roll out of the automatic enrolment compliance regime.
- 4.9 The National Employment and Savings Trust is funded through a combination of loan and grant-in-aid income. Payments made from scheme member

contributions go towards the general costs of the setting up, administration and management of the scheme.

4.10 The remaining ALBs are funded as follows:

- The Office for Nuclear Regulation is funded through a combination of cost recovery from the industry, and a grant from DWP
- The Health and Safety Executive receives grant-in-aid from DWP, but also may charge for its regulatory and other statutory functions
- BPDTS Ltd charges DWP for its services
- Disabled People's Employment Corporation Ltd is funded by grant-in-aid by the department
- Remploy Pension Scheme Trustees Ltd is funded by a grant
- The two advisory bodies' costs, (Industrial Injuries Advisory Council and Social Security Advisory Committee) are met from the department's core expenditure.

## Section 5: Local funding arrangements

5.1 The DWP has services delivered by both local and devolved bodies. The Department for Communities and Local Government is the lead department responsible for maintaining the overall accountability system for local government. Within that system, the Department for Work and Pensions has policy responsibility for Housing Benefit, Discretionary Housing Payments, Work & Health Unit Innovation Fund and Fit for Work Scotland.

### Housing Benefit

5.2 Housing Benefit (HB) is a DWP benefit and the DWP accounting officer is responsible for it. HB is an income-related benefit paid to people who are entitled to help with costs for their rent. Provisions in the Social Security Administration Act 1992 and other enactments set out the framework for entitlement within which local authorities deliver HB. As with all benefits, the HB subsidy is an AME cost.

5.3 We provide funding to local authorities to pay HB along with an administration subsidy which contributes towards the cost of delivering HB. During the year we may also make additional payments to cover the administration of any new burdens arising from policy or procedural changes.

5.4 Because Housing Benefit is not delivered by DWP Operations, we have in place assurance arrangements to satisfy ourselves that all local authorities (LAs) who deliver the benefit on our behalf, are doing so in accordance with HB policy and guidance. This means paying the right amount to the right person at the right time.

5.5 To help ensure propriety, regularity and accuracy with regard to the expenditure incurred by LAs, at the end of each financial year every LA is subjected to an independent audit from an external audit company. The purpose of the audit is to check that the right amount of HB has been paid to claimants in accordance with policy, and that in turn ensures the LA has reclaimed the right amount of money from the department.

5.6 LAs are accountable to the Department for Communities and Local Government. Annually their finance directors (known as section 151 officers in England) sign declarations about the validity of the internal controls and these are also subject to independent audit.

### Discretionary Housing Payments

5.7 Discretionary Housing Payments is a scheme that allows local authorities to make awards to people in need of further financial assistance with housing

costs. Each local authority has overall responsibility for administering the scheme and making awards, taking account of the department's guidance.

- 5.8 The audit requirement for the expenditure is based on self-certification by the local authority that includes a certificate signed by the section 151 officer (section 95 officer in Scotland) on the accuracy of the claim. This certificate also confirms that the local authority maintains adequate records which may be subject to our verification.
- 5.9 Further assurance is provided through the Department for Communities and Local Government's Accounting Officer, who is accountable for the core system by which local authorities manage their funds.

### **Work and Health Unit Innovation Fund**

- 5.10 The cross-government Work and Health Unit was established to test, implement and evaluate different approaches to improve work and health outcomes for working-age people who have, or may acquire, long-term health conditions or disabilities.
- 5.11 An initial lump sum will be awarded up front for local authorities and clinical commissioning groups that meet our criteria for start-up funding. The grant will cover actual costs only and will not include provision for profit. Further funding will not be provided until the trial designs have been evaluated and a decision has been made on which trials to progress to the next phase.
- 5.12 For the start-up funding, we will only take forward those trials that can deliver in terms of performance and are the best value for money. Funding will be awarded only after completion of the competitive, staged process for selecting areas to work with to design and deliver health-led employment trials. The exact arrangement will be specific and documented in a new grant agreement and 'memorandum of understanding' with each local authority or clinical commissioning group.
- 5.13 Further assurance is provided from the Department for Communities and Local Government and Department of Health Accounting Officers, who are accountable for the core system by which local authorities and clinical commissioning groups receive central government funding.

### **Fit for Work Scotland**

- 5.14 Fit for Work Scotland provides both a supportive occupational health assessment and general health and work advice to employees, employers and doctors (GPs), to help individuals stay in or return to work. In Scotland this is not a devolved service but delivered on our behalf by the Scottish Government.

- 5.15 Agreements reached between the Secretary of State and Scottish ministers to deliver Fit for Work Scotland have defined the respective roles and responsibilities of all parties, and our funding is for delivery within the service design.
- 5.16 Along with monthly in-year actual and forecast costs, at the end of each financial year, the Scottish Government provides us with a final financial report for that year, and an expenditure forecast for the next. We will request evidence from the Scottish Government of their expenditure to enable reconciliation with forecasting.
- 5.17 We have developed, with the Scottish Government, an independent programme of audit and inspection of the service that will be carried out in accordance with our agreements. This provides both parties with accurate and reliable information. The agreements reached specify the actions to be taken by both parties on discovery of any irregularity.

## Section 6: Grants to private and voluntary sector bodies, and third party delivery partnerships

- 6.1 This section outlines the accountability arrangements for grants to private and voluntary sector bodies, and for third party delivery partnerships which are used to deliver core parts of our public service remit rather than through contracts (the latter are covered in Section 7).
- 6.2 The department's comprehensive framework on grants provides guidance on awarding grants. This framework was augmented by the Cabinet Office's minimum grants standards in December 2016 to ensure that it is in line with recommended best practice. In preparation for the introduction of the minimum grants standards, the department assessed its existing grants against the standards and found that they were broadly compliant. All new grants are required to be fully compliant.
- 6.3 In addition to complying with the framework, all grants exceeding £100,000 must complete a grants checklist to confirm that key financial control issues have been considered before issuing grants. Together these measures provide a sound basis for managing grants.
- 6.4 The department awards grants to a range of organisations across different sectors in order to help achieve delivery of departmental objectives including supporting disabled people to work, providing tailored employment support to communities, employment support for older people, and specialist support to help people furthest from the labour market.
- 6.5 We seek to recover any funding that has been used to pay for illegal or fraudulent activity or goods.
- 6.6 If a problem arises after funding has been awarded, we reserve the right to recover any funding that has been fraudulently claimed. A fraudulent claim for these purposes includes submitting false receipts, submitting receipts for purchases that are not associated with the initiative, or submitting receipts that are not duly reflected in the auditable accounts.
- 6.7 The decision to award funding may be revoked if the receiving body closes before funding is awarded, or where an invoice is not submitted within an appropriate timescale of the decision notification with no reasonable explanation for the delay.
- 6.8 Some of the DWP Flexible Support Fund is spent in partnership with local organisations and falls within the scope of this system statement.

## The Flexible Support Fund

- 6.9 The Flexible Support Fund (FSF) enables our jobcentres to support locally identified claimant needs, which reflect the requirements of local labour markets.
- 6.10 The FSF has a clear framework within which our Jobcentre Plus district managers are free to operate to create effective local solutions. Finance, and where appropriate, commercial business partners, provide professional advice. Grants from the fund to organisations are supported by written statements known as grant letters that describe the discretion they have around what the grant funding can be spent on.
- 6.11 A grant letter specifies the assurances required of the recipient. These include each partner organisation's lead accountable body providing information and evidence of delivery of their aims and objectives, and assurance that it is meeting the required minimum requirements for outcomes, targets and indicators. A further statement is required setting out how the grant has been spent so that we can monitor and report expenditure.
- 6.12 Lead accountable bodies within each partner organisation are required to ensure that sound internal financial controls are in place with any partner that they may involve in the delivery of the specified minimum requirements agreed for the grant. This ensures that our funds are used solely to pay for the delivery of agreed objectives. Jobcentre Plus districts work with their lead accountable bodies to ensure grant conditions are met and that expected performance meets actual outturn.
- 6.13 In respect of ad hoc contracts, a minimum standards framework for Jobcentre Plus districts is in place to provide assurance that set provision and performance targets are being delivered appropriately.
- 6.14 Grants are made to a recognised lead accountable body within each partner organisation, which manages and is accountable for the use of the funds on behalf of the partnership. The body is responsible for working with other identified partners to distribute the funding. It must be a legal entity with auditable accounts, and must be determined as eligible for the fund based both on our financial viability and risk assessment, and evidenced by an incorporation document. The body is required to keep accurate financial records for audit purposes.
- 6.15 Prior to the award of a grant from the FSF, we undertake checks to assess and monitor the financial stability of our partners. Once assurance has been gained, we agree monitoring requirements with the lead accountable body before formally awarding a grant, and ensure value for money considerations



are maintained during delivery. A performance management process identifies spend or activities outside that which the grant was awarded for, with district managers taking action if they find discrepancies. If necessary, district managers can write formally to the body to explain the need to recover, reduce, suspend or withhold future grant payments, although this action is very rare. Further recourse can include the sale of fixed assets funded by the grant where they are recovered. Allocated grant funding which remains unspent at the end of the grant period is repaid.

## Section 7: Major contracts and outsourced services

- 7.1 This section covers services supplied via commercial contracts.
- 7.2 The Department's Commercial Directorate's role is to ensure that DWP obtains maximum value from its commercial spend. This means that contracts are awarded with proper regard to public procurement rules, obtain the most competitive prices available and deliver the right goods and services that make a significant contribution towards the achievement of DWP's objectives. The directorate also oversees the management of suppliers and contracts so that they continue to deliver best value, whilst adhering to the standards of probity and regularity expected by Parliament and the taxpayer.
- 7.3 For sourcing, DWP uses a standard operating model, aligned to Cabinet Office principles, in each of the 5 commercial categories. A risk-based approach is applied to differentiate between strategic and tactical contracts, directing the resource to higher risk contracts. The 5 commercial categories are:
- technology
  - estates
  - employment-related
  - health services
  - corporate services
- 7.4 Each category operates a Commercial Assurance Board (CAB) to ensure that procurement exercises are carried out properly, follow the correct procedures and guidance and deliver maximum value for money. The CAB reviews and assures relevant commercial activity over £100,000 at key stages in the contracting lifecycle, and provides approval to proceed to the next stage.
- stage 1 – define business need and agree budget
- stage 2 – market engagement and commercial strategy
- stage 3 – procurement and selection
- stage 4 – finalise contract
- 7.5 The CAB provides assurances at key stages but does not provide funding approval. However, if a member of the board has the relevant delegated financial authority (DFA), the approval may be granted internally. If the relevant DFA is not held within the board, the appropriate authorisation must be in place for sign-off.

## How governance is applied

- 7.6 All commercial activity over £100,000 is held on a category or programme tracker and is rated following the completion of a procurement risk segmentation tool to create the final categorisation.
- 7.7 Commercial activity is classified as high, medium or low risk. The categorisation once completed must be logged on the department's eProcurement system (currently known as Bravo) and is used to define the necessary governance applied to that commercial activity. Governance is then applied as follows:
- 7.8 Commercial activity rated as **high risk** is subject to the full governance process. Scrutiny and approval is required at all 4 stages. New procurements valued at more than £10 million and in scope of Cabinet Office Controls will always fall into this category.
- 7.9 For commercial activity rated as **medium risk**, the governance is defined by the Commercial Approval Board at the outset but is subject to a minimum of stages 1 and 4 approval. Contracts valued at more than £5 million and requiring ministerial approval will fall into this category as a minimum.
- 7.10 Commercial activity defined as **low risk** is subject to light touch governance through the existing procurement process approval and delegated financial authority. The CAB will have visibility of all procurements requiring approval prior to signatory but will review as a below the line list by exception only. Pre-defined supplier call-offs or consumption from existing commercial vehicles are likely to fall into this category.

## Scope of the Commercial Approval Board

- 7.11 For contracts with a value of less than £5 million, the Commercial Approval Board (CAB) has the authority to approve at key stages and provide approval to proceed to award the contract.
- 7.12 For contracts with a value of more than £5 million, CAB has the authority to approve key stages 1-3. For stage 4, contract approval and award, the board supports existing governance by ensuring contract approval requests are robust and consistent and by making recommendation to approve to the minister.
- 7.13 Commercial activity with a value of more than £10 million will be subject to Cabinet Office controls. It is CAB's responsibility to validate that Cabinet Office are engaged at the earliest opportunity and are invited to seek appropriate assurance through a robust and transparent governance process.

7.14 Commercial activity with a value of more than £50 million will continue to be subject to HMT approvals. Again it is CAB's responsibility to validate that HMT are engaged at the appropriate point in the procurement.

### Contract approval body by value

Value	SRO (with appropriate DFA)	Commercial Approval Board	DWP minister	Minister for Cabinet Office	HMT
Below £100k	✓				
£100k to £5m		✓			
> £5m			✓		
>£10m			✓	✓	
>£50m*			✓	✓	✓

\*Please note there are exceptions to the HMT threshold for example, Universal Credit contracts >£1m will need HMT approval.

### Contract Management

7.15 For contracts in live running, Commercial Directorate adheres to a category management operating model to ensure contracts are managed to gain maximum value for money and operate in line with HMT delegated authority controls and responsibilities.

7.16 There are mechanisms in place for assessing the outcomes expected from the resources. Service levels and service credit regimes are well established. Financial service credits are applied when performance is below target (for example, volume, quality, speed of clearance, client service). Detailed targets form part of the contract and performance is reviewed constantly by dedicated regional and national performance management teams who report to a national performance director and account director. This performance review happens across operations, finance and commercial functions.

7.17 Open book reviews give the department formal rights of access to review costs. In addition the department has direct access into provider financial ledgers to assure and check all costs independently.

7.18 All contracted spend and processes are considered for internal audit review through the Government Internal Audit Agency. There are formal audits undertaken on high risk DWP activities and remedial action plans are developed to address issues where appropriate.

7.19 The table below summarises the roles and responsibilities that ensure we get maximum value from contracts with providers.

<b>Role</b>	<b>Responsibility</b>
Senior responsible owner	ensures a planned transition from the contract award stage to the contract implementation phase.
Senior contract owners	accountable for service delivery. Manage the day to day relationship with the supplier and are the major route for escalation of operational management issues. SCOs sign a statement of assurance and undertake a commercial challenge process.
Performance Manager	ensures delivery of contract outcomes and develops mechanisms to ensure that service quality and user satisfaction is captured and used to manage and improve performance.
Commercial Category Manager	defines clear contract management processes, completes and implements a contract management plan and ensures appropriate governance is in place including management boards, review groups and risk structures.
Contract Manager	ensures that payment mechanisms are documented, are clear and well understood by all parties, appropriate checks and authorisation processes are in place to pay invoices. Ensures payment changes after the contract is let are made using contractual provisions and demonstrate value for money.
Finance Business Partner and Finance Validation Teams	ensure that appropriate checks and authorisation processes are in place to pay invoices and provide scrutiny and challenge to providers' costs, thereby systematically managing contractual risk, and taking appropriate mitigating actions and escalation as required by DWP's risk management process.
Commercial Assurance Team	provides assurance that beyond their specific delivery obligations, suppliers are complying with general departmental and legal requirements such as whistleblowing (employees), complaint and redress processes (customer or client), The Modern Slavery Act 2015, data protection.

## **Strategic Monitoring and Control**

- 7.20 The Commercial Directorate Senior Leadership Team exercise overall control of the commercial portfolio and escalate major risks to the DWP Finance Group Executive Team and the DWP Executive Team.

