

# SUPPLYING TO THE DEPARTMENT FOR WORK AND PENSIONS



**T**he Department for Work and Pensions (DWP) spends more than £4 billion annually with external suppliers and is keen to improve the quality of, and access to, information about doing business with the Department for all of its suppliers. DWP's current and future suppliers, of both goods and services, play a very important role in how successfully the Department delivers services to the public.

The purchasing organisation within the DWP sources a wide range of products, goods and services to meet the needs of more than 100,000 personnel employed in delivering services to the UK public.

The primary categories of products, goods and services sourced are as follows:

- Customer Facing Programmes
- Information Systems/Information Technology
- Professional and Technical Services
- Estates and Facilities Management
- General Goods and Services
- Learning and Development

## DWP PURCHASING ORGANISATION

The DWP purchasing organisation consists of three distinct operational functions:

- Commercial and Estates Directorate
- Programme and Systems Delivery Group
- Jobcentre Plus – 'customer facing' programmes

## COMMERCIAL AND ESTATES DIRECTORATE

Commercial and Estates Directorate (CED) is part of DWP Group Finance.

CED has four divisions:

- Commercial Strategy and Development
- Strategic Sourcing
- Commercial Management
- Commercial Management (Commercial Employment Provision)

Staff are located across seven main sites:

- Tavis House (London)
- Quarry House (Leeds)

- Mayfield Court (Sheffield)
- Norcross (Lancashire)
- Heywood (Lancashire)
- Durham House (Washington)
- Benton Park View (Newcastle)

Estates also occupy a mixture of local office and campus sites across the country, providing contract management and local building management functions.

*CED's customers are:*

- DWP Accounting Officer and Principal Finance Office (PFO) recipients of commercial assurance services
- DWP business managers as recipients of goods and services delivered under CED deals to support their business or offer advice on commercial solutions to business issues
- DWP contract sponsors as business owners of particular deals let or managed on their behalf by CED staff
- DWP budget holders who authorise payment against deals let by CED staff
- end-users of the goods and services acquired via the contracts or frameworks let by CED staff (in cases where CED manages cross-government deals, end-users can be in Other Government Departments)
- staff engaged in procurement activity, including professional procurement staff, across all parts of DWP (and its agencies and Non-Departmental Public Bodies)

In 2003-04 the Department spent approximately £4.2 billion with commercial suppliers.

## PROGRAMME AND SYSTEMS DELIVERY GROUP

Programme and Systems Delivery Group (PSD) delivers effective, reliable and value for money information systems and services for the Department. Together with DWP's client groups and businesses, it works to deliver the Department's modernisation programme.

The Department is the largest and most significant purchaser and operator (through third parties) of IT services in Northern Europe.

Underpinning the Department's delivery of the Modernisation Programme is the IS/IT Strategy. The IS/IT Strategy principles are in line with industry best practice and focus on delivery and the reduction of risk.

*They require:*

- more frequent, smaller incremental improvements to the Department's IT rather than 'big bang'
- greater use of off-the-shelf commercial packages (COTS) rather than the development of bespoke solutions
- integration of existing systems with new technologies to improve the availability of reliable data

## JOBCENTRE PLUS – 'CUSTOMER FACING' PROGRAMMES

Successful delivery of Jobcentre Plus services can only be achieved with the support of DWP's partner organisations.

*The Department has three types of partner:*

- strategic
- discretionary
- provider partners

Strategic partners are organisations in the public, private or voluntary sectors who complement the Jobcentre Plus service by providing information and advice about benefits, jobs and training.

Discretionary partners are organisations that Jobcentre Plus works with in each local area to improve its ability to meet the needs of customers. This may include jointly funded projects. Provider partners are organisations with whom Jobcentre Plus has formal contracts for the delivery of training and related services to unemployed people.

## E-PROCUREMENT

e-Procurement has been used in DWP since 1997 to buy print, envelopes, stationery and computer consumables. DWP is now moving to a new Purchase to Pay (P2P) system, based on Oracle software. This will enable internal customers to purchase virtually all goods and services electronically.

The first phase of introducing universal P2P capability went live in December 2005 with a second phase in February 2006. Other areas of procurement will be implemented over time.

All invitations to tender for DWP business now explain how P2P will operate for each commodity type.

## COMPETITION

All DWP contracts are awarded by competition between potential suppliers unless there are very compelling reasons why competition can be dispensed with, such as in a monopoly supply situation.

## ADVERTISING

Where required, upcoming DWP contracts in the relevant categories are advertised in the Official Journal of the European Union (OJEU), in line with the Department's obligation under the EU Procurement Directives. In some cases, Prior Information Notices (PINs) are also issued which describe contracts that will be formally advertised in the near future. Information on such upcoming contracts is available by accessing the OJEU website.

In addition to OJEU adverts, all major forthcoming DWP contracts are advertised on the Department's website at [www.dwp.gov.uk](http://www.dwp.gov.uk) or on the Jobcentre Plus website at [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)

## SUBCONTRACTING OPPORTUNITIES

Two large areas of DWP expenditure – information technology services and estates services – are governed by long-term contracts with, respectively, Electronic Data Systems (EDS) and Land Securities Trillium (LST). There may, however, be opportunities for suppliers to provide services as subcontracted to the two principal suppliers. Potential suppliers should contact EDS or LST directly to register an interest.

## JOBCENTRE PLUS

The best opportunities for smaller organisations to acquire DWP business may be with Jobcentre Plus, which awards many local contracts every year for the provision of training, counselling and jobseeking services for members of the public. Details can be found on the Jobcentre Plus website at [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)

## INNOVATIVE IDEAS

DWP is a big supporter of innovation in government procurement and contracting, and is keen to hear from suppliers if they have something to offer which will benefit the Department. Any enquiries or feedback can be provided by sending an email to the Supplier Relationship Management team at [quarryhouse.supplyingdwpqh@dwp.gsi.gov.uk](mailto:quarryhouse.supplyingdwpqh@dwp.gsi.gov.uk)

## CONTACT SUPPLIER ENQUIRY TEAM

DWP welcomes any feedback from current or potential suppliers on subjects related to contracts or procurement. It will respond to any enquiries, requests for assistance and comments as quickly as possible.

DWP has established a central mailbox at [quarryhouse.supplyingdwpqh@dwp.gsi.gov.uk](mailto:quarryhouse.supplyingdwpqh@dwp.gsi.gov.uk) to receive messages and will ensure that each one is forwarded to the appropriate Supplier Relationship team.

For all IS/IT or telecoms related enquiries please contact [itsupplyingenquiries\\_sdd@dwp.gsi.gov.uk](mailto:itsupplyingenquiries_sdd@dwp.gsi.gov.uk)

More information can be found on DWP's website at <http://www.dwp.gov.uk/supplyingdwp/index.asp>

## DISCLAIMER

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# Expert public procurement consultancy for Buyers and Suppliers at your service



## PASS – HELPING YOU MEET KEY OBJECTIVES

The key objective of public procurement professionals is to ensure that the most suitable supplier is selected to provide goods and services on terms which are likely to offer the best value for money. The PASS service helps you meet this requirement and deliver contracts that offer best value-for-money terms with suppliers who will execute them efficiently.

## PASS CONSULTANCY

BIP's *Procurement Advice and Support Service (PASS)* provides organisations with access to experts in public procurement practices and procedures, thus helping you develop and deliver effective and efficient procurement. Our team offers a range of services to meet your specific needs. Whichever area you wish evaluated and improved, we have the experts to help.

*The PASS consultancy's mission is to help you deliver the best in government procurement through:*

- Practical solutions to improve procurement performance
- Innovative approaches to knowledge transfer within government
- Joined-up government
- Improved performance indicators
- Strategic direction and performance
- Opportunities offered by e-government
- Capacity to deliver change to meet identified needs
- Continuous improvement of services and challenging poor performance
- Sustainable development within decision-making processes and delivery of services
- EU-compliant processes
- Best practice procurement training

## PASS TRAINING

Our consultants can provide you with bespoke training packages to suit your needs. Consultancy and training is available for the following: environmental purchasing, partnering, evaluation, e-government, supplier debriefing, UK legal processes and precedents, contract management, EU-compliant tendering and much more.

## PASS ONLINE GUIDANCE

The PASS service provides online guidances on all aspects of the public procurement process and legal requirements: [www.bipsolutions.com/html/briefing.php](http://www.bipsolutions.com/html/briefing.php)

## PASS – EFFECTIVE DISPUTE MANAGEMENT

Contractual and procurement-related disputes are time-consuming, expensive and unpleasant. They can destroy client/contractor relationships, can add substantially to the cost of the contract, and can nullify some or all of its benefits or advantages. They can also have an impact on value for money. It is therefore in everyone's interest to work at avoiding disputes in the first place. Inevitably, however, disputes do occur and when they do the importance of a fast, efficient and cost-effective Alternative Dispute Resolution (ADR) procedure cannot be overstated. If a dispute arises, it is important to manage it actively and positively and at the right level in order to encourage early and effective settlement. Unnecessary delays and inefficiency can lead to rapid deterioration in relations and entrenchment of opinions. ADR through PADRE mediation involves the use of a trusted expert third party and is an effective alternative to litigation. PADRE mediation is provided by experts in contracting and public procurement. If you would like more details on how PADRE can help your organisation and become your mediation service of choice, telephone the PASS team on **0845 270 7055** or email [pass@bipsolutions.com](mailto:pass@bipsolutions.com).

## PASS HEALTH CHECK

The PASS service can help your organisation examine its current procurement organisational structures, strategies, processes, practices and related strengths and weaknesses. It delivers a detailed *PASS Mark Health Check Outcome Highlight Report (OHR)* that outlines areas of strength as well as those requiring further attention, and provides an outline *Project Initiation Document (PID)* designed to deliver a more effective and efficient tendering process that will help you achieve optimum performance and better value-for-money procurement.

## PASS IN-HOUSE PRESENTATIONS

PASS consultancy can provide you with in-house presentations directed to buyer or supplier. Each presentation will be bespoke to your requirements, whether they be with regards to improving your tendering practices or your procurement strategy or processes. Contact: [pass@bipsolutions.com](mailto:pass@bipsolutions.com)



The *PASS Mark Health Check* is a process-based evaluation technique that helps identify how your company can develop more effective processes when tendering for public sector contracts.

For further information on the **PASS** service, contact our **PASS Team** on **0845 270 7055**, email [pass@bipsolutions.com](mailto:pass@bipsolutions.com) or visit [www.bipsolutions.com/pass/](http://www.bipsolutions.com/pass/)