

WELFARE REFORM ACT 2012

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Universal credit

Section 29: Delegation and contracting out

113. *Section 29* allows for contracted providers in the private and voluntary sectors to exercise functions of the Secretary of State relating to work-related and connected requirements.
114. It is envisaged that providers will be permitted to exercise such functions so as to deliver employment programmes such as the Work Programme. The Secretary of State, using the power to impose work preparation requirements under section 16, may require claimants to participate in the Work Programme. In reliance on section 29, Work Programme providers will be authorised to carry out the functions of the Secretary of State under sections 13 to 25 which relate to work-related and connected requirements. Work Programme providers will therefore be able to impose relevant requirements on claimants, for example a work-preparation requirement to participate in particular training.
115. Any functions contracted out in this way will be subject to the same restrictions that apply to the Secretary of State. For example, a person in the group subject only to work-focused interview and work preparation requirements could not be expected to search for work or be available to take a job.
116. Where a claimant fails to comply with a requirement imposed by a provider, the Secretary of State will determine whether a sanction ought to apply. Functions relating to sanctions cannot be contracted out.