



# Department for Work and Pensions

Business Plan 2007–2008



# Contents

<b>FOREWORD</b>	<b>3</b>
<b>INTRODUCTION</b>	<b>5</b>
Our Aim	6
Our Plan through to 2011	6
Our Values	8
<b>THE DEPARTMENT’S PROGRESS IN 2006–2007</b>	<b>9</b>
<b>KEY TARGETS AND MILESTONES IN 2007–2008</b>	<b>14</b>
<b>OUR DELIVERY BUSINESSES</b>	<b>18</b>
The Child Support Agency	19
Jobcentre Plus	20
The Pension Service	22
The Disability and Carers Service	23
The Rent Service	25
<b>THE HEALTH AND SAFETY COMMISSION AND EXECUTIVE</b>	<b>27</b>
<b>DEPARTMENT-WIDE STRATEGIES, KEY TARGETS AND MILESTONES IN 2007–2008</b>	<b>29</b>
Our People	30
Our Diversity and Equality Strategy	30

Our Finance	31
Our Information Technology	31
Our Communications and Marketing	32
Our Law and Corporate Governance	33
Our Shared Services	33
Our Strategy and Analysis	34
Further Information	34
<b>ANNEXES</b>	
Our PSA Targets	36
DWP organisation	39
2007–2008 resources	40

## Foreword by the Permanent Secretary



DWP has come a long way since its creation in 2001. At that time many more people were on benefits and a large number of them had no expectation of ever returning to employment. Then, disabled people had fewer rights and fewer companies made a positive effort to employ them. We wanted to do a great job for our customers but we were often constrained by the way the Department was organised.

As a result of what we have achieved since then more people are in work than ever before; our customers can now increasingly expect a more personal service; we have a far more welcoming and relaxed environment in our offices; and people are now able to look for jobs and receive their benefits through one organisation. We have also made very substantial progress on pensions, child support and welfare reform.

But the challenge for 2007–2008 and beyond remains daunting. We need to make further improvements to both customer service and efficiency in the delivery of our objectives. To meet this challenge we are implementing a new business strategy for the Department which will transform the way that we deliver for customers. At the centre of the strategy is a new vision – “Work, Welfare, Well-being, Well delivered”.

Our strategy is based on six key principles (which we have called our six “Cs”):

- Focusing on the **Customer**.
- **Continuous** improvement.
- Giving customers **Choice**.
- Extending **Contestability**.
- Establishing a clear distinction between our **Commissioning** and delivery roles.
- Developing our **Culture**.

Taking this strategy forward will be our key challenge in 2007–2008. But 2007–2008 is also an important year in other key respects. It is the final year of Spending Review 2004 and an important transition to the Spending Review 2007 period which will impose even greater demands on us. In addition, we are continuing to build on our skills in response to the challenges presented by the Departmental Capability Review in 2006.

This plan shows how we intend to rise to the challenges we face. It is going to be a very demanding year but we are embarking on it from a position of strength having already demonstrated our ability to deliver change effectively. I am confident that our leaders and staff have the skills, capability, ingenuity and, above all, the determination to meet the challenges ahead.

A handwritten signature in black ink, reading "Leigh Lewis". The signature is written in a cursive, flowing style.

**Leigh Lewis**

March 2007



## Introduction

This Plan shows in aggregate how the Department for Work and Pensions intends to deliver its agenda through to 2011 and, in particular, details the activities that will be delivered in the period from April 2007 to March 2008 within the resources available to it, while building capacity for the future.

## Our Aim

*The Department for Work and Pensions exists to:*

- *contribute towards fair, safe and fulfilling lives, free from poverty, for children, people in work and retirement, and those with disabilities;*
- *reduce welfare dependency and increase economic competitiveness by helping people to work wherever they can and employers to secure the skills and employees they need; and*
- *provide greater choice, personalisation and quality of service for customers in their interests and those of the taxpayer.*

*In doing this we aim to enable and encourage people to fulfil their potential over longer, more active lives. Our focus in the period covered by this Plan will remain firmly on our customers; providing them with the services they need; looking, wherever possible, to join up our services, both within our Agencies and with others across government, while providing our services as efficiently as possible.*

## Our Plan through to 2011

The Department has a significant number of key priorities to deliver within the context of a challenging financial settlement over the Spending Review 2007 period. That settlement, including an annual 5% real reduction in our resources (facilitated by a £550m modernisation fund), requires the Department to deliver efficiency savings of £2.4bn (just under half of which are cashable).

The challenge would be formidable enough were we simply to want to deliver the agenda agreed prior to Budget 2006, but we are aiming to do much more. We are engaged in further major welfare, child support and pension reform. The level of efficiency required has led the Department to consider every aspect of its spending from now through to 2011. In order to deliver these reforms we have, in particular, to ensure that resources follow our priorities.

The policy agenda we will follow in the CSR2007 period sets a clear direction of travel in terms of the reform of the welfare state. It will further improve the service we provide for citizens whilst requiring an appropriate balance of individual responsibility and entitlements to support. In particular, we aim to:

- make further progress on ending child poverty, with **the implementation of the Child Poverty strategy** – the Department's response to the Harker Report;
- deliver the **reforms announced in the Welfare Reform Green Paper** which will take us further towards achieving 80% employment. In particular, the reforms to Incapacity Benefit and the roll out of the Pathways programme to support people into work will make a significant difference;
- respond to **the proposals in David Freud's report** on the future of welfare to work and, in particular, his proposals that we pilot a new approach to contracted support, expect more from lone parents with older children, and begin a public debate on benefit reform;

- take forward the **Pensions White Paper** which represents the most ambitious pensions reform programme in 50 years and provides a solid response to the long-term pensions challenge;
- promote **extended working lives** to enable older people to continue working which will help sustain reductions in pensioner poverty;
- **reform Child Support** by providing a much stronger focus on encouraging greater responsibility of non-resident parents. We aim to make delivery more efficient and effective, ensure more money is provided for children, and thereby help to reduce child poverty;
- build on the progress we have already made in achieving greater equality for **disabled people**, in part by ensuring that the Office for Disability Issues works across Government to achieve a fundamental switch in focus from processes and structures to outcomes for disabled people in terms of choice, freedom and control; and
- focus on the **health, safety and wellbeing** of working age people, in particular by continuing to support the Health and Safety Commission and Executive in driving up standards of health and safety and reducing the number of workplace accidents.

We will not be able to deliver this very demanding agenda with the resources we have unless we change how we deliver our services. We need both to become much more efficient and to deliver better services to customers.

Our firm belief is that the two are mutually reinforcing – not in opposition as is sometimes thought. That is why we are implementing a new business strategy which will transform the way that we deliver for our customers and for the taxpayer based on our vision of “Work, Welfare, Well-being, Well delivered”.

During 2007–2008 we will take some important steps as part of this wider strategy to:

- pilot continuous improvement initiatives – our aim is to deliver major efficiencies by streamlining processes across all of our business activities;
- understand better, in part through our newly established Customer Insight Unit, what our customers want by working on the premise that our starting point should be the customer not the transaction;
- work more effectively across Agency and government boundaries;
- prepare to take on cross-Government responsibility for DirectGov from 2008;
- consider on behalf of Government as a whole how cross-Government change of circumstance arrangements could improve – our “Tell Us Once” study is looking at the feasibility of citizens notifying a change in circumstances (concentrating initially on birth and death) through a single contact with Government; and
- develop better on-line enquiry services for our customers giving them more information across a range of entitlements.

### Our Values

What we deliver – as reflected in our aim, objectives and PSA targets is our reason for existing. But how we deliver, and how we want to work as a Department, is equally important to our success. Our

Values, which are shared by all of our businesses, client groups and corporate teams, set out how we seek to work in our dealings both inside and outside the Department. Our four core Values are:

	by using all our resources efficiently so that we provide high and consistent standards of service;
	by treating our customers and each other with respect, by welcoming diversity and by valuing others' ideas and responding fairly to individual needs;
	by supporting, challenging and inspiring our customers to improve their lives and helping each other to make a difference;
	by working with others and learning how to get better at what we do.



## The Department's Progress in 2006–2007

We have made significant progress towards meeting our aims and objectives over the last year. The detail will be set out in our Departmental Report<sup>1</sup> but some of the highlights are set out below.

<sup>1</sup> Department for Work and Pensions Departmental Report 2006 to be published in May 2007

### Delivering for families and children

- In May 2006, the Secretary of State, John Hutton, announced that tackling child poverty would be the Department's number one priority. We have reviewed our strategy to reflect this, and Lisa Harker, the former Chair of the Daycare Trust, reported on our policies and agencies to see what more could be done to hit our target for 2010.
- We pressed ahead with employment-focussed policies for lone parents to build on the 3.1% reduction in children living in workless households achieved since 1997. As a result, the lone parent employment rate in the second quarter of 2006 was 56.6%, a rise of over 11% over the last decade.
- We published a White Paper in December outlining a new approach to child maintenance – this will include closing the existing Child Support Agency and establishing the new Child Maintenance and Enforcement Commission.

### Delivering for people of working age

- Welfare Reform legislation is currently passing through Parliament. We aim to build on our current achievements which have seen employment rise to its highest level ever with more than 2.5 million more people in employment now than a decade ago. The employment rate in Great Britain now stands at 74.6%.
- We extended the successful Pathways to Work provision to 40% of the country, and put plans in place to

contract for the next phases. In parallel we have made significant progress in developing and evaluating a revised Personal Capability Assessment.

- We continued to develop closer working links with our key partners, contributing to the Leitch Review of employment and skills and launching the Cities Strategy building on local expertise through the creation of city level consortia.
- Jobcentre Plus substantially completed its investment in its new office network which provides a vastly more welcoming and professional environment for customers – there are now 850 new style Jobcentre Plus offices with fewer than 20 left to open.

### Delivering security in retirement

- We published two White Papers on pension reform, and introduced legislation that will deliver reforms to the State Pension system and lay the foundations for the introduction of personal accounts.
- We continued to focus on tackling pensioner poverty. For the first time in a period of sustained economic growth, pensioners are now less likely to be in poverty than the population as a whole. The number of pensioners in relative low income has fallen by 1 million since 1996–1997, half of the fall coming since the introduction of Pension Credit.
- During 2006 The Pension Service processed well over a quarter of a million successful applications to Pension Credit.

## Delivering for disabled people

- The Office for Disability Issues – established following the Strategy Unit report, *Improving the Life Chances of Disabled People* – implemented a new duty to promote equality for disabled people, which puts a positive responsibility on all public bodies to improve outcomes for disabled people and to involve them in developing their plans. We also ensured that disabled people have a voice at the heart of Government by launching Equality 2025: the United Kingdom Advisory Network on Disability Equality.
- We created an Independent Living Review, shaped and steered by an external Expert Panel, to identify and remove barriers to independent living, and actively supported implementation of the new statutory duty on public authorities to promote equality of opportunity for disabled people.
- Overall the employment rate for disabled people now stands at 46.9%; a rise of 8.8% over the last decade.

## Delivering for customers

During 2006–2007 **Jobcentre Plus:**

- made excellent progress in centralising its benefit processing, as part of a programme to provide a better and more efficient service to customers;
- improved Contact Centre performance by consistently exceeding the benchmark for answering 90% of all calls; improved services to employers, for example by enabling them to place their vacancies electronically at any time;

- won considerable praise from The National Audit Office for the success of its Personal Advisers in helping customers into work.

During 2006–2007 **the Disability and Carers Service:**

- provided financial support to over 5 million disabled people and carers enabling them to participate more fully in society;
- raised customer satisfaction levels to an unprecedented 86%;
- achieved external accreditation and awards for its Helpline service;
- supported over 500 members of its staff to work with disabled people and groups in the community and see how the benefits they administer make a difference. The Agency's Community 500 initiative is now being considered for possible roll out across Government; and
- won the Cabinet Secretary's team of the year award for the improvements in its Helpline performance in the first ever Civil Servant of the Year awards.

During 2006–2007 **the Child Support Agency:**

- completed the first year of a three year Operational Improvement Plan that aims to improve service to clients; increase the amount of money collected; and achieve greater compliance from non-resident parents. Over the last 12 months uncleared applications reduced by 13%, customer service improved with 97% of queued

calls answered, and more non-resident parents paid or used maintenance direct; and

- published a new client charter, which sets out the standards of service clients can expect from the Agency.

During 2006–2007 **The Pension Service:**

- delivered benefits, entitlements and associated services to over 12 million customers in Great Britain and abroad;
- further enhanced its services so that its customers can make applications to State Pension, Pension Credit, Housing Benefit and Council Tax Benefit in a single telephone call;
- achieved “Recognised for Excellence” status at four-star level from a possible five-star rating, the first public sector body to do so, and won the Cabinet Secretary’s “Joined Up Government Award” which recognises activity that has looked beyond institutional barriers to establish effective joint working arrangements; and
- received recognition from the National Audit Office that the Pension Credit programme is an exemplar IT-enabled business change project across Government.

### Delivering for staff

DWP is a major employer with some 110,000 employees. During 2006–2007 – at a time when overall numbers continued to fall sharply as part of the overall efficiency programme – we:

- achieved re-recognition as an Investor in People;
- reduced the number of people on sickness absence for more than six months by a further 15 per cent;
- implemented service delivery improvements, including the full implementation of employee services, which will achieve net savings of £14 million over the next 10 years;
- introduced more flexible workforce management policies and contracts of employment to facilitate redeployment and mobility, and modernised and improved all of our employee policies; and
- introduced major changes to the Performance and Development system to respond to the widespread concerns of our staff and managers.

### Delivering efficiency

We remained on course during 2006–2007 to meet all of our efficiency targets from the 2004 Spending Review though this continues to be an extremely challenging agenda. We are continuing to increase productivity and customer service at the same time as we transform our businesses and substantially reduce our cost base.

## Progress towards efficiency

Efficiency Challenge 2005–2006 to 2007–2008	Departmental target for March 2008	Achievement to date
Annual financial savings	£960 million p.a.	£1,005 million. The total is split between £687 million direct (cashable) savings and £318 million indirect (non-cashable) savings (December 2006)
Net (full time equivalent) headcount reduction	30,000	21,691 (January 2007)
Posts to be redeployed to customer-facing roles	10,000	6,667 (December 2006)
Posts to be relocated from London and the South East	4,000	3,933 (December 2006)

### Delivering sustainable development

During 2006–2007 we:

- continued to embed sustainability into all areas of our business in accordance with *Delivering Sustainable Development – DWP Action Plan*, and into the procurement of goods and services in accordance with our Sustainable Procurement Strategy;
- were rated as “leading the pack” by the Sustainable Development Commission in its report *Off the Starting Block*; and
- were one of only three Government Departments to be awarded four stars by the Sustainable Development Commission for our overall sustainability performance.

### Delivering benefits simplification

During 2006–2007 we:

- published a *Simplification Guide to Best Practice* and sought views from staff and the voluntary sector on how the system can be made simpler; and
- made a number of changes to reduce the complexity of the benefit system including aligning the treatment of charitable, voluntary and personal injury payments across benefits; abolishing the requirement to down-rate some benefits after 52 weeks in hospital; revoking wholly or in part over 200 statutory instruments introduced since the start of the Housing Benefit scheme in 1988; and aligning the capital limits across the working age benefits.



## Key targets and milestones in 2007–2008

In 2007–2008 we will focus our efforts on securing delivery of our Public Service Agreement targets, meeting the performance targets agreed with the Secretary of State and continuing to do this in the most efficient way for the benefit of our customers.

We will take forward our key targets and milestones for 2007–2008 within the context of a DWP-Wide change programme, based around our business strategy, that will focus our efforts on the needs of our customers and help us to deliver our services in the most efficient way possible.

In particular, we will seek opportunities to work together across organisational boundaries and to develop consistent, more efficient processes for carrying out functions that are currently duplicated across our business areas. We will seek actively to engage our staff in a continuous cycle of customer-focussed process improvement. We will use 'pathfinders' to test out new ways of working and delivering services to customers with complex needs that cut across our organisational boundaries, learning from experiences and building that learning into better processes for the future. And we will review our processes for commissioning new services while offering our customers improved choice of delivery channels.

### Taking forward our Objectives

We will in 2007–2008 take forward the Department's wider objectives in each of the following key areas.

#### For families and children

We will:

- publish a refreshed Child Poverty Strategy taking full account of the recommendations in Lisa Harker's report 'Delivering on Child Poverty; what would it take?';
- step up our efforts to get lone parents, partners of benefit recipients and potential second earners into work;
- continue to ensure that people will be better off in work than on benefit, and do more to improve skills and progression in the labour market;
- do more to help families at greater risk of poverty – including families with a disabled parent or child and large families from black and ethnic minority groups; and
- work to ensure that more children benefit from maintenance payments by building towards a successful launch of the Child Maintenance and Enforcement Commission (C-MEC) in 2008–2009, and supporting the existing Child Support Agency in delivering its Operational Improvement Plan.

#### For people of working age

We will:

- subject to Royal Assent, start to implement the policies set out in the Welfare Reform Bill;
- address barriers to work through the continued rollout of Pathways to Work as well as commissioning other high quality and cost effective employment programmes delivered through external providers. We will also develop and test IT to deliver the new Employment and Support Allowance, and continue to develop enhanced conditionality proposals for lone parents;

- consider the recommendations in David Freud’s report on the future of welfare to work. In particular, we will begin to pilot a new approach to contracted support and begin a public debate on benefit reform;
- help tackle the problems of worklessness in our cities and promote the Government’s aim of increasing ethnic minority employment through the City Strategy, bringing together existing funds aimed at jobs, skills and enterprise to improve employment rates in the 15 pathfinder areas; and
- prepare to implement the Local Housing Allowance in April 2008.

### For older people

We will:

- continue the pension reforms announced in the Government’s two recent White Papers<sup>2</sup>, including through the continued passage of the Pensions Bill and, subject to the agreement of Parliament, legislating later in the year for the introduction of personal accounts;
- continue to encourage older people to take up all of their benefit entitlements; and
- carry out reviews of private pension legislation and of the pension institutions to make the regulatory framework simpler and less burdensome and to ensure institutional

functions are configured in the most effective and efficient.

### For disabled people

We will:

- develop outcome-based indicators for measuring progress towards the Government’s vision of equality for disabled people;
- ensure that the new performance management framework for the 2007 Comprehensive Spending Review period sets targets for improving outcomes for disabled people and measures progress;
- complete the Independent Living Review, developing a cross-government five year strategy on independent living;
- support Equality 2025, the United Kingdom Advisory Network on disability Equality, to become an influential advisor to Government;
- ensure an effective transition from the Disability Rights Commission to the new Commission for Equality and Human Rights; and
- support the Department of Health’s review of the National Carers Strategy.

<sup>2</sup> Security in Retirement: towards a new pensions system. [www.dwp.gov.uk/pensionsreform/towards.asp](http://www.dwp.gov.uk/pensionsreform/towards.asp)  
Personal Accounts: a new way to save. [www.dwp.gov.uk/pensionsreform/new\\_way.asp](http://www.dwp.gov.uk/pensionsreform/new_way.asp)

## Delivering benefit simplification

We will:

- respond to the Freud report's recommendation that we begin a public debate on benefit reform, with a view to moving in the longer-term towards a single system of working age benefits;
- identify and agree specific simplification measures with the Department's businesses that lighten the burden on customers and staff;
- exploit opportunities for simplification by vetting and challenging all new policy and operational proposals;
- develop the Employment and Support Allowance in a way that simplifies and aligns benefit rules wherever possible; and
- work with Her Majesty's Revenue and Customs to provide a significantly better service to our joint customers.



## Our Delivery Businesses

The overwhelming majority of the Department's services to our customers are provided through our Delivery Businesses. Each has produced its own Business Plan for 2007–2008 setting out its objectives and targets in detail. The following sections provide a summary of those plans along with the targets set for each business for 2007–2008 by the Secretary of State. In addition, all our businesses will focus beyond their own organisational objectives and consider how they can contribute to providing improved, cross-cutting services to our future customers.

## The Child Support Agency

The Child Support Agency exists to ensure that, where an application for child maintenance has been made, parents who live apart contribute financially to the upkeep of their children.

### In 2007–2008 the Child Support Agency will:

- deliver year two of the Agency's Operational Improvement Plan, building on organisational changes, to embed its new Operating Model;
- train its people to deliver the Agency Operational Improvement Plan, enhancing their technical knowledge, skills and behaviours;
- publish an updated Client Charter; and
- work with the DWP Child Maintenance Re-design Programme on the development of the new Child-Maintenance Enforcement Commission (C-MEC).

### Child Support Agency 2007–2008 targets

<b>Number of children</b>
Maintenance will be collected or have been arranged by the agency on behalf of 720,000 children, as measured by the monthly average over the quarter ending March 2008.
<b>Total Maintenance Collection (Arrears)</b>
Collect or have arranged £970 million in child maintenance between 1 April 2007 and 31 March 2008; of which at least £120 million will be arrears.
<b>Maintenance Outcomes</b>
By 31 March 2008, in 66% of cases across both the new and old schemes in which a liability to pay maintenance exists, the non-resident parent has either made a payment via the collection service or a Maintenance Direct arrangement is in place.
<b>Uncleared Applications to the New Scheme</b>
By 31 March 2008, the volume of uncleared new scheme applications will be no more than 140,000.

## Jobcentre Plus

Jobcentre Plus aims to provide work for those who can and support for those who cannot. It helps disadvantaged people into work, as a route out of poverty, addressing inequalities of opportunity. It also provides financial support as a safety net for people of working age while they are out of work, and protects the integrity of the benefits system. In achieving these aims, Jobcentre Plus delivers services to, and works closely with, employers and other partners.

### **In 2007–2008 Jobcentre Plus will:**

- extend the successful Pathways to Work programme across the country, working with provider organisations to deliver support in returning to work for customers with a health condition or disability;
- prepare for the introduction in 2008 of the new Employment and Support Allowance, a new benefit for customers with a health condition or disability;
- complete the rollout of its 77 Benefit Delivery Centres with the aim of providing customers with a more consistent and efficient service;
- increase Personal Advisor support to lone parents by extending the opportunities for face to face interviews;
- begin to link up the telephones in its contact centres into a “virtual network”, which will help improve efficiency by diverting calls to the next available agent, no matter where they are located;
- introduce changes to how it deals with benefit claims, to improve the service to its customers, for example by introducing an 0800 telephone number for claims, and streamlined processes in the way in which claims are handled;
- develop its partnerships with employers and others to support customers in acquiring and developing skills throughout their working life;
- deliver the commitments in the Agency’s Diversity and Equality Plan; and
- deliver its services efficiently, within its financial and staffing limits.

## Jobcentre Plus 2007–2008 targets

<b>Job Outcomes</b>
Achieve a total points score of 11,200,000 based on the job outcomes Jobcentre Plus achieves.
<b>Monetary Value of Fraud and Error</b>
By March 2008 to continue to ensure that losses from fraud and error in working age Income Support and Jobseeker's Allowance amount to less than current levels of loss, as expressed in the new 2005/06 baseline.
<b>Employer Outcome</b>
Ensure that at least 84% of employers placing their vacancies with Jobcentre Plus will have a positive outcome.
<b>Customer Service</b>
Achieve an 84% customer service level in the delivery of the standards set out in the Customers and Employers Charters.
<b>Intervention Delivery</b>
Ensure that specified key Jobcentre Plus labour market interventions take place within set timescales in 85% of cases checked. <ul style="list-style-type: none"> <li>• 80% of Initial Incapacity Benefit Work Focused Interviews are conducted after the end of the 8th week and before the end of the 13th week stage of the claim;</li> <li>• 85% of Income Support Lone Parent Work Focused Interview reviews that become due are conducted within a period of up to 3 months;</li> <li>• 13 and 26-week Jobseeker's Allowance advisory interviews that become due are conducted within 6 weeks in 85% of cases checked; and</li> <li>• Jobseeker's Allowance Labour Market Interventions and follow up activity are conducted in 90% of cases checked.</li> </ul>
<b>Average Actual Clearance Time</b>
Process claims, within specified Average Actual Clearance Times, for Incapacity Benefit (18 days), Income Support (11 days), and Jobseeker's Allowance (12 days) respectively.

## The Pension Service

The Pension Service plays a crucial role in tackling pensioner poverty and encouraging saving for later life. It delivers benefits, entitlements and other services to over 12 million customers in Great Britain and abroad. It operates through a network of pension centres providing a telephone-based service supported by locally based services that are delivered in partnership with other organisations. It is committed to delivering excellent customer service, using modern technology that is both effective and efficient.

In 2007–2008 The Pension Service will:

- roll out the next stage of its business transformation programme;
- maintain robust and effective strategies for reducing official error, with the emphasis on getting it right first time by improving training and support, and the early identification of errors;

- continue to conduct independent surveys, “mystery shopping” and focus groups to improve its customer insight and use these to prioritise its future improvement plans;
- continue to provide its customers with the information they need to plan for later life;
- shift its focus from providing pension forecasts to the provision of retirement planning information recognising the impact of the Government’s Pensions Reform;
- ensure state pension reforms are taken forward promptly and accurately by supporting the passage of the Pensions Bill; and
- further develop its Joint Working Partnerships with Local Authorities to enhance its services to its customers.

### The Pension Service 2007–2008 targets

**TARGET DETAILS YET TO BE DETERMINED**

## The Disability and Carers Service

The vision of the Disability and Carers Service is to enable independence by supporting the diverse needs of disabled people and carers. It aims to achieve this by treating its customers with respect and providing them with an accessible, accurate and efficient service. The Agency serves more than five million disabled people and carers with an annual expenditure of more than £14.5 billion.

### **In 2007–2008 the Disability and Carers Service will:**

- continue to improve the way it manages public money;
- further raise its standards in customer service delivery;
- improve the information it provides to customers and their representatives;
- work with Jobcentre Plus to help more disabled people into work;
- work with The Pension Service to deliver a face to face service to all disabled people who need it;
- work with other Government and voluntary organisations to serve its shared customer interests;
- continue to build a professional workforce which is committed to delivering a high-quality service for the Agency's customers; and
- continue to improve its processes and infrastructure.

**Disability and Carers Service 2007–2008 targets**

<b>DLA/AA Helpline</b>	
Calls Answered	92%
Calls receiving the engaged tone/ automated message	Less than 1%
<b>Customer Satisfaction</b>	
Customers satisfied with the service provided by DCS	86%
<b>Average Actual Clearance Time for new claims (days)</b>	
Disability Living Allowance	38 days
Attendance Allowance	18 days
Carer's Allowance	13.5 days
<b>Accuracy of decision making and payment</b>	
Disability Living Allowance	90.5%
Attendance Allowance	92%
Carer's Allowance	98%
<b>Attendance Management</b>	
Average working days lost due to sick absence	8 days
<b>Efficiency challenge</b>	
Deliver the staffing level for DCS of	5603
<b>Cost of processing benefits</b>	
DLA/AA Claims	£154.98
DLA/AA Live Load	£7.80
CA Claims	£80.72
CA Live Load	£11.05
<b>Tribunal Services References</b>	
DLA/AA Cases referred to the Tribunal Service	No more than 4.5% of all cases
Of DLA/AA Cases referred to the Tribunal Service	No more than 45% to be overturned

## The Rent Service

The purpose of The Rent Service is to provide impartial, professional rental valuation services that are fair to its customers and other stakeholders.

### **In 2007–2008 The Rent Service will:**

- continue to maintain very high levels of customer satisfaction whilst delivering stretching targets concerning speed of processing;
- support the smooth introduction of the new Local Housing Allowance;
- consult widely with key stakeholders to set the Broad Rental Market Areas; and
- continue to develop the skills and abilities of its staff to ensure that they can meet the challenges of Housing Benefit reforms.

## The Rent Service 2007–2008 targets

<b>Speed of Processing</b>		
<b>Type of Determination</b>	<b>Timescale for the Year</b>	<b>2007–2008 Target Outturn</b>
<i>Housing Benefit:</i>		
With an inspection	within 15 working days	<b>94%</b>
Without an inspection	within 3 working days	<b>94%</b>
Pre-Tenancy	within 4 working days	<b>94%</b>
Redetermination	within 15 working days	<b>94%</b>
Fair Rents	within 40 working days	<b>94%</b>
<b>Quality</b>		
<b>95%</b> of all Housing Benefit determinations that are checked as part of our quality assurance processes are verified as being accurate.		
<b>95%</b> of all Fair Rent valuations that are checked as part of our quality assurance processes are verified as being accurate.		
<b>Customer Satisfaction</b>		
<i>Local Authority Housing Benefit Department Customers</i> Ensure that at least <b>95%</b> of our local authority customers rate our service as satisfactory or better during the year.		
<i>Fair Rent Customers &amp; Housing Benefit Inspections</i> Ensure that at least 95% of our fair rent customers, and those housing benefit claimants whose properties we inspect, rate our service as satisfactory or better during the year.		
<b>Productivity</b>		
To increase productivity by <b>5%</b> by the end of the year.		
<b>Cost per Case</b>		
To reduce cost per case by <b>1.5%</b> in real terms by the end of the year.		
<b>Attendance Management</b>		
To reduce sick absence to no more than <b>8</b> working days per employee per year.		



## The Health and Safety Commission and Executive

The Health and Safety Commission (HSC) is responsible for health and safety regulation in Great Britain. The Health and Safety Executive (HSE) and local government are the enforcing authorities which work in support of the Commission.

HSC and HSE are executive Non-Departmental Public Bodies with crown status. HSC is directly accountable to Ministers. HSC/E's mission is to protect people's health and safety by ensuring that risks in the workplace are properly controlled.

During 2007–2008 HSE will continue to seek compliance with health and safety law, improve health and safety outcomes and support wider Government work. To do this, it will:

- continue to inspect, give advice and investigate incidents and complaints, prosecuting when significant breaches of the law are found;
- continue to learn lessons from all its interventions and publicise them to help prevent others being killed or harmed;
- deliver a programme of work focussed on ill health reduction, injury reduction and reduction in days lost due to work activity, to meet its PSA target for occupational health and safety improvements;
- focus on regulating and assuring safe management and control of the nuclear, offshore oil and gas, onshore chemical and onshore high-hazard industries. This work will also deliver the major hazards element of its current PSA target;
- promote policy improvements, implement its simplification plan to reduce administrative burdens on duty holders, work with DWP and the Department of Health on the health and work agenda and contribute to the energy agenda;
- demonstrate accountability to Government, Parliament and the public by continuing to base its advice and decisions on the knowledge gained through involving duty holders and stakeholders, and by commissioning and using high quality science; and
- maintain delivery of forensic support to investigations (and the Health and Safety Laboratory's capability to provide this), and cross-cutting work e.g. statistics, evaluation, epidemiology and horizon scanning.



## Department-wide strategies, key targets and milestones in 2007–2008

The preceding section of this Plan has focussed upon the key targets and milestones in 2007–2008 for the Department’s individual businesses and for the Health and Safety Commission and Executive. But in order to deliver our overall strategic objectives we have to be able to deliver more than the sum of our parts. This section of the Plan sets out our key targets and milestones in 2007–2008 in respect of our key corporate assets; people; diversity and equality; finance; information technology; communications and marketing; law and corporate governance and strategy and analysis.

## Our People

Our strategic goal is to enable us to achieve our business goals through our people, and to help our people to achieve their potential to deliver business results and lead fulfilling working lives.

The Department's four strategic people priorities are:

- delivering for our customers;
- raising our leadership capability;
- developing a capable and flexible workforce; and
- influencing and supporting DWP's business transformation.

They provide the overall context for our human resource work in 2007–2008.

### **During 2007–2008 we will:**

- work together across our business boundaries, and with the members of the Senior Civil Service as our key leadership team, to take forward the first phase of the Department's Change programme;
- implement the next stage of our skills strategy;
- put in place the policies and processes to enable our March 2008 headcount milestones to be delivered and to prepare for the further reductions which will be required as part of Spending Review 2007;
- develop and implement a new approach to pay and reward and performance assessment; and

- take further steps to engage our front line leaders.

## Our Diversity and Equality Strategy

Our strategic goal is to take the maximum advantage of our diversity and to ensure equality of opportunity for all. Our diversity strategy places the customer at the heart of our work to ensure that our staff have equality of opportunity. During 2006–07 we reviewed performance on our 10-Point Plan and identified further actions to help us progress towards achieving a diverse workforce, especially at senior levels.

### **For our customers, during 2007–2008 we will:**

- complete work to develop a code of practice on accessible customer services for people from diverse backgrounds so that, wherever possible, they are able to receive services appropriate for their needs;
- ensure that in transforming the way we deliver customer services, our business strategy has accessibility for our customers at its heart;
- implement the requirements of the Gender Directive and other equality legislation, for example on the extension of sexual orientation rights; and
- as part of our new Disability Equality Duty, and working with colleagues develop a strategy for ongoing customer involvement in the Department's business.

### **For our staff, during 2007–2008 we will:**

- complete delivery of our 10-Point Plan for achieving diversity in the Department, including a recruitment drive to achieve better representation of diversity in our Senior Civil Service;
- deliver our commitments in our Disability Equality Schemes to review and revise learning and development material to support staff delivering services to disabled people;
- complete the delivery of our Childcare Salary Sacrifice Voucher Scheme to help staff meet the costs of childcare; and
- pilot and implement our new Talent Management Strategy for ethnic minority and disabled staff.

## **Our Finance**

Our strategic goal is to be a respected and well run Department with financial, planning and commercial services of very high quality, delivered by skilled professionals.

### **During 2007–2008 we will:**

- publish and maintain a three year plan from 2008 to 2011 that sets out the Department's outcomes, outputs and inputs;
- continue to work towards the objective of unqualified departmental Resource Accounts for 2007–2008;

- continue to implement the Resource Management System, and to develop the Central Payment System, an integrated system which will replace the Department's payment and accounting systems in 2010;
- develop an effective Shared Services commissioning function, and agree a contestability strategy;
- deliver best practice commercial services and solutions that support the Department's required business outcomes and provide best value for money;
- progress the Department's Estate Strategy, with a view to delivering future estate changes that enable delivery of business transformation, and a reduction in the size of our estate in line with the reduction in headcount; and
- support the delivery of the Department's efficiency and change programmes and optimize its financial, planning and programme systems by improving our understanding of our cost base, and helping the Department to make better investment decisions and to realise the benefits from our investment activities.

## **Our Information Technology**

Our strategic goal is to deliver excellent Information Technology solutions and services that best enable and support the delivery of the Department's business and service to its customers.

By the autumn, we intend to have delivered what is amongst the largest IT transformation programmes in Europe. Our people are already experiencing the benefits of that transformation as we deliver new IT kit to over 115,000 people; others outside the Department also benefit because we recycle old kit to UK charities and other countries. The Department now has fewer and better servers and has introduced Internet Protocol (IP) telephony for all its contact centres. We have agreed an updated IS Strategy to set the investment context for the CSR 07 Spending Review and to support the DWP Business Strategy.

**During 2007–2008 we will:**

- work with our suppliers to ensure the uninterrupted and high quality delivery of our existing IT systems;
- rationalise our IT resources and drive best value from our IT contracts;
- deliver technological innovation to improve business performance and to open up new channels for our customers to contact the Department;
- open up new ways of working by optimising contact centre workloads, bringing together front line and processing offices to maximise service delivery to our customers and offering home working solutions to our people;
- build on the success of our Customer Information System – where 80 million customer records are available – to provide a higher quality service to all UK citizens;

- continue to improve the capabilities of our Programme and Project Managers using our new competency framework for IT professionals; and
- join up our information systems across organisational boundaries for fast, efficient and seamless services to the Department’s customers.

## Our Communications and Marketing

Our strategic goal is to design and deliver effective communications in support of the Department’s strategic objectives and Public Service Agreements that are based on a deeper understanding of our customers, staff, stakeholders and the wider public.

**In 2007–2008 we will:**

- help our customers to better understand how changes to the work, welfare and pensions systems affect them;
- give our customers greater confidence to move into work, to support their families and to plan and save for their later lives;
- help our customers take up their correct entitlements and access support appropriate to their needs from across the Department’s businesses;
- engage employers on employment and diversity issues in support of our aspiration of an 80% employment rate; and

- gain a stronger understanding of our customers' needs, attitudes and behaviours through our newly established Customer Insight function.

**We will also:**

- ensure that all our businesses focus upon using communications effectively to support the DWP Change Programme;
- provide a proactive media service to broadcasters, national and regional press and online news media;
- continue to develop the Department's online services and information, and implement the recommendations from Sir David Varney's review of transformational Government;
- work with other Government departments to improve communications to common customer audiences; and
- review our strategy, professional skills and resource requirements.

## Our Law and Corporate Governance

Our strategic goal is to support the Department to achieve its objectives through the provision of effective legal and governance services.

**In 2007–2008 we will:**

- provide legal support for DWP's programme of welfare reform;
- advise on Bills and regulations for pensions reform and a new system of personal accounts;

- continue to support the CSA's Operational Improvement Plan and contribute to the Bill to reform the CSA;
- contribute to the reform of industrial injuries benefit and the reform of discrimination law;
- underpin DWP's deterrence strategy on counter-fraud by prosecuting over 7,000 cases a year;
- advise the Department's businesses on decision-making and appeals, and in other cross-cutting areas; and
- continue to strengthen and embed our overall governance, accountability, decision-making and business continuity arrangements across DWP and to reduce security risks.

## Our Shared Services

The strategic goal of the Department's Shared Services organisation is to improve the operational delivery of its financial and employee services, combining functions in a way that improves services to customers and reduces cost; making best use of the Department's recent major IT investments, such as Resource Management and Debt Manager.

**In 2007–2008 we will:**

- provide the DWP accounting system, producing monthly and annual Accounts;
- complete daily cash forecasts within Treasury guidelines;
- make accurate and timely payments to Third Party suppliers on behalf of DWP;

- increase the efficiency and effectiveness of electronic purchasing;
  - make accurate and timely payments of over £102 billion to customers of the Department's delivery businesses;
  - recover debt on behalf of the Department's delivery businesses;
  - recover NHS costs from compensation awards;
  - provide a fully integrated HR, payroll and staff pensions administration service for all DWP;
  - provide a staff pensions administration for other Government bodies;
  - support the Cabinet Office in developing and delivering the cross-government Shared Service agenda; and
  - aim to take on our first external customers by providing shared services to the Cabinet Office and, potentially, other smaller Departments.
- of our customers and to build that understanding into the development of our products and services;
  - deliver short, medium and long run forecasts of benefit expenditure for HMT and DWP customers;
  - deliver forecasts of workload volumes for Jobcentre Plus, the Disability and Carers Service and The Pension Service;
  - maintain and develop the Department's suite of policy simulation models (such as Pensim2) used by analysts from across the Department;
  - develop new forecasting models to take advantage of new and improved sources of data now available in the Department;
  - co-ordinate Departmental work on Better Regulation, making further progress towards delivering 25% administrative burden reductions and delivering an annual simplification plan; and
  - extend consultation activity and develop analysis of customer complaints, linking to the implementation of the Independent Case Examiner across DWP.

## Our Strategy and Analysis

Our strategic goal is to bring together strategic thinking and high quality analysis to improve the standard and consistency of key policy decisions being taken by Ministers and senior officials in DWP and other relevant Government Departments.

### **During 2007–2008 we will:**

- build on the newly established Customer Insight function that enables us to understand the needs

## Further information

For further information on any aspect of the Department's work please contact our public enquiry office at [peo@dwp.gsi.gov.uk](mailto:peo@dwp.gsi.gov.uk).



## Annexes

# Annex A

## Our PSA Targets

For the period up to March 2008, we have ten Public Service Agreement (PSA) targets, which were agreed as part of the 2004 Spending Review settlement and which were set out in the White Paper, *Stability, security and opportunity for all: investing for Britain's long-term future* (Cm 6237, July 2004)<sup>3</sup>. These targets are to:

1. Halve the number of children in relative low-income households between 1998–99 and 2010–2011, on the way to eradicating child poverty by 2020, including:
  - reducing the proportion of children living in workless households by 5% between Spring 2005 and Spring 2008; (*joint target with HM Treasury*); and
  - increasing the proportion of Parents with Care on Income Support and income-based Jobseeker's Allowance who receive maintenance for their children to 65% by March 2008.
2. Improve children's communication, social and emotional development so that, by 2008, 53 per cent of children reach a good level of development at the end of the Foundation Stage and reduce inequalities between the level of development achieved by children in the 30 per cent most disadvantaged Super Output Areas and the rest of England by four percentage points from 16 to 12 per cent. (*Sure Start Unit, joint target with the Department for Education and Skills*)
3. As a contribution to reducing the proportion of children living in households where no one is working, by 2008:
  - increase the stock of Ofsted registered childcare by 10 per cent;
  - increase the number of children in lower-income working families using formal childcare by 120,000; and
  - introduce, by April 2005, a successful light-touch childcare approval scheme. (*Sure Start Unit, joint target with the Department for Education and Skills*)

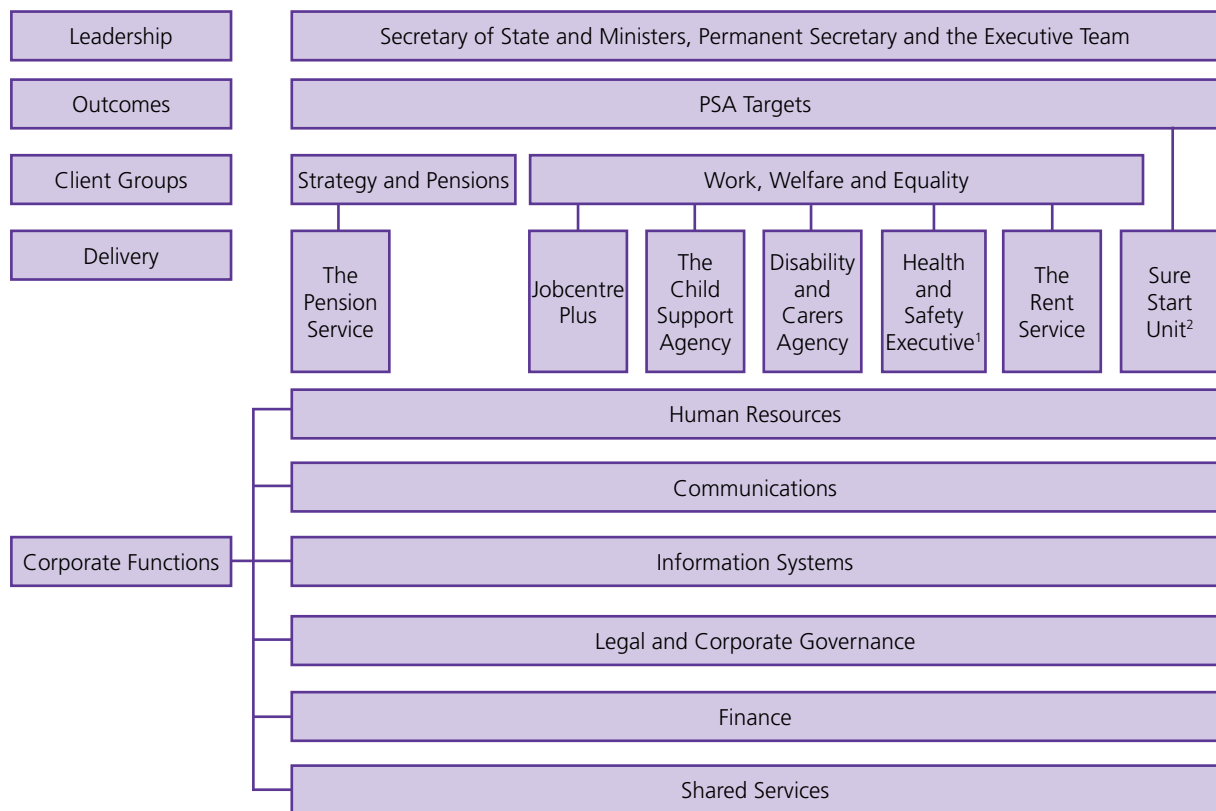
<sup>3</sup> [www.hm-treasury.gov.uk/spending\\_review/spend\\_sr04/report/spend\\_sr04\\_repindex.cfm](http://www.hm-treasury.gov.uk/spending_review/spend_sr04/report/spend_sr04_repindex.cfm)

4. As part of the wider objective of full employment in every region, over the three years to Spring 2008, and taking account of the economic cycle:
  - demonstrate progress on increasing the employment rate (*joint target with HM Treasury*);
  - increase the employment rates of disadvantaged groups (lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications and those living in the Local Authority wards with the poorest initial labour market position); and
  - significantly reduce the difference between the employment rates of the disadvantaged groups and the overall rate.
5. By 2008 improve health and safety outcomes in Great Britain through progressive improvement in the control of risks in the workplace.
6. By 2008, be paying Pension Credit to at least 3.2 million pensioner households, while maintaining a focus on the most disadvantaged by ensuring that at least 2.2 million of these households are in receipt of the Guarantee Credit.
7. Improve working age individuals' awareness of their retirement provision such that by 2007–2008 15.4 million individuals are regularly issued a pension forecast and 60,000 successful pension traces are undertaken a year.
8. In the three years to March 2008:
  - take the lead on delivering the Government's commitment of equality for disabled people by 2025 by working with other Government departments to further improving the rights of disabled people and removing barriers to their full participation in wider society and heighten public awareness of the rights of disabled people;
  - increase the employment rate of disabled people, taking account of the economic cycle; and
  - significantly reduce the difference between their employment rate and the overall rate, taking account of the economic cycle.
9. Improve Housing Benefit administration by:
  - reducing the average time taken to process a Housing Benefit claim to no more than 48 days nationally and across the bottom 15% of Local Authorities to no more than 55 days, by March 2008;
  - increasing the number of cases in the deregulated private rented sector in receipt of Local Housing Allowance to 740,000 by 2008; and
  - increasing the number of cases in receipt of the Local Housing Allowance where the rent is paid directly to the claimant to 470,000 by 2008.

10. Reduce overpayments from fraud and error in Income Support and Jobseeker's Allowance by a further 15 per cent by 2010 and in Housing Benefit by 25 per cent by 2008, by:
- developing a comprehensive strategy for tackling official and customer error in social security benefits, including Housing Benefit, for deployment during 2006;
  - taking forward the Error Task Force work programme to deliver a reduction in the top causes of official error by December 2006;
  - increasing our use of data matching and the opportunities offered through new technology to detect fraudsters and deter people from committing fraud.

# Annex B

## The DWP Organisation



<sup>1</sup>See page 28 for the different governance arrangements for the HSE

<sup>2</sup>Jointly with Department for Education and Skills

**The Department's Client Groups** are responsible for setting and defining policy and monitoring the achievement of the Department's Public Service Agreement targets.

**The Department's Delivery Businesses** are responsible for delivering services to customers which help deliver the Department's PSA targets and objectives within the resources available to them. Their specific targets and objectives for 2006–07 are set out in more detail in their individual business plans.

**The Department's Corporate Functions** support the rest of the Department in delivering its objectives in an effective way. They carry out a number of cross cutting initiatives to help improve the performance of the Department.

# Annex C

## The funds available to the Department for 2007–2008 as a result of the 2004 Spending Review

Resource Allocations (£ million)	2007–2008
Annually Managed Expenditure	124,690
Administration Departmental Expenditure Limit	5,798
Programme Departmental Expenditure Limit	1,910
Resource Departmental Expenditure Limit	7,708
Capital	65
Total Departmental Expenditure Limit	7,773
Total Managed Expenditure	132,463



[www.dwp.gov.uk](http://www.dwp.gov.uk)