

Department for Work and Pensions Delivery Plan 2011/12

April 2011

Foreword by the Permanent Secretary



Since the General Election, the Department has laid the foundations for an ambitious programme of reform to build a welfare system fit for the 21st century. This plan shows how we will build on those foundations in 2011/12.

The reforms will affect almost every aspect of our business. The Work Programme will ensure that people who are out of work receive the effective support they need to move back into employment. A Green Paper has been published to consult on options for a simpler and fairer State Pension for future pensioners. Additional help for disabled people will be provided through Work Choice and Right to Control. And the Department will continue to develop the Universal Credit which, when implemented in 2013, will significantly simplify the benefit system and ensure that work always pays.

At the same time, we will continue to deliver critical services to millions of people every day, while delivering the efficiencies agreed in our spending settlement.

All of this is a considerable challenge, but I am confident that the Department has the skills and capability to make a real difference to our society.

A handwritten signature in dark ink, appearing to read 'Robert Devereux'.

Robert Devereux

April 2011

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1 Introduction

This delivery plan sets out the challenges facing the Department for Work and Pensions from April 2011 to March 2012 and the plans that it has in place to meet them. It describes how the Department will start to implement the Government's programme of welfare and pensions reform, drive forward its strategy for social justice, and enhance the quality and accessibility of the services it provides to millions of people. It also illustrates how the Department plans to reduce its costs and, consistent with the 2010 Spending Review settlement, play its part in helping the Government carry out its deficit reduction plan.

The Department's vision

The Department for Work and Pensions aims to create a new welfare system for the 21st century; to transform the opportunity for people without jobs to find work and support themselves and their families; and to ensure that the most vulnerable in society are protected, included and given pathways out of poverty.

Social justice is not only about tackling financial poverty but also the lack of aspiration, opportunity and stability. The Department seeks to address *why* people live in poverty: worklessness, addiction, debt, family breakdown and educational failure. These can occur singly, but frequently several issues come together to compound the challenge. Helping to address these areas enables the Department to contribute towards achieving social justice.

The Department recognises work as the primary route out of poverty for families, as well as the role the benefits system, the child maintenance system and income provision in old age have to play.

Between 2011 and 2015, the Department will:

- tackle poverty and welfare dependency through a simplified welfare system that encourages and incentivises people to find work, rewards responsible behaviour and protects the most vulnerable;
- promote high levels of employment by helping people who are out of work, including people in disadvantaged groups, to move into work;
- help people meet the challenges of an ageing society and maintain standards of living in retirement; and
- provide opportunity, choice and independence to enable disabled people to take an equal role in society.

To deliver the vision the Department will introduce a Universal Credit, which will make work pay and help to break the cycle of welfare dependency by making work the primary route out of poverty; put in place a single Work Programme to support people into sustainable work; and reform the private and State Pension system to ensure dignity in later life and make increased pension saving a reality. We will work with the Department for Business, Innovation and Skills to implement changes in legislation to remove the default retirement age to support improved opportunities for older workers. We will also introduce Work Choice and Right to Control to improve the opportunities of disabled people in terms of both employment and choice.

Above all, our reforms will promote fairness and deliver progress towards achieving social justice. They will deliver a welfare system fit for the 21st century and support the Government's vision for a better Britain.

Strategic overview

The Department is committed to delivering the Government's ambitions for radical reform of the welfare state, whilst also contributing to the efforts to restore the public finances. At the same time, as a delivery organisation serving over 20 million people, the Department aims to maintain and improve the service it provides to the public.

The Department's key priorities for 2011/12 are to:

- continue to develop and implement the **welfare and structural reform** plans set out in the Department's four-year Business Plan, published in November 2010¹;
- **improve its services to the public**, and access to those services, both in terms of working age and pension age benefit processing, and help for those seeking employment; and
- increase productivity and **deliver further value for money savings** in order to live within the Department's four-year resource settlement announced as part of the 2010 Spending Review².

In focusing on these priorities, it is particularly important that we initiate sustained, long-term, change for individuals and in particular for those in or at risk of poverty. Through outcome-focused programmes, we seek to stabilise the lives of the particularly vulnerable and break the intergenerational cycle of poverty. This will ensure that our policies and reforms improve outcomes for citizens and achieve social justice.

Delivering welfare and structural reform

The Department's four-year Business Plan sets out our agreed plans up to 2015 for a radical reform of the welfare state. The foundations for reform have been established in the Welfare Reform Bill and the Pensions Bill published earlier this year.

The four-year Business Plan commits the Department to a programme of structural change which will:

- reform the welfare system;
- get Britain working;
- help tackle the causes of poverty;
- reform pensions;
- achieve disability equality; and
- improve our services to the public.

Details of the progress the Department will make can be found in Chapter 2.

¹ <http://www.dwp.gov.uk/docs/dwp-business-plan-2011-2015.pdf>

² http://cdn.hm-treasury.gov.uk/sr2010_completereport.pdf

Improving our service to the public

The Department is transforming its service delivery to ensure that the needs of the public are met effectively and at a reduced cost. Enabling online applications for State Pensions and introducing automated processing for Jobseeker's Allowance are just two of the steps it has taken towards this.

These service improvements, together with a combination of short-term, tactical cost-reduction activities and more fundamental, longer-term changes to the way the Department delivers its business, will enable it to live within the terms of its Spending Review settlement.

Details of specific plans and initiatives which will be delivered during 2011/12 are set out in Chapter 3.

Delivering value for money

The Department agreed to reduce its baseline spending by 26 per cent over the 2010 Spending Review period, and to make 10 per cent of that reduction in 2011/12. This is on top of a real-term baseline reduction of 5.6 per cent per annum since 2007. Efficiencies will be made throughout the organisation, including:

- preventing, identifying and eliminating more cases of fraud and error;
- reducing the payroll cost of the corporate centre by at least a third;
- continuing to use Lean³ methodologies to simplify our operational processes;
- stopping lower value and lower priority activities; and
- taking steps to eliminate duplication of benefit processing across the Department for Work and Pensions, HM Revenue & Customs and local authorities.

A more detailed account of what the Department will do to reduce its cost base over 2011/12 is contained in Chapter 4.

³ Lean is a set of systematic behaviours which uses staff expertise to improve the way the Department works by removing waste from everything it does – waste is anything that does not add value for the taxpayer.

2 Structural reform priorities

The Structural Reform Priorities are the key reforms which the Department will implement to create a new welfare system for the 21st century. Social justice is about enabling people to transform their lives and take responsibility. Activities towards this may be in the gift of the state, of local communities or of the individual themselves. The Departmental reforms within this agenda will transform the opportunities for people without jobs to find work and support themselves and their families; and they will ensure that the most vulnerable in society are protected, included and given pathways out of poverty.

Reform the welfare system

The Department is determined to end the culture of worklessness and dependency that has done so much harm to individuals, families and whole communities. Our vision is to change forever a system that has too often undermined work and the aspiration that goes with it. The Department recognises that work is the best route out of poverty for those who are able to work.

The Department will introduce the Universal Credit and other reforms to ensure that the system always provides incentives for work and that work always pays. The overall reform package will also help to make the welfare system affordable in the longer term.

During 2011/12 the Department will:

- support the passage of the Welfare Reform Bill;
- prepare for the introduction of Universal Credit, which will be launched in 2013 by:
 - developing a detailed plan and evaluating it to identify implementation risks in detail;
 - working jointly with HM Revenue & Customs to develop their real time earnings information capability;
 - finalising the implementation plan; and
 - preparing secondary legislation for implementation of Universal Credit;
- start the phased national reassessment of Incapacity Benefit claims and implement improvements to the Work Capability Assessment, providing back to work support for those who need it;
- introduce Housing Benefit reforms;
- develop a plan to introduce a cap on benefits and implement this through legislation in the Welfare Reform Bill;
- switch to the Consumer Prices Index for the indexation of benefits;
- prepare secondary legislation to time-limit contributory Employment and Support Allowance;
- develop an assessment for Personal Independence Payment, which makes greater use of evidence, enabling more accurate and consistent assessment of individuals to determine who will benefit most from additional support;
- offer parents more choice on child maintenance and encourage them to reach family-based arrangements that are collaborative, flexible and centred around the welfare of their children;
- continue to ensure unemployed people who can work are required to take all reasonable steps to find and move into employment; and improve the sanctions regime so it more effectively encourages people to meet their responsibilities effectively;
- work with external partners to plan reform of the Social Fund; and
- continue to implement the revised fraud and error strategy.

Get Britain working

Jobcentre Plus

During 2011/12, the Department will be reforming the Jobcentre Plus operating model to give Jobcentre Plus managers and advisers at local level, as much flexibility as possible to judge what interventions will help individual jobseekers, within given budgets. Frontline advisers have the experience and expertise that comes from helping thousands of people every working day. They will use their experience and skills to give jobseekers the help they need. This flexibility will be supported by a new Departmental Performance Management Framework which will hold Jobcentre Plus to account for its results, not its activity.

During 2011/12, the Department will:

- launch the new operating model for Jobcentre Plus; and
- introduce a new Performance Management Framework which focuses on off-flows into work and the monetary value of fraud and error.

The Work Programme

During 2011/12 the Department will also launch the Work Programme to support into work those at greatest risk of long-term unemployment. The programme will be delivered by a range of private and third sector providers who will be paid largely by results. It will provide support to both Jobseeker's Allowance and Employment Support Allowance recipients, as well as access on a voluntary basis for those claiming Income Support and Incapacity Benefit. We are giving providers the flexibility to design support around individuals and local labour market conditions, working in close partnership with a range of subcontractors and local agencies.

The Work Programme will focus on helping people into sustained jobs, with in-work sustainment payments available for substantially longer periods than under previous programmes. We will offer providers higher rewards for supporting harder-to-help people into employment to ensure that it is worthwhile for providers to help all jobseekers. Further, we will ensure that jobseekers receive support from the Work Programme within a timescale that is appropriate to their needs; everyone will have access to the Work Programme within 12 months of claiming benefits, and those people who are likely to require more support to move into work will be able to get early access to the Programme.

As part of this innovative funding model, and for the first time in a national programme, the Department will establish a link between the savings to the taxpayer from getting jobseekers into work and the payment to delivery partners for helping them to do so, by paying providers partly out of the benefit savings realised. The Work Programme is strongly outcome-funded: we will pay providers for getting people into work and keeping them there, and we will minimise the amount of money we pay for outcomes that would have happened anyway. As the Programme matures from 2015, payments will be entirely outcome-based.

During 2011/12 the Department will:

- roll-out the Work Programme nationally from summer 2011;
- work with Jobcentre Plus and with providers of the previous employment programmes, for example, Flexible New Deal, to ease the transition; and
- work with the Ministry of Justice to optimise the support we provide to ex-offenders through the Work Programme.

Get Britain Working

To Get Britain Working, the Department is harnessing a wide range of talent, ideas and good practice. This includes the help of business, from sole traders to the largest global companies, the public and voluntary sectors and local deliverers of services. With this help the Department is working to enhance the support that remains at the heart of the Government's commitment to help more recent jobseekers into work. This includes a number of Get Britain Working measures such as; Work Clubs and Enterprise Clubs, Work Together, Work Experience, the New Enterprise Allowance, and Service Academies.

During 2011/12, the Department will continue to work with:

- locally-based organisations to support the growth of local Work Clubs and Enterprise Clubs throughout the country;
- the third sector to deliver volunteering opportunities; and
- employers to deliver increased numbers of work placements nationally.

From April 2011 Work Experience will be expanded from 18 to 21 year olds to 18 to 24 year olds and, from October 2011 Work Experience will be able to offer an additional month of participation where the links to an apprenticeship can be made with an employer.

We will also:

- complete the phased national rollout of the New Enterprise Allowance; and
- launch Service Academies that will deliver pre-employment training and work experience placements.

Help tackle the causes of poverty

Through its focus on social justice the Department will seek to address the issues that heighten the risk of remaining in poverty: addiction, family breakdown, debt, educational failure and worklessness. The Department aims to develop a welfare system which recognises work as the primary route out of poverty.

The Department remains focused on its contribution to the Government's goal of ending child poverty by 2020. The Child Poverty Strategy *A new approach to child*

*poverty: tackling the causes of disadvantage and transforming families' lives*⁴ shows how it intends to work with others to achieve that goal.

Reducing the number of children in workless families, by increasing the employment rate of lone parents, is a central element to this strategy. To achieve this the Department will continue to support lone parents by providing access to flexible working opportunities and affordable childcare and by boosting the confidence and skills of parents, in particular lone parents, after a period out of the labour market.

During 2011/12 the Department will:

- continue to support parents in work through increased personalisation of its employment support programmes;
- support more lone parents into work by moving lone parents who are able to work and whose youngest child is 5 or over on to Jobseeker's Allowance;
- encourage family-friendly working practices;
- continue to contribute to the cross-government work tackling child poverty;
- harness the potential of social return on investment and look at ways in which social impact bonds could be used to tap private finance to improve complex, overlapping outcomes; and
- re-shape child maintenance services to deliver better outcomes for families, following the Green Paper *Strengthening families, promoting parental responsibility: the future of child maintenance*⁵.

Pensions reform

The next generation of pensioners face a very different world to current pensioners. Our children will not be retiring as early as recent generations: in recognition of increasing longevity, they face higher retirement ages and will have to work for longer. We aim to reform the state pension system so that it provides a simple, fair State Pension for future pensioners, which is easy to understand, efficient to deliver, affordable and provides a firm foundation for workplace saving. The Department will work with industry and employers to support automatic enrolment into pension schemes and will also encourage companies to offer high quality pensions to their employees by simplifying the regulations to help reinvigorate occupational pension schemes.

During 2011/12 the Department will:

- restore the earnings link for the basic State Pension;
- support the passage of the Pensions Bill;
- consult on options for reform to the State Pension for future pensioners, including a proposal for a single tier pension, following the publication of the Green Paper *A state-pension for the 21st century*⁶;
- prepare to implement automatic enrolment into workplace pension schemes from October 2012 and commence implementation on a voluntary basis of the National Employment Savings Trust;

⁴ <http://www.education.gov.uk/publications/eOrderingDownload/CM-8061.pdf>

⁵ <http://www.dwp.gov.uk/docs/strengthening-families.pdf>

⁶ <http://www.dwp.gov.uk/docs/state-pension-21st-century.pdf>

- take forward legislation to make changes to the State Pension age and to give effect to the recommendations of the *Making Automatic Enrolment Work* review;
- continue to encourage employers to offer high quality pensions to all employees, removing unnecessary rules and regulations; and
- with the Department for Business, Innovation and Skills, implement changes in legislation to remove the default retirement age.

Achieve disability equality

There are over 10 million disabled people in the UK but there are still major inequalities between disabled and non-disabled people. The Department will improve equality by promoting work for disabled people, developing new ways to deliver Access to Work and introducing Work Choice to provide employment support for disabled people facing the greatest barriers.

The Department recognises the importance of all disabled people having the same access to, and opportunities for, choice, control and freedom as any other citizen, and will support those who face the greatest barriers to be able to live independent lives.

During 2011/12, the Department will:

- continue to improve the work opportunities of disabled people with the greatest barriers to employment through Work Choice and support;
- complete the introduction of the 'Right to Control' Trailblazers, evaluate them and prepare an interim report; and
- reform the Independent Living Fund to provide those disabled people who face the greatest barriers with sustainable funding for independent living.

Improve our service to the public

The Department aims to improve its efficiency at the same time as improving its service to the public. To do this, the Department is modernising the way people will make contact and access its services. During 2011/12, it will continue to join up services using new IT and telephony technology to make contact more effective, for example, the recently introduced bereavement and enquiry services will enable us to deal with most of these contacts in a single call.

The Department will also modernise service delivery, making digital the default channel, by increasing the range of services available online via DirectGov. In addition, and where appropriate, the Department will automate its processes beginning with the end-to-end processing of applications, enquiries and changes for Jobseeker's Allowance and the transition from working age to pension age benefits.

More detail is set out in Chapter 3.

In developing and implementing reform, the Department will focus on the Government's values of freedom, fairness and responsibility and the ambition to put welfare spending on a sustainable footing.

3 Improving our service to the public

This chapter sets out how the Department aims to improve the service it provides to the public. It will do this by continuing to modernise the way it delivers its services and by setting out a framework for how it deals with the public and how it handles and looks after the information it collects in the course of providing its services.

DWP Customer Charter

The Charter⁷ was launched in August 2009 and describes both the standards of service individuals can expect when dealing with any part of the Department and what their responsibilities are in return.

The Charter was developed on the basis of research carried out with those using our services and staff to identify the key elements of good service. The research highlighted four elements that were important: Right Treatment, Right Result, On Time and Easy Access.

The Charter was developed to span the whole Department and is supported by detailed business-specific service standards. All of the Department's Agencies ensure that their standards align with the Charter.

The Department will be publishing its first evaluation of performance against the Charter later in 2011.

Modernising contact with the public

The Department is modernising the way the public can access its services and is looking at ways to improve the effectiveness of every contact.

Improvements are being made to the four main contact channels: telephony, letters, face-to-face and internet, to signpost the public better and keep them informed. These changes will allow the Department to focus its resources on contacts that add value and reduce contacts that do not.

The Department has already delivered:

- a new Bereavement Service for next of kin reporting a bereavement. In one contact, necessary information is gathered, shared across the Department and advice is also provided on entitlement to further support such as a Social Fund Funeral Payment. It also links to the Tell Us Once programme which informs up to 24 cross-government services from one contact;
- improved letters for Pension Credit, informing benefit recipients that their Pension Credit is due for review. Every month, these letters go to 20,000 people. The new letter has reduced the volume of telephone enquiries from members of the public by more than two thirds; and
- virtualisation of Jobcentre Plus' contact centre sites. This is part of the ongoing programme to join up the Department's telephony services.

⁷ <http://www.dwp.gov.uk/docs/customer-charter-dwp.pdf>

During 2011/12 the Department will:

- roll out a new Departmental telephone enquiry service bringing together information from different systems to help us answer the most common queries in a single call even if a benefit recipient is claiming several benefits;
- introduce digital champions in Jobcentres who will help jobseekers to apply for jobs and to make and manage benefit claims online;
- increase the use of reminder text message alerts to people who have adviser appointments or who need to take action on their claim; and
- use the Department's recognised contact centre expertise and capacity to provide similar services on behalf of other parts of government.

Modernising service delivery

The Department is modernising its service delivery by automating, where possible, its processes and services. The Department plans to automate the processing of benefits as much as is possible and sensible, with systems applying benefit rules and making straightforward decisions.

The Department is also increasing its digital services, which are helping the Department deliver its business more efficiently and giving people greater choice in how and when they deal with the Department. The Government wants more people to choose to access services online in the future, as digital becomes the Department's primary delivery channel.

The Department has already delivered the following services, via DirectGov:

- Jobseeker's Allowance Online which is now available to the vast majority of jobseekers;
- Benefits Adviser where since its launch in April 2008, over 4.3 million members of the public have used this online service for eligibility information and advice on 28 benefits, pensions and credits; and
- State Pension Online, which is now available to everyone and, where possible, is presenting them with their pension award details in real time.

During 2011/12, the Department will:

- automate the transfer to State Pension for the majority of people claiming working age benefits on reaching pension age. This service will re-use information already held about them by the Department;
- develop, increase and promote digital services, beginning with automated service delivery of Jobseeker's Allowance changes of circumstances and then claims. This will allow jobseekers to conduct more business online and Jobcentre Plus to automate the benefit processing and decision making for all contact channels. This will reduce the cost and time to process benefit;
- introduce an online benefits enquiry service so members of the public will be able to get answers to common questions on some working age benefits and be able to track their own claims and payments online; and
- introduce an online benefits update service which will allow people claiming benefits to change their own address and method of payment details online.

Better ways of working

The Department is committed to involving people at every stage of the design and delivery of new benefits, including Universal Credit and the Personal Independence Payment. The ongoing programme of user-centred design activity, which is being conducted jointly with members of the public and staff, means that the Department will ensure that the delivery of these benefits is designed specifically around the needs of the people. This programme of work commenced in late 2010 and will continue until Universal Credit and the Personal Independence Payment are launched.

The Department is also using Lean techniques and behaviours to eliminate waste and drive efficiencies in service delivery. In this context, 'waste' means anything that does not add value for the taxpayer.

Lean activity is underway across the Department and is being used:

- to improve the services which cross government and departmental boundaries by reducing processing times and clerical interventions; and
- in the development and deployment of policy to ensure all processes are efficient and effective.

Lean has already saved the Department over £380 million.

Over 2011/12, the Department will continue to embed and sustain Lean by:

- further developing Lean capability by training our staff across all our sites, supported by a new Lean Central Unit; and
- continuing to use and act on staff feedback to identify where we can remove waste in the way we deliver our services.

Information and transparency

Information is at the heart of everything that the Department does and is used on a daily basis to help set its strategic direction, inform policy development, deliver its services and allow the Department and the public to know how well it is doing.

Information is used to help people move into work, to tackle poverty, to help achieve disability equality and to promote health and safety at work. Information is also used to inform the decisions that are reached about pension and benefit claims and to support fraud investigations and prosecutions.

The Department's Information Charter⁸ outlines how it will look after information collected in the course of providing its services and how it will keep this information secure. The Department promises that when it requests information, it will:

- use new IT capability to re-use and share information within the Department so that people increasingly only have to tell us once;
- make sure that people fully understand why the information is needed;

⁸ <http://www.dwp.gov.uk/docs/dwp-information-charter.pdf>

- only ask for what is required, ensuring it does not collect too much or irrelevant information;
- protect that information and make sure nobody has unauthorised access to it;
- let benefit recipients know if the information is shared with other organisations to provide better public services and the circumstances in which they can refuse such disclosure;
- make sure the information is not kept for longer than is necessary; and
- not make personal information available for commercial use without the individual's permission.

In return, the Department requests that individuals keep their information reliable and up-to-date by:

- providing accurate information; and
- telling the Department as soon as possible if there are any changes, such as a new address.

The Department will ensure that the public see more of the information that is used to define the delivery of its services, the effect that its programmes and activities are having and how efficient and effective the Department is being. The Department will continue to be open and transparent in everything it does, which will help its ongoing work to improve its efficiency and effectiveness.

Equality Act 2010

The Equality Act 2010 replaced nine sets of equality legislation. The majority of changes arising from the new Equality Act 2010 came into force on 1 October 2010. The aim of the Act is to create a single approach to equality across all the protected characteristics (exceptions include 'pregnancy and maternity').

Protected characteristics are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex; and
- sexual orientation.

The Department already has standards and guidance in place to make it absolutely clear that behaviours such as bullying or harassment are unacceptable and that its aim is to provide an excellent service to the public. These standards and practices will remain and the Department will continue to:

- treat members of the public fairly and with respect;
- put in place reasonable adjustments for people with disabilities; and

- provide an accessible service for people who want to use its services.

Further changes under the Equality Act 2010 came into force from 6 April 2011. The Department is currently preparing to implement the new public sector equality duty from 6 April. This requires the Department in the exercise of its functions to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
- advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people who share a protected characteristic and those who do not.

4 Delivering value for money

As part of the 2010 Spending Review settlement, the Department agreed to deliver overall resource savings of 26 per cent in real terms on its core budget by 2014/15. The agreed budget represents a significant challenge but the Department plans to operate within this settlement by continuing to improve its efficiency and productivity while maintaining high quality modern services to the public.

The Spending Review

The Department's Spending Review settlement means it is more important than ever that every part of the organisation, at every level, is focused on value for money and the need to find more efficient ways of working. This means not only identifying and eliminating waste, but also finding new ways of working and developing new organisational structures which will increase productivity.

Progress so far

Since the 2010 Budget, the Department has already made a robust start towards improved value for money by introducing a range of cost-saving measures which will continue throughout 2011/12. These include:

- renegotiating major contracts with suppliers including: Telereal Trillium, Hewlett Packard Enterprise Services, BT, and Atos Origin;
- reducing expenditure on consultancy services;
- prioritising Information Communications Technology and other investment programmes, including removing those projects deemed to be less cost-effective;
- freezing recruitment and pay;
- reducing expenditure substantially on marketing and advertising contracts;
- accelerating the strategy of vacating non-essential estate; and
- introducing new rules on business travel and the purchase of learning and development.

But the tactical savings measures introduced in 2010 only go so far. Over the course of the Spending Review period all parts of the Department will be contributing a range of new initiatives towards the Department's drive to become a more efficient and streamlined organisation.

Plans for 2011/12

The Department has an ambitious agenda of reform which aims to create a new welfare system for the 21st century; to transform the opportunities for people without jobs to find work, support themselves and their families; to ensure people have decent retirement incomes; and to ensure the most vulnerable in society are protected.

Corporate support

The corporate centre has a crucial role to play in defining and driving the reforms, and in line with our Spending Review settlement, must do so with a 40 per cent reduction in resources by the end of this Parliament. By October 2011 our objective is to deliver a single integrated corporate centre that will:

- support Ministers and drive their reforms, while also helping front line colleagues better deliver services to millions of people;

- include the disciplines and tools to make the right choices, in good time, within the resources available;
- have fewer layers in the organisation, so that everyone is clear about their role, and the layer above adds value by doing something different; and
- comprise of a smaller top team, committed to collective success but with clear personal accountabilities.

Further efficiencies will be delivered during 2011/12 including:

- reducing the amount we spend on banking, by moving more people to payment into bank accounts;
- aligning the HR function to the Next Generation HR (NGHR) service delivery model that centralises activities across all Government departments. Lead departments will provide services to other departments; this Department will lead on employee policy, while other departments lead on generic learning & development, and resourcing;
- reducing the number of buildings that we occupy, including moving towards a 'one roof' solution for London corporate services;
- utilising the remaining space more flexibly to vacate buildings no longer viable; and
- reducing our contracted spending, through negotiating new IT provision and managing demand on existing contracts.

Operations and delivery

The Department's Executive Agencies responsible for delivering services to the public, have developed plans to introduce a series of savings measures which can be implemented without reducing the quality of the services they deliver. Key measures will focus specifically on:

- preventing, identifying and eliminating more cases of fraud and error;
- changing the way services are delivered through greater use of digital access;
- driving up productivity through internal benchmarking, the use of Lean methodologies, and the sharing of best practice; and
- reducing missed adviser appointments by increasing the use of reminder text message alerts to jobseekers.

During 2011/12, the Agencies will also develop further plans for delivering efficiencies over the remainder of the Spending Review period, for example:

- working with other government departments to develop a public sector contact centre business starting with a six month trial for the UK Border Agency;
- increasing the use of self service and automation of benefit processing; and
- striving for a 'once and done' experience with members of the public.

More detail on our Delivery Businesses are set out in Chapter 5.

Policy

Our three existing policy functions will be brought together to make the service provided to Ministers even more effective and flexible – communicating more clearly, using IT effectively, acting more quickly and responsively.

Lean is being used in policy to help introduce changes that will improve our effectiveness and efficiency, by:

- enabling more flexible deployment of resources according to priorities;
- increasing speed of development and focus on outcomes; and
- making full use of individual skills and support continuous development in flexible ways of working.

A social justice agenda that delivers should achieve on three levels:

- individual/family;
- local society; and
- country/national society.

Understanding the longer term effects of policies, particularly at the community and national level, requires a better understanding of how government spending and investment finds a return. It is no longer sufficient to think about welfare and employment programmes in terms of money delivered to individuals, or people processed through a scheme. Social justice means thinking about the social return on investment, asking questions such as:

- to what extent does this investment change people's lives;
- does it permanently or sustainably address one of the pathways to poverty; and
- if not, does it provide another social good that is valued in society?

Delivering change

Implementing change across a Department which delivers a complex range of services requires effective change management and financial control, as we both secure benefits and deliver efficiency gains. The current corporate programme of change has already delivered savings of £398 million and major service improvements with more to follow in 2011/12.

As part of the organisational re-design the Department is currently reviewing the operating model for managing, delivering and assuring change. This is to ensure the Department's huge portfolio of change continues to be correctly balanced and controlled whilst delivering efficiencies and service improvements.

Sustainability and climate change

The Department supports the objectives of the UK Strategy for Sustainable Development and the Climate Change Act 2008, and will in the course of the year:

- build sustainable development into all policies, plans and decisions, identifying impacts and potential mitigation actions;
- produce a Sustainability and Climate Change Strategy and report progress annually in future years;
- consider how its policies and operations need to adapt to the consequences of climate change;
- specify sustainable goods and services during procurement, and manage demand to improve efficiency; and
- ensure buildings are designed, constructed, refurbished and operated to improve their environmental performance and reduce costs.

Actions by the Department, its staff and its suppliers in 2011/12 will include:

- publication of a 5-year carbon management plan to reduce emissions from buildings and business-related travel;
- a 5 per cent reduction in emissions to save 10,000 tonnes of CO₂ and associated carbon costs of £150,000;
- conservation of water and other natural resources, for instance reducing energy use by 5 per cent to save £1.25 million;
- reduction in waste and procurement costs by reusing wherever possible, and maximising recycling; and
- reduction in the use of paper and other office consumables.

5 Delivery businesses

The Department's policies are implemented through private and third sector providers but also through the Department's own delivery businesses and major Non-Departmental Public Bodies. Each has its own Delivery Plan for 2011/12 which will be available in full at the relevant websites.

Jobcentre Plus

Jobcentre Plus supports people of working age to move from welfare into work, and helps employers by finding people with the right skills to apply for vacancies, providing advice on the jobs market, recruitment services and training. It contributes therefore towards tackling a root cause of poverty, worklessness, and, in turn towards achieving social justice.

Jobcentre Plus aims to pay benefits accurately and efficiently and ensures that individuals meet their responsibilities in return. Jobcentre Plus will modernise and transform the way in which it pays benefits to improve service delivery and support planning for the introduction of Universal Credit.

Jobcentre Plus will support the Department's Structural Reform priorities by working closely with the private, public and voluntary sectors to help people back to work by:

- helping jobseekers benefit from the Get Britain Working measures (Work Clubs, the New Enterprise Allowance Scheme, Work Experience, Service Academies, and skills training) and ensuring a smooth transition to the Work Programme;
- developing the personalised support offered by advisers through targeted interviews and access to local provision;
- providing a Rapid Response service for people affected by job losses; and
- improving Access to Work support.

Jobcentre Plus will help improve service to the public by:

- developing, increasing and promoting digital services, beginning with automated service delivery of Jobseeker's Allowance claims;
- introducing an online benefits enquiry service for other working age benefits;
- introducing digital champions in jobcentres who will help jobseekers apply for jobs and to make and manage benefit claims online;
- increasing the use of reminder text message alerts to people who have adviser appointments;
- reassessing Incapacity Benefit claims and improving the Work Capability Assessment, providing back to work support for those who need it;
- extending current support for lone parents to prepare for work to those with a youngest child aged five or over; and
- improving and increasing adviser support for people with mental health problems.

Jobcentre Plus will contribute to the Department's efficiencies by:

- changing the way services are delivered through greater use of digital access;
- preventing, identifying and dealing with more fraud and error cases;
- sharing buildings with partners and reducing corporate and support costs;
- allowing managers to make more local decisions in Earned Autonomy trail-blazer districts;
- improving productivity in benefit centres, for example by applying a standard approach and using new IT software to support managers; and

- working with other government departments to develop a public sector contact centre business starting with a six month trial for the UK Border Agency.

Information about Jobcentre Plus plans and priorities can be accessed via the web address below.⁹

The Pension, Disability and Carers Service

The Pension, Disability and Carers Service plays a crucial role in serving 16 million citizens some of whom are among the most vulnerable in society. In doing so it serves a wide range of people, which includes current and future pensioners, disabled children and adults, and their carers. Our vision for social justice requires us to protect, include and empower the most vulnerable in society.

The Pension, Disability and Carers Service will support the Department's Structural Reform priorities by:

- working on proposals for reforming Disability Living Allowance;
- implementing further reforms to the State Pension; and
- developing plans to introduce changes to non-working age benefits linked to the introduction of the new Universal Credit.

The Pension, Disability and Carers Service will help improve service to the public by:

- striving for a 'once and done' experience with members of the public and maintain levels of satisfaction;
- working with local partners so that they can better help members of the public to access and understand relevant services, entitlements and responsibilities;
- providing a face-to-face service for vulnerable people through home visits and in community locations if their business cannot be dealt with over the telephone or online;
- deliver those services people depend on whilst, at the same time, implementing the changes required through the Departmental Structural Reform plan; and
- targeting its activities based upon need: differentiating services so that those in greatest need, receive the most support.

The Pension, Disability and Carers Service will contribute towards the Department's need to deliver efficiencies by:

- underpinning its services and decisions with strong value for money principles, so that efficiency is maximised;
- increasing the use of self service and automation, for example by improving the capability of the State Pension Online service and introducing an online enquiry service for disability benefits;
- ensuring it has the right information, systems and controls to improve productivity and reduce costs; and
- bearing down on fraud and error by driving up accuracy and consistency of decisions, delivering planned returns from its work to reduce error in benefit

⁹ <http://www.dwp.gov.uk/publications/corporate-publications/>

payments, limiting scope for misinterpretation, and promoting swift effective prosecutions.

Information about the Pension, Disability and Carers Service's plans and priorities can be accessed via the web address below.¹⁰

Child Maintenance and Enforcement Commission

The social justice agenda requires the Department to take a life-cycle approach to tackling the underlying factors that affect the most disadvantaged groups. Children benefit from, and are able flourish in, a stable and supporting environment and the Child Maintenance and Enforcement Commission can contribute towards achieving this outcome.

The objective of the Commission is 'to maximise the number of those children who live apart from one or both parents for whom effective child maintenance arrangements are in place'. During 2011/12, the Commission and the Department will be preparing for the Commission's change of status and the transfer of its functions to the Department as an Executive Agency.

The Commission will support the Department's Structural Reform priorities by:

- working closely with the Department looking at ways of revising the child maintenance system with a plan to implement a revised strategy, following the completion of the Child Maintenance Green Paper consultation exercise in April 2011; and
- considering the scope of existing plans for child maintenance and assessing future delivery.

The Commission will help improve the service to the public by:

- promoting in local communities and through joined-up services the financial responsibility that parents have to their children and how parents can work together to make family-based arrangements; and
- continuing to improve the information and support it provides about the different child maintenance arrangements parents can make.

The Commission will contribute towards the Department's need to deliver efficiencies by:

- providing an efficient statutory maintenance service with effective enforcement;
- continuing its work to develop the future statutory child maintenance scheme and associated computer system, which will deliver significant efficiencies; and
- working to reduce its corporate costs over the Spending Review period.

¹⁰ <http://www.dwp.gov.uk/publications/corporate-publications>

Information about the Child Maintenance and Enforcement Commission's plans and priorities can be accessed via their web address below.¹¹

Health and Safety Executive

The Health and Safety Executive is a Crown Non-Departmental Public Body sponsored by the Department. It has responsibility for the regulation of risks to people's health and safety arising from work activity at two and a half million workplaces throughout Great Britain, together with its co-regulators in local authorities.

The Health and Safety Executive will support the Department's Structural Reform priorities by:

- implementing the Health and Safety Executive-led recommendations of the Government's review of health and safety, 'Common Sense, Common Safety' to reduce the burden of bureaucracy on business;
- focusing resources on higher risk industries which pose the greatest risk to people at work and/or have the potential to create catastrophic long term impacts on the economy, environment or society; and
- continuing to prosecute those who commit serious breaches of the law.

The Health and Safety Executive will help improve services to the public by:

- enabling access to independent, competent, professional and up to date health and safety advice by establishing a web-based register of accredited Occupational Safety and Health consultants; and
- rationalising and improving access to web-based guidance to enable businesses, particularly those in small and low risk businesses, to easily understand their health and safety obligations and meet them in the simplest, most straightforward way.

The Health and Safety Executive will contribute towards the Department's efficiencies by:

- implementing structural reform within the Health and Safety Executive to create an organisation able to meet future challenges; and
- seeking to derive more of its income from non-government sources.

Information about the Health and Safety Executive's plans and priorities can be accessed via the web address below.¹²

¹¹ www.childmaintenance.org

¹² <http://www.hse.gov.uk/aboutus/strategiesandplans/index.htm>

6 Resource plans

The following table and charts set out the Department's funding and its best estimates of how its resources will be distributed in 2011/12. Plans and priorities will change over time so the analysis set out below should not be treated as a set of fixed financial allocations, but rather as the current estimates of the costs of the Department's plans.

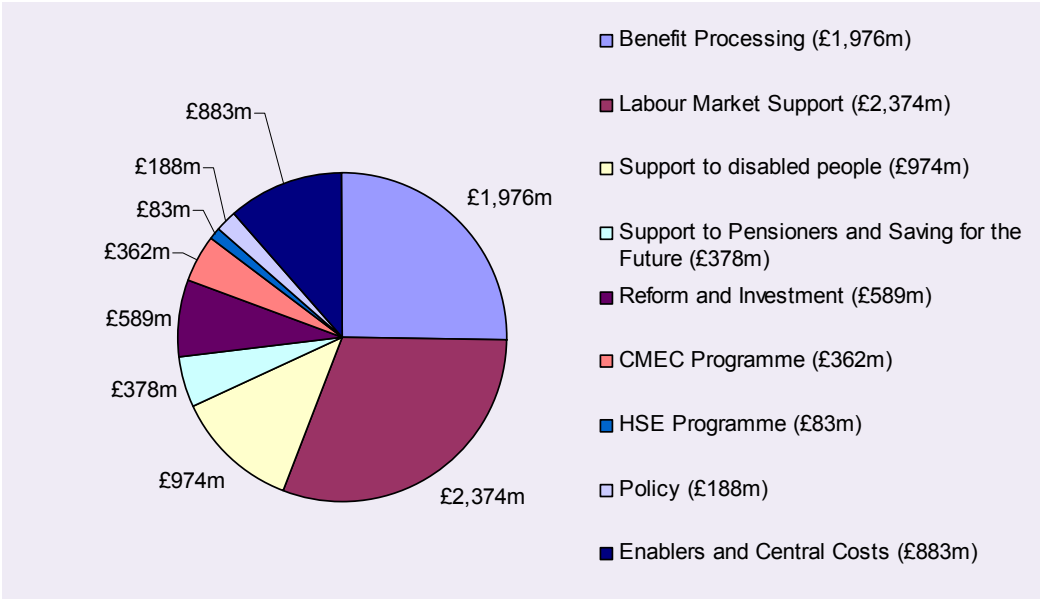
The Department's spending plans by business

The following table set out how the Department expects its resources to be distributed across its major agencies and corporate functions in 2011/12.

	£ million ¹³
Jobcentre Plus	3,116
Pensions, Disability & Carers Service	681
Employment Programmes	1,198
Independent Living Fund / Housing Benefit	884
Child Maintenance & Enforcement Commission	539
Health & Safety Executive	197
Universal Credit	80
Enablers (e.g. HR, Finance, Shared Services)	526
Policy Groups	241
Central Costs	345
Total	7,807

The Department's Expenditure Limit by activity

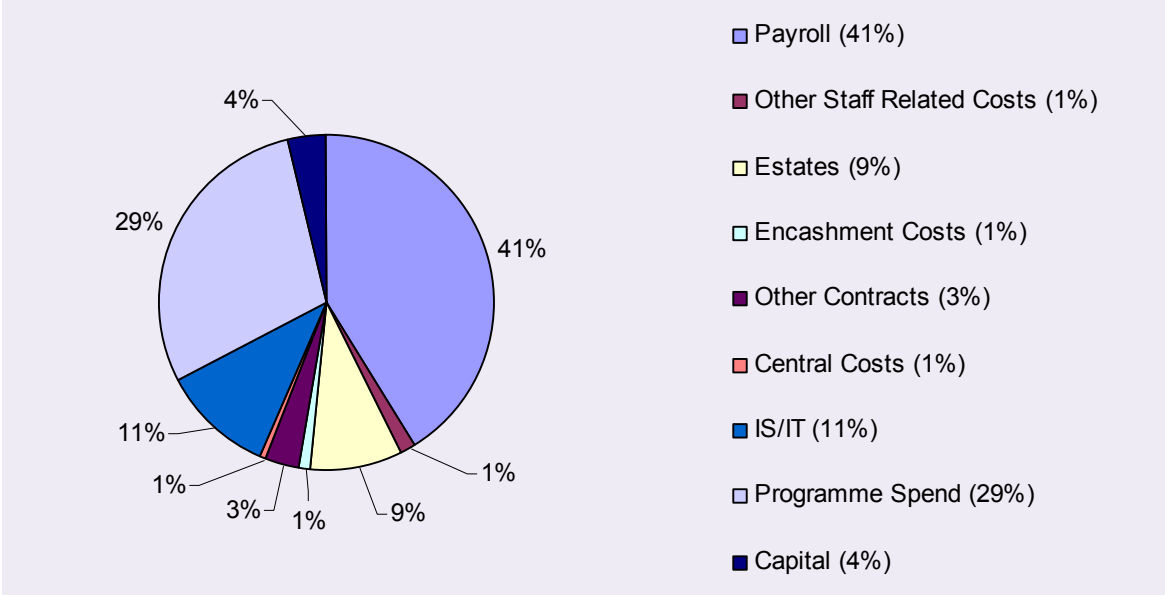
The following chart sets out how the Department's resources will be consumed by activity during 2011/12.



¹³ Business totals exclude non-cash and include estimated apportionments of direct operational costs, such as customer payments and IT systems, to give a better representation of the full cost of delivering services to customers (this means that numbers may not be directly comparable with individual business plans). All budgets are reviewed regularly as part of the Department's continuous planning process.

The Department's spending plans by category of spend

The following chart sets out how the Department's resources will be consumed by major category of spend during 2011/12.



7 Annex

Non-Departmental Public Bodies (NDPBs)

Non-Departmental Public Bodies have a role in the delivery and implementation of Government business but are not a Government department or part of one. They operate independently and at arm's length from Ministers but are still accountable to the public for the services they provide.

Executive and Public Corporations

Organisation	Function
Child Maintenance and Enforcement Commission	To administer and develop the child maintenance system in Great Britain. The Public Bodies Bill provides for the functions of the Child Maintenance and Enforcement Commission to transfer to the Department for Work and Pensions as an executive agency.
Health and Safety Executive	Responsible with local authorities for the regulation of health and safety risks that arise out of work activities.
Independent Living Fund	In December 2010 a decision was made to close the Independent Living Fund permanently for new applications. Independent Living Fund will continue to operate for the benefit of existing recipients by providing financial support to disabled people to enable them to choose to live in the community rather than in residential care.
National Employment Savings Trust (NEST) Corporation	The NEST Corporation is the trustee body responsible for overseeing National Employment Savings Trust. NEST will be a new, low cost, workplace pension scheme that is being designed to meet the needs of low-to-moderate earners and their employers in particular.
Remploy Ltd	Expands the opportunities for disabled people in sustainable employment within Remploy and the community it serves.
The Pensions Advisory Service	Provides an independent and free information and guidance service to citizens who have either a general or a specific query or complaint on a pensions matter.

The Pensions Regulator	Protects the benefits of members of work-based pension schemes, promotes good administration in such schemes, and reduces the risk of situations arising that may lead to claims for compensation from the Pension Protection Fund. Also responsible for establishing and running the Employer Compliance Regime in support of the workplace pension reforms.
Pensions Protection Fund	Provides compensation (90 per cent of accrued pension rights up to a cap) to members of eligible defined benefit pension schemes whose employer becomes insolvent, and where there are not sufficient assets in the pension scheme. Also administers the Fraud Compensation Fund and the Financial Assistance Scheme.

Tribunal

Organisation	Function
Pensions Ombudsman	The Pensions Ombudsman (PO) determines complaints and disputes concerning occupational and personal pensions schemes. The Pension Protection Fund Ombudsman (PPFO) deals with complaints and reviewable matters concerning the Pension Protection Fund and appeals against decisions of the manager of the Financial Assistance Scheme. All services are free.
Pensions Protection Fund Ombudsman	

Advisory

Organisation	Function
Equality 2025	The advisory bodies provide independent and expert advice to ministers. They are supported by a secretariat team from within the Department. They do not have their own budget or give financial provision to members of the public. They produce an annual report each year that provides details of their activities and their terms of reference or remit.
Industrial Injuries Advisory Council	
Social Security Advisory Committee	

This report can be accessed online at:
www.dwp.gov.uk/docs/dwp-delivery-plan-2011-2012.pdf

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