



February
2008

Department for Work and Pensions: Three Year Business Plan 2008-2011

Our Values

This plan sets out what we aim to deliver over the Spending Review 2007 period. 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:

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

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Foreword by the Permanent Secretary

Every day this Department touches the lives of millions of people, helping them find work, paying their pensions and their benefits and defending and championing their rights. Our first priority is to maintain our service to our customers, who include some of the most vulnerable members of society.

Our Spending Review 2007 settlement imposes greater demands on us than ever before: the financial resources available to us will have reduced substantially by 2011 while the demands for reform have increased. We will need to do much more with less as we respond to challenges such as an ageing society and the impact of globalisation on the labour market. Our customers' expectations and those of the taxpayer will continue to rise.

This plan describes our response to those challenges by placing our Departmental Strategic Objectives at its centre. We have taken this approach not just because the Government will rightly hold us to account for their delivery, but also because any well-run organisation will want to take forward its activities on the basis of the contribution they make to the social and economic outcomes that it exists to deliver.

Inevitably, the nature and scale of the challenges facing this Department will be shaped by changes in the wider economy and society as a whole. The performance agreements supporting the Departmental Strategic Objectives contained within this plan represent our response to those challenges. As we move through the Spending Review 2007 period we may need to adapt to changing circumstances and revise the approaches set out here. What is fixed, however, is our financial allocation from 2008–09 to 2010–11. Although we cannot change the total resources available, our Ministers may, of course, want to change the balance and relative priority we give to individual objectives. This plan should, however, be seen as the baseline from which we begin the Spending Review 2007 period.

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

Leigh Lewis
February 2008

Executive Summary

This document:

- describes **our purpose**. It sets out the vision and direction of the Department based on decisions taken by the Government to date – a benchmark against which choices and priorities can be assessed;
- describes the **resource constraints** that we face following the Spending Review 2007 settlement, sets out our **Departmental Strategic Objectives** – what they are, what they mean, the scale of our ambition and the direction of transformation that we are pursuing – and explains our delivery chain; and
- is a basis for **future decision making**. It places our Departmental Strategic Objectives at the centre of our planning and decision making and, at a high level, links our inputs, outputs and outcomes.

The vision of the Department is to:

- contribute towards fair, safe and fulfilling lives, free from poverty for children, people in work and retirement, disabled people and carers;
- 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 a higher quality of service for customers where it is in their interests and those of the taxpayers.

That vision is articulated more fully through the two Public Service Agreements on which we lead across Government which are to:

- maximise employment opportunity for all; and
- tackle poverty and promote greater independence and well-being in later life;

And is expressed further through our seven Departmental Strategic Objectives which are to:

- reduce the number of children living in poverty;
- maximise employment opportunity for all and reduce the numbers on out-of-work benefits;
- improve health and safety outcomes;
- promote independence and well-being in later life, continuing to tackle pensioner poverty and implementing pension reform;
- promote equality of opportunity for disabled people;
- pay our customers the right benefits at the right time; and
- make DWP an exemplar of effective service delivery to individuals and employers.

At the same time the Department must continue to deliver its core activities, which in our case affect many of the most vulnerable people in our society. To give some idea of our scale:

every working day, **Jobcentre Plus**:

- helps over 6,000 customers find work;
- conducts 45,000 adviser interviews;
- processes over 15,000 new benefit claims; and
- receives nearly 800,000 job searches on its website.

every working day, the **Pension and Disability and Carers Services (which will become a single Agency in April 2008)**:

- process over 3,000 applications to State Pension;
- clear over 1,200 claims to Pension Credit;
- conduct over 3,000 home visits;
- deal with 3,000 new or renewal claims to Disability Living Allowance and 1,600 claims to Attendance Allowance;
- receive nearly 22,000 calls to their Contact Centre and helplines; and
- process 900 new claims to Carers Allowance.

every working day, the **Child Support Agency**:

- collects or arranges child support for over 30,000 children;
- clears nearly 1,400 new scheme applications; and
- answers over 14,000 telephone calls.

The Department also faces a formidable work programme over the next three years. It includes:

- implementing the new Employment and Support Allowance in Autumn 2008. The roll-out of the allowance will provide support for people with health conditions and disabilities to enable them to focus on their aspirations and return to work where this is possible, while retaining support for those who need it;
- building on the conclusions of the Freud report,¹ in particular by working with our partners in the private and voluntary sectors to maximise employment opportunities for our customers;
- working with the Personal Accounts Delivery Authority to introduce personal accounts – a simple, low-cost pension scheme into which employers may automatically enrol their employees;
- launching, later in 2008, the successor to the Child Support Agency – the Child Maintenance and Enforcement Commission. The launch of the Commission will help to transform our system of child maintenance by enabling and encouraging more parents to reach their own child-maintenance arrangements;

¹ http://www.dwp.gov.uk/welfare-reform/freud_report.asp

- taking forward the measures set out in 'Opportunity, Employment and Progression: Making Skills Work',² to ensure that an ever-increasing number of people are able to gain the training and support they need to move from benefits to work and then progress in work; and
- transforming the way we deliver services to our customers by implementing an ambitious, Department-wide Change Programme. Based around our vision of 'Work, Welfare, Well-being, Well delivered' the programme aims to join up our services based on customer need, and to achieve the best outcomes for them, while driving out waste and increasing efficiency.

And we need to deliver this challenging agenda with fewer resource:

- our Spending Review 2007 settlement commits the Department to reduce its expenditure by over 5 per cent in real terms in each of the next three years;
- to live within our resources we need to deliver net cashable savings of over £1.2 billion from our core spend by 2011 and to achieve a productivity gain over the next three years of over 20 per cent.

That will require us to:

- make further reductions in our workforce – estimated at around 12,000 full-time equivalents over the Spending Review 2007 period;
- further reduce our estate by releasing some 200 buildings;
- renegotiate our existing contracts with our major suppliers and reduce further the resources we consume as an organisation;
- work with our local authority partners to ensure that the costs of administering Housing Benefit fall at least in line with our Spending Review 2007 settlement; and
- focus resources within our employment programme on those customers who most need our help.

Against this background this plan:

- sets out what we aim to achieve over the Spending Review 2007 period in line with our Departmental Strategic Objectives; and
- lays out how we intend to respond to the Spending Review 2007 efficiency challenge so that we can maximise the amount of our total resource that is available for the delivery of our objectives.

Our Spending Review 2007 settlement imposes greater demands on us than ever before. The expectations of our customers and taxpayers continue to rise. Our challenge is to meet and exceed those expectations with the resources at our disposal.

² <http://www.dwp.gov.uk/welfarereform/making-skills-work.pdf>