



## 2. Our strategy

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### Our aim

2.1 Our clear aim is to ensure that we pay the correct amount of benefit to all of our customers every time they are due a payment. To achieve this, we will build on and reinforce a culture of getting it '**right every time**' across the whole of the Department, its agencies and its partners, including local authorities.

### Our strategic direction

2.2 We aspire to create an environment across the Department where quality is a priority for everyone. We can improve correctness, and therefore reduce error, by improving the way we manage and deliver quality throughout the organisation. From our policy makers to our frontline customer advisers, we want to remind people that our aim of preventing and reducing error is everyone's responsibility.

2.3 To improve our capability for managing quality throughout the organisation, we need to achieve the following:

- **Deliver better IT and business processes** – we will strive to design new computer systems and business processes from the perspective of those who have to use them on a daily basis. By designing new systems from the perspective of the user, we will help to make sure that they prevent staff from making errors. So in the future, our technology will make it impossible for staff to process a benefit claim without following the correct process or entering all the required information.
- **Make better use of data** – we want our organisation to make better use of the information it has available. Too much of our core business continues to be delivered in isolation by one delivery business or another. To improve efficiency and reduce error we need to share more data on our customers, such as their individual circumstances, benefits and entitlements, between agencies so that we can ensure their benefit account is correct at all times. This also means sharing more data across other government departments.
- **Improve our customers' experience** – our customers matter to us. We want to continue to respond to their needs and individual circumstances. We will look again at our range of communications to customers, from information leaflets to computer-generated letters, to ensure that the information they contain is clear and accessible. We also need to make benefit rules simpler and clearer to understand, and therefore easier to comply with. We will continue to respond to technological advances and will work to ensure that a full range of our services is available interactively over all communication channels, including the internet.
- **Ensure people development and continuous learning** – our people are our key resource, and we rely on their continuing commitment to deliver a quality service to our customers. We want to recognise the contribution of staff and the importance of their role in protecting the integrity of the benefits system. We will also continue to invest in their skills so that they are equipped to respond to the

way we deliver our services, which may change over time. We need to recognise their professionalism and we will pursue implementation of a system of formal accreditation for the skills required to process and maintain benefit claims accurately.

- **Reinvigorate performance improvement and innovation** – effective organisations learn from their own performance and from that of others. They put in place clear lines of accountability to ensure the achievement of business objectives. They also monitor staff performance proactively and react quickly to address any decline, taking whatever action is required to address it. In order to align ourselves more closely with this model, the Department will go further than it has before to improve its performance, building on the positive results of its Capability Review<sup>11</sup> undertaken by the Cabinet Office.

## Our objective

2.4 The primary objective of our strategy is to increase correctness in the benefits system, thereby reducing the proportion of incorrect payments – both overpayments and underpayments – during the period to 2012.

2.5 Overpayments result in a loss to the public purse, and it is the Department's responsibility to do all that it can to minimise these losses. We will meet this responsibility by putting in place a range of initiatives which will take us further towards meeting our published fraud and error targets.

2.6 Our fraud and error reduction Public Service Agreement (PSA) target, set as part of Spending Review 2004, challenges us to reduce

overpayments from fraud and error in Income Support and Jobseeker's Allowance by 15 per cent by 2010 against the baseline set in 2006, and by 25 per cent in working age Housing Benefit by 2008 against the 2002/03 baseline. At the same time we will continue to report the value and proportion of overpaid benefit for all departmental benefits as part of the Department's annual Resource Accounts.

## Delivering against our objective

2.7 We will achieve our objective by focusing on improved **prevention, compliance** and **correction** for both official error and customer error.

### *Prevention*

2.8 We will prevent new error from entering the benefits system by designing it out wherever we can. For example, we will subject the Employment and Support Allowance to rigorous testing for anti-fraud and error measures before it is introduced into live operations in Jobcentre Plus from 2008.

2.9 We will also simplify our business processes across the Department to ensure that they are easier to administer. Where resources allow, we will continue to automate those processes which are most vulnerable to error.

### *Compliance*

2.10 We will implement measures to increase staff compliance with agreed business processes. A rise in the level of compliance will improve the correctness of the information stored within the benefits system and therefore reduce the level of error. Measures such as improved training and procedural guidance for staff and clear lines of accountability will help to improve staff compliance.

<sup>11</sup> Cabinet Office, 2006, *Capability Review of the Department for Work and Pensions*.

## Getting welfare right: Tackling error in the benefits system

2.11 By supporting customers more effectively we will encourage greater customer compliance with the benefit rules. The improvement of the quality of all our communications (claim forms, notifications and our website in particular) is key in the drive for increased customer compliance. We will increase awareness of customer responsibilities through a new media campaign. We will also consider what more we can do to encourage customers to comply with the rules and help to keep their benefit claims correct.

### *Correction*

2.12 We will make sure we identify and correct error faster, wherever we find it in the benefits system, building on existing standard practice. We will do this through the greater use of data matching with other government department and

private sector data sources, subject to obtaining the necessary legal powers to do so, as well as ensuring that we make best use of the data sources to which we already have access. We will also review customers' benefit claims over an agreed time period to ensure they remain correct.

### **Recovery**

2.13 We will maximise the amount of overpayments we recover where it is cost-effective to do so and does not cause financial hardship to the customer. We will put extra effort into recovering overpayments where an error has been made by our customers. And we will also look to recover overpaid benefit where there is reasonable indication that the customer knows they are receiving an incorrect award of benefit.