

Debt Transformation Programme equality impact assessment

August 2011

Product Reference Number: 002

Equality impact assessment for the Debt Transformation Programme

1. Introduction

- 1.1 The Department for Work and Pensions has carried out an equality impact assessment on the proposal to introduce the Debt Transformation Programme assessing the proposal in line with the current public sector equality duties. This process will help to ensure that the Department has paid due regard to the need to:
 - 1.1.1 eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
 - 1.1.2 advance equality of opportunity between people from different groups; and foster good relations between people from different groups.
- 1.2 The equality impact assessment will show how the Department has demonstrated it has paid due regard when developing new services or processes on the grounds of the protected characteristics. These are; race, disability, gender, age, gender reassignment, sexual orientation, pregnancy and maternity, religion or belief and marriage and civil partnerships (in terms of eliminating unlawful discrimination only).

2. Brief outline of the Debt Transformation Programme

- 2.1 The Debt Transformation Programme is a suite of improvement activities that will optimise current debt recovery processes. This fully fits Departmental strategies by delivering more with less and improves the Customer Journey.
- 2.2 Debt Transformation Programme provides best value for money for Off Benefit debt recovery solution, optimises processes and supports the DWP SR10 Delivery Programme.
- 2.3 The Debt Transformation Programme consists of the following elements;
 - 2.3.1 **Overpayments, Decisions, Calculations and Appeals (Initial and Dispute) (ODCA)**

ODCA is a project that seeks to review the current JCP referral process into Debt Management from the point where a change in circumstances results in an overpayment or reconsideration. This includes the decision points for reconsideration and/or appeal. The project will also extend the review to include PDCS. The objectives of the review are to:

 - Reduce handoffs and inefficiencies that exist within the current process
 - Identify a method to produce a single notification to the customer
 - Improve the customer experience

- Improve the end to end process
- Reduce Departmental costs
- Make the right decision at the right time with all the available information.

2.3.2 **Lean activity**; which addresses the remaining activities Debt Management will undertake to optimise the process, specifically to improve the On Benefit deduction process (pending Automated Deductions by Universal Credit 2014); the Off Benefit process (making best use of Private Sector Suppliers) and Support Services within the Debt Management organisation.

2.4 A series of Lean reviews will be conducted to drive out overall process efficiencies in debt recovery and facilitate organisational changes to Debt Management to support the decision to move the Debt function from Shared Services back into mainstream DWP Operations. The reviews will also take into consideration initiatives already underway in Debt Management, such as the Debt Segmentation and Scoring pilot.

2.5 The reviews will focus on;

2.5.1 Review of the “off benefit” recovery process, optimising the use of Private Sector Suppliers and building on the outcomes of the Contestability Report and the Off Benefit Review Pilot;

2.5.2 Review the referral process and handoffs following implementation of the ODCA project outcomes, including the “on benefit” recovery process;

2.5.3 Review and identify the optimal support service requirement for the new debt recovery processes and organisational model.

3. Consultation and involvement

3.1 The Debt Transformation Programme is supported by DWP Finance Policy and Practice as process owner. Workshops and meetings have been held with internal and external stakeholders involved in delivering the new processes and policy including;

- Debt Management
- Jobcentre Plus
- Pension, Disability and Carers Service
- Her Majesty’s Revenue and Customs
- DWP Shared Services
- Private Sector Suppliers

3.2 Further consultation with internal stakeholders will take place throughout the Debt Transformation Programme implementation process to ensure that the user’s business objectives and individual staff needs are met.

3.3 Consultation will also take place with suppliers to ensure that they understand the impacts that the Debt Transformation Programme will have on the way that they engage with the Department.

3.4 A notice has been included in the Department for Work and Pensions monthly stakeholder bulletin and Ministers/senior managers continue to be briefed as required.

4. Impact of the Debt Transformation Programme

4.1 The Debt Transformation Programme will not negatively disadvantage/impact any Customer groups or staff with regard to the following protected characteristics, whether these services are delivered internally or via a Private Sector Supplier;

- Age - please refer to [Age Exceptions](#) below
- Disability
- Race
- Gender
- Gender reassignment
- Pregnancy and maternity
- Religion or belief
- Sexual orientation
- Marriage and civil partnerships

4.2 Debt Management debt recovery policy exists and applies to all groups who have left or are still in receipt of benefit and have outstanding overpayments of benefits or outstanding Social Fund Loans.

4.3 The Debt Transformation Programme will apply to all customer groups, based solely on their ability to repay debt. This will be in line with the current debt recovery processes and guidelines.

4.4 Customers who have specific needs (e.g. letters produced in braille etc) will continue to have access to this support, in line with existing DWP approved Customer communication methods.

4.5 **Age Exceptions**

4.5.1 Customers who are within 6 months from State retirement age are excluded from the Debt Transformation Programme, as these customers will shortly return to a DWP benefit (i.e. Retirement Pension within 6 months).

4.5.2 Young Customers¹ are also exempt from this process.

4.5.3 These exceptions will not be referred to Private Sector Suppliers and existing debts will be recovered by deductions from Retirement Pension (in the case of 4.5.1) and recovery from benefits if the Customer returns to benefits/is still in receipt of benefits after they turn 18 years of age (in the case of 4.5.2).

4.5.4 If the customer is off benefit after the age of 18, they will then become subject to the Off Benefit recovery process.

¹ Customers who are aged under 18 will be exempt from the Debt Transformation Programme, as they are classed as juveniles and are not subject to all DWP benefit regulations.

5. Monitoring and evaluation

- 5.1 Evaluation of the Debt Transformation Programme will be made in terms of achieving the CSR10 targets and a benefits realisation model will be developed in consultation with the users.
- 5.2 No specific campaigns (i.e. targeting certain demographic/sample of the debtor population) are planned and recovery will continue to be undertaken in accordance with current Debt Management methodology.
- 5.3 The EIA will be refined as the programme progresses and the challenges of implementation are dealt with. The project team will also carry out an End of Programme Review. As part of this review, an evaluation will be carried out to determine whether the Debt Transformation Programme has impacted disproportionately on different users.
- 5.4 We will continually monitor and evaluate the detailed design of the Debt Transformation Programme and assess the impact on customers and DWP staff to ensure it is fully compliant with the Department for Work and Pensions diversity and equality policy. This document will also be updated regularly in preparation of; PDR, CDR, ORR gates and also at EPR stage.

6. Next steps

- 6.1 The Department for Work and Pensions will continue to engage with Private Sector Suppliers to set out and monitor the key requirements to mirror the Department's diversity and equality policy. Existing diversity and equality guidelines and policy will remain in force.
- 6.2 Private Sector Suppliers currently manage existing DWP off benefit contracts and fully understand their responsibility to meet the Department's diversity and equality policy.

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