

NEXT STEPS REVIEW



NEXT STEPS

AGENCIES IN GOVERNMENT REVIEW 1994

Presented to Parliament by the Chancellor of the Duchy of Lancaster
by Command of Her Majesty, December 1994

Cm 2750

PHOTOGRAPH CREDITS

HM Customs and Excise

Ordnance Survey

Occupational Health Service

Highways Agency

Historic Royal Palaces Agency

Vehicle Inspectorate

FRONT COVER

Natural Resources
Institute

Royal Parks Agency

Meteorological
Office

Historic Scotland

Employment
Service

Chessington Computer Centre

Scottish Fisheries
Protection Agency

Medical Devices Agency

RAF Training
Group

Army Base Repair
Organisation

Scottish Agricultural
Science Agency

COASTGUARD

BACK COVER

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FOREWORD



As Chancellor of the Duchy of Lancaster, with responsibility for public service matters, I have two clear priorities for the Civil Service. These are to continue to raise the standards of public service; and, at the same time, to continue to improve the efficiency with which these services are provided to minimise the burden on the taxpayer.

These two priorities were strongly endorsed by the White Paper, 'The Civil Service: Continuity and Change' which the Government published earlier this year. That White Paper emphasised the need for continued improvements in performance in order to deliver high quality public services at a cost which the country can afford.

So I am delighted to be introducing this review of progress in the Next Steps Programme. Executive agencies established under the programme have played a decisive part in ensuring that the executive functions of the Civil Service are progressively carried out in a more businesslike and effective way, with greater openness and closer to the citizen. This Review contributes to that openness, by bringing together information about each agency and its performance over the past year.

And that performance has been impressive. As the individual entries in the Review show, agencies are producing consistent improvements in performance for the benefit of customers and taxpayers. They are delivering the improved service which inspired the Citizen's Charter. That is demonstrated by the fact that 30 Charter Marks have been awarded to agencies in the first 3 years of the competition.

The White Paper emphasised that the search for further improvements in quality of service and efficiency must go on. Agencies will be essential in that, and the Overview of the Next Steps Programme which introduces this Review outlines ways in which we are seeking to make the agency model even more effective. And we will be ensuring that some of the most successful features of Next Steps, such as the clear definition of objectives, delegation of management responsibility, and a clear focus on outputs and outcomes, are applied more widely across the Civil Service.

Over 100 agencies have now been launched, covering 62% of the Civil Service. That in itself has been a considerable achievement by the staff who have taken forward necessary, and sometimes difficult, change. Far more important, however, are the real improvements in service delivery and value for money which are being achieved by executive agencies. I commend their progress and wish them well with the further challenges ahead.

A handwritten signature in black ink, appearing to read 'David Hunt'. The signature is stylized and fluid, with a large initial 'D' and 'H'.

The Rt. Hon. David Hunt, MP
Chancellor of the Duchy of Lancaster,
Minister of Public Service and Science

NEXT STEPS REVIEW 1994 : OVERVIEW

The Next Steps Programme passed a milestone on 27 September with the 100th agency launch. Sixty two per cent of the Civil Service now work in agencies and the executive structures of the two Revenue Departments, with another 17 per cent in functions identified as definite or possible agency candidates.

2. This Review reports progress in the 102 agencies currently operating and the Executive Units of HM Customs and Excise and the Executive Offices of the Inland Revenue, which work on Next Steps lines. It summarises for each agency its tasks, performance against targets in 1993-94, key targets for the present financial year, and the ways in which it is seeking to improve services for the benefit of customers and taxpayers.

FOCUSING ON THE TASK

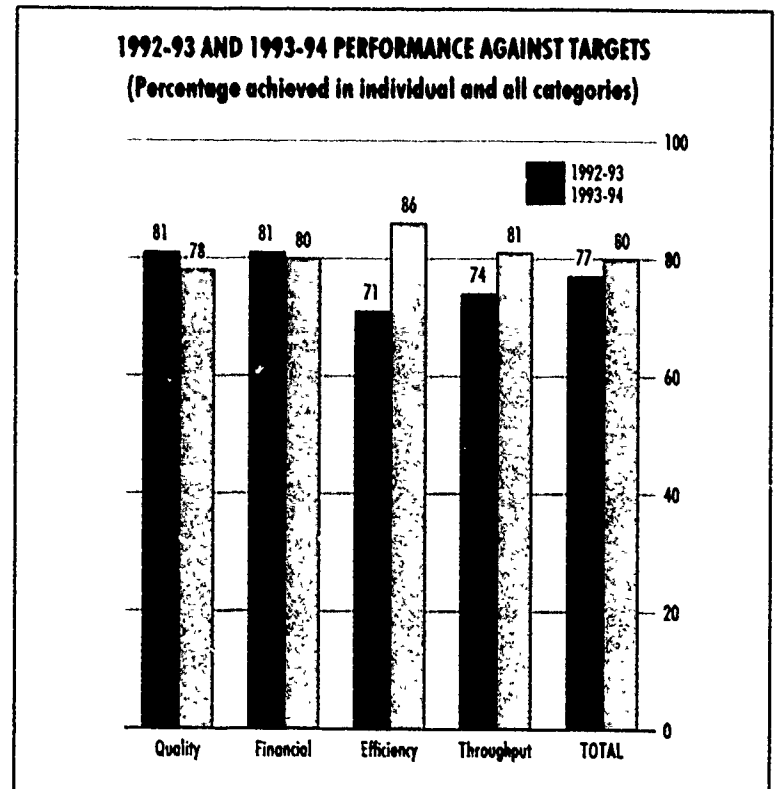
3. The Next Steps programme was launched in March 1988 in response to the recommendations of the Ibbs report 'Improving Management in Government : The Next Steps' (HMSO 1988) which concluded:

'The work of each department must be organised in a way which focuses on the job to be done; the systems and structures must enhance the effective delivery of policies and services.'

Under the Next Steps programme, each of the executive functions of central government is examined to consider how it should be provided in future and, if it is to remain within government, the best framework for its management.

4. Despite the range and diversity of their functions, the organisations covered in this Review share common features. Each agency has a clearly defined task, or range of tasks, which are set out in its published framework document. Key performance targets - covering financial performance, efficiency and service to the customer - are set by Ministers annually and announced to Parliament. Each agency has a Chief Executive, normally directly accountable to Ministers and with personal responsibility for the success of the agency in meeting its targets. The majority of Chief Executives have been appointed through open competition and more than half of those appointed in this way have come from outside the Civil Service. Staff in 'Next Steps agencies' remain civil servants, accountable to Ministers and governed by the same strict rules of conduct as those working in departmental headquarters.

5. The individual entries show the ways in which the Next Steps programme has benefitted customers and taxpayers. Summary results of the performance of agencies in meeting their targets are shown in the bar chart. In total, agencies have met 80% of their targets in 1993-94. This shows a continuing trend of improvement over last year's figure of 77% and the previous year's figure of 76%. Most targets have also become more demanding year on year, reflecting the need to ensure that limited public resources are used with maximum efficiency. Annex A shows the results for each agency.



SERVICE TO THE CUSTOMER

6. The need to enhance the 'effective delivery of services' which the Ibbs Report highlighted as a key aim has been reinforced by the Government's Citizen's Charter programme. Delivering a high quality and responsive service is now at the forefront in the process of agency creation: when a new agency is launched, its framework document and business and corporate plans reflect customer service from the outset. Those agencies which deal directly with the public are normally expected to have in place a Charter or Charter Standard Statement on launch, setting out the service which the citizen can expect, together with arrangements for consultation and redress. All agencies are expected to consult the users of their services about their priorities for improving them, within what can be afforded.

7. Many agencies have shown significant improvements in customer service year on year. For example the Driving Standards Agency has reduced the waiting time for car driving tests from 13 weeks in 1988 to less than 6 weeks and the UK Passport Agency has reduced the average time for processing straightforward passport applications from 3.5 weeks in 1989 to less than 8 working days.

8. A number of agencies have been successful in the first three years of the Charter Mark competition, reflecting the commitment of agency Chief Executives and their staff to high standards of customer service (see table). The individual entries give details of the many ways in which agencies are seeking to improve customer service.

Charter Mark winners

Companies House
Driver and Vehicle Licensing Agency
Driving Standards Agency
Employment Service
 Brighton District
 Caerphilly and Heads of Valley District
 SE London District
HM Customs and Excise
 Edinburgh VAT Office
HM Land Registry
HM Prison Service
 Bedford Library
Inland Revenue
 Oxford Tax Enquiry Centre
 Stamp Office
Ordnance Survey
Patent Office
Queen Elizabeth II Conference Centre
Royal Parks Agency
Scottish Prison Service
 Dungavel Prison
Social Security Agency (Northern Ireland)
 Northside Community Benefit Office
Social Security Benefits Agency
 Benefits Agency Enquiry Line
 Birmingham North West District
 Child Benefit Centre, Washington
 East Lowlands District
 Glasgow East District
 Glasgow Southwest District
 Harrow and Hillingdon District
 Lothian West District
 Manchester Central District
 Newcastle District
 South Devon District
 South Gwent and Islwyn District
 South Tees District
 Springburn and Cumbernauld District
Social Security War Pensions Agency
UK Passport Agency

CONTINUOUS IMPROVEMENT

9. In recommending the establishment of agencies, the Ibbs report recognised that the overriding need was that 'there must be a real and sustained pressure on and within each department for continuous improvement in the value for money obtained in the delivery of policies and services'. Faced with ever-increasing demands for higher quality public services within finite financial

resources, continuing improvement in performance is essential as the recent White Paper 'The Civil Service: Continuity and Change' (Cm 2627) made clear.

10. Agencies have played a key part in improving value for money and one way of ensuring that they continue to make improvements is for departmental Ministers to set performance targets which are demanding, as well as being truly representative of the agency's work. OPSS and Treasury will also continue to work with departments and agencies to ensure that the framework within which agencies operate is one which will enable them to function with maximum effectiveness and efficiency.

THE RIGHT FRAMEWORK

11. The financial framework within which agencies operate is crucial to their success. Twelve agencies are operating as trading funds. This allows them to exercise considerable flexibility in the management of their own resources.

Trading Funds

Central Office of Information
Chessington Computer Centre
Companies House
Defence Research Agency
Fire Service College
HMSO
HM Land Registry
Medicines Control Agency
Patent Office
Royal Mint
The Buying Agency
Vehicle Inspectorate

12. All agencies, whether trading funds or not, are required to publish commercial-style accounts on an accruals basis, at the latest within two years of launch. Accruals-based accounting has helped agencies to use resources better and to undertake more effective business planning and the Government has now decided that this approach should be extended to all departments by April 1998.

13. Agencies have also led the way in developing pay and grading arrangements tailored to their specific needs which enable them to improve value for money from their paybill. By 1 April 1994, 21 agencies, and the two revenue departments, altogether employing about 60% of the Home Civil Service, had taken delegated responsibility for their own pay and pay-related conditions of service. The Government has proposed to extend this policy so that by April 1996 responsibility for pay and grading of staff below senior levels will be delegated to all departments and agencies.

THE TROSA REPORT

14. On 1 March, OPSS published the report on relationships between agencies and departments - *The Next Steps: Moving On* - by Sylvie Trosa, a French civil servant on secondment to OPSS. The recommendations being carried forward include strengthening the arrangements for strategic monitoring of agencies by departments, including the arrangements for ensuring that Ministers can have independent advice on the level of performance they should expect from their agencies. During the coming year OPSS and Treasury will undertake further work on target setting for agencies in the light of the Trosa report recommendations and taking account of examples of best practice in the development of unit costs and productivity measures.

A FLEXIBLE APPROACH

15. It has always been a feature of the Next Steps programme that an agency should be set up only after a thorough review has concluded that the activity concerned is necessary and appropriate to Government and that creating an agency is, at present, the most cost-effective way of carrying it out. Before an agency is launched, and at intervals thereafter, a number of questions - known as 'prior options' - will be asked.

16. In a changing environment it is possible that the work of an organisation - or at least some aspects of its work - may outlive their usefulness. The first question is therefore whether an activity needs to continue at all. If the activity must be carried out, the question then arises whether the Government has to be responsible for it or whether it can be privatised and left to the market. Where the Government needs to remain responsible for an activity, does the Government have to carry out the task itself, or can it buy it in from one or more outside providers? The Government may decide as a matter of policy strategically to contract out the provision of a service or the service may be market tested with civil servants competing with outside suppliers to determine which method of provision provides best long-term value for money. The scope for contracting out/market testing is addressed in each agency review. Finally, where the job must be carried out within Government, is the organisation properly structured and focused on the job to be done?

17. Some agencies have been launched with the expectation that they will be transferred to the private sector in due course. An example is DVOIT which was sold by trade sale to EDS. Decisions have been announced to transfer to the private sector the Transport Research Laboratory, the National Engineering Laboratory and the Laboratory of the Government Chemist.

18. Initial reviews of agency candidates and periodic reviews of established agencies also address the scope for rationalisation between agencies and between agencies and other organisations.

Following such a review, Warren Spring Laboratory was merged with AEA Technology to create a new National Environmental Technology Centre.

19. Prior options reviews are rigorous and consider the whole range of available options. To enable all those with an interest in the agency and its work to contribute to the discussion of its future organisation and status, agency reviews are now announced to Parliament and listed in the Market Testing Bulletin. Annex B shows the position reached in the reviews of individual agencies.

20. While the prior options process must be rigorous, it is also important that, when the process has been completed and agency status decided on or confirmed, the agency should have a reasonable period of stability in which to concentrate on improving performance. 'The Civil Service: Continuity and Change' therefore announced that in future there will normally be a five-year period between reviews after an agency is created.

PARTNERSHIP WITH THE PRIVATE SECTOR

21. In addition to the outsourcing of tasks, agencies are collaborating with organisations in the private sector in a variety of ways. For example, the Building Research Establishment, in partnership with industry interests, has launched the Construction Quality Forum, the Heritage Support Service and two new versions of BREEAM (the BRE Environmental Assessment Method). The QEII Conference Centre, in partnership with four other major conference venues in the capital (two in the private sector), has formed 'Congress London', which aims to raise the profile of London as a major international convention destination. The Central Veterinary Laboratory has signed licensing agreements with a number of commercial companies to incorporate CVL know-how into their products and services and has found commercial partners for the research and development of new vaccines and diagnostic kits.

LOOKING AHEAD

22. A priority over the next two years will be the completion of the programme of agency creation. Since last year's Review, the Ministry of Defence has completed its Defence Costs Study, which confirmed that the establishment of agencies to deliver many defence support services will be an essential part of the 'Front Line First' programme. Including these MoD functions, there are some 64 agency candidates, listed at Annex D which are expected to be launched as agencies. It is the Government's intention that most candidates should be up and running as agencies by mid-1995. Because of its scale, the MoD programme will not be completed by then. In Northern Ireland, the Next Steps programme started later, and the aim is to complete the programme during 1996. The chart at Annex E shows a breakdown of Civil Service functions between agencies, agency candidates and others.

23. Over the last six years the Next Steps initiative has fundamentally altered the way in which the Civil Service is managed. The work to complete the agency creation programme will be pushed ahead as a key part of the programme of reform outlined in 'The Civil Service: Continuity and Change'. The White Paper also stated that there are substantial benefits to be gained by extending throughout the Civil Service many of the principles of Next Steps, including maximum clarity about objectives and targets, delegation of management responsibility and a clear focus on outputs and outcomes. The Government does not, however, envisage extending the formal establishment of agencies into areas of the Civil Service primarily concerned with policy. In carrying out reviews of their senior organisation and staffing departments will be looking for structures which reflect these principles. This approach will build on the success of agencies. It will lead to a more flexible and cost-effective Civil Service, well-equipped to meet the challenges of the future in providing support for Ministers on policy matters and in the management of public services which meet the needs of their users.

For further information about the Next Steps programme please contact the Next Steps Team, Cabinet Office, (OPSS), Horse Guards Road, London, SW1P 3AL.
Telephone 071-270-6286.

ANNEX A : PERFORMANCE AGAINST KEY TARGETS IN 1993-94

Key targets are set annually by Ministers. They are tailored specifically in each case and the categorisation of key targets given below is therefore approximate. It is for Ministers to decide which types of target they wish to set.

More detailed information can be found in the individual entries in this Review.

KEY

C = target covers more than one year¹

- = no target set in this category

* = not yet audited¹

AGENCY	QUALITY TARGETS		FINANCIAL TARGETS		EFFICIENCY TARGETS		THROUGHPUT TARGETS	
	Set	Achieved	Set	Achieved	Set	Achieved	Set	Achieved
Accounts Services Agency	4	3	2	2	1	1	-	-
ADAS	1	1	1	1	2	2	1	1
Army Base Repair Organisation	1	1	1	1	3	3	1	0
Building Research Establishment	-	-	3	2	1	1	-	-
Cadw: Welsh Historic Monuments	-	-	3	2	1	1	4	3
Central Office of Information	2	2	1	1	1	1	-	-
Central Science Laboratory	2	2	1	1	2	1	1	1
Central Statistical Office	30	24	2	2	1	1	-	-
Central Veterinary Laboratory	2	1	1	1	2	2	-	-
Chemical and Biological								
Defence Establishment	3	2	-	-	3	3	2	1
Chessington Computer Centre	2	2	1	1	1	1	-	-
Civil Service College	1	1	2	2	1	C	3	3
Companies House	-	-	2	2	1	1	2	0
Compensation Agency	3	3	1	1	2	2	9	9
Defence Accounts Agency	1	1	1	1	2	2	1	0
Defence Analytical Services Agency	4	4	-	-	2	2	-	-
Defence Animal Centre	2	1	2	2	2	2	1	1
Defence Operational Analysis Centre	1	1	3	2	1	1	2	2
Defence Postal and Courier Services	2	2	1	1	2	2	-	-
Defence Research Agency	2	1+1C	2	1	5	5	1	1
Driver and Vehicle Licensing Agency	9	8	-	-	1	1	1	1
Driver and Vehicle Licensing (NI)	11	9	1	1	1	1	-	-
Driver and Vehicle Testing Agency	6	4	1	1	2	2	2	2
Driving Standards Agency	5	3	1	1	4	2	-	-
Duke of York's Royal Military School	6	3+1C	3	3	3	3	-	-
Employment Service	2	1	-	-	1	1	9	8
Fire Service College	4	4	3	0	-	-	2	2
Forensic Science Service	1	1	1	0	1	0	1	0
Government Property Lawyers	2	2	1	1	1	C	2	2
Historic Royal Palaces Agency	3	3	2	1	1	1	1	1
Historic Scotland	-	-	1	1	1	1	5	5
HM Customs and Excise	7	5	2	2	5	3	1	1
HM Land Registry	4	4	3	2+1C	1	C	1	1

AGENCY	QUALITY TARGETS		FINANCIAL TARGETS		EFFICIENCY TARGETS		THROUGHPUT TARGETS	
	Set	Achieved	Set	Achieved	Set	Achieved	Set	Achieved
HM Prison Service	7	5+1C	1	1	-	-	-	-
HMSO	2	1	1	1	6	4	-	-
Hydrographic Office	1	1	1	0	-	-	2	2
Inland Revenue	-	-	-	-	2	2	8	8
Insolvency Service	6	2	1	0	2	1	1	1
Intervention Board	2	2	3	3	2	2	-	-
Laboratory of the Government Chemist	2	2	1	1	2	2	-	-
Maintenance Group Defence Agency	3	3	2	2	2	2	-	-
Medicines Control Agency	6	4	2	2	2	2	11	7
Meteorological Office	6	6	3	3	1	1	-	-
Military Survey	-	-	1	1	1	1	8	5
National Physical Laboratory	2	1+1C	3	1+1C	2	1+1C	1	1
National Weights and Measures Laboratory	3	2	1	1	1	1	6	4
Natural Resources Institute	-	-	2	1	1	0	-	-
Naval Aircraft Repair Organisation	1	1	1	1	1	0	3	1
NEL	4	2+1C	1	1	1	1	1	1
NHS Estates	3	2C	4	4	3	2+1C	1	0
NHS Pensions Agency	9	6	-	-	1	1	-	-
Northern Ireland Child Support Agency	-	-	2	1	1	0	1	0
Occupational Health Service	4	2	1	1	2	2	-	-
Ordnance Survey	3	3	1	1	-	-	2	2
Ordnance Survey of Northern Ireland	2	2	1	1	1	1	2	2
Patent Office	-	-	-	-	5	4+1C	-	-
PAYMASTER	1	1	1	1	2	2	4	3
Pesticides Safety Directorate	2	2	1	1	1	1	1	0
Planning Inspectorate	3	2	2	2	1	1	2	2
Public Record Office	3	2	5	2	1	1	2	2
Queen Elizabeth II Conference Centre	-	-	2	1	-	-	2	1
Queen Victoria School	4	3	2	2	5	5	-	-
Radiocommunications Agency	-	-	-	-	1	1	9	8
Rate Collection Agency (NI)	2	2	-	-	2	1	2	2
Recruitment and Assessment Services Agency	2	1	1	1	1	0	1	1

AGENCY	QUALITY TARGETS		FINANCIAL TARGETS		EFFICIENCY TARGETS		THROUGHPUT TARGETS	
	Set	Achieved	Set	Achieved	Set	Achieved	Set	Achieved
Registers of Scotland	-	-	1	0	1	1	2	2
Royal Mint	-	-	1	1	-	-	-	-
Royal Parks Agency	4	4	2	1	3	3	-	-
Scottish Agricultural Science Agency	3	2	2	2	1	1	-	-
Scottish Fisheries Protection Agency	1	1	1	1	6	4	1	1
Scottish Office Pensions Agency	6	6	1	1	1	1	-	-
Scottish Prison Service	3	3	1	1	6	5	-	-
Scottish Record Office	2	1	1	0	1	0	-	-
Security Facilities Executive	1	1	3	2	1	1	1	1
Service Children's								
Schools (North West Europe)	3	3	-	-	1	1	4	4
Social Security Agency (NI)	21	12	3	2	5	5	1	1
Social Security Benefits Agency	6	3	5	4	1	1	14	11
Social Security Child Support Agency	1	0	2	1	-	-	1	0
Social Security Contributions Agency	1	1	3	3	1	1	7	6
Social Security Information								
Technology Services Agency	2	2	2	2	1	1	8	8
Social Security Resettlement Agency	2	2	1	1	0	0	4	4
Teachers' Pensions Agency	?	2	1	1	1	1	2	2
The Buying Agency	2	1	2	1	1	0	-	-
Training & Employment Agency (NI)	6	2+4C	-	-	1	1	2	1
Transport Research Laboratory	1	1	1	1	3	3	-	-
UK Passport Agency	2	2	1	1	-	-	-	-
Valuation and Lands Agency	3	2	1	1	2	2	3	2
Valuation Office	3	2	1	1	1	1	4	2
Vehicle Certification Agency	1	1	1	1	1	1	4	4
Vehicle Inspectorate	4	3	1	1	1	1	2	1
Veterinary Medicines Directorate	-	-	3	2	1	1	2	1
Wilton Park	-	-	2	1	1	0	1	1
TOTAL²	275	214	137	109	147	127	186	150

¹ Key targets which have not been audited or which are continuing have been excluded from the Set/Achieved totals.

² For reporting purposes, where a key target contains two or more distinct elements, it has been shown here as two or more targets.

ANNEX B : PROGRESS IN COMPLETING REVIEWS

Each Department is responsible, on behalf of its Minister(s), for conducting a review of the performance and operation of its Agencies. Following publication of the Civil Service White Paper 'The Civil Service: Continuity and Change', this will normally be at five yearly intervals (this also applies to HM Customs and Excise Executive Units and Inland Revenue Executive Offices). Each review covers three elements:

- an evaluation of the arrangements under which the Agency operates as set out in the Framework Document and of the Agency's performance;
- a reconsideration of the prior options that were first examined when the Agency was launched, ie the options of abolition, privatisation, and contracting out the whole of the Agency's function; and, assuming that Ministers agree that Agency status remains appropriate
- a revision of the Framework Document to reflect the Agency's agreed objectives and managerial arrangements and any increased flexibilities.

The table below shows progress in completing reviews. All three elements must be completed before a review can be regarded as finalised.

AGENCY (LAUNCH DATE)	COMPLETED BY 1/11/1994	UNDERWAY AT 1/11/1994	DUE TO COMMENCE BY 1/11/1995	AGENCY LAUNCHED IN 1994/ REVIEW NOT APPROPRIATE
Accounts Services Agency ¹ (1.10.91)	✓			
ADAS ² (1.4.92)		✓		
Army Base Repair Organisation (1.4.93)			✓	
Building Research Establishment (2.4.90)		✓		
Cadw: Welsh Historic Monuments (2.4.91)		✓		
Central Office of Information (5.4.90)		✓		
Central Science Laboratory (23.4.94)				✓
Central Statistical Office (19.11.91)		✓		
Central Veterinary Laboratory (2.4.90)		✓		
Chemical and Biological Defence Establishment (1.4.91)				✓
Chessington Computer Centre ³ (1.4.93)				✓
Civil Service College (6.6.89)		✓		
COASTGUARD (1.4.94)				✓
Companies House (3.10.88)		✓		
Compensation Agency (1.4.92)		✓		
Defence Accounts Agency (1.4.91)		✓		
Defence Analytical Services Agency (1.7.92)		✓		
Defence Animal Centre (1.6.93)				✓
Defence Clothing & Textiles Agency (22.11.94)				✓
Defence Operational Analysis Centre (1.7.92)				✓
Defence Postal and Courier Services (1.7.92)		✓		
Defence Research Agency (2.4.91)				✓
Disposal Sales Agency (1.10.94)				✓
Driver and Vehicle Licensing Agency (2.4.90)		✓		
Driver and Vehicle Licensing NI (2.8.93)				✓
Driver and Vehicle Testing Agency (1.4.92)				✓
Driving Standards Agency (2.4.90)		✓		
Duke of York's Royal Military School (1.4.92)			✓	
Employment Service (2.4.90)		✓		

AGENCY (LAUNCH DATE)	COMPLETED BY 1/11/1994	UNDERWAY AT 1/11/1994	DUE TO COMMENCE BY 1/11/1995	AGENCY LAUNCHED IN 1994/ REVIEW NOT APPROPRIATE
Fire Service College (1.4.92)		✓		
Forensic Science Service (1.4.91)		✓		
Government Property Lawyers (1.4.93)				✓
Highways Agency (1.4.94)				✓
Historic Royal Palaces Agency (1.10.89)		✓		
Historic Scotland (2.4.91)	✓			
HM Customs & Excise ⁴ (1.4.91)		✓	✓	✓
HM Land Registry (2.7.90)		✓		
HM Prison Service (1.4.93)				✓
HMSO (14.12.88)		✓		
Hydrographic Office (6.4.90)		✓		
Inland Revenue (1.4.92)		✓		
Insolvency Service (21.3.90)		✓		
Intervention Board (2.4.90)		✓		
Laboratory of the Government Chemist ⁵ (30.10.89)	✓			
Logistic Information Systems Agency (21.11.94)				✓
Maintenance Group Defence Agency (2.4.91)		✓		
Marine Safety Agency (1.4.94)				✓
Medical Devices Agency (27.9.94)				✓
Medicines Control Agency (11.7.91)		✓		
Meteorological Office (2.4.90)		✓		
Military Survey (2.4.91)		✓		
National Physical Laboratory ⁵ (3.7.90)	✓			
National Weights and Measures Laboratory ⁶ (18.4.89)		✓		
Natural Resources Institute (2.4.90)		✓		
Naval Aircraft Repair Organisation (1.4.92)		✓		
NEL ⁵ (5.10.90)	✓			
NHS Estates (1.4.91)		✓		
NHS Pensions Agency (20.11.92)		✓		
Northern Ireland Child Support Agency (5.4.93)				✓
Occupational Health Service (2.4.90)		✓		
Ordnance Survey (1.5.90)		✓		
Ordnance Survey of Northern Ireland (1.4.92)				✓
Patent Office (1.3.90)		✓		
PAYMASTER (1.4.93)			✓	
Pesticides Safety Directorate (1.4.93)				✓
Planning Inspectorate (1.4.92)		✓		
Public Record Office (1.4.92)				✓
Public Trust Office (1.7.94)				✓
Queen Elizabeth II Conference Centre (6.7.89)		✓		
Queen Victoria School (1.4.92)		✓		
Radiocommunications Agency (2.4.90)		✓		

AGENCY (LAUNCH DATE)	COMPLETED BY 1/11/1994	UNDERWAY AT 1/11/1994	DUE TO COMMENCE BY 1/11/1995	AGENCY LAUNCHED IN 1994/ REVIEW NOT APPROPRIATE
RAF Signals Engineering Establishment (22.11.94)				✓
RAF Training Group Defence Agency (1.4.94)				✓
Rate Collection Agency (NI) (1.4.91)		✓		
Recruitment and Assessment Services Agency (2.4.91)		✓		
Registers of Scotland (6.4.90)	✓			
Royal Mint (2.4.90)		✓		
Royal Parks Agency (1.4.93)				✓
Scottish Agricultural Science Agency (1.4.92)				✓
Scottish Fisheries Protection Agency (12.4.91)		✓		
Scottish Office Pensions Agency (1.4.93)				✓
Scottish Prison Service (1.4.93)				✓
Scottish Record Office (1.4.93)				✓
Security Facilities Executive (15.10.93)				✓
Service Children's Schools (North West Europe) (24.4.91)				✓
Social Security Agency (NI) (1.7.91)		✓		
Social Security Benefits Agency (2.4.91)		✓		
Social Security Child Support Agency (5.4.93)				✓
Social Security Contributions Agency (2.4.91)	✓			
Social Security Information Technology Services Agency (2.4.90)		✓		
Social Security Resettlement Agency (24.5.89)	✓			
Social Security War Pensions Agency (13.4.94)				✓
Student Awards Agency for Scotland (5.4.94)				✓
Teachers' Pensions Agency (1.4.92)			✓	
The Buying Agency (31.10.91)		✓		
Training and Employment Agency (NI) (2.4.90)		✓		
Transport Research Laboratory ⁷ (2.4.92)	✓			
UK Passport Agency (2.4.91)		✓		
Valuation and Lands Agency (1.4.93)				✓
Valuation Office (30.9.91)		✓		
Vehicle Certification Agency (2.4.90)	✓			
Vehicle Inspectorate (1.8.88)		✓		
Veterinary Medicines Directorate (2.4.90)		✓		
Wilton Park (1.9.91)		✓		

- 1 The Minister for Energy announced on 11 February 1994 that the Accounts Services Agency should be moved into the private sector by competitive tendering of the services contract.
- 2 On 24 October 1994 the Minister of Agriculture, Fisheries and Food announced the Government's intention to privatise ADAS. The expectation is that the privatised body will include the whole of the commercial consultancy and research and development arms and some other work.
- 3 Chessington's future commercial status is under consideration and a decision is expected in Spring 1995.
- 4 Most Executive Units are currently being reviewed. More will be reviewed next year. The Management and Consultancy Service Unit was launched in July 1993.
- 5 The President of the Board of Trade announced on 14 April 1994 that the Laboratory of the Government Chemist should be established as an independent non-profit distributing company in the private sector; a trade purchaser would be sought for NEL in the Summer of 1995; and proposals would be invited for a management contractor of the National Physical Laboratory during 1995.
- 6 On 21 July 1994 the President of the Board of Trade announced that the National Weights and Measures Laboratory would remain a Next Steps Agency.
- 7 The Secretary of State for Transport announced on 30 March 1994 that the Transport Research Laboratory is to be privatised during 1995-96.

ANNEX C : ESTABLISHED AGENCIES

	Staff ¹		Staff ¹
Accounts Services Agency	90	Logistic Information Systems Agency ²	400
ADAS	2,165	Maintenance Group Defence Agency ²	9,245
Army Base Repair Organisation ²	3,705	Marine Safety Agency	380
Building Research Establishment	690	Medical Devices Agency	170
Cadw: Welsh Historic Monuments	230	Medicines Control Agency ³	390
Central Office of Information ³	510	Meteorological Office	2,400
Central Science Laboratory	700	Military Survey	1,135
Central Statistical Office	1,260	National Physical Laboratory	700
Central Veterinary Laboratory	635	National Weights and Measures Laboratory	45
Chemical and Biological Defence Establishment ²	625	Natural Resources Institute	410
Chessington Computer Centre ³	405	Naval Aircraft Repair Organisation ²	1,550
Civil Service College	250	NEL	285
COASTGUARD	545	NHS Estates	100
Companies House ³	970	NHS Pensions Agency	530
Compensation Agency ⁴	155	Northern Ireland Child Support Agency ^{4,5}	685
Defence Accounts Agency	1,990	Occupational Health Service	115
Defence Analytical Services Agency	120	Ordnance Survey	2,110
Defence Animal Centre ²	220	Ordnance Survey of Northern Ireland ⁴	200
Defence Clothing and Textiles Agency ²	445	Patent Office ³	950
Defence Operational Analysis Centre ²	190	PAYMASTER	770
Defence Postal and Courier Services ²	505	Pesticides Safety Directorate	170
Defence Research Agency ^{2,3}	9,270	Planning Inspectorate	600
Disposal Sales Agency	90	Public Record Office	450
Driver and Vehicle Licensing Agency	4,100	Public Trust Office	585
Driver and Vehicle Licensing Northern Ireland ⁴	225	Queen Elizabeth II Conference Centre	65
Driver and Vehicle Testing Agency ⁴	240	Queen Victoria School	65
Driving Standards Agency	1,820	Radiocommunications Agency	530
Duke of York's Royal Military School ²	95	RAF Signals Engineering Establishment ²	1,560
Employment Service	43,610	RAF Training Group Defence Agency ²	8,920
Fire Service College ³	260	Rate Collection Agency ⁴	265
Forensic Science Service	650	Recruitment and Assessment Services Agency	140
Government Property Lawyers	125	Registers of Scotland	1,190
Highways Agency	2,300	Royal Mint ³	955
Historic Royal Palaces Agency	460	Royal Parks Agency	250
Historic Scotland	635	Scottish Agricultural Science Agency	140
HM Land Registry ³	8,645	Scottish Fisheries Protection Agency	250
HM Prison Service	38,005	Scottish Office Pensions Agency	175
HMSO ³	2,990	Scottish Prison Service	4,500
Hydrographic Office ²	835	Scottish Record Office	115
Insolvency Service	1,600	Security Facilities Executive	1,050
Intervention Board	915	Service Children's Schools (North West Europe) ⁶	870
Laboratory of the Government Chemist	300	Social Security Agency (Northern Ireland) ⁴	5,090

	Staff ¹
Social Security Benefits Agency	65,380
Social Security Child Support Agency ⁷	5,000
Social Security Contributions Agency	9,880
Social Security Information Technology Services Agency	4,600
Social Security Resettlement Agency	200
Social Security War Pensions Agency	1,780
Student Awards Agency for Scotland	140
Teachers' Pensions Agency	330
The Buying Agency ³	95
Training & Employment Agency (Northern Ireland) ⁴	1,325
Transport Research Laboratory	520
United Kingdom Passport Agency	1,350
Valuation and Lands Agency ⁴	320
Valuation Office	4,905
Vehicle Certification Agency	75
Vehicle Inspectorate ³	1,580
Veterinary Medicines Directorate	90
Wilton Park	30
102 in number	
TOTAL AGENCY STAFF	281,680
TOTAL CIVIL SERVANTS	268,215
HM Customs and Excise ⁸ (31) Executive Units)	25,170
Inland Revenue ⁸ (29 Executive Offices)	59,785
TOTAL CIVIL SERVANTS WORKING ON NEXT STEPS LINES	353,170

1 April 1994 figures for Civil Servants. Casuals are excluded.

2 Figures include military personnel.

3 Trading Fund.

4 Northern Ireland Civil Service.

5 When fully operative, it is estimated that staff in post will number 850.

6 Excludes 1,284 locally engaged staff in Service Children's Schools (North West Europe).

7 DSS estimate the Agency will ultimately have around 5,000 staff.

8 Departments operating fully on 'Next Steps' lines. Staffing figure for Inland Revenue excludes the Valuation Office which is a free standing agency.

ANNEX D : AGENCY CANDIDATES

	Department	Staff ¹
CONFIRMED AGENCY CANDIDATES		
Army Base Storage and Distribution Agency ²	Defence	6,525
Court Service	Lord Chancellor's	10,750
Defence Transport Movements Executive ²	Defence	240
Forensic Science Laboratory	NIO	140
Forest Enterprise ³	Forestry Commission	3,395
MoD Police ²	Defence	4,580
National Meat Hygiene Service	Agriculture	1,300 ⁴
Public Records Office	NICS	90
RN Training and Recruitment ²	Defence	5,415
Prison Service	NIO	3,710
Scottish Court Service	Scottish Courts Administration	1,020
Water Executive	NICS	2,430
AGENCY CANDIDATES UNDER CONSIDERATION		
Army Engineer Services ²	Defence	760
Army Pay and Personnel Management ²	Defence	2,165
Army Procurement and Provisioning ¹	Defence	660
Army Recruiting ²	Defence	1,025
Army Technical Support Authority ²	Defence	1,180
Army Training ²	Defence	18,255
Business Development Services	NICS	170
Civil Service Superannuation and HPSS Superannuation	NICS	70
Crown Prosecution Service ⁵		6,585
Defence Central Services	Defence	1,220
Defence Codification Authority	Defence	105
Defence Communication Service ²	Defence	875
Defence Estates Organisation ²	Defence	1,370
Defence Medical Services	Defence	5,240
Department for National Savings ⁵		5,695
Departmental Information Systems Units	NICS	400
Environment Services	NICS	415
Estate Services Directorate	NICS	135
Fisheries Research Services	Scottish Office	245
Fleet Maintenance and Repair Organisation ²	Defence	2,115
Fuel Procurement Branch	Environment	15
Health and Safety	NICS	60
Health Service Information Systems	NICS	145
Highways Directorate	Welsh Office	165
Industrial Research and Technology Unit	NICS	150
Insolvency Service	NICS	60
Land/Deeds Registration	NICS	210

	Department	Staff ¹
Marine Services (Naval)	Defence	1,800
Naval Support ² (includes the Naval Bases and Supplies & Transport)	Defence	14,735
Office of Population Censuses and Surveys ⁵		1,985
Other Defence Training ²	Defence	2,580
Personnel Vetting Agency ²	Defence	470
Planning Service	NICS	415
Pricing & Quality Service	Defence	1,180
Property Holdings	Environment	445
RAF Logistic Support Services ²	Defence	1,525
RAF Pay and Personnel Management ²	Defence	915
RAF Recruiting ²	Defence	740
RAF Support Management Group ²	Defence	1,970
RN Pay and Personnel Management ²	Defence	495
RN Platform & Equipment Support ²	Defence	2,685
Roads Directorate	Scottish Office	150
Roads Services	NICS	2,575
Science Service	NICS	720
Serious Fraud Office ⁵		140
Statistics, Census Office, GRO	NICS	110
Telecommunications	NICS	110
Trading Standards	NICS	55
Treasury Solicitor's Department ⁵		390
Watercourse Management	NICS	545
Works Service	NICS	785
Youth Treatment Service	Health	235
64 in number		
		TOTAL STAFF 126,840
		TOTAL CIVIL SERVANTS 93,575

1 April 1994 figures for Civil Servants. Casuals are excluded.

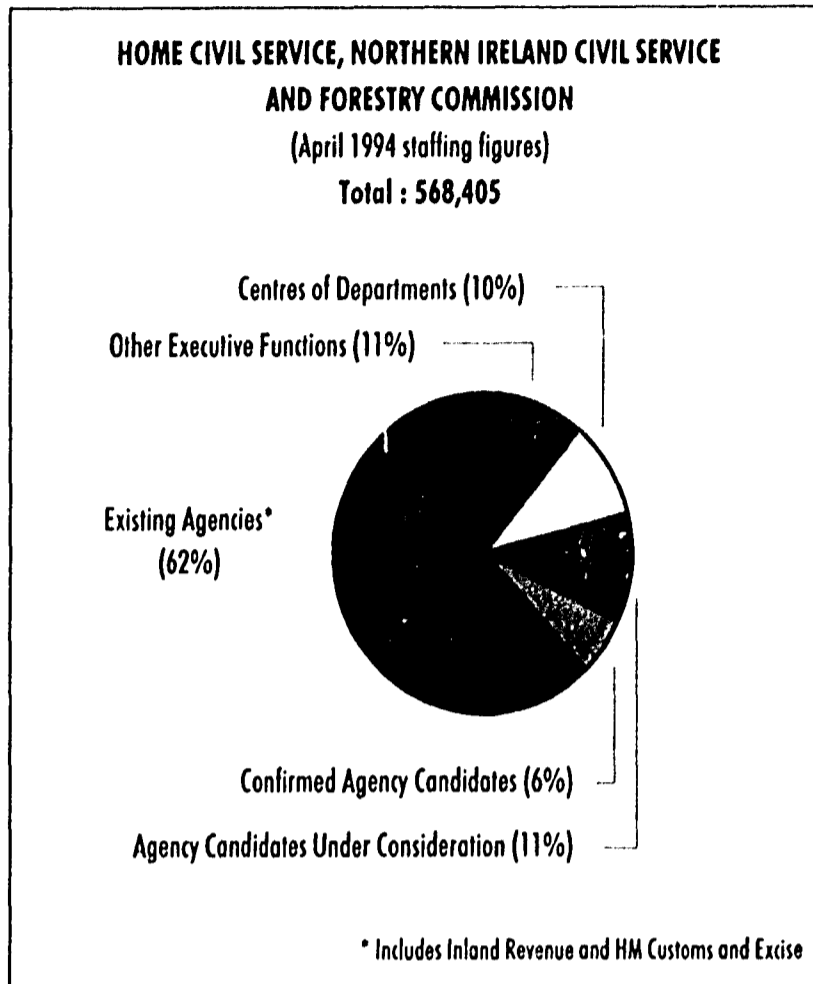
2 Figures include military personnel.

3 Forest Enterprise is staffed by Forestry Commission civil servants.

4 Estimated to require 1,300 staff, drawn from a variety of sources.

5 Independent Government Departments.

ANNEX E : BREAKDOWN OF CIVIL SERVICE FUNCTIONS





ACCOUNTS SERVICES AGENCY

PO Box 100, Caerleon House, Cleppa Park, Newport, Gwent, NP1 9YG

Tel: 0633 652332 Fax: 0633 652288

Chief Executive : Michael Hoddinott



ACCOUNTS SERVICES AGENCY (ASA), launched in October 1991, provides a full range of high quality financial and management accounting services to its parent Department - the Department of Trade and Industry (DTI) - and to other Government Departments and Agencies. The Agency employs 100 staff at its Newport base and its turnover in 1993-94 was £3.5m.

1993-94 was another successful year for the Agency in terms of meeting formal targets set by DTI Ministers, fulfilling service commitments to customers, obtaining new business and in product development. ASA met or exceeded all but one of its key targets.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Recover full economic costs: **achieved**. The Agency made a small surplus of £64,000 against its break even target.
- Net cash requirement in Vote terms of £90,000 or less: **achieved** - nil cash requirement.
- 4.8% efficiency improvement: **achieved** 11.0%.
- 97% of all payments made within 3 working days of receipt: **achieved**.
- Bank all cheques within 36 hours of receipt, 75% to be banked within 8 hours: **achieved**.
- Record all previous month's transactions on database within 5 working days: **achieved**.
- Produce and distribute all operating statements within 6 working days: **not achieved**. One day late in November when ASA failed to react quickly enough when a supplier did not provide a complete set of operating statements for ASA to distribute. Achieved in other months.

These achievements were made against a background in which DTI decided in September 1993 to bring forward the prior options review of the Agency and announced in February 1994 its conclusion that ASA should be moved into the private sector by competitive tendering of the service contract. The Department has received 3 bids and expects the new contract to be awarded by the end of the current financial year.

In traditional service areas, ASA handled over £8.7bn of payments and £3.3bn of receipts, controlled and managed 64 bank accounts on behalf of customers and 750 suspense accounts and helped customers to recover £22m of VAT receipts. Appropriation Accounts were prepared for 14 Votes and ASA managed customers' asset registers for some 33,000 assets with a value of some £40m. DTI's well established financial management information system (FINMIS) continued to be provided to over 2,000 cost centre managers with on-line access to over 1,000 terminals.

New business included providing and operating an integrated Vote and accruals accounting system for the Office of the National Lottery (OFLOT); installing a similar system for the Insolvency Service; introducing a computerised time recording system to DTI's Solicitors Office; and introducing and managing an on-line personnel system for the Department of National Heritage to supplement the financial and management accounting services already provided to them.

Although ASA does not provide services directly to the general public, it adopts **Citizen's Charter** principles in dealing with its internal customers. There are formal agreements setting out agreed levels of service with provision for regular reporting on performance and any complaints.

ASA's Annual Report and Accounts are available from the Agency. However, the Agency's Corporate and Business Plans are not published for reasons of commercial confidentiality.

KEY TARGETS 1994-95

- **recover full economic costs**
- **NIL net cash requirement in Vote terms**
- **4% efficiency improvement. At least 2% by 30 September 1994**
- **97% of all payments made within 3 working days of receipt**
- **bank all cheques within 36 hours of receipt, 75% of them to be banked within 8 hours of receipt**
- **record all previous month's transactions on database within 5 working days**
- **produce and distribute all operating statements within 6 working days**



ADAS

Oxford Spire Business Park, The Boulevard, Kidlington, Oxon OX5 1NZ

Tel: 0865 842742 Fax: 0865 845055

Chief Executive: Dr Julia Walsh



ADAS

FOOD, FARMING, LAND & LEISURE

ADAS, launched as an Agency of the Ministry of Agriculture, Fisheries and Food (MAFF) and Welsh Office in April 1992, is now one of the largest consultancy businesses in Britain with 2,300 staff and a turnover of around £90m. One third of its revenue was derived from the private sector in 1993-94. The Agency provides a range of consultancy, R&D and information services to clients which include government and local authorities, and the agricultural, land and food industries.

The future challenges for ADAS are encapsulated in this Mission Statement: "To be the leading consultancy to land-based industries in the UK, working with our customers through the provision of quality services for the benefit of their business".

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	Target	Achieved
• Cost recovery : charged advice	52%	53%
• Reduction in cost per direct hour	2%	5%
• Reduction in debtor days	3%	10%
• R&D project milestones achieved	90%	98%
• Improve customer satisfaction: achieved . Statement of commitment to customer response established.		

As a customer driven service organisation ADAS draws extensively on opportunities for cost effective outsourcing of non-core activities, for example to meet printing, publicity and IT systems servicing needs. Collaboration and sub-contracting are also employed where specialised skills are required for specific customer projects and are not available in-house, or where it is necessary to supplement internal resources at times of peak customer activity. The scope for further **market testing** is expected to be limited, but opportunities continue to be assessed in terms of commercial advantage. ADAS has successfully bid for several projects put out to competitive market testing by other organisations.

In line with **Citizen's Charter** principles, ADAS has established a statement of commitment to customer response that sets out the processes for responding to enquiries and complaints. Work is in progress on linking these processes to the ADAS Total Quality Management programme and to the regular programme of customer satisfaction surveys and internal appraisal of staff performance and development. ADAS faces competition in all sectors. To remain competitive, service standards are constantly evolving to meet the best expectations of customers in each sector.

ADAS is engaged in extensive contract research and development activities for clients from MAFF, other Departments, levy funded organisations and the corporate sector and also on its own account. Although primarily driven by customer requirements, wherever feasible priority is given to research and development

which addresses the longer term issues facing the UK Agriculture and Environment Industries. The knowledge learned from these activities is made available to staff engaged in consultancy work enabling them to transfer the technological benefits directly back to clients in those industries.

In October 1994, MAFF announced the Government's intention to privatise ADAS. The expectation is that the privatised body will include the whole of the commercial consultancy and commercial R&D arms and some other work.

ADAS operates to an annual Business Plan and 5 year Corporate Plan, both of which are commercially sensitive and hence are produced as internal documents only.

KEY TARGETS 1994-95

- **recover 63% of costs for advisory services through charges to commercial customers; the remaining costs will be met by MAFF; to restructure operation in order to achieve this target; to reduce cost base to make it competitive in all markets**
- **to achieve full cost recovery from all other work**
- **to reduce the total cost per hour in contract delivery in real terms by 4%**
- **to maintain average debtor days at or better than the best achieved in any previous year**
- **to meet 90% of R&D project milestones**
- **to continue to achieve customer satisfaction as measured by customer surveys**



The **ARMY BASE REPAIR ORGANISATION (ABRO)**, launched in April 1993, is an Agency of the Ministry of Defence responsible for the repair, refurbishment and modification of equipment in service with the Army. In 1993-94, the cost of ABRO's operation amounted to £260m and, on average, 3,500 staff were employed.

The service is delivered through a network of 9 strategically located workshops and 11 contract repair offices.

The organisation aims to provide the Army's front line soldiers with the best possible repair and refurbishment service, to enable them to perform their often difficult role with the maximum of confidence in their "battle winning" equipment. No less important is the aim to deliver this service in the most cost effective way.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To complete the repair programme to plan: **not achieved**. In the course of the year ABRO workshops delivered a total of 2.63m hours, which represented 97% of the planned work. The shortfall was due to the non-availability or late arrivals of equipment against the programme and the customers' requirements to vary programme priorities in-year, in response to operational needs.
- To conduct a customer survey of quality and to institute a system for measuring the timeliness of the Agency's output and to set improving targets for both by 1 April 1994: **achieved**. A comprehensive survey was undertaken with ABRO's customers to establish the existing quality and timeliness of the service. Improved targets have been established from this survey.
- To complete the market test of 18 Base Workshop by 1 April 1994: **achieved**. Ministerial announcement of the successful in house bid was made on 15 March 1994.
- To reduce by 5% the ratio of labour costs to hours of production by 1 April 1994: **achieved**. A 5.4% reduction was achieved.
- To establish the value and the proportion of risk price contracts placed by the Agency by 1 October 1993 and set targets for increases in 1994-95 by 1 April 1994: **achieved**. In the year ending 31 March 1994, 99% of the contracts by proportion and 93% by value were placed on a risk price basis, where the price is agreed at the outset of the contract, the risk for the contractor is that the estimate of costs is correct. The target for 1994-95 is for all contracts to be let on a risk price basis.
- To operate a full cost accruals accounting system by 1 April 1994: **achieved**. The Agency's unaudited accounts for 1993-94 were prepared using an interim full cost accruals accounting system.

Although ABRO does not provide a service direct to the public, the organisation's corporate strategy embraces the quality, choice, service standards and value for money themes of the **Citizen's Charter** programme in its services to the UK Armed Forces. A customer survey was conducted during 1993-94, which sought the opinions of ABRO's major customers on the service provided to them. The results of the survey are being followed up by Quality Action Teams, which have been formed at all levels of the Agency, to promote Total Quality culture. The programme will be one of continuous improvement and in 1994-95 a further survey will be conducted.

Prominent among the achievements of 1993-94 has been the successful market test of ABRO Bovington (formerly 18 Base Workshop, Bovington), which resulted in the contract being awarded to the in-house team. The remainder of the ABRO **market testing** programme is subject to review and revalidation following the Defence Costs Study. Value for money is also secured through a dual sourcing policy for work placed by the Agency. Work is placed in both the Agency's workshops and under contract with industry, this provides a basis for benchmarking and in-house costs and ensures an element of competition which tends to drive down costs.

Other significant achievements have been:

- The closure of 23 Base Workshop in Germany and transfer of the work to the UK, without detriment to customer service;
- 47% reduction in the throughput time for the overhaul of Challenger Main Battle Tanks is an example of the market testing process driving down costs and increasing efficiency; and
- establishment of a base overhaul facility for the Warrior combat vehicle at the Donnington workshop.

ABRO's Annual Report and Accounts for 1993-94 and Corporate Plan for 1994 can be obtained from the Agency. ABRO's Business Plan is not made publicly available.

KEY TARGETS 1994-95

- **to complete the repair programme to the plan as agreed on 1 April 1994**
- **to implement an automated full cost accruals accounting system by 31 March 1995**
- **within the overall total quality management (TQM) philosophy adopted by ABRO, to achieve ISO 9002 pre-assessment in the HQ and all workshops by 31 March 1995**
- **to complete the market test of ABRO services in the Eastern District by 31 March 1995 (subject to review and revalidation following the outcome of the Defence Costs Study recommendations)**
- **to reduce by 5% the 1993-94 ratio of labour costs to hours of production by 31 March 1995**

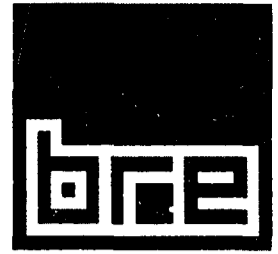


BUILDING RESEARCH ESTABLISHMENT

Garston, Watford, WD2 7JR

Tel: 0923 664800 Fax 0923 664010

Chief Executive : Roger Courtney



The **BUILDING RESEARCH ESTABLISHMENT (BRE)** was launched as an Executive Agency of the Department of the Environment in April 1990. Its main role is to advise and carry out research for Government on technical aspects of buildings and other forms of construction, the prevention and control of fire and aspects of environmental protection. At the end of 1993-94 BRE had 725 staff. Its receipts for 1993-94 were £41m, which covered its full economic costs.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even on Trading Account: **achieved**. A surplus of £97,000 was generated.
- £96,000 net contribution to Exchequer: **achieved**.
- 9.2%¹ net non-Exchequer income: **not achieved**. Outcome was 7.2% but the associated cash target was exceeded. The percentage figure depends on the level of Government income and on the expenditures incurred in non-Exchequer work. Both were higher than expected.
- Reduction in unit cost ratio for Research and Technical Consultancy: **achieved**.

¹ Figure revised from 10.9% to 9.2% following negotiation and Ministerial agreement.

The Department of the Environment's new sponsorship policy for construction is bringing BRE's work for Government and for industry closer together. In partnership with industry interests, the Agency launched the Construction Quality Forum, the Heritage Support Service and two new versions of BREEAM (the BRE Environmental Assessment Method). Senior BRE staff are also prominent in national initiatives such as Technology Foresight, reflecting BRE's position as a principal contributor to the development of improved building technologies and processes. A recent consultant's report commented on 'the key role of BRE staff who repeatedly emerge as intermediaries and nodes of communication'.

The Large Building Test Facility at Cardington has been further developed, enabling researchers to carry out controlled tests on a whole building designed and built to current practice. The tests include subjecting elements within a building to elevated temperatures. The construction of a new burn hall for fire research at Garston will maintain the Establishment as a leading world centre in fire studies. The forthcoming move of the Fire Research Station from Borehamwood to Garston will greatly strengthen the technical links between fire expertise and BRE's other disciplines.

The Establishment has secured substantial research funding from the Commission for the European Union, including funds for two projects in the field of industrial materials and technologies under the BRITE/EURAM Programme. BRE will lead these projects, which have a value of almost £1m. The Establishment has been invited to manage the Construction Industry European Research Club.

In the wider international field, BRE retains its high profile through participation in many CIB and RILEM groups and through membership of specialised networks. The Establishment also offers research training and experience to visiting scientists, one example being the week spent at the Fire Research Station by a team from Taiwan's Ministry of the Interior.

BRE's Technical Consultancy Programme remained buoyant. Work undertaken included a study of energy efficient lighting in the commercial sector, rain penetration in post-war multi-storey dwellings and the development of insulated overcladding systems.

A further 18 graduate or post doctoral staff were recruited during the year, strengthening the Agency's technical resources. Client ratings of BRE's output significantly improved. BRE adheres to **Citizen's Charter** principles in dealing with the public and industry. BRE is committed to courteous service from identified staff; efficient and prompt attention is given to enquiries; the Agency responds to views on standards of service; and a complaints procedure has been established.

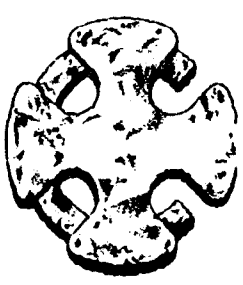
Most of BRE's internal services are subject to a 3 year programme of **market testing**, which is now in its second year. BRE market tests about one fifth of the value of its research and technical programme: expenditure with other research bodies, universities and consultants falls just short of £8m, with other external expenditure adding significantly to the sum spent on the basis of market considerations.

The status of BRE within the public sector is being considered as part of the Government's response to the Public Sector Research Establishment scrutiny. This work should be completed in the early part of 1995 following the completion of the consultation period provided for as part of the scrutiny process.

The BRE Annual Review and Financial Statement can be obtained directly from the Agency. Its Corporate and Business Plans contain commercially sensitive information and are not available to the public.

KEY TARGETS 1994-95

- **£920,000 net contribution to the Exchequer**
- **income to cover full economic costs on a trading basis**
- **gross non-Exchequer income of £3.6m**
- **taking into account changes in BRE's charging policy, an improvement of 3% in the average daily cost of commissions**



CADW: WELSH HISTORIC MONUMENTS

Brunel House, 2 Fitzalan Road, Cardiff CF2 1UY

Tel: 0222 500200 Fax: 0222 500300

Chief Executive : John Carr



CADW: WELSH HISTORIC MONUMENTS, launched in April 1991, is an Executive Agency of the Welsh Office (WO). It has about 260 staff and is responsible for carrying out the Secretary of State for Wales' responsibilities for preservation, conservation and enjoyment of the built heritage of Wales, at an annual running cost of £5.02m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Complete 90% of approved maintenance programme during the year: **not achieved**. 84% of the programme completed.
- Complete 20 resurvey lists and 60 scheduling entries: **achieved**. 22 resurvey lists and 77 scheduling entries completed.
- Resolve 75% of statutory cases within target period: **achieved**.

Listed Building Consent - 82% resolved within 28 day target; Scheduled Monuments Consent - 95% resolved within 90 day target; and Ad hoc listings- 78% completed within 120 day target.

- Resolve 80% of grant applications within target period and pay 90% of certified grant claims within 5 weeks of receipt: **achieved**

Historic Buildings grants : 84% resolved within 17 week target; Ancient Monuments grants : 94% resolved within 6 week target; and Civic Initiative (Heritage) Grant Scheme: 88% resolved within 10 weeks target;

Historic Buildings and Civic Initiative grants: 100% paid within the target of 5 weeks following receipt; and Ancient Monuments grants: 97% paid within the target of 5 weeks.

- Maintain Cadw's market share of the top 20 heritage sites in Wales at 63%: **not achieved**. Actual 61.5%
- Increase average spend per visit from 175 pence in 1992-93 to 188 pence in 1993-94: **achieved** 195 pence.
- Operate within budget: **achieved**.
- Make 2% efficiency improvements against gross running costs: **achieved**.

Monuments of exceptional national importance were acquired on behalf of the Secretary of State, with successful negotiations for St Quentin's Castle and Wiston Castle. Development programmes for two important ecclesiastical monuments in Clwyd - Rôg Chapel and Llangar Church - were completed and opened to the public.

The Agency launched its 'Makers of Wales' campaign, an initiative aimed at facilitating understanding and appreciation of Welsh heritage, highlighting not only human achievements in built heritage but also interweaving the importance of landscape, cultural and social factors in forging Welsh identity. A programme

of annual themes until 2000 is being prepared in conjunction with other Welsh organisations. Exhibitions entitled "Chieftains and Princes", and reflecting the 1994 theme, were planned for Caernarfon, Caerphilly and Oxwich Castles.

In line with **Citizen's Charter** principles, the Agency continues to improve customer services and its own efficiency. Cadw's Heritage Charter Statement, published in December 1993, describes the standard of service it aims to give the public and the procedures for complaint. A Visitor's Charter is displayed at Cadw sites. Surveys of levels of satisfaction with all Cadw services are being undertaken.

During the year, the Agency contributed to the Welsh Office's **market testing** programme, through the test of support services.

Ministers have accepted the recommendation contained in the prior options review that Cadw should continue as an Executive Agency for a further 5 years and its Framework Document is now being revised. Ministers have also accepted that there should be a greater emphasis on market testing and an increase in the involvement of the private sector in Cadw's activities.

The Cadw Annual Report is available from the Agency but the Agency's Corporate and Business Plans are not published because they contain commercially sensitive information.

KEY TARGETS 1994-95

- **to complete 90% of the approved conservation maintenance programme**
- **to complete 40 resurvey lists**
- **to resolve 75% of ad hoc listing cases within 120 days**
- **to complete 100 scheduling actions, of which at least 70% involve additional protection**
- **to resolve 75% of Listed Building consent cases within 28 days, and 90% of cases within 42 days**
- **to resolve 75% of scheduled monument consent cases within 28 days, and 90% of cases within 90 days**
- **to resolve 80% of Historic Buildings grant applications within 17 weeks**
- **to resolve 80% of Ancient Monument grant applications within 6 weeks**
- **to pay 90% of properly presented claims for Historic Buildings and Ancient Monument grants within 4 weeks of receipt**
- **to achieve a market share of 63% of the number of visitors to the top 20 heritage sites in Wales**
- **to increase the average spend per visitor to 206 pence**
- **to operate within allocated programme and running cost budgets**
- **to achieve an efficiency saving of 2.0% on gross running costs**

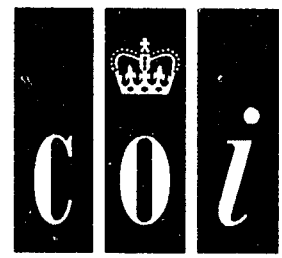


CENTRAL OFFICE OF INFORMATION

Hercules Road, London SE1 7DU

Tel: 0171 261 8409 Fax: 0171 620 0612

Chief Executive : Mike Devereau



The **CENTRAL OFFICE OF INFORMATION (COI)** advises on and buys publicity services in all media for its clients in Departments and Agencies. It was launched as an Agency in April 1990 and since April 1991 has operated as a Trading Fund. COI is a Department in its own right and reports to the Chancellor of the Duchy of Lancaster. Currently 521 staff work in the Agency which last year had an income of £125.1m. In 1993-94 COI's running costs were £19.9m.

Over the years, the nature of COI's role and the work it performs have changed and continue to evolve. COI's clients range from major Departments, employing their own publicity staff, to small Departments and Agencies, relying heavily upon COI for specialist publicity services. COI is responsible for advising its clients on the efficiency of possible approaches to publicity problems and for delivering the most cost-effective media solutions.

Eight regional network offices supply a multi-Departmental service to the regional press and broadcasting media parallel to that provided to national media by individual Departmental Press Offices. Regional staff also provide media assistance to the Royal Household outside London.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even in current cost terms after covering all costs, including interest on borrowing: **achieved**. Income rose in relation to 1992-93, in cash terms, by £10m, mainly as a result of the BT3 flotation campaign. Non-advertising income fell by £6m on the year although, after adjusting for inflation and COI price reductions arising from efficiency gains, volume rose slightly on the previous year.
- 1% reduction in unit cost of output in real terms while maintaining suitable levels of quality: **achieved**. Unit cost of output was reduced by 6.9%, resulting in a 18% overall improvement in efficiency during the past 4 years. COI has met or beaten its financial and efficiency targets in each of its first 4 years as an Agency.
- To better or equal the proportion of work delivered in accordance with client specification in 1992-93: **achieved**. The proportion of work satisfying, first time, the customer's specification improved to 98.73% from the 1992-93 level of 98.45%.
- To better or equal the proportion of work delivered on time in 1992-93: **achieved**. The percentage of jobs delivered on time rose from 95.59% to 95.87%.

As in recent years, COI spent more than 80% of its income (this year 85%) with outside suppliers, using its procurement expertise and buying power to secure savings in the costs of publicity: as a result, customers' bills were 9.1% lower than they would otherwise have been.

Although COI does not usually deal directly with members of the public it recognises, in line with **Citizen's Charter** principles, the benefits to be gained by providing better quality services. A customer satisfaction index is now in operation and a target based on this measure has been set for 1994-95.

COI also seeks to improve the Government's communications with citizens of all kinds. During the year COI launched its "Informability" programme which aims to make information more accessible to people who, due to visual or hearing impairment or low literacy levels, may not be reached by the usual methods of publicity. In a similar vein, COI was able to organise research among ethnic minorities, on behalf of several customer Departments, aimed at ensuring that the communication of the Government's messages to these groups is made more understandable and effective.

COI's current **market testing** plan covers the period to September 1997 and will test some £943,000 of business involving 17 staff. Areas scheduled for market testing include events management, TV and radio fillers and news distribution. As the Agency already places most of its work with the private sector, scope for further market testing is limited.

In addition to the formal market testing programme, COI's core business is routinely market tested by its customers and COI's non-core activities are subject to an untied internal market within the COI.

COI's Framework Document fell due for review at the end of 1992-93. Consultants were commissioned in November 1992 to report on performance, to assess prior options and suggest areas for further contractisation and market testing. The consultants' report is under consideration.

COI's *Annual Report and Accounts* are published by HMSO and can be purchased from HMSO bookshops and agents. However, its *Corporate Plan and Business Plan* contain commercially sensitive information and are not available to the public.

KEY TARGETS 1994-95

- **to break even in current cost terms after recovering all costs, including interest on borrowings**
- **to achieve a 2% reduction in unit cost of output in real terms, while maintaining suitable levels of quality**
- **to equal or better the proportion of work delivered in accordance with client specification during 1993-94**
- **to equal or better the proportion of work delivered on time during 1993-94**
- **to achieve an average score of 7.7 out of 10 for the new COI Customer Satisfaction Index**



CENTRAL SCIENCE LABORATORY

London Road, Slough, Berkshire SL3 7HJ

Tel: 01753 534626 Fax: 01753 824058

Chief Executive : Dr Peter Stanley



The **CENTRAL SCIENCE LABORATORY (CSL)** aims to deliver high quality science to meet customers' needs. CSL was first launched as an Executive Agency of the Ministry of Agriculture, Fisheries and Food (MAFF) in April 1992 and was re-launched as an enlarged Agency in April 1994 following its merger with the Food Science Laboratories at Norwich and Aberdeen. The Agency's primary role is to provide MAFF with an efficient and competitive service of research and development (R&D), scientific support and advice to meet both policy and statutory objectives in the areas of: plant health; the authenticity, safety and nutritional value of the food supply; pesticide safety; veterinary residues; the control of pests and diseases of growing and stored foodstuffs; wildlife management and the impact of food production on the environment and the consumer. In addition, CSL offers R&D and advice to other Government Departments and the public and private sectors, both nationally and internationally, on a commercial basis, to assist in the development of scientific expertise and research capability.

Turnover for 1993-94 was £16.91m and, after excluding exceptional items, the Agency incurred operating costs of £16.87m. In April 1994 CSL moved from gross to net running cost control.

Since the merger in April CSL has employed some 700 staff who are currently located on 5 main sites at Slough, Harpenden, Worplesdon, Norwich and Aberdeen with 6 smaller outstations throughout England. In 1996 a major part of the Agency will collocate to a single site near York.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 100% recovery of full costs: **achieved**.
- 2.5% overall efficiency gain: **achieved**.
- 5% reduction in real terms of unit costs for services: **not achieved**. However the reduction of 3.81% achieved compares favourably with the previous year's figure of 2.66%.
- At least 90% of work completed to time and within budget: **achieved**.
- At least 95% minimum of contracts delivered to the customers' satisfaction: **achieved**.
- Implementation of arrangements for the independent assessment of the quality of the scientific work and publications: **achieved**. An independent visiting group assessed the scientific management practices and facilities of CSL's Plant Health Group and a full report of its generally favourable findings was presented to the CSL Ownership Board.

In April 1994, as part of the **Citizen's Charter** initiative, CSL published a revised "Statement of Our Standards and Quality of Service". In particular, the statement details how the more complex scientific contracts will be treated and CSL's commitment

to the assessment of customer satisfaction on completion of the work. It also advises customers how they may make a formal complaint about the treatment they have received or any aspect of the delivery of the work. No such complaints have yet been received. CSL is committed to a quality management programme, which includes accreditation and participation in internationally recognised external quality systems. During the next 3 years a Quality Improvement System, which encourages staff to perform to the same high standard, will be introduced throughout the Agency and a Quality Manager has been appointed to take this initiative forward.

CSL's **market testing** and contracting-out strategy is primarily aimed at reviewing the wide range of services in order to ensure efficient and effective operation of the new laboratory at York. CSL is embarking on a fundamental review of its entire support function including IT support services and is considering introducing facilities management in the areas of security, office services, building services etc.. The review will enable CSL to determine the areas to be market tested. The Agency is strengthening its procurement team and is adopting a supplier reduction policy to achieve improved value for money.

Over the next two years CSL will face a number of major challenges arising from serious competition for research funding and the requirement to market test some areas of the business. In addition, in 1996 the Agency plans to relocate the major part of its operations to York. Work there is well underway to provide a new, purpose-built laboratory, designed to provide better working conditions for the staff whilst meeting the highest standards in terms of health and safety. The accommodation has been designed to be flexible to meet the changing needs of scientific procedures and CSL customers. The new laboratory represents a substantial investment by MAFF in the long-term future of CSL. It will improve the cost effective operation of the organisation as well as providing a stimulating science environment.

CSL's *Annual Report and Accounts for 1993-94* is available on request from the Agency, however, the *Annual Business and Corporate Plans* contain sensitive information and are therefore not published.

KEY TARGETS 1994-95

- **100% recovery of full costs**
- **an overall efficiency gain of 2%**
- **a reduction of 2% in real terms of representative unit costs for services**
- **at least 90% of work completed to time and within budget**
- **at least 95% of contracts delivered to the customer's satisfaction**
- **continuing independent assessment of the quality of the scientific work and publications**



CENTRAL STATISTICAL OFFICE

Great George Street, London SW1P 3AQ

Tel: 0171 270 6363 Fax: 0171 270 6019

Chief Executive : Bill McLennan



The **CENTRAL STATISTICAL OFFICE** (CSO) was launched as an Executive Agency in November 1991, reporting to the Chancellor of the Exchequer. It's principal roles are to compile and disseminate statistical estimates needed for UK Government central economic management; to provide the institutions of the European Union with statistics required under EU legislation for which it is responsible; and to carry out central functions required by a decentralised statistical service. The CSO's mission statement emphasises that its aim is to get its statistics used, "to improve decision making, stimulate research and inform debate within Government and the wider community". The Agency has running costs of £42m and 1,300 staff, most of whom are based in Newport, Gwent.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

Overall, 27 out of 33 published targets were achieved.

- Timeliness - 4 targets to meet the agreed timetables for the production and publication of CSO's statistics: **2 achieved, 2 not achieved.**
- Revisions - 10 targets relating to revisions to key economic indicators: **8 achieved, 2 not achieved.** The targets on the Balance of Payments current account were missed due to revisions reflecting methodological improvements and the introduction of the new Intrastat system for EU visible trade.
- Coherence - 9 targets relating to coherence and consistency of outputs: **9 achieved.**
- Statistical Inquiries - 3 targets relating to response rates for annual, quarterly and monthly inquiries: **3 achieved.**
- Retail Price Index and Family Expenditure Survey - 2 targets for the number of prices collected and the response rate: **1 achieved, 1 not achieved.** A response rate of 69% was achieved against a target of 70%.
- Finance - 3 targets relating to running costs, efficiency improvements and receipts: **3 achieved.**
- Other targets - 2 targets relating to handling of correspondence from the public and minimising the burden of form filling: **1 achieved, 1 not achieved.** The correspondence target was missed.

In 1993-94, 6 central issues shaped the work of the CSO:

- the quality of economic statistics - efforts to improve quality continued with positive results, as demonstrated by the recent reductions in revisions to the growth rate of Gross Domestic Product;
- getting CSO statistics much more widely used - the White Paper on Open Government (July 1993) reinforced the importance of statistics by recognising that reliable social and economic statistics are fundamental to open Government. The increased focus on customers of CSO statistics has led to numerous developments, in line with

Citizen's Charter principles, designed to meet their needs more closely, including the collection and publication of additional information;

- public confidence in official statistics - through a customer orientated approach, including adopting open working practices and an agreed work programme, the CSO has enhanced its image and reputation;
- improving efficiency and minimising the load placed on respondents - two major developments aimed at improving value for money were the efficiency scrutiny, which looked at the structure and conduct of CSO inquiries, and the **market testing** programme. As a result of the efficiency scrutiny, an Action Plan was issued in June, which emphasised the restructuring of work as a key factor in improving efficiency. The market testing programme, includes Retail Price Index data collection, statistical methodology and training;
- focusing and coordinating statistical work with Europe - the CSO has taken a proactive stance in European statistical developments and the UK was one of the first member states fully to implement the PRODCOM system. This is a European directive which provides harmonised product statistics across EU member states and enables CSO's customers to make EU wide statistical comparisons; and
- improving the efficiency and effectiveness of Government statistics as a whole - for example, the CSO has spearheaded efforts to devise a new Government Statistical Service Code of Practice which will confirm the professional standards that underpin Government statistical work.

CSO's Annual Report and Accounts gives full details of performance against key targets and is available from HMSO. Copies of the CSO Corporate Plan and Programme Strategies are available from : The Library, Central Statistical Office, Cardiff Road, Newport, Gwent, NP9 1XG.

KEY TARGETS 1994-95

- **timeliness - 4 targets to meet agreed timetables for publication or release of data**
- **revisions - 10 targets relating to revisions to key economic indicators**
- **coherence - 9 targets relating to coherence and consistency of outputs**
- **statistical inquiries - 5 targets relating to response rates to statistical inquiries**
- **running costs and receipts - 3 targets relating to running costs, efficiency improvements and receipts**
- **other targets - 2 targets relating to the time taken to respond to correspondence from the public and to minimising the costs to businesses of filling in forms**



The **CENTRAL VETERINARY LABORATORY (CVL)** was launched as an Executive Agency of the Ministry of Agriculture, Fisheries and Food (MAFF) in April 1990. Its purpose is to provide MAFF with an effective and efficient service of specialist scientific and technical support and consultancy in the fields of animal health and welfare, food safety and the environment. CVL achieves this by delivering specialist diagnostic, research and consultancy services and products as required by MAFF. It also delivers services and products in these areas to other public and private sector organisations on a commercial basis. CVL employs over 600 staff and has a turnover in excess of £26m per year.

CVL aims to meet the needs of its customers in both the public and private sectors by providing its services economically, effectively and efficiently. It will improve the quality and effectiveness of its services by carrying out research which maintains and develops CVL's technical capability and develops new technologies.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

CVL's fourth year as an Executive Agency was challenging but successful. CVL consolidated its business position and achieved, in good measure, financial and other performance targets.

- Full cost recovery for all CVL services: **achieved**. The Laboratory recovered its full costs from charges for services supplied to customers within or outside MAFF.
- 2.5% overall efficiency improvement: **achieved**.
- 80% of R&D milestones met: **achieved**.
- Achievement of a satisfactory report from a visiting group: **achieved**. During 1993-94, a peer assessment of the research work within the Virology Department took place. The Visiting Group was impressed by work on Newcastle Disease and Avian Influenza. In particular, the Department was praised for work on Blue Eared Pig Disease, Chlamydia and Diagnostic Markers for Bovine Spongiform Encephalopathy.
- Achievement of laboratory accreditation of the Quality Control Unit: **not achieved**. Awaiting formal certification from the Department of Health but claiming compliance with Good Laboratory Practice. Formal certification was received in September.

A prior options review of CVL is being carried out. At the same time CVL reviewed its Framework Document. The review is awaiting Ministerial approval. In the meantime, Ministers have announced consultation on the proposal that the Veterinary Investigation Service, currently part of MAFF's integrated Veterinary Field and Investigation Service, should merge with CVL by October 1995.

CVL is organised in 3 divisions, R&D, Operations and Business. They combine to provide a service for its customers no other veterinary research establishment can match, with a range of consultancy, operation and research services unique in its field.

CVL's commitment to the quality of its science was exemplified by the Quality Control Unit and the Tuberculosis Section of the Cultural Bacteriology Unit claiming Good Laboratory Practice (GLP) compliance. In addition, CVL's Licensed Products gained compliance with Good Manufacturing Practice (GMP). In its role as a national reference laboratory for residues in meat, the Analytical Chemistry Unit participated in an international study to establish the criteria for a residue surveillance programme.

On the research front, development of a Polymerase Chain Reaction (PCR) for classical swine fever and the establishment of a geographical information system as a resource in the fight against bovine tuberculosis, were exciting innovations. The large scale serological surveillance of the national herd continued to be a major component of the laboratory service to MAFF. The current sampling strategy successfully detected the re-emergence of Brucellosis and warble fly infections in Britain, reinforcing the importance of this work.

CVL expanded its range of commercial services. Licensing agreements have been signed with a number of commercial companies to incorporate CVL know-how into their products and services. CVL's unique scientific expertise and extensive laboratory and animal accommodation enabled it to win a substantial number of commercial contracts. Important commercial partners were found for the research and development of new vaccines and diagnostic kits.

CVL also ran an active **market testing** programme during the year. The in-house teams for the Library, Messenger and Driver service and the Incinerator and Sterilisation unit won their bids and have been awarded a Service Level Agreements. Management reviews were carried out for the supply of pigs, chicks and dairy cattle of known health status. A similar management review of the stores and purchasing function was also carried out.

CVL published a service statement implementing those aspects of the **Citizen's Charter** principles which apply to the Laboratory and also published a customer guide to the export testing service in early 1994. Additionally, the Agency is applying the principles of the Citizen's Charter through a major customer survey, followed up by regular questionnaires.

The Agency's Annual Report and Accounts, the CVL Annual Review and the CVL marketing brochure may be obtained direct from the Agency. The Agency's Corporate and Business Plans contain commercially sensitive information and are therefore not available to the public.

KEY TARGETS 1994-95

- **full cost recovery for all Central Veterinary Laboratory services**
- **an overall efficiency gain of 2.5%**
- **85% of R&D milestones achieved**
- **achievement of a satisfactory report from a visiting group**
- **achievement of laboratory accreditation of Biological Products and Analytical Chemistry Unit**



CHEMICAL AND BIOLOGICAL DEFENCE ESTABLISHMENT

Porton Down, Salisbury, Wiltshire SP4 0JQ

Tel: 0980 613365 Fax: 0980 611777

Chief Executive : Dr Graham Pearson CB



The **CHEMICAL AND BIOLOGICAL DEFENCE ESTABLISHMENT** (CBDE), established in April 1991 as an Agency of the Ministry of Defence (MoD), is the UK's scientific and technical authority on all chemical and biological defence matters. Its primary role is to carry out research so that its principal customers, the Armed Forces, are provided with effective protective measures against threats from chemical and biological weapons. The Agency also provides advice and support to the Foreign and Commonwealth Office, the Home Office and other Departments on chemical and biological warfare and defence matters, including arms control, and in other areas where its specialist expertise and capability are useful. It employs 600 people and cost £37m (full cost terms) to run in 1993-94.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 88% of programme milestones agreed with customers to be achieved within agreed timescales: **achieved**. Actual 90%.
- 82% of agreed programme assignments required by customers to be achieved within the specified cost and within CBDE's overall budget: **not achieved**. Despite the agreed programme being completed within CBDE's overall budget, individual assignments were completed above as well as below cost targets.
- Maintain scientific and technical staff to at least 70% of the total planned manpower: **not achieved**. Actual 69.3%.
- 2.5% efficiency increase with emphasis on improving output efficiency: **achieved**.
- Continue the agreed market testing programme to include the preparation of the specification in 1993-94, to produce an in-house bid and to complete the process by 31 March 1995: **achieved**. The market testing specification was prepared by 31 March 1994.
- Increase the percentage of CBDE cash expenditure (less capital works) attributed to direct costs by 5% to 60%: **achieved**.
- Extend improved resource allocation and cost attribution system to provide project costs on a full cost basis: **achieved**. CBDE now provides project costs on a full cost basis.
- Carry out a customer satisfaction survey and a self assessment of the quality of scientific and technical outputs: **achieved**. A customer satisfaction survey was carried out and 88% of customer replies rated the quality of CBDE's output as very good or excellent. The self assessment of the quality of scientific outputs has been completed and validated by members of the Chemical and Biological Defence Board.

The Agency continues to be directly involved in work on both chemical and biological arms and export controls as well as in support of the United Nations Special Commission on Iraq. The past year has seen the Agency's participation in the Preparatory Commission at The Hague which is preparing for the coming into force of the Chemical Weapons Convention as well as in the final meetings of the Ad Hoc Group of Governmental Experts examining possible verification measures for the Biological Weapons Convention. It is increasingly evident that effective chemical and biological protective measures complement arms and export controls in a web of deterrence that should cause a State considering acquisition or use of chemical or biological weapons to judge that this is not worthwhile.

Although CBDE has limited contact with the public, the principles of the **Citizen's Charter** are applied to its internal relationships both with MoD and other customers outside defence. Progress against Charter principles includes: establishment of customer-supplier relationships with milestones for agreed timescales and cost; the provision of full and accurate information for customers; and regular consultation with customers to determine priorities.

The Agency has won two contracts worth £3.5m from outside the MoD, one with the Home Office and one with the Directorate of Science (Ballistic Missile Defence). Work done under these contracts has enhanced the expertise and capabilities of the Agency that are required to meet the MoD programme.

Copies of CBDE's Annual Report and Accounts can be purchased from HMSO. The Corporate and Business Plans are commercially sensitive and not available to the public.

KEY TARGETS 1994-95

- **90% of programme milestones to be achieved to time**
- **respond to 85% of requests for unplanned urgent advice within the negotiated timescale**
- **deliver agreed work programme within the aggregate of programme costs**
- **1% efficiency increase by reducing net expenditure**
- **develop system of trading to provide greater empowerment of the customer by April 1995**
- **continue agreed market testing programme and place service level agreement/contract by March 1995**
- **survey customers to identify appropriate measures of the quality of service and subsequently conduct a full customer satisfaction survey by March 1995**
- **develop a strategy for a formal quality plan for the conduct of all research carried out at CBDE**



CHESSINGTON COMPUTER CENTRE is an Executive Agency of the Cabinet Office, Office of Public Service and Science (OPSS). Located at Chessington in Surrey, it employs about 400 technical and support staff. This is about the same number of staff as 5 years ago, although in that time, business volumes have increased by around 40% and the Agency now has an annual turnover of around £14m. It was established as an Agency and Trading Fund in April 1993.

Chessington's mission is to deliver quality payroll, personnel, financial accounting, superannuation and related services, including training and consultancy support, to central Government and public sector customers. Chessington has provided payroll and related services since 1957 and is the largest supplier of payroll services to Government Departments with 60% of the market. Chessington also sells extensively to the wider public sector.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Achieve an operating surplus of £1.1m: **achieved.**
- Achieve an average 6% increase in pay clerk productivity: **achieved.** A 20% productivity increase was achieved as a result of the rapid take-up by customers of Chessington's on-line data capture system (SPIRE).
- Achieve on-line availability of 97.5% for all services: **achieved.**
- Meet the quality of service standards set in Customer Service Agreements: **achieved.**

During the year Chessington competed for 6 payroll **market tests** - for the Department of Employment, the Department of Trade and Industry, The Scottish Office, the Central Office of Information, the Lord Chancellor's Department, and the Department for Education. It won all 6 against stiff private sector competition. Chessington also won the payroll and personnel work for the new Meat Hygiene Service. The largest of these market tests, the full payroll service of the Department of Employment, will increase Chessington's revenues by around 10% from 1995. In parallel with these developments, Chessington has completed its own internal programme of market tests covering reprographic services, staff training, welfare and internal audit. The value of these services was around £340,000. The provision of reprographics and most of staff training was outsourced to private sector suppliers as a result of this process.

The success in winning customer market tests has rewarded Chessington's decision to invest heavily in new products and new technology, providing greater flexibility and added value to the customer. Central to these changes is Chessington's Open Systems development, Argosy. This was a response to the growing popularity in the computer world of Open Systems and the increasingly integrated pay and personnel requirements in

the public sector. Chessington is now able to offer customers a Unix based fully integrated personnel management information system - Argosy Personnel. This is the first in a line of products and will be developed to include payroll data capture during the coming year.

Argosy's common integrated service - in which a family of products are based on the same database and the same software tools - is designed around user needs and working practices. The Treasury and National Museum of Science and Industry were the first to go live with the system in April and May this year. Others are following, including Ordnance Survey, the Central Office of Information, PAYMASTER, and the Meat Hygiene Service. Alongside this, developments are taking place on other Argosy products to cover the superannuation administration and financial management requirements of users.

This increased emphasis on meeting the needs of customers and users is reflected in **Chessington's Pay Charter Standard Statement**. First launched in October 1992, all of Chessington's customers have received a copy of the Charter Statement setting out the service standards that can be expected of Chessington's payroll service. In particular, customers can expect:

- the correct pay on pay day to more than 99% of staff on the payroll;
- an answer to telephone enquiries within one day; and
- a response to written enquiries within two weeks of receipt.

A complaints procedure for payees is also in place. Overall, the initiative has been well received by customers and they have found it helpful to have service standards clearly described.

A review to consider Chessington's future commercial status is currently underway and a decision is expected in spring 1995.

Copies of Chessington's Framework Document, 1993-94 Annual Report and Accounts, marketing and promotional literature and Pay Charter Standard Statement are available on request. The Agency's Corporate and Business Plan is commercially sensitive and is therefore not publicly available.

KEY TARGETS 1994-95

- **achievement of an operating surplus of £1.1m**
- **achievement of a 6% increase in pay clerk productivity**
- **increasing usage of the on-line data capture system (SPIRE) to 82.5%**
- **raising minimum on-line service availability to 98.5%**
- **continually improving services to customers by updating software**



CIVIL SERVICE COLLEGE

Sunningdale Park, Larch Avenue, Ascot, Berks SL5 0QE

Tel: 0344 634000 Fax 0344 634233

Chief Executive : Dr Stephen Hickey

Civil Service College

MANAGEMENT IN GOVERNMENT

The **CIVIL SERVICE COLLEGE** is an Executive Agency of the Cabinet Office Office of Public Service and Science (OPSS) and was launched in June 1989. It has 251 staff with total running costs during 1993-94 of £17.3m. The College exists to encourage the development of managerial and professional skills of civil servants and to promote best practice throughout Government in management and key professional areas.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even in accruals accounting terms, after a Central Payment from OPSS of £1.3m: **achieved**.

	Target	Performance
Consultancy income	£300,000	£383,000
Students at grade 7 and above	7,200	8,019
Students below grade 7 in development schemes	2,400	3,079
Students for externally validated qualifications	2,120	3,721
Percentage of course evaluations in boxes 1 and 2	80%	80%

There is also a medium term objective of obtaining a 10% increase in efficiency over the period 1991-92 to 1995-96. By the end of 1993-94 the College had made extremely good progress towards this objective.

1993-94 saw an increase of about one fifth in the number of students participating in College programmes and in the number of events mounted during the year. The volume of output measured in student-days increased by about 3% to 96,370. Customers continued to look for shorter and in many cases individually tailored courses

Overall income (excluding the central payment) increased by about 13% to £17.6m and for the first time ever the number of students at grade 7 and above topped the 8,000 mark. There was a significant increase in the number of private sector students attending College courses; 940 during 1993-94 compared to 741 during 1992-93.

The College once again succeeded in increasing the quality of its output as judged by its customers with 80% of course members evaluating their courses as very successful in meeting their objectives. The evaluation of the quality of service in non-teaching areas also showed improvement on the previous year (1992-93 evaluation shown in brackets): accommodation 7.4 (5.53), catering 7.1 (6.80) and support 7.0 (6.13).

During the year the 1 2 3 programme, dedicated to the special needs of grades 1 to 3 and Agency Chief Executives, became firmly established as part of the top management scene within the Civil Service. A number of training programmes for the

Liberation Movement in South Africa were also run very successfully and the College was commissioned by the Overseas Development Administration to design, lead and deliver a large programme of strategic reform in Hungary.

The review of the College's initial period as an Agency was undertaken. On 20 October 1993, David Davis, OPSS Parliamentary Secretary announced that the College would remain as an Agency for a further period. The Framework Document is currently being reviewed.

The College is to be put onto a fully commercial footing by phasing out the central payment from OPSS and from 1995-96 will be required to fully cover its costs from revenues from its operations.

The combined impact of the **Citizen's Charter** and the **Competing for Quality** initiatives together with the Next Steps programme informed much of the activity throughout the College during the year. This involved both the development of new programmes and also a new focus on general management training through case studies and outside speakers.

During the year the College developed a Charter setting out the main teaching targets, how customer satisfaction standards are measured and monitored and pointing to other published information about the College. It is available to all who visit the College at London and Sunningdale.

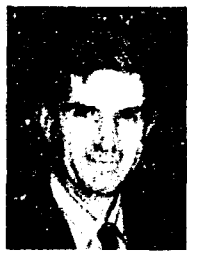
As part of the College's response to the Competing for Quality initiative, the College's facilities contract management strategy was reviewed. Good progress was made in reshaping some 27 contracts into 3 main contracts at Sunningdale Park covering hotel, catering and related services, security and building and grounds maintenance. A review of catering at the London centre led to a new contractor working to a new operational requirement, reduced accommodation costs and improved customer satisfaction. New advisers on the College's relations with press were also appointed.

The Agency's Annual Report and Accounts and Strategic Plan are published and available on request direct from the Agency. The Agency's Framework Document, currently being revised, will also be available from the Agency.

KEY TARGETS 1994-95

- to break even in accrual accounting terms taking into account the Central Payment from OPSS
- to earn £600,000 from consultancy work
- to attract 7,800 students at Grade 7 or above
- to attract 990 students from the private sector
- to earn 80% of course evaluations in the two highest (of 6) categories

There is also a longer-term objective of obtaining a 10% increase in efficiency over the period 1991-92 to 1995-96



The **COASTGUARD AGENCY** (known as COASTGUARD for short) became an Executive Agency of the Department of Transport in April 1994, undertaking responsibilities previously carried out by the Marine Emergencies Organisation. COASTGUARD comprises Her Majesty's Coastguard and the Marine Pollution Control Unit. It exists to minimise loss of life amongst seafarers and coastal users; and minimise pollution from ships to sea and the coastline. COASTGUARD employs approximately 580 staff assisted by around 3,500 volunteer Auxiliary Coastguards and in 1993-94 had running costs of £24.07m.

Her Majesty's Coastguard's primary role is to coordinate all civil search and rescue operations around the 10,500 miles of the UK coast and for up to 1,000 miles into the North Atlantic. A 24 hour watch is kept through the '999' service and by radio on the international maritime distress frequencies and search and rescue action is coordinated from 21 rescue centres around the UK coastline. The coast is divided into Sectors, each one overseen by an officer who is responsible for the management of Auxiliary Coastguard Stations/Coastal Response Teams which are strategically sited and provided with appropriate rescue vehicles and equipment. Auxiliary Coastguards mainly form the Coastal Response Teams although some act as Operations Room Assistants. The small Marine Pollution Control Unit is responsible for planning and operating counter pollution measures at sea when spilled oil or other hazardous substances from ships threaten the UK coast, important fisheries or concentrations of marine wildlife. It also provides advice and assistance to local authorities and port and harbour authorities.

On becoming an Agency, COASTGUARD produced a **Citizen's Charter** Charter Standard Statement explaining the services provided by the Agency and the standards of service that the public can expect. It covers matters such as what happens in an emergency at sea or on the coast, including target response times for arriving on the scene of a shoreline incident and for Coastguard helicopters in respect of incidents at sea, safety advice and advice on how to contact COASTGUARD.

COASTGUARD already contracts out some 60% of its total expenditure and the common services within the headquarters building will also be contracted out during 1994-95. As part of the 1994-95 **market testing** programme, a fundamental review of the training requirements of the Agency is being carried out.

The COASTGUARD Framework Document, Business Plan and Charter Standard Statement are available from the Agency. The Corporate Plan is confidential and not for public issue.

KEY TARGETS 1994-95

- *to discharge the Secretary of State's responsibility for maritime Search and Rescue (SAR), through its own or dedicated assets by:*
 - i) *maintaining a 24 hours Search and Rescue coordinating capability within and including the coasts and shoreline of, the United Kingdom Search and Rescue Region (UKSRR);*
 - ii) *maintaining a comprehensive radio reception and transmission coverage of the UKSRR permitting SAR coordination action for the duration of incidents without interruption or equipment malfunction*
- *to determine through the UK SAR and local SAR Committees the availability, readiness, capability, and responsiveness of SAR resources, to seek agreements with the appropriate controlling authorities for improvements as necessary and to report to the Secretary of State, identifying any improvements, by March 1995*
- *to pursue a SAR prevention strategy through training, patrols, and public relations endeavours, including a safety campaign costing £25,000, to be launched by 30 April 1994 designed to reduce incidents involving sea canoeists*
- *to maintain a fully operational 24 hours Channel Navigation Information Service (CNIS) covering the Dover Strait Traffic Separation Scheme (TSS) in concert with the appropriate French Authorities*
- *to discharge the Secretary of State's responsibility for marine pollution by the maintenance of a National Contingency Plan and in particular:*
 - i) *testing the effectiveness of the Plan by undertaking a major exercise and reporting on the outcome by 31 March 1995 and where appropriate;*
 - ii) *activating the Plan within 30 minutes of notification of an incident; and*
 - iii) *commencing action at sea to deal with a spill of dispersible oil within 4 hours of notification of an incident*
- *to carry out 500 hours aerial surveillance of the sea area for which the UK has responsibility, to detect or deter incidents of marine pollution, including illegal discharges from ships*
- *to make a running costs efficiency gain of 3%*
- *to investigate on a means of measuring awareness of, and satisfaction with, the services provided by the Agency by December 1994*



COMPANIES HOUSE

Crown Way, Maindy, Cardiff CF4 3UZ

Tel: 0222 380801 Fax: 0222 380900

Chief Executive : David Durham



COMPANIES HOUSE became the first Department of Trade and Industry (DTI) Agency in October 1988. It achieved Trading Fund status in October 1991. The Agency's main functions are: the incorporation and dissolution of companies along with the registration of charges (mortgages); and the provision of information about companies to the public, for which purpose it pursues companies who fail to meet their statutory filing requirements. It also administers certain regulatory functions on behalf of the Secretary of State. Operating costs for 1993-94 were £30.72m. The costs to DTI of regulating companies and developing company law were met from charges to customers. The average weekly number of employees during this period was 1,227, equivalent to 1,036 full-time posts.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- A compliance rate of 86% for accounts and annual returns by June 1993, increasing to 90% by June 1994: **achieved**. In June 1993, the overall compliance rate stood at 88.1%, the highest ever attained. At the end of June 1994, this rate had risen to 90.4%
- To reduce real unit costs by an average of 2% per year: **achieved**. Unit costs were reduced by 2%.
- To achieve a 6% average annual rate of return based on the operating surplus expressed as a percentage of average net assets employed at current values: **achieved**. An annual rate of return of 13% was achieved. Prices were frozen for the third consecutive year.
- Complete searches within 2 hours for customers: **not achieved**. Actual was 99.7%.
- Make all documents available for public inspection within a maximum of 5 working days of receipt at Companies House: **not achieved**. 56.7% of documents were processed within the target. Average processing time for all documents was 5.9 days. Time taken to process incorporations and changes of name was 3.4 days with 98% processed within 5 days. Processing time for all other statutory documents was 6.4 days with 50.1% processed within 5 working days.

Major market research carried out in 1992 established that despite high general satisfaction with the Agency's level of service, there were 4 main areas where customers sought improvement: further increases in compliance to ensure that company searchers have up-to-date information; increase in on-line information; improvement in the quality of information on microfiche; and improvement in ease of access by telephone. Most of the Agency's efforts during 1993-94 have focused on these fundamental points.

The number of companies sending their documents to the Registrar on time has now reached record levels and continues to rise. This has been achieved through the introduction of an easy-to-use computerised annual return, late filing penalties for accounts

and the effective use of publicity to increase awareness of directors' responsibilities.

The introduction of an on-line register of company directors has been well-received by customers and attracted considerable interest in Companies House Direct, the Agency's on-line system.

There has been a considerable improvement in the quality of microfiche over the last 4 years. Innovations in the areas of document handling and microfiche production will lead to further advances. Improvements will be monitored by new public targets. The Agency's Cardiff headquarters answers around 2.25m telephone calls each year. Since April 1994 a new target has been introduced of answering 90% of in-coming calls within 20 seconds.

As one of the first winners of Charter Mark, Companies House is acutely conscious of its obligations as a provider of public services. In February 1994, it published, "What You can Expect from Companies House", a clear outline of customer rights in line with the principles of the **Citizen's Charter**, containing named contact points at all levels of the organisation. During 1994, a complaints adjudicator was appointed.

Since Companies House has been an Agency for over 3 years, a review by the DTI on its performance and options for its future status is currently underway.

Copies of the Annual Report, which includes the Agency's commercial accounts and full details of performance against targets, is available by writing to Companies House Marketing Section in Cardiff or from all HMSO bookshops. The Agency's Business Plans are commercially sensitive and are for internal use only.

KEY TARGETS 1994-95

- **to make all statutory documents available for public inspection within a maximum of 5 working days of receipt in Companies House**
- **to ensure that by 31 March 1995 a minimum of 90% of fiche provided to customers are error free**
- **to reduce real unit costs by 5% in 1994-95**
- **to achieve a 6% average annual rate of return based on operating surplus expressed as a percentage of average net assets employed at current values**
- **to answer 90% of incoming telephone calls within 6 rings (20 seconds)**
- **to achieve an overall compliance rate for Companies filing annual returns and accounts of 90% by 30 June 1994 and for the remainder of the year to achieve, on average during the period July 1994 to March 1995, a monthly compliance rate for accounts submitted of 94% and for annual returns submitted of 91%**
- **To reply within 10 working days to letters from Members of Parliament delegated to the Chief Executive for reply**



THE
COMPENSATION
Agency

COMPENSATION AGENCY

Royston House, 34 Upper Queen Street, Belfast BT1 6FD

Tel: 0232 249944 Fax: 0232 246956

Chief Executive : Denis A Stanley

The **COMPENSATION AGENCY** became an Executive Agency within the Northern Ireland Office in April 1992. It is responsible, on behalf of the Secretary of State for Northern Ireland, for the administration of compensation schemes under criminal injuries, criminal damage and emergency provisions legislation. The core of the Agency's work is processing compensation claims and in fulfilling this role it supports the victims of violent crime, helps maintain business confidence and, under emergency provisions legislation, compensates those who have suffered loss or damage. The Agency has around 155 staff. Extensive use is made of external professional advisers, such as loss adjusters and barristers. During 1993-94 compensation payments amounted to £103.3m and running costs to £3.2m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Clear 21,100 claims made up of 11,250 criminal injury, 5,250 criminal damage and 4,600 emergency provisions claims: **achieved**. The Agency cleared 21,840 claims (11,289 criminal injury, 5,949 criminal damage and 4,602 emergency provisions claims) exceeding the target by 740.
- Reduce the average time taken to decide claims under the criminal injury and criminal damage schemes by two weeks over the previous year's targets and for emergency provisions to reduce the time by 23 days: **achieved**. The criminal injury target and criminal damage time targets were both bettered by 4 weeks, while the time target for emergency provisions was bettered by 13 days.
- Reduce the number of criminal injury and criminal damage claims over 3 years old where no decision had been reached by 16% and 25% respectively. Also reduce by 7% the number of emergency provisions claims over one year old where no decision had been reached: **achieved**. The actual reductions were 16%, 70% and 58% respectively.
- Manage the workload within a running cost budget of £3.4m reflecting 1.5% cash efficiency gain: **achieved**. The target was bettered by more than 6% saving £223,000.
- Manage the budget for demand-led and programme costs expenditure within approved financial limits while ensuring that expenditure is within 0.5% of approved expenditure: **achieved**. The actual expenditure of £103.3m was within 0.1% of approved expenditure.
- Reduce the unit costs for processing claims by 2%: **achieved**. The actual unit cost reduction was 5.5%.
- Complete a survey of a representative sample of applicants and their legal advisers to measure their attitudes to the quality of service provided: **achieved**. The main findings of the survey, of over 3500 applicants and their solicitors, indicated that 61% of respondents were satisfied with the level of service provided - an increase of 20% against the previous year.

- Publish a Charter Standard Statement and a new information booklet on the criminal damage compensation scheme: **achieved**. The Charter Statement was published in November 1993 and criminal damage guide published in October 1993. Both documents were distributed widely and were well received.

In line with **Citizen's Charter** principles, and the Agency's commitment to improving the service, a second applicants' opinion survey was carried out. The main findings indicated that 61% of applicants and solicitors were satisfied with the overall level of service: an increase of almost 20% on the previous survey.

A feasibility study to **market test** legal services in the Agency was carried out: however, this has been subsumed into the Agency's first review.

Management consultants were appointed by the Department to carry out the prior options study. Their final report was submitted in October 1994. All but one of the report's recommendations have been accepted by the Review Steering Group who have recommended the Department's adoption of it on this basis.

Further information is contained in the Agency's Annual Report and Business Plan which can be obtained from the Agency. The Compensation Agency's Corporate Plan is not publicly available.

KEY TARGETS 1994-95

- **clear 11,300 criminal injury, 5,570 criminal damage and 4,650 emergency provisions claims**
- **process 3,400 appeals to the Courts**
- **reduce the average time taken to decide cases by 3 weeks for criminal injury and criminal damage claims and by 12 days for emergency provisions claims**
- **reduce the number of criminal injury and criminal damage claims over 3 years old where no decision has been reached by 15% and 25% respectively. Also reduce by 10% the number of emergency provisions claims over one year old where no decision has been reached**
- **manage the workload within a running cost budget of £3.3m reflecting a 3% cash efficiency gain**
- **manage the budget for demand-led and programme expenditure within financial limits approved by the Department while ensuring that expenditure is within a margin of 0.5% of approved expenditure**
- **reduce the unit cost for processing claims by at least 3%**
- **implement, by November 1994, improvements to the quality of service identified from the 1993 survey of applicants' opinions**
- **publish, by December 1994, a new information booklet on the emergency provisions compensation scheme to complement the existing guides to the criminal injury and criminal damage compensation schemes**



DEFENCE ACCOUNTS AGENCY

Warminster Road, Bath BA1 5AA

Tel: 0225 828106 Fax: 0225 828681

Chief Executive : Mike Dymond



The **DEFENCE ACCOUNTS AGENCY** was launched in April 1991. It employs some 2,000 civilian staff, cost a little over £45m to run in 1993-94 and has offices in Bath, Cheadle Hulme, Liverpool, Worcester and Malta. The Agency provides central financial and accounting services to the Ministry of Defence (MoD). This work includes civilian payroll services, pensions awarding, authorising and paying contractors' bills, invoicing and recovering debts, and managing MoD cash and banking. It also maintains the MoD Central Ledger, produces the Appropriation Accounts, and supplies management accounting information and advice to its customers. Services are also provided to other Government Departments and Agencies on repayment terms.

Repayment work is becoming increasingly important as the Agency's traditional customer base reduces through economies in the Defence Budget. Valuable sales and marketing experience has been gained during 1993-94 and a drive is underway to attract new business from other Agencies and Departments as market testing programmes continue. Some pension business has already been won with the Independent Police Complaints Commission in Northern Ireland.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To complete the Agency's planned workload, as agreed with customers, within the funds allocated for this purpose and to cope with any unforeseen requirements in the year: **achieved.**
- To maintain the Agency's quality of service as defined in its Service Level Agreements (SLAs) and secondary targets: **achieved.**
- To seek further efficiencies in the use of resources, to the advantage of the Agency and its customers, thereby making efficiency savings of at least 1.5% of the total Cash Budget (excluding savings arising from centrally managed efficiency measures): **achieved** 2%.
- To compete successfully for payroll work offered through the Government's market testing programme: **not achieved.** Interest was expressed in 6 invitations to tender for payroll services in other Government Departments. In 5 of these, examination of the statement of requirements showed that the Agency would be unable to make a compliant bid. The remaining tender was lost narrowly to the in-house bid.
- To carry out a study into the incidence of cost in the Agency so that fixed and variable costs are clearly and separately identifiable, with the further aim of reducing fixed costs: **achieved.**

The Agency operates Service Level Agreements with its MoD customers; many of these SLAs have undergone major reviews in the past year. Repayment business is conducted either under contract or memoranda of agreement. Customer surveys have

regularly confirmed a high level of satisfaction with the Agency's services and as a key target for 1994-95, the Agency aims to further reflect **Citizen's Charter** principles by operating a customer charter for its payroll services. Quality remains a cornerstone of the Agency's business objectives and in 1994-95 an Agency-wide quality strategy is being developed as a further key target.

The Agency is playing a full part in the MoD's **market testing** programme. Both civilian payroll services and pensions awarding services are currently in the programme. Timing for the testing of the former is linked to decisions on the introduction of the integrated payroll and personnel system (POPSI) and is currently scheduled for 1997-98. The testing of the pension awarding services is dependent on deregulation legislation being passed, but could be linked with civilian payroll services. Bill payments and receipts are no longer a part of the programme following the Ministerial decision not to proceed to full test.

The first review of the future of the Agency began in March 1994. The Agency is playing an active part in the process and has developed its own innovative proposals for the future.

The Agency's Annual Report and Accounts 1993-94 is available from HMSO bookshops and agents. The Agency's Corporate and Business Plans are not publicly available.

KEY TARGETS 1994-95

- **to complete the following workload within the funds allocated for this purpose:**
manage 92,500 non-industrial pay accounts, manage 45,200 industrial pay accounts, complete 150,000 pensions award transactions, approve 500,000 claims for travel or transfer expenses, pay 17,000 fees claims, pay 3,300,000 bills, process 48,000 invoices, make 420,000 personal payments, manage 9,000 imprests accounts, process 35,000 HQ receipts, process 2,750 banknote orders, process 2,150 bank fundings
- **to meet the Agency's quality of service standards in SLAs and performance targets**
- **to achieve 10% manpower reductions required by centrally managed efficiency measures by 31 March 1995**
- **to make efficiency savings of at least £1.1m which is approximately 2.5% of the initial cash allocation, concentrating on the fixed costs identified in a recent study**
- **to compete for Payroll and Pension awarding business offered through the Government's market testing programme**
- **to operate a Customer Charter for Civil Pay services by 31 March 1995**
- **to complete the Full Study of the Mainframe Rationalisation Project**
- **to develop a Quality Strategy by 31 March 1995**



The **DEFENCE ANALYTICAL SERVICES AGENCY (DASA)**, launched in July 1992, supplies a variety of statistical and other services which are vital to the Ministry of Defence's (MoD's) operations. Employing 123 staff, DASA has an annual budget of £6m and has offices in London, Bath, Portsmouth and Gloucester.

Areas of work include:

- manpower planning;
- financial movement;
- surveys;
- analytical projects; and
- ethnic monitoring of the Armed Forces on behalf of MoD.

DASA publishes MoD's official statistics and provides information, advice and analytical services for management. This information and advice underpins much of MoD's budgetary, personnel and logistics planning, as well as providing an important input into policy considerations. DASA is part of the Government Statistical Service. Its Chief Executive is the MoD's Chief Statistical Advisor and is the head of the profession for staff in the statistical grades in the Department.

The Agency's broad aims are: to meet the needs of MoD and other customers for statistical advice, information and analytical services; to promote the use of statistical and analytical methods in the conduct of MoD's business; and to seek progressive improvements in the professionalism, quality and cost effectiveness of its services.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To increase the coverage of Service Level Agreements to 75% in suitable areas: **achieved**.
- To meet at least 95% of the timeliness and quality targets set in established SLAs: **achieved**.
- For the remaining parts of the business (for which SLAs are not appropriate) to meet at least 95% of the timeliness and quality targets in each project agreement: **achieved**.
- To increase efficiency in the production of regular statistical reports by 5%: **achieved**.
- Reduce manpower to a level 20% below the 1990 baseline manpower level by 1 April 1994: **achieved**.
- To achieve in the annual Customer Satisfaction Survey, at least 90% of customers expressing themselves satisfied or better with the timeliness, quality of work and helpfulness of staff: **achieved**.

DASA has introduced a number of initiatives which have led to a more efficient and customer focused organisation. For instance, the Agency has succeeded in reducing its staff from 150 to 123 while at the same time sharply increasing output. This has only been possible through greater teamwork resulting from a more innovative and flexible approach adopted by its staff.

The provision of social and economic statistics are fundamental to the **Citizen's Charter** and open government. DASA's commitment to the Charter has formed the basis of improvements in timeliness, public access and quality of defence statistics, both social and economic, which are published in quarterly press releases, statistical reports and the Department's annual statistical compendium "UK Defence Statistics". This year, for the first time, the compendium had a fixed, pre-announced publication date. The Agency has entered into SLAs with customers which set out the targets for both timeliness and quality of the service provided. In addition to regular contact with customers, each is invited to take part in an annual Customer Satisfaction Survey. Members of the public can also contact the editor of "UK Defence Statistics" through the Agency for answers to their queries.

Areas of work within the Agency, estimated to be valued at £3.1m were identified as suitable for **market testing**. A study, completed in February 1993, recommended the market testing of data collection and processing (including medical events, surveys and logistics) and analytical projects (technical advice to customers). Work is ongoing in this area.

Copies of the Agency's Annual Report and Accounts 1993-94, Framework Document, Business Plan 1992-93 to 1994-95 and 1994 Strategic (Corporate) Plan are available direct from the Agency.

KEY TARGETS 1994-95

- to increase the coverage to 100% for SLAs in suitable areas
- to meet at least 95% of the timeliness and quality targets set in the established SLAs
- for the remaining parts of the business (for which SLAs are not appropriate) to meet at least 95% of the timeliness and quality targets in each Project Agreement
- for all parts of the business, to achieve, in the annual Customer Satisfaction Survey, at least 90% of customers expressing themselves satisfied or better with the timeliness, quality of work and helpfulness of staff
- to increase efficiency in the production of regular statistical reports by 5%
- to develop and implement a system for identifying the full cost of each of DASA's outputs



DEFENCE ANIMAL CENTRE

Welby Lane, Melton Mowbray, Leicestershire, LE13 0SL

Tel: 0664 63281 Fax: 0664 410694

Chief Executive : Colonel Andrew Rooche



The **DEFENCE ANIMAL CENTRE (DAC)** was launched as a Defence Agency in June 1993. DAC has a civilian and military staff of 236 and a cash budget of £5.2m. DAC is based at Melton Mowbray in Leicestershire and at Newton in Nottinghamshire. It is a Joint Service unit under Army Command.

Through the use of animals the Agency aims to: satisfy requirements of national security both in peace and during periods of international conflict or war, and support the demands of the traditional ceremonies of state. It researches and develops the use for Military Working Animals (MWA) and trains animals and their handlers for operational and ceremonial functions. Continued technical support - in particular, veterinary care - is an essential part of our 'after-sales' service. DAC currently maintains a world-wide defence establishment of some 2,000 dogs and 500 horses and provides instruction in animal handling and related matters to around 600 students annually.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To achieve target output levels: **achieved**. The DAC met the output levels required by its customers with 340 dogs, 53 horses and training for 915 students.¹

1 Variance from published figures is due to altered customer demand.

- To have a training success rate within established wastage rates: **achieved**.

	TARGET	ACHIEVED
Patrol Dog Training	90%	78%
Specialist Dog Training	60%	63%
Horses	90%	100%
Patrol Dog Handlers	95%	95.5%
Specialist Dog Handlers	95%	89%
Equitation Instructors	90%	100%

- To achieve programmed output within budget: **achieved**. Running costs for 93/4 were £4.95m out of an allocated cash budget of £5.03m representing a saving of 1.6% (£0.08m).
- To produce proposals for reducing the cost per animal/handler: **achieved**. Increased efficiency and reduction in unit costs is to be achieved by concentration on two major areas:
 - Colocation of training at a single site - the proposal to locate the training site at Melton Mowbray has been endorsed and is one of the main recommendations of the Defence Costs Study (DCS).
 - Integrated training - removal of anomalies between Army and RAF training doctrine is being addressed. Where there is a need for differences of emphasis in training this is to be achieved through a modular training approach.

- To install a financial accounting and Management Information System package to enable operation of a full cost accruals accounting system: **achieved**. A full-cost accruals system was in place by 1 April 1994.
- To initiate a market testing programme by 1 April 1994: **achieved**. The market testing programme is well under way but is being shaped by the available resources and the requirements of both the MoD market testing programme and DCS rather than as envisaged in the plan. In November 1993 the post of market testing Project Officer was filled. Initial tasks included liaison with the MoD market testing team and attendance on relevant training courses. Terms of Reference for a market testing Feasibility Study and a study plan were drafted and put out for discussion. The Feasibility study commenced in August and will be completed by December 1994.
- To conduct a customer satisfaction survey and set targets for improvement: **not achieved**. A decision was taken to defer achievement of this target. It became apparent that the end-users of the varied services were not sufficiently clearly identified. The need to set up customer-supplier agreements with all customers, and review existing arrangements, is of higher priority and is reflected as a key target. However, no complaints were received about the quality of service. In the future we see surveys of customer satisfaction will be an integral and enduring feature of the operation.

Although DAC does not supply a service direct to the public, it recognises the benefits to be gained by pursuing **Citizen's Charter** standards in providing better quality services to its customers.

The Agency's Corporate Plan is available to Government Departments on request. The first Annual Report, containing unaudited accounts is also available on request.

KEY TARGETS 1994-95

- establish **Service Level Agreements (SLAs)** or appropriate equivalent with all major customers and suppliers
- meet at least **95%** of the standard of service targets laid out in the SLAs
- increase overall business efficiency by at least **2.5%**
- implement the **Options for Change** reduction in manpower with minimal reduction in output
- develop an **Output-Costing** system which will measure the resources used to produce various outputs
- adopt a common syllabus for **Joint-Service dog training**
- complete market testing **Feasibility Study**



DEFENCE CLOTHING AND TEXTILES AGENCY

HQ QMG, Portway, Monxton Road, Andover, Hants SP11 8HT

Tel: 0264 382791, Fax: 0264 382652

Chief Executive: Brigadier Richard H T Kirby CBE



The **DEFENCE CLOTHING AND TEXTILES AGENCY** (DCTA) was launched as an Agency of the Ministry of Defence (MoD) in November 1994. The Agency is responsible for providing an agreed range of clothing and textile products and services to meet the needs of the UK Armed Forces and other customers within agreed standards in the most cost effective manner. The Agency has a total of 447 military and civilian staff and an annual budget in 1994-95 of £120m.

The Agency comprises 5 Interlocking Business areas

- Business Management
- Product Management
- Science and Technology (S&T)
- Quality and Product Support, and
- Procurement

The DCTA is responsible for a diverse range of products, from the ceremonial dress of the UK Armed Services to meeting the needs of UK forces deployed in demanding operational roles overseas in varying climatic conditions, such as those found in the Gulf and in Bosnia.

The DCTA currently occupies some 9 sites, from Glasgow in the North to Andover in the South. Plans are in hand to relocate the organisation onto one site. The formation earlier this year of Multi-Disciplinary Groups has already demonstrated a marked improvement in the cohesion of the DCTA.

In keeping with the principles of the **Citizen's Charter**, the needs of the customer (ie the Serviceman or woman) are paramount, and the Agency seeks to meet these in a way that provides a product that:

- is suited to the operational environment within which it is to be worn;
- is comfortable for the individual to wear;
- provides maximum environmental protection; and
- is functional for the purpose.

The Agency aims to achieve this by establishing detailed and accurate product specifications for quality, timeliness of delivery to the customer and provision in a manner which represents best value for money.

In its dealings with other Government Departments, commercial customers and the public, the DCTA will continue to deal with enquiries with courtesy, consideration and promptness.

Commercial organisations contribute to DCTA's business in the supply of manufactured goods and in research and development and some 90% of the Agency's annual budget is currently spent in industry. In accordance with the Department's commitment to **Competing for Quality**, the DCTA will continuously review its business with a view to extending private sector involvement where it can be demonstrated that the stringent performance specifications required by the UK Armed Forces can be met by the private sector within required timescales at less cost.

Copies of DCTA's Corporate Plan for 1994-1999 are available from the Agency.

KEY TARGETS 1994-95

- *to achieve 80% availability of stock from shelf*
- *80% of R&D milestones met by due date within budget*
- *80% of procurement to meet planned lead time for delivery*
- *to develop the framework for a full customer satisfaction survey*
- *to establish the mechanisms required for a full cost accruals accounting system*
- *initiate action to formulate and develop plans for restructuring and co-location of the Agency*
- *complete NAMAS Accreditation of DCTA laboratories*
- *to remain within the 1994-5 cash allocation, incorporating current efficiency assumptions*



DEFENCE OPERATIONAL ANALYSIS CENTRE

Broad Oaks, Parvis Road, West Byfleet, Surrey KT14 6LY

Tel: 0252 340035 Fax: 0252 349721

Chief Executive : David Daniel



The **DEFENCE OPERATIONAL ANALYSIS CENTRE (DOAC)**, launched in July 1992, is the largest single centre for operational analysis (OA) in the UK. Its primary role is to conduct OA studies to provide Ministry of Defence (MoD) Ministers, policy makers and Service staff with the best possible advice and analysis on which to base decisions.

The Agency employs around 210 staff including Royal Navy, Army and Royal Air Force personnel, in addition to scientific and other civil servants. A wide range of disciplines are represented, including mathematicians, physicists, computer scientists, chemists, geographers and psychologists. Operating costs are approximately £11m a year.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 85% planned studies completed within agreed timescales: **achieved**.
- 80% of planned studies completed within planned costs: **achieved**.
- 75% of planned studies completed within agreed timescales and planned costs: **not achieved**. Actual 74%.
- 100% of new major studies conducted to formal quality plan: **achieved**.
- 85% of requests from MoD customers for unplanned urgent advice met within timescales negotiated at the outset: **achieved**.
- Overall efficiency increase of 2%: **achieved**.
- Implement a full cost accounting system and publish auditable accruals based accounts and achieve a Treasury Accounts Direction in 1994-95: **achieved** in 1993-94.

Studies are focused on providing advice for decision making at the highest level within the MoD. Current topics include the assessment of military operational capability, alternative concepts of operations and force structures, resource allocation and equipment procurement. Some major examples of DOAC at work in 1993-94 were: studies into the preferred mix of maritime, land and air force capabilities in relation to a range of possible future tasks implicit in emerging UK defence policy; methods for measuring the defence output of the UK's armed forces; the capabilities and military worth of the tri-partite Common Next Generation Frigate; and the contribution and cost-effectiveness of the Attack Helicopter in anti-armour warfare. Other studies have included the number of Eurofighter 2000 aircraft required and the use of simulators in the collective training of battlefield command staff.

Recommendations from a single study often indicate savings on equipment procurement and ownership many times more than the operating cost of the Agency. In one study this year a better way was shown of how to meet the information needs of

operational commanders by changing the balance of proposed investment in surveillance and reconnaissance systems. The 20% cost saving would amount to more than £75m per annum over the next 20 years.

Although DOAC's customers are from within the MoD rather than the general public, **Citizen's Charter** principles are followed in providing service to them. Six of the 1994-95 targets are designed to improve directly the service customers receive, whilst a seventh, achieved one year early, drives the financial systems needed to monitor success in achieving value for money. The new quality procedures instituted during 1992-93 are challenging all aspects of study processes and have been developed further in 1993-94 to emphasise the feedback to customers. The Agency will also measure customer/peer reaction to the quality of the studies.

In July 1994, as a result of the Defence Costs Studies contained in the publication, "Front Line First", Ministers have agreed that DOAC should combine with a number of other organisations undertaking similar work and become an independent element of a much larger scientific and technology Agency operating under a Trading Fund. As it is planned that DOAC should cease to exist as a separate Agency at the end of the financial year 1994-95, a formal review will not be carried out.

DOAC maintains strong national and international links with other organisations within NATO, the European Community and the Commonwealth.

The Annual Report and Accounts for 1993-94 is available from HMSO. The Agency's Corporate Plan for 1994-98 clearly identifies the strategies for development of its business and is available from the Agency. The Business Plan prepared annually contains sensitive Defence information and is not publicly available.

KEY TARGETS FOR 1994-95

- 90% of planned studies completed within agreed timescales
- 85% of planned studies completed within planned costs
- 80% of planned studies completed within agreed timescales and planned costs
- 100% of new major studies conducted to formal quality plan
- 90% of requests from MoD customers for unplanned urgent advice met within timescales negotiated at the outset
- overall efficiency increase of 3%



DEFENCE POSTAL AND COURIER SERVICES

Ministry of Defence (Army), British Forces Post Office 777

Tel: 0181 346 2611, Fax: 0181 346 2611 ext 3309

Chief Executive: Brigadier Tweedie Browne CBE



The **DEFENCE POSTAL AND COURIER SERVICES** (DPCS) Defence Agency was launched in July 1992. It exists to provide mail and Post Office counter and remittance services to Servicemen and women in all 3 Services while overseas and to provide a secure classified mail service for the Ministry of Defence (MoD), other Government Departments and defence-related organisations in the UK and worldwide. The Agency currently employs 225 military personnel, 255 non-industrial and 52 industrial civilian staff with a net full cost budget of some £21m. The Agency's receipts totalled £2.21m in 1993-94.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Improve the percentage of airmail items that meet quality of service standards by 0.5%: **achieved**. The quality of service standard of 95% for airmail was exceeded by 2%. This significant improvement in the standard of service was achieved by careful monitoring of airline contracts and representations made to the airlines themselves.
- Improve the percentage of MoD Van Service items that meet quality of service standards by 2%: **achieved**. The MoD Van Service improved by 2.4% against its target.
- Introduce an automated financial management and information system by 31 March 1994 to produce all necessary information to support measures of output and unit costs and to meet the accounting requirements of Defence Agencies: **achieved**. Following a competitive tendering exercise a contract was placed with Mansysco for the supply and installation of the "Exact Accounting" system. The system was installed in February 1994.
- Increase the Agency's efficiency by making a 1% saving against 1992-93 outturn net operating costs (either by input or output means): **achieved**. In particular, more stringent business discipline was applied to the Defence Courier Service schedules which were streamlined and which resulted in an award from the Quartermaster General's Efficiency Fund and, in addition, close monitoring of special courier journeys resulted in further substantial savings.
- Implement Phase one of the Agency's market testing plan and examine the potential areas for further study: **achieved**. An invitation to tender was issued for the catering and stewardship functions at Mill Hill and a contract is about to be let pending final discussions with trade unions. Further areas of study include the market testing of the mail sorting functions at Mill Hill and St Giles Court - Phase two of the Agency's market testing plan. Phase 3 will market test the MoD Van Service and is due to begin on 1 January 1995.

In 1993-94, the Agency had continued to radically examine its structure and organisation to reflect the need to reduce postal expenditure in the light of the drawdown of forces personnel and the relocation of MoD headquarter buildings to other sites around the UK. The Mail 2000 initiative rationalises the MoD Mail Service and Defence Courier Services and seeks to introduce a fully integrated postal network within the UK. Projected savings are £2.69m per year.

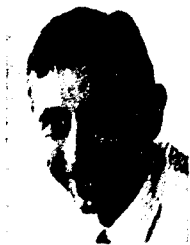
As a Defence Agency, DPCS has no direct dealings with the public. However, in line with **Citizen's Charter** principles, Service Level Agreements (SLAs) lay down a quality of service standard which mirrors that of the civil Post Office and which is agreed with customers. These standards relate to letter and parcel delivery times and are monitored by the Customer Services Group. Amongst other initiatives, the marketing department will be concentrating on achieving BS 5750 in the coming year.

For maximum effectiveness and efficiency within the Agency clear service standards are specified and contracts have been negotiated with shipping companies, airlines, mail order companies and the civil Post Office. The interests of tri-service customers are protected by a dedicated customer care team and by the external Agency Customer Group, made up of representatives of all customers. This meets at least twice a year to discuss problem areas, customer satisfaction, SLAs and quality of service. The Customer Group reports once a year on the quality of the Agency's services. During 1994-95, DPCS intends to publish a guide to the service for all customers and appoint a firm of consultants to conduct a consumer audit. SLAs have been designed and signed up to by a representative of each and every customer area, such as RAF, Royal Navy, British Forces Germany, and Northern Ireland.

The DPCS Defence Support Agency Annual Report, Framework Document and Corporate Plan are available from the Agency.

KEY TARGETS 1994-95

- **review the assessment of Military Core Capability and report by 1 July 1994**
- **increase the Agency's efficiency by making a 0.5% saving against 1993-94 outturn net operating costs**
- **improve the percentage of mail moved by the MoD Mail Service that meets Quality of Service Standards by 0.5% to 97.5%**
- **complete Phase Two of the Agency's Market Testing Plan**
- **following the necessary consultations, implement the MAIL 2000 recommendations, and report progress by 31 March 1995**



DEFENCE RESEARCH AGENCY

Meudon Avenue, Farnborough, Hants GU14 6TD

Tel: 0252 394568 Fax: 0252 394571

Chief Executive : John Chisholm



The **DEFENCE RESEARCH AGENCY (DRA)** was established in April 1991, becoming a Trading Fund in April 1993. Reporting directly to the Secretary of State for Defence, and employing just under 9,000 people, it exists primarily to serve two key needs of the Ministry of Defence (MoD): providing the research-based scientific and technical advice necessary for MoD to be an expert customer in the procurement of an £8bn equipment programme; and by making the results of its research available to new equipment programmes in industry, ensuring that technologically superior and war-winning equipment is available to the UK Armed Services.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To meet profit and cash targets consistent with a 6% Return on Capital Employed: **not achieved**. The Agency achieved 4.3%, finishing its first year in profit.
- To improve overall utilisation from 40% in 1992-93 to 49% in 93-94 and 52% in 1997-98: **achieved**. Overall utilisation, measuring the percentage of all staff time available booked directly to customers, rose to 52%.
- To reduce Administrative and General Overhead expressed as a percentage of total variable costs to less than 15% in 1993-94 and to hold it at this level or better in following years: **achieved** 15%.
- To seek competitive proposals in 1993-94 for market testing amounting on an annual basis to 5% of DRA's annual turnover, for secondary competition amounting to 3% of turnover and for subcontracts amounting to 24% of DRA's turnover: **achieved**. During the first year of trading, competition featured significantly. The Pathfinder programme, whereby firms can bid into the MoD research programme and have their proposals evaluated against DRA's own projects, led to the selection for consideration with MoD customers of proposals worth £41m, exceeding the key target for secondary competition of 3%. Sub-contracts exceeded the target of 24% by a full 2% and the DRA's **market testing** programme, despite a change of direction in year caused by the need for greater flexibility in providing services for which demand fluctuated, substantially exceeded its key target, achieving 9% against 5%. A key element of this success was the award of the contract for experimental flying, previously valued at £25m, to the in-house team from the DRA and the MoD's Test and Evaluation establishment at Boscombe Down.
- To achieve 70% of customer milestones on time in 1993-94 and to increase this to 85% by 1997-98: **achieved**. Target was beaten by a margin of 15%.
- To achieve an increase of 2% in overall performance and customer satisfaction in 1993-94 (as measured by the sum of satisfaction criteria in the business planning survey): **achieved** 2.8%.

- To achieve a running cost reduction of £38m in 1993-94 and to achieve the final target of £90m by 1997-98: **achieved**. Costs fell by £64m.
- To achieve formal quality certification to BS 5750 for one sector by 31 December 1994, and for the rest of DRA by 31 December 1996: **continuing**. The DRA has a formal target involving certification to ISO 9000 and is well on target to achieve this for one Sector by 31 December 1994 and for the rest by 31 December 1996.

The DRA's first year as a Trading Fund has been highly successful. New trading contracts were entered into with all MoD and other Government Department customers and on a turnover of £771.3m the DRA finished the year with an operating profit of £62.4m. The new customer trading relationship did, however, lead to a fall-off in customer demand in two Sectors causing losses of £35m. The management flexibility inherent in the Agency meant, however, that urgent action could be taken to abandon these activities as distinct businesses. The financial impact of the unbudgeted exceptional costs arising from the related closures reduced net profit to just £2.6m. That the impact of the losses and exceptional costs was relatively small was due largely to the success of the rest of the Agency in over-achieving against financial targets.

Improvements in efficiency have come about not just through the pressures of the customer/supplier relationship, although these have been important, but through a thorough process of corporate re-engineering, aimed at removing the wasteful and valueless processes that had been allowed to accumulate. The chosen vehicle for the change process in the DRA is the Total Quality Programme which through an emphasis on continuous improvement and individual responsibility has already made a mark on the DRA's performance. Nowhere is this more apparent than in the manpower mix where over the last 3 years the number of supporting staff has fallen from over 6,000 to just 4,000 whilst the number of scientific staff, and hence the amount of scientific effort available to customers, has increased from 4,600 to 5,000.

Although the DRA's first customer is MoD, the quality of research is such that many discoveries and inventions are finding important civil applications with rewarding commercial consequences for both DRA and industry. Indeed, the Office of Science and Technology, in the White Paper "Realising Our Potential", laid on DRA the specific aim of maximising exploitation and wealth creating potential insofar as this was compatible with the Agency's primary defence purpose. In practice, royalty income rose from £4.6m in 1992-93 to £15.3m in 1993-94, due largely to the policy of active exploitation by the DRA's Intellectual Property Department, and non-MoD work increased slightly from £68.8m to £72.4m over the same period. Whilst the latter does not represent a particularly significant expansion, it is nonetheless a creditable achievement at a time when the defence industry generally is undergoing considerable downsizing. Other initiatives

aimed at increasing the exploitation of DRA's knowledge base for the benefit of wealth creation include the launch of a series of Dual Use Technology Centres: the first, in the field of Structural Materials, came into being on 1 April 1994.

Although not supplying a service directly to the public, the DRA nevertheless believes that what it has achieved by way of management reforms accords entirely with the principles of the **Citizen's Charter** by ensuring that its customers, and therefore ultimately the taxpayer, receive best value for money.

The Annual Report for 1993-94 may be obtained from the Company Secretary's Department at DRA Farnborough, Rm 601, Bldg Q101, DRA Farnborough, Hampshire, GU14 6TD. DRA's Corporate and Business Plans are internal documents containing commercially sensitive information and are not therefore publicly available.

KEY TARGETS 1994-95

- *to meet profit and cash targets consistent with a 6% return on capital employed*
- *to maintain overall utilisation at a level of 51%*
- *to reduce the total overhead expressed as a percentage of total variable costs from 15% at 1 April 1994 to 12% at 31 March 1995*
- *to market test 4% of DRA's turnover; to achieve secondary competition amounting to 3% of turnover; and to achieve competition in subcontracts amounting to 6% of turnover*
- *to maintain achievement on time of customer milestones at the 1993-94 level of 85%*
- *from December 1993 survey baseline to achieve 2% improvement in overall performance by December 1994 and a 4% increase in the quality and project management measures*
- *to have met by 31 March 1995 all 1994-95 rationalisation project milestones as specified and to have achieved a running cost reduction of £70m per annum*
- *to achieve a non-MoD income of £64m in 1994-95*
- *to achieve formal quality certification to ISO 9000 for one sector by 31 December 1994*



DISPOSAL SALES AGENCY

St Christopher House, Southwark Street, London SE1 0TD

Tel: 0171 921 1707, Fax: 0171 921 1443

Chief Executive: Keith Ellender



The **DISPOSAL SALES AGENCY** within the Defence Export Services Organisation of the Ministry of Defence (MoD) was launched in October 1994. The Agency has a staff of 100 and an annual budget of £3.9m.

The Agency is responsible for the disposal by sale of all surplus Defence equipment, stores, spares and other material.

The Agency has two core tasks:

- to negotiate the sale of major capital assets on a Government-to-Government basis; and
- to identify and make contractual arrangements for the most appropriate method of disposal by sale of all other items.

The range of commodities is wide and extends from a complete class of ex-Royal Navy warships in operational condition to food and drink; from tanks and artillery to waste paper.

The Agency is currently facing an enormous surge in business as the size of the UK Forces reduces, and substantial reductions are made in equipment and spares holdings, and as workshops and depots are closed.

The Agency has a sales operation in Germany and has been particularly successful in the sales of vehicles and equipment from units engaged in the drawdown exercise. The rationalisation programme is now largely completed and the Agency is reviewing its sales operation in Germany.

Much of the selling work is already contractorised through the use of auctioneers, term contractors and joint venture partners. The Agency pioneered contractual arrangements with commercial companies for the storage, marketing and sale, with profit sharing, of surplus stores and spares. So far the Agency's commercial partners have invested £2m and have established 45 full-time jobs in setting up the necessary handling and storage facilities. The Agency is committed to a programme of withdrawal from direct selling and greater commercial involvement. A wide range of commodities will be passed into the hands of contractors for marketing and sale.

Agency status has enabled Disposal Sales to focus more clearly on 3 key strategies:

- satisfying customers;
- making best use of the private sector; and
- achieving value for money.

The Agency will continue to develop **Citizen's Charter** principles, through its customer awareness programme, by ensuring that prompt, courteous and efficient service is a primary aim.

A number of outline performance indicators have been identified, but in the absence of suitable data to support these, the Agency will concentrate on the key targets listed :

KEY TARGETS 1994-95

- *achieve disposal sales revenue of £60.8m*
- *introduce three new storage and marketing agreements (joint ventures) with industry*
- *implement the first stage of a 3-year programme of withdrawal from direct selling other than Government-to-Government sales*
- *improve efficiency by reducing the overhead of the Agency's stores activity in Germany*
- *establish an Agency resource database and interim output budget incorporating full cost accruals accounting*
- *development of Performance Indicators*



DRIVER AND VEHICLE LICENSING AGENCY

Longview Road, Morriston, Swansea SA6 7JL

Tel: 0792 783112 Fax: 0792 783003

Chief Executive : Stephen Curtis



The **DRIVER AND VEHICLE LICENSING AGENCY (DVLA)**, an Agency of the Department of Transport, was established in April 1990. It is responsible for the registration and licensing of drivers and vehicles and the collection and enforcement of vehicle excise duty. It also arranges the transfer and sale of attractive vehicle registration numbers. The Agency's customers for these services are the motoring public, commerce and industry as well as the police, courts and Government Departments. During 1993-94 the Agency employed 4,330 staff in its headquarters at Swansea and network of 7 area and 51 local offices. Total operating costs were £186m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 2.5% improvement in overall efficiency: **achieved**.
- 95% of vocational driving licences within 11 days. Medical cases within 35 days: **achieved**.
- 95% of first provisional driving licences within 12 days: **achieved**.
- 95% of ordinary driving licences within 13 days. Medical cases within 25 days: **achieved**.
- 95% of changes to vehicle registration documents within 13 days: **achieved**.
- 95% of registration documents for new vehicles within 15 days: **achieved**.
- 80% of telephone calls to be answered within 30 seconds: **not achieved**. A new ACDS telephone system has now been installed to raise performance.
- 90% of written enquiries to be answered within 8 days: **achieved**.
- Complete a minimum of 445,000 successful enforcement cases : **achieved**. 455,420 successful enforcement cases were completed. Revenue recovered in out of court settlements and fines amounted to £46m against a target of £40m. Additional revenue, estimated at £26m, was raised through measures aimed at securing voluntary relicensing.

The sale of attractive vehicle registration numbers continues to be popular, raising £22m in revenue and £6m from assignment fees in 1993-94. The scheme has raised £140m for the Exchequer with over 300,000 numbers sold.

The Agency continues to build on the services for which it was awarded the **Citizen's Charter** Charter Mark in October 1993. For example, the introduction of pictograms on driving licences has simplified entitlement details for drivers and operational streamlining of procedures has helped speed up the issue of a full driving licence following test pass. An independent mediator has been appointed to assist the Agency with customer complaints.

Work to improve the accuracy and quality of the Agency's databases is ongoing. Market research has been commissioned to pin-point the reasons for errors.

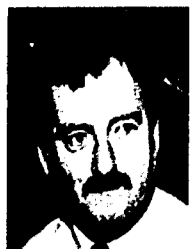
The result of the prior options part of the Agency's 3 year review, announced in May 1993, was that there should be no change in the status of DVLA at that stage. The Secretary of State wanted the Agency to concentrate on further measures to improve the quality and efficiency of its services, including full use of **market testing** to secure best value for money. The extended market testing programme for the year covered over 500 Agency posts. The DVLC Security Service, Despatch Section and Graphic Print Unit were market tested with the in-house team winning the contracts. The market testing of other non-core services (eg, messengers, stores and personnel) is in progress. The revision of the Framework Document and evaluation stages of the review are still underway.

A 3 year programme of investment in new technology has been announced for the Centre at Swansea which will lead to improved efficiency and a saving of 700 posts. There are also forthcoming changes to the way in which new vehicles are registered and changes proposed in the way that Vehicle Excise Duty is levied and enforced, which will lead to the closing of the Agency's network of local offices, currently employing 1,500 staff.

Copies of the Annual Report and Accounts can be purchased from HMSO and the Business Plan is available from the Agency. The Agency's Corporate Plan contains sensitive information and is therefore not publicly available.

KEY TARGETS 1994-95

- 4% improvement in overall efficiency
- 95% of vocational driving licences within 10 days. Medical cases within 30 days
- 95% of first provisional driving licences within 11 days
- 95% of ordinary driving licences within 12 days. Medical cases within 22 days
- 95% of changes to vehicle registration documents within 13 days
- 95% of registration documents for new vehicles within 13 days
- 80% of telephone calls to be answered within 30 seconds
- 95% of written enquiries to be answered within 8 days
- complete a minimum of 457,000 successful enforcement cases. Achieve an enforcement yield to cost ratio of 2.6:1
(The turnaround targets relate to working days from receipt at the centre to delivery to customers)



DRIVER AND VEHICLE LICENSING NORTHERN IRELAND

County Hall, Castlerock Road, Coleraine BT51 3HS

Tel: 0265 44133 Ext 246 Fax: 0265 54433

Chief Executive : Brendan Magee



DRIVER AND VEHICLE LICENSING NORTHERN IRELAND (DVLNI)

was launched in August 1993 as an Executive Agency of the Department of the Environment (NI). The Agency is responsible for licensing drivers, registering and licensing vehicles and collecting and enforcing vehicle excise duty in Northern Ireland. It employs 226 staff at its Headquarters in Coleraine and in 8 Local Offices throughout Northern Ireland. Annual running costs are £4.43m. Annual income from Driver Licence fees is around £700,000. The Agency is also responsible for the collection of about £83m annually in vehicle excise duty on behalf of the Secretary of State for Transport. The Agency is fully reimbursed by the Department of Transport for the costs incurred in carrying out vehicle licensing in Northern Ireland.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

• Provisional Licences:

to achieve a yearly average of 90% of licences dispatched within 10 days of receipt of application: **achieved**.

and not exceeding 12 working days in any one month: **not achieved**. Exceeded 12 day target working on one occasion.

• Ordinary Licences:

to achieve a yearly average of 90% of licences dispatched within 11 working days of receipt of application: **achieved**.

and not exceeding 12 working days in any one month: **not achieved**. Exceeded 12 day target on one occasion.

• Vocational Licences:

to achieve a yearly average of 95% of licences dispatched within 11 working days of receipt: **achieved**.

and not exceeding 13 working days in any one month: **achieved**.

• Registration books for new vehicles:

to achieve a yearly average of 90% of books dispatched within 16 working days of receipt of application: **achieved**.

and not exceeding 17 days in any one month: **achieved**.

• Refunds of vehicle excise duty:

to achieve a yearly average of 90% of refunds dispatched within 11 working days of receipt of the application: **not achieved**. 85% of refunds dispatched within target.

and not to exceed 12 working days in any one month: **not achieved**.

• Postal Licensing:

to achieve a yearly average of 90% of licences dispatched within 6 working days of receipt of the application: **achieved**.

and not exceeding 8 working days in any one month: **achieved**.

• Duplicate Registration Books:

to achieve a yearly average of 90% of books dispatched within 6 working days of receipt of the application: **achieved**.

and not to exceed 7 working days in any one month: **achieved**.

• Changes to Registration Books:

to achieve a yearly average of amended books dispatched within 8 working days of receipt of application: **achieved**.

and not exceeding 10 working days in any one month: **achieved**.

• Waiting time at Local Vehicle Licensing Offices:

Peak period maximum waiting time:

first 8 and last 2 working days of each month: 25 mins: **not achieved**. 98% within target.

other working days: 10 mins: **not achieved**. 99% within target

• Written Enquiries:

substantive replies to 90% of written enquiries to be dispatched within 5 working days of receipt: **achieved**.

• Error Rates:

reduction of error rate (errors on any item sent out by the Agency) to 0.6% of total Agency output: **achieved**.

• Efficiency Targets:

to achieve an aggregate unit cost calculated on the basis of cost per standard hour of work of £26.37 (at 1992-93 prices): **achieved**.

to achieve an overall efficiency gain of 4.29%: **achieved**.

• Enforcements:

achieve unit cost of £22.12 per vehicle excise enforcement case completed: **achieved**.

The Agency continues to be fully committed to the principles of the **Citizen's Charter** and has produced a Statement of Charter Standards (available from the Agency) which sets out the Agency's broad policy on customer service, giving information on the range of services provided, policies and aims on the standard of service to be provided, details on information and enquiry services, policy on identification of staff and the Agency's complaints procedure. DVLNI also produces Customer Service Guides, one for vehicle licensing and one for driver licensing, which give detailed information about the targets which have been set for the Agency and which relate directly to the standard of service, for example, how long it should take to get a driving licence. These leaflets are issued to customers with licence reminder forms.

The Agency's strategic objectives are: to improve the efficiency and effectiveness of driver and vehicle licensing services; and to identify customer needs and improve the quality of service. Among the initiatives which the Agency will introduce in pursuit of these objectives will be improvements in the development and use of IT, the training and development of staff and the introduction of more flexible working patterns.

DVLNI has set out a comprehensive programme for **market testing** a wide range of its activities over the next two years. This process is intended to assist the Agency in achieving the best possible value for money in providing quality services to the customer. In year one, all the Agency's Local Office functions will be market tested, followed in year two by Vehicle Licensing and support functions carried out by the Central Office.

The Agency's Annual Report and Accounts are available from the Agency. The Agency produces an annual Business Plan and a Corporate Plan which sets out its main strategies and objectives for a 3 year period.

KEY TARGETS 1994-95

- *to produce an overall efficiency gain of 2%*
- *to reduce the unit cost per vehicle excise enforcement case completed to £21.73 (at 1992-93 prices)*
- *to dispatch 90% of registration books for new vehicles within 16 working days to the receipt of application*
- *to dispatch 90% of refunds of vehicle excise duty within 11 working days of receipt*
- *to dispatch 92% of vehicle excise licences within 6 working days of receipt of postal applications*
- *to dispatch 92% of duplicate vehicle registration books within 6 working days of receipt of applications*
- *to dispatch 96% of amended vehicle registration books (following changes to vehicles or keepers) within 8 working days of receipt of applications*
- *to dispatch 91% of ordinary driving licences within 11 working days of receipt of applications*
- *to dispatch 96% of vocational driving licences within 11 working days of receipt of applications*
- *to dispatch 91% of provisional driving licences within 10 working days of receipt of applications*
- *to dispatch substantive replies to 90% of written inquiries within 4 working days of receipt*
- *to limit maximum waiting time at local vehicle licensing offices to 25 minutes during peak periods (the first 8 and last 2 working days of each month) and 10 minutes at other periods*
- *to reduce the error rate (errors on any item sent out by the agency) to 0.5% of total agency output*



DRIVER AND VEHICLE TESTING AGENCY

Balmoral Road, Belfast BT12 6QL

Tel: 0232 681831 Fax: 0232 665520

Chief Executive : Brian Watson



The **DRIVER AND VEHICLE TESTING AGENCY** was established in April 1992 as an Agency of the Department of the Environment for Northern Ireland, to carry out the Department's statutory responsibility for testing the roadworthiness of a range of vehicles, including private cars, light goods vehicles and motorcycles used on Northern Ireland's roads, and for conducting the full range of driving tests required. The Agency employs some 264 staff and operates from 15 purpose built Test Centres throughout Northern Ireland. Business turnover during 1994-95 is estimated to be £8.03m with direct running costs amounting to £6.54m.

The Agency undertakes other miscellaneous work such as the Approved Driving Instructors Scheme, taxi licensing, road accident work, tachograph inspection and approval and transport international routier work.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Private cars/goods vehicles tests - 4 weeks waiting time for 80% of applications; maximum waiting time of 5 weeks: **achieved**. Actual performance was 93.28% in 4 weeks and 100% within the maximum time of 5 weeks.
- Driving tests - 8 weeks maximum waiting time for 80% of applications; maximum waiting time of 10 weeks: **achieved**. Actual performance was 96.07% in 8 weeks and 100% within the maximum time of 10 weeks.
- Vehicle testing - units/man/day not below 15.75: **achieved**. Actual performance was 16.01 units.
- Driving testing - units/man/day not below 7.6: **achieved**. Actual performance was 7.88 units.
- Faulty inspections as percentage of annual tests conducted not to exceed 0.5%: **achieved**.
- Level of complaints about booking arrangements as percentage of applications received to be less than 2%: **achieved**.
- Level of complaints about the conduct of tests as percentage of applications received to be less than 2%: **achieved**.
- Level of customer satisfaction with booking arrangements to be greater than 92%: **not achieved**. A level of 92% was recorded (but is subject to a sampling error of +/- 3%).
- Level of customer satisfaction with test procedures greater than 96%: **not achieved**. A level of 95% was recorded (but is subject to a sampling error or +/- 3%).
- £15.83 composite unit cost of driver and vehicle tests: **achieved** - £15.58.
- Compensation payments made to be not more than 2% of applications received: **achieved**.

The Agency remains committed to the Northern Ireland Citizen's Charter. The waiting times for test appointments were improved despite increased demand and the addition of an exhaust emission test to the MOT inspection. For the second successive year there was no need to increase fees for the majority of tests. Several new customer initiatives were introduced during 1993-94. A Code of Practice was published explaining the standards which customers should expect and how major customers will be consulted. A new record sheet was introduced to provide all 'L' test candidates with information on their standard of driving whether they pass or fail the test. Reception areas in all of the Agency's Test Centres were improved and now give customers clear information on performance against set targets. In addition, a staff bonus scheme was introduced.

Although the Agency does not have a **market testing** programme, a major study was undertaken by consultants of the private car testing system in Northern Ireland which is the DVTA's major activity. The report concluded that the current system is the optimum form of testing in Northern Ireland. It will be considered by the Department during its first review of the Agency. Negotiations are underway with the Department of Finance and Personnel to secure agreement that the efficiency element of the review be completed by March 1995 with the prior options study being completed a year later.

Copies of the Annual Report and Accounts and Business Plan are available from the Agency. The Agency's Corporate Plan is not made publicly available.

KEY TARGETS 1994-95

- **vehicle test appointments - 5 weeks average waiting time**
- **driving test appointments - 10 weeks average waiting time**
- **vehicle test productivity - 16.15 units/man/day**
- **driving test productivity - 7.7 units/man/day**
- **faulty inspections not to exceed 0.3% of tests conducted**
- **complaints about booking arrangements to be less than 2% of applications**
- **complaints about test conduct to be less than 2% of applications**
- **customer satisfaction with booking arrangements - greater than 80%**
- **customer satisfaction with test procedures - greater than 90%**
- **composite unit cost of driver and vehicle test - £16.32**
- **compensation payments made to be less than 1% of applications**



The **DRIVING STANDARDS AGENCY (DSA)** is responsible for testing drivers and approved driving instructors on behalf of the Secretary of State for Transport. Conducting the driving test for car, lorry and bus drivers (Large Goods Vehicles and Passenger Carrying Vehicles - LGV/PCV) and motorcyclists comprises nearly 95% of its work. The Agency also operates the statutory register of Approved Driving Instructors (ADI). Established in April 1990 as an Executive Agency of the Department of Transport, DSA has a turnover of about £50m a year and employs about 1,800 people, most of them at some 490 test centres across Great Britain.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Recover full cost in fees and charges: **achieved**. A surplus of £1.6m was made.
- £24.12 unit cost for car tests; £56.26 for LGV/PCV tests; £31.84 for motorcycle tests; and £37.40 for ADI activities: **2 achieved, 2 not achieved**. The LGV/PCV target was achieved with a unit cost of £55.99 and for motorcycle tests the outturn was £29.58. For car tests the outturn was £24.48, just 1.5% over target compared to a 3.2% loss in volume. The ADI unit cost was £39.08, 4.5% over target, due to a 6.7% loss in volume.
- Maintain national average waiting time for:-
 - car tests at 6 weeks; **achieved**. The national average waiting time was 5.98 weeks.
 - motorcycle, lorry and bus tests at 4 weeks; **1 achieved, 1 not achieved**. The waiting time for lorry and bus tests was 1 week and for motorcycles was 5.9 weeks. Even though demand for motorcycle tests was 5.5% above forecast, the waiting time over the year was reduced by 1 week.
 - ADI practical tests at 5 weeks: **achieved**. The national average waiting time was 4.4 weeks.
- Answer 90% of telephone calls to booking offices within 1 minute: **not achieved**. In the first full year of automated monitoring, the target was achieved in the last 5 months of the financial year.

Demand for the Agency's services was at its lowest level since 1977, declining more than forecast. DSA was able to use the opportunity to demonstrate its ability to manage downwards. Whilst demand for LGV/PCV tests fell 10.7% below plan, the unit cost target was bettered. The car test target was missed by just 1.5% compared to a 3.2% loss of volume.

As part of the programme of continuing rationalisation of the Agency's test centre estate, the closure of 22 test centres, spread across the country, was announced in January 1994. DSA also made savings by rationalising cash handling and post opening work from Traffic Area Offices to 5 DSA Regional Offices.

DSA continued with its programme of changes to improve its ability to respond to fluctuations in demand for tests. The first stage of the new retirement policy for all Driving Examiners was implemented. The opportunity was taken to use newly retired examiners, on a fee paid basis, to cover some of the short absences of examiners, enabling the Agency to cancel fewer tests. A small programme of recruiting "contract" examiners in London and Scotland, where examiners are needed to cope with local peaks in demand, was also started.

Following the award of the **Citizen's Charter** Charter Mark in 1992, the Agency has continued to improve customer service. The successful system of booking car and motorcycle test appointments by post and telephone using Credit Cards was extended to include Switch and Delta cards in October 1993. The findings of the second Customer Survey (published in September 1993) showed support for the service performance targets set in the Service Standard and indicated that the targets were generally being met. A third Customer Survey is underway.

DSA continued to expand its publications. A new title was added to the "Driving Skills" series - "Your Large Goods Vehicle Driving Test" in February 1994. A second edition of "Your Driving Test" was published in April 1993.

The Agency is **market testing** the processing of driving test applications and local finance functions. A decision is expected to be announced in January 1995.

Each year DSA publishes its Annual Report and Accounts along with its Business Plan for the year. Copies of the Annual Report and Accounts are available from HMSO bookshops but copies of the Business Plan are available direct from the Agency. The Agency's Corporate Plan is not made public.

KEY TARGETS 1994-95

- **recover full costs in fees and charges, including the recovery of accumulated deficits by 1995-96**
- **achieve or better unit costs of: £24.50 for car tests; £59.03 for LGV/PCV tests; £32.66 for motorcycles; and £38.62 for ADI activities**
- **maintain national average waiting time for:**
 - **car tests at 6 weeks; and**
 - **lorry, bus and motorcycle tests at 4 weeks**
- **answer 90% of telephone calls to booking offices within 1 minute**



DUKE OF YORK'S ROYAL MILITARY SCHOOL

Dover, Kent CT15 5EQ

Tel: 0304 245024 Fax: 0304 245019

Head and Chief Executive : Colonel Gordon Wilson BA MEd



The **DUKE OF YORK'S ROYAL MILITARY SCHOOL**, founded by Royal Warrant in 1803, became an Agency of the Ministry of Defence in April 1992. The School's primary function is to provide a high quality and stable boarding education for the sons and daughters of those who have served for a minimum period on regular engagements in the Armed Forces. The owner is the Adjutant General representing the Secretary of State for Defence. Staff comprises the Headmaster, 50 teaching staff (including 4 part time) and 46 (including 8 part time) non-teaching staff. Running costs for the year 1993-94 were £5.01m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 5 or more GCSE passes at grades A to C for 80% of candidates: **achieved**.
- 90% of A level passes at grades A to E and 35% of A level passes at grades A and B: **not achieved**. 83% and 22% achieved respectively.
- 100% award rate for all BTEC National Diploma candidates: **achieved**.
- List minimum boarding standards for all Houses by April 1994: **achieved**.
- Write policy on extra curricular activities by July 1993: **not achieved**. Initial study completed but was found to be inadequate. A new study is now underway.
- Formulate policy on assessing, monitoring and reporting by March 1994: **not achieved**.
- Prepare 5 year financial plan by October 1993: **achieved**.
- Maximise efficiency in works property management: **achieved**.
- Save £150,000 by March 1994: **achieved**.
- Carry out a Pay and Conditions Review by April 1994: **achieved** with 23.7% reduction in Boarding School Allowance and an 18% increase in teachers' workloads.
- Produce prospectus and market the school effectively: **achieved**.
- Complete preparations for co-education by April 1994: **achieved**. Planning has been completed with 51 girls confirmed in 4 year groups.

Like other schools in the UK, the Duke of York's is pursuing policies under the Parents' Charter, in line with the principles of the **Citizen's Charter**. It has improved communication with parents by introducing a termly Newsletter in addition to existing forms of communication. The prospectus has been updated, the reporting system to parents has been reviewed and pupil reports are provided more frequently than that required in the Parents' Charter. Records of Achievement have been introduced, curriculum provision has been considerably enhanced beyond the requirements of the National Curriculum and subject choices

in the sixth form expanded. Examination results are published annually and a Finance and General Purposes Committee and a Pastoral and Curriculum Committee have been introduced.

Under the **market testing** programme, major school non core functions such as grounds maintenance, catering and cleaning have been contractorised.

Copies of the School's Annual Report and Accounts 1993-94 are available from HMSO. Copies of the Agency's Corporate and Management Plans are available direct from the Agency.

KEY TARGETS 1994-95

- **to achieve at least 97% of GCSE passes at grades A to G August 1994**
- **to achieve at least 5 GCSE passes at grades A to C for 80% of pupils August 1994**
- **to achieve 85% of A level passes at grades A to E August 1994**
- **to achieve 3 A level passes at grades A to E for 80% of pupils August 1994**
- **to achieve 30% of A level passes at grades A and B August 1994**
- **to achieve 100% award rate for BTEC National Diploma courses August 1994**
- **to implement new timetable September 1994**
- **to complete detailed pastoral preparations for co-education September 1994**
- **to implement school policy on extra-curricular activities September 1994**
- **to update policy on assessing, monitoring and reporting in context of Dearing Review September 1994**
- **to implement financial measures from Pay and Conditions Review September 1994**
- **to implement efficiency decisions on management of works services April 1994**
- **to implement new school clothing system August 1994**
- **to introduce new software package for administration and finance September 1994**
- **to introduce new school billing system September 1994**
- **to reduce pupil per capita costs to £11,246 April 1995**
- **to review Agency Framework Document April 1995**
- **to start RAF section of the Combined Cadet Force September 1994**
- **to achieve 200 applicants for September 1995 intake by April 1995**



EMPLOYMENT SERVICE

EMPLOYMENT SERVICE

St Vincent House, 30 Orange Street, London WC2H 7HT

Tel: 0171 389 1377/1372 Fax: 0171 389 1373

Chief Executive : Mike Fogden CB



The **EMPLOYMENT SERVICE (ES)** was established as an Executive Agency within the Employment Department Group in April 1990. Its aim is to promote a competitive, efficient and flexible labour market by helping into work unemployed people, especially those who are disadvantaged, and by paying benefits and allowances to those entitled to them. The ES employs 45,000 staff in a national network of some 1,100 local offices (ES Jobcentres). Over 80% of the people in the Agency work locally, delivering services direct to clients. For 1993-94 the ES had an overall running costs budget of £1,054m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 1.47m unemployed people placed into jobs: **achieved**. Of which:
 - 27% (396,900) to be long term claimants: **achieved**.
 - 3% (44,100) to be people with disabilities: **achieved**.
 - 35% (514,500) to be people in inner cities: **achieved**.

The ES exceeded its placings targets in 1993-94. It converted a greater percentage of its vacancies into unemployed placings than in any of the previous 3 years. ES achieved this in the context of better labour market conditions. This improvement, and a concerted marketing effort to employers, led to the Agency handling over 2.25m vacancies during the year; more than assumed at the start of the year and more than in any previous year as an Agency.

The Agency placed 1,640,000 unemployed people into jobs, almost 220,000 more than the previous year. Of this total 462,000 (28.2%) were long term claimants, over 580,000 (35.4%) were clients of inner cities offices and over 53,000 (3.25%) were people with disabilities.

- 65% of starts on Training for Work to be as a result of ES referrals: **achieved 74%**.
- 87% of clients due an advisory interview to receive one: **achieved 92%**.
- 30% of unemployed clients due a 12 month advisory interview to start on a Jobplan workshop: **achieved 45%**.
- 87% of first payments to be despatched on the day that benefit entitlement is established, rising to 90% in the last quarter: **achieved 89.4%**. Taken over the year the ES exceeded its target for prompt despatch of first unemployment benefit payments in 87% of cases; even though performance in the last quarter did not reach the subsidiary target of achieving 90% by year end.
- 96.5% of unemployment benefit payments to be correct by value: **not achieved**. Actual 96.4%. The Agency fell short of its target by just 0.1%, reflecting in part the increasing rigour of the checking process.

- 9% of initial claim enquiries not to be pursued as new claims: **not achieved 8.9%**.
- 63,000 claims to be withdrawn following investigation by ES inspectors: **achieved 67,400**.
- to achieve £21.2m efficiency savings: **achieved**. £21.2m savings achieved, with the main savings coming from computer assisted training, better means of procurement and the continuing integration of local offices.

Other achievements in 1993-94 were:

- working towards the achievement of Investor in People status which, following national assessment, was awarded in June 1994;
- successfully introducing Community Action and meeting the commitment to provide 20,000 filled places on this new programme by March 1994;
- continuing to implement the replacement computer systems NUBS2 (National Unemployment Benefit System) and ESP (for making payments to trainees). Significant enhancements have also been made to the system, most notably linking NUBS2 to the system operated by the Benefits Agency to pay Income Support. This has eliminated several million paper transactions each year between the two Agencies resulting in an improved and more cost effective service to clients; and
- improving the level of customer satisfaction - in integrated offices it rose by 3 percentage points to 83% in respect of jobseeking services and by 2 percentage points to 88% in respect of benefit services (figures taken from the 1993 National Customer Satisfaction Survey).

To help achieve higher targets in 1994-95, a number of new initiatives have been introduced including: two week Restart Courses; Workwise, a pilot jobsearch and confidence building course for young people; and 1-2-1, giving clients more intensive advice and support. These are all aimed at long term claimants. In addition, a new programme, Access to Work, extends and simplifies the range of ES services available to people with disabilities and their employers.

Other current measures to improve quality and effectiveness in the ES include:

- playing a full part in developing the Jobseeker's Allowance, the replacement for Unemployment Benefit and Income Support;
- a new version of the **Jobseeker's Charter**. This includes new additional standards of service for the currency of vacancy displays and the speed of response to correspondence, the display of comparative performance information in ES offices (local and neighbouring offices) and an enhanced complaints procedure;

- establishing a District network, based on groups of offices in a local labour market, to give a much clearer line management focus on performance;
- continuing an organisational review of head office and regional office functions;
- introducing a new accounting system that provides financial information in both cash (Vote) and commercial (accrual) terms. This will help the ES improve value for money by using the new financial information to feed into performance and unit costing systems that will help managers better understand their business. The new accounting system also integrates with a new purchasing system;
- implementing new pay and appraisal arrangements for junior and middle managers, taking forward the changes which were begun with all senior managers last year. They are based on assessing an individual's contribution to ES business objectives. ES is currently reviewing the pay and grading arrangements for specialists, clerical, support and typist grades;
- reviewing the contents of the ES Personnel Handbook and negotiating a package of changes to some key internal policies and procedures. The changes affect ES's policies and procedures governing discipline, inefficiency and grievance among others;
- strengthening NUBS2 by the issue of new software and developing other IT initiatives; and
- continuing good progress with the local office "integration" programme bringing together job placing and benefit payment services in self-contained ES Jobcentres. By the end of the year some 80% of all ES clients were being served in these open-plan, new-style offices. Customer surveys confirm people prefer them.

The ES continued to pursue its **market testing** programme, focusing as planned on a range of competitions for corporate support services. The 1992-93 programme had a value of £31.5m against an anticipated value of £34.2m, while the 1993-94 programme is currently worth £30.2m against an original estimate of £20.5m. A further programme has been identified for 1994-95 and beyond, while consideration is being given to the impact on market testing of the recent announcement on delivery arrangements for the new Jobseeker's Allowance.

The Framework Document for the Agency was reviewed and a revised one came into effect in October 1993. The prior options study is currently underway and is due to be completed by March 1995.

The ES publishes an annual Operational Plan which sets out the Agency's objectives, targets and main activities for the year ahead. The published Annual Report and Accounts reports performance against targets and presents financial accounts. Both documents are available from the Agency.

KEY TARGETS 1994-95

- **1.7m job placings of unemployed people of whom:**
 - **29.5% (500,000) will be long term claimants;**
 - **3.3% will be people with disabilities;**
 - **26% will be people in inner cities**
- **50% positive outcomes for claimants invited to a 12 month advisory interview**
- **35% positive outcomes for claimants invited to a 24 month advisory interview**
- **92% of clients due an advisory interview to receive one assuming 9m interviews are due**
- **9% of initial claim enquiries not to be pursued as new claims**
- **135,000 submissions to adjudication where there is an arguable case with supporting information to show that the claimant is not available for, actively seeking or willing to accept work**
- **to despatch 75% of first payments of unemployment benefit within 10 days of a claim**
- **97% of Unemployment Benefit payments by value to be correct**
- **70,000 claims to be withdrawn of those suspected of obtaining benefit by deception following fraud investigation**
- **to achieve £25.1m in efficiency savings**



FIRE SERVICE COLLEGE

Moreton-in-Marsh, Gloucestershire GL56 ORH

Tel: 0608 650831 Fax: 0608 651788

Chief Executive : Nigel Finlayson



The **FIRE SERVICE COLLEGE** became an Executive Agency and Trading Fund of the Home Office in April 1992. It was the first Agency to operate from the outset as a Trading Fund. It cost £15.6m to run in 1993-94 and its turnover in the year was £12.9m. It directly employs 277 staff, including some 76 officers seconded from UK Fire Brigades. Another 175 staff are employed by contractors.

The College is the central training establishment for the UK Fire Service and is the most comprehensive facility of its kind in the world. During 1993-94, the College ran over 260 courses and trained more than 5,000 individuals in fire, safety, finance, management and computer skills. It is continually reviewing, expanding and developing new courses and facilities to meet the changing operational and technical needs of the UK Fire Service as well as catering for a broad range of requirements from industrial and commercial clients. The College's corporate aim is to remain the pre-eminent higher education college for fire related training and for promoting fire safety awareness.

The College, which is attractively situated on the edge of the North Cotswolds, has extensive social and recreational facilities. It also has residential accommodation of 660 individual study bedrooms and offers facilities for conferences and other events in order to maximise use of its assets.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even financially: **not achieved**. The failure of the College's business strategy for a second year resulted in a deficit of expenditure over income of £2.7m.
- 6.5% return on capital employed: **not achieved**. A negative return on capital was the end year result.
- £800 unit cost per student week: **not achieved**. The unit cost was £847.
- 99% of students completing training courses: **achieved** 99.7%.
- 90% of students successfully completing assessable courses: **achieved** 91.4%.
- 10% of students on assessable courses obtaining the highest grade of performance (grade a): **achieved** 31.6%.
- 75% of students expressing satisfaction with the attainment of course objectives and other key quality dimensions based on student questionnaires: **achieved** 84.8%.
- The volume of student weeks:
UK Fire Service target 15,534: **achieved** 16,105
Wider markets target 2,358: **achieved** 2,421.

The College remains committed to development and progressive change in order to maintain its position as the world leader in fire engineering education and training. It now has in place 4 degree courses networked with British universities and one validated by the South Bank University, which commenced October 1994 and is run by the College for UK Fire Service officers. The College has obtained accreditation from the Civil Aviation Authority (CAA) as an Airport Firefighters' School and has invested in the provision of the necessary facilities to enable it to run CAA accredited courses. The College anticipates that aviation will become a major business stream from 1995-96 onwards. The College has also continued its policy of continually upgrading the extensive facilities on its fireground which offer unparalleled practical training scenarios for both Fire Service and commercial clients.

The College is committed to **Citizens' Charter** principles and has produced a Citizens' Charter statement of standards to supplement previous initiatives including name badges, widespread customer care training and the continued work of the College's Quality Unit towards accrediting the College's quality management system to BS5750. During the year the number of complaints received by the Quality Unit halved compared with 1992-93.

The College has been active in the implementation of the Government's **market testing** initiative. In all, some 20 different tasks (including catering, cleaning, grounds maintenance and security), to a value of £2.4m, are now contracted out.

The College continues to place high value on comprehensive and effective staff training and in December 1993 achieved Investor in People (IIP) status. The thrust of the College's IIP policy is to improve the teaching qualities and capabilities of all its staff. The College is also a corporate member of the Management Charter Initiative and has incorporated the standards set into its management development programme, thereby offering staff the opportunity for training and development to nationally agreed levels.

In May 1994, a new management team was appointed in response to the College incurring two years of significant deficit as a Trading Fund. One of the key tasks as part of restoring the College to viability, is a review of the College's Corporate and Business strategy for the future. At the same time, the College is also carrying out a prior options review.

The College's Annual Report and Accounts and Corporate and Business Plans are available from the Agency.

KEY TARGETS 1994-95

At the time of publication, the 1994-95 Business Plan had not been finalised



FORENSIC SCIENCE SERVICE

Priory House, Gooch Street North, Birmingham B5 6QQ

Tel: 0121 666 6606 Fax: 0121 622 5889

Chief Executive : Dr Janet Thompson



The FORENSIC SCIENCE SERVICE (FSS) became an Executive Agency of the Home Office in April 1991. Its purpose is to serve the administration of justice by providing scientific support in the investigation of crime and by giving expert evidence to the courts. Its customers include the police, Crown Prosecution Service, coroners and the defence. The FSS's scientific work is carried out in 6 laboratories: Aldermaston, Birmingham, Chepstow, Chorley, Huntingdon and Wetherby. During 1993-94, the Agency had 630 staff, expenditure of £25.9m and income of £25.7m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	Target	Achieved
• Recover full costs	100%	99.1% ¹
• Unit cost (and related efficiency improvement)	£451.99 (1.8%)	£476.05 (-2.95%)

¹ excludes exceptional costs of £1.7m.

The shortfall of less than one per cent on full cost recovery was due in part to a reduction in the number of simple items submitted per case, leading to increased average complexity of items submitted and, underlying this, the volatility of the forensic science market which needs to be developed and stabilized and the consequent difficulty of forecasting demand and setting prices. This also affected the unit cost and efficiency gain targets. Work is in hand on development of the charging structure better to reflect changes in customer requirements, and linked to that more representative efficiency measures. An intensive programme of work to address the immaturity of the market is now underway jointly with representatives of the police and other members of the Criminal Justice System.

- Improved turn around times for customers by case type:

	90% of cases completed within (days)	Proportion achieved
arson	62	85
break-in	75	81
drugs	29	93
GBH/assault	86	81
theft	56	74
murder	102	76
sexual	120	92

Average turn around times decreased steadily during the year, an improvement of 7.5%. A delivery date system has replaced the service timeliness internal target for 1994-95 to reflect real customer requirements.

- Accreditation to NAMAS M10 and BS 5750 standards for all 6 laboratories: **achieved**. The FSS was the first forensic science organisation to achieve joint accreditation to NAMAS and BS 5750. A Quality Management System has been introduced to the Service Development function.

The Royal Commission on Criminal Justice reported in the Summer of 1993 making significant recommendations for forensic science. The FSS, with other UK public sector providers, are actively involved in giving advice on this and other recommendations. The FSS was also commissioned to advise the Home Office on the feasibility of establishing and operating the National DNA database.

The FSS underwent a review of its status in 1993-94, which resulted in confirmation as an Agency for the present, with a move to Trading Fund status in due course. A review of the Framework Document is currently underway.

Although the FSS does not provide services direct to the public, it applies **Citizen's Charter** principles to its work by: publishing clear performance targets and results; undertaking regular consultation with customers; introducing and maintaining a Quality Management System with independent validation; and showing clear commitment to continuous improvements in efficiency and effectiveness.

FSS Estate Management was **market tested** in consultation with the Home Office market testing Unit during 1993-94. This resulted in a transfer of the work from Central Building Services Unit to the private sector, arranged through the Department of Transport. Other areas to market test are under consideration.

The Forensic Science Service won the 1994 Price Waterhouse award for the best Agency Annual Report and Accounts.

Copies of the Annual Report for 1993-94 can be obtained from the FSS Birmingham Headquarters. The FSS Corporate and Business Plans contain commercially sensitive material and are not therefore publicly available.

KEY TARGETS 1994-95

- **recover full economic costs**
- **unit cost target of £485.45, with related efficiency of 1%**
- **extension of delivery date system to all laboratories in consultation with customers and targeting to meet 90% of dates agreed with the customer**
- **retention of accredited status of NAMAS and BS 5750 standards**
- **completion of a customer satisfaction survey showing improvement from the 1992-93 survey in customer perception of timeliness and value for money**



The **GOVERNMENT PROPERTY LAWYERS** were launched as an Executive Agency of the Treasury Solicitor's Department in April 1993. The Agency provides conveyancing and lands advisory services to Government Departments and other publicly funded bodies in England and Wales, including other Executive Agencies. It employs 130 staff and has a budget of around £5m.

Conveyancing services include purchases of land and buildings for trunk roads, motorways and by-passes, sales by auction and tender and of houses under various Departmental Discount Schemes, as well as negotiation of high value commercial leases for office occupation, including development and construction contracts. The value of cases handled in 1993-94 was over £630m, with a total number of cases being dealt with at any one time of over 7,000.

The Lands Advisory Service provides comprehensive legal advice on all matters relating to land, such as the interpretation of deeds and documents, statutory provisions and notices.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Recovery of full operating cost: **achieved**.
- 6,000 new instructions: **achieved**. 6,742 received. The volume of new instructions received reflected a general increase spread across the Agency's client base, coupled with a significant rise in the number of Lands Advisory cases.
- 5,910 completed cases: **achieved**. 6,634 completed.
- To maintain and improve the quality of service, in particular by keeping the proportion of completed cases requiring no rectification through fault of the Agency at or above 99.5%: **achieved**. The proportion was 99.9%.
- Cases completed on or before the target date to be at or above 99.5%: **achieved**. The proportion was 100%.
- Steady reduction in operating costs of an average of 2% per year in real terms over the 3 year period of the Strategic Plan **continuing**: see key target for 1994-95 below.

The Agency takes pride in the quality of the work it carries out and aims to provide a cost-effective, prompt and efficient service to a consistently high standard. It operates from modern offices and with up-to-date equipment. Its procedures are monitored to ensure that it can give the best service possible.

The Agency applies **Citizen's Charter** principles in dealing with its client Departments and monitors its relations with them closely, through regular meetings. **Market testing** of legal services is the responsibility of the Agency's clients, who are free to use either the Agency's services or alternative sources of legal advice. However, its own programme for 1994 included typing services and office cleaning.

The Agency's first Annual Report for 1993-94 is available from the Agency. The Agency's Strategic and Business Plans contain commercially sensitive information and therefore are not available to the public.

KEY TARGETS 1994-95

- to recover the full operating cost of the Agency
- to achieve 6,000 new instructions from its clients
- to increase the number of completions effected to an average of 83 per caseholder, equivalent to a total of 6,050
- to maintain and improve the quality of service, in particular by keeping the proportion of cases completed satisfactorily (i.e. without requiring rectification by reason of any fault of the Agency) on or before the target date at or above the current rate of 99.5%
- to achieve a steady reduction in operating costs of an average of 2.5% per year in real terms over the 3 year period of the Strategic Plan (1994-95 to 1996-97)



HIGHWAYS AGENCY

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Tel: 0171 921 3666 Fax: 0171 921 3908

Chief Executive : Lawrie Haynes



The **HIGHWAYS AGENCY** was established in April 1994, as an Agency of the Department of Transport. It is responsible for managing, maintaining and improving the national motorway and trunk road network in England, safely, cost effectively and within the strategic policy framework and the financial resources set by the Secretary of State for Transport. The Agency makes best use of the existing 6,600 mile national road network through efficient traffic management and maintenance and improves the network by managing the design and construction of new schemes.

The Agency's 1994-95 capital programme of £1,980m will be spent on delivering the Government's road improvement programme and on capital maintenance of existing roads and bridges. The Agency also plans to spend about £190m on routine maintenance during 1994-95.

At its launch the Agency employed 2,416 staff, including those who work part time, and has a budget of £88.8m to meet staff and other administration costs in 1994-95. During 1994-95, the Agency is charged with reviewing staffing levels and options for organisational change and relocation to meet its present and future needs. Proposals for restructuring were put forward by the Agency for consultation with staff in July and include:

- streamlining the Agency to speed up delivery of the road programme and improve management of the trunk road network;
- introducing new management methods and cultural change to improve communication and delegation;
- reducing running costs by 20% by 1996-97; and
- reducing staff levels by 500 posts and the number of sites from which the Agency operates.

The Highways Agency has a significant remit under the **Citizen's Charter** to deliver a high quality of service from the motorway and trunk road network to road users and those affected by roads. The standards of service expected of the network and the Agency's forward programme of improvements are set out in The Road User's Charter which explains:

- how the Agency will deal with environmental concerns by carrying out rigorous environmental assessments for all new national schemes and making the information freely available;
- how it will manage, maintain and improve the existing network by better scheduling and speeding up roadworks to improve lane availability;
- the measures in place to improve safety and security;
- what information services are available to drivers; and
- how any comments or complaints will be dealt with.

This is supported by the Agency's Charter Standard Statement Your Home and Trunk Road Proposals. This provides people whose homes may be affected by the Agency's road schemes with a more detailed explanation of the planning process, the circumstances in which the Agency may offer to buy property, entitlement to compensation, and rights of appeal.

In line with its objective of securing value for money, many of the functions of the Highways Agency such as design, construction and research are already out-sourced. The Agency will continue to pursue a programme of **market testing** where there is scope for improving the value for money of functions and services.

The Agency's Annual Report and Accounts will be made public. The Agency's Business Plan is available from the Agency but the Corporate Plan contains material which is commercially sensitive and is not publicly available.

KEY TARGETS 1994-95

Efficiency

- *using existing management systems, report on the Agency's internal unit costs for the management and supervision of new construction schemes over £3m in value, compared to costs in the last 3 years*
- *develop an information system for attributing all staff and other costs to the Agency's outputs, identifying those attributable to motorways and other trunk roads separately wherever possible, so as to:*
 - *extend the coverage of unit costs beyond the new construction of national schemes*
 - *enable comprehensive targets for reductions in unit costs to be set in future years*

Quality of Service

- *meet the aims and targets enshrined within The Citizen's Charter, The Road User's Charter and the Charter Standard statement Your Home and Trunk Road Proposals*
- *develop systems for measuring the performance of the network, including quality of service indicators and introducing targets for 1995-96*

Capital Investment (New Construction)

- *reach scheme milestones designated within the prioritised roads programme as follows:*
 - *complete 18 schemes*
 - *start work on 22 schemes*
 - *reach 85% of the other scheme milestones*
- *state in the Agency's Annual Report:*
 - *the average time taken to complete schemes that are completed in 1994-95, compared with the performance in recent years*
 - *the average time taken between milestones for all those schemes that reach milestones in 1994-95, and compare this with previous years' performance*
- *complete all schemes within the approved scheme brief (ie. on time and to budget) and, with the central Department, devise appropriate performance measures*
- *monitor and state in the Annual Report, the benefit-cost ratio for the national roads programme based on the scheme briefs and agree with the central Department a target level for 1995-96 and following years, below which the target should not fall*

- *monitor and state in the Annual Report, the unit cost of new construction*
- *carry out up to 5 post-scheme evaluations as agreed with the central Department*

Capital Investment (Structural Maintenance)

- *maintain the trunk road network cost effectively by planning a programme of capital maintenance to ensure that:*
 - *the target of reducing the percentage of the road network past the critical condition to 7-8% by the year 2000 is achieved*
 - *all bridges on the network are able to carry the full assessment loading for vehicles of 40 tonne maximum gross vehicle weight by the end of 1998*

by, (in 1994-95)

- *reconstructing 137 nearside lane kilometres (nlks) of trunk road and 40 nlks of motorway*
- *overlaying a further 394 nlks of motorway and 227 nlks of motorway*
- *assessing the structural capacity of 795 bridges and strengthening 177 bridges*
- *monitoring, and stating in the Annual Report, the unit cost of road maintenance*

Safety

- *contribute to the Government's target of reducing road casualties by one third by the year 2000, compared to the annual average for 1981-85*
- *publish, as part of the Agency's Annual Report, a section reporting its activities to promote road safety, including the accident rate on motorways and trunk roads*

Environment

- *publish as part of the Agency's Annual Report a report on environmental matters*

Finance

- *in accordance with the normal rules of government accounting:*
 - *avoid breaching the cash limit on the budgets voted by Parliament for programme expenditure, gross running costs, and pay*
 - *produce certified Appropriation Accounts by August 1995, and unaudited financial statements in an Annual Report by October 1995*



HISTORIC ROYAL PALACES AGENCY

Hampton Court Palace, East Molesey, Surrey KT8 9AU

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Chief Executive : David Beeton



HISTORIC ROYAL PALACES

The **HISTORIC ROYAL PALACES AGENCY** (HRPA) was launched as an Executive Agency of the Department of the Environment in October 1989. In 1992 it became part of the Department of National Heritage. The Agency is responsible for the care, conservation and presentation to the public of the 5 Historic Royal Palaces: The Tower of London; Hampton Court Palace with its Gardens and Park; Kensington Palace State Apartments with the Royal Ceremonial Dress Collection and Orangery; the Banqueting House, Whitehall; and Kew Palace with Queen Charlotte's Cottage.

The 1994-95 budget is £38.1m of which 77% is expected to be met from receipts. The Agency's aim is to reduce the call on the taxpayer over subsequent years and it is also committed to releasing an additional £16.5m over the next 4 years to help the Royal Armouries move part of their collection from the Tower of London to a new museum in Leeds. The Agency operates on a net running cost regime, covering all its running costs from receipts. There are approximately 495 permanent staff, plus about 50 seasonal employees.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	Target	Performance
• Commercial surplus	£4.5m	£4.6m
• Call on taxpayer	£6.5m ¹	£6.7m

¹ The published figure of £7.6m was subsequently reduced by £1.1m to compensate for the overspend against the Vote in 1992-93.

• Visitor satisfaction ratings:		
value for money	0.7 to 1.0	1.27
enjoyment	above 1.3	1.50
helpful and friendly staff	above 1.3	1.49

(For an explanation of the values, see the 1994-95 key targets below.)

- 2% efficiency gains on running costs: **achieved.**
- Complete surveys and draw up programmes of building conservation work by November 1993: **achieved.**

Highlights of the year included: the opening by Her Majesty the Queen of the new Jewel House in the Tower of London. This £10m project was completed to timetable and budget and was funded from the Agency's growing business income without any additional call on the taxpayer;

Henry VIII's State Apartments at Hampton Court Palace were reopened in July 1993, presented as they were when Henry VIII and his court were in residence. Work started this year on the restoration of the parterre in the Privy Garden to the original design of 1702;

At Kensington Palace work continued on the William Kent interior of the King's Gallery where 7 ceiling canvases have been restored and the panelling has been painted white and gilt; and

An Inquiry was set up by the Secretary of State to review fire precautions in the Royal Palaces following the fire at Windsor. The Agency's fire safety arrangements were, with minor exceptions, found to be adequate to guard against immediate risks. However, the Inquiry recommended a programme of modernisation, costing about £9m over 5 years, which has now started. Half the cost will be met by the taxpayer, half from the Agency's business income.

The Agency's **Visitor's Charter** was launched in April 1992. The objective is to ensure that visitors receive the best possible standard of service and that any complaints or suggestions they make are listened to and acted upon.

The Agency has a **market testing** programme. The gardening operations at Hampton Court Palace have already been tested and as a result unskilled ground maintenance work has been contracted out. In 1993 the Agency embarked on a 3 year programme to review the scope for market testing the warding and security operations at each of the Palaces. Some security services at the Tower of London have already been contracted out and in 1994 the Hampton Court Palace State Apartments warding operation is being market tested.

Copies of the Agency's Annual Report and Accounts are available from HMSO Bookshops. Copies of the Agency's Corporate Plan are available from Caroline Brennan at the Agency.

KEY TARGETS 1994-95

- **commercial surplus of £6m**
- **call on the taxpayer of £8.9m**
- **visitor satisfaction ratings (based on results from independent market research)**

value for money	0.7 to 1.0
enjoyment	above 1.35
helpful and friendly staff	above 1.35

(Values: 2.0 = extremely good; 1.5 = very good; 1.0 = quite good; 0 = OK; -1.0 = quite poor; -2.0 = very poor)

- **efficiency gains on running costs of 2%**
- **conservation target: To complete the fire prevention works planned for 1994-95 and the programme of works identified by the building condition surveys as being a priority for 1994-95; to undertake further detailed inspections of the specific areas identified by the surveys as being a priority for 1995-96**



HISTORIC SCOTLAND

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Chief Executive : Graeme Munro



HISTORIC SCOTLAND acts on behalf of the Secretary of State for Scotland to protect Scotland's built heritage and to help everyone to understand and enjoy it. It became an Agency of The Scottish Office Environment Department in April 1991. There are 649 permanent staff, with staffing levels increasing to around 790 in the summer season. The Agency has an annual budget of £41m, of which £8.4m is expected to be met from receipts.

Historic Scotland cares for 330 historic properties and opens them to the public. The properties range from Edinburgh Castle, which attracts over 1m visitors per year, to remote sites throughout rural Scotland. It gives statutory protection to other sites and buildings by scheduling ancient monuments and listing historic buildings. It can also give grant aid towards the repair of important monuments and buildings and it funds archaeological excavations. The Agency is also responsible for advising the Secretary of State on all policy issues affecting Scotland's built heritage.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 340 ancient monuments of national importance to be scheduled: **achieved**. 395 scheduled (includes monuments re-scheduled and de-scheduled).
- 150 units of the resurvey of listed buildings to be completed: **achieved**.
- 135 historic building repair grants to be awarded: **achieved**. Grant paid in 149 cases.
- 2.4m visitors to monuments: **achieved**. An increase of 2.6% on the 1992-93 level.
- £7.5m income: **achieved**. £8m income reflecting improvements at Edinburgh Castle and elsewhere on the estate.
- Reduce the backlog of overdue maintenance of monuments in care: **achieved**. This target cannot be measured rigorously until the next quinquennial survey of the estate in 1996. However, reports indicate that the Agency has made progress.
- Achieve savings which amount to 3.5% of maintenance of monuments in care: **achieved**. The target was exceeded, with savings of 4.2% attained.

In line with **Citizen's Charter** principles to improve the quality and delivery of services, the Agency has focused on key Agency service standards and has continued to improve services for visitors. In particular, Historic Scotland published, "Raising the Standard - for the built heritage", which focuses on Agency service standards. 1993-94 saw Historic Scotland's first full programme of events - notably a re-enactment by the Sealed Knot Society of a 1650 battle at Linlithgow. At Edinburgh Castle the main event of the 1993 season was the opening of the "Honours of the Kingdom" exhibition, which tells the story of the Scottish Regalia and has been commended by the Society for the

Interpretation of Britain's Heritage. Other improvements include measures to make the Castle accessible to people in wheelchairs and the provision of a courtesy vehicle for the disabled. At Stirling Castle phase one of a £20m project to improve visitor services has been completed, with a new shop, ticket office, restaurant and introductory display. The second phase involves restoration of the Chapel Royal, new displays in the historic kitchens and better information signs throughout.

The Agency has developed good working relationships with many other bodies. Examples include agreement with the National Galleries of Scotland and two local authorities to convert Duff House, an Adam mansion near Banff, from an empty shell into a restored country house gallery, with benefits for the local community and economy. The £2.8m project is due for completion in Spring 1995.

In November 1993 the Agency announced a 3 year programme of market testing as part of The Scottish Office **market testing** programme. Within the programme nearly two-thirds of all posts will be tested. The 4 areas of activity that were tested between October 1993 and September 1994 were the Central Area Directly Employed Labour who carry out maintenance and conservation of properties in care in Tayside, Fife and Central Regions and in Argyllshire; patrolmen in Edinburgh Castle, gardeners/groundstaff, and facilities management for Longmore House.

Having been launched as an Executive Agency in April 1991, Historic Scotland has been the subject of a prior options review and Framework Document review in 1994. Ministers decided that Historic Scotland should remain an Executive Agency and a revised Framework Document was published in October 1994. In the evaluation, increased delegation of various functions was agreed upon. Historic Scotland has therefore assumed responsibility for the personnel management of its administrative staff from 1994-95, as well as for the functions of payroll input, computer systems, accommodation and support services.

Copies of the Annual Report and Accounts and the Corporate Plan are available from the Agency.

KEY TARGETS 1994-95

- **350 ancient monuments of national importance to be scheduled (includes monuments re-scheduled and de-scheduled)**
- **150 units of the resurvey of listed buildings to be completed**
- **137 historic building repair grants to be awarded**
- **2.4m visitors to monuments in care**
- **£7.9m income**
- **conservation of monuments in care: reduce maintenance backlog**
- **3.5% value for money savings on maintenance of monuments in care**



HM CUSTOMS AND EXCISE

New King's Beam House, 22 Upper Ground, London SE1 9PJ

Tel: 071 620 1313 Fax: 071 620 1313 Ext 5005

Chairman : Valerie Strachan CB



The main responsibilities of **HM CUSTOMS AND EXCISE** are: to collect and manage VAT and excise duties; fight drug trafficking and enforce other import and export prohibitions and restrictions on, for example, firearms and endangered species; collect customs duties and agricultural levies on behalf of the European Union (EU); compile trade statistics; and give policy advice on these subjects to Ministers. The taxes for which the Department is responsible amount to some 45% of central Government taxation. Gross running costs for Customs and Excise in 1993-94 were £735.4m, including superannuation of £55.6m.

Since April 1991 most of the work of Customs and Excise has been organised in Executive Units, operating on Next Steps lines. There are now 30 Executive Units, which include all 21 of the Department's operational Collections, the Investigation Division and a number of operational and support units formerly organised as Headquarters divisions. Around 95% of the Department's 25,800 staff work in Executive Units.

In his November 1993 Budget, the Chancellor of the Exchequer announced the introduction of two new taxes which the Department would administer:

Air passenger duty would be charged on air travel from the UK at a rate of £5 for each passenger flying to a destination within the UK and EU and £10 for passengers flying elsewhere. It was introduced on 1 November 1994; and

Insurance premium tax would be charged at a rate of 2.5% of premiums for most forms of general insurance where risk is located in the UK. It was introduced on 1 October 1994.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

VAT

- To deploy control resources to maximise overall trader compliance: **achieved**. £1.6bn net additional liability and £2.1bn gross additional liability were identified, together with sum of adjustments of £3.7bn.
- To visit, according to risk, all newly registered traders within 3 years of registration: **not achieved**. During the year 80.5% of businesses were visited within 3 years of their date of registration. Processing delays affected progress.
- To reduce average daily VAT arrears to 4.3% of 12 months liability: **achieved**. Arrears reduced to 3.5%.

Single Market

- To complete a post-implementation evaluation of the workings of the new system for:
 - the movement of goods by 30 April 1993;
 - VAT and excise by September 1993;
 - collecting statistics of intra-EU trade by September 1993; and

- dealing with travellers at ports and airports and anti-smuggling controls by March 1994: **achieved**. Evaluation completed. UK businesses are expected to benefit by at least £440m during the first 5 years of the Single Market.

Customs

- Through careful targeting, to maintain the value of drugs prevented from entering the UK at least at the average of the last 3 years, while enabling a visibly freer flow of intra-EU traffic: **achieved**. Drugs worth £1979m were prevented from entering.
- To maintain the effectiveness of enforcement of prohibitions and restrictions relating to strategic exports, international sanctions, illicit weapons, and paedophile material through intelligence led, selective checks: **not achieved**. Number of detections: strategic exports and sanctions up 58%; illicit weapons down 25%; paedophile material down 18%.
- To maintain levels of productivity in import entry processing: **not achieved**. Productivity was marginally lower probably because the basis for measurement (staff levels in the second quarter of 1992) had already started to decline in anticipation of the future drop in work.

Excise and Inland Customs

- To continue implementation of the Excise and Inland Customs Strategy in accordance with the milestones set out in the Strategic Plan: **achieved**.

Statistics

- To ensure that 75% of intra-EU trade by value is reported for the first quarter of 1993 by 31 May 1993 and to deliver first quarter intra-EU trade figures to Central Statistical Office (CSO) by mid-June: **achieved**. 81.6% reported. Figures delivered by 11 June.

Service to the public

- To carry forward the development of the Citizen's Charter measures, in particular to conduct customer surveys and ensure that standards in the Charter Standard documents are achieved: **not achieved**. Not all standards in the Traveller's Charter were achieved. In particular, only 47% of those who paid charges had the calculation explained to them and only 23% of travellers who had to wait longer than 10 minutes to pay charges were offered an explanation of the delay. Work has already begun to improve the service to the public in these areas.

Deregulation

- Within the context of the Government's Deregulation initiative, to undertake one major review within each of the Department's main functional areas: **achieved**.

Support Services

- To continue to develop an integrated Performance Management System including:
 - the phased introduction of a new departmental pay system and grading structure in line with the move to delegated pay bargaining from 1 April 1994;
 - training for and implementation of the new personal appraisal system, incorporating Personal Development Plans, by September 1994;
 - ensuring that the system for filling posts meets the evolving needs of the department and takes account of the career development needs of staff: **continuing** on target.
- To achieve a 2.25% year on year saving in space while continuing to improve quality and operational value and to contain costs at 1991-92 levels in real terms: **achieved**. 2.4% saving.
- To obtain 4% overall better value for money from new purchasing initiatives in the year: **achieved**. 4.26% value for money saving obtained.

Market testing

- While ensuring that in-house bids are able to compete fairly:
 - to complete the 1992-93 agreed market testing programme covering 2,200 posts; and
 - to agree from within non-core areas a further programme for 1993-94 and start work on it: **both achieved**.

Under the **Citizen's Charter** initiative, Executive Units are responsible for delivering a high standard of service in line with the commitments of the Department's Charter Standard Documents. All major groups of users of services are covered by a Charter or Charter Standard Document. The Charters are supported by an extensive programme of customer surveys. Coverage of the surveys includes travellers through ports and airports and VAT registered businesses and people who have previously complained about Customs and Excise.

The Department has reported significant achievements against its Charter standards, including responding to 90% of written enquiries and complaints within 10 working days, processing 96.1% of Customs entry documentation within specified standards and repaying VAT due to businesses within 30 days in 99.96% of cases.

The Department has constructed a Quality Framework to cover all aspects of its work with a view to introducing the principles of Quality management and improving the quality of service provided to the public.

The 1992-93 **market testing** programme was completed successfully. In-house bids won in the majority of cases. The value of the work tested, £60m, exceeded plans. Savings of 20-25% were made and there were also improvements in the quality of service provided. A comparable programme has been conducted for 1993-94 and with many of the tests now complete a very similar pattern is emerging, a predominance of in-house wins and savings again in the region of 20-25%. In addition, in the light of advice from outside consultants, a quality assurance team has been put in place to ensure fair competition.

As part of its human resource development strategy "Customs and Excise People", the Department has continued to devolve decision making and accountability to local managers. A second survey of staff views and opinions has been carried out to identify progress in the area since the first survey in 1991. Although the results were mixed, they indicated improvements in some important areas of the Department's Human Resource Development Strategy. For example, staff gave their line managers a higher rating than they did in 1991 and sources for many of the questions about working in Customs and Excise improved.

The Customs and Excise Fundamental Expenditure Review (FER), covering all aspects of the Department's activities, was commissioned by the Paymaster General as part of the Government's programme of fundamental expenditure reviews. Four reviews have dealt with the main business objectives of the Department - UK revenue (VAT and excise duties), EU revenue (customs duties and the Common Agricultural Policy), prohibitions and restrictions (drugs and licensing controls etc), and trade statistics - while the support functions have been grouped into two reviews under the headings of "money" and "people". A separate review is examining the Department's organisation and structure.

In each area the teams have applied business re-engineering techniques, already used successfully in the private sector, together with the Government's "prior options" process. The FER should enable the Department to improve its efficiency, whilst increasing its effectiveness and improving its quality of service to the taxpayer, especially through reducing burdens on business. The FER will take the findings of the various 3 year reviews undertaken during 1993-94 into account.

The Department's key results are published in its Management Plan (available from the Department) and are reflected in the plans of each Executive Unit. Results against these plans are published in the Department's Annual Report (available from HMSO) and annually in reports for each Executive Unit (available from Units at the address shown overleaf).

KEY TARGETS 1994-95

Maximising compliance with the law on taxes, duties and trade statistics:

- to ensure, through our more efficient and effective use of resources, that businesses achieve greater accuracy on their VAT returns and are encouraged to meet their overall tax liabilities:

Measures include:

- the year-on-year value of adjustments to declarations, as an indicator of businesses accuracy: for example, during 1994-95 we expect to discover errors amounting to a total of £3.8bn including £1.7bn net additional liability (including under declarations voluntarily disclosed) and £2.2bn gross additional liability from the assurance programme
- achieving progressive reductions in VAT arrears by 31 March each year, including average daily arrears, month end arrears and discharge of debt advised to local offices
- deploying at least 55% of the net effective VAT resource available in Collections during 1994-95 on assurance work
- to deploy Excise Verification Officers effectively so as to protect the trade from unfair competition by deterring and detecting the sale of excise goods which have not borne excise duty and VAT in the UK:
 - to make 2200 detections and secure revenue of £3m from illegal imports of excise goods
- to introduce:
 - insurance premium tax on 1 October 1994;
 - air passenger duty on 1 November 1994
- to maximise Intrastat trader compliance and improve completeness and accuracy of declarations:

Measures include:

- improve quality of data submitted to us by 10% during 1994-95
- increase the value of trade received by the due date for February 1995 by at least 15% over the February 1994 amount
- visit all businesses registered for Intrastat at least once by 31 March 1995

Protecting the public from drugs and other prohibited and restricted goods:

- to improve the effectiveness of drugs enforcement:
 - to prevent at least £1164m worth of drugs from entering the UK in 1994-95. This represents an increase of 2% over the average for the last 3 calendar years
- to maintain the overall effectiveness of enforcement of non-drugs prohibitions and restrictions at 1993-94 levels

Improving the quality of our service, including facilitating trade through deregulation and consultation:

- to develop the Department's Quality Framework and raise service standards by implementing service improvements identified in business surveys:
 - to meet the milestones in the Department's Quality Framework
- To continue the 4 year deregulation programme to minimise burdens on business:
 - achievement of review targets in the 1994-95 plan

Empowering staff and encouraging them to develop their full potential:

- to continue development of an integrated performance management system to support the activities of the Department:

Measures include:

- introduce the new appointments system by 1 October 1994
- introduce performance-related pay schemes by 30 June 1994
- complete training for and implement the personal appraisal training by 30 September 1994.

Seeking value for money within the resources available:

- to complete a fundamental review of the Department's expenditure to ensure that what the Department does is necessary and provides good value for money
- to complete the 1993-94 market testing programme covering 1500 posts, agree from within testable areas a further programme for 1994-95, and start work on it
- to obtain 4.5% overall better value for money from new purchasing initiatives during the year

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HM LAND REGISTRY

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Chief Executive : John Monthorpe CB



HM LAND REGISTRY maintains and develops a stable and effective land registration system throughout England and Wales as the cornerstone for the creation and free movement of interests in land. It is a separate department and, since July 1990, has been an Executive Agency reporting to the Lord Chancellor. It has been a Trading Fund since April 1993. The Agency employs 8,600 staff and its 1993-94 turnover was £231.7m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 6% return on average capital employed: **achieved** 29%.
- £0 external financing limit: **achieved**. The Registry achieved a negative external financing limit and so made a surplus of £36.4m.
- 96% pre-completion applications handled in 3 days: **achieved** 99%.
- 5 weeks average processing time for post-completion applications: **achieved** average 4 weeks.
- 99.70% pre-completion applications handled free of error: **achieved** 99.95%.
- 97.65% post-completion applications handled free of error: **achieved** 98%.
- 8.30m registered titles computerised: **achieved** 8.78m.

By 1997-98

- 13% progressive reduction in unit costs in real terms, with an improvement of at least 2% in 1993-94: **continuing**. The Agency achieved a reduction in unit costs of 2.97%.
- 13% progressive increase in output per post, with an improvement of at least 2% in 1993-94: **continuing**. Unit output per post again reached record levels and the Agency achieved an increase of 7.4% against a target of 2.6%.

The award of the Charter Mark in 1992 and commitments made under the **Citizen's Charter** have served as a focus to the Agency's continuing efforts to further improve standards of service. Its statement of Charter Standards was first published in February 1994 and is now reproduced in the Agency's Customer Service booklet, Business Plan and Annual Report and Accounts. The Registry has introduced a new service aimed directly at the citizen where, on completion of a simple application form and payment of half the normal fee, anyone can ascertain the name and address of the owner of any registered title in England and Wales. The Registry has also published, jointly with Department of the Environment, the leaflet "Public Information about Land and Property and where to find it" (available from the Land Registry), which includes details of nearly 500 public bodies that can make land information available.

In conjunction with Ordnance Survey and the Valuation Office, the Registry is exploring the scope for a national land information

system by: undertaking a pilot project, covering an area of Bristol, to establish the feasibility of developing "one stop" access to their computerised land data; and progressively including a unique property reference number into their main land and property records to make access to information easier in the future.

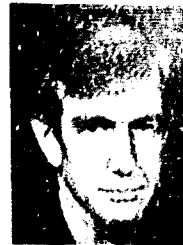
The Agency conducted its fourth major annual customer survey in July 1993 and 7,600 questionnaires were issued. As a result of replies from the survey, the Registry has introduced new fax services for the lodging of applications and extended its successful telephone service for official searches and office copies. By telephoning any one of 5 regional centres, customers can now apply for official searches and for office copies of any registered title in England and Wales.

The Registry has maintained an active **market testing** programme across a broad range of activities during the year. Contracts were won by private sector bidders for legal services (on employment, health and safety, contracts etc.), catering services, building management and estate services. In site inspections, national printing and graphic design and records management in-house bids were successful. Current activities, due for completion in 1994-95, include records management (local file stores), reprographics and IT procurement, hardware support, maintenance and training.

The Registry's Annual Report and Accounts is on sale in HMSO bookshops. Enquiries concerning its Corporate and Business Plans should be made to the Agency.

KEY TARGETS 1994-95

- 6% return on average capital employed
- £0 external financing limit
- at least 2% reduction in unit costs in real terms
- at least 2% increase in output per post
- no less than 98% of pre-completion applications handled in 3 days
- no more than 5 weeks average handling time for post-completion applications where no requisitions arise
- no less than 99.75% pre-completion applications handled free of error
- no less than 97.70% post-completion applications handled free of error
- increase the number of registered titles in computerised format to 10.50m



HM PRISON SERVICE was established as an Executive Agency of the Home Office in April 1993. It is responsible for providing prison services in England and Wales, both directly and through contractors, with a budget of £1.6bn in 1994-95. In August 1994, the Service had 38,455 directly employed staff (including 1,046 part timers). There were 49,900 prisoners in custody in October 1994 at 128 establishments in England and Wales.

The Prison Service's primary duty is to keep in custody those committed to it by the courts. The Service also has a duty, set out in its Statement of Purpose, to look after prisoners with humanity and help them live law-abiding lives in custody and after release. These various tasks and responsibilities are identified in the Service's 6 principal goals, which are to:

- keep prisoners in custody;
- maintain order, control, discipline and a safe environment;
- provide decent conditions for prisoners and meet their needs, including health care;
- provide positive regimes which help prisoners to address their offending behaviour and allow them as full and responsible a life as possible;
- help prisoners prepare for their return to the community; and
- deliver prison services using the resources provided by Parliament with maximum efficiency.

The Director General is personally responsible for the day to day management of the Prison Service and directly accountable to the Home Secretary for its performance and operations. The Director General is also responsible for advising Ministers on policy issues, including the role of the private sector in managing prisons.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To ensure that the number of escapes from prison establishments and escorts was fewer than in 1992-93: **achieved**. The number of escapes was 25% lower.
- To reverse, over the period 1993-96, the rising trend of assaults on staff, prisoners and others (expressed as a percentage of the average prison population): **continuing**.
- By end March 1994, no prisoners to be held 3 to a cell designed for one person: **achieved**.
- To provide 24-hour access to sanitation in at least 4,700 more prison places: **achieved**. 4,724 cells were provided with access to sanitation.
- To ensure that prisoners spent, on average, at least 24.9 hours per week in purposeful activity (an increase of 3%): **achieved**. There was a 4% increase in the average time prisoners spent in purposeful activity, and a 9% increase in total hours spent in work, training and other regime activities.
- By end March 1994, 34% of the prisoners to be unlocked for at least 12 hours on weekdays: **not achieved**. 29% of

the prison population were unlocked for at least 12 hours on weekdays.

- By end March 1994, at least 90% of prisoners to be given the opportunity to exceed the minimum visiting entitlement: **achieved**. Over 99% of prisoners were given this opportunity.
- To ensure that the average cost per prisoner place did not exceed £23,561: **achieved**. The average cost per place was reduced by 3% in real terms to around £22,600.

The Prison Service published a **Citizen's Charter** statement at launch. A Prisons Ombudsman was appointed in April 1994 to review unresolved complaints. During 1993-94, Bedford Prison was awarded a Charter Mark for its library.

The private sector is becoming increasingly involved in the management of prisons and the provision of services. The Court Escort and Custody Service is being progressively contracted out throughout England and Wales. Four prisons are under private sector management and the 6 new prisons which are to be built will be designed, constructed and managed by contractors.

The Prison Service's Annual Report and Accounts, Corporate and Business Plans are available on request from Prison Service Communications, Room 302, Cleland House, Page Street, London SW1P 4LN.

KEY TARGETS 1994-95

- *to ensure that the number of escapes from prison establishments and from escorts, expressed as a percentage of the average prison population, is fewer than in 1993-94*
- *to reverse, over the period 1993-96, the rising trend of assaults on staff, prisoners and others, expressed as a percentage of the average prison population*
- *to ensure that in 1994-95 the average number of prisoners held 3 to a cell in accommodation which is intended for one prisoner is fewer than in 1993-94, subject to ensuring that no prisoners are held in police cells unless this is absolutely unavoidable*
- *to provide 24 hour access to sanitation in at least 3,500 more cells, including new and renovated accommodation, thus ensuring that at least 95% of prisoners have access to sanitation at all times*
- *to ensure that prisoners spend an average of at least 25.5 hours per week in purposeful activity*
- *to ensure that by 31 March 1995 at least 36% of prisoners are held in establishments where prisoners are unlocked on weekdays for at least 12 hours*
- *to ensure that all prisoners have the opportunity to exceed the minimum visiting entitlement throughout 1994-95*
- *to ensure that the average cost per prisoner place (including places temporarily out of use) does not exceed £24,500*



HMSO

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Chief Executive : Dr Paul Freeman CB



HMSO was launched as an Agency in December 1988. It has businesses in office technology, stationery, furniture, print and publishing. The Agency is a Trading Fund with running costs of £117m and a turnover of £360m. It employs some 2,900 staff. Ministerial responsibility for HMSO transferred to the Chancellor of the Duchy of Lancaster in June 1992.

PERFORMANCE AGAINST KEY TARGETS IN 1993

- 100% of vital print orders delivered to time: **not achieved**. 99% were delivered to time.
- 95% of all print orders delivered to time: **achieved**. 98% of orders were delivered to time.
- 100% of print orders delivered without fault: **achieved**.
- 100% of basic publication production jobs and 95% of all publication production jobs, delivered to time: **achieved**. 100% of basic jobs and 99% of all jobs, were delivered to time.
- 100% of publication production jobs delivered without fault: **not achieved**. 99% were delivered without fault.
- 85% of publication orders despatched within 4 working days of receipt, 95% within 5 working days: **achieved**. 85% of orders despatched within 4 days and 96% within 5 days.
- 99% of orders for stock office supplies catalogue items despatched within 4 working days of receipt, 96% of items despatched 'first time' from existing stocks: **not achieved**. 97% of orders for stock items were despatched within 4 days excluding November/December when the new Distribution Centre was coming on stream. 95% were despatched 'first time' from stock.
- 95% of orders for non-stock office supplies catalogue items placed with contractors within 5 working days of receipt in HMSO: **achieved**. 95% of orders for non-stock catalogue items were placed within 5 working days.
- Current cost operating profit of £8m before exceptional items: **achieved**. In a year of intense competition as customer expectations continued to rise, better buying, more sensitive market pricing and close attention to resource costs achieved an operating profit of £13.8m.

Quality customer service is of paramount importance: during the year performance levels were largely maintained and in some cases improved, with even higher service targets set for the future.

Early trading results encouraged HMSO to bring forward a number of investments, and to augment resources aimed at accelerating the pace of change. These included simplifying business processes, increasing productivity and improving service quality. It was judged possible to further reduce staffing levels by the selective use of voluntary early retirement. Staff in post

at the end of 1993 were 2,908, compared with 3,174 a year earlier. A rapid acceleration in office automation is also underway, which will encourage greater team working and easier communication. Further investment for the future included the opening of the new Stationery Distribution Centre in Bristol, and the construction of a new Forms Distribution Centre in Manchester.

In accordance with the principles of the **Citizen's Charter**, all customer-facing divisions now have a formal complaints procedure. Staff in contact with the public wear name badges and notices appear in all HMSO Bookshops explaining the standards of service that can be expected, together with the name of the manager to whom any complaints or suggestions for improvement should be directed. Catalogues contain similar information.

All major operational areas of HMSO are now BS 5750 registered. The remaining parts of the business are working towards accreditation with the aim of joining the few organisations which have achieved company-wide registration. The key to winning, and retaining, business is to provide an exceptional level of quality customer care and this is HMSO's main focus. The goal is to become even more businesslike, less bureaucratic and easier to deal with, whilst providing faster service, of higher quality and at lower cost.

In this context too, Business Process Redesign is focusing on HMSO's service efficiency. The ensuing improvements in accuracy, reliability and unit costs are helping to strengthen HMSO's competitive position.

Customers are now alive to the advantages of electronic trading, in which HMSO holds a leading position. Further expansion in 1993 saw the annual value of this business leap to £45m, a tenfold increase on 1991. Customer benefits include faster and more accurate ordering, reduced costs, greater control over cash flow and improved management information. HMSO was commended in British Telecom's prestigious national scheme for innovation in electronic trading.

Market testing, both internally and externally, played a major part in 1993's achievements, with HMSO's emphasis on "customer care through quality" to the fore. During the year the Parliamentary Press was successful in the market test for the production of Hansard, while the Manchester Press won the lion's share of the UK Passport Agency test for the production of UK passports. HMSO Print FM gained the contract to provide reprographics facilities management services for Inland Revenue at Worthing and Somerset House. Other wins were with The Scottish Office for design, print and publishing services and the Recruitment & Assessment Services Agency for reprographics. In addition, HMSO now manages 3 reprographics units for the Department of Employment. Successful in-house bids have resulted in both cost savings and improved service targets. It is estimated that once implementation is complete, market testing of HMSO services so far will result in annual savings in excess of £3m.

To allow greater senior management attention to the important commercial developments currently in train, the two main trading areas of Business Supplies have been separated. The divisions are now HMSO Office Supplies and HMSO Office Equipment.

In HMSO Print further improvements to customer service were achieved by forming 3 Regional Business Units in London, Manchester and Norwich each split into customer-facing Strategic Business Units. Consequent on the Manchester Security Press winning the UK Passport Agency contract, a replacement passport assembly line is to be installed. Spare capacity will be used to produce work for overseas clients following the appointment of an international sales executive to promote the service.

Publications further improved on its trading position through an attractive mix of publications, sales/promotional activity and careful control of costs. Rationalising the printing, finishing and distribution of Hansard, at one site - HMSO Parliamentary Press - required initial capital investment, but led to on-going savings in manpower and overheads which have enabled HMSO to declare a price freeze on Hansard and other routine Parliamentary papers for the life of the present Parliament.

As well as winning The Scottish Office design, print and publications Facilities Management contract, HMSO Scotland also established a Customer Service Section for Business Supplies and Print and appointed a Publications Commissioning Editor.

HMSO Northern Ireland is committed to becoming the leading public sector supplier in the Province, as well as continuing to expand trade with the Irish Republic. A promising start has been made on electronic trading.

The HMSO Review (Commercialisation Study) was carried out by Binder Hamlyn Consultants. Their report went to the Minister in April and decisions are imminent.

HMSO's Annual Report and Accounts are available from HMSO bookshops. The Agency's Annual Review is available on request from the Agency. The Agency's Business and Corporate Plans are commercially confidential.

KEY TARGETS 1994

- **to achieve a current cost operating profit of £11.9m before exceptional items**
- **for print, to achieve 96% of all orders delivered to time, and 95% of all orders from the print storage and distribution warehouse to be delivered on time**
- **for business supplies to dispatch 99% of validated orders or stock catalogue items within two working days of receipt and for 96% of items to be despatched first time from stock**
- **for business supplies to achieve dispatch times for customers' mail, EDI and telephone orders of 85% within 4 working days of receipt and 96% within 5 working days**



HYDROGRAPHIC OFFICE

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Tel: 0823 337900 Fax: 0823 325522

Chief Executive : Rear Admiral Nigel Essenhigh



The **HYDROGRAPHIC OFFICE (HO)** produces charts and navigational publications for the Royal Navy and commercial and private customers at home and abroad. Launched as an Agency of the Ministry of Defence (MoD) in April 1990, it employs around 800 people and has a net running cost budget of £5m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To promulgate urgent dangers to navigation by Radio Navigational Warnings within 20 hours of receipt of the information: **achieved**.
- To improve the state of revision of Admiralty navigational charts and publications in waters of UK national responsibility so that as at 1 April 1994, 80% will have been revised or reviewed and found to need no revision within the previous 10 years: **achieved** 80.5%.
- To deliver the endorsed and funded Defence programme to agreed cost, time and quality standards: **achieved**.
- To seek to minimise the level of Exchequer support by achieving 72% cost recovery: **not achieved**. 71% cost recovery achieved - the extremely small shortfall on target was a result of a combination of reduced receipts and increased costs.

Whilst chart output fell slightly with 297 new charts and new editions being published, sales remained fairly constant with 2.2m charts and 0.54m publications being sold. Additional effort has been expended on the development of digital products and the Office is now heavily involved in the production and marketing of the Admiralty Raster Chart Service (ARCS) which will consist of raster versions of Admiralty Charts for use in Electronic Chart systems, updated weekly by raster versions of Notices to Mariners.

Value for money remains the keynote to HO activity, and a review of HO procedures is being conducted to identify further significant efficiency savings.

Following its establishment as an Agency in 1990, HO is nearing the completion of its first 3 year review. This review, undertaken by the Management Services Organization of MoD, took account of the views of a large number of customers, both commercial and Defence. The review concluded that the vast majority of customers were very satisfied with products and services received, that response times to requests had improved, and that they still considered that they received good value for money. The Agency's current status therefore will remain unchanged. The Agency's Framework Document is being revised.

Although the HO does not serve the public directly, its core values reflect the standards of customer care principles set out in the **Citizen's Charter**. The HO encourages its chart agents to perform to standards equivalent to those required to meet the Charter Mark criteria.

Copies of the Agency's Annual Report and Accounts can be obtained from HMSO. However, the Corporate and Business Plans contain commercially sensitive information and are therefore not available to the public.

KEY TARGETS 1994-95

- **to ensure that all urgent dangers to navigation are promulgated by radio navigational warnings within 20 hours of receipt of the information**
- **to improve the state of revision of Admiralty navigational charts and publications in waters of UK national responsibility so that at 1 April 1995 82% will have been revised or reviewed within the previous 10 years and found to need no revision**
- **to achieve the endorsed and funded Defence programme. In pursuing all the primary objectives to strive to deliver optimum value for money**



The **INLAND REVENUE** is responsible, under the overall direction of Ministers, for the efficient administration of income tax, corporation tax, capital gains tax, petroleum revenue tax, inheritance tax and stamp duties; for advice on tax policy; and for valuation services. Last year the Inland Revenue employed around 72,000 people (of whom about 10,000 worked part time) and collected £77.5bn at a cost of £1.66bn.

The Department's Executive Offices, established in April 1992, carry out the Department's day-to-day operations in assessing and collecting tax and in providing internal support services. The Heads of the Offices have enhanced management responsibilities and accountability for the work of their Offices. They prepare annual operating plans and annual reports of overall performance against their plans. Each Office has a Framework Document setting out its relationship with the rest of the Department. During 1993-94 the number of Executive Offices was reduced from 34 to 29 by mergers and the scope for further mergers is being reviewed.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Tax and Collection Offices to respond to all correspondence within 28 days, in at least 93% of cases giving a full reply (or the fullest possible in the circumstances) and for the remainder sending a response saying when the letter will be fully dealt with: **achieved**.
- Tax enquiry centres to attend within 15 minutes to at least 93% of people who call without an appointment: **achieved**.
- Capital Taxes Office (England, Wales and Northern Ireland) to clear 85% of non-taxpaying estates in 3 months and 95% in 6 months; and to clear 65% of taxpaying estates in 15 months and 75% within 18 months: **achieved**.
- The Stamp Office to process 97.5% of documents within 5 working days: **achieved**.
- To clear 92% of previous year's Schedule E liabilities (income from employment) by April 1994: **achieved**.
- To make 97.5% of Schedule D assessments (mainly on the self-employed) to meet due date: **achieved**.
- To collect 87% of assessed taxes (most of which have fallen due in the 12 months to October 1993) and limit the amount outstanding for over 3 months to £2.6bn: **achieved**.
- To bank 100% of cheques received for £10,000 and over on the day of receipt: **achieved**.
- To achieve efficiency savings of 2.8% of departmental running costs: **achieved**.
- To market test, in line with the Government's Competing for Quality initiative, work with a value of £280m of annual expenditure including secretarial and typing services and facilities management: **achieved**.

In 1993-94 the direct yield from action against non-compliance was £4.7bn, equivalent to the yield from an increase of about 2.5 pence in the basic rate of income tax. This was slightly more than the £4.6bn obtained in 1992-93.

Customer surveys show that taxpayers' top priority is for the Revenue to get their tax right first time and it is essential that key targets reflect this. During the year, trials of a new system to monitor the quality of clerical work in local tax offices were successfully completed. Although targets were not set for 1993-94, an exercise in March 1994 showed improvements over 1992-93. A survey of pensioners showed that 87% were satisfied with the overall service they got from the Revenue. The survey showed a high level of trust and confidence in the Revenue; most pensioners believe that the Revenue is fair and accurate and there was also a general acceptance that people's affairs were kept confidential. And a survey of employers found that 84% were satisfied with the Revenue's service, with only 3% dissatisfied; and that 38% thought the service had improved.

The Department continued its major programme of change aimed at achieving a significant and continuous improvement in its overall performance both in terms of service to customers in line with the **Citizen's Charter** and the quality of its compliance work. This includes a quality improvement programme involving all parts of the Department led by a newly appointed Director of Quality Development.

It is a Citizen's Charter principle that public services should have easily accessible complaints systems, with provision for impartial review where possible. In response to this, the Inland Revenue completed a review of its complaints systems and Elizabeth Filkin took up appointment as the first Revenue Adjudicator in July 1993. She acts as an impartial referee for people who feel that they have been unfairly treated by Inland Revenue and have not been able to settle matters with the Controller of the relevant Executive Office. The Adjudicator is independent of the Inland Revenue.

During the year, the Office of the Adjudicator took up 308 complaints for full investigation, 105 of which had been settled by 31 March 1994. 65 were wholly or partly settled in favour of the taxpayer and 36 cases settled wholly in favour of the Inland Revenue.

The results of the completed **market tests** at 31 March 1994 were that activities with a value of £4m covering 250 staff were retained within the Department. These tests covered typing and secretarial work in the South West Executive Office and clerical, administrative and support services in the Valuation Office Agency. Work with a value of £17.5m covering 130 staff was abolished or went outside the Department.

A 10 year contract for the supply of information technology services to the Department under a "partnership" arrangement was awarded to Electronic Data Systems (EDS). Contracts were signed on 23 May 1994. The first transfer of work and 1,100 staff took place on 1 July 1994. A further 800 staff are expected to transfer with their work on 1 January 1996.

The programme for the year to 30 September 1994 covers around 4,250 staff and £68m of annual expenditure. The following year includes plans for market testing functions covering around 475 staff and £32m. In addition to this, the Department will be considering further innovative approaches including benchmarking. Benchmarking is a rigorous review of the cost and quality of our processes against comparable processes carried on in private sector companies with the aim of discovering best practice and implementing it within Revenue operations.

The Board of Inland Revenue's Annual Report is published by HMSO. The Executive Offices each publish their own Annual Reports which can be obtained directly from the Executive Office concerned. Copies of the Department's Management Plan can be obtained direct from the Inland Revenue. The Inland Revenue Adjudicator's Annual Report can be obtained from her office.

KEY TARGETS 1994-95

Service Standards

- **Tax and Collection Offices to respond to all correspondence within 28 days, 93% fully or as fully as possible, and telling the taxpayer when he or she may expect the reply**
- **Tax Enquiry Centres to attend within 15 minutes to at least 94% of people who call without an appointment**
- **to deal with 88% of repayment claims received between April and September within 42 days and throughout the rest of the year deal with 93% of claims within 28 days**
- **to deal correctly first time with 93% of Schedule E cases and 82% of Schedule D cases**
- **Capital Taxes Office to clear 85% of non-taxpaying estates in 3 months and 95% in 6 months; and to clear 65% of taxpaying estates in 15 months and 75% within 18 months**
- **the Stamp Office to process 98.5% of documents within 5 working days**

Operational Standards

- **to clear 93.7% of previous year's Schedule E liabilities (income from employment) by April 1995**
- **to make 97.2% of Schedule D assessments (mainly on the self-employed) to meet due date**
- **to collect 88.2% of assessed taxes and limit the amount outstanding for over 3 months to £2.2bn**
- **to bank 100% of cheques received for £10,000 and over, on the day of receipt**

Efficiency standards

- **to achieve efficiency savings of £103.4m on Departmental running costs**
- **to market-test, in line with the Government's Competing for Quality initiative, work with a value of around £68m for the year to 30 September 1994. This will cover secretarial, typing and support services; estate management services; and forms procurement**

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THE INSOLVENCY SERVICE

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Tel: 0171 637 6300 Fax: 0171 636 4709

Chief Executive : Peter Joyce



THE INSOLVENCY SERVICE became an Executive Agency of the Department of Trade and Industry (DTI) in March 1990. It provides an essential means of dealing with individual and corporate financial failure and investigating possible fraud and misconduct in insolvencies, supporting wider DTI objectives of maintaining confidence in markets and protecting consumers. It operates from 33 locations with headquarters in London and Birmingham. In 1993-94 it had an average staff of 1,818 and running costs of £54.7m.

The Service's functions include: administration and investigation of the affairs of bankrupts and companies in compulsory liquidation and reporting criminal offences; taking disqualification proceedings against unfit directors of failed companies; authorisation and regulation of insolvency practitioners; provision of banking and investment services for bankruptcies and company liquidations; and provision of policy advice to Ministers.

While caseloads fell, for the first time since April 1989, to 36,619 in 1993-94, heavy backlogs continued to put pressure on the Agency's ability to achieve its targets.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Sustain the level of productivity in case administration achieved to date: **not achieved**. Productivity reduced by 5.9%, as The Service concentrated on maintaining case administration standards. However, since the establishment of the base line in 1989-90, case productivity per person has more than doubled, with the ratio per head rising from 9:1 to 18:5.
- Hold initial meetings of creditors within 12 weeks in at least 80% of cases: **not achieved**. 72.8% of meetings were held within 12 weeks. The target was not met because priority was given to case administration standards.
- Report to creditors on assets and liabilities within 9 weeks in at least 75% of cases: **not achieved**. 69.5% of reports were made within 9 weeks. The target was missed because priority was given to case administration standards.
- Submit reports within 10 months in at least 80% of cases where there is evidence of criminality: **not achieved**. 82.1% of bankruptcy reports were submitted within 10 months, although only 66.8% of company reports were submitted in that timescale.
- Submit disqualification reports within 15 months in at least 80% of cases where there is evidence of unfit conduct by directors: **not achieved**. 49.5% of reports were submitted. This target and the previous one have continued to be affected by the record levels of insolvencies, with specialist resources increasingly being taken up on the discharge of statutory duties. However, a number of steps have been taken to enhance The Service's regulatory

performance and increase the number of insolvency administrations completed. Such steps include the allocation by Ministers of more staff resources to The Disqualification Unit, use of the private sector and Official Receivers concentrating more resources on disqualification and prosecution work. These have resulted in improvements in performance against the above targets in the second half of the year compared to the first half.

- Complete the administration of at least 28,000 cases: **achieved**. 33,989 cases were completed.
- Check and action at least 95% of payment requisitions within 10 days or by the due date: **achieved**. The Service's Central Accounting Unit actioned 100% within 10 days.
- Reply within 10 working days to letters from Members of Parliament delegated to the Chief Executive: **achieved**. No letters from MPs to Ministers were delegated to the Chief Executive for reply.
- Produce commercial-style accounts for 1993-94: **not achieved**. However, the accounting system necessary to enable expenditure to be accounted for in future years on both a cash and accruals basis was installed at the end of 1993-94.
- Bring proceedings for disqualification of directors of failed companies in the public interest and submit prosecution reports where there is evidence of criminality: **achieved**. Proceedings for disqualification were brought in 464 cases and prosecution reports were submitted in 392 bankruptcies and 257 companies.

In the context of the **Citizen's Charter**, a customer survey in 1992-93 of insolvency practitioners who use the Central Accounting Unit's services has resulted in simplification of the regulations relating to payments into and out of The Insolvency Services Account and provision of information to creditors. The Service is also about to embark on a survey of all its customers, the results of which will be taken into account in among other things future revisions of The Insolvency Service's published standard. This standard sets out the Service's general operational aims for the benefit of The Service's customers and for the benefit of staff so that they know what is expected of them.

The Central Accounting Unit (CAU) was **market tested** during 1993 and the in-house team won the bid. An interim Service Level Agreement has been in operation since August and will be fully implemented in early 1995, with the completion of the replacement computer system for the CAU's banking and investment functions.

A monthly briefing system was introduced to cascade information orally through the line management to all staff. The team briefing is supported by a written core brief prepared by The Service's Directing Board. A subsequent survey provided a strong endorsement of the system with 86% of respondents in favour of it continuing.

A review by Stoy Hayward Consulting of the extent to which the private sector could become involved in the work of Official Receivers completed its second stage in September and was published in October. Any decision to contract out work would be subject to consultation with the Official Receivers as statutory office holders, and the approval of an Order by both Houses of Parliament. Ministers announced in October the start of preparatory work to enable Official Receivers to contract out insolvency case work. This would allow Official Receivers to concentrate more on their investigative role.

More detailed information about performance is included in the Agency Annual Report, available by telephoning: 0530 272515. The Agency's Corporate Plan is commercially sensitive and therefore not publicly available.

KEY TARGETS 1994-95

(based on an assumption of 35,000 new cases)

- *report to creditors on assets and liabilities within 8 weeks in at least 80% of all cases; and within 12 weeks in 98% of all cases*
- *hold the initial meeting of creditors within 12 weeks in at least 80% of all cases; and within 16 weeks in 98% of all cases*
- *submit reports within 10 months in at least 80% of cases where there is evidence of criminality*
- *submit disqualification reports within 15 months in at least 80% of cases where there is evidence of unfit conduct by directors*
- *check and action at least 95% of payment requisitions within five days or by the due date*
- *complete the administration of at least 53,000 cases*
- *reply within 10 working days to letters from Members of Parliament delegated to the Chief Executive*
- *increase the number of proceedings brought for disqualification of directors of failed companies in the public interest and increase the number of prosecution reports submitted where there is evidence of criminality*
- *operate within expenditure budget of £57.5m*



INTERVENTION BOARD

Fountain House, 2 Queen's Walk, Reading RG1 7QW

Tel: 0734 583626 Fax: 0734 597736

Chief Executive : Guy Stapleton



The **INTERVENTION BOARD** was launched as an Agency in April 1990. It is responsible for implementing the UK's obligations under the Common Agricultural Policy (CAP), as directed by Agriculture Ministers. It finances over 70 schemes to support the market in farm and food products and itself operates some 50 of them. It employs around 970 staff and in 1993-94 handled £3.3bn of European Union (EU) funds and public money. Total operating costs were about £44.8m and direct running costs around £32.3m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 98% of claims processed within deadline: **achieved**. Virtually all claims were processed within deadline.
- 98.5% of claims processed correctly: **achieved**. 98.8% of claims were processed correctly.
- 2.5% running cost efficiency gains and 5% improvement in productivity: **achieved**. Running cost efficiency gains were 4.5% and there was an 8% improvement in productivity.
- Keep disallowance within 0.40% of EC funds handled: **achieved**. Disallowance, at 0.3%, was well within target.
- Keep expenditure within Vote, running cost and cash limits: **achieved**.
- 5% value for money improvements in procurement of goods and services: **achieved**. New value for money savings of 6.5% attained.

A consultant's report on the Intervention Board's first 3 years as an Executive Agency, praised the progress the Agency has made in performance, customer service and management. This progress has been made in a constantly shifting situation. The switch in the Common Agriculture Policy (CAP) from end-use to producer support meant that, while the Agency continues to fund and account for all EC Guarantee expenditure in the UK, 1993-94 was the first year in which CAP spending by the Agriculture Departments on farm-based schemes exceeded that by the Agency on trader-based schemes. This is a trend which is likely to accelerate over the next few years.

1993-94 was also characterised by smaller numbers of export and import claims, although intervention activity was at a high level, and interest in growing non-food crops on set-aside land increased markedly. The Agency implemented the new banana imports regime and completed its preparations for taking over the administration of milk quotas from the Milk Marketing Boards in April 1994.

The decline in the throughput of claims, brought about by the effects of the Single Market and CAP reform, was offset by a higher than expected level of final year claims in those schemes transferred to the Agriculture Departments and increased documentary controls and anti-fraud activity.

The Agency is also pressing ahead with internal management reforms. Work began on formulating an Agency pay and grading system, linked to taking responsibility for local pay bargaining from April 1995. Consultants undertook a strategic review and made recommendations. Much detailed work will now be required to implement what will be a radical change over the period 1994-96. The evaluation process is now complete and the prior options paper recommends continued Agency status. Both prior options and evaluation have been agreed at official level and await Ministerial approval. The Framework Document still requires further work.

The Intervention Board also made significant strides under the **Citizen's Charter**. In addition to a qualitative and quantitative customer attitude survey, it published a new customer care policy to Charter standards and introduced automated payments of aid direct to customers' bank accounts. By the end of the year 60% of all support was being paid in this way. The Agency is also committed to the prompt payment of bills. Payment terms for contracts were met in over 98% of cases and more generally the principles behind the CBI Prompt Payers Code were observed.

Substantial progress in cost saving was made under the Government's Competing for Quality initiative. Virtually all the initial **market testing** programme was completed and the 17 completed tests yielded an average 34% saving, cutting £1.7m from the Agency's costs. Contracted-out work now accounts for 82% of the Agency administration spending and ancillary intervention costs and the current and forward market testing programmes include virtually all the non-core activities still performed in-house.

Results against targets are given the Annual Report and Accounts, which is published by HMSO. Details of plans for the coming 5 years are published in the Agency's Corporate Plan, which is available from the Agency. The Agency's Business Plan is not published.

KEY TARGETS 1994-95

- **percentage of claims processed within deadlines 98.5%**
- **percentage of claims processed correctly 98.5%**
- **running cost efficiency gains 2.5%**
- **improvement in productivity 6.0%**
- **ratio of Agency disallowance to EC funds handled 0.4%**
- **keep expenditure within Vote, running cost and cash limits**
- **new value for money savings in procurement 5.0%**



LABORATORY OF THE GOVERNMENT CHEMIST

Queens Road, Teddington, Middlesex TW11 0LY

Tel: 0181 943 7000 Fax : 0181 943 2767

Chief Executive : Dr Richard Worswick



The **LABORATORY OF THE GOVERNMENT CHEMIST (LGC)** provides authoritative and impartial services and advice based on analytical chemistry and biosciences to underpin the work of Government, commerce and industry. In 1993-94 it employed 317 staff on average and had an income of £16m against expenditure of £15.9m. It has been an Executive Agency of the Department of Trade and Industry (DTI) since October 1989.

As the centre for the development of the chemical National Measurement System and the focus for analytical chemistry and related sciences in Government, LGC plays an important role in the enforcement of law, the maintenance of public health, the protection of Government revenue, consumer and environmental matters, and in facilitating trade particularly across the single European market. Government Departments, including DTI, are LGC's main customers. However, the Laboratory is securing an increasing proportion of income from work for other customers in the UK and overseas.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To recover full economic costs: **achieved**. A net surplus of approximately £61,000 was achieved. Turnover increased slightly from £15.8m in 1992-93 to £16m in 1993-94.

The Laboratory's performance was also monitored against 4 secondary targets:

- To increase the rate of completion of reports on analysis of (or research into) samples by the date agreed with customers from an average of 88% in the first quarter to an average of over 90% in the last quarter: **achieved**. The rate of completion improved from an average of 90% between April and June 1993 to an average of 95% between January and March 1994.
- To achieve more than 85% of contract research milestones within the timescale agreed with customers: **achieved** 91%.
- To maintain accreditation from the National Measurement Accreditation Service (NAMAS) for the existing categories of work and obtain NAMAS accreditation for a further category of work by April 1994: **achieved**.
- To acquire Laboratory-wide certification to BS 5750 (ISO 9001) by April 1994: **achieved** in March 1994.

LGC is committed to the principles of the **Citizen's Charter** in its dealings with all customers, whether drawn from the public or private sector. Customer care initiatives continue to be integral to the Laboratory's successful development by focusing greater attention on customer needs and by reinforcing the importance of delivering quality services. The determination to establish and maintain high standards of accuracy and reliability in core scientific

work and support services is particularly reflected in the way in which the Laboratory has been able to extend the use of quality systems effectively. It is now in the position of having third party recognition for the 3 principal quality systems applicable to analytical laboratories: BS5750 Part 1 - BS EN ISO 9001 for the Laboratory as a whole, and for specific areas NAMAS and Good Laboratory Practice. LGC has also made further efforts to improve the planning and conduct of its business through a small but dynamic business development team, including a manager with specific responsibility for promoting LGC's profile in Europe.

LGC contracts out a significant proportion of its support services (estimated to be approximately one-third by value) and sub-contracts some aspects of its scientific work. It continues to review the scope for securing improved value for money through **market testing** services currently performed in-house.

Further consolidation of LGC's progress depends on the contributions made by individuals at every level of the organisation. Particular attention is being given to the importance of retraining to provide staff with the additional competencies they need to respond to structural changes in LGC's traditional markets.

A review of the future of the Laboratory was initiated in May 1993 by the President of the Board of Trade and included an assessment of the prospects for privatisation. The President announced in April 1994 that he had decided to pursue the consultants' recommendations that LGC should be established as an independent non-profit-distributing company in the private sector. This would both maintain LGC's impartial position and provide the Laboratory with the opportunity to acquire greater commercial freedom. However, the President also indicated that his mind was not closed to the possibility of a trade sale of LGC if a suitable buyer came forward who could demonstrate the requisite independence.

LGC produces an Annual Report, which can be obtained from the Agency. The full Corporate Plan contains market sensitive information and is therefore not published.

KEY TARGETS 1994-95

- to recover the full cost of the Laboratory
- to achieve an average rate of 90% for completion of reports on analysis of (or research into) samples by the date agreed with customers for the year as a whole
- to achieve more than 85% of contract research milestones within the timescale agreed with the customer
- to maintain NAMAS accreditation for the categories of work in which the Laboratory operates, registration for Good Laboratory Practice (GLP) and Laboratory-wide registration to BS 5750 (ISO 9001)



LOGISTIC INFORMATION SYSTEMS AGENCY

Portway, Monxton Road, Andover, Hampshire SP11 8HT

Tel: 01264 382745, Fax: 01264 382820

Chief Executive: Brigadier Alan Pollard

LISA

The **LOGISTIC INFORMATION SYSTEMS AGENCY (LISA)** was launched in November 1994 as an Agency of the Ministry of Defence (MoD). Its mission is to enhance the logistic effectiveness of the Army in peace and war by providing information systems, services and support by providing Information Systems (IS) and Information Technology (IT) support on a world wide basis to the Army's logistic organisations, whether involved in single Service or Joint Service activities. The inclusion of a core of military personnel allows "intelligent supplier" front line support during operations.

LISA has 4 main functions:

- Maintenance of Quartermaster General's (QMG) IS strategy;
- Information systems consultancy;
- Development of logistic information systems; and
- Operation of logistic area information systems.

LISA's Strategy and Support Division maintains QMG's IS strategy. This involves annual updates to the Corporate IS Strategy to ensure it continues to meet the needs of QMG's business.

In addition to corporate level advice on the overall strategy, the Customer Support Divisions (CSD) advise business areas on all aspects of information systems. This includes advice on:

- Business area strategies;
- IS aspects of business planning;
- IS requirements;
- IT trends and developments;
- Financial aspects of IS including assistance with business cases and benefits management; and
- IS Security.

The CSDs conduct IS requirements analyses on behalf of customers. The CSDs develop logistic information systems on behalf of customers using the most appropriate mix of in-house and contracted staff. Typically, development is via prototyping and Rapid Application Development techniques using commercial off the shelf packages whenever possible. CSDs also manage system procurement, delivery and, if required, system testing. The customer retains executive responsibility for, and control over, the project and delivered system and exercises this responsibility through System Management Boards. The Project Support Division supports all development work including the maintenance of Data Management facilities.

IT Services Division (ITS) and CSDs jointly maintain and enhance logistic IT systems on behalf of customers. ITS runs a Help Desk which is a first point of contact for customers regarding problems or assistance with any services provided by ITS.

ITS also provides, maintains and manages the corporate IS infrastructure such as wide area networks and some local area networks. In addition to the systems that ITS runs, customers can use this infrastructure for their own systems.

Although LISA has limited contact with the public, the principles of the **Citizen's Charter** are applied to its relationship with departmental customers. Progress in the application of Charter principles includes the establishment of customer-supplier relationships with project milestones for agreed timescales and cost, and the introduction of a detailed customer survey arrangement.

Copies of LISA's Corporate Plan for 1994-1999 are available from the Agency.

KEY TARGETS 1994-95

- *meet targets laid down by the Quartermaster General for the timeliness, cost and planning effectiveness of projects. Projects should be delivered within planned time and cost tolerance without adjusting the project plans*
- *by 1 April 1995, carry out a customer satisfaction survey of the quality, completeness and responsiveness of the services offered and set targets for improvement*
- *by 1 April 1995, introduce dummy invoicing for chargeable services provided by LISA*
- *within the Competing for Quality (CFQ) framework, reach a decision by 1 April 1995 on the best way to deliver CFQ policy and efficiency savings with a partnership agreement with the Private Sector, and if not, determine what other initiatives should be employed to achieve the desired savings and efficiencies*
- *by 31 December 1994, finalise pre-CFQ initiative organisational structure and, by 1 April 1995, complete the associated internal changes*
- *by April 1995, introduce financial and business systems to enable the operation of a full cost accruals accounting system*
- *operate within budgetary provision and achieve agreed output; by 1 April 1995 establish baselines for Agency overheads and unit costs of chargeable output as a more reliable means of measuring efficiency, and set targets for reductions*



MAINTENANCE GROUP DEFENCE AGENCY

Logistics Command, RAF Brompton, Huntingdon, Cambs PE18 8QL

Tel: 01480 52151 Ext 6306 Fax: 01480 52151 Ext 6309

Chief Executive : Air Vice-Marshal Richard Kyle MBE



The **MAINTENANCE GROUP DEFENCE AGENCY** was established as an Agency of the Ministry of Defence in April 1991 and is a major element of the RAF's new Logistics Command, which itself was formed on 1 April 1994. The formation of Logistics Command, which brought about the co-location of the Group's headquarters with those of its principal customers, also saw the end of its direct involvement with ground and satellite communications. The Group provides aerosystems and avionics repair and maintenance, storage and distribution services to the RAF and other UK and foreign armed services. In doing so, it also provides a core of trained and experienced uniformed manpower from which the RAF's front line can be reinforced in time of crisis or war. Furthermore, the Group gives the RAF both an intelligent customer capability and an alternative source of supply where a monopoly situation would otherwise exist in industry. It currently has a workforce of approximately 4,565 Service and 4,950 civilian staff located at 7 principal units, with a running cost budget for the year of £250.3m and a full cost budget of £460m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To achieve at least 98% of the specified maintenance and communications-electronic tasks to standard and on time: **achieved.**
- To achieve the Joint Service Publication (JSP) 336 Defence Supply Manual speed of issue and pipeline targets for at least 95% of the Depot Supply task: **achieved.**
- To keep within the Group's allocated budget: **achieved.**
- To reduce the cost per unit of output by 2.5%: **achieved.**
- To achieve the quality system targets set out in the Group's Management Plan: **achieved.**
- To install the new Financial and Management Accounting System (FAMAS) at all of the Group's major units by 31 March 1994: **achieved.**
- To clear the Warehouse and Transportation Management System (WTMS) Full Study with HM Treasury by 1 November 1993: **achieved.**

The Group's radical programme of rationalisation has continued on schedule with several task transfers being completed. Test Equipment Wing moved from RAF Henlow to RAF Sealand thus enabling the calibration task to be co-located with the repair function, with associated savings. The last of the avionics repair work carried out at RAF Carlisle was also moved to RAF Sealand thereby completing the rationalisation of avionics work within the Group. Future plans include the concentration of all depot equipment storage functions at RAF Stafford, with the consequent closure of RAF Carlisle in 1997 and RAF Quedgeley by 1998. In addition, RAF Chilmark in Wiltshire is scheduled to close in 1995, as part of a tri-Service rationalisation of armament storage facilities. Finally, RAF North Luffenham has been proposed for closure, with its ground radio servicing facilities transferring to

RAF Sealand. This will complete the concentration of the Group's avionics and associated capabilities at the one centre of excellence.

Increased delegation has enabled the Group to reduce its headquarters staff levels by 20% and a further reduction of 15% in headquarters staff costs is planned. In addition, a Group wide policy of increased civilianisation is being implemented and consideration is being given to the Group assuming responsibility for its own civilian pay and grading arrangements.

The Maintenance Group provides a service to the defence community rather than direct to the public. Nonetheless, the Group operates within the principles of the **Citizen's Charter** and its key targets reflect this, with specific targets relating to the quality and cost of the service provided. Strong customer/supplier relationships are fostered by regular consultation and by means of a Customer Advisory Committee which provides periodic formal reports to the Group's owner.

The Group's programme of **market testing** has been extensively recast and will in future be based on major sites and activities rather than, as previously, discrete functions. A study into increased private sector involvement in RAF Sealand's activities is underway, with implementation scheduled in 1996-97. A feasibility study into market testing the whole of RAF St Athan is scheduled to start in late 1994, with implementation in 1997-1998 and RAF Stafford is also due to be tested, following completion of warehousing rationalisation in 1997. The RAF Freight Distribution System is being considered as part of an Army-led tri-Service programme.

The review of the Group's operation since its launch as an Agency is underway. Reports on the Evaluation and the re-examination of prior options are currently with Ministers, and the revision of the Framework Document has commenced.

The Group's Corporate and Management Plans are only available to Government Departments. Copies of the Annual Report and Accounts are available on application to the Group.

KEY TARGETS 1994-95

- to achieve at least 98% of the specified aerosystems maintenance task to standard and on time
- to achieve the Joint Service Publication 336 Defence Supply Manual speed of issue and pipeline targets for at least 95% of the Depot Supply task
- to keep within the Group's allocated budget
- to reduce the cost per unit of output by 2.5%
- to complete the implementation of the Warehouse and Transportation Management System by 31 March 1995



MARINE SAFETY AGENCY

Spring Place, 105 Commercial Road, Southampton SO15 1EG

Tel: 0703 329103 Fax: 0703 329105

Chief Executive: Robin Bradley



The **MARINE SAFETY AGENCY (MSA)** was established as an Executive Agency of the Department of Transport in April 1994 and was formerly known as the Surveyor General's Organisation (SGO). It is responsible for the implementation of the Government's strategy for marine safety and the prevention of pollution from ships. The Agency's overall aim is to develop, promote and enforce high standards of marine safety and to minimise the risk of pollution of the marine environment from ships. The Agency employed about 350 staff in April 1994 and running costs were £13.8m in 1993-94.

The Agency's key tasks include maintaining and promoting the improvement of safety standards and pollution control on UK ships, and on foreign ships using UK ports; and seeking international agreement to improve the survivability standards of existing ro-ro (roll-on, roll-off) passenger ferries.

Following extensive consultation on how marine survey and certification work should be undertaken in the future and how private sector participation could be extended through a **market testing** programme, Ministers agreed that the private sector would have the opportunity of taking on 25% of the remaining ship survey and certification work currently undertaken by the MSA. To ensure that satisfactory standards are maintained the MSA has initiated action to undertake an enhanced programme of audit, inspections and monitoring.

In addition, the MSA has progressed the establishment of pilot schemes for the delegation of certain renewal surveys for small passenger ships and increased private sector participation in the inspection of fishing vessels over 12 metres in length.

The MSA is committed to the principles of the **Citizens's Charter**. In April 1994, the Agency issued a Code of Practice, including a Charter Statement, which sets out what its customers can expect of MSA: to be fair; to help customers; to provide an efficient service; and to provide a complaints procedure for customers who are not satisfied.

Achievements in 1993-94 include an agreement between 14 nations on ro-ro ferry survivability within a defined North West European regional area, publication of codes of practice for commercially operated small craft and progress in the International Maritime Organisation (IMO) towards a Safety of Life at Sea Convention (SOLAS) amendment that will allow the introduction of mandatory routing and reporting measures to protect coasts and enhance safety.

In addition, important new Merchant Shipping legislation gave effect to international requirements for the design and construction of oil tankers including double hulls, enhanced surveys and shipboard emergency plans.

The SGO's Annual Reports 1992-93 and 1993-94, MSA's Business Plan 1994-95 and Framework Document are available from the Agency. The Corporate Plan 1995-96 to 1997-98 is an internal document.

KEY TARGETS 1994-95

- *complete the calculations for the phase-in criteria for ro-ro passenger ferries built before 1990 and implement the first stage of the North West European Stability Agreement and the related UK regulations by 30 November 1994*
- *submit an interim report to the Secretary of State by 31 October 1994 reviewing the fishing vessel safety provisions legislation, including the progress made, in consultation with the industry, towards a Fishing Vessel Safety Code of Practice for vessels under 12 metres in length*
- *complete technical negotiations by 31 March 1995 within the IMO to secure amendments to Chapter I (general provisions) and for the introduction of mandatory ships' routing and reporting under Chapter V (safety of navigation) of the SOLAS Convention including the drafting of any statutory instruments to give effect to the adopted amendments in UK law*
- *provide technical input to European Community negotiations on the following proposed Directives:*
 - a) *convergent application of IMO rules and resolutions and specifically on Segregated Ballast Tanks*
 - b) *ship safety equipment*
 - c) *transit and access in European Community waters*
 - d) *standards for vessels not covered by SOLAS convention*
- *establish by 31 March 1995 mechanisms to allow the delegation of further survey and certification work to the private sector and the arrangements for its audit (as already agreed by the Secretary of State)*
- *audit by 31 March 1995 two organisations authorised by the Secretary of State to undertake survey and certification work*
- *undertake port state control inspections (including operational aspects) of 30% of the foreign flagged vessels using UK ports*
- *achieve a running cost efficiency gain of 3%*
- *as part of a two year programme of deregulation, produce proposals by 31 December 1994 for a first round of revocations of regulations*



The **MEDICAL DEVICES AGENCY** was established in September 1994 as an Executive Agency of the Department of Health. It safeguards public health by ensuring that medical devices and equipment for sale or for use in the United Kingdom meet appropriate standards of safety, quality and performance. It also ensures that they comply with relevant European Union Directives. It has 170 staff, mainly in London but with some in Blackpool and Surrey, and running costs of £12m.

Medical devices are wide-ranging: contact lenses and condoms; heart valves and hospital beds; resuscitators and radiotherapy machines; surgical instruments and syringes; wheelchairs and walking frames; and many more - any products, except medicines, used on or in a patient to prevent, diagnose, monitor, treat or alleviate illness, injury or disability.

Most of MDA's staff are specialists: medical and nursing staff; professionally qualified technologists and scientists (including biological scientists, chemists, engineers, ophthalmologists, toxicologists, pharmacists and physicists); and specialists in quality assurance. Many have established international reputations in their field.

MDA provides 6 complementary services:

- auditing the quality assurance systems of medical device manufacturers who supply the UK market, and publishing a register of approved companies - the Manufacturer Registration Scheme (MRS);
- investigating adverse incidents associated with medical devices and issuing safety warnings where necessary;
- managing an on-going programme to evaluate medical devices and publish reports; most of the evaluations are undertaken under contract with external Evaluation Centres but some are done by staff of the two outstations;
- offering advice on medical device safety to a range of customers, including Ministers, the Department of Health, the NHS, other healthcare providers and manufacturers;
- setting safety and performance Standards for medical devices through the British Standards Institution; and
- introducing new European Directives and enforcing their statutory controls on medical devices throughout the UK.

The Agency leads for the UK in negotiating and implementing the Directives and has acquired a leading position among European regulators of medical devices. It acts for the Secretary of State as the Competent Authority for the UK, enforcing the Directives, appointing and monitoring Notified Bodies who ensure that manufacturers comply with quality assurance or product testing requirements of the Directives, and assessing applications from manufacturers for clinical investigations.

The move to Agency status has generated challenging objectives and performance targets, particularly in relation to customer service and the recovery of costs from those who benefit from the Agency's services.

The Agency has started to fulfil its commitment to the principles of the *Citizen's Charter* by publishing its first Business Plan, a corporate brochure and a guide to Agency contacts. Customers are now well informed about the work of the Agency and standards for the speed of response to applications and enquiries are clearly set out. The Agency's publications unit is the first service to be market tested.

Copies of the Agency Framework Document and Business Plan are available on request. The first Annual Report and Accounts will be published in the summer of 1995.

KEY TARGETS 1994-95

- **establish a programme of pro-active investigations of serious device-related safety problems and report outcomes by March 1995**
- **establish investigations of adverse incidents with devices undergoing clinical investigations by January 1995**
- **implement a Service Level Agreement with the Secretary of State, for Public Health and Competent Authority functions by 31 March 1995**
- **develop a marketing and sales strategy for the evaluation programme and establish an advisory customer group**
- **scrutinise 90% of MRS applications within 10 days and 100% within 15 days; notify 90% of applicants of eligibility within 30 days and 100% within 45 days and clear the backlog of audits.**
- **issue 65% of Hazard Notices within 30 days and 100% within 3 months**
- **remain within running costs and other cash limits**
- **develop systems for accruals accounts for 1995-96**
- **recover 40% of MRS costs in 1994-95 and develop mechanisms to recover 65% in 1995-96**
- **introduce, no later than 1 April 1995, charges for services to Notified Bodies and for applications for clinical investigations**
- **develop mechanisms for untying 20% of evaluation programme funds**
- **develop information systems to improve management control and target setting and to enable development of a corporate efficiency index**
- **develop a market testing programme; renegotiate Evaluation Centre contracts and develop new tendering procedures, by October 1994**



MEDICINES CONTROL AGENCY

Market Towers, 1 Nine Elms Lane, London SW8 5NQ

Tel: 0171 273 3000 Fax: 0171 273 0334

Chief Executive : Dr Keith Jones



The **MEDICINES CONTROL AGENCY (MCA)**, was launched as an Executive Agency of the Department of Health in July 1991. Its primary function is to safeguard public health by ensuring that all medicines on the UK market meet appropriate standards of safety, quality and efficacy. This is achieved through a system of licensing and monitoring medicines after the licence has been granted. The MCA has separate businesses dealing with licensing, post licensing, inspection and enforcement of medicines, executive support and finance. During 1993-94 the Agency employed an average of 374 people and had running costs of £21.4m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

Safety and Quality

- 6 high level targets: **achieved** within an overall compliance in excess of 95%.
 - Enter all reports of fatal adverse drug reactions on the database within 72 hours: **achieved**.
 - All newly introduced medicines to be monitored intensively for at least 2 years and risk-benefit review conducted at 2 years: **achieved**.
 - Medicines Inspectorate to accomplish certification to ISO 9002: **achieved**.

Standards of Service

- 11 high level targets: **achieved** within an overall compliance in excess of 95%.
 - Complete all new medicines licensing assessments within 120 + 90 calendar days and 70% within 100 days: **achieved**.
 - Complete assessment of all valid abridged licence applications to committee stage in 130 days: **not achieved**.
 - Develop a leading international role, in and outside Europe, to promote views and expertise in handling pre-licensing, licensing and post-licensing activities progressively over the next 3 years: **achieved**.

Financial Control and Efficiency

- 4 high level targets: **achieved**
 - Operate within External Financing Limits of £3m: **achieved**.
 - 3% efficiency saving: **achieved**.

The MCA continues to participate in the Department of Health's programme for **market testing** of building management and office services. At the beginning of 1993-94, the data storage, file office and registration functions were put to tender. An in-house bid was successful. Office support services were also market tested as part of the Department's overall programme and an in-house bid was successful.

The MCA does not provide a direct service to the public but its work is clearly of importance to the public. It also seeks to apply

Citizen's Charter principles by:-

- providing information on drug hazards and ways of improving the safe use of medicines through 'Current Problems in Pharmacovigilance' bulletins and links with the British National Formulary;
- providing a freephone enquiry service on drug safety issues (dial 100 and ask for CSM freephone);
- providing clear information about the services provided through MAIL (Medicines Act Information Letters), a new publication "Towards Safe Medicines", a free public meeting to launch the Annual Report and a programme of symposia and meetings;
- undertaking regular consultation and discussion with all service recipients;
- providing specific Agency telephone enquiry points, with courteous and efficient staff response; and
- distribution of "Controlling Medicines in the UK" to all GP surgeries and retail pharmacists - a leaflet for the public explaining medicines control in the UK in plain language.

The Agency's Annual Report is available from HMSO price £9.50. Copies of the 1994-95 Business Plan are available from the Agency (Room 1629, Market Towers). The Agency's Corporate Plan contains commercially sensitive information and is therefore not publicly available.

KEY TARGETS 1994-95

Safety and Quality

- 4 high level targets: **to discharge responsibility to ensure all medicines on the UK market meet acceptable standards of safety, quality and efficacy**

Standards of Service

- 3 high level targets:
 - **to deliver specified licensing targets without misusing its monopoly position or causing undue impediment to the progress of the pharmaceutical industry;**
 - **to amend UK law for EU Future System by 1 January 1995;**
 - **to develop within the EU greater public access to information**

Financial Control and Efficiency

- 4 high level targets:
 - **taking one year with another, achieve an operating surplus equivalent to a 6% return on net assets;**
 - **deliver efficiency gains in excess of 2% of costs;**
 - **operate within an external financing limit of £4.7m and develop by December 1994 indicators for a corporate efficiency index**



METEOROLOGICAL OFFICE

London Road, Bracknell RG12 2SZ

Tel: 0344 854455 Fax: 0344 856087

Chief Executive : Professor Julian Hunt



The **METEOROLOGICAL OFFICE** became an Executive Agency in April 1990. Its aim is to provide the United Kingdom with an effective, modern and efficient national meteorological service on behalf of the Secretary of State for Defence. In fulfilling this aim the Office provides meteorological services (including climate advice) to the Armed Forces, Government Departments, the public, civil aviation, shipping, industry, agriculture, commerce and others. At the end of March 1994 it employed 2,474 staff at home and overseas. In 1993-94 expenditure was £142m, with income of £55m (Voted Expenditure £135m, Voted Receipts £62m).

PERFORMANCE AGAINST KEY TARGETS 1993-94

- To achieve 80% of all business plan targets for customer satisfaction, forecast accuracy and timeliness: **achieved**. 82% of all business plan quality targets were met with most of the others almost met.
- To produce a Charter Standard for Public Services by September 1993: **achieved**. and is available from the Agency.
- To provide timely and apt advice to Ministers and the general public on meteorology and climate: **achieved**. All requests for advice and information were dealt with to schedule.
- To progress the research programme in accordance with the 1993-94 Research Plan and to satisfy the requirements of internal and external customers to schedule and to agreed standards: **achieved**. The research programme output was assessed by the independent Meteorological Research Subcommittee and given an overall mark of 0.74, where 0.5 is satisfactory and 0.8 excellent.
- To initiate a rolling programme of reviews of scientific and technical standards throughout the Agency: **achieved**. A programme was established and 9 reviews were completed.
- To increase efficiency in business areas by 2.5% through improvements in quality and volume of service and reduced unit costs: **achieved**. 75% of individual business area efficiency targets were achieved, with an efficiency improvement of 4% for the Agency as a whole.
- To achieve Net Operating Costs of £46.7m: **achieved**. Net Operating Costs for the year were £44.1m, giving an 11% reduction on the figure for 1992-93 based on last year's method of calculation.
- To increase the uptake of commercial services (excluding CAA and DoE) as measured by invoiced sales of £19.1m: **achieved**. This represents growth of 8% on the equivalent figure last year despite increased competition.
- To provide a gross contribution to core (invoiced revenue less a percentage of direct staff costs and relevant external costs) of £7.0m from commercial services: **achieved**.

- To provide the output costs of all key activities using the Financial and Management Information System (FAMIS): **achieved**.

Improving services to customers is a priority. The Agency's **Citizen's Charter** Charter Standard for the Public covers the provision of weather forecasts and warnings of severe weather and flooding, advice in pollution emergencies and the availability of weather and climate information. It sets out specific performance targets for accuracy, timeliness and customer satisfaction and in the financial year 1993-94 most of these targets were exceeded. 85% accuracy was achieved for the 24-hour national weather forecast broadcast at 1755 on BBC Radio 4 (target accuracy 84%).

The Meteorological Office has consistently made use of outside specialists and contractors within its programme. The current value of contracted-out services is over £10m per annum, covering operational commitments, computing and site maintenance and services. There is also increasing use of joint venture agreements with the private sector for the provision of products and services on a commercial basis. A **market testing** approach to an initial programme of 4 packages, covering the work of some 112 staff, has already yielded annual savings of over £200,000 at current prices and further studies have been put in hand. This will ensure that over 10% of the running costs of the Agency will have been subject to private sector involvement or comparison.

The review of the Meteorological Office is planned to recommence in Autumn 1994.

A limited number of copies of the Annual Report and Accounts are available free of charge from the Agency's Enquiries Officer. Because of the nature of the Agency's business both the Corporate and Business Plans are classified and therefore not available to the public.

KEY TARGETS 1994-95

- to achieve at least 80% of all Business Plan targets for customer satisfaction, forecast accuracy and timeliness
- to attain an accuracy of at least 84% for the 24-hour national forecasts broadcast at 1755 by BBC Radio 4
- to deliver the agreed programme within the Business Plan cash limit of £75m
- to reduce net expenditure, as shown in the Annual Report and Accounts, to £93.2m, representing a decrease of 9.1% on the 1993-94 budget (both at 1994-95 prices)
- to provide a net contribution to core and general overheads of £3.6m from commercial services (excluding CAA and DoE), representing an increase of £0.3m over the 1993-94 budget (both at 1994-95 prices)
- to increase efficiency in individual business areas by between 2% and 3%, typically, through improvement in quality and volume of service and reduced unit costs



MILITARY SURVEY

Elmwood Ave, Feltham, Middlesex TW13 7AH

Tel: 0181 818 2400 Fax : 0181 818 2148

Chief Executive : Major General M P B G Wilson



MILITARY SURVEY became an Agency of the Ministry of Defence (MoD) in April 1991. Its task is to ensure the provision of geographic support to Defence planning, training and operations. The Agency provides a wide range of geographic products, technical information and advice to meet Defence requirements. Products range from briefs and graphics needed by central staff planners for assessing situations, to the wide variety of maps, air charts, terrain information and digital data needed to support operations and training. Support provided in the field to operations includes map production, Terrain Analysis and map distribution as in the Former Republic of Yugoslavia (FRY) where Military Survey supplies most of the field geographic support to the UN. Although the Cold War has ended, Military Survey's workload has increased because of the UK's new worldwide Defence interests in support of the UN and NATO. In April 1994 the Agency had 1,120 civilian and military staff and operates within a budget of £54m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To deliver 3,600 man-days of uniformed personnel in support of operations: **achieved**. Demand for support to UN and UK national forces in FRY exceeded the planned figure by 33% (4,858 man-days delivered).
- To deliver 26,000 man-days of uniformed personnel in support of exercises and military training: **not achieved**. 19,354 man-days (75%) delivered. The shortfall was due to operational commitments in FRY, the reduction in the number of MOD exercises and cancellation of courses at the School of Military Survey.
- To implement the Military Survey modernisation project by starting the installation check and test phase by 1 October 1993: **achieved**. The project remains on time and within budget.
- To meet the following targets for pre-planned production and services:
 - a Originate or revise 425 maps/charts: **achieved**. 447 maps/charts originated or revised, target exceeded by 5%.
 - b Produce 820 digital products: **not achieved**. 711 digital products produced (87%). The shortfall was due to changes in data formats and the cancellation of some RAF requirements.
 - c Reproduce 7m copies of maps/charts: **not achieved**. Demand required reproduction of only some 6.6m maps and charts.
 - d. Issue from stock 7m copies of maps/charts: **achieved**. 7,490,012 maps and charts issued. The target was exceeded by 7%.
 - e To carry out 5,300 man-days training for students from outside Military Survey: **achieved**.
- To make further efficiency improvements to the value of 2.5% of the budget: **achieved**. A saving of 4% in efficiency terms was achieved through more effective use of

personnel and direct savings including the change of paper quality, more aggressive contract negotiation, tighter control of mapping purchases, improvements in IT contracting, streamlining of Map Library procedures, map salvage and energy savings.

- To keep within the cash allocation of £48.87m for 1993-94: **achieved**. Outturn of £46.31m represented an underspend of 5%. More challenging targets have been set to ensure expenditure is brought within 2% of the cash allocation by FY 1995-96.

Military Survey has no direct link with the general public but conforms to the **Citizen's Charter** where appropriate.

The Agency's **market testing** programme has been revised as a result of new central guidance and a market testing scoping study by its owner. Military Survey has received approval to withdraw from two of its 3 market testing programmes which fall below Government package value guidelines. The third, IT Services, is being reviewed by the owner with a view to conducting a Top Level Budget-wide market test.

The owner's Evaluation Team have completed their study of the workings of the Agency over the last 3 years and this is now being circulated to The Central Departments prior to completion of the prior options paper.

Military Survey's Annual Report and Accounts is available to the general public through HMSO. Its Corporate and Management Plans are internal documents and not publicly available.

KEY TARGETS 1994-95

- **to meet 100% of operational requirements for geographic support to the required standard and on time**
- **to achieve an OPEVAL (Operational Evaluation) status of "substantially effective" and to improve the OPEVAL concept by developing new OPEVAL criteria including two operational scenarios**
- **to meet the agreed production programme (to the extent which operational requirements dictate) which is quantified as:**
 - **originate or revise 275 maps and charts equating to 10,610 work units**
 - **produce 763 digital products equating to 2,506 work units (Note: 1 work unit equates to 5 man days of effort)**
- **to achieve the efficiency target of at least 3.9%**
- **to operate within +/- 3% of the £53.708m budget in 1994-95 reducing to +/- 2% in 1995-96, subject to in-year Top Level Budget direction**



The **NATIONAL PHYSICAL LABORATORY (NPL)**, which became an Executive Agency of the Department of Trade and Industry in July 1990, is responsible for developing and maintaining national measurement standards for physical quantities. It also provides essential calibration services and undertakes performance-related research on standards for engineering materials and information technology. It ensures that accurate measurement standards, which are compatible with those maintained by major trading partners overseas, are available to organisations throughout the UK. The Agency employs about 670 people, and its turnover in 1993-94 was £50m.

NPL is the focus of the UK's National Measurement System, which provides the framework for accurate and precise measurement in partnership with business, commerce and industry at home and abroad. NPL is also the base for the National Measurement Accreditation Service (NAMAS), which provides accreditation of calibration and testing laboratories in both the public and private sectors.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Recover operating costs in full from charges to customers: **achieved**.
- 90% of calibrations completed within 6 weeks: **achieved**. Achieved 98%.
- 95% of research investigations completed on time: **continuing**. Achieved 91%.
- 3% increase in completion of project milestones per scientist per year: **achieved**. 1.52 research milestones per scientist achieved against a target of 1.36.
- Reduce cost of administrative support to no more than 20% of full economic cost: **continuing**. The cost of administrative support as a proportion of full economic cost fell to 18.6% (from 23.3% the previous year); but this significant progress was in part attributable to a different (and more accurate) accounting treatment of irrecoverable VAT.
- 5% increase in staff time spent on scientific programmes: **continuing**. The proportion of staff time attributable to programme-related work reduced very slightly to 68% (69% in each of the previous 3 years).
- 2% annual reduction in cost of project staff: **not achieved**. The cost of each member of project staff actually rose to £71 per hour against a target of £67 per hour, reflecting the reduction in hours booked to direct tasks by scientific staff without a corresponding reduction in costs over the same period.
- 2% improvement in overall efficiency each year: **achieved**. Overall efficiency increased by 2.9%.

Good progress continues to be made towards introducing a formal quality regime throughout the Agency. This is a key element in supporting the principles of the **Citizen's Charter**, through improving accountability for many of the mechanisms which already exist to keep customers informed and satisfied. NPL's commitment to Charter principles is also demonstrated by the 36 clubs or research interest groups which it operates, providing an open forum for discussion on the development of measurement services and on the needs of users.

All NPL work is carried out on a strict customer-contractor basis, and the majority of its research is still commissioned by the Agency's parent Department on behalf of UK industry. However, following a review of the future of the DTI's laboratories, the President of the Board of Trade has encouraged NPL to continue restructuring to adapt itself to a reduced budget for work of this kind, and he has announced his intention to invite proposals for a management contractor during 1995. Commercial progress under the management of the contractor will be carefully reviewed and might in due course result in NPL becoming ready to move into private sector ownership. The Agency is therefore increasingly looking to carry out measurement-related work for a much broader customer base.

Much of NPL's scientific work is subject to regular competition by virtue of the customer-contractor arrangements. NPL's customers are untied and can always seek best value for money. Many support services, including security, cleaning, catering, computer maintenance and site maintenance have been contracted-out for some years, but other areas are kept under regular review, and this year, the in-house stores operation, previously costing around £130,000 per annum, has been closed down in favour of more cost effective alternatives.

Copies of the NPL Annual Report and Accounts may be obtained from HMSO, price £12.10. NPL does not, however, publish its Business and Corporate Plan for reasons of commercial confidentiality.

KEY TARGETS 1990-95

- **recover operating costs in full from charges to customers**
- **90% of calibrations completed within 6 weeks**
- **95% of research investigations completed on time**
- **3% increase in completion of project milestones per scientist per year**
- **reduce cost of administrative support to no more than 20% of full economic cost**
- **5% increase in staff time spent on scientific programmes**
- **2% annual reduction in cost of project staff**
- **2% improvement in overall efficiency each year**



NATIONAL WEIGHTS & MEASURES LABORATORY

Stanton Avenue, Teddington, Middlesex TW11 0JZ

Tel: 0181 943 7272 Fax: 0181 943 7270

Chief Executive : Dr Seton Bennett



The **NATIONAL WEIGHTS AND MEASURES LABORATORY (NWML)** was launched as an Executive Agency of the Department of Trade and Industry (DTI) in April 1989. It provides the national and international focus for legal metrology in the UK and its mission is to maintain confidence in fair trade through accurate measurement as required by law. The Agency employs an average 45 staff and its total operating costs amounted to £2.4m in 1993-94.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Keep current expenditure within allocated budget (£2.30m): **achieved**. NWML's current expenditure for the year was £2.06m. The major saving was achieved through a negotiated rent reduction.
- Reduce the cost of an hour of programme work by 2% in real terms: **achieved**. The unit cost of a programme-hour was reduced by 4% in real terms, representing a total reduction of 9.4% over two years.
- Achieve the 9 objectives set out in the published Corporate Plan: **6 achieved, 3 not achieved**.
 - 15-week completion of type examinations achieved for 75% of jobs; 95% was achieved.
 - 4-week completion of calibrations achieved for 95% of jobs; 87.3% was achieved.
 - 10-week completion of certificates achieved for 80% of jobs; 84.5% was achieved.
 - 4 out of 6 programme objectives completed.

Once again, the Single European Market has had a major impact on the Laboratory's work during the year. Although there has been little progress in the preparation of a general measuring instruments Directive, there has been intensive activity in a number of international fora. NWML has continued to provide the Chairman and Secretariat for the Western European Legal Metrology Cooperation (WELMEC) and has played the leading role in the preparation of a multilateral type approval agreement signed by representatives of 18 countries. The harmonisation of UK requirements with international specifications remains an important objective and NWML has been particularly active in the International Organisation of Legal Metrology (OIML).

Demand for the Laboratory's technical services was substantially higher than in 1992-93, with a 28% increase in the number of new measuring instrument designs approved. The number of variants to existing designs approved was up from 356 to 407. In addition, the volume of metrology work also rose as a result of a continuing increase in demand for traceable calibrations in support of BS 5750, and the Agency achieved an improved level of NAMAS (National Measurement Accreditation Service) accreditation for its mass laboratory.

Following the publication of "Working with Business", the Government's Code for enforcement Agencies, NWML published its own code of practice, in line with **Citizen's Charter** principles, at the beginning of 1994. This sets out clear customer service standards for the provision of estimates, speed of service and the publication of information. It also contains a commitment to respond to enquiries within 3 days and to deal promptly with complaints. To gauge customer satisfaction with the Agency's performance, NWML now sends out short questionnaires with invoices 4 times a year. Returns show 91% of customers 'satisfied' or 'very satisfied' with the service received. NWML does not have a **market testing** programme for the current year.

The Laboratory was among the DTI Agencies reviewed by KPMG Peat Marwick during 1993. The President of the Board of Trade announced on 21 July 1994 that he had decided NWML should remain an Agency, as recommended by the consultants. Further consideration is being given to moving the Agency to a financial control regime which will provide it with the scope it needs to utilise its expertise and facilities more fully in meeting a wider range of its customers' needs on a self-financing basis.

The Agency's Annual Report and Accounts is published by HMSO. NWML has not published its Business Plan as it is commercially sensitive.

KEY TARGETS 1994-95

- **ensure that fee earning activities remain self-financing**
- **increase output per person employed by 2%**
- **reduce the real cost of a programme hour by 2%**
- **complete 92% of type examinations within 14 weeks**
- **complete 96% of calibration jobs within 4 weeks**



NATURAL RESOURCES INSTITUTE

Central Avenue, Chatham Maritime, Chatham, Kent ME4 4TB

Tel: 0634 880088 Fax: 0634 880066/77

Chief Executive : Anthony Beattie



The **NATURAL RESOURCES INSTITUTE** (NRI), which was launched as an Executive Agency of the Overseas Development Administration (ODA) in April 1990, assists developing countries to improve the productivity and sustainable management of their renewable natural resources - farming, forestry and fisheries - through the application of science and technology. The Institute employs 344 permanent and 113 contract staff and expects a turnover of some £33m in 1994-95.

NRI provides research, consultancy and project management services to ODA, and to other bilateral and multilateral agencies, under customer/contractor arrangements. The Institute's operational programme comprises 3 strategy areas - resource assessment and farming systems, integrated pest management and food science and crop utilisation - and it supplements its core skills through an extensive programme of links with other British scientific institutions and universities.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even on full economic costs: **not achieved**. Owing to the falling away of business projected during the early part of the year, a deficit of £2.58m was recorded on the Institute's ordinary activities.
- Efficiency gain of at least 2%: **not achieved**. For similar reasons, there was an efficiency loss of 5.2% measured by reference to the unit cost of time charged to clients.
- Further expand the share of work undertaken for non-ODA clients: **achieved**. The share of non-ODA business increased from 8.7% to 11.8% by volume and from 8.8% to 11.2% by value.

The first triennial review of NRI was completed in 1993. The review was led by Sir Charles Reece, a member of ODA's Steering Board for NRI, and considered both the achievements of the first 3 years of Agency status and strategic options for the future. The review recommended, in particular, further diversification of the Institute's customer base and increased concentration on its core strengths of adaptive research and technology transfer.

Action to implement these recommendations has continued in 1994. A Development Services Group has been established with the primary task of marketing the Institute's services. An audit of operational capacity has also been undertaken as a basis for the restructuring of the business now underway. A staff reduction programme was announced in January and has resulted in the abolition of 48 permanent and contract posts. Steps have also been taken towards the reduction of operating costs by leasing accommodation on the Institute's Chatham site to the University of Greenwich for use by its School of Earth Sciences.

Following the Reece Review, a further study has been commissioned by the ODA of future ownership options. The study is being carried out by external consultants and will take account of the findings of the Cabinet Office scrutiny of public sector research establishments announced in July.

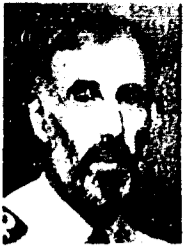
Because of the potential impact of restructuring and of a potential change of ownership upon the services concerned, further work on **market testing** has been suspended for the time being. NRI does not provide services to the public and has not therefore issued a Charter Standard Statement. It does, however seek to apply the principles underlying the **Citizen's Charter** in the provision of services to its clients.

The Institute continues to play a leading role in the work of the European Consortium for Agricultural Research in the Tropics (ECART) which was launched in May 1992. Originally linking NRI with similar institutes in France, the Netherlands and Portugal, the membership of the consortium was extended during the year to include partner organizations in Germany.

Copies of NRI's Annual Report and Accounts are available from the Agency. NRI's Corporate and Business Plans contain commercially sensitive information and are not therefore available to the public.

KEY TARGETS 1994-95

- **recovery of full economic cost of ordinary activities**
- **continued increase, by 20%, in volume of work done for non-ODA clients, with 35% increase in net income from this source**
- **reversal of 5.2% efficiency loss suffered in 1993-94 with reduction of real cost of operational time to below the 1992-93 level**



NAVAL AIRCRAFT REPAIR ORGANISATION

Royal Naval Aircraft Yard, Fleetlands, Gosport PO13 0AA

Tel: 0329 826225 Fax: 0329 823043

Chief Executive : Captain W S Graham RN



The **NAVAL AIRCRAFT REPAIR ORGANISATION (NARO)** Defence Agency was launched in April 1992 under the Ownership of the Director General Aircraft (Navy) (DGA(N)). Its running costs in 1993-94 were approximately £33.3m and it employs around 1,560 staff. NARO is one of the largest helicopter repair facilities in Europe. Its objective is to provide a repair, modification, overhaul and storage facility for all the UK Armed Forces' helicopter fleets, their engines and selected components and for marine gas turbine engines and their components.

NARO is situated on two sites and comprises 5 production departments. The Royal Naval Aircraft Yard Fleetlands at Gosport, Hampshire consists of the:

- Aircraft Production Department, in which in-depth scheduled maintenance including Category 4 repairs, Type Mark conversions and modification programmes are routinely carried out;
- Engine Production Department, in which 9 types of helicopter and marine gas turbine engines are repaired and overhauled;
- Mechanical Component Department, in which airframe structures are modified, repaired and overhauled and airframe components manufactured; and
- Avionics Department, in which an extensive range of high technology avionic components are produced, repaired and overhauled.

The Royal Naval Aircraft Workshops Almondbank near Perth, Tayside consists of the Component Support Department, in which specialist helicopter transmission, hydraulic and some avionic components are repaired, overhauled and reconditioned. Almondbank also provides NARO with a centre of excellence in the manufacture of specialist tools.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Quantity: to complete 100% of the required specified task: **not achieved**. 99.3% output achieved. Production effort was diverted towards development of a new workload control system, compliance with Health and Safety legislation and preparation for BS 5750 (ISO 9001) certification.
- Quality: to improve quality performance by 2% against the NARO quality index: **achieved**.
- Cost: to reduce product costs by 7.5% over the 1991-92 launch values: **achieved**.
- Efficiency Index: to improve efficiency index (measured work content divided by measured time taken) from 61.4% in 1992-93 to 63.3% by the end of 1993-94: **not achieved**. The efficiency index rating in 1993-94 was 61.3%. This is part of a 3 year continuing target.

- Productivity: to improve productivity from the achieved 1992-93 figure of 560 to an average of 575 direct output units per employee by the end of 1993-94: **achieved**.
- Timeliness: to complete more than 85% of contracts on time in 1993-94 and to increase this figure to over 95% by the end of 1994-95: **not achieved**. This is part of a 3 year continuing target. In year 84% achieved.

NARO's market testing programme continued through 1993-94. The year saw the commencement of market testing of canteen services. With respect to the NARO's core work, the triennial review currently due to complete in April 1995, will determine the way ahead.

Though not dealing directly with the public, NARO has embraced the philosophy of the **Citizen's Charter** and during the year greater emphasis was placed on improving both internal and external customer/supplier relationships by visiting customers, having customers visit NARO and by adopting a more proactive approach.

DGA(N) is required to review NARO after the first 3 years of operation as a Defence Agency and decide how it will be taken forward for the future. The review will take into account the endorsed findings of the appropriate individual Defence Cost Studies.

NARO's Annual Report and Corporate Plan are available from the Agency. The Agency's Management Plan contains sensitive information and is not publicly available.

KEY TARGETS 1994-95

- **quantity: to complete 100% of the funded task as detailed in the DGA(N) Tri-Service Schedule of Identified Repair Work**
- **cost/productivity: the target achieved (in 1993-94) to be maintained or improved**
- **quality: to improve quality by reducing the NARO index by 2**
- **timeliness: to complete more than 95% of contracts on time**
- **efficiency index: to improve the NARO efficiency index to 65**



NEL

East Kilbride, Glasgow G75 0QU

Tel: 03552 20222 Fax: 03552 36930

Chief Executive : William Edgar



NEL, which was established as an Agency of the Department of Trade and Industry (DTI) in October 1990, is an independent technology organisation, operating internationally and providing a comprehensive range of engineering technology services to key industry and Government sectors. Its services are focused in specific centres of technical expertise. The Agency's primary aim is to achieve commercial viability by 1995 in preparation for privatisation. In 1993-94 the average number of staff employed at NEL was 349 and the Agency generated sales of £14.15m at a total cost of £14.72m.

In pursuit of its primary aim, NEL has the following objectives:

- to adopt a commercial approach to winning, executing and retaining business;
- to develop new business and exploit new market opportunities on a commercial basis; and
- to achieve such targets as the Secretary of State may set, after consultation with the Chief Executive.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

NEL's primary target is to recover its full economic costs by 1994-95. NEL remains on course to achieve this target. The actual deficit in 1993-94 was £0.57m compared with a deficit of £3.98m in the preceding year.

- To obtain the return of and review at least 60% of contact questionnaires from clients: **achieved**. NEL received 68% return of questionnaires sent to clients. All returned questionnaires were reviewed.
- To carry out customer consultations and post-completion reviews of 20% of all contracts valued in excess of £250,000: **achieved**. NEL interviewed 33% of such customers.
- To achieve laboratory-wide ISO 9001 accreditation by 31 March 1994: **not achieved**. NEL's manufacturing facilities were accredited in February 1994. Other areas will be assessed during the current year.
- To increase the number of non-DTI customers who provide revenues of more than £100,000 per annum by 50%: **achieved**. NEL increased the number of such customers by 60%.
- To reply to letters from MPs within 10 working days of receipt of such correspondence by the Agency: **achieved**. Average response time was 4 days.
- To complete the training of nominated staff in 8 competences covered by the 4 current training programmes: **achieved**. NEL increased the number of staff receiving training in the identified competencies to 112% of original target.

NEL's business is won against strong competition from both the public and private sectors. To meet this challenge it has continued with its value driven comprehensive cost reduction programme leading to increasing competitiveness.

NEL has continued in its endeavours to raise the organisation's profile, both nationally and internationally, using conferences, exhibitions and technology collaborations to consolidate and expand market positions. Open days, seminars and training courses for industry and the public sector are important components of the thrust to increase awareness amongst potential clients of the wide ranging capabilities and facilities the Agency offers.

NEL fully endorses the objectives of the *Citizen's Charter* and places great emphasis on its customer relationships and the quality of its product and how it is delivered. Two primary quality targets were addressed in the year, namely the use of customer questionnaires as a constant and ongoing monitor of customer satisfaction and the initial accreditations to ISO 9000. The remaining appropriate areas of the laboratory will seek accreditation during the current year at which point NEL will have the widest possible accreditations to recognised quality certification including ISO 9000, NAMAS and TickIT.

During the year the President of the Board of Trade, following advice from independent management consultants, reaffirmed the intention to privatise NEL by seeking a trade sale in the summer of 1995 with a view to completion of the process before the end of 1995.

In order to simplify the privatisation process by separation of the estate from the core activities, ownership of the estate was transferred to Scottish Enterprise at the end of March 1994. The intention is that the estate will be developed as a Technology Park and will remain in the public sector with the NEL core businesses becoming the principal tenant.

The Agency's Annual Report and Accounts are obtainable from NEL or HMSO. NEL's Business and Corporate Plans are not publicly available as they contain commercially sensitive information.

KEY TARGETS 1994-95

- **recovery of full costs through "arms length" contracts from customers by 1994-95**
- **to increase the number of non-DTI clients who provide revenues of more than £100,000 per annum by 50%**
- **to introduce by September 1994 a revised divisional based organisation designed to facilitate privatisation**
- **to arrange training programmes to ensure the managers in the revised organisation acquire the new competencies needed for the transition to private sector working practices**
- **to introduce by September 1994 an improved version of the contract completion questionnaire to reflect the input from all clients in 1993-94**
- **to carry out customer consultation post-completion reviews of 20% of all contracts in excess of £250,000**
- **to achieve by September 1994 laboratory-wide ISO 9001 accreditation for those eligible areas which did not receive accreditation by the end of 1993-94**



NHS ESTATES

1 Trevelyan Square, Boar Lane, Leeds LS1 6AE

Tel: 0532 547000 Fax: 0532 547299

Chief Executive : John Locke

NHS Estates

NHS ESTATES (NHSE) became an Executive Agency of the Department of Health in April 1991. Its main objectives are to encourage effective, efficient and economical management of the estate and property used for healthcare and to promote excellence of design, with value for money, in new buildings. It provides advice to the Government on health estate policy, and offers professional consultancy services to all branches of the NHS, the private sector and overseas clients. Its mission is, 'optimum use of estate for better healthcare'. It comprises 130 staff including architects, engineers, surveyors and other non-estate professionals, and operates on annual running costs of £8m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Deliver all products and services on time and within cost: **not achieved**. Practically all products and services delivered on time and within cost. Extensive additional products and services provided substantially outweighing the cost and value of those originally specified.
- Review with customers the quality of services provided, frequency and style depending on the nature of the contract terms: **continuing**. Regular meetings with customer representative groups took place to review agency products and services, to address delivery topics, agree variations and develop new ideas. A customer satisfaction survey is being developed for implementation in 1994-95.
- Increase revenues from the NHS and private sector to 67% of the cost of services purchased (100% in 1995-96): **achieved**. Revenues from the NHS and private sector increased to 88% of the cost of the services purchased.
- Increase income from UK consultancy services by 5% to £640,000: **achieved**. Income from consultancy activities increased from £489,000 to £1,268,000 (160%).
- Untie a further £725,000 of Agency resources to the NHS (market test) and recover through sales. (Total untied, £1.2m now, £2.4m in 1995-96): **achieved**. Top-sliced funds (money allocated to the Agency to provide services to the NHS) of £959,000 were untied and returned to the NHS, income from the NHS has increased by £1.9m.
- Achieve BS 5750 quality assurance accreditation by 31 March 1994: **not achieved**. Relocation to Leeds, and the extensive replacement of personnel which this entailed, led to postponement of the target date for final BS 5750 accreditation until 31 December 1994.
- Explore the scope for market testing functions carried out on behalf of the NHS Management Executive by 30 September 1993: **achieved**.
- Keep within agreed PES baselines and additionally make 4% efficiency savings on the running cost element: **achieved**. The Agency's supply estimate Running Cost expenditure was £9,624,000. The actual unaudited expenditure was £8,025,000.

- Complete relocation of new headquarters to Leeds, saving £1.1m a year: **achieved**.
- Co-ordinate an induction training programme for all staff (75% of Agency staff are new personnel). This will be ongoing and will be incorporated in the appraisal programme: **continuing**. Regular induction seminars were held for new staff and the Agency launched its commitment to Investors in People with a target for accreditation in 1994-95.
- Develop an overall measure of efficiency based on a cost weighted activity index by 1995-96: **continuing**.

Although the Agency does not deal directly with the public it endorses the principles of the Citizen's Charter.

The Agency is currently undergoing its first review.

Copies of the published Annual Report and Accounts are available from the Marketing Department, NHS Estates. tel: 0113 2547000 extension 47154. The Agency's Business and Corporate Plan are not publicly available.

KEY TARGETS 1994-95

- to quickly develop relationships with redefined clients following the reviews of the wider Department and the central management of the NHS
- to demonstrate an increasing degree of customer satisfaction through contract reviews and customer surveys
- to assist the NHS Executive and Ministers in achieving their key estate objectives
- following the reviews of the wider Department and the central management of the NHS, to make any necessary amendments to the new agreement with the NHS Executive and establish key service level agreements (SLAs) with redefined clients
- to increase revenues from the NHS and private sector to 95% (100% in 1995-96) of the cost of services provided, equivalent to 49% (51% in 1995-96) of total agency costs
- to increase revenues from both UK consultancy and publications by 5% per annum each
- to achieve BS 5750 quality assurance accreditation by 31 December 1994
- to develop output/unit cost measures and monitor trends during 1994-95 as the basis for implementing a cost-weighted activity index from 1 April 1995
- while at least maintaining output, to keep within allocated cash limits making a minimum saving of 4% on running costs expenditure, and 2% on other expenditure
- untie to NHS customers a further £971,000 of resources during 1994-95



The **NHS PENSIONS AGENCY** was launched in November 1992 as an Agency of the Department of Health. It employs 600 staff, with an annual budget in the region of £21m. It administers the NHS Occupational Pensions Scheme which, with over one million members, is one of the largest in Europe.

The Agency's main objectives are: to provide a timely, accurate and helpful service to its customers; to ensure that the annual turnover of pension income and expenditure, amounting to some £3.1bn, is properly handled; to maximise value for money; and to provide Department of Health Ministers, the NHS Executive and other interested parties, with timely and high quality advice and information on pension matters. The Agency's priority is to forge closer links with NHS employers in order to improve the quality of services to Scheme members. It is also developing support systems that will minimise the turnaround time for dealing with customers.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	TARGET	OUTTURN
• Pensions awards to be cleared:		
(i) within 4 weeks of receipt of application from employer	91%	94.8%
(ii) within 8 weeks of receipt of application from employer	99%	99.8%
• Pensions estimates (non-practitioners) to be cleared:		
(i) within 4 weeks of request	91%	93.8%
(ii) within 8 weeks of request	99%	99.2%
• Pension estimates (practitioners) to be cleared:		
(i) within 6 weeks of request	71%	93.0%
(ii) within 8 weeks of request	99%	98.3%
• Transfer Payments to be made:		
within 8 weeks of application	99%	99.4%
• Transfer Estimates to be cleared:		
within 8 weeks of application	99%	71.6%
• Correspondence:		
All replies to be sent within 4 weeks	100%	98.3%
• Ensure that Agency's expenditure is contained within running costs and other cash limits and deliver at least 2% efficiency gains: achieved . An efficiency gain of 2.6% against a 3% increase in workloads and a reduction in recurring expenditure compared to 1992-93 was achieved.		

The Agency's full commitment to **Citizen's Charter** principles is demonstrated in its aim to produce a Members' Charter by the end of 1994 which will set out what services and standards Scheme members and pensioners can expect to receive.

The Agency has a substantial **market testing** programme covering 90% of its total costs. Testing has now been completed on Common Services work (Support Services, Catering and Building Management) resulting in 20% cost savings. Further exercises have commenced on IT and pension payment work.

A priority during the year was to improve the pensions operating links with NHS Employers, who play a key part in pensions administration, by increasing the number of payroll personnel seminars; carrying out another Employer Survey and issuing a new Employer Guide.

An internal structural and organisation review led to the integration of some functional work areas. These changes are now being taken forward through a multi-disciplined Prototype Pensions Administration Group, which will provide the base for a flatter professional operation.

As part of staff development plans, a commitment has been made to the Investors in People initiative which will include provision for acquiring appropriate National Vocational Qualifications.

Copies of the Annual Report and Accounts are available from the Agency. This includes an outline of the Agency's forward plans. The Agency produces Business and Corporate Plans which are also available direct from the Agency.

KEY TARGETS 1994-95

- **pension awards to be cleared:**
 - (i) 95% within 4 weeks of receipt of application from employer
 - (ii) 99% within 8 weeks of receipt of application from employer
- **pension estimates (non practitioner) to be cleared:**
 - (i) 95% within 4 weeks of request
 - (ii) 99% within 8 weeks of request
- **pension estimates (practitioner) to be cleared:**
 - (i) 80% within 5 weeks of request
 - (ii) 99% within 8 weeks of request
- 99% of transfer payments to be made within 8 weeks of application
- 99% of transfer estimates to be cleared within 8 weeks of application
- **correspondence: all replies to be sent within 4 weeks**
- **ensure that Agency's expenditure is contained within agreed running costs and other cash limits and deliver at least 5% efficiency gains**



NORTHERN IRELAND CHILD SUPPORT AGENCY

17 Great Victoria Street, Belfast BT2 7AD

Tel: 0232 896896 Fax 0232 896693

Chief Executive : Pot Devlin



The **NORTHERN IRELAND CHILD SUPPORT AGENCY (CSA-NI)** was launched in April 1993 as an Executive Agency of the Department of Health and Social Services.

The Agency exists for the benefit of children whose parents live apart. Its aim is to ensure that both parents meet their financial responsibility for their children where they can afford to do so.

The NI Agency employs almost 1,000 staff. Its Headquarters and regional Centre are located in Belfast, with 7 Area Offices in the Province, 3 in Belfast. Through a contract with the Great Britain Agency, the NI Agency administers one of Great Britain's Child Support Agency Centres. The Centre is co-located with the NI Agency and staffed by NI civil servants. The running and capital costs for 1993-94 were £13.35m (£4.5m on NI operations).

During 1993-94, the Agency contacted some 23,000 lone parents with care of children. Of these, 10,000 cases were cleared, 6,500 of which resulted in an assessment. Nearly 1,000 absent parents, whose whereabouts were not known to their ex-partner, were traced by the Agency (an 80% success rate).

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 60% of people with care of children making eligible applications to the CSA to have maintenance arranged: **not achieved**. Achievement was 40%. There are a number of reasons for not meeting the target including: over optimistic assumptions about client response times; the time taken to obtain and verify information; and how long it would take to process cases. In addition, policy changes implemented in February 1994 meant that staff had to concentrate on reviewing assessments made since the start of operations in April 1993. This inevitably reduced the Agency's productivity and affected its ability to achieve the target.
- Annual benefit savings of £12.8m: **not achieved**. A total of £9.69m benefit savings was achieved in the year (76% of target). As with the previous target, the work required to implement the policy changes absorbed substantial staff resources which were not therefore available for normal application processing.
- To manage the Agency's resources so as to deliver its Business Plan within a total budget of £5.1m: **achieved**. Expenditure for the year totalled some £4.5m.
- 65% of clients to regard the service as satisfactory, as measured by an independent survey: **not achieved**. The results of an independent survey showed that 55% of clients regarded the service as satisfactory. Excluding those who expressed no view, the overall satisfaction level was 69%.

The Agency remains fully committed to the principles outlined in the **Citizen's Charter**. The Child Support Agency Northern Ireland Charter was published in April 1993. It has already put in place many of the elements needed to build a high quality service, eg:

- an enquiry line for clients, their representatives, and employers; calls are charged at local call rate;
- the main client leaflets have been produced in braille, audio tape and large print versions to assist any clients who may be visually impaired;
- following consultation with the Royal National Institute for the Deaf the Agency has installed a textphone on the Enquiry Line for the benefit of hearing impaired clients;
- appointment of Client Service Managers in each Area Office whose availability to assist clients is publicised locally; and
- Agency staff who deal face to face with the public wear name badges, and when visiting clients or employers use identification passes which bear their name and photograph. Staff also give their names when dealing with clients by telephone and in letters.

The Agency continues to be committed to **market testing** and services such as reception duties, post opening, typing, photocopying, cleaning, catering and file and stationery stores have been outsourced. Further areas of business will be reviewed as part of the Agency's commitment to achieving the objectives set out in the White Paper *Competing for Quality*. The services which have been market tested are being monitored to ensure a high standard of service.

Copies of the Agency's Annual Report and Accounts 1993-94 and Business Plan 1994-95 are available from the Agency.

KEY TARGETS 1994-95

- 50% of people with care of children making eligible applications to the Agency to have maintenance arranged
- a score of 65% on an index of client satisfaction with the Agency's service, as determined by an independent survey
- annual benefit savings of £10.2m
- by the end of March 1995, no more than 55% of outstanding maintenance applications to be over 13 weeks old, no more than 25% over 26 weeks old and no more than 1% over 52 weeks old
- to manage the Agency's resources so as to deliver its Business Plan within a total budget of £5.7m



The **OCCUPATIONAL HEALTH SERVICE (OHS)** has been an Executive Agency of the Cabinet Office (Office of Public Service and Science) since April 1990. Its role is to promote health and safety at work. The Agency's 120 staff includes 11 doctors, 61 occupational health advisers and 5 hygiene and safety officers who provide a comprehensive range of health and safety services to over 200 Government Departments, Executive Agencies and other public bodies employing about 650,000 staff. The full cost of providing OHS services in accrual accounting terms for 1993-94 was £5.29m.

and safety training maintaining last year's level of income. Total income generated increased from approximately £208,000 in 1992-93 to £215,000 in 1993-94. In addition, OHS maintained its ongoing and essential training programmes of Departmental/ Agency first aiders.

OHS also provides statutory and non-statutory health surveillance, health and safety audits, advice on rehabilitation of the disabled and clinical services for staff and their families working overseas. Over 3,800 hours of professional time were devoted during the year to advisory visits to Departments.

OHS Healthline provides ready access to professional advice on all aspects of occupational health and has been welcomed by clients and staff alike. The Healthline is professionally staffed every day in the London office. In 1993-94 over 1,000 calls were received covering a range of health and safety matters.

Although OHS does not deal directly with the general public, it is committed to the principles of the **Citizen's Charter**. OHS is engaged in consultation and liaison with clients to ensure provision of a high quality service sensitive to their needs. Regular meetings take place with clients at senior management level. Professional staff are encouraged to liaise directly with personnel and welfare staff where this will facilitate the management and resolution of individual cases. More formal liaison is undertaken through meetings of the Director's consultative committee, meetings with chief welfare officers and safety officers. The quality of service indicators included in the Agency's key targets indicate its commitment to the Citizen's Charter.

In 1994-95 the OHS will **market test** arrangements for analysis of blood samples taken at its clinic in London and other centres as appropriate. Office cleaning and janitor services in the existing London office and recently acquired additional accommodation will also be the subject of competitive tender.

OHS's Annual Report and Accounts is available from HMSO. The Agency's Strategic Plan for 1991-95 is available from the Librarian at the Agency.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Break even in accrual accounting terms: **achieved**. The OHS achieved a surplus of £84,072 on a turnover of £5.37m.
- Cost per productive professional day (PPD) - £268: **achieved**. This is a measure of overall efficiency and represents the full cost of putting a professional "on the road". The cost per PPD was £266.
- Cost per case referral - £23.50: **achieved**. The average cost for medical case referrals was £23.12.
- Percentage cases returned within 15 days (no outside information needed) - 90%: **not achieved**. 80% achieved. For both this and the next target, particular staffing problems with two regional offices contributed to the shortfall.
- Percentage cases returned within 40 days (outside information sought) - 65%: **not achieved**. 50% achieved.
- Percentage client satisfaction ratings in top two boxes on a 6-point scale - 85%: **achieved**. Post-service client satisfaction questionnaires indicate that 93% of recipients placed performance in the top two boxes of a 6-point scale.
- Percentage error-free invoices - 85%: **achieved**. Following the introduction of an enhanced accounting system 90% of invoices were error-free.

During 1993-94, 4,479 cases were referred to OHS concerning the health of potential recruits, 9,071 cases for advice on sickness absence and a further 2,726 about possible medical retirement. Many more cases were dealt with under special arrangements whereby services are provided on Departments' own premises - a total of over 3,500 medical hours in 1993-94. Almost 600 medical examinations were carried out by OHS doctors.

OHS continued to provide a range of health promotion services with over 5,600 lifestyle screening assessments being carried out. In addition, a range of seminars were provided offering advice on subjects ranging from stress awareness to the management of sickness absence. An extensive training programme was undertaken and the year saw hygiene, health

KEY TARGETS 1994-95

- **to break even in accrual accounting terms**
- **to turn round within 15 days, 80% of case referrals where no additional information is required and 58% within 40 days when additional information is required**
- **to earn customer post-service satisfaction evaluations of 90% in the two highest categories**
- **to issue at least 90% of invoices error-free**

In addition the Occupational Health Service has cost containment targets, the details of which are commercially sensitive.

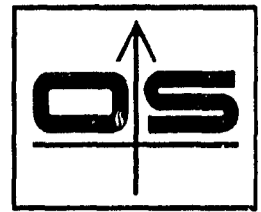


ORDNANCE SURVEY

Romsey Road, Maybush, Southampton SO16 4GU

Tel: 0703 792192 Fax: 0703 792452

Chief Executive : Professor David Rhind



ORDNANCE SURVEY was launched as an Executive Agency in May 1990. It exists to make definitive topographic data and maps of Britain readily available to users in forms most suited to their needs and seeks to provide that service in the most efficient way. It is charged with maximising the recovery of costs in meeting demand from existing and potential customers. The basic topographic data collected by the Agency is widely regarded as critical to the land management infrastructure of the country. During 1993-94 its activity in pursuit of these aims utilised, on average, 2,263 staff and cost £75.9m. Revenue of £54.2m was earned from the sale of data, maps and services, an increase of more than 10% on the previous year's trading.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 71% of total costs recovered: **achieved**. Close control of expenditure combined with improved marketing performance produced excellent results in a far from buoyant market. 71.8% of costs were recovered.
- 780,000 house units of change surveyed (based on construction forecasts for major developments): **achieved**. The use of new revision methods and state of the art technology produced outputs nearly 20% above target.
- 39,000 digital maps added to the database: **achieved**. The target was exceeded by over 4% under a continuing programme of contracting out. The unit costs of digitising were again reduced.
- Complete Superplan Agents' network by 1 September 1993: **achieved**. Early completion of this retail network was essential to bring the new Superplan product to customers throughout the country.
- 90% of orders for small scale maps to be despatched within 6 working days: **achieved**.
- 10 second response time on telephone HelpLine service: **achieved**. This new service was an integral part of the Agency's successful bid for a Charter Mark in 1993. The achievement of the target was critical in view of the up-front commitment given to all the Agency's customers and contacts. Some 30,000 telephone queries were dealt with in 1993-94.

The year was the first since the Agency was established that all key targets were met. This was a considerable achievement since, for the majority of the year, the Agency was in the throes of planning and implementing the most major reorganisation in its 200 year history. The old hierarchical, functional structure was cast aside and all staff were re-assigned to Business Units, each one with reduced levels of management. Internal markets were introduced so that all staff now have customers and suppliers. The purpose is to accelerate cultural change in the previously production-oriented workforce and to improve trading

performance. The new structure brings far more staff into customer focused units and provides senior management with the authority and resources to develop markets and products in a cohesive manner.

The award of a **Citizen's Charter** Charter Mark in the 1993 competition has increased customer awareness and expectations. In particular, an improved complaints system has been developed based on Citizen's Charter guidelines. In parallel, a planned programme of implementing and documenting quality systems for assessment to BS 5750 has continued. The first assessment in a progressive programme will be completed during 1994. A customer satisfaction survey was conducted by consultants during the year, the overall opinion of both Ordnance Survey and its products was rated good to very good. The factor receiving the lowest ratings was price. However, it was pleasing to note that Ordnance Survey products are purchased because they are perceived as accurate and up-to-date. In assessment 72% rated Ordnance Survey as better than average and only 7% as below average.

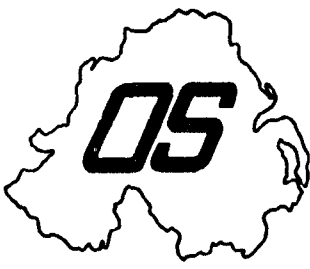
The ongoing **market testing** programme, resulted in the contracting out of the provision of main frame computer services, the management and execution of building maintenance and the provision of catering facilities. This programme achieved annual savings of almost £1.5m.

During the period, Ordnance Survey was undergoing its 3 year review. The evaluation stage was completed and accepted by Ministers in September 1993. At the time of writing, Ministers were considering reports of an internal study and a consultant's independent review on the Prior Options stage.

The Agency's Annual Report and Accounts and Corporate Plan are available direct from Ordnance Survey.

KEY TARGETS 1994-95

- **75% of total costs recovered**
- **886,000 units of change surveyed**
- **complete initial digitising of all basic scale maps of Britain**
- **90% of Land-Line products despatched within 6 working days of a valid order**
- **90% of small scale maps despatched within 5 working days of a valid order**
- **10 second response time on telephone HelpLine service on working days and an answering service at all other times**



ORDNANCE SURVEY OF NORTHERN IRELAND

Colby House, Stranmillis Court, Belfast BT9 5BJ

Tel: 0232 661244 Fax: 0232 683211

Chief Executive : Michael Brand



ORDNANCE SURVEY OF NORTHERN IRELAND was launched as an Executive Agency of the Department of the Environment for Northern Ireland in April 1992. The Agency maintains the archive of topographical information of Northern Ireland to agreed standards of currency, completeness and accuracy. It provides customers with information from the archive in forms most appropriate to their needs and undertakes special surveys, aerial photography, cartographic and reprographic services and technical assistance to Government Departments and other Government and private sector customers. Ordnance Survey (NI) is also responsible for the production of maps, street plans and atlases, the creation and maintenance of an archive of aerial photographs and the operation of the Northern Ireland Remote Sensing Centre. It employs just under 200 staff, costs about £6.1m to run and recovers £1.4m from the sale of products and services.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To survey 30,484 house units in the continuous revision programme: **achieved**. Actual output was 32,556 house units.
- To complete 800 data capture units representing 1,429 basic scale map sheets converted to digital format: **achieved**. Actual output 850 data capture units, representing 1,630 basic scale map sheets.
- To update the digital topographical database with 90% of the surveyed change within 7 days of receipt of the field data: **achieved**.
- To despatch within 7 working days 90% of orders for folded and basic scale maps: **achieved**.
- To reduce unit costs so that the weighted mean percentage reduction of selected representative activities is 2.0%: **achieved**. Actual output 5.9%.
- To recover, from the supply of goods and services, 21% of the total costs incurred by the Agency: **achieved**. Actual output 27%.

The Agency gives high priority to the conversion of the topographical archive into a fully-structured digital database and takes the lead in the development of the Northern Ireland Geographical Information System (NIGIS), which will be a computer system through which all major public utility and local authority functions will be linked. The database is growing steadily and now contains approximately 60% of the topographical information held by the Agency. The initial data capture programme is expected to be completed by the target date of 1999. The maintenance of the database with updated information is a growing task and the addition of textual descriptions to properties is adding value to the database. The supply of digital data to customers is also a growing task for which resources are scarce. Therefore Ordnance Survey has initiated a technical development project in collaboration with Sysdeco, its principal supplier of computer mapping systems and the Queens University

of Belfast to speed up the process of transforming large quantities of data to different formats through parallel computer processing.

The Address Centred Extract (ACE) Map provides a low cost, A4 size, large scale map, centred on an address selected by the customer. This service was extended to cover Londonderry and a private sector retailer was appointed to sell Ordnance Survey products in the city in order to improve customer services in the North West of the Province.

The Agency dealt with various unforeseen requests during the course of the year and these included a contract with Belfast City Council for digital data to support their market testing of street cleansing and refuse collection and the design and supply of a Geographical Information System (GIS) to the Parliamentary Boundaries Commission for its 10 year review of the Northern Ireland constituencies. Additionally, in the first 6 weeks of the year the staff supplied farmers with almost 40,000 special map extracts which they required to register for arable areas repayment under the Integrated Administration and Control System (IACS), introduced as part of the European Commission Common Agricultural Policy reforms. An Automated Map Publishing System was procured to improve efficiency in the publication of multi-coloured maps and it was first used in the production of soils maps at 1:50,000 scale in association with the Department of Agriculture (NI).

Ordnance Survey (NI) has adopted the principles of the **Citizen's Charter**, and the standards of service which customers can expect are displayed in public offices. An easily understood and easy to use complaints system has been introduced which includes redress arrangements. A forum in which customers will be consulted regularly about the services provided by the Agency is being established. The Agency has two activities in the current **market testing** programme for 1993-94; resurvey at basic-scales for preparation of Master Survey Documents and data conversion of large-scales topographical archive to digital format.

Copies of the Annual Report and Corporate and Business Plans are available direct from the Agency.

KEY TARGETS 1994-95

- to survey 25,000 house units in the continuous revision programme
- to complete 850 data capture units representing 1,630 basic scale maps sheets converted to digital format
- to update the digital topographical database with 90% of the surveyed change within 7 days of receipt of the field data
- to despatch within 7 working days 90% of orders for folded and basic scale maps
- to reduce unit costs so that the weighted mean percentage reduction of selected representative activities is 3.0%
- to recover, from the supply of goods and services, 24% of the total costs incurred by the Agency



PATENT OFFICE

Concept House, Cardiff Road, Newport, Gwent NP9 1RH
Tel: 0633 814000 Fax: 0633 814444
Chief Executive : Paul Hartnack

The
Patent
Office

The **PATENT OFFICE**, an Agency of the Department of Trade and Industry (DTI), grants patents and registers designs and trade marks for goods and services. It became an Executive Agency in March 1990 and a Trading Fund in October 1991. The aim of the Office is to facilitate growth in industry and commerce through establishment of intellectual property rights relating to patents, trade marks, registered designs and copyright. The Office is also involved with the international harmonisation of rules and procedures, and with modernising and simplifying intellectual property law. The turnover for 1993-94 was £52.4m. At present the Agency has 1,015 staff of whom, 93% are based in Newport, South Wales. A public enquiry office providing a full range of enquiry, search and reference facilities remains in London, together with the policy directorate.

PERFORMANCE AGAINST 1990-95 KEY TARGETS IN 1993-94

- 1.5% per year average productivity increase in patent examinations: **achieved**. 1.73 achieved against a target of 1.68.
- 90% of patent search reports issued within 12 weeks: **achieved** 92%.
- 3% per year average productivity increase in trade mark examinations: **achieved**. 196.80 was achieved for trade marks against a target of 182.59.
- 90% unopposed trade mark applications registered within 24 months: **continuing**.
- 20% reduction in costs of common services over 5 years: **achieved**. Post relocation accommodation costs have helped to reduce the cost of common services by 43% in real terms over the 1989-90 baseline.

The Office's policy directorate continues to be engaged in establishing and harmonising domestic and international policy and is actively involved with the World Intellectual Property Organisation, the European Patent Office and the European Union (EU). In the EU, examination of proposals for harmonising the intellectual property laws of the member states and the implementation of adopted proposals will involve the directorate in a considerable amount of work. For example, work on implementing a directive on copyright term will begin and negotiations on the proposed EU design registration system are about to get underway. A new Trade Marks Act came into force on 31 October 1994 which will harmonise EU law and simplify procedures. Introduction of the European Union trade mark is also planned, following adoption of the Council Regulation when agreement was reached on siting of the Office for the Harmonisation of the Internal Market in Alicante, Spain, which is to become operational in 1995-96.

The year saw a further increase in the marketing and information activities of the Office. These included the development of further interactive training material, a major advertising campaign and the setting up of an in-house marketing database. Work was completed on 3 new laserdisc training programmes assessing viability and exploitation of new products and licensing. The Roadshow campaign promoting awareness of intellectual property was completed and two new roadshow presentations are being developed. Momentum has continued on the exhibition campaign and a compilation of 6 existing Patent Office videos was produced.

During the year the Office continued its drive to improve quality and undertook a range of initiatives aimed at offering a better service to both internal and external customers. As part of the **Citizen's Charter** initiative, customer service standards were first set in 1992 following consultation with users. These were revised in 1993 resulting in the tightening up of some targets and the introduction of new ones. Performance against the standards is monitored and published quarterly in the Official Journal (Patents) and the Trade Mark Journal. The Office was awarded a Charter Mark in 1993.

A **market testing** programme, started in September 1992, tested a number of activities last year including the messenger and despatch, reprographics, warehouse filing and some data take-on functions. As a result of the exercise, contracts with a total value of over £350,000 were signed with 3 manpower supply agencies. An in-house team was awarded the reprographics contract against outside competition with a bid that undercut existing costs by 10%.

Since the Office has been an Agency for over 3 years a review by the DTI on its performance and the options for its future status is currently underway.

The Patent Office produces an Annual Report and Accounts and a Corporate Plan. Copies are available from the Agency on request.

KEY TARGETS 1990-1995

- **1.5% per year average productivity increase in patent examinations**
- **90% of patent search reports issued within 12 weeks**
- **3% per year average productivity increase in trade mark examinations**
- **90% unopposed trade mark applications registered within 24 months**
- **20% reduction in costs of common services over 5 years**



THE OFFICE OF HM PAYMASTER GENERAL ('PAYMASTER') became an Executive Agency in April 1993. PAYMASTER's main functions are: administering and paying more than 1.5m public service pensions; banking for Departments, Agencies, Trading Funds and other public bodies; supplying HM Treasury and Central Statistical Office with statistics on public expenditure and banking operations; and supplying HM Treasury with information on public Departments' account balances. The Agency employed the equivalent of 840 full-time staff at March 1994. Running costs and turnover in 1993-94 were £26m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Respond to 85% of pensions correspondence and process amendments within 5 working days of receipt: **achieved**.
- Deal with the remainder within 20 working days: **not achieved**.
- Process 98% of pensions amendments without error: **achieved**.
- Meet the banking transactions timetable agreed with customers 95% of the time, and never exceed the timetable by more than one day: **achieved**.
- Meet the agreed timetable for sending financial information to HM Treasury 95% of the time, and never exceed the timetable by more than one day: **achieved**.
- Recover the full costs of running the Agency, except for banking allied services: **achieved**.
- Reduce by 1% the average unit costs (in real terms) of paying a pension: **achieved**.
- Obtain a 1% improvement over the year in the average unit cost index for banking transactions: **achieved**.

The Agency's achievement record should be seen against a background of steady growth in pensions and banking transactions, developing new systems, continuous organisational change and competition to retain business through market testing by customers.

In its first year as an Agency, PAYMASTER began for the first time to charge all pensions customers for its services, which some of the larger customers have now begun to market test, creating fierce competition for the Agency. The Agency has continued to maintain close contact with all customers, to ensure that its services are tailored to meet their particular needs.

A new pensions system, OPUS, was implemented in November 1993, bringing improved service to pensioners by updating pension records on line. The MASTERLINE banking service, providing on line balance and other account information, was successfully piloted with a small group of banking customers prior to its full launch in April 1994. A new financial system was also developed during the year, enabling accounts to be produced in accruals form for the first time.

The Agency also moved to full repayment and to a net cost running regime from 1 April 1994.

The Agency is committed to **Citizen's Charter** principles. Total Quality Management and culture change programmes are in progress. Thorough reviews of the organisational structure and all business processes will lead to cost reductions, a flatter management structure and empowered, multifunctional teams directly serving the customers.

During the past year pensions customer service staff answered more than 750,000 items of incoming post and processed over 1.4m computer transactions. Productivity increased by more than 8% with no reduction in quality of service. Questionnaires sent to a random sample of pensioners showed a very high level of satisfaction with the service given. The Agency plans to apply for a Charter Mark in 1995-96 and has begun to prepare for certification under BS EN ISO 9000 by March 1996.

Data preparation services and the Clearing House Automated Payments System were **market tested** in 1993-94. These and scoping studies involving the despatch and internal audit services resulted in substantial savings in running costs. Activities likely to be market tested in the next 3 years include payroll, office services, training, recruitment, finance and procurement.

Copies of the Annual Report and Accounts for 1993-94 are available from HMSO bookshops. Copies of the Agency Framework Document may be obtained from the PAYMASTER Business Development Group (Tel: 0293-560999, ext 4744). The Agency's Corporate and Business Plans are Commercial in Confidence and not published.

KEY TARGETS 1994-95

- **recover the full costs of running the Agency**
- **achieve at least a 3% reduction in real terms in the unit cost of paying a pension**
- **achieve a 3% improvement in the average unit cost weighted index for banking transactions**
- **meet targets agreed with pensions customers for responding to correspondence and processing associated amendments**
- **meet quality targets agreed with pensions customers for processing amendments**
- **meet agreed timetables for handling banking transactions**
- **meet agreed quality targets for processing banking service transactions**
- **meet the agreed timetable for sending financial information to the Treasury 95% of the time and never exceed the timetable by more than one day**



PESTICIDES SAFETY DIRECTORATE

Mallard House, Kings Pool, 3 Peasholme Green, York YO1 2PX

Tel: 01904 455922 Fax: 01904 455733

Chief Executive : Geoff Bruce



The **PESTICIDES SAFETY DIRECTORATE (PSD)** is an Executive Agency of the Ministry of Agriculture, Fisheries and Food (MAFF). It was launched in April 1993 with the following aims:

- to protect the health of human beings, creatures and plants;
- to safeguard the environment; and
- to secure safe, efficient and humane methods of pest control.

PSD's main function is to ensure through a system of approval, review, monitoring and enforcement that pesticides sold, advertised, supplied, stored or used in the UK meet acceptable standards for safety, efficacy and humaneness. It aims to provide its services economically, effectively and efficiently.

The Agency employs around 200 staff, working on the scientific data supporting applications for pesticide approval and associated policy issues. In October 1994, PSD relocated from its 3 sites in London and Harpenden to a new office in York. In 1993-94 total turnover of £11.9m was achieved which included a small operating surplus of £0.3m. Of this, £7.3m was recovered from industry and the balance from MAFF. It is expected that the turnover for 1994-95 will be around £12.8m.

PERFORMANCE AGAINST KEY TARGETS 1993-94

- Full cost recovery: **achieved**. 103% of costs recovered.
- Overall efficiency gain of 2%: **achieved**. Efficiency gains were 16%.
- Specified targets of throughput and processing time in each of the approved streams: **not achieved**. 89% of the throughput target for applications was met and the processing time target was met in all streams except one.
- Maintenance of scientific quality of the work carried out by PSD: **achieved**. The quality of scientific work in the Agency was assessed by the independent Chairman of the Advisory Committee on Pesticides and was found to be satisfactory.
- Provision of sound and timely policy advice to Ministers: **achieved**.

These achievements have been attributable to the commitment and determination of the staff of the Agency assisted by a programme of change which has encompassed restructuring, new working arrangements and the increased use of Information Technology. The relocation to a single site in York will provide scope for further efficiency gains.

Throughout the year PSD has been heavily involved in developments in pesticides legislation in the EU. This has entailed detailed scientific discussion within working groups on the completion of the Pesticides Authorisations Directive and measures to implement the EU Maximum Residue Levels Directives. PSD has also continued to advise MAFF on policy relating to the Pests and Pesticides Research and Development programme.

In line with **Citizen's Charter** principles the Agency's external relations functions have been reviewed and the recommendations are being brought into effect. Around 30 recommendations were made, some of the main ones included: proposals on the structure of the section; the decision to amalgamate the International Sections (on relocation); and proposals on how to streamline enquiry procedures to improve response times. PSD has continued to hold regular meetings with representatives of the agrochemical, food and agricultural industry as part of its openness policy. In May 1993 an Information Forum was held for industry to explain the effects that the EU legislation would have on the UK registration system.

The Agency has published its Customer Service Statement setting out the level of service it will provide to its customers. The Statement clearly defines a number of standards by which PSD will operate: staff identifying themselves by name on all contacts with customers; answering telephone calls promptly and replying to correspondence within 15 working days where possible; and keeping customers informed of changes to policies and working practices. This will be followed by a customer satisfaction survey in early 1995 to determine the views of customers.

In November 1993, Ministers approved a **market testing** proposal for part of the pesticide residues monitoring programme. This will be a pilot exercise and any decisions on broader market testing will be made in the light of experience with the first study. The 3 year contract for the market testing proposal will be awarded by the end of 1994.

During 1993-94 effective use was made of contracting out arrangements to help manage the evaluation process and to overcome staff shortages. The evaluation process is the task carried out by scientific staff to determine whether the data provided by a company wishing to market a pesticide meets the necessary safety and efficacy requirements. Where there have been staff shortages or peaks in workloads, PSD decides whether it is sensible to contract out some of this evaluation work to outside individuals or organisations. This policy will continue throughout 1994-95.

Copies of the 1993-94 Annual Report and Accounts, Customer Service Statement, Framework Document, Corporate Plan and a brochure describing the work of PSD can be obtained from the Agency. The PSD Business Plan is for internal use only and is therefore not publicly available.

KEY TARGETS FOR 1994-95

- **full cost recovery**
- **overall efficiency gain of 2%**
- **specified targets of throughput and processing time in each of the approval streams**
- **maintenance of scientific quality of the work carried out by PSD**
- **carry out a successful relocation to a single site in York**



PLANNING INSPECTORATE

Tollgate House, Houlton Street, Bristol BS2 9DJ

Tel: 0272 878927 Fax: 0272 878769

Chief Executive : Chris Shepley



The **PLANNING INSPECTORATE** was established in 1909, and became an Agency of the Department of the Environment (DOE) and the Welsh Office in April 1992. From its offices in Bristol and Cardiff the Inspectorate carries out a wide variety of tasks, with appeals against the decisions of local authorities on planning applications representing the largest part of its work. Other high priority, but low volume, tasks include the provision of Inspectors to hold public inquiries into objections to local authorities' Local Plans and determining appeals against local planning authority enforcement notices.

The Inspectorate currently employs about 600 Inspectors and administrative staff and also engages the services of about 170 Inspectors on a contractual basis. It operates under a gross running costs regime and costs approximately £26m to run each year. The costs incurred in carrying out some types of inquiry work are recovered from local authorities and other Government Departments.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Decide 80% of planning appeals by written representations within 19 weeks in England and 18 weeks in Wales: **achieved**. Performance was 17 weeks in England and 15 weeks in Wales.
- Provide an Inspector for local plan inquiries on request within 26 weeks of the end of the objection period: **achieved**.
- Unit cost of the above written representation appeals not to exceed £690: **achieved**. Unit cost of appeals was £683.
- Recover 90% of receipts due within 8 weeks of invoice date: **achieved**.
- Generate 3% efficiency improvement: **achieved**.
- Maintain High Court appeals allowed and/or justified complaints below 1% of intake: **not achieved**. Actual was 1.3% of intake.
- Determine 19,000 planning and enforcement appeals in England and 1,150 in Wales subject to intake not declining: **achieved** on a pro rata basis. Output was 18,145 decisions in England and 1,085 in Wales - down by the smaller proportion that intake fell short of forecast.
- Complete a second customer survey by 31 December 1993: **achieved**.

The Inspectorate is proud of the reputation it has built up in the planning field in its over 80 years of existence. It is committed to the maintenance of high standards of quality and sees Agency status as an opportunity to reinforce its strengths and make it more obviously independent of its parent Departments. To ensure that quality standards are maintained the Secretaries of State have established an Advisory Panel on Standards which reports on the Agency's professional standards, its quality assurance and quality control systems and other relevant

information. The Advisory Panel reports annually to the Secretaries of State. Their first report was published in December 1993.

The Inspectorate takes full account of the requirements of the **Citizen's Charter**. It has taken the opportunity offered by Agency status and the Charter to review its complaints procedures. As a result, additional information on the complaints procedure was included in the guidance given to the parties to appeals, and the procedures that were already in place for handling complaints on appeals were extended to cover all other aspects of the Inspectorate's work. In addition, in 1993-94 it commissioned consultants to carry out a survey of the perceptions of appellants and agents who used the hearings procedure when making a planning appeal. The consultants' report indicated a high degree of satisfaction among the parties. Of the appellants who responded, 65% assessed the overall service provided by the Inspectorate as satisfactory, even though many of them 'lost' their appeal. The Agency aims to provide clear and readily available information and advice to all those who come into contact with the Inspectorate. In order to achieve this, it produces guidance booklets on each of the main areas of its work.

The Agency has continued to make good progress in **market testing**. In 1993-94 £4.7m of the Agency's work was contracted out, principally for the services of non-salaried Inspectors and the provision of IT services.

Further information about the Inspectorate is available in its Annual Report and Accounts, Business Plan for 1994-95 and the Corporate Plan covering the period to 1995-97 all of which are available from the Inspectorate's offices.

KEY TARGETS 1994-95

- **80% of planning appeals by written representations to be decided within 18 weeks in England, 17 weeks in Wales**
- **to provide an Inspector for local plan inquiries on request within 26 weeks of the end of the objection period**
- **unit costs of planning appeals decided by written representations not to exceed £690**
- **recover 90% of receipts due within 8 weeks of invoice date**
- **generate a 3% efficiency improvement in the use of running costs compared with 1993-94**
- **the number of justified complaints about the way Inspectors have carried out their duties, and the number of High Court challenges, should be less than one in every 100 decisions issued**
- **the number of justified complaints about the way the Inspectorate handled the procedural aspects of casework should be less than one in every 100 cases received**
- **to determine 15,500 planning and enforcement appeals in England and 1,050 in Wales**
- **to complete a third customer survey by 31 December 1994**



PUBLIC RECORD OFFICE

Ruskin Avenue, Kew, Richmond, Surrey TW9 4DU

Tel: 0181 876 3444 Fax: 0181 878 8905

Chief Executive : Sarah Tyacke

PUBLIC
RECORD
OFFICE



The **PUBLIC RECORD OFFICE** has, for over 150 years, cared for those records of Central Government and the central courts of law which have been selected for permanent preservation; assisted in the process of appraisal and selection; and made the records available to the public. The records begin with the Domesday Book, created in 1086, and range from the charters of medieval kings to 30 year old Cabinet minutes and papers, and the service papers of British soldiers. Individual documents include the confession of Guy Fawkes and the treaty for the UK's accession to the Treaty of Rome in 1972.

Although it remains a distinct Government Department, the Office became an Executive Agency in April 1992. Reporting to the Lord Chancellor, it has a staff of 464 and a budget in 1994-95 of £26m, excluding the cost of constructing its extension at Kew (£29m in 1994-95). Running costs account for £25m, much of which is required to provide accommodation for the records.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To decrease the cost of selecting and accessioning records by 7%: **achieved**. Decrease of 10.2% achieved, reflecting a 24% increase in the quantity of records accessioned.
- To decrease the cost of providing records storage space per linear foot by 6%: **not achieved**. Cost increased by 2.3% due to unexpected increases in some cost elements.
- To decrease the cost per document produced to readers by 9%: **achieved**. Decrease of 10.7% achieved, reflecting efficiency gains in the Office's Repository section and a 22% increase in the number of documents produced.
- To decrease the total reader service costs per reader visit (Census microfilms) by 5%: **not achieved**. Costs increased by 7.4% reflecting a decline in reader visits after the marked increase which followed the release in 1991-92 of the 1891 Census returns.
- To decrease the total reader service costs per reader visit (other records) by 4%: **not achieved**. Costs increased by 2.4% reflecting an unexpected decline in reader visits.
- To identify and quantify the backlog of records awaiting review: **achieved** for two additional departments.
- To reduce the known backlog of records over 30 years old which have not been processed, by 1,500 feet (current backlog 5,500 feet): **achieved**. Backlog reduced by 2,300 feet.
- 81% of records to be stored to an acceptable standard: **achieved**.
- 85% of reader satisfaction survey forms returned to have an overall assessment of 'good', or better: **achieved**. The average over two surveys, one by the Office and one by an independent research body, was 96%.
- To set overall efficiency targets for management services and projects: **achieved**. 13 targets established, 85% of reached.
- To extend opening hours at Kew on weekdays: **not achieved**.

This could not be achieved within available resources; the Office has deferred the implementation of this improvement until the consolidation of its facilities for the public on the single site at Kew in 1996-97.

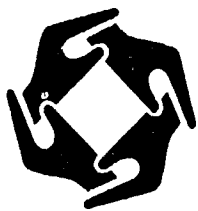
The Office continued to apply the principles of the **Citizen's Charter**. In February 1994 it published a Charter Standard Statement and began the publication of quarterly reports on achievements against Charter standards. The Office is using the results of its regular surveys of users' views of its services, to help it plan improvements.

The Office advanced its **market testing** programme, completing the tests for its transport and security functions and almost completing that for cleaning and an efficiency review of typing. When this part of the programme is finished, the Office will have market tested or reviewed about one-fifth of its staff and anticipates that the annual savings will be about £294,000, with the planned programme for more market tests continuing to 1995-96.

The Office's Annual Report is published by HMSO. Copies of the Office's Corporate and Business Plans are available from its Central Management Department.

KEY TARGETS 1994-95

- to decrease the unit cost of selecting and accessioning records by 3%
- to reduce the unit cost of providing records storage space by 1%
- to decrease the cost per document produced to readers by 4%
- to increase the reader service costs per reader visit (Census microfilms) by no more than 2%
- to decrease the reader service costs per reader visit (other records) by 2%
- to identify and quantify the backlog of records awaiting review in two departments
- to reduce the known backlog of records over 30 years old which have not been processed, by 1,500 feet (current known backlog 5,500 feet)
- 81% of records to be stored to an acceptable standard (standard as recommended in BS 5454)
- 87% of reader satisfaction survey forms returned to have an overall assessment of 'good', or better
- to send replies to letters requiring a response by stock letter within one week
- to send replies to other letters to Reader Services and Reprographic, Publishing and Publicity departments (including those requiring estimates for copies) within three weeks
- to make documents (excluding documents produced on microform, or stored at Hayes, or requiring special handling) available to readers within the following maximum times: Kew, 35 minutes; Chancery Lane, 40 minutes



PUBLIC TRUST OFFICE

Stewart House, 24 Kingsway, London WC2B 6JX

Tel: 0171 269 7000 Fax: 0171 831 0060

Chief Executive: Julia Lomas



The **PUBLIC TRUST OFFICE (PTO)** became an Executive Agency of the Lord Chancellor's Department in July 1994. The Chief Executive of the Agency holds the statutory offices of Public Trustee and Accountant General of the Supreme Court. The PTO currently employs some 585 staff and has a gross budget of some £18.73m for 1994-95. In total the PTO is responsible for the management of around £2.4bn of the private assets of individuals. The primary function of the PTO is to ensure the effective management of private assets and financial affairs entrusted to its care by the courts or by, or on behalf of, people unable or unwilling to manage these matters themselves.

To carry out this function, the PTO is organised into 4 main business activities:

- the Protection activity, which carries administrative functions under the Mental Health Act 1983 relating to the management and administration of the property and affairs of people who, by reason of mental disorder, are incapable of managing their own affairs. The activity is also responsible for all administrative tasks under the Enduring Powers of Attorney Act 1985;
- the Receivership activity, which directly manages and administers the estates of people for whom the Public Trustee has been appointed as Receiver by the Court of Protection under the Mental Health Act 1983, usually because there is no-one else who is either willing or suitable to act;
- the Trust activity, which deals with the administration of all private trusts and executorships where the Public Trustee is appointed as executor and/or trustee; and
- the Court Funds activity, which manages accounts for monies held "in court", such as minors' funds and payments in satisfaction.

This is the first year of the Agency and, together with the PTO's Framework Document and Business and Corporate Plans, the PTO has published its first **Citizen's Charter** Charter Statements. There are 5 Charter Statements, one for each of the 4 main business activities of the Office and one for the Office overall, which were published on the Agency's launch in July 1994. These Charter Statements set out the Charter Standards for each activity and for the PTO overall.

The PTO is developing Key Performance Indicators on quality of service reflecting matters of importance to the Agency's customers in the light of customer surveys. The purpose of the surveys will be to:

- provide evidence that existing Charter Standards are or are not being achieved;
- gauge customer satisfaction levels,
- provide a benchmark against which progress and change can be measured;

- establish what is important to our clients;
- highlight areas for future customer service improvements; and
- develop Charter Standards;

The PTO is committed to Government policy on efficiency as set out in its Corporate Plan. This states that the PTO will develop and review a programme for improving quality of service and efficiency, including plans to examine areas for privatisation, market testing and contracting out together with other forms of management improvements. As part of this programme, a study has been undertaken on the future of the Court Funds functions and options are being considered by the Lord Chancellor. The Lord Chancellor's Department is also conducting a review of the Trustee function and a report to the Lord Chancellor is expected by the end of 1994.

The PTO's Corporate and Business Plans can be obtained by contacting either Justin Lewis or Joe Wilson (Tel: 071 269 7316) at the Agency. The Annual Report together with the Agency's Accounts, when published in 1995, will be available from the same contacts.

KEY TARGETS 1994-95

- **to bring to account at least 96% of receipts and payment transactions within turnaround targets by volume weighted performance against those targets**
- **to pay annually not less than the rate provided by the average of a model set of comparators for special rate and basic rate at 75% of special rate; and in 85% of individual funds in excess of £100,000 (and those funds below £100,000 where formal performance monitoring is appropriate) to achieve performance within or above a 5% band of a properly weighted index of recognised market measures**
- **to achieve 100% of Charter Standards**
- **to reduce unit costs so that the weighted mean percentage reduction of the PTO's activities is at least 2%**
- **to ensure that 100% of full costs are recovered**



QUEEN ELIZABETH II CONFERENCE CENTRE

Broad Sanctuary, London SW1P 3EE

Tel: 0171 222 5000 Fax: 0171 798 4200

Chief Executive : Marcus Buck



The **QUEEN ELIZABETH II CONFERENCE CENTRE** was launched as an Executive Agency of the Department of the Environment in July 1989. Its role is to provide and manage fully secure conference facilities for national and international Government meetings up to the highest level and to market the Centre commercially as a high quality venue for Government and private sector use. In 1993-94 it achieved a turnover of £5.1m and recorded running costs of £5.8m. It directly employs a staff of 67.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Reduce operating deficit to £0.866m: **achieved**. The Agency recorded an operating deficit of £0.7m.
- Increase revenue on room hire to £3.584m: **not achieved**. A total of £3.232m was achieved.
- Increase overall room occupancy to 49%: **not achieved**. Overall room occupancy fell to 41%.
- Improve the revenue/cost ratio to 1:1.17: **achieved**. The Agency improved its revenue/cost ratio to 1:1.14.

The Agency operates in a highly aggressive market, competing for business with an increasing number of other conference venues in Britain and overseas. 1993-94 continued the recessionary period for the meetings industry with the trend towards shorter conferences with reduced budgets and short-notice use of the Centre. Against this background the Agency hosted 742 events and, although less meetings space was hired, it maximised revenue generation from other areas of the business (eg. catering, presentation facilities) and maintained a tight control over expenditure to ensure that it exceeded its operating deficit and revenue/cost ratio targets.

Specifically designed with both security and flexibility in mind, the Centre offers 9 main areas, which vary in size and can accommodate from 50 to 1,100 delegates. The larger rooms are supported by a range of lounge areas, small meeting rooms and offices. As well as hosting a variety of different types of event - company AGMs, product launches, exhibitions and awards dinners - its excellent views across Westminster make it ideal for buffets, receptions and gala banquets. The Centre is now promoting total event management, a package which includes planning, budgeting, control and operation of all aspects of an event. The Centre can offer themed events to its clients, in conjunction with its caterers, Leith's at the Centre.

The Centre also provides a comprehensive technical "audio visual" service, offering an extensive range of equipment, custom-designed sets, sound engineering, simultaneous interpretation, effective lighting and creative projection, enhanced by computer graphics, animation and slide production. During 1993-94 the Centre launched II Media Productions, a newly-installed Betacam SP edit suite and adjoining television studio. In partnership with 4 other major conference venues in the capital, the Centre has

formed "Congress London", which aims to raise the profile of London as a major international convention destination and increase its share of the world market in the face of strong competition from abroad. The Centre was also delighted to be invited to join both London First and the London Visitors Council.

A **Citizen's Charter** Charter Mark award winner in 1992, the Agency has its own Quality Charter. Its well-established customer care programme and after-sales service are now complemented by a number of innovations: updated promotional material; a customer newsletter; and a complaints procedure. Most importantly, a computerised reservations and management information system was introduced in 1994, producing a quicker, more streamlined service to clients, improving internal communication and providing valuable statistical information.

From the outset the Agency contracted out its support services: catering, floristry, porterage, cleaning, building and engineering maintenance, public relations, advertising and overseas representation - to the value of approximately £4.4m a year.

The Agency's 3 year review was undertaken during the year and it was announced in March 1994 that a contract for management of the Centre would be included in the Department of the Environment's **market testing** programme for 1994-95. The resulting contract is intended to take effect from 1 April 1996.

The Agency's Annual Report and Accounts 1993-94 are published by HMSO and can be purchased from HMSO bookshops and agents. The Agency's Corporate and Business Plans contain commercially sensitive material and are not available to the public.

KEY TARGETS 1994-95

- **reduce the operating deficit to £0.382m**
- **achieve total revenue of £5.616m**
- **improve the revenue/cost ratio to 1:1.07**
- **increase to 299 the number of calendar days with events in the Centre**



QUEEN VICTORIA SCHOOL

Dunblane, Perthshire FK15 0JY

Tel: 0786 822288 Fax: 031 310 2519

Chief Executive : Brian Raine



QUEEN VICTORIA SCHOOL (QVS), for the sons of Scottish Soldiers, Sailors and Airmen is a Ministry of Defence (MoD) funded boarding school, with its own governing body, HM Commissioners (HMC). The School's purpose is to provide for the whole development of its 270 pupils by continuity of education within a conducive pastoral environment. It became an Agency of the MoD in April 1992. There are 72 members of staff, 29 of whom are teachers, and the running costs for 1993-94 were £3.51m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Achieve specified levels of pupils' attainment at examinations:
 - at least 3 Standard Grades (1-4) for 90% of S4 pupils in the Scottish Examination Board Examinations: **achieved** 94.1%.
 - 60% of pupils to achieve at least 5 Standard Grade passes (1-3): **not achieved**. Achieved 59.3%.
 - 60% of S5 and S6 pupils to achieve Higher Grade passes (A-C) or SCOTVEC equivalent: **not achieved**. 45% of pupils were successful but 90% gained SCOTVEC Certification.
- Continue the phased implementation of 5-14 National Development Programme: **achieved**.
- Monitor the effectiveness of the School Pastoral Policy and complete its review by 1 September 1993: **achieved**. Pastoral Care was monitored and a Staff Working Party's recommendations implemented. In addition, an Information Handbook for Parents was issued.
- Maintain and enrich at least 50 extra-curricular activities: **achieved**. 58 extra-curricular activities were available in total. Pupil involvement varied from as many as 5 hobbies or activities a week for younger boys to at least two a week for older boys.
- Report by June 1993 on the feasibility of admitting girls: **achieved**. In June 1994, a Working Party recommended that girls should be admitted to QVS in August 1996.
- Develop and implement by June 1993 a strategy for income generation: **achieved**. A strategy was developed and major lettings of School premises were attracted during the Summer holidays.
- Confirm the pay and grading structures (and associated allowances and rents) in the School by April 1994: **achieved**. The Agency decided to remain within both the Scottish Teachers Joint Negotiating Salary Scheme and the Civil Service pay and grading structures for all other employees.
- The instigation of job descriptions for all teaching staff by April 1994: **achieved**. Job descriptions will be reviewed in the light of curriculum developments.
- Implement teacher appraisal and development procedures: **achieved**.

- A report on management and financial information systems to be completed by April 1994: **achieved**. Independent Management Accountants visited the School and audited the Financial Management Systems and a Finance Manual, equating to a report, has now been produced.
- The continuation and enhancement of efficiency measures effected in the previous financial year: **achieved**. No additional funding was required to implement developments in the School curriculum.

In connection with the **Citizen's Charter**, QVS continues to comply with the Parent's Charter in Scotland. The School is improving its communications with parents and, is introducing more parent-teacher meetings. In addition, reporting procedures have been improved and parents sent a "Parental Booklet" based on the School's Pastoral Policy. To further enhance communication between pupils and parents, the School has installed telephones in the Intermediate Houses.

QVS does not have a **market testing** programme. Appropriate areas such as catering, cleaning, grounds maintenance, hair-cutting, tailoring and shoe-repairing are already contractorised.

Queen Victoria School's Annual Report and Accounts are available from HMSO (price £7.75). The Management Plan is available from the Agency.

KEY TARGETS 1994-95

- **achieve specified level of pupils' attainment at examination (standards as set for 1993-94)**
- **complete the phased implementation of 5-14 in line with SOED recommendations**
- **complete audit of School's academic programme and update curricular guidance**
- **continue to monitor effectiveness of Pastoral Policy and organisation and report on parental response on its quality**
- **maintain and enrich at least 50 extra-curricular activities**
- **complete the audit of all staff functions**
- **commence Teacher Appraisal and Development**
- **improve marketing policy to reach all eligible families**
- **implement an effective marketing policy to generate non-public income at 1% of School cash budget**
- **complete planning and begin Work Services Programme for admission of girls**
- **review School Management and Committee structures**
- **complete the implementation of all financial control systems**
- **monitor and improve standards within the Budget allocated (2.5% less than agreed LTC 94 requirement)**



RADIOCOMMUNICATIONS AGENCY

Waterloo Bridge House, Waterloo Road, London SE1 8VA

Tel: 0171 215 2150 Fax: 0171 928 4309

Chief Executive : Jim Norton



The **RADIOCOMMUNICATIONS AGENCY (RA)** is responsible for management of the civil radio spectrum in the UK. Its mission is to facilitate access to radio spectrum of the appropriate quality for the widest range of services and so to promote the creation of wealth, competition, quality and choice. Launched as an Executive Agency of the Department of Trade and Industry in April 1990, the RA has 536 staff and annual operating costs of £33m, met in full by income from licence fees under the Wireless Telegraphy Act and charges on other Government Departments. In addition to licensing, monitoring and enforcement, it plays a leading role in international negotiations on radio matters.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

Licensing:

- 99% of aeronautical and aircraft licence applications and amendments to be processed within 3 working days: **achieved**.
- 90% of ships radio licences to be issued within one month: **achieved** 95%.
- 98% of maritime business radio cases to be processed within one month: **achieved**.
- 99% of new on-site paging applications and amendments to be processed and despatched within 3 working days: **achieved** 99.6%.
- 90% of new private mobile radio applications to be processed within 15 working days, amendments within 20 working days (where cases do not require international coordination): **achieved** 93%.

Enforcement:

Handling of reports of interference to radio services:

- 100% of reports involving safety of life services to be investigated within 24 hours: **achieved**.
- 98% of reports involving business services to be investigated within 5 working days: **achieved**.
- 98% of reports involving domestic services to be investigated within one month: **achieved** 100%.

Correspondence:

- Responses sent by the Chief Executive within 10 working days of receiving MP's letters delegated to him by Ministers for reply: **not achieved**. Target missed in one case.

Efficiency:

- To achieve an overall 4% gain in efficiency: **achieved**.

In line with the principles of the **Citizen's Charter**, the Agency has published a Charter Standard Statement and a Code of Practice for enforcement work. The Agency has instituted an annual programme of customer surveys. The 1994 survey showed improved levels of satisfaction with the Agency's services and the Agency continues to work to reduce the number of different licence categories and to simplify and streamline all aspects of the licensing process.

As part of its **market testing** programme, the Agency has contracted out the issuing of Amateur and Citizens' Band licences. In addition, the issuing of Ships Radio licences will be contracted out from 1 April 1995.

The RA is undertaking a fundamental review of spectrum management. A consultative document published in March 1994, "The Future Management of the Radio Spectrum", outlined a number of options and also sought views on the future role of the Agency. The Government expects to announce conclusions early in 1995. In parallel with this, external consultants are conducting a detailed review of RA's local customer services and enforcement activities.

The RA Annual Report and Accounts for 1993-94 is available from the Agency Library. The Corporate Plan contains commercially sensitive planning information and is therefore not available to the public.

KEY TARGETS 1994-95

Licensing:

- **99% of aeronautical and aircraft licence applications and amendments to be processed within 3 working days**
- **93% of ships radio licences to be issued within one month**
- **98% of maritime business radio cases to be processed within one month**
- **99% of new on-site paging applications and amendments to be processed and despatched within 3 working days**
- **90% of new private mobile radio applications and amendments that require no international coordination to be processed and despatched within 15 and 20 working days respectively**

Enforcement:

Handling of reports of interference to radio services:

- **100% of reports involving safety of life services to be investigated within 24 hours**
- **98% of reports involving business services to be investigated within 5 working days**
- **98% of reports involving domestic services to be investigated within 1 month**

Efficiency:

- **2% efficiency gain**
- **Correspondence: The Chief Executive to reply within 10 working days of receiving MP's letters delegated to him by Ministers for reply**
- **Enquiries: The Agency telephone enquiry point will answer 90% of all calls within 30 seconds**



RAF SIGNALS ENGINEERING ESTABLISHMENT

RAF, Henlow, Bedfordshire, SG16 6DN

Tel: 01462 851515, Fax: 01462 851515

Chief Executive: Air Commodore Peter Ayee



The **RAF SIGNALS ENGINEERING ESTABLISHMENT (RAFSEE)** became an Agency of the Ministry of Defence (MoD) in November 1994. The Agency, which remains a part of the RAF Logistics Command, provides a quick reaction signals engineering capability for military operations worldwide. Its resources are used to produce system and installation designs for strategic and tactical communications, command and control and information systems, radars and other electronic systems. The Agency provides the necessary equipment through purchase or in-house manufacture and installs it at customer sites using its own specialist teams. It similarly provides special signals and avionic equipment for aircraft for all 3 Services. In addition, the Agency provides technical advice and an intelligent customer facility across the full range of ground signals, and for selected avionic systems. RAFSEE's 1570 RAF and civilian staff are divided between the two locations: the main site is at RAF Henlow in Bedfordshire and its Electronic Warfare and Avionics Division, which is currently based at RAF Wyton, will move to RAF Waddington in April 1995. Its running cost budget for 1994-95 is £41m.

This year the Agency successfully completed a number of tasks for operations in Turkey, the former Yugoslavian Republic and for the renewed operations in the Gulf. When not involved in operations, the Agency ensures that it maintains the skill and knowledge base of its core staff by carrying out demanding non-operational projects. Typically, some 400 such projects are in work at any time, including, for example, the identification and preparation of sites for the UK Air Defence radar sensors, the installation of surveillance radars on RAF and RN airfields in the UK and overseas, the re-engineering of air traffic control towers and the design and installation of the communications for the RAF's Logistics Information Technology System.

Whilst at no time compromising its operational capability, the Agency is working hard to drive down its costs and to maximise efficiency. To that end, it has already put in place the first phase of a reorganisation focused on its core business. The Agency is also reviewing the size and skill mix of its core resource of project managers, designers and installation teams with the aim of reducing it to the absolute minimum necessary for operations. At the same time, the Agency is subjecting all its non-core activities through the **Competing For Quality** Initiative and aims to complete the feasibility study of all its non-core business by February 1995.

The Agency's Corporate Plan for 1994-99 was published in November 1994 and is available from the Agency.

KEY TARGETS 1994-95

- *to deliver 100% of operational tasks to time*
- *to maintain 100% of core skills needed to support likely operation*
- *to complete the review of the core, with the aim of reducing it to the minimum by 1 April 1995*
- *to deliver 70% of non-operational tasks to time, an improvement of 10%*
- *to put in place a system to monitor and report on the quality of delivered tasks*
- *to reduce costs per task manhour by 5%*
- *to be able to produce shadow accrual accounts for the period to 1 April 1995*
- *to complete the Feasibility Study of the Competing For Quality initiative of all of its non-core business by 28 February 1995*



RAF TRAINING GROUP DEFENCE AGENCY

Headquarters, Personnel and Training Command, RAF Innsworth, Gloucester GL3 1EZ

Tel: 0452 712612 Fax: 0452 712612

Chief Executive: Air Vice-Marshal J A G May CBE



The **RAF TRAINING GROUP DEFENCE AGENCY** was established as an Agency of the Ministry of Defence (MoD) in April 1994. The Agency's role is to provide trained servicemen and civilians to meet the operational requirements of the Royal Air Force (RAF) in peace, crisis and war.

The Agency is an integral part of RAF Personnel & Training Command. It comprises 11 RAF stations together with the flying and ground training units established at those stations and elsewhere throughout the country. Its Headquarters is at RAF Innsworth, Gloucester. The Agency's strength is 6,000 Servicemen and 2,500 civilians; its annual cash budget is £300m.

The success of any fighting force is crucially dependent on the quality and preparedness of its personnel, and it is for its important role in assuring this that the Training Group has earned itself a reputation for excellence in terms of professional competence, customer service and cost effectiveness. This latter aspect is particularly relevant at a time of reduction in Defence expenditure.

The Agency is undergoing radical change with extensive restructuring through its flying training and ground training rationalisation programmes. The programmes, which involve major reorganisation of both flying and ground training and the closure of 3 RAF stations, are scheduled to contribute to a 2.5% reduction in the Agency's running costs by 31 March 1995.

The Agency is in the vanguard of the application of **market testing** principles to military training and has already contracted out significant elements of its business. The Agency's 1994-95 contracts cover logistics, domestic support and elementary flying training; their value is £39m. The Agency's ambitious market testing programme underlines its willingness to embrace change and improve service. The programme, which will put £45m worth of business to the market by 31 March 1996, covers logistics and other support services, air traffic control services and the non military training undertaken at selected ground training units.

The Agency has introduced commercial style corporate and business planning. The planning process has enabled the Agency to develop and implement its long term strategic direction; it has also highlighted the greater management freedoms and flexibilities that will allow the Training Group to build on its professional expertise and reputation for high performance standards. By incorporating the best commercial practices, the Chief Executive will actively seek to fulfil the Agency's aim of providing customers with an efficient service which offers the best value for money possible.

To meet the demands of Agency status, the Group is developing its business practice to improve the management of its resources; the Group is also developing a financial regime which will embrace Value, financial and cost accounting. The Agency is developing output costing and pricing methodologies in support of its efficiency

programme and the sale of its unavoidable spare capacity; it has also valued its fixed assets base as a first step towards the introduction of an asset management system. The Agency plans to introduce a powerful new accounting system to support its business and financial activities; the system will be consistent with MoD's financial information system strategy. The Training Group is developing a business and finance training strategy to enable the Agency's executives and managers to fulfil their enhanced responsibilities.

The Agency is evaluating quality control mechanisms across all areas of training.

The Training Group's Framework Document is available from the Agency. The Corporate and Business Plans are classified documents and therefore not generally available to the public.

KEY TARGETS 1994-95

- **to evaluate quality control mechanisms across all areas of training, including systems of measurement and targeting and make recommendations for implementation**
- **to have achieved the planned elements of the rationalisation programme and to have identified and set in hand plans to meet the capacity requirements called for in Second Order Assumptions**
- **to deliver a 2.5% reduction in running costs by delivering the 1994-95 programme of efficiency measures**
- **to undertake the initial work required, for each measure, to market test £45m of business, as the planned contribution to the Defence Market Testing Initiative**
- **to identify and value the fixed assets base and introduce an interim asset recording system as a first step towards an asset management system**
- **to install, develop and test the Financial and Management Accounting System at 2 pilot sites: Headquarters Training Group and Royal Air Force Finningley**
- **to implement an interim accounting system at all units to produce Agency Accounts for mock audit by the National Audit Office**



The **RATE COLLECTION AGENCY** was launched as an Executive Agency of the Department of the Environment for Northern Ireland in April 1991. Its main aims are to bill, collect and recover rates from ratepayers throughout Northern Ireland on behalf of the Department of Finance and Personnel and the 26 local District Councils. It also administers the Housing Benefit Scheme for domestic ratepayers who are owner-occupiers on behalf of the Department of Health and Social Services. The Agency employs around 270 staff at 13 local offices spread throughout the Province and its Headquarters in Belfast. Rates to be collected for the year 1993-94 amounted to around £367m and for the same period its Voted cash requirement was just under £5.2m with overall costs totalling £7.6m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Reduce rating debt to 1.83% of Gross Collectable Rate by 31 March 1994: **achieved**. Reducing the level of rate arrears, considered to be the Agency's core target, continues to receive the highest priority and the actual level achieved of 1.77% is the best ever recorded. Rate arrears have now fallen for the tenth consecutive year.
- 2% reduction in unit costs of collecting rates per hereditament: **not achieved**. Increases in workload and other factors outside the Agency's control meant that a reduction of only 0.75% was achieved.
- 96% of refunds made to ratepayers so entitled within 14 days of credits being identified: **achieved** 96.6%.
- Process, by 31 March 1994, 94% of Housing Benefit applications for incoming year received at 15 March 1994: **achieved** 98%
- 1.8% reduction in unit costs of processing Housing Benefit cases: **achieved** 5.2%
- At least 96% of Housing Benefit claims to be free of error: **achieved**. 96.3%

During the year the property database increased by 2.57% to almost 507,000 properties and the Northern Ireland Housing Executive also collected and paid over to the Agency the rates for its 167,000 public sector houses.

As part of its strategy to reduce the cost of rate collection the Agency continues to encourage payment by the instalment method via the Direct Debit Scheme and it is hoped that 100,000 ratepayers will have converted to this method by June 1994. The number of Housing Benefit claims received during the year increased by 5.24% to 57,751. Raising ratepayer awareness of the Housing Benefit Scheme is a continuing and important aim of the Agency and in partnership with the Northern Ireland Housing Executive a major television and press advertising campaign was undertaken during the year.

The Agency remains fully committed to the principles of the **Citizen's Charter**. Name badges have been issued to all staff, a complaints procedure and Rate Collection Charter have been developed and major refurbishment work to the local office in Enniskillen and Headquarters in Belfast has commenced. New accommodation for the local office in Londonderry is also underway. In addition customer care courses continue to be arranged for all staff.

The Agency's status fell due for review at the end of 1993-94. Consultants were commissioned by the Department of Environment for Northern Ireland (DoE (NI)) in October 1993 to carry out a thorough re-examination of the prior options and to review the scope for **market testing**. The consultants report was received by DoE (NI) in December 1993 and is under consideration.

A review of the Agency's grading and organisation structure was completed in July 1993. The report recommended no significant change in the grading structure but important suggestions as to the extent and future shape of the Agency's local office structure were made. These suggestions are now being developed further by the Agency in consultation with DoE (NI) and staff and their representatives.

Copies of the Agency's Annual Report and Accounts are available from the Agency. A Strategic and Business Plan for the period 1994-1998 has been produced and is also available from the Agency on request.

KEY TARGETS 1994-95

- **to reduce rating debt to 1.76% of the Gross Collectable Rate (excluding late assessments) by 31 March 1995**
- **to achieve a reduction of 2% in the real value of the direct unit costs of collecting rates per hereditament**
- **to generate refunds to 97% of ratepayers so entitled within 14 days of credits being identified**
- **to process by 31 March 1995, 80% of applications for the incoming year received from existing Housing Benefit recipients before 15 March 1995**
- **to achieve a reduction of 2% in the real value of direct unit costs of processing Housing Benefit cases**
- **to assess 97% of Housing Benefit claims free of error**



RECRUITMENT AND ASSESSMENT SERVICES AGENCY

Alencon Link, Basingstoke RG21 1JB

Tel: 0256 29222 Fax: 0256 846315

Chief Executive : Michael Geddes



RECRUITMENT AND ASSESSMENT SERVICES (RAS) was established as an Executive Agency of the Cabinet Office (Office of Public Service and Science) in April 1991. The Agency's primary aim is to be the most cost-effective centre of excellence in the recruitment and selection services working for the public sector. The Agency employed 140 staff at the beginning of 1994-95, a reduction of 45 on the previous year, reflecting RAS' need to match business resources to business opportunities. RAS has running cost provision for the year of £8.7m (down from £12.2m in 1992-93) and expects receipts to be at a similar level in order to achieve the agreed break-even target for 1994-95.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Keep deficit against full economic costs to within £450,000: **achieved**. RAS' year end deficit was £333,000, an improvement of 26% against target.
- 25 training courses, 475 consultancy days: **achieved**. The figures were 71 and 476 respectively.
- 2.5% productivity increase on 1992-93: **not achieved**. The productivity target was not met because final staff reductions did not take place until March 1994 and the selected outputs (mostly established before RAS' main diversification took effect) did not accurately reflect market forces. A new measure of efficiency has been calculated for 1994-95.
- 95% overall satisfaction and administration consumer ratings: **achieved**. The actual rating was 98% for each element.
- 75% of the above being "more than satisfied" or "highly satisfied": **not achieved**. The actual rating was 70% for overall satisfaction and 71% for administration.

This has been another difficult year. Running costs in customer departments have been under pressure and the general economic situation has kept resignation rates low. The level of recruitment activity in the public sector continued to fall, while high unemployment rates have kept response rates heavy. Nevertheless, RAS has been directly involved in about 11% of Civil Service recruitment, and ancillary services such as training, consultancy and research all grew during the year. The balance of business was provided by Helpline and by the sale of tests, including biodata tests, to others for their own use.

RAS' customer base has broadened in the last year, and increased by 10% to 177 organisations. Of these, the number of clients in the wider public sector (for example, health authorities and local government) has doubled from 24 (or 15% of the total) in 1992-93, to 51 (or 29%) in 1993-94.

While the Agency's primary customers are government bodies, RAS' work brings daily contact with a large number of candidates and prospective candidates. In accordance with the principles of

the **Citizen's Charter**, these responsibilities are taken very seriously: RAS sets and monitors high standards across recruitment procedures; provides full information on what customers and candidates can expect; provides flexible and responsive services based on regular consultation with customers and candidates; a swift remedy if things go wrong; and ensures value for money across the full range of services. This is underpinned by the Civil Service principles of selection on merit by fair and open competition and by public sector commitment to equal opportunities policies.

RAS' involvement with **market testing** is twofold: like other government bodies, it has a programme to market test a number of its activities; and, as a provider of services, every opportunity is taken to compete for relevant work that other organisations submit to testing. Between October 1993 and September 1994, the Agency will have tested a total value of £462,000 against an original target of £380,000. This includes the award of the reprographics contract to HMSO from March 1994 leading to improved on-site service, continued employment of Agency staff and financial savings of approximately £75,000 per year. The market test of the despatch and associated services contract has been awarded to an in-house RAS team, and will result in annual savings of £50,000. A range of information technology services have also been market tested resulting in small savings against hardware maintenance contracts and the purchase of personal computers.

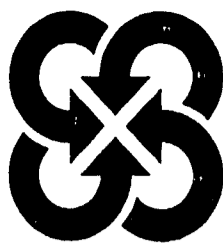
A 3 year review of the Agency is underway. The review is one of 3 recruitment studies which may affect the Agency's future strategy. The first looks at recruitment processes in the Civil Service with particular regard to the Fast Stream; the second examines the relationship between the Civil Service Commissioners, the Agency and Government Departments; and the third evaluates the Agency's performance in its first 3 years and will consider the future of the Agency in the context of prior options.

Meanwhile, RAS aims to maintain its position as the pre-eminent provider of recruitment, assessment and related services to the Civil Service. This traditional market continues to decline and the Agency will defend and consolidate its broader customer base in the year ahead through strategic marketing initiatives.

Copies of the RAS Annual Report and Accounts 1993-94 and Strategic Plan are available from the Agency. The Business Plan contains commercially sensitive information and is therefore not available to the public.

KEY TARGETS 1994-95

- **financial break-even in accruals terms**
- **2% increase in efficiency over 1993-94 performance**
- **evaluation ratings of 96% of RAS customers satisfied with the service, with 75% of these giving "more than satisfied" or "highly satisfied" assessments**



REGISTERS OF SCOTLAND

Meadowbank House, 153 London Road, Edinburgh EH8 7AU

Tel: 031 659 6111 Fax: 031 459 1221

Chief Executive : Alan Ramage



REGISTERS OF SCOTLAND was established as an Agency in April 1990 and reports to the Secretary of State for Scotland. The Agency's Chief Executive is the Keeper of the Registers of Scotland, who is responsible for public registers provided for the registration in Scotland of legal documents. The most important of these are the Register of Sasines and the Land Register, which are the two national registers of interests in land in Scotland. The Agency's aim is to compile and maintain all of its registers and to provide and develop services to support the Scottish conveyancing system. 1,254 staff are deployed in the furtherance of this aim. The Agency operates under a net running costs regime. In 1993-94 the Agency met Vote requirements by receiving income of £34.6m and incurring outgoings of £28.6m. The remaining £6m was surrendered as extra receipts to the Consolidated Fund.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Reduce from 10 to 8 weeks the turnaround time for recording writs in the Sasine Register: **achieved**. The actual turnaround time was 6.6 weeks.
- Reduce from 14.5 to 12 weeks the turnaround time for registering unattached Dealings with Whole, not attached to First Registrations and Transfers of Part, in the Land Register: **achieved**. The actual turnaround time was 10.1 weeks.
- To extend the operation of the Land Register to the timetable agreed with Ministers: **achieved**. The extension programme is on schedule with Stirling and West Lothian going live on 1 April and 1 October 1993 respectively.
- A reduction in unit costs by 2% in real terms for each of the Agency's main products year by year in a manner consistent with maintaining quality of service: **not achieved**. The Agency moved to an overall unit cost covering its 4 main products, in the Land and Sasine Registers, related to weighted work units. Against a target unit cost of £37.21 the actual unit cost for 1993-94 was £47.85.

A **Citizen's Charter** Charter Standard Statement was produced in consultation with the Citizen's Charter Unit at The Scottish Office. Leaflets were produced setting out the Charter Standards to which the Agency would work. An application for Charter Mark status has been made on the basis of the work done throughout the Agency to improve standards of service for its customers. Much progress has been made in respect of improved customer services and the Customer Service Unit within the Agency has extended its role and has addressed many of the most pressing issues in this area. A strategic plan has been devised for Customer Services, including a 3 year plan of activities and targets.

Much work was done on raising the Agency's profile with its major direct customers in a series of seminars and workshops. These provided an opportunity for the Agency to let the existing

customers meet the providers of services and also update them on new services available, as well as helping to educate them in the new Land Register procedures. At the same time, work commenced on customer consultation, with a series of visits organised to and from some of the larger legal firms.

The first major customer survey was undertaken and the results were encouraging. Some more work has to be done on reducing turnaround times in the Land Register, as this was perceived as poor by customers. The Agency scored very well in all the questions relating to staff relations with customers as the majority of customers found Agency staff to be helpful, courteous and informative. New publications from the Agency were instrumental in giving customers guidance, both on the more technical legal aspects of recording or registration and more generally on how information might be obtained from the Registers held by the Agency.

As a result of the scoping study by consultants in 1992-93 on the suitability of non core-activities for market testing, the Agency began a major **market testing** programme in 1993-94 covering messengerial/telephonist, reprographic, typing and certain administrative duties. The programme covers around 330 posts, comprising around 25% of the Agency's current staffing level. The contract for the messengerial/telephonist service has been awarded to the in-house team and the Service Level Agreement for this service commenced in December 1993. The remaining 3 groups of services are currently at various stages of the market testing process.

Following the triennial review of the Agency, the Secretary of State for Scotland announced in Parliament on 28 April 1994 that despite some difficulties in 1990-91, the Agency had had a successful first 3 years, seeing substantial improvements in quality of service to customers and reductions in backlogs being achieved and that Agency status should continue.

The Agency's Annual Report and Accounts is published and available from the Customer Liaison Officer at the Agency's Headquarters at Meadowbank House, Edinburgh. The Agency's Corporate and Business Plans contain commercially sensitive information and are not available to the public.

KEY TARGETS 1994-95

- **to achieve a turnaround time of 7 weeks (or less) for recording of writs in the Sasine Register**
- **to achieve a turnaround time of 11.5 weeks (or less) for registering Dealings with Whole in the Land Register not attached to First Registrations or Transfers of Part**
- **to implement the agreed Land Register extension programme**
- **to contain any increase in unit costs in real terms for each of its main categories of work to 1%**



ROYAL MINT

Llantrisant, Pontyclun, Mid-Glamorgan CF7 8YT

Tel: 0443 222111 Fax: 0443 228799

Chief Executive : Roger Holmes



ROYAL
MINT

The **ROYAL MINT** is based in South Wales and has a workforce of 1,000. It became an Executive Agency, reporting to the Chancellor of the Exchequer, in April 1990 having operated as a Trading Fund since 1975. The Mint's prime responsibility is to produce circulating coinage for the UK. It also maintains a thriving export business and actively competes in the world market for circulating coins, coin blanks, collector coins and medals. Collector coins and medals are also marketed in the UK and a small but important element of the Mint's operations is the production of civil and military medals and decorations, commemorative and prize medals, royal and official seals and bullion coins and tokens.

PERFORMANCE AGAINST THE KEY TARGET IN 1993-96

- For the period 1 April 1993 to 31 March 1996 the Mint's financial target is an average rate of return on current cost net assets of 14%: **achieved**. In the first year of the 3 year target period a return of 32% was achieved.

In 1993-94 sales amounted to £110.2m which included £72.3m (66%) in respect of overseas sales. The operating profit of £15.6m was 38% ahead of 1992-93 and a dividend of £16.5m was paid to the Consolidated Fund. These figures for overseas sale, profit and dividend were all in excess of the best achieved in the history of the Mint and production of 3.5bn coins and ready-for-striking blanks during the year was also a record.

Exports to 70 countries represented a share in excess of 60% of the available world market for circulating coins. The United Nations has appointed the Royal Mint to manage the international coin programme to mark its 50th Anniversary in 1995.

The Mint has continued its commitment to the Total Quality programme, now called MINT 2000 to emphasise the importance of the initiative in carrying the Mint competitively into the next century. Customer returns of collector coins in 1993-94 were the lowest on records.

The senior management pay and grading scheme introduced in 1992 is now well established. In line with the delegated authority received from HM Treasury, progress has been made in restructuring pay and grading for the remainder of non-industrial staff, with a view to introducing a scheme specific to the Mint by the end of 1994. A new scheme for industrial employees is planned for 1995.

The 3 year evaluation of the Royal Mint's operations as an Executive Agency and a re-examination of its status was recently completed by the Treasury and the outcome announced by the Chancellor of the Exchequer on 14 July 1994. Overall, the review concluded that the Mint's performance as an Executive Agency was more than satisfactory, that it continued to be successful and profitable and that there should be no change in the Mint's status. It was, however, decided that the UK Coinage Contract between the Royal Mint and the Treasury for the production and supply of UK coinage should be reviewed to encourage further improvements. The Agency's Framework Document is now being revised.

Copies of the Mint's Annual Report can be obtained from HMSO. The Mint's Corporate Plan is not published for reasons of commercial confidentiality.

KEY TARGET 1993-1996

- **14% average current cost return on assets**



The **ROYAL PARKS** was launched as an Executive Agency of the Department of National Heritage in April 1993. It employs approximately 280 staff, including the Royal Parks Constabulary.

The Agency is responsible for managing and protecting London's Royal Parks so that they offer peaceful enjoyment, recreation, entertainment and delight to those who use them. They are: St James's Park, The Green Park, Hyde Park, Kensington Gardens, The Regent's Park, Primrose Hill, Greenwich Park, Richmond Park and Bushy Park. The Agency also looks after Brompton Cemetery and a number of other smaller public areas.

The 1994-95 budget is £28.65m, of which £6.7m is allocated to the Royal Parks Constabulary. Of this, £4.78m is expected to be covered by income received and VAT refunds. The Agency is making efforts to reduce the burden on the taxpayer and increase income through sponsorship of specific projects.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Complete surveys and prepare programmes of renovation and forward maintenance for trees, buildings and horticulture: **achieved**. Focusing on regular maintenance has minimised the necessity of repairs.
- Develop independent surveys of horticulture quality in each of the Royal Parks: **achieved**.
- Develop and carry out surveys of visitors to the Royal Parks to identify their views and to develop a basis for setting and publishing targets relating to visitor satisfaction for future years: **achieved**. Results from the first two quarters have revealed a high degree of customer satisfaction.
- Finalise Information Technology strategy and commence implementation: **achieved**.
- Complete market testing of works programme management and prepare report on further scope within Agency for market testing work: **achieved**.
- Introduce charges for car parking in Hyde Park and Regent's Park: **not achieved**. A number of difficulties, mainly legal in nature, meant that charges were not introduced until August 1994.
- Increase by 5% income from all other sources: **achieved**, excluding income from major events staged in the Royal Parks by fee-paying organisations.
- Make 1.5% efficiency savings on running costs: **achieved**.
- Complete the implementation of Citizen's Charter provisions within the Royal Parks: **achieved**. A Visitor's Charter has been published and the Agency was awarded a 1994 Charter Mark.

In July 1993 the Agency's Headquarters were relocated from Marsham Street to Hyde Park and formally opened by Her Majesty the Queen. In January 1994, the Secretary of State for National Heritage launched a design competition to refurbish the

Marble Arch/Speakers' Corner areas. The competition attracted over 250 entries from professionals and the public and the winner was announced in June. In March, the Secretary of State switched on a major floodlighting scheme in St James's Park and Hyde Park. The initial recommendations made by the Royal Parks Review Group are being implemented. The Group has reported on all the Central Royal Parks and is preparing its third report on Greenwich Park, Richmond Park and Bushy Park.

In line with **Citizen's Charter** principles, all staff who deal with the public, including the Royal Parks Constabulary and contractors, wear name badges; all staff are required to complete courses in customer care and equal opportunities.

The Agency has a **market testing** programme: 90% of expenditure in 1993-94 (excluding the Royal Parks Constabulary) was spent on services or supplies contracted out or bought in, including the management of the Agency's ground maintenance and work programmes, and the nursery complex in Hyde Park. Consultants have completed a manpower review and many of their recommendations have already been implemented. The future market testing programme includes aspects of estate management, car parking duties, technical IT support and the grooming of police and Shire horses.

The Royal Parks published its first Annual Report in July 1994 and its second Corporate Plan in June 1994. The Agency's Annual Report, Framework Document and Corporate Plan are all available from the Agency. A summary of the Annual Report is available on cassette from the Agency. The Agency has also published guidebooks about each of the Royal Parks.

KEY TARGETS 1994-95

Fabric

- **prepare contract documents for the 4 grounds maintenance contracts which expire in March 1995, incorporating lessons from existing contracts. Let new contracts or extend existing ones**
- **draw up and commence priority programme of works required to remove the 6 listed structures which are on the "at risk" register**
- **prepare detailed proposals for and consult all relevant parties about the pedestrianisation of the end of the Mall, with a view to commencing the project (if approved) in 1994-95**
- **complete phase II of the Speakers' Corner/Marble Arch competition (ie develop detailed designs from the 6 prize-winning sketch designs from phase I)**

Financial

- **increase income from £1.3m to £1.8m from sales, permits, fees, rents, licences, concessions and car-parking**
- **achieve 1.5% improvement in running costs efficiency**

Park Users

- **assess initial visitor survey results and achieve an overall quality rating of 6 marks out of 10 in response to the survey question "Overall, how would you rate the quality of this park?"**



SCOTTISH AGRICULTURAL SCIENCE AGENCY

East Craigs, Edinburgh EH12 8NJ

Tel: 0131 244 8890 Fax: 0131 244 8940

Chief Executive : Dr Robert Hay



The **SCOTTISH AGRICULTURAL SCIENCE AGENCY (SASA)**, which became an Agency in April 1992, exists to provide Government with expert information and advice on agricultural crops and aspects of the environment. It also performs statutory and regulatory work in relation to national, EU and other international legislation and agreements on plant health, bee health, cultivar registration and crop improvement, genetically-modified organisms and the protection of crops, food and the environment. Since SASA's principal customer is The Scottish Office Agriculture and Fisheries Department (SOAFD), the Agency operates mainly for Scottish interests, but it also seeks to meet the requirements of other Agricultural Departments as well as various UK and international bodies, local government, academic and research institutes, and private companies, organisations and individuals.

SASA employs 147 staff of whom 102 are in professional grades. In 1994-95 the cost of running SASA is expected to be £5.75m, around £1.05m of which will be recovered in fees charged for seed testing, cultivar testing, crop certification and registration, sale of potato clones and for work carried out in support of the Food and Environmental Protection Act (pesticide usage surveys, pesticide analyses of food and wildlife).

SASA's laboratories are equipped for work in a wide range of biological and chemical specialisms, from whole plant taxonomy and vertebrate ecology to molecular biology and analysis of trace levels of pesticides. Most of the associated field work is done at the Agency's Gogarbank Farm near Edinburgh.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Completion of the first annual cycle of the accruals accounting system developed in 1992-93: **achieved**, as presented in the 1993-94 Annual Report and Accounts.
- Recovery of full economic costs for charged services: **achieved**, as certified in the 1993-94 Annual Report and Accounts.
- Improvement of the quantitative indices of performance of the Agency by at least 1.5%: **achieved**. Average cost per scientist hour improved by 3.5%.
- Completion of 95% of all scientific tests and analyses within the timescales set by customers: **achieved**. 97.4% of the time targets met.
- Evaluation of quality assurance schemes for all major services leading to candidature for accreditation by 1994-95: **not achieved**. All activities evaluated and policies established, but resources will be available for two candidates only in 1994-95.
- Formal consultation of the views of customers on the quality of the work done by the Agency in 1993-94: **achieved** as part of a rolling programme of consultation.

As a result of the Agency's annual review of all support services, mechanical and electrical plant servicing was contracted out. The cost savings from the contracting out of electrical and plant maintenance have amounted to around £20,000. Improvements in efficiency have been in terms of having a service which is more flexible and more closely targeted to the needs of the Agency. A **market test** of security services has resulted in the contracting out of the service for an initial 3 year period from November 1994.

During the year, SASA produced its own **Citizen's Charter** Statement, setting out what the Agency aims to deliver; whom customers should contact, and what they should do if they are dissatisfied with any aspect of the service. The rolling programme of consulting customers about the quality of work done by SASA continued. The results of the 1993 customer consultation showed that 90% of respondents were either satisfied or very satisfied with SASA's services. Customers of the Official Seed Testing Station within SASA are being consulted now and other external customers will be consulted at the end of 1994.

SASA's Annual Report and Accounts are available from the Agency. SASA does not publish its Corporate or Business Plans as they contain commercially sensitive material.

KEY TARGETS 1994-95

- **fulfilment of the Service Level Agreement with SOAFD within the running costs voted to SASA for 1994-95**
- **recovery of full economic costs for charged services**
- **formal consultation with all major customers on the quality of the work done by the Agency in 1994-95**
- **completion of 90% of all scientific tests and analyses within the timescales set by customers**
- **secure national quality management accreditation for the analytical chemistry and pesticide usage work of the Agency**



SCOTTISH FISHERIES PROTECTION AGENCY

Pentland House, Robbs Loan, Edinburgh EH14 1TW

Tel: 031 244 6059 Fax: 031 244 6086

Chief Executive : Andrew MacLeod



The **SCOTTISH FISHERIES PROTECTION AGENCY (SFPA)** was launched as an Executive Agency of The Scottish Office in April 1991. It has a staff of 265 and annual running costs of £12.2m. The Agency is responsible for the enforcement of fisheries regulations to secure the conservation of fish stocks in almost 200,000 square miles of sea around Scotland. It also provides advice to Ministers on fisheries enforcement policy and technical fisheries matters. The SFPA operates two surveillance aircraft and 7 vessels on fisheries protection work around the Scottish coast and islands. The Agency monitors and inspects fish landings at Scottish ports and has 22 fishery offices. During 1993, over 2,300 vessels were sighted fishing in Scottish waters. Total landings of fish by UK vessels in Scotland were worth £259m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	1993-94 Target	1993-94 Actual
Aerial surveillance - per cent of hours flown on task	85	84
Cost per aircraft sighting (£)	95	85

Performance improved on the previous year, but remained narrowly below target. The number of fishing vessel sightings from the aircraft increased by 17.5% and cost per aircraft sighting was significantly below target.

	1993-94 Target	1993-94 Actual
Marine surveillance - number of boardings at sea	2,500	2,984
Marine surveillance - cost per boarding (£)	2,625	2,080

Major changes in the utilisation and deployment of fishery protection vessels were introduced during the year to provide 125 additional patrol days at sea without any increase in operating costs. These changes, along with favourable weather conditions for much of the year, contributed to a substantial increase in boardings which significantly exceeded the target level. Cost per boarding was more than 20% below target.

	1993-94 Target	1993-94 Actual
Sea Fisheries Inspectorate cost per logsheet check (£)	57	50

Cost per logsheet check was below target, mainly because the postponement of planned restrictions on days at sea meant that staffing and costs were lower than expected.

	1993-94 Target	1993-94 Actual
Cases for prosecution reported: Within 6 weeks of offence (%)	50	61
Within 8 weeks of offence (%)	90	86

There was a marked improvement in the time taken to report cases for prosecution compared with the previous year, although the Agency fell slightly short of its target.

1993-94 Target 1993-94 Actual

Number of cases where court proceedings are taken as percentage of offences reported for prosecution (%)	75	77
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The number of successful prosecutions again increased in 1993-94 to 119, and was more than 50% higher than in the year before. The Agency slightly exceeded its target of court proceedings being taken in 75% of cases reported for prosecution.

1993-94 Target 1993-94 Actual

Cash releasing efficiency gains (%)	1.5	2.0
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Cash releasing efficiency gains in excess of target were achieved as a result of savings in communications costs, purchasing and management reorganisation. Substantial output improvements were also achieved in marine surveillance.

The Agency has contributed to the Government's **Citizen's Charter** and **Deregulation Initiatives** through the publication of its **Code of Enforcement Practice** which sets out its approach to regulation and enforcement. The Code commits the Agency to providing advice and guidance to fishermen wherever it can and ensuring that the burden on fishermen of complying with regulations is kept to the minimum possible.

SFPA does not have a current **market testing** programme. Over 30% of the Agency expenditure is already contracted out or spent on purchases from the private sector. The contract with the Royal Navy for marine surveillance accounts for a further 10%.

The triennial review of the Agency is currently under consideration and is expected to be completed in the latter part of 1994.

Copies of the Annual Report and Accounts are available from the Agency. This includes an outline of the Agency's business strategy and Corporate Plan. The Agency's Business and Corporate Plans contain sensitive information and are therefore not publicly available.

KEY TARGETS 1994-95

- **85% of hours flown spent on task of aerial surveillance**
- **£90 cost per aircraft sighting**
- **2,600 marine surveillance boardings at sea**
- **£2,607 cost per boarding (includes superannuation)**
- **£63 cost per logsheet check**
- **50% of cases for prosecution to be reported within 6 weeks and 90% within 8 weeks**
- **75% of offences reported for prosecution to result in court proceedings**
- **2.0% efficiency gains**



SCOTTISH OFFICE PENSIONS AGENCY

St Margaret's House, 151 London Road, Edinburgh EH8 7TG

Tel: 0131 244 3585/3586 Fax: 0131 244 3334

Chief Executive : Norman MacLeod



The **SCOTTISH OFFICE PENSIONS AGENCY** (SOPA) is an Agency of The Scottish Office Home and Health Department. Its main role is administering the pension schemes for the National Health Service (NHS) and teaching service in Scotland. It is also responsible for some aspects of administration of the schemes covering the Scottish Agriculture College and Scottish Agricultural Research Institutes and the Scottish Legal Aid Board. In total these cover some 330,000 members, pensioners and former members with preserved rights. It advises Ministers on public service pensions policy and the regulation of the above schemes, the local government scheme, and other schemes for which The Scottish Office has responsibility. The Agency was launched in April 1993. It has 192 staff and annual running costs of £4.9m. Total operating costs, including the costs of services provided centrally by The Scottish Office are some £6.3m. It is responsible for expenditure on pensions of £554m and receipts of £363m.

SOPA's customers are the members of the schemes and their employers. The main customers for the advisory services it provides are Scottish Office Departments and Ministers. The Agency also has a range of working links with other Government Departments and Agencies, some of which provide services to it, and important consultative arrangements with representatives of the members of the schemes and their employers.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To complete by August 1993 an exercise to verify the accuracy and completeness of the computer based members' records: **achieved**.
- To develop an improved system for measuring customer satisfaction: **achieved**. A strategy document covering all aspects of customer service, recording steps already in train and identifying priorities for improving customer service has been completed.
- To ensure that awards and transfer payments are accurate to within 2% of their value in 97% of cases: **achieved**.
- To pay on time 99% of all pensions and lump sums where the target date for receipt of claims is met: **achieved**. The target was exceeded in that many claims received after the due date (in most cases 3 months prior to retirement) were dealt with timeously and benefits paid when due.
- To respond to all enquiries within 3 weeks: **achieved**.
- To progress specification, procurement and implementation of new integrated IT systems to completion of tender evaluation stage: **achieved**. A contract was awarded in July 1994.
- To optimise use of budgetary provision while keeping within direct running costs limits: **achieved**.
- To provide policy advice which is consistent with public service pension policy and takes account of operational

objectives of Scottish Office Departments within the required timescales: **achieved**.

In its second year of operation the Agency plans to build on the progress reported in its recently published first Annual Report and Accounts. A **Citizen's Charter** Statement entitled "Commitment to Service" has been published which sets out what service customers of the Agency can expect and what they can do if they are unhappy with that service. The Charter Statement carries details of the Agency's published complaints procedure. Work is underway to implement the SOPA customer services strategy, which initially includes a customer satisfaction survey of the NHS pension scheme.

A recent scoping study which looked at the possibility of **market testing** SOPA typing services concluded that this would not be feasible and would not produce savings at present. The design and installation and maintenance and support contracts for a new IT system have been awarded to a private sector company. Security, cleaning, messengerial and staff restaurant services have been the subject of market tests.

The 1993-94 SOPA Annual Report and Accounts have been published and are available from the Agency. The SOPA Corporate Plan covers the period 1993 to 1997, and a Business Plan for 1994-95 has been produced as a separate document. The Corporate and Business Plans are confidential and are not made publicly available.

KEY TARGETS 1994-95

- to ensure that awards and transfer payments are accurate to within 1% of their value in 98% of cases, as compared with the 1993-94 target of 2% in 97% of cases
- to pay on time 99% of all pensions and lump sums where the target date for receipt of claims is met
- to make transfer payments within 4 weeks of members' final instructions to transfer pension rights
- to carry out a survey to measure customer satisfaction with administration of the National Health Service superannuation scheme, to analyse the results, and to produce proposals for necessary improvement
- to produce a "plain English" Charter Standard statement, by July 1994
- to award a contract for development and supply of a new pensions administration IT system by July 1994, and to reach the last key 1994-95 milestone in the implementation plan
- to optimise use of budgetary provision while keeping within direct running cost limits
- to provide policy advice which is consistent with public service pension policy and takes account of operational objectives of Scottish Office Departments, within the required timescales



The **SCOTTISH PRISON SERVICE** became an Executive Agency of The Scottish Office Home and Health Department in April 1993. Its main tasks are to keep in custody those committed by the Courts, to maintain good order in each prison, to care for prisoners with humanity and to provide them with a range of opportunities to exercise personal responsibility and to prepare for release.

There are 21 establishments in Scotland. Most deal primarily with male adult prisoners, but one is solely for female prisoners and two solely for male young offenders. During the first half of 1994, the average daily population of prisoners was 5,500. There are 4,600 staff, including 200 at Headquarters, and the annual running costs for the Scottish Prison Service are £162m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- No 'A' Category prisoner should escape: **achieved**.
- The number of escapes by 'B' Category prisoners should not exceed 2.5 per 1,000 prisoners: **achieved** (13 escapes against a target maximum of 14).
- A database will be developed and the target set for the number of significant incidents from 1994-95: **achieved**. A database has been established and a target set for 1994-95.
- The number of serious assaults on staff should not exceed 6 per 1000 staff: **achieved** (8 serious assaults against a target maximum of 28).
- The number of serious assaults on prisoners by prisoners should not exceed 11 per 1,000 prisoners: **achieved** (56 serious assaults against a target maximum of 62).
- By April 1994, 52% of prisoners will have access to forms of night sanitation: **achieved**.
- 80% of convicted prisoners should have the opportunity of at least 6.5 hours per working day of programmed activities: **achieved**.
- On average 25% of unconvicted prisoner hours should be available for out of cell activities: **achieved**.
- To keep costs within £26,170 per place available for use: **achieved**. The actual average cost was £26,006.
- To reduce the average number of days lost per person per year through staff sickness to 16: **not achieved**. The average annual figure was 21 days.

Statements of **Citizen's Charter** Standards for the public, for visitors and for prisoners were published in January 1994. Charter Standards for prisoners relate to custody, good order in prisons, care of prisoners and the provision of opportunities. Prisoners are also supplied with a Prisoner Information Pack which includes information on visiting arrangements and the revised requests and complaints procedures. Visitor Standards include being attended to promptly, named staff and the provision

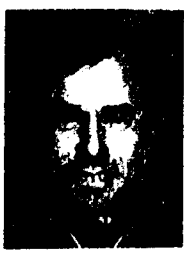
of written information on visiting arrangements. Significant progress has been made in implementing commitments in the Justice Charter for Scotland: family contact has been improved through the extension of access to payphones for remand prisoners; revised Prison Rules (which cover the regulation of Prisons, Remand Centres and Young Offenders' Institutions in Scotland) have been laid before Parliament and are expected to be in force by November 1994; and the second major prison survey to seek prisoner and staff views has been carried out. Results from prisoners showed a high level of satisfaction with the atmosphere of the prison and relationships between prisoners and staff were judged to be positive. Concern amongst prisoners was raised over the quality of the medical facilities and standard of the service. The survey of staff was also generally positive about Scottish Prisons, particularly concerning relationships with prisoners. These results will be used to inform a wider programme of change aimed at improving standards and the quality of service.

The first phase of **market testing** of works and minor maintenance, and the Central Store, realised savings of £0.4m on annual costs of £4.5m. The second phase, covering works and maintenance at a further 6 establishments and the SPS College, was tendered for in June 1994 and will realise savings of £0.87m on annual costs of £3.6m.

The Agency's Annual Report, Framework Document and Corporate Plan are available from Mr D A Stewart, Director, Strategy and Corporate Affairs, Scottish Prison Service.

KEY TARGETS 1994-95

- **no 'A' Category prisoner should escape**
- **the number of escapes by 'B' Category prisoners should not exceed 2.5 per 1000 prisoners**
- **the number of serious incidents should not exceed 11**
- **the number of serious assaults on staff should be no higher than 5 per 1000 staff**
- **the number of serious assaults on other prisoners should be no higher than 10 per 1000 prisoners**
- **by April 1995, 60% of available prisoner places will have access to forms of night sanitation**
- **that 80% of convicted prisoners should have the opportunity of at least 7 hours per working day of programmed activities**
- **on average, 25% of unconvicted prisoner hours should be available for out of cell activities**
- **to keep costs within £26,624 per place available for use**
- **to reduce the average number of days lost per person per year through staff sickness to 18**



SCOTTISH RECORD OFFICE

HM General Register House, Edinburgh EH1 3YY

Tel: 0131 556 6585 Fax: 0131 556 9569

Chief Executive : Patrick Cadell



The **SCOTTISH RECORD OFFICE** (SRO) became an Executive Agency of The Scottish Office in April 1993. In 1993-94 the Office employed 125 staff and cost £4m to run. It will continue to carry out its historic functions of selecting, preserving and making available the national archives of Scotland to the highest standards, promoting the growth and maintenance of proper archive provision throughout the country, and taking the lead in the development of archival practice in Scotland. These various tasks are further defined in the Agency's 6 key aims:

- to select public records regarded as worthy of permanent preservation, acquire other historical records of national importance or which otherwise merit preservation, divert, devolve or transfer records to other appropriate repositories, and make suitable arrangements for the disposal of other material;
- to preserve to archival standards all records selected for permanent preservation;
- to continue, in line with the **Citizen's Charter**, to promote public access to the information in the records, and to provide it through direct consultation, through the use of copies and by producing categories, exhibitions and publications;
- to provide advice and support to owners and custodians of records outwith the Agency, and to disseminate information on and facilitate access to such records;
- to take the lead in the development of archival practices in Scotland; and
- to support the mission of the Agency by ensuring the most effective and efficient management of its resources.

The Keeper of the Records, who is also the Chief Executive, is answerable to the Secretary of State for Scotland for the efficient operation of the Agency and the achievement of its objectives and to the Lord President of the Court of Session for the efficient management of the court and other legal records of Scotland. In addition, the Keeper is bound to consider the views of the Scottish Records Advisory Council, a statutory body appointed by the Secretary of State. In purely professional matters, the Keeper also has a statutory power to take such steps as seem to him to be necessary.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To reduce the unit cost of presenting and making available the records of Scotland by 8%: **not achieved**. A cost of £74.38 was achieved against the target cost of £74.33. The difference between target and performance is due to a minor adjustment to charges after the start of the year.
- To increase the number of catalogue pages available for public scrutiny on the electronic system from 24,600 in 1992-93 to 30,740 in 1993-94: **achieved**. 7,653 pages were added, giving a total of 32,253. The measure has now been changed to reflect the computer based system in use, and for 1994-95 'pages' are replaced by 'catalogue entries'.

- To maintain the recently achieved standards of reader services; material produced for readers within 30 minutes or less in 90% of cases; 90% of photocopying for legal customers produced in 24 hours; 95% of correspondence dealt with in 10 days, while absorbing an expected 2% increase in demand: **not achieved**. Although the first two elements of the target were met, only 86% of correspondence was dealt with in 10 days.
- To survey the electronic and paper-based information systems as a first step towards agreeing standards for the transfer of electronic records to the SRO: **not achieved**.

The SRO's efforts in 1994-95 will focus on the maintenance of an efficient service to the public through, inter alia, the continuing development of the on-line searching facility, through the implementation of improvements suggested by the users' survey, and through further developments in the use of information technology. Above all, however, the completion of the SRO's new repository building, and the support for local archive services in Scotland through the provisions of the Local Government Bill, will be the major preoccupations of the year.

In the course of the year, cleaning of SRO's buildings (carried out by 11 part-time staff) was **market tested** and subsequently remained in-house.

The Annual Accounts were laid before Parliament in July. The Keeper's Annual Report is available from the Agency.

KEY TARGETS 1994-95

- **increase the number of catalogue entries available to the public in the electronic system from 89,588 to 119,188**
- **maintain the standards of reader services: material produced for readers in 30 minutes or less in 90% of cases, 90% of photocopying for legal customers produced in 24 hours, 95% of correspondence dealt with in 10 days, while absorbing at least 2% increase in demand**
- **to complete and occupy the new building in time and within budget**
- **to monitor compliance with new guidelines on the selection procedures for Government records**

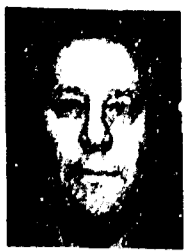


SECURITY FACILITIES EXECUTIVE

St Christopher House, Southwark Street, London, SE1 0TE

Tel: 0171 921 4813 Fax: 0171 921 4012

Chief Executive : John King



SECURITY FACILITIES EXECUTIVE (SAFE) was launched as an Executive Agency of the Department of the Environment in October 1993. It currently employs over 1,110 staff, with running costs of £28.6m in 1993-94 and a turnover of £41.5m.

SAFE's aim is to be a first-choice supplier of quality security-related support services to central Government, the wider public sector and other approved customers through its 5 operational businesses:

- the Custody Services (CS) which provides 24 hour or overnight guarding, keyholding, a reception service, short term and special event guarding as well as training and consultancy services;
- the Government Car Service (GCS) which provides a range of secure driver and car services as well as a transport consultancy providing professional advice on vehicle security and maintenance;
- the InterDespatch Service (IDS) which provides a secure collection and delivery service, including secure courier service within London, bulk distribution and allocated vehicles and drivers;
- the Security Furniture Services (SFS) which supplies security furniture and equipment, including safes, cupboards, locking switch boxes, electronic containers, fire safes, locks and filing cabinets; and
- the Special Services Group (SSG) which provides a unique combination of security services, products and systems, including an advisory service, research and equipment assessment, explosion protection, project management, installation, design, maintenance and procurement services.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Achieve an outturn on the Vote of a surplus of £1.8m: **not achieved**. An outturn of £1.5m was achieved. The main reason for the shortfall was continuing problems with debtors.
- Achieve a deficit of £1.1m on Net Running Costs: **achieved**. All expenditure, in cash terms, was recovered by receipts except for £1.1m of assessment and development work.
- Achieve a 99% Cost Recovery in accruals terms: **achieved**. The target would normally be 100% but was less for 1993-94 because £1.1m for Assessment and Development work was funded directly from the Vote and not recovered from customers.
- Achieve a nil increase in unit costs in real terms: **achieved**. Reductions of 5.5% for non-industrial staff and 1.5% for industrial staff were achieved. The target is based on comparison of the fully overheaded cost of non-industrial and industrial staff year-on-year.
- Achieve an average rating of "good" or higher from customer satisfaction surveys: **achieved** by all the SAFE businesses.

- Achieve vehicle fuel efficiency consumption of an annual average of 24 miles per gallon (mpg) for the GCS and IDS vehicle fleets: **achieved** 24 mpg. This target applies to the car and van fleets operated by the GCS and IDS.

In addition, the Agency's sales target was exceeded by over £1m and the efficiency gains achieved resulted in estimated savings of nearly £1m.

The Agency is committed to the principles of the **Citizen's Charter** and adopts its standards. Improving customer care is a key part of the Agency's marketing strategy which was developed during the year. To this end, all operational businesses have begun work on gaining accreditation under BS 5750 for quality management systems and SAFE is well on the way to achieving this for the Agency as a whole over the next 12 months. Improved procedures for dealing with customer complaints have also been introduced.

As part of its Citizen's Charter commitments, the Agency **market tested** the accounts function for the GCS/IDS and a Service Level Agreement was awarded to the in-house team. A start was also made on a major market test of the Agency's IDS mail distribution services. SAFE also faced the start of market testing of a number of its own services by customers.

SAFE's overall business strategy is to meet its sales targets by improving the quality and value for money offered and by refining its range of products and services. For 1994-95, the Agency will, in particular, respond to the Cabinet Office Review of Physical Security and complete the IDS market test as part of a wider mail and distribution procurement exercise.

Copies of SAFE's Annual Report & Accounts are available on request. The Agency's Corporate Business Plans, however, are not published since they contain commercially sensitive information.

KEY TARGETS 1994-95

Financial

- **achieve a Vote surplus of £1.86m**
- **achieve a breakeven outturn on net running costs**
- **achieve a 100% full cost recovery in accruals terms, including 6% Return on Capital Employed**
- **achieve a sales turnover of £42m**

Efficiency

- **achieve a reduction in weighted unit costs of 0.5% in real terms**

Customer Satisfaction

- **achieve an 80% rating of customer responses in the good or higher categories in customer satisfaction surveys**

Environmental

- **achieve an annual average of 24.5 mpg for the GCS/IDS fleet**



SERVICE CHILDREN'S SCHOOLS (NORTH WEST EUROPE)

HQ BAOR, BFPO 140

Tel: 010 492161 4723296 Fax: 010 492161 4723487

Chief Executive : Ian Mitchelson



The launch of **SERVICE CHILDREN'S SCHOOLS (NORTH WEST EUROPE)** (SCS(NWE)) in April 1991 saw the creation of both the first Agency in education and the first of any sort outside the UK. Tasked by the Ministry of Defence (MoD) with providing schooling for the dependent children residing with MoD personnel in North West Europe, it employed, in April 1994, 2,000 full time equivalent staff in 65 schools and for 1993-94 had a net cash budget of £45m and a total cost budget of approximately £69.6m.

The Agency is implementing the changes in children's education brought about by the Education Reform Act 1988. At the same time, the community which the Agency serves is undergoing profound change, as a result of the Options for Change exercise. Like the British Armed Forces, the Agency aims to emerge following the "drawdown" from Germany, a smaller but fitter organisation.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To continue the implementation, so far as is feasible in the British Forces Germany (BFG) situation, of the Education Reform Act to the statutory timetable laid down for England and Wales by:-
 - introducing the National Curriculum to SCS(NWE) by subject and key stage;
 - introducing pupil assessment by subject and key stage; and
 - implementing teacher appraisal: **achieved** in each case.
- To continue to implement the SCS(NWE) "Schools For The Future" Development Plan in line with BFG drawdown: **achieved**. In line with drawdown, 14 schools closed in 1993-94 and 20 reduced in size; a further reduction of 15 schools is planned for 1994-95 and 8 in 1995-96. Plans for the reduction of support services have been devised and published in the consultation document "Supporting Our Future Schools". A programme has been completed instituting Child Protection measures in all schools. Provision of service for pre-school children with special needs has been improved. Guidance has been issued on the admission of fee paying non-entitled pupils and a programme of fee paying adult learning in schools introduced where capacity exists.
- To produce Management and School Development Plans reflecting the introduction of Local Management of Schools into SCS(NWE) to enable "taut" full cost financial management planning within an agreed budget and to achieve annual efficiency savings of at least 3%: **achieved**. Initial phase of the scheme for the Local Management of Schools has been introduced including a system of budgets at schools.
- To maintain the overall pass rate at GCSE (Grades A-G) and to improve the proportion of students gaining 'A' Level

grades A-E by 2%, and to achieve 80% pass rate in BTEC First Diploma courses, whilst extending the range of vocational courses available to post-16 students as alternatives to 'A' Level courses, to attract a larger proportion of 16-19 and mature students: **achieved**. The summer 1993 results exceeded the targets set. The target for BTEC First Diploma Courses has been met and the range of vocational post-16 students extended.

- Ensure that all teachers meet at least two of the 4 qualification-match criteria for their post with at least 95% meeting 3 criteria and at least 90% meeting all 4 criteria which are:
 - a recognised professional qualification;
 - relevant specialist subject to phase qualifications;
 - broad and relevant previous teaching experience; and
 - relevant post-entry in-service training: **achieved**.
- To continue to implement the Parent's Charter requirements for:
 - an annual progress report to parents;
 - a transfer report on change of school;
 - keeping parents informed of relevant education developments;
 - Standard Attainment Tests (SATs) and external examination results reported to parents annually; and
 - introduction of parental choice of schools in SCS(NWE): **achieved** in each case.
- To submit an application for a Charter Mark by 30 June 1993: **achieved**. Although the application was commended, the Agency's bid was not successful. A further application will be submitted in 1995.
- To develop the role of School Advisory Committees including training members in order to match their function with governing bodies in the UK: **achieved**. A training pack has been prepared for a programme of training and development which has now begun.

The Agency's Annual Report and Accounts for 1993-94 contains a Certificate and Report from the Comptroller and Auditor General following the issue to the Agency in June of an Accounts Direction by HM Treasury - the first such issue to a Defence Agency.

The Agency's Annual Report and Accounts and Corporate, Management and Development Plans can be obtained direct from the Agency.

KEY TARGETS 1994-95

- *for the 42 schools in SCS(NWE), to extend the scope of the Local Management of Schools paralleling, as far as possible, the initiative in the UK, to include staff costs for locally entered civilians, certain staff costs for UK Based Civilians, building maintenance and utilities*
- *by 31 December 1994 to launch, and complete, an initial programme of training for Headteachers, parents and others serving on School Advisory Committees so as to develop their advisory role in Local School Management*
- *to improve efficiency so as to reduce net expenditure for 1994-95 by 2.5%*
- *to maintain the overall pass rate in GCSE and A Level grades A to E and achieve a 2% increase in the percentage of pupils gaining grades A to C in 5 subjects and achieve an 80% pass rate in BTEC (First Diploma) courses*
- *during the period of the Plan to ensure that 95% of all teachers meet all the qualifications criteria for their post*
- *by 31 March 1995, to develop and implement methods for the regular gauging of customer satisfaction with SCS(NWE) Schools*
- *complete the planned school closure and reorganisation programme in line with the drawdown of British Forces in Germany*
- *continue to implement the Education Reform Act in accordance with the timetable laid down in the Act and subsequent regulations*



SOCIAL SECURITY AGENCY (NORTHERN IRELAND)

Castle Buildings, Stormont, Belfast BT4 3SJ

Tel: 0232 520520 Fax: 0232 523337

Chief Executive : Alec Wylie



SOCIAL
SECURITY
AGENCY

The **SOCIAL SECURITY AGENCY (NORTHERN IRELAND)** was launched in July 1991, as an Executive Agency of the Department of Health and Social Services, to administer social security benefits and collect National Insurance contributions in Northern Ireland. With around 5,500 staff, including temporary staff, it is the largest Agency in Northern Ireland. It is responsible for making payments (in 1994-95) to over 1m people, involving expenditure of the order of £2.60bn. Its gross administration budget for 1994-95 is £130m, of which £126.5m constitutes running costs.

PERFORMANCE AGAINST KEY SERVICE TARGETS 1993-94¹

	Target	Achieved
• Social Fund		
Crisis Loans	on the day the need arises ²	95.3% in 1 day
Community Care Grants	65% in 7 days	66.1% in 7 days
	95% in 20 days	94.7% in 20 days
• Income Support		
Claims	71% in 5 days	68.4% in 5 days
	90% in 13 days	89.3% in 13 days
Accuracy	92%	98.1% ³
• Sickness/Invalidity Benefit		
Claims	65% in 10 days	62.8% in 10 days
	95% in 30 days	89.8% in 30 days
Accuracy	97%	99.0%
• Child Benefit		
Claims	73% in 10 days	73.2% in 10 days
	95% in 30 days	95.4% in 30 days
• Family Credit		
Claims	60% in 13 days	49.6% in 13 days
	95% in 42 days	92.5% in 42 days
Accuracy	92%	95.5%
• Disability Living Allowance		
Claims	65% in 30 days	62.5% in 30 days
	85% in 55 days	82.0% in 55 days
Accuracy	96%	98.7%
• Retirement Pension		
Claims	65% in 20 days	69.2% in 20 days
	95% in 60 days	95.8% in 60 days
Accuracy	99%	99.1%
• Unemployment Benefit		
Claims	7.5 days ⁴	6.5 days ⁴
• Customer satisfaction		
% satisfied customers	90 ⁵	- ⁵

¹ Unless otherwise stated, the figures show clearance times in working days. 'Clearance time' is the time taken to process a benefit claim and is in all cases measured from the date of receipt of a claim or application in the office to the date on which the claim or application is decided. The measure, therefore, excludes the time taken to issue notification of the decision and any payment.

² Monitored against '95% in 1 day'.

³ Recent validation exercises have indicated that the actual performance may, because of some procedural weaknesses in recording data, be somewhat lower than reported. The matter

is being investigated and a number of measures will be introduced to strengthen the procedure.

⁴ Average clearance time.

⁵ The customer satisfaction target covers a 2 year period and will be measured by an independent survey in 1994-95.

12 of the 21 service targets were met. Most of those not met were missed by only a relatively small margin. On Community Care Grants, Sickness/Invalidity Benefit and Family Credit, performance was affected by the work involved in introducing new computer systems which will improve service delivery in the longer term.

PERFORMANCE AGAINST KEY BUDGET AND EFFICIENCY TARGETS 1993-94

	Target	Achieved
• Social Fund		
Live within gross allocation for loans and grants	£28.50m	£28.43m
Loan recovery	£16.10m	£15.69m ⁶
• Fraud		
Gross annual benefit savings	£10.80m	£11.57m
• Income Support		
Recovery of overpayments	£1.20m	£1.48m
• Centralised Benefits⁷		
Recovery of overpayments	£0.18m	£0.40m
• Contributions		
Increase number of surveys to		
Increase Class I identified from survey (arrears and in-year savings)	6,000 (including 1,400 employer educational visits) £0.38m	6,184 (including 1,513 employer educational visits) £1.00m
• Finance		
Live within a running cost budget of	£115.7m ⁸	£114.9m

⁶ The figure for 1993-94 is provisional, and should be treated with caution because of procedural and systems difficulties and the introduction of a new Social Fund computer system.

⁷ 'Centralised Benefits' comprises Attendance Allowance, Child Benefit, Disability Living Allowance, Disability Working Allowance, Family Credit, Industrial Injuries Benefits, Invalid Care Allowance, Invalidity Benefit, Maternity Allowance, Retirement Pension, Severe Disablement Allowance, Sickness Benefit and Widows' Benefits.

⁸ Revised target following in-year adjustments. Previous target was £113.6m.

The Agency also achieved its target of a 2.7% (£2.8m) running cost cash efficiency saving for the year. In all, 8 out of 9 budget and efficiency targets were met.

To deliver its objectives, the Agency has set 4 Key Principles. The first is good quality services, where the Agency aims to identify and respond to the needs of customers and improve the speed and

accuracy of benefit payments, as well as the quality of advice and information.

The Agency has undertaken a major programme to promote a commitment to quality by all its staff in everything they do and a comprehensive customer service programme aimed at identifying and analysing customer needs and establishing how those needs can best be met. Two independent customer satisfaction surveys have been carried out and in support of the standards of service established by the **Northern Ireland Citizen's Charter**, the Agency operates under its own Customer Charter, which shows the level and quality of service its customers have a right to expect and the complaints procedures available to them if things go wrong.

Efficient services is the second key principle. The Agency aims to ensure that cash budgets are not exceeded and that efficiency savings targets are achieved. Managers have clearly defined targets and are accountable for the use of resources. One of the main ways in which the Agency has achieved a more cost-effective service has been through its programme for the computerisation of benefits. To date, 9 of the main benefits have been computerised and the programme has delivered efficiency gains worth over £30m in the Agency's first 3 years of operation.

In response to the downward pressure created by public expenditure constraints, the Agency has conducted a review of its efficiency measures and developed a new efficiency strategy, including the appointment of an 'efficiency driver' to lead the development of specific efficiency programmes. To ensure that it delivers its services competitively, the Agency has carried out, with assistance from consultants, a **market testing** strategy study, with the aim of establishing which areas of its business would be suitable for market testing. The Agency has drawn up an implementation plan to market test certain areas of its work in 1994-95 and to prepare for future years. The candidates in the Agency's 1994-95 market testing programme are messenger services, typing services, postal and registry services and debt recovery services.

The third key principle is *proficient and valued staff*. The Agency is implementing a human resource strategy designed to improve opportunities for staff development, appropriate training at all levels and better communications. In a partnership arrangement with the University of Ulster, the Agency has undertaken the development and delivery of major management training programmes which are the first of their kind in Northern Ireland. It has also designed and introduced a Clerical Development Programme to provide its clerical staff with the operational skills they need to do their jobs and to help them realise their full potential, for the benefit both of themselves and their customers. In April 1994, the Agency assumed responsibility for its own pay and grading arrangements. This will allow it to develop structures which are better suited to the Agency's particular needs.

Finally, under its fourth key principle of *delegated personal responsibility*, the Agency's aim is to encourage individual initiative

through devolving responsibilities and accountability to managers for budgets, personnel and other functions. Staff are encouraged to develop local ways of improving customer service.

Copies of the Agency's Annual Report and Accounts for 1993-94 and Business Plan for 1994-95 can be obtained by writing to Agency Planning Unit, Room B5.9, Castle Buildings, Stormont, Belfast BT4 3SJ.

KEY TARGETS 1994-95

- **clear Social Fund crisis loans on the day the need arises**
 - **clear 65% of Social Fund community care grants in 7 days and 95% in 20 days**
 - **keep within £29.8m budget for Social Fund loans and grants**
 - **£17.24m recovery of Social Fund loans**
 - **clear 71% of Income Support claims in 5 days and 90% in 13 days with at least 92% accuracy**
 - **clear 65% of Sickness/Invalidity Benefit claims in 10 days and 95% in 30 days with at least 97% accuracy**
 - **clear 73% of Child Benefit claims in 10 days and 95% in 30 days with at least 98% accuracy**
 - **clear 60% of Family Credit claims in 13 days and 95% in 42 days with at least 93% accuracy**
 - **clear 68% of Disability Living Allowance claims in 30 days and 85% in 53 days with at least 98% accuracy**
 - **clear 65% of Retirement Pension claims in 20 days and 95% in 60 days with at least 99% accuracy**
 - **6.5 days to clear Unemployment Benefit claims with at least 96.5% accuracy**
 - **90% of customers to regard the service they receive from the Agency as satisfactory or better**
 - **£11.5m saved through detection of fraud**
 - **£1.4m recovery of Income Support overpayments**
 - **£0.4m recovery of Centralised Benefits overpayments**
 - **carry out 5,100 Contributions surveys (including 1,020 employer educational visits)⁹**
 - **identify £1.1m Class I Contributions arrears as a result of compliance work**
 - **keep within £126.5m running costs budget¹⁰**
- ⁹ **This target is lower than in 1993-94 because the Contributions Unit's productivity in the year will be significantly affected by the early retirement at the end of March 1994 of 20% of its Inspectors and the fact that it will take 26 weeks to fully train their replacements.**
- ¹⁰ **The Agency will need to achieve efficiency savings of the order of £3m to enable it to cover the unfunded costs of inflation and pay increases**



SOCIAL SECURITY BENEFITS AGENCY

Quarry House, Quarry Hill, Leeds LS2 7UA

Tel: 0532 324000 Fax: 0532 324476

Chief Executive : Michael Richard



The **SOCIAL SECURITY BENEFITS AGENCY** was established in April 1991 and is the largest of the Next Steps Agencies, employing some 65,000 staff, most of whom are based in a nationwide network of 159 Districts and 4 Benefit Directorates at Fylde and Newcastle. The main business of the Agency is to process enquiries, claims, payments and changes of circumstances in relation to its benefits responsibilities. In addition, the Agency has extensive dealings with statutory and voluntary bodies, local authorities and other Government Departments. In 1993-94 benefits amounting to £67bn were delivered and the Agency cost £2bn to run.

For 1993-94 the Secretary of State for Social Security set 26 financial and service delivery targets and at the end of the year 19 were either met or exceeded. Of the 7 targets not met, 4 of the service delivery targets fell short by less than 1%. Performance against the targets for Incapacity Benefits and Child Benefit was affected by the introduction of a new computer system and direct dialling for customers respectively which will, in the long term, greatly improve the service provided to customers.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	Target	Achieved
Social Fund		
Crisis loans clearance	on the day the need arises ¹	96.3%
Community Care grants clearance	65% in 7 days 95% in 20 days	81.1% 96.9%
Recovery of Social Fund loans	£219m	£210.02m
Live within gross allocation for loans and grants	£345m	£343.8m
Income Support Claims clearance	71% in 5 days 90% in 13 days	73.5% 89.5%
Accuracy	92% of cases	90.7%
Sickness and Invalidity Benefit Claims clearance	65% in 10 days 95% in 30 days	72.5% 94.3%
Accuracy	96.5% of cases	96.3%
Child Benefit Claims clearance	67% in 10 days 95% in 30 days	75.6% 94.9%
Family Credit Claims clearance	60% in 13 days 95% in 42 days	64.9% 96.3%
Accuracy	92% of cases	92.2%
Disability Living Allowance Claims clearance	65% in 30 days 85% in 55 days	81.2% 95.4%
Accuracy	96% of cases	97.3%
Disability Working Allowance Claims clearance	65% in 5 days	75.8%
Accuracy	95% of cases	98.3%
Customer Satisfaction.% of customers that regard the service as satisfactory or better	85%	84%
Fraud, gross annual benefit savings	£557m	£593.6m

Overpayments recovery, gross cash	£54m	£79.6m
To manage the Agency's resources so as to deliver its business plan within the total budget of	£2,195.2m	£2,147.8m
To achieve new efficiency savings worth at least ²	£44.6m	£67.94m

¹ Target considered met if 95% of claims are cleared within one day.

² The budget of £2,195m is net of these savings.

During the year the Agency began a comprehensive exercise to examine the recording and measurement of Income Support accuracy in order to resolve the problems in this area. By concentrating resources on this exercise performance on the secondary clearance target was affected. Again, this activity will improve the service provided to customers in the long term.

Bearing down on fraud and abuse is one of the Secretary of State's top priorities and the Agency has an increasingly active programme of fraud prevention. A new Security Branch was formed in October 1993 to develop and co-ordinate a long term strategy based on the prevention, detection and deterrence of fraud. In 1993-94, the Agency detected and prevented fraud valued at over £650m.

The Agency also has a series of internal targets which are set by the Chief Executive in agreement with Ministers. These targets cover a range of other key aspects of the Agency's business to provide, in conjunction with the Secretary of State's targets, a clear overall picture of Agency performance. At the end of the year 52 of the 54 targets had been met or exceeded.

In addition to these performance targets the Secretary of State set the Agency 5 Milestone targets. These were designed to further improve the efficiency, and enhance the level of customer service provided by, the Agency. Of these targets only one, "to ensure that the Benefits Agency derives maximum benefit in quality and cost from the first phase of its agreed market testing programme due for completion on 30 September 1993" was not achieved within the set timescale.

Since its inception the Agency's aim, in line with the principles of the **Citizen's Charter** and its own Customer and Staff Charters, has been:

- prompt, accurate advice and payment by
- expert and committed staff
- satisfying customers needs in
- a friendly and accessible environment, providing
- genuine value for money.

To help achieve this and to assist staff to focus on where the Agency is going, the Agency has identified 4 Core Values paramount to its business:

- Customer Service
- Caring for Staff
- Bias for Action
- Value for Money.

During the year the Agency consolidated its position and has emerged a more efficient, flexible and a much more customer focused organisation. This was reflected in the variety of awards won by the Agency during the year. **Citizen's Charter** successes continued with 5 more business units including the Child Benefit Centre and the Benefits Agency Enquiry Line, being awarded Charter Marks in October 1994; with the 7 awards in 1993 and two in 1992, this means the Agency has now been awarded more Charter Marks than any other organisation. The Agency also issued a revised BA Customer Charter in December 1993 which sets out new and improved standards of service customers can now expect.

In addition, the Agency developed and launched its own Quality Award scheme which is organised around the Core Values and provides business units with a means of measuring improvements which will make the service provided more customer focused. The Awards are validated by independent assessors from both the public and private sectors and 3 Districts and 3 business units reached the required standard by March 1994. The Investors in People Award sets a national quality standard for staff development schemes. Three Districts achieved the standard by the end of March 1994. Finally, BA Training became the first Government Agency or Department to win the National Training Award. This was for a fraud detection training package prepared for one representative from each of 483 Local Authorities and fraud awareness training for all housing benefit staff.

The Agency officially launched the development of a one-stop service delivery programme, one of its major Citizen's Charter commitments, which will unfold over the coming years. This will make the service provided even more customer focused. The Agency introduced the Social Fund Computer System and the Incapacity Benefit Computer System which will both play an important role in supporting the one-stop service.

There continue to be areas where the Agency can improve its performance. In particular, the accuracy of Income Support payments has been subject to close scrutiny by the Agency as well as by the National Audit Office. During the year, the Agency introduced the Social Fund Computer System, the Incapacity Benefit Computer System and the Integrated Benefit Information System all of which will play an important role in supporting the one-stop service.

The Agency has corporate responsibility for the Department's **market testing** programme and during the year a great deal of work was carried out to resolve a number of complex and comprehensive contracting and personnel policy issues before the programme could proceed as originally planned. Because of this the market testing milestone was not completed to the timetable but with these issues now successfully resolved the programme will continue on schedule. By the end of September 1994, £180m of DSS business had been successfully market tested, including Accommodation and Office Services, Training and Audit in Benefits Agency. Of the 73 tender exercises carried out, 57 were won by in-house teams, 11 by external contractors and 5 were contested by external contractors only. The Agency is now developing training to enable budget holders to successfully manage the market tested services. The Agency, working with

Post Office Counters Ltd, has produced proposals for a system to automate the payment of benefit through Post Offices, and this is being taken forward under the Government's Private Finance Initiative.

During 1994, in line with a commitment contained in the Agency's original Framework Document, the DSS began a fundamental review of the Benefits Agency. The review will be in 3 stages: an evaluation of the performance of the Agency since 1991; a prior options study which will determine the basis of the Agency for 5 years from April 1995; and the publication of a revised Framework Document. The review will include wide public consultation with private and public sector bodies and charities and voluntary organisations with an interest in the work of the Agency.

The BA Annual Report for 1993-94 is available from HMSO. The BA Business Plan for 1994-95 is available from BA Planning Unit at the above address.

KEY TARGETS 1994-95

- **to clear Social Fund Crisis Loans on the day the need arises (target considered met if 95% of claims are cleared within one day)**
- **to clear 71% of Income Support claims within 5 days and 90% within in 13 days**
- **to clear 65% of Sickness and Invalidity Benefit claims within 10 days and 95% within 30 days**
- **to clear 67% of Child Benefit claims within 10 days and 95% in 30 days**
- **to clear 60% of Family Credit claims within 13 days and 95% in 42 days**
- **to clear 68% of Disability Living Allowance claims within 30 days and 85% in 53 days**
- **to pay the correct amount of Income Support in 92% of cases**
- **to pay the correct amount of Incapacity Benefits in 96.5% of cases**
- **to pay the correct amount of Family Credit in 93% of cases**
- **to pay the correct amount of Disability Living Allowance in 96% of cases**
- **85% of customers to regard the service they receive from the Agency as satisfactory or better**
- **£221m of Social Fund Loans to be recovered**
- **£654m to be saved through the prevention and detection of fraud**
- **£75m of benefit overpayments to be recovered**
- **to manage the Agency's resources and deliver its business plan within the gross budget allocation**
- **to achieve new efficiency savings worth at least £55m. The total budget is net of these savings**
- **to keep the net cash limited provision for the discretionary Social Fund approved by Parliament**



SOCIAL SECURITY CHILD SUPPORT AGENCY

Millbank Tower, 21-24 Millbank, London SW1P 4QU

Tel: 0171 217 4486 Fax: 0171 217 4485

Chief Executive : Ann Chant

child
support agency

an executive agency of the Department of Social Security

The **SOCIAL SECURITY CHILD SUPPORT AGENCY** (CSA) was launched in April 1993 as an Executive Agency of the Department of Social Security (DSS). Its purpose is to deliver, on behalf of children, a consistent, effective and efficient service for the assessment, collection and payment of child maintenance so as to ensure that parents maintain their children whenever they can afford to do so. It employs 5,000 staff located in 6 Centres and in local offices throughout the country. The running costs for 1994-95 are expected to be £185m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

The Secretary of State for Social Security, recognising the difficulties in setting targets for a new organisation, set a limited range of high level targets for 1993-94.

- 60% of people with the care of children making eligible applications to have maintenance arranged: **not achieved**. The Agency arranged maintenance for 31.5% of eligible applications received. There were a number of reasons why this target was not met. Among the most important was that the target proved to be based on optimistic assumptions which underestimated factors such as the time clients take to complete and return forms and the amount of confirmatory work staff need to undertake to verify applications for maintenance.
- Annual benefit savings of £530m: **not achieved**. Reported benefit savings amounted to £418m. Similar factors to those which affected performance against the target above also influenced the amount of benefit savings achieved. In addition, it is clear that many absent parents have yet to comply in full with the new assessments.
- To manage the Agency's resources so as to deliver its Business Plan within a total budget of £117m: **achieved**. Expenditure figures show that the Agency was successful in living within its budget. Gross expenditure was £109m and an additional £3m was transferred to ITSA for provision of goods and services.
- 65% of clients to regard the service as satisfactory, as measured by an independent national survey: **not achieved**. The overall composite score for satisfaction with service in the 1993 Client Satisfaction Survey was 61%. This score is, in the context of the controversy and publicity surrounding the Agency in its first year, encouraging evidence that staff have a high commitment to customer service both for parents with care and absent parents.

During its first year, the Agency took on over 858,000 child maintenance cases, and issued assessments for over 205,500 cases and cleared a further 131,000. The Agency was also successful in tracing over 28,000 absent parents in cases where the parent with care did not know their whereabouts and where other attempts to locate them had failed. Two Child Support Agency Centres were opened ahead of schedule and more than

2,000 new staff were recruited and trained in the new procedures. In terms of service delivery, however, the Agency did not come up to the high standards of service which it had been set or which its clients have a right to expect. In particular, cases took longer to process than had originally been forecast and consequently payment of maintenance was not as high as had been expected.

The Agency has a number of service standards in line with the **Citizen's Charter**, which are set out in the Child Support Agency Charter. The Charter covers areas such as: the speed with which letters and complaints are dealt with; the time taken to answer telephone calls, providing help via the National Enquiry Line or local DSS offices; providing leaflets in ethnic minority languages; and ensuring that appointments at local offices are kept to within 20 minutes of the time arranged. Overall the service did not reach the required standard in important areas relating to answering telephone enquiries and responding to written letters and complaints. This was in part due to the very high volume of enquiries received by the Agency.

In order to improve performance and service to clients the Agency has initiated a programme of management actions designed to improve management control and flexibility, increase productivity and quality and make the best use of existing staff and additional resources. The Agency is also constantly reviewing its operational policy and procedures and is controlling the workload in order to reduce the backlog of cases. These actions will enable it to process more claims, with more accuracy and ensure an increase in the amount of maintenance collected.

The Agency has completed a major initial programme of **market testing** and has contracted out most of its support services, including messengerial and typing services. It will continue to review all areas of operation to ensure that the feasibility of market testing is considered.

Copies of the Agency's combined Annual Report for 1993-94 and Business Plan for 1994-95, entitled "The First Two Years" can be obtained from the Agency or any local DSS office.

KEY TARGETS 1994-95

- 50% of people with care of children making eligible applications to the CSA to have maintenance arranged
- a score of 65% on an index of client satisfaction with the Agency's service, as determined by an independent national survey
- annual benefit savings of £460m
- to manage the Agency's resources so as to deliver its Business Plan within a total budget of £185m
- by the end of March 1995, no more than 40% of outstanding maintenance applications to be over 13 weeks old, no more than 15% over 26 weeks old and no more than 1% over 52 weeks old



The **SOCIAL SECURITY CONTRIBUTIONS AGENCY** was launched in April 1991 as an Executive Agency of the Department of Social Security. It is responsible for operating the National Insurance Scheme, which after income taxes and VAT, is the largest source of Government revenue. During 1992-93 - the last year for which verified figures are available - £38.12bn was paid into the National Insurance Fund.

The Agency's main aims are to:

- ensure compliance with the law relating to National Insurance contributions;
- maintain over 60m individual contributors' National Insurance records;
- provide an information and advisory service to the business community and members of the public;
- provide National Insurance contributions information to benefit paying agencies; and
- administer the contracting out and personal pension arrangements.

The Agency has about 9,880 staff, of whom over half are based at Newcastle upon Tyne, the remainder are based in local offices around the country dealing with issues requiring public contact such as visits to employers.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Complete work programme within budget of £226.53m¹: **achieved**. Completed with underspend of 7.09%.
- Achieve efficiency savings of £2.6m: **achieved** £3.8m, 45.59% above target.
- Increase collection of contributions arrears (excluding Central Payments Section) by £10m over 1992-93 outturn: **achieved** £272.07m, 2.22% above target.
- Increase Class 1 identified from survey (arrears and in-year savings) by £15m over 1992-93 outturn: **achieved** £128.75m, 23.8% above target.
- Increase the number of surveys to 123,000 including 24,600 employer educational visits: **achieved** 131,634 (29,785), 7.02% (24.10%) above target.
- Actively identify 103,000 persons with Class 2 liability: **achieved** 124,853, 21.22% above target.
- Process 98% of available employers' end of year returns by 31 December: **achieved** 99.33%, 1.33% above target.
- Correct 87% of rejects from employers' end of year returns by 31 March: **achieved** 93.30%, 6.30% above target.
- Clear 99% of benefit enquiries handled clerically in 2 working days to 98% accuracy: **achieved** 99.85% to 99.49% accuracy, 0.85% and 1.49% above target.

- Despatch either a full reply, or an informative response, to 95% of all customers enquiries within 10 working days of receipt: **not achieved**. Actual was 84.7%, 10.84% below target. Following recommendations from the Agency's own Review of Targets, an audit was carried out which indicated there was an element of incorrect counting. Steps have since been taken to remedy the position and monitor the target closely throughout the current year.
- Complete action to register acceptable Personal Pension cases and process straight forward Termination Notices for 93% of all cases within 28 working days of receipt: **achieved** 99.89%, 6.89% above target.
- Provide a level of public service considered to be satisfactory by at least 80% of customers surveyed: **achieved** 80%.

¹ Budget amended from 225.119m to £226.53m in year.

Highlights of 1993-94 included the following:

- in line with its commitment to the **Citizen's Charter** the Agency has revised its Employers' Charter to incorporate "A Code For Enforcement Agencies", giving details of new and improved standards of service and individual contacts;
- in the face of considerable competition from the private sector, the Agency's in-house teams were successful in securing the Service Level Agreements for 3 out of 4 **market tests** carried out. These were Microfilm and Retrieval Services, Data Entry Group and Archival Storage;
- to ensure that all customers receive the best possible advice and support, the network of Customer Service Managers was extended to cover all 33 of the Agency's field divisions;
- the Freephone Social Security Advice Line For Employers (SSALE) continues to receive in excess of 240,000 calls per annum;
- educational visits were made to more than 29,700 employers to help them with any problems they have operating the NI scheme and thus helping to reduce the burdens on business;
- a help desk set up at the beginning of the year to provide assistance to Contracted-Out employers received nearly 25,000 calls;
- the Agency's customer satisfaction target was increased to 80% and was confirmed as being achieved following a survey by the British Market Research Bureau;
- in recognition of the work done in the field of equal opportunities for women the Agency received an award from Opportunity 2000;
- the first phase of the NIRS2 project which concentrated on the recording of personal details and contributions was completed in November 1993;

- the Quarterly Billing System, introduced in April 1993, collected £113m in its first year of operation;
- special recruitment teams were set up to encourage employers to submit End Of Year Returns via magnetic media resulting in an expected additional gross 800,000 contributions items being received via magnetic media during the 1993-94 tax year;
- procedures were put in place to levy interest charges on late payment of NICs made by employers for 1993-94;
- the Agency commenced roll-out of the Employers Index which when fully operational will provide increasing efficiencies and effectiveness by helping to identify employers in need of assistance and more accurate targeting of the visits programme; and
- the Annual Contributions Conference was again well received, providing a useful forum for dialogue with employers and their representatives.

The first review of the Agency was completed in 1994. Its main conclusions were that the Agency had been a significant success, having: displayed year on year improvements in performance; undertaken a significant and ongoing change programme; and introduced operational, efficiency and customer service improvements.

A significant issue which emerged from the Agency's prior options exercise was that the overlap between Contributions Agency and Inland Revenue was not significant enough to warrant a merger. However, the Agency Chief Executive was charged with undertaking a further piece of work in conjunction with the Inland Revenue and business to pursue any possible future deregulatory improvements.

The first evaluation report on the work of the Agency will be published before the 1994 Christmas recess. The report illustrates the success of the Agency.

Copies of the Agency's Business Plans and Annual Report and Accounts may be obtained on request from: Contributions Agency, Communications Section, Room 87B, Longbenton, Newcastle upon Tyne, NE98 1YX.

KEY TARGETS 1994-95

- *to manage the Agency's resources so as to deliver its business plan within a total budget of £261m*
- *achieve efficiency savings of £4m*
- *collection of contribution arrears (excluding Central Payments Section) of £206m*
- *identification of £131m Class 1 arrears as a result of compliance work*
- *increase the number of surveys to 134,000 including 27,000 employer educational visits*
- *actively identify 80,000 persons with Class 2 liability of whom 28,000 will have an immediate requirement to pay contributions*
- *process 98% of available employers end of year returns by 31 December 1994*
- *correct 91% of rejects from employers end of year returns by 31 March 1995*
- *clear 99% of benefit enquiries handled clerically in 2 working days to 98% accuracy*
- *despatch either a full reply, or an informative response, to 95% of all customer enquiries within 10 working days of receipt*
- *complete action to register acceptable Personal Pension cases and process straight-forward Termination Notices for 94% of all cases within 24 working days of receipt*
- *provide a level of public service considered to be satisfactory by at least 80% of customers surveyed*



SOCIAL SECURITY INFORMATION TECHNOLOGY SERVICES AGENCY

4th Floor, Verulam Point, Station Way, St Albans, Herts, AL1 5HE

Tel: 0727 815839 Fax: 0727 833740

Chief Executive : Ian Magee



The **SOCIAL SECURITY INFORMATION TECHNOLOGY SERVICES AGENCY (ITSA)** was established as an Executive Agency of the Department of Social Security (DSS) in April 1990. The Agency fulfils 3 principal roles:

- Departmental IT Regulator - setting and maintaining policies and standards on how IT can be procured and operated; and helping to safeguard the cost-effective use of IT by ensuring that sound standards are applied to the increasingly complex technical infrastructure and architecture of the DSS and that different systems are able to communicate with each other without compromising the integrity of the whole DSS operation. The Agency carries out its regulator function through the Departmental Information Technology Authority (DITA).
- Departmental IT Agent - acting as IT broker, providing business analysis expertise and advice on IT matters and offering supply and contract management skills.
- Departmental IT Provider - delivering IT products and services according to customer requirements acting in either the capacity of sole contractor, primary contractor or sub-contractor, maintaining the ability to respond very quickly to help customers implement changes to DSS priorities.

At March 1994, ITSA employed some 4,600 staff. From 1 April 1994, ITSA operates under a net running cost regime. Customers hold their own IT budgets and ITSA is funded by receipts for the products and services it provides. Overall expenditure will be subject to cash-based expenditure controls. Running costs in 1993-94 were £372.96m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To manage the Agency's resources so as to deliver agreed services within the approved 1993-94 running cost and capital allocations and accruals based budget: **achieved**. The Agency achieved an underspend of £1.67m against a running cost allocation of £374.636m.
- To achieve running cost business efficiency savings of 3.8%: **achieved**. The Agency achieved savings of 30%.
- To produce monthly profiles and actual monitoring data for all general and financial targets: **achieved**. Both profile and monitoring data was produced as required.
- To ensure that 93% of districts receive at least the weekly service availability level, set out in their customer Service Level Agreements: **achieved**. Actual performance was 93.3%.
- To ensure that the average response time for on-line services is 7 seconds or less in 95% of cases: **achieved**. The average response time was 5.2 seconds.

Specific Milestones

- To implement Incapacity Benefits (PSCS/INCAP) release 4.1 by May 1993: **achieved**. This release which included the main functionality for incapacity benefits went live as planned on 31 May 1993.
- To complete Social Fund rollout according to plans agreed with the customer: **achieved**. Rollout was completed to plan in January 1994.
- To implement Employers Index (ENDX) by May 1993: **achieved**: the system went live on 18 May 1993 on target. Roll-out is continuing as agreed with the customer. Developed for the Contributions Agency, this system, which provides the first national database of employers for the Department, was implemented in May 1993.
- To continue the rollout of the National Unemployment Benefit Scheme (NUBS2) and prepare for the commencement of phase 3 according to plans agreed with the customer: **achieved**. Rollout completed to plan in September 1994.
- To submit for approval the ITSA Accommodation Strategy Report (forming part of the Department's accommodation strategy) by June 1993: **achieved**. The report was submitted and approved in June 1993.
- To implement for software development and support the measurement of output and the calculation of one or more output related performance indicators by March 1994: **achieved**. Asset base measures and performance indicators based on function point counting are now available for all application development and maintenance projects within standard environments.
- To proceed to the next stage of ITSA's customer satisfaction survey programme by carrying out a further independent survey during the 1993-94 business year: **achieved**. Further independent survey completed and report issued.
- To position ITSA to operate a regime of charging for products and services provided to the customer according to timescales determined by the Departmental Board: **achieved**. From 1 April 1994, as determined by the Departmental Board, ITSA is operating a regime of charging customers for the products and services it provides.

ITSA's business strategy, as announced by the Chief Executive in January 1994, is to concentrate on its core business areas and to seek to ensure the provision of efficient IT services by contracting with private sector suppliers to take over the running of live services from April 1995.

The Agency has no direct service provision links to the public but puts **Citizen's Charter** principles into practice in serving its public service customers. Through the services it provides to other Agencies of the DSS and to other Government Departments, the Agency helps them to meet the standards of service the public can expect.

The **market testing** exercise for Livingston Area Computer Centre resulted in the contract being awarded to IBM for 5 years from 28 July 1994.

Since April 1994, ITSA has been operating under a net running cost financial regime, funding its expenditure out of receipts from charges for the products and services it supplies. The Agency has issued an interim Framework Document to reflect this changing financial regime. This Document will be reviewed by the Secretary of State and the Chief Executive following consultation with Treasury and OPSS by April 1995. The announcement by the Chief Executive in January regarding the decision to transfer the bulk of ITSA's service delivery function to the private sector by April 1995 is consistent with the Secretary of State's strategy for ITSA, which is to deliver a good quality of service to the customer and obtain best value for money.

Copies of the Annual Report and Accounts can be obtained from HMSO and the Annual Business Plan from ITSA.

KEY TARGETS 1994-95

- *manage ITSA's resources within the net running costs regime*
- *deliver an overall business efficiency improvement of 5%*
- *deliver 80% of services to customers to service levels for budget, time and quality as agreed within contracts*
- *prepare ITSA for outsourcing the bulk of its IT Processing functions to Departmental timescales*
- *Departmental Information Technology Authority (DITA) to provide agreed regulatory services within allocated resources.*



The **SOCIAL SECURITY RESETTLEMENT AGENCY**, which was launched as an Executive Agency of the Department of Social Security in May 1989, operates hostels (resettlement units) for single homeless people without a settled way of life. At the same time, its remit is to disengage the Government from the direct management of the hostels. It achieves this by making capital and revenue grants available to voluntary organisations or local authorities. These enable them to provide similar resettlement services in more modern, replacement facilities. Where appropriate they may use the existing premises used by the Agency.

In 1993-94 gross expenditure by the Agency was £28.9m. Grants accounted for £14.6m with a further £14.3m being spent on 11 of the original 22 DSS resettlement units, early retirement costs and the Agency Headquarters. £2.2m was received in charges to residents as contributions towards the cost of the service. A further £5.7m was also received from sale of property.

As the number of units reduces, the number of Agency staff, currently around 200, will also reduce. Resettlement units provide accommodation for up to 521 people a night and grant aided organisations provide for the needs of over 3,500.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Cease direct operation of at least 4 resettlement units by granting funds to suitable organisations who will provide similar resettlement services in the same premises by 31 March 1994: **achieved**. The Agency ceased to operate 5 units. All were sold, under long term lease, to voluntary organisations.
- By 31 March 1994 begin the formal tender process for a further 4 resettlement units where the provision of resettlement services by the Resettlement Agency will cease in 1994-95: **achieved**. The Agency has begun a tender process to cease direct operation of 4 of the remaining 6 units by 31 March 1995.
- Complete visits to 80% of all grant-aided organisations by 31 March 1994 to ensure that care standards are adequate, that the conditions of the grant award are met, and that facilities are managed in a way which provides value for money: **achieved**. All grant-aided organisations were visited.
- 95% minimum of published facilities to be provided: **achieved** 100%.
- 85% residential customer satisfaction (to be confirmed by survey): **achieved** 87%.
- By 31 March 1994 place 1,300 resettlement unit residents into suitable accommodation in the community: **achieved**. 1,594 resettlement unit residents were placed.
- Remain within a total revised budget of £31.2m including £14.8m for existing resettlement units and headquarters: **achieved**.

Payment and monitoring of grants to voluntary organisations and local authorities has taken on a more prominent role within the Agency and will be the sole business after 1996. The Agency's Grant Monitoring Team has completed a first programme of visits to all grant-aided organisations which cover over 200 hostel projects. As part of the monitoring process, the Agency has also compiled a database of its grant-aided organisations.

The Agency continues to maintain the standards of care in the remaining units within the context of their contracting number. In 1992, a Standards of Service statement was published under the **Citizen's Charter** initiative. It defines what a resident can expect on arrival and during a stay at a unit. There is a well sign-posted avenue for complaint with ready access to the Chief Executive. All units have introduced a "key working" system which offers a more personalised service and continuity of care. Individual care plans are made with customers who have been resident in a unit for at least one month.

An important part of disengagement is managing the personnel implications of the rundown of the Agency's activities. It is difficult to redeploy some staff because of the specialist nature of their work. 79 non-administrative staff were made compulsorily redundant in 1993-94. These staff were given the opportunity of professional outplacement counselling.

Copies of the 1993-94 Annual Report and 1994-95 Business Plan are available from the Agency.

KEY TARGETS 1994-95

- **cease direct operation of 4 resettlement units by granting funds to suitable organisations who will provide similar resettlement services in the same premises by 31 March 1995**
- **progress replacement proposals for Leeds and Bishopbriggs Resettlement Units to enable completion of the disengagement programme by 31 March 1996**
- **agree with Department of Social Security by 31 March 1995 the aims and objectives of the business which will remain after the final resettlement unit closes in 1996**
- **by 30 June 1994, review and evaluate the initial programme of monitoring visits to grant-aided organisations. Produce a plan to address the problems found by 30 June 1994**
- **determine a framework for the following year's monitoring programme by 1 September 1994. Revise the standard conditions of award by 31 December 1994**
- **carry out survey of residents to confirm that not less than 85% express satisfaction with standards**
- **by 31 March 1995 place 625 resettlement unit residents into suitable alternative accommodation in the community**
- **manage the Agency's resources so as to deliver its Business Plan within a total allocation of £34.252m**



SOCIAL SECURITY WAR PENSIONS AGENCY

Government Buildings, Norcross, Blackpool, Lancs FY5 3WP

Tel: 0253 858858, Fax: 0253 330561

Chief Executive: Peter Mathison



WAR PENSIONS AGENCY

An executive agency of the Department of Social Security

The **SOCIAL SECURITY WAR PENSIONS AGENCY** (WPA), was launched as an Executive Agency of the Department of Social Security in April 1994. Its purpose is to administer the payment of war disablement pensions and provide welfare services and support to war disablement pensioners, their widows and their dependents. The Agency also manages the Ilford Park Polish Home, in accordance with the Polish Resettlement Act of 1947.

At its launch the Agency employed 1,779 staff. The majority of staff are located at Norcross, Blackpool, but welfare services are provided from welfare offices located throughout the UK. The running costs for 1994-95 are expected to be £46.83m.

The Agency is committed to the **Citizen's Charter**. It is a holder of a Charter Mark and in April 1994, to coincide with the Agency's launch, it published its Charter Standard Statement. This statement is now available in Welsh and also in audio form. The Secretary of State has set a customer satisfaction target of 85% and this is supported by one of the Agency's key business objectives which states that we will provide a service to war pensioners which is accessible, courteous, prompt, consistent, efficient and responsive to their needs.

The Agency is committed to the **Competing for Quality** initiative and will be submitting plans for this programme during this financial year.

Copies of the WPA Information Pack are available and contain the Agency's Framework Document, Business Plan, Charter Standard Statement and Information Sheet. The Agency's first Annual Report and Accounts will be published at the end of the 1994-95 financial year.

KEY TARGETS 1994-95

- **60% disablement first claims (UK) cleared in 150 days**
- **80% War Widows' claims (UK) cleared in 70 days**
- **60% disablement second and subsequent claims cleared in 135 days**
- **95% claims accuracy (all claims)**
- **70% entitlement appeals processed in 275 days**
- **70% assessment appeals processed in 190 days**
- **to achieve a level of 85% of war pensioners sampled who regard the Agency's service as satisfactory or better, as determined by an independent survey**

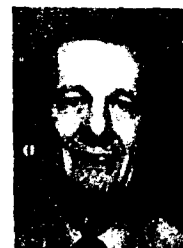


STUDENT AWARDS AGENCY FOR SCOTLAND

Gyleview House, 3 Redheughs Rigg, Edinburgh EH12 9HH

Tel: 0131 244 5823, Fax: 0131 244 5887

Chief Executive: Ken MacRae



The **STUDENT AWARDS AGENCY FOR SCOTLAND** was launched as an Executive Agency reporting to the Secretary of State for Scotland in April 1994. Its purpose is to provide student awards for eligible Scottish domiciled students undertaking courses of higher education throughout the United Kingdom, together with certain related functions in connection with student loans, Access Funds and educational endowments. It is also responsible for advising Ministers on student maintenance policy. Its services are provided primarily through the effective administration of the Students' Allowances Scheme, the Postgraduate Students' Allowances Scheme, the Scottish Studentship Scheme, and the Nursing and Midwifery Bursary Scheme. The total running costs for 1994-95 have been provisionally set at £4.25m.

The Agency has 150 staff and is responsible for the processing of over 100,000 applications for assistance each year. One of its main objectives is to provide a timely, accurate and helpful service, in line with the principles of the **Citizen's Charter** and it aims to have an approved Charter Statement incorporated in its 1995-96 "Guide to Students' Allowances", to be published in Spring 1995.

A key measure of success will be the extent to which the Agency processes all valid applications in time to allow grant cheques, where appropriate, to be available at the start of each student's academic year. The current key targets will be reviewed during 1994-95 and the Agency aims to secure further improvements in performance by comparison with its predecessor body, Student Awards Branch of The Scottish Office Education Department. The main scope for savings and a further reduction in the ratio of running costs to case load is likely to come towards the end of 1996-97, when a stand-alone computing system under the direct management of the Agency is expected to be introduced. At present, the Agency does not have a **market testing** programme. The Agency will, however, consider the feasibility of market testing aspects of its functions where that is consistent with improved value for money.

The Agency's first Annual Report and Accounts will be published in the Summer of 1995. Copies of the Agency's Framework Document are available on request from the above address. The Agency's Corporate Plan has not yet been published.

KEY TARGETS 1994-95

- **75% of applications to be processed within 28 days of receipt**
- **95% of correspondence to be dealt with within 15 working days of receipt**

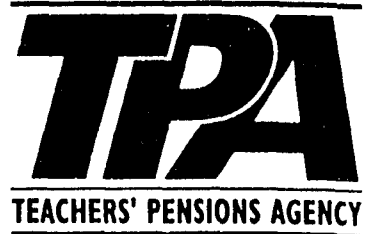


TEACHERS' PENSIONS AGENCY

Mowden Hall, Staindrop Road, Darlington, County Durham DL3 9EE

Tel: 01325 392929 Fax: 01325 392216

Chief Executive : Denyse Metcalfe



The **TEACHERS' PENSIONS AGENCY** (TPA) was launched in April 1992 as an Executive Agency of the Department of Education and Science (now the Department for Education). Its primary function is the administration of the superannuation scheme for teachers in England and Wales. This is one of the largest pension schemes in the UK, with a membership in excess of 1.1m teachers and annual turnover of more than £4bn. The Agency is located at Mowden Hall, Darlington and during 1993-94 employed an average of 337 staff with an annual payroll of £4.6m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To take the necessary steps to enable the Agency to publish audited, commercial-style accounts for 1993-94: **achieved**.
- To achieve an improvement in efficiency in the use of running cost resources directly administered by the Agency of at least 2%: **achieved**. Actual efficiency improvement 5%.
- To review the existing systems for verification of contributions received from employers and to produce an action plan for implementing improved arrangements: **achieved**.
- To provide a substantive answer to 95% of written enquiries within 15 working days: **achieved**. Monitoring arrangements are to be extended in 1994-95 to cover all categories of correspondence.
- To process 96% of the applications for retirement awards by the payable date, or if later, then within 30 days of receipt of the application: **achieved**. Actual performance 99.2%.
- To meet the agreed accuracy target for pensions-related calculations: **achieved**. The accuracy target requires the demonstration of a 95% probability that the error on an individual calculation does not exceed 2% of the value of that calculation. 96.8% of calculations contained no error or an error of less than 2%.

In 1993-94 the TPA faced rises in demand for reasons common to many other pensions administrators. Customers now expect and demand a faster, more effective service. In addition, the profile of pensions matters has been raised by events attracting media attention. These factors resulted in an increase in demand in relation to teachers of 4.2%. With regard to the employers of teachers, the most significant trend is the increase in the numbers with which the TPA must deal, as more schools become self-governing (grant maintained) and move out of Local Education Authority control. Over the year the numbers of establishments that the Agency was required to deal with rose by 42%.

During the year the Agency took a number of steps to improve service to customers in line with the principles of the **Citizen's Charter**. Following the launch of the TPA Customer Commitment which focused upon aims for the provision of a prompt, accurate, and helpful service, allied to a courteous and professional approach, a large scale exercise was carried out to ensure that this information reached teachers and their employers. Over 292,000 leaflets were distributed. Later in the year, the quality of TPA information leaflets and documents was reviewed and improved, leading to the award by the Plain English Campaign of their "Crystal Mark" for 3 of TPA's key documents. The TPA's quality initiative, started in 1992-93, continued with all staff receiving training designed to focus upon issues of quality and customer service.

The main feature of the Agency's **market testing** programme during the year was the very complex and sensitive task of preparing to market test the pension payment services for 340,000 retired teachers, currently carried out by the PAYMASTER Agency. In terms of potential benefits and operational impact this is by far the most significant of current value for money initiatives. The specification for the market test was finalised and an invitation to tender was issued by the end of the year, paving the way for the award of a contract in 1994-95.

The Agency's Annual Report and Accounts for 1993-94 is available from HMSO Bookshops price £9.90. Copies of the Business Plan are available from the Agency. The Corporate Plan is not publicly available.

KEY TARGETS 1994-95

- to achieve an improvement in efficiency of 5% in the use of running cost resources within the Agency's control
- to process 96% of the applications for retirement awards by the payable date, or if later, within 30 days of receipt of the application
- to meet agreed accuracy targets for pensions-related calculations
- to provide a substantive answer to 95% of written enquiries within 15 working days of their receipt
- to manage the programme agreed with the Agency's clients for the collection and processing of service and salary data relating to teachers and to seek timely submission of that data



THE BUYING AGENCY

Royal Liver Building, Pier Head, Liverpool L3 1PE

Tel: 051 227 4262 Fax: 051 227 3315

Chief Executive : Stephen Sage



THE BUYING AGENCY (TBA) was launched as an Executive Agency of the Department of the Environment in October 1991. TBA's principal function is to procure through competitive tender a wide range of quality assured products and services at value for money prices. TBA complies with public purchasing policies and regulations including those required by EC law.

The products available include domestic and commercial catering equipment, engineering and building items, firefighting equipment, electrical/mechanical products, floor coverings and both office and residential furniture. TBA's customers can also make use of over 170 service contracts which support the product portfolio. These cover areas such as floorlaying, furniture renovation, cleaning and removals.

TBA's customers include central Government, local authorities, the NHS, and non-departmental public bodies. TBA operates as a Trading Fund. It sold £131m of goods and services in the year ending December 1993 with staff numbers averaging 108 and a total operating cost of £4m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Produce an overall surplus after interest and all operating costs of not less than 1.5% of total sales value of goods and services: **achieved**. A surplus of 1.8% was produced.
- Increase total attributable sales to £145m: **not achieved**. £131m of goods and services were sold.
- 90% of orders handled directly by TBA to be delivered by date agreed by customer: **not achieved**. Over the full year only 80% of orders were delivered by the agreed date although, following internal reorganisation, the September to December period saw a dramatic improvement to 92%.
- Acknowledge all customer complaints indicating a proposed course of action within two working days of receipt: **not achieved**. 85 out of the 86 complaints handled in 1993 were acknowledged on time.
- Keep the customer regularly informed of progress and resolve 75% of complaints within one month: **achieved** - 76%.

Although TBA does not deal with members of the public directly, it has produced a Customer Charter in accordance with the principles of the **Citizen's Charter**. It was launched at the 1994 Public Sector Buyers Fair at the Business Design Centre, Islington. Organised by TBA, this year's fair attracted over 1,800 key purchasers from the public sector. The TBA Customer Charter makes clear the Agency's commitment to customer care and details response times for correspondence and telephone calls. As TBA is a service organisation with no tied customers, the principles behind the Charter are fundamental to customer retention and therefore, overall success. A complementary

Supplier's Charter is in preparation. A number of customer service initiatives have been undertaken:

TBA's headquarters are in Liverpool but a London office has now been established in the Queen Elizabeth II Conference Centre for the benefit of customers;

TBA's main selling tool is a comprehensive catalogue listing over 600 call off contracts which can be accessed directly by its customers. The catalogue has been completely revamped in 1994 to make it easier for customers to use;

TBA is moving positively towards electronic trading (EDI) and as a first step will be issuing to customers in 1995 an electronic catalogue of its products and services on computer disc.

TBA has formed a new product group named "Environmental Services" to spearhead energy conservation and other 'green' initiatives. By working in partnership with the Energy Efficiency Office and the UK Ecolabelling Board TBA will identify the most environmentally friendly products and services available to the public sector; and

TBA maintains an extensive training programme to ensure staff are fully versed in customer care techniques and delivery management as well as best procurement practice. TBA supports key purchasing personnel studying for appropriate professional qualifications.

TBA secured 16% savings in the costs of its office services functions as part of the 1993-94 **market testing** programme. At the time of writing the outcome of TBA's prior options review had not been announced.

TBA's Annual Report for 1993, published in April 1994, is available from Commercial Services (051-227-4262). The Business and Corporate Plans contain commercially confidential material and are not available to the public.

KEY TARGETS 1994-95

- **increase total sales to £165m**
- **to achieve an overall surplus, after interest, of 1.5% on total sales**
- **to ensure delivery by the due date of at least 90% of orders handled directly**
- **to resolve 80% of customers complaints within one month and the remainder within 3 months**
- **to improve the sales/staff ratio to £1.375m/1**
- **to reduce the cost of each £ of sales to 2.6p**
- **to require all suppliers to provide details of their environmental policies and practices**



TRAINING AND EMPLOYMENT AGENCY (NORTHERN IRELAND)

Clarendon House, 19-21 Adelaide Street, Belfast BT2 8NR

Tel: 0232 541541 Fax: 0232 541542

Chief Executive : Julian Crozier



The **TRAINING AND EMPLOYMENT AGENCY (NORTHERN IRELAND)** (T&EA) was established in April 1990 as an Executive Agency of the Northern Ireland (NI) Department of Economic Development. It was the first Next Steps Agency in NI and its primary aim is "to assist economic growth by ensuring the provision of training and employment services which contribute to NI companies becoming more competitive and individuals obtaining the skills and competence required for increased competitiveness and for securing employment". The Agency employs 1,350 staff at an annual cost of £27.6m, administering training and employment programmes costing a further £170.6m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To increase the number of companies developing their management and workforce skills from 225 at April 1993 to 300 by March 1994 and 400 by March 1996: **not achieved**. By March 1994 the Company Development Programme (CDP) had 299 participants.
- To assess companies on CDP against the national standard 'Investors in People' with the aim of having 70 achieving recognition by March 1996: **continuing**. Some progress made, with 3 pilot companies achieving IIP status by March 1994.
- To offer every company referred to the Agency by the Industrial Development Board relevant information, advice and customised training: **achieved**. All companies (18 in total) referred were provided with the services they sought to support inward investment and company growth.
- To increase the proportion of Youth Training Programme (YTP) leavers who achieve a full qualification at National Vocational Qualification (NVQ) level 2 or above from 13% at April 1993 to 45% by March 1996: **continuing**. In 1993-94 19% of YTP leavers achieved a full qualification at NVQ2 or above.
- To increase the proportion of Job Training Programme (JTP) leavers who achieve a full qualification at NVQ Level 2 or above from 12% at April 1993 to 30% by March 1996: **continuing**. In 1993-94 19% of JTP leavers achieved full qualification at NVQ 2 or above.
- To place 30,000 people into jobs in 1993-94: **achieved**. 30,095 people were placed into jobs.
- To maintain the high levels of customer satisfaction and where possible increase them: **achieved**. Independent surveys are carried out annually. The most recent (November 1993) reported a continuing high level of customer service with 92% of Agency customers registering a high level of satisfaction.
- To reduce administration costs by more than 2% in 1993-94: **achieved**. 4.4% (£1.156m) saving.
- To meet the national Investor in People standard by September 1995: **continuing**. Preparation for assessment against the standard is on schedule.

The T&EA's **Citizen's Charter** Customer's Charter has been established for two years and provides one means by which customers can comment on the quality of service offered. Annual independent customer satisfaction surveys have shown a high level of satisfaction with the range of services offered by the Agency and with the attitude and friendliness of staff.

The Agency is reviewing opportunities for improving value for money through the **market testing** initiative. Of its £170m programme resources 90% is already passed to private sector organisations for the delivery of training and other services. The potential for considerable savings was identified in a market testing feasibility study of the Agency's Training Centre Network carried out in 1992-93. The resulting programme will continue to be implemented in 1994-95. The T&EA has looked at other areas of its operations to identify potential market testing candidates and has established its market testing programme for the next 4 years.

Copies of the Agency's 1993-94 Annual Report and Accounts, Corporate Plan 1994-97 and Operational Plan 1994-95 are available on request from the Marketing Unit at the Agency.

KEY TARGETS 1994-97

- **to increase the number of companies developing their management and workforce skills through the company development programme from 300 at April 1994 to 350 by March 1995 and to maintain this number until March 1997**
- **to assess companies on the CDP against the national standard "Investors in People" and to encourage commitment to the standard from the wider private sector with the aim of having 120 organisations -including 70 CDP companies - receiving recognition by March 1997**
- **to offer every company referred to the Agency by the Industrial Development Board relevant information, advice and customised training**
- **to increase the proportion of YTP leavers who achieve a full qualification at national vocational qualification level 2 or above from 20% in 1993-94 to 45% in 1996-97**
- **to increase the proportion of JTP leavers who achieve a full qualification at national vocational qualification level 2 or above from 17% in 1993-94 to 30% in 1996-97**
- **to provide an average of 9,200 temporary employment places with training through the Action for Community Employment - ACE - programme with the aim of placing 36% of ACE leavers in jobs, training or further education within three months of leaving**
- **to place 33,000 people into jobs in 1994-95**
- **to maintain the high levels of customer satisfaction and where possible, increase them**
- **to reduce administration costs by more than 3% in 1994-95**
- **to have the Agency meet the national "Investors in People" standard for employers by September 1995**



The **TRANSPORT RESEARCH LABORATORY (TRL)** became an Executive Agency of the Department of Transport in April 1992. It employs 520 staff and has a current income of £30m. TRL is the largest and most comprehensive centre for the study of road transport in the United Kingdom. It provides research-based technical help which enables the British Government to set standards for highway and vehicle design, formulate policies on road safety, transport and the environment, and encourage good traffic engineering practice.

TRL also sells its services to other customers in the UK and overseas, providing fundamental and applied research, working as a contractor, consultant or providing facilities and staff. TRL's customers range from major oil companies such as Esso to specialist organisations such as the British Cement Association; from the Japanese Auto Research Centre to British Rail and the US Army Corps. Developing countries, the Overseas Development Administration, and funding bodies such as the World Bank represent an additional major group of customers.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To cover full costs with income from customers while meeting the net control total in the supply estimates: **achieved**.
- To achieve a minimum net revenue per person year of £45,000: **achieved** with a net revenue of £55,000.
- To ensure direct fee earning costs as a percentage of operating costs are greater than 55%: **achieved** 56.1%.
- To achieve average staff utilisation in research Resource Centres of at least 1,300 hours per year on direct fee-earning work: **achieved** 1,301 hours.
- 90% of project outputs to be assessed by customers as good or very good: **achieved**. 94% of forms relating to 1993-94 outputs and returned during the period were assessed as "good" or "very good".

TRL's staff includes mathematicians, physicists, psychologists, engineers, geologists, computer experts and statisticians - most of whom are based at Crowthorne, Berkshire, where facilities include a 3.8km test track, a separate self-contained road network, a structures hall, a sophisticated driving simulator, an indoor facility that can dynamically test roads and a new indoor crash test facility. TRL also has a facility based in Livingston, near Edinburgh, that looks after the special needs of road transport in Scotland.

TRL's mission is to provide the best transport research for the benefit of society. The Laboratory's primary objective is to carry out commissioned research, investigations, studies and tests to the highest levels of quality, reliability and impartiality. TRL recognises the need of the customer to be able to generate maximum value from the investment it has placed with the Laboratory. TRL covers all major aspects of road transport and

is able to offer a wide range of expertise ranging from detailed specialist analysis to complex multi-disciplinary programmes.

TRL, with its breadth of expertise and facilities, can provide customers with a research capability matched to complex problems arising across the whole transport field. Areas such as safety, congestion, environment and value for money require a multi-disciplinary approach and TRL is ideally structured to deliver effective solutions. TRL prides itself on its record for delivering projects that meet customers' quality delivery and cost targets. The Laboratory has a programme of continuous improvement and continually reviews customer satisfaction to ensure that its performance stays in line with the increasing expectations of its customers. An independent survey of customer satisfaction will be carried out for comparison with the similar survey in 1993-94. Quality control systems have been introduced across all major areas of TRL activity and TRL is working towards full compliance with BS 5750 by autumn 1994.

On 30 March 1994 the Secretary of State for Transport announced in answer to a Parliamentary Question in the House of Commons that he had decided, following a review by consultants, that TRL should transfer to the private sector and that he hoped that privatisation could be achieved during 1995-96. The privatisation of TRL is now being carried forward by the Executive Agencies Directorate of the Department of Transport.

Copies of the Annual Report for 1993-94 are available from the Agency. The TRL Corporate Plan and the Business Plan for 1994-95 contain commercially sensitive information and are therefore not available to the public.

KEY TARGETS 1994-95

- **to meet its full costs while meeting the net control total in the Supply Estimates**
- **direct fee earning costs as a percentage of total operating costs to be greater than 57%.**
- **the target utilisation averaged over all staff in research Resource Centres will be at least 1300 hours per year charged to direct fee-earning work**
- **at least 94% of projects to be assessed by customers as satisfactory or better on completed end of project assessment form**



UNITED KINGDOM PASSPORT AGENCY

Clive House, 70-78 Petty France, London SW1H 9HD

Tel: 0171 271 3000 Fax: 0171 271 8581

Chief Executive : David Gatenby



The **UNITED KINGDOM PASSPORT AGENCY** was established as an Executive Agency of the Home Office in April 1991. Its purpose is to issue passports to British nationals in the UK which it does through regional passport offices in Belfast, Glasgow, Liverpool, London, Newport and Peterborough.

In 1993-94, nearly 5.9m passport services were provided. The Passport Agency was directly responsible for handling a record number of 3.62m passport applications which included issuing almost 3.3m new and replacement passports. In addition, almost 2m British Visitor's Passports were issued by Post Offices under contract to the Agency. The Agency employed about 1,500 permanent and seasonal staff. Total fee income amounted to £84m. Total expenditure was £58m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To process straightforward, properly completed passport applications in a maximum of 20 working days in the period January to June, 15 working days in July and August, and 10 working days from September to December: **achieved**.
- To process such applications in an average of 9 working days over the year as a whole: **achieved**. The average turnaround time was 7.8 working days.
- To reduce the unit cost of passport services by a further 3% in real terms in comparison with the outturn for 1992-93: **achieved**. The unit cost was reduced by 4.3%.

The Passport Agency is committed to **Citizen's Charter** principles and in 1993-94 further improvements were made to its customer service. The public counter areas in several regional offices were refurbished and the queuing systems improved; the telephone service to customers was upgraded and further improvements are planned; a series of public information leaflets on different aspects of the Agency's service was introduced; a consultative panel of passport users was established to enhance contact with the travel trade and customer groups; and Agency staff attended a series of national and regional travel and general interest exhibitions to inform the public how to make the best use of the passport service.

The Agency's established programme of customer surveys continues to monitor customer satisfaction. 36,000 postal questionnaires were issued during 1993-94 and the returns have shown a very high level of satisfaction with the standard of service provided, with 98% of customers either very or fairly satisfied with the service received. The returns from surveys of personal callers conducted in the Agency's regional offices provided equally encouraging results.

The Passport Agency published a Charter Standard Statement in June 1994 and further developments in customer service include: the introduction of effective procedures for dealing with complaints; facilities for personal callers to pay by credit or debit

card; and the provision of standard clothing to staff who meet the public.

The Agency recognises the importance of effectively developing its staff in line with its business objectives. It has made a formal commitment to become an Investor In People. Employee communications have continued to receive priority. Action plans arising from the findings of the 1992-93 Staff Opinion Survey have been implemented. Staff are kept fully informed of all significant developments both in the Agency as a whole and in their own offices through a monthly system of team briefings. A comprehensive programme of healthcare provision has been developed, and the devolution of personnel work to regional offices has begun.

The National Audit Office has confirmed the adequacy of the Agency's systems for the preparation of reliable and auditable accruals accounts, and an Accounts Direction has been issued by the Treasury for 1993-94 onwards. Subject to Ministerial and Treasury agreement the Agency now aims to move to Trading Fund status on 1 April 1996.

The Agency's programme of **market testing** included the successful completion of the tender for the provision of blank passports. This secured a second supplier at a saving of £1.4m per year for the next 6 years. Further savings and service improvements are expected from the tender for the printing and distribution of passport application forms which will be completed in early 1994-95.

The Home Office has been conducting a review of the Agency's activities in line with the standard arrangements for reviewing the work of Executive Agencies. The review, which has involved a fundamental look at how the Agency works, and the way it delivers its services is underway.

Copies of the Agency's Annual Report and Accounts, Corporate Plan and Business Plan, together with a summary of its targets and plans, are available from the Agency.

KEY TARGETS 1994-95

- **to process straightforward, properly completed passport applications in a maximum of 20 working days in the period January to June, 15 working days in July and August, and 10 working days from September to December**
- **to process such applications in an average of 9 working days over the year as a whole**
- **to reduce the unit cost of passport services by a further 3.2% in real terms over the outturn for 1993-94**



VALUATION & LANDS
AGENCY

VALUATION AND LANDS AGENCY
Queen's Court, 56-66 Upper Queen Street, Belfast BT4 6FD
Tel: 0232 439303 Fax: 0232 439303
Chief Executive : David Bell



The **VALUATION AND LANDS AGENCY (VLA)** maintains the Valuation List for rating purposes in Northern Ireland, provides a valuation, estate management and property data service to the public sector and advises the Department and Ministers on all matters relating to land management and valuation. An Agency of the Department of Finance and Personnel, VLA was launched in April 1993. It currently has a staff of 317 of whom 150 are professionally qualified Valuers. The Agency's annual budget is around £8.5m.

The maintenance of the Valuation List, containing over 673,000 entries, with a total net annual value of £230m is the Agency's core business and involves the completion of over 40,000 separate valuation assessments annually. In addition the Agency delivers to more than 150 clients, a wide range of professional valuation and advisory services involving more than 20,000 cases annually.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Complete 42,000 Continuous Revision Cases: **achieved.** 48,757 cases were completed.
- Complete 700 Appeals to the Commissioner of Valuation: **not achieved.** The completion of 663 Appeals reflected the actual number of appeals received rather than a slippage in the rate of completion.
- Complete 23,750 Cases for other Government Departments: **achieved.** 27,451 cases were completed.
- Achieve an increase in Valuer productivity and all staff productivity of 3.8% and 2.5% respectively: **achieved.**
- Achieve a reduction of 3% in the unit cost of casework in real terms: **achieved.**
- Where Continuous Revision Cases are subject to retrospective backdating to issue 75% of certificates within 6 months and 92% within 12 months of the event giving rise to the revision of the Valuation List: **not achieved.** The standards achieved of 73.7% and 90.7% were marginally below target.
- Increase by 3% the percentage of selected representative cases completed within agreed time targets: **achieved.** 93% of cases were on target.
- Complete 85% of Appeals where the assessment of NAV decided by the Commissioner of Valuation falls within plus or minus 10% of the initial assessment: **achieved.**
- Achieve Running Costs Cash Efficiency Savings of at least 2.5%: **achieved.**

The Agency's successes in its first year were achieved in a year which saw the introduction of early severance schemes, redeployment of a number of administrative staff and non replacement of staff who retired, resulting in an overall reduction in Agency staff of some 8.5%. In addition to the Agency's performance against its key targets, considerable progress was made in a number of important areas:-

- In line with **Citizen's Charter** principles, the Agency is committed to improving the quality of service it offers to customers. A Charter Standard Statement was published explaining the services provided and the standards customers can expect.
- A Corporate Plan for the years 1994-95-1996-97 was published following a review of the existing 1991-96 Corporate Plan. This Plan will be reviewed annually and published together with a new Business Plan for the year ahead.
- New financial systems were introduced to enable the production of accounts for the first time on both an accruals and cash basis for the financial year 1994-95.
- In recognition of the changing nature of the Agency's work and the need for all staff to achieve their optimum potential, a review of the present career structure and the existing management arrangements throughout the organisation was initiated and the first investigative phase has been completed.

As part of the Secretary of State for Northern Ireland's **market testing** programme, the Agency market tested its mainframe computer operations during 1993-94. In consultation with the Department, the Agency is also seeking to identify those support services currently provided by the Department, which could be transferred to the Agency's direct financial control. Opportunities for market testing such services will be explored.

Copies of the 1994-1997 Corporate Plan and the 1994-95 Business Plan, together with the 1993-94 Annual Report are available from the Agency.

KEY TARGETS 1994-95

- to complete 44,600 rating cases (including Appeals to the Commissioner of Valuation) equivalent to a case weighted output of 27,000 units
- to complete 21,750 client service cases for other Government Departments and public bodies, equivalent to a case weighted output of 23,500 units
- to achieve a productivity for case working Valuers of 304 work units and a productivity for all staff of 160 work units
- to achieve a reduction of 3% in the unit cost of casework in real terms
- to achieve at least a 3% efficiency saving on the 1993-94 outturn
- to issue 93% of certificates for rating cases subject to backdating, within 12 months of the events giving rise to revisions of the Valuation List
- to achieve a standard in rating valuations such that 86% of those determined on appeal are within plus or minus 10% of the initial assessment
- to complete 70% of rating appeals within 6 months of receipt
- to complete 93% of a representative sample of client services casework within agreed time limits



VALUATION OFFICE

New Court, Carey Street, London WC2A 2JE

Tel: 0171 324 1075 Fax: 0171 324 1073

Chief Executive : John Langford



The **VALUATION OFFICE (VO)**, launched as an Executive Agency of the Inland Revenue in September 1991, exists to provide land and buildings valuation services, including specialist advice on minerals, to Government Departments, other public authorities and a number of local authorities. The Agency employs some 5,000 permanent staff and has a network of 113 local offices throughout England, Scotland and Wales. Turnover for 1993-94 was £196.4m. Expenditure in 1994-95 is expected to be £200.8m, all of which is planned to be covered by receipts from charges.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Clear 280,000 appeals against the new council tax lists: **achieved**. Cleared 300,600 appeals.
- Clear 295,000 appeals against the 1990 rating lists: **achieved**. Cleared 312,200 appeals.
- Undertake 112,000 valuation cases for the Inland Revenue concerning inheritance and capital gains tax: **not achieved**. 97,600 cases were undertaken. Overall demands in this area reduced but a drive to reduce volumes of older outstanding cases was successful in cutting the proportion of cases outstanding from 32% to 21%.
- Undertake 130,000 valuation cases for other Government Departments, public bodies and local authorities: **not achieved**. 117,800 cases were dealt with. This result reflects increasing market testing of valuation requirements by clients and increased competition from the private sector.
- Ensure that the Agency's net operating costs are at least fully covered by receipts: **achieved**. Receipts of £190.9m were less than anticipated but reductions in expenditure to £186.8m more than compensated for the shortfall resulting in an excess of income over expenditure of £4.1m.
- Achieve efficiency savings of 2.5% on the Agency's gross expenditure: **achieved** 3.1%.
- Reply to 90% of all correspondence within 28 days and when a substantive reply cannot be given within that period to indicate when such a reply will be made: **achieved** 94%.
- Achieve continuing improvements in timeliness in connection with casework of 1% a year : **achieved** 5%.
- Achieve continuing improvements in valuation standards in connection with casework of 1% a year: **not achieved**. Cases where initial valuations were settled within set tolerances, once all the facts were known, showed a performance indicator of 76% against a target of 82%. Several factors affected this result, in particular the drive to clear older Inland Revenue cases and the settlement of some of the earlier and more contentious 1990 rating list appeals.

In a continuing commitment to the principles of the **Citizen's Charter**, the Agency reviewed its complaints procedure in 1993-94, to make it easier for the public to access complaints systems. A booklet was published, "You and the Valuation Office", which

is available at all offices and sets out the standards of service the public can expect and what to do if they are not satisfied, including the reference of complaints to the parent Department's independent Revenue Adjudicator. A comprehensive survey of the Agency's clients was also carried out, by independent consultants, to find out how well it was actually servicing clients' needs. The survey showed that 95% of central Government clients were generally satisfied with the services they received but pointed up specific areas for improvement, such as speed of response. Clients also commented on the quality of service since the Agency was launched in 1991. 40% felt that this had improved, while 46% felt that there had been no change. Only 1% considered that the level of service had become worse.

An in-house team was successful against outside competition in the **market testing** of the Agency's head office support services (messengerial, security and other administrative activities) in 1993-94. Further plans for market testing head office typing, secretarial and training services during 1994-95 are well advanced. The Agency already contracts out some support services, such as the supply of stationery, printing of documents and the use of private hotels for residential training courses.

Copies of the Agency's Annual Report and Accounts for 1993-94, Business Plan for 1993-94 and the Corporate Plan for 1993-98 are available on request.

KEY TARGETS 1994-95

- to clear in aggregate some 730,000 appeals against the council tax valuation lists by 31 December 1994
- to clear 260,000 appeals against the 1990 non-domestic rating lists
- to complete the revaluation of some 1.7m non-domestic properties for new rating lists coming into effect on 1 April 1995
- to undertake 75,000 valuation cases for the Inland Revenue for capital gains and inheritance tax purposes
- to undertake 66,000 cases (and achieve receipts of some £25m) in respect of chargeable work for other Government Departments, public bodies and local authorities
- to ensure the Agency's net operating costs are at least fully covered by receipts
- to achieve efficiency savings of at least 4% on the Agency's gross expenditure
- to break even, year on year, within each business segment after charging for the full cost of services including notional interest of 6% on the average working capital
- to reply to 90% of all correspondence within 28 days of receipt and the remaining 10% within a further 7 days
- to achieve agreed or specified time limits in 95% of cases undertaken
- to achieve a specified valuation quality standard in 83% of cases carried out



VEHICLE CERTIFICATION AGENCY

1 The Eastgate Office Centre, Eastgate Road, Bristol BS5 6XX

Tel: 0117 9515151 Fax: 0117 9524103

Chief Executive : Derek Harvey



The **VEHICLE CERTIFICATION AGENCY (VCA)** is the national vehicle approval authority. It tests and certifies vehicles (and vehicle parts) to UK and international road safety and environmental protection standards on behalf of the Secretary of State for Transport and administers the compulsory schemes of national type approval for new models of passenger cars and goods vehicles which apply in Great Britain. The Agency also undertakes quality system certification in the motor vehicle field. VCA became an Agency in April 1990 and shortly afterwards moved to a new headquarters in Bristol. The Agency employs some 75 staff. Its annual costs of £2.78m are covered by fees: total income was £3.23m in 1993-94.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

	Target	Achieved
• Unit cost	£87.38	£80.54
• Achieve efficiency savings of:	1.5%	7.82%
• Improving handling of system and component approval applications from being technically cleared to issued:		
days to process 50% of jobs:	6	5
days to process 90% of jobs:	9	8
• Improving handling of whole vehicle approval applications from being technically cleared to issued:		
days to process 50% of jobs:	4	3
days to process 90% of jobs:	20	15
• Percentage of error-free approvals issued:	98%	98.3%

1993-94 proved to be another successful year for VCA, with all key targets achieved. At the outset, it was still uncertain whether the effects of changing demand in the motor industry would enable work levels to hold up to those of the previous year. The plan was to earn 30,300 units (a standard measure of test and certification activity) over the whole year and, as the year progressed, that still seemed a likely outcome. Work levels again increased towards the end of the year resulting in 33,756 units being earned on type approval activities. Expenditure was carefully controlled throughout the year and eventually allowed to exceed the budget marginally so as to cope with the costs of increased demand (the Agency operates on a net running costs basis). However, the eventual outcome was that the unit cost target was bettered.

Contrary to expectations, there was very little demand for issue of soon-to-be compulsory European Union whole vehicle type approvals, with only 5 certificates being issued during the year. As a result, work on national type approvals continued at much the same levels as in previous years. But work on system and component testing and certification was consistently busy, including several major work programmes for UK and overseas customers involving longer than usual periods of testing in the

Far East. Eight "low volume" approvals were issued during the year and whilst it was not yet possible to develop bi-lateral agreements with other member states (which would make "low volume" approvals more attractive) the way was paved with other European authorities to try to obtain more concrete results in future.

The Agency continued to carry out work on behalf of the Department of Transport in preparing type approval regulations and in checking the extent to which vehicles and vehicle parts on sale in the market place meet the required standards. Having been accredited early in the year to certify the quality systems of manufacturers in the motor industry to ISO 9000, VCA undertook a programme of work in this field which, whilst falling a little short of the planned target, still resulted in some 2,700 units being earned. Including units earned for other ancillary activities, this led to an overall outturn of 39,121 units.

VCA continued to apply the principles of the **Citizen's Charter**, maintaining effective relationships with commercial customers and the industry association. During the year, the Agency's "How to complain" leaflet was augmented by the issue of a "Code of practice" letting customers know exactly what VCA promises to deliver.

Some test activities and support services continued to be contracted out and whilst no specific area was identified for **market testing**, further planning work was undertaken with a view: to contracting out microfilming and data storage.

During the latter part of 1992-93, a prior options review was undertaken in respect of VCA whose outcome was announced in May 1993. Ministers concluded that, on balance, VCA's agency status should continue for the time being to allow for the smooth implementation of new EC whole vehicle type approval arrangements. That will progressively clarify the shape of vehicle testing and certification, allowing options for privatisation or contracting out to be re-examined in future. In the meantime, Ministers expect VCA to examine the scope for market testing its activities and to achieve efficiency gain targets which are set year by year.

Copies of VCA's Annual Report and Accounts and Business Plan are available direct from the Agency. The Corporate Plan contains commercially sensitive information and is therefore not available to the public.

KEY TARGETS 1994-95

- to achieve a net unit cost target (type approval and quality assurance activities) of £71.29
- to achieve 90% of target certificate-issue dates agreed with customers, in respect of both system and component and whole vehicle approvals
- percentage error-free approvals issued: 98%
- corrected approvals issued within 3 working days in 75% of cases



VEHICLE INSPECTORATE

Berkeley House, Croydon Street, Bristol BS5 0DA

Tel: 0272 543274 Fax: 0272 543212

Chief Executive : Ron Oliver



The **VEHICLE INSPECTORATE** (VI) was established as an Executive Agency of the Department of Transport in August 1988 and became a Trading Fund in April 1991. It has 3 main functions: to perform annual tests on heavy goods vehicles (HGVs) and public service vehicles (PSVs); to supervise, on behalf of the Secretary of State for Transport, MOT testing of motorcycles, cars and light goods vehicles (LGVs); and to enforce the law on roadworthiness, vehicle weight and drivers' hours. Since April 1991, VI has also offered MOT tests for some LGVs. The Agency employs some 1,663 staff and running costs are £49.4m.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- To make an overall efficiency gain of 5%, measured by aggregate cost efficiency index: **achieved** 5.6%.
- To achieve a real return of 6% on capital employed: **achieved**. The Inspectorate achieved 11.3% this year in the form of an operating surplus expressed as a percentage of net assets. This can be attributed to improved operational efficiency and a lower asset base resulting from declining property values.
- To achieve an HGV test error rate of less than 0.47% on serious failure items: **achieved** 0.1%.
- To achieve a PSV test error rate of less than 0.47% on serious failure items: **achieved** 0%.
- To achieve an HGV test exemption rate of less than 0.01%: **not achieved**. Actual was 0.03%. Exemption certificates are issued by VI when vehicle tests are unable to be carried out on a particular day, enabling the operator to continue to use the vehicle until the next test appointment, even where the current certificate lapses in the meantime. Staff strike action on two days in 1993 meant that 130 exemption certificates had to be issued, exceeding the target figure.
- To achieve a PSV test exemption rate of less than 0.01%: **achieved** 0%.
- To achieve an average turnaround time of 1.4 days on MOT documentation: **achieved**.
- To produce 95% of interim or completed traffic enforcement operator licence reports for traffic commissioners within 4 weeks, unless another deadline has been agreed: **not achieved**. 74% of reports were produced in 4 weeks. However, this represents a significant improvement on the previous year.

VI's testing functions have been reviewed by the Department of Transport and their scope for privatisation assessed. In March 1994, following a feasibility study conducted by Price Waterhouse, the Secretary of State announced that VI's testing functions were not suitable for transfer to the private sector. He did, however, expect to see a significant expansion of the arrangements for

testing at operators' premises, and substantial improvements in VI's level of efficiency and service. VI is, in conjunction with the Department of Transport, looking at ways of expanding testing at operators' premises; and has put forward plans to deliver running cost savings of 20% over the next two years. Some of these savings will require voluntary redundancy.

In March 1994, in line with the **Citizen's Charter**, VI published codes of practice on testing, enforcement and the MOT scheme. These set out customer service standards for the main areas of VI's work and make firm commitments on openness, publication of standards, consultation with trade bodies, and the handling of complaints. The codes also outline VI's commitment to remove unnecessary burdens on business.

VI announced a 3 year **market testing** programme in November 1993 which includes all finance, management information and support services currently supplied by some 70 staff at its headquarters in Swansea. In 1993-94, VI market tested information technology support, library services and building and estate maintenance (worth almost £1.5m).

VI's Annual Report and Accounts for 1993-94 and Business Plan for 1994-95 are available from the Agency. VI's Corporate Plan contains commercially sensitive material and is therefore not made public.

KEY TARGETS 1994-95

- **ACE Index** 5%
- **real return on capital employed** 6%
- **HGV test error rate on serious failure items** 0.47%
- **PSV test error rate on serious failure items** 0.47%
- **HGV test exemption rate** 0.01%
- **PSV test exemption rate** 0.01%
- **achieve roadworthiness prohibition error rate of 0.5%**
- **to produce 95% of Traffic Commissioners reports within 4 weeks unless another deadline has been agreed and 95% within the agreed deadline**
- **to return 95% of maintenance assessments for Operator Licence renewals and variations within 6 weeks and 99% within 12 weeks**
- **to decide 99% of all MOT statutory appeals against refusal to issue a test certificate within 5 working days**
- **to examine a minimum of 1.4m HGV and 145,000 PSV tachograph charts**
- **to weigh a minimum of 115,000 goods vehicles**
- **to have 90% of DOT weighbridge site equipment available nationally**



VETERINARY MEDICINES DIRECTORATE

Woodham Lane, New Haw, Addlestone, Surrey KT15 3NB

Tel: 01932 336911 Fax: 01932 336618

Chief Executive : Dr Mike Rutter



The **VETERINARY MEDICINES DIRECTORATE (VMD)** was launched as an Agency of the Ministry of Agriculture, Fisheries and Food (MAFF) in April 1990. The aim of the Directorate is to ensure the safety, quality and efficacy of animal medicines in the UK, and thereby safeguard public health, animal health and the environment and promote animal welfare. It is responsible for the licensing and control of the manufacture and marketing of animal medicines, post licensing surveillance of suspected adverse reactions and residues of veterinary medicines in meat, and the provision of policy advice on these matters to the Agriculture and Health Ministers in the UK. The Directorate employs 95 staff and has operating costs of £6.9m. The full costs of its work are recovered through fees charged to the veterinary pharmaceutical industry for licensing, the slaughterhouse industry for residue monitoring and MAFF for policy advice.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- Full cost recovery for the Agency's 3 business activities:

Licensing business	: achieved 101.6%
Policy business	: achieved 100.3%
Residues business	: not achieved 96.6%

Overall cost recovery was missed by 0.7% due to an under recovery in the residues business which arose from a reduction in the number of animals slaughtered during 1993-94 compared to MAFF forecasts.

- 70% of new licence applications to be issued within 120 clock days : **achieved** 74%
- 95% within 200 clock days : **not achieved** 82%

Failure to meet the 200 clock days target was due to insufficient data being supplied initially by companies causing duplication of subsequent assessment effort, additional time arising from appeal procedures, resource requirements arising from the review of pharmaceutical products and less efficient monitoring procedures prior to the introduction of IT systems during the year.

- An overall efficiency gain of 2% : **achieved** 9.8%.

In addition to work on new applications, a major part of the review of older pharmaceutical products was concluded and a review of immunological products was begun in October 1993. The introduction of a computerised licensing management system has transformed the information available to the licensing business, and a joint VMD/National Office of Animal Health initiative was introduced to agree procedures to improve the quality of licence applications received.

The results of the UK's surveillance programme in 1993 for residues of veterinary residues in meat continued to show a fall in the overall number of residues above the action limit and further reductions in sulphonamide residues in pigs. For the second consecutive year there were no positive samples

containing prohibited hormones and increased sampling for residues of clenbuterol failed to reveal its presence.

The volume of policy work has continued to increase significantly. Policy advice was provided on a range of issues including organophosphorus sheep dips, bovine somatotropin, clenbuterol, the availability of vaccines and maximum residue limits for horse products. A major initiative in the deregulation area has been the decision to rely directly in the future on the provisions of Community Directives rather than the provisions of the Medicines Act 1968.

The Future Systems package of measures for licensing and controlling veterinary medicines in the Community was adopted by the Council of Ministers in Summer 1993. In October, it was agreed that the European Medicines Evaluation Agency would be located in London. VMD played a full part in these developments, continuing the development of the revisions to the detailed rules and procedures necessary to ensure the Future Systems arrangements are a success.

Overall, the VMD has continued its development as a Next Steps Agency and there have been further improvements in service, liaison and publicity. The VMD seeks to apply the principles of the **Citizen's Charter** across all aspects of its work and in line with Charter principles it will publish a Customer Service Statement in 1994-95 setting the standard of service which customers can expect.

The 3 year review of the VMD, covering prior options, evaluation and revision of the Framework Document continued and, with only agreement of the Framework Document outstanding, will be completed during 1994-95.

In line with the Government's policy towards the extension of competition to public services, the analytical work (estimated cost £1.82m in 1994-95) carried out as part of the National Surveillance Scheme for Residues in Meat will be **market tested** by 31 March 1995.

Full details of the work of the Directorate are set out in its Annual Report and Accounts, in the Medicines Act Veterinary Information Service newsletter which is published quarterly and the VMD's Corporate Plan, copies of which are available from the Directorate. The Agency's Business Plan is not made publicly available.

KEY TARGETS 1994-95

- **full cost recovery for the three business activities of licensing, policy work and residues monitoring**
- **determination of 75% new licence applications within 120 clock days and 95% within 200 clock days**
- **an overall efficiency gain of 2%**



WILTON PARK

Wiston House, Steyning, Sussex BN44 3DZ

Tel: 0903 815020 Fax: 0903 815931

Chief Executive : Richard Langhorne



WILTON PARK, which was launched in September 1991 as an Agency of the Foreign and Commonwealth Office (FCO), aims to contribute to the solution of international problems by organising high quality conferences on international affairs which attract senior politicians, officials, diplomats, businessmen, academics and other professionals from many countries and international organisations. It serves the interests of HM Government by presenting the UK as a country which aims to promote the solution of international problems by improving international understanding through dialogue.

In order to carry out this work, Wilton Park is established in its own Wiston House Conference Centre in West Sussex. It is the smallest Agency with only 32 staff. When the Centre is not occupied by a Wilton Park conference, it is made available to a wide variety of public and private sector organisations for their own courses, seminars and conferences (commercial hiring). The revenues from commercial users, together with fees charged to participants in the Wilton Park conferences, cover over 70% of the total cost, making Wilton Park a highly cost-effective part of Government information policy. The Agency costs £383,000 to run.

PERFORMANCE AGAINST KEY TARGETS IN 1993-94

- 995 participants at Wilton Park: **achieved**. Total participants were 1,078. As in 1992-93, this record number of participants no doubt reflects the continuing high level of interest in international affairs during the year, but also the high quality of Wilton Park conferences.
- Cost to FCO per participant £374: **achieved**. Actual cost per participant was £355.
- 72.04% cost recovery: **not achieved**. Cost recovery achieved was 71.3%.
- Total income of £959,000: **not achieved**. The increase in Wilton Park fees income of 4% above the forecast level offset the shortfall of commercial charges (3% below forecast) to produce an overall level of income earned of £953,000, an increase of £36,000 (4% on the 1992-93 out-turn, but £6,000 (0.6%) below target of £959,000).

Commercial hiring of Wiston House Conference Centre continued to be affected by the recession and the 14% increase in Wilton Park conferences. Commercial revenues therefore fell to £390,000 (£391,000 in 1992-93).

Revenue from the Agency's own Wilton Park Conferences at £468,000 was an increase of £23,000 (5%) on the 1992-93 out-turn, and £18,000 (4%) above the budget of £450,000. This was due to the efforts of the Wilton Park conference organisers and administrators, who increased the number of conferences from 22 to 25. The average number of participants recruited to each conference was 43.

In line with **Citizen's Charter** principles, Wilton Park aims to achieve a high level of customer satisfaction and continually surveys the satisfaction of its conference delegates in the areas of Service, Facilities and Conference Content. Dissatisfaction with any aspect of the conferences will be dealt with personally by the Chief Executive. The quality of Wilton Park conferences was maintained at an outstanding level, as indicated by the results of questionnaires. 91.5% of respondents rated the conference programmes, discussion and, most importantly, administration, excellent or very good. The conference centre also obtained excellent or very good marks from 98.6% of respondents for the standard of service.

In 1994-95, Wilton Park aims to continue to improve the relevance of its conferences to the vital issues of international affairs, with special concentration on the transformation of the European continent and Central Asia since the collapse of the Soviet Union and the growing significance of East Asia in international relations. The number of conferences is expected to rise from 25 to 32.

The Agency's Framework Document and Annual Report and Accounts are available on request from Wilton Park Conference Centre. The Agency's Business Plan is not publicly available.

KEY TARGETS 1994-95

- **total income £1,039,000**
- **cost recovery 72.8%**
- **number of participants 1,260**
- **cost per participant £307**

MINISTERIAL RESPONSIBILITY

Lord Chancellor	Launch Date	Secretary of State for the Environment	Launch Date
HM Land Registry (1)	2.7.90	Building Research Establishment	2.4.90
Public Record Office (1)	1.4.92	Ordnance Survey (1)	1.5.90
Public Trust Office	1.7.94	Planning Inspectorate (5)	1.4.92
Secretary of State for Foreign and Commonwealth Affairs		Queen Elizabeth II Conference Centre	6.7.89
Wilton Park	1.9.91	Security Facilities Executive	15.10.93
Chancellor of the Exchequer		The Buying Agency	31.10.91
Central Statistical Office (1)	19.11.91	Secretary of State for Wales	
HM Customs and Excise (2)	1.4.91	Cadw (Welsh Historic Monuments)	2.4.91
Inland Revenue (2)	1.4.92	Secretary of State for Social Security	
PAYMASTER (1)	1.4.93	Social Security Benefits Agency	2.4.91
Royal Mint (1)	2.4.90	Social Security Child Support Agency	5.4.93
Valuation Office	30.9.91	Social Security Contributions Agency	2.4.91
Secretary of State for the Home Department		Social Security Information Technology Services Agency	2.4.90
Fire Service College	1.4.92	Social Security Resettlement Agency	24.5.89
Forensic Science Service	1.4.91	Social Security War Pensions Agency	13.4.94
HM Prison Service	1.4.93	Chancellor of the Duchy of Lancaster	
United Kingdom Passport Agency	2.4.91	Central Office of Information (1)	5.4.90
President of the Board of Trade		Chessington Computer Centre	1.4.93
Accounts Services Agency	1.10.91	Civil Service College	6.6.89
Companies House	3.10.88	HMSO (1)	14.12.88
Insolvency Service	21.3.90	Occupational Health Service	2.4.90
Laboratory of the Government Chemist	30.10.89	Recruitment and Assessment Services Agency	2.4.91
National Physical Laboratory	3.7.90	Secretary of State for Scotland	
National Weights and Measures Laboratory	18.4.89	Historic Scotland	2.4.91
NEL	5.10.90	Registers of Scotland (1)	6.4.90
Patent Office	1.3.90	Scottish Agricultural Science Agency	1.4.92
Radiocommunications Agency	2.4.90	Scottish Fisheries Protection Agency	12.4.91
Secretary of State for Transport		Scottish Office Pensions Agency	1.4.93
COASTGUARD	1.4.94	Scottish Prison Service	1.4.93
Driver and Vehicle Licensing Agency	2.4.90	Scottish Record Office (1)	1.4.93
Driving Standards Agency	2.4.90	Student Awards Agency for Scotland	5.4.94
Highways Agency	1.4.94	Secretary of State for Northern Ireland	
Marine Safety Agency	1.4.94	Compensation Agency	1.4.92
Transport Research Laboratory	2.4.92	Driver and Vehicle Licensing (Northern Ireland)	2.8.93
Vehicle Certification Agency	2.4.90	Driver and Vehicle Testing Agency	1.4.92
Vehicle Inspectorate	1.8.88	Northern Ireland Child Support Agency	5.4.93
Secretary of State for Defence		Ordnance Survey of Northern Ireland	1.4.92
Army Base Repair Organisation	1.4.93	Rate Collection Agency	1.4.91
Chemical and Biological Defence Establishment	1.4.91	Social Security Agency (Northern Ireland)	1.7.91
Defence Accounts Agency	1.4.91	Training & Employment Agency (Northern Ireland)	2.4.90
Defence Analytical Services Agency	1.7.92	Valuation and Lands Agency	1.4.93
Defence Animal Centre	1.6.93	Secretary of State for Education	
Defence Clothing and Textiles Agency	22.11.94	Teachers' Pensions Agency	1.4.92
Defence Operational Analysis Centre	1.7.92	Secretary of State for Health	
Defence Postal and Courier Services	1.7.92	Medical Devices Agency	27.9.94
Defence Research Agency	2.4.91	Medicines Control Agency	11.7.91
Disposal Sales Agency	1.10.94	NHS Estates	1.4.91
Duke of York's Royal Military School	1.4.92	NHS Pensions	20.11.92
Hydrographic Office	6.4.90	Secretary of State for Employment	
Logistic Information Systems Agency	21.11.94	Employment Service	2.4.90
Maintenance Group Defence Agency	2.4.91	Attorney General	
Meteorological Office	2.4.90	Government Property Lawyers	1.4.93
Military Survey	2.4.91	Minister for Overseas Development	
Naval Aircraft Repair Organisation	1.4.92	Natural Resources Institute	2.4.90
Queen Victoria School	1.4.92		
RAF Signals Engineering Establishment	22.11.94		
RAF Training Group Defence Agency	1.4.94		
Service Children's Schools (North West Europe)	24.4.91		
Minister of Agriculture, Fisheries and Food			
ADAS (3)	1.4.92		
Central Science Laboratory	23.4.94		
Central Veterinary Laboratory	2.4.90		
Intervention Board (1) (4)	2.4.90		
Pesticides Safety Directorate	1.4.93		
Veterinary Medicines Directorate	2.4.90		
Secretary of State for National Heritage			
Historic Royal Palaces Agency	1.10.89		
Royal Parks Agency	1.4.93		

FOOTNOTES

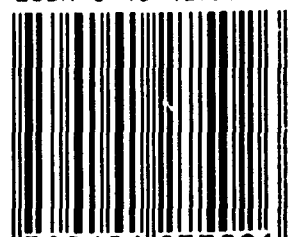
- (1) Agencies that are Government Departments.
- (2) Government Department operating fully on Next Steps lines.
- (3) The Secretary of State for Wales is jointly responsible for ADAS.
- (4) The Minister of Agriculture, Fisheries & Food and the Secretaries of State for Wales, Scotland and Northern Ireland are jointly responsible for the Intervention Board.
- (5) The Secretary of State for Wales is jointly responsible for the Planning Inspectorate.

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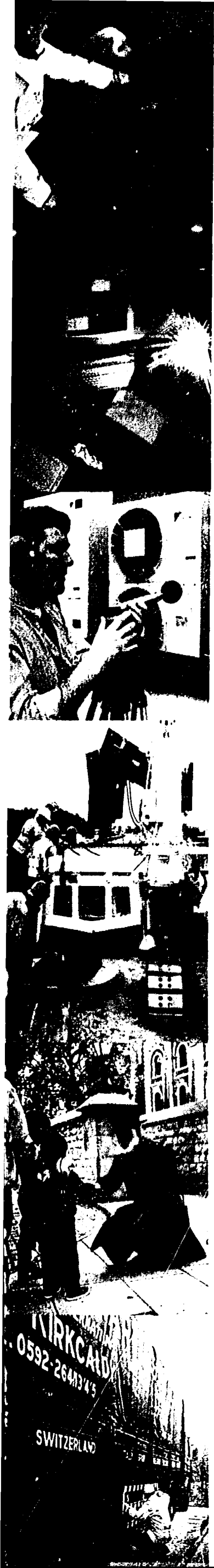
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