

F.A.O Sharon Mc Nicholl  
CC!

MM

CHIEF EXECUTIVE'S OFFICE			
CX	IMPR	ISM	CMS
RMU	C COMM	COU	P&L
28 JAN 2009			
			CORP
OTHER	DEVEL.	LEGAL	H&ES
REFERENCE	M/W 8819		



Tel: 028-90829003  
 Fax: 028-90829555  
 E-Mail: bryan.davis@dsdni.gov.uk

LIGHTHOUSE BUILDING  
 1 CROMAC PLACE  
 GASWORKS BUSINESS PARK  
 ORMEAU ROAD  
 BELFAST BT7 2JB

*From Bryan Davis, Chief Executive*

27 January 2009

### STRATEGIC BUSINESS REVIEW (SBR)

When I last wrote to you in November 2008, I set out the proposed organisational changes arising from the SBR, and advised you of the commencement of the public consultation. To date the proposals have generated a very high level of interest which is very welcome, with responses being received from a wide spectrum of individuals and organisations. This has been reflected in the recent local media coverage.

However, it is clear that a number of the perspectives on SBR appearing in the media bear little resemblance to the facts which are set out in the Agency's consultation document. Indeed, many of the comments made range from being highly speculative to factually incorrect. It is vitally important that the SBR proposals are clearly communicated to and understood by everyone. So, for purposes of clarity, I wish to counter some of the mis-information which is being circulated and to allay some of the concerns which you may have regarding the SBR proposals.

The facts are set out as follows.

Under the Budget Settlement, as approved by the Assembly and the Executive, the **Agency like the rest of the NICS is faced with the dual challenge of making significant efficiency savings (5% per annum) while continuing to improve service delivery.** Calls for the proposals to be shelved ignore the fundamental obligations which the Agency faces, which are required by DFP. The Agency **must** deliver on its Efficiency Targets. The SBR proposals represent a modest restructuring which will be well managed to ensure the safeguarding of existing frontline services. The SBR blueprint is the option which provides the best overall outcome for customers, staff and the taxpayer. The Agency has no choice but to live within its means, and even with the efficiencies generated by SBR, we still have to seek more through other approaches. If SBR did not go ahead the Agency would have to find the projected savings generated by it by

other means. Despite the clear efficiency requirement, the prime driver for the SBR is to provide a viable and sustainable Agency which will provide a sound basis for improved service delivery into the future.

**Local offices will not be closing.** Despite our Minister's commitment to the retention of the network, it has been said that half of our local offices will be closing. This claim is totally untrue.

Contrary to recent comments, **staff will not be expected to travel hundreds of additional miles under these proposals.** In line with NICS provisions, any staff moves will be within reasonable daily travel. Where this is not possible, other measures will be considered.

There will be **no staff redundancies as a consequence of SBR.** Various claims to the contrary in the media are totally untrue. It is expected that there will be efficiency savings equating to 200 posts, over a period of time, but these will be delivered primarily through a combination of re-organisation and redeployment. Under these proposals no-one will lose their employment.

**The Agency's front line will be strengthened by the SBR proposals.** Figures have been circulated externally by NIPSA expressing the view that there may be an overall reduction under SBR proposals of almost 500 staff delivering benefits such as Jobseekers Allowance, Income Support and Social Fund. This does not make sense. Staff relocated from JBO/SSO offices to BPCs will continue to be directly involved in delivering benefits.

Comments have also been made that separation of the back offices from the front offices can only mean a dilution of service to the customer and what works in England (within DWP) will not necessarily work here. There is no evidence to support this statement. The Agency delivers the same social security benefits as Great Britain and customer needs are highly comparable. Indeed our Belfast Benefits Delivery Centre already has some 800 staff successfully providing centralised benefit processing (on behalf of DWP) for approximately 177,000 customers in a number of London Districts. In addition, if we were to follow the GB model, a region the size of Northern Ireland would require only 1 or 2 processing centres rather than the 18 decentralised across NI which are proposed.

**All frontline offices will continue to be fully staffed to meet demand in order to provide customers with a full service.** Speculation relating to 'skeleton staff' being unable to cope, or the introduction of a 2 tier service is entirely untrue.

Together with our colleagues from the Department for Employment and Learning we will ensure that customers will continue to receive a very good service.

**Appointments will be adequately resourced and arranged on a timely basis. Arrangements will be put in place to ensure that the needs of vulnerable customers are met. The SBR proposals will offer greater customer choice and accessibility. A 'walk-in' service will continue to be available for those who need it;** for example, in situations of urgent financial need such as Crisis Loans. The concern that customers may be required to travel to a neighbouring office to have their needs met has no basis and will not happen.

Under SBR proposals **telephony arrangements to meet customer needs will be enhanced and modernised** to the latest industry standards. Speculation that telephony support units would be distant, impersonal call centres is incorrect. They would be staffed by experienced Agency personnel who will be trained to ensure that each customer's needs are met in a timely and effective manner. This would see a step-change in service delivery, offering better privacy and accessibility for customers.

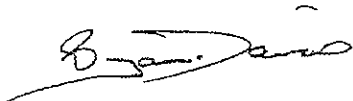
With regard to the economic downturn, implementation of the SBR proposals would provide us with the **necessary strength in depth to cope with the impact of increasing job registers over the longer term**. We are witnessing very significant increases in job registers. Because of this some have commented that we should stop the SBR consultation now. This is unrealistic. Minister has already given her assurance that all consultation responses will be fully considered. **No final decisions will be made until the consultation process has been concluded.**

The proposals would be gradually phased in to ensure that service delivery is protected. Separate to this, we will ensure that the necessary additional resources to cope with this increased demand will be found either through re-prioritisation or additional bids for funding. This approach has already been agreed with DFP and reflects exactly the same provision which DWP are making. However, any additional resources secured to deal with the downturn **do not remove the obligation for the Agency** to still deliver its Efficiency Savings.

**The SBR proposals are fully supportive of the BAIN Review on the location of public sector jobs.** Despite comments that the SBR proposals run contrary to the Bain Review, the Agency is proposing to centralise back office benefit processing on 6 out of 9 of the locations recommended by BAIN, and is considering options for work to be located in two others.

In conclusion, the SBR proposals present us with the opportunity to replace out-dated and fragmented service delivery arrangements with a new approach which can service our customers well into the future.

I hope you find this clarification helpful.



**BRYAN DAVIS**

This page has been intentionally left blank.