



*Corporate Plan 2007–2010  
and Business Plan 2007–2008*



INVESTOR IN PEOPLE



CUSTOMER SERVICE EXCELLENCE



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## *Introducing the Agency*

1. The Compensation Agency—the first Executive Agency to be established in the Northern Ireland Office—marks 15 years in existence this year. Our aim remains:

**“to support the victims of crime and people who have suffered loss from action taken under the Terrorism Act 2000, by ensuring that they are appropriately compensated in accordance with the relevant statutory schemes”.**

Our mission statement—“to provide a fair, just and professional service to all our customers”—reflects our prime focus on high quality and responsive service.

2. Based in Belfast, the Agency employs 82 staff. It deals with nine thousand applications and review requests each year, and in 2006/07 made awards of compensation totalling £25m.

### Overview of the compensation schemes

3. **The Criminal Injuries Compensation Scheme 2002** (“the Tariff Scheme”) provides compensation to victims of violence in Northern Ireland who have been physically and/or mentally injured or who are a dependant or relative of a deceased victim. The governing legislation is the Criminal Injuries Compensation (Northern Ireland) Order 2002. The legislation also contains provision, which operates retrospectively, to enable those victims of child sexual abuse, whose claims would have been disallowed because of time limits under the earlier statutes, an opportunity to submit a fresh claim under the terms of whichever scheme was applicable at the time of the abuse.
4. Anyone who is unhappy with a decision on their claim under the Tariff Scheme can request a review, which is undertaken independently by a separate section within the Agency. Subsequently an applicant can appeal a review decision to the Criminal Injuries Compensation Appeals Panel for Northern Ireland, which is entirely independent of the Agency.
5. **The 1988 Order Criminal Injuries Compensation Scheme** applies to incidents which took place before 1 May 2002. While, except in the case of child sexual abuse cases just mentioned, new applications under this Scheme would now be time barred, the Agency is dealing with a number of the remaining more complex cases. These should be cleared during the life of this Corporate Plan.
6. **The Criminal Damage Compensation Scheme** primarily provides compensation for malicious damage to property in Northern Ireland caused by terrorism or unlawful assemblies of three or more people, and for malicious damage to agricultural property. The governing legislation is the Criminal Damage (Compensation) (Northern Ireland) Order 1977. The much improved security situation has resulted in a significant change in the number of claims, which appear to have settled for the time being at around 1,000 per year.



7. The Terrorism Act Compensation Scheme provides compensation to those who suffer loss or damage resulting from action taken under the Terrorism Act 2000. Again, the changing security situation has resulted in a much reduced number of claims: in 2006/07, only 34 new claims were received.
8. Applicants to the criminal damage, Terrorism Act and 1988 Order criminal injuries schemes have a right of appeal to the courts if they are dissatisfied with decisions reached on their claims.

#### The framework document

9. The Agency operates under the terms of a framework document which defines the responsibilities of and the relationships between the Agency, Parliament, Ministers and the Northern Ireland Office; financial and personnel arrangements; and planning, monitoring and accounting arrangements. The framework document has been reviewed and a revised version submitted to the Treasury for approval.

#### Corporate governance

10. The Chief Executive is personally and directly accountable to the Minister for the effective operation of the Agency and for managing its financial and human resources. He is also the Agency's Accounting Officer, accountable for the economic, efficient and effective use of resources provided to the Agency, for the propriety of its expenditure, and for ensuring that government accounting requirements are met.
11. To assist the Chief Executive in discharging these responsibilities, the Agency draws on the skills and experience of the Agency Strategy Group (ASG), comprising senior managers. ASG provides leadership to the Agency, agreeing the strategic direction of the Agency and annual targets and plans, overseeing the delivery of the agreed targets, and aiming to secure a high standard of corporate governance. ASG normally meets monthly.
12. A wider advisory body—the Agency Co-Ordinating Group (ACG)—provides a forum for team and functional heads to discuss the Agency's business and exchange information. ACG's monthly meetings inform the team briefing process throughout the Agency.

#### *The wider environment*

13. This section describes the external factors which have greatest potential to impact on the Agency's work in the coming three years.

#### The security situation and levels of applications

14. The improving security situation has had an enormous impact on the Agency's workload across the three heads of the Agency's operations—criminal injuries, criminal damage and the Terrorism Act—though especially in the latter two, where



in the mid-1990s the Agency was processing 5,000 property damage claims a year compared with under 1,000 now. Our judgement is that the current workload in criminal damage and the Tariff scheme is likely to be sustained through the medium term, but any changes in the security situation still have the potential to impact both on expenditure and on workload. For example, incendiary devices which exploded on the Boucher Road, Belfast and in Newry in 2006 necessitated the Agency making provisions of £26m, the estimated cost of meeting the resulting claims.

#### Finance and headcount control

15. The new Comprehensive Spending Review impacts in year 2 of the present plan, and it is clear that there will be tight control on expenditure over the period. Alongside this the NIO is introducing staff headcount controls as a further monitoring mechanism.
16. The Agency continues to review its overhead costs and staffing levels to ensure value for money. While the great majority of the reduction in staffing and resulting costs has already taken place, the Agency has plans for some further reductions as the remaining cases under the 1988 Criminal Injuries Scheme are cleared, and believes it can operate within the headcount figures which at the time of writing are expected to emerge.

#### Compensation policy

17. As a delivery organization, the Compensation Agency operates within the legislation on compensation schemes enacted by Parliament and the policy set by Ministers. The Agency recognizes the contribution it can make to ongoing review of policy given its experience of operating the schemes; and equally, compensation policy forms a vital backdrop to its plans. The Agency will therefore continue to work closely with the NIO on compensation issues during the period of the corporate plan.

#### Devolution of justice functions

18. The Agency expects to be part of the range of responsibilities transferred to the Northern Ireland Executive when criminal justice functions are devolved. The Chief Executive is a member of a steering group of arms-length bodies and the Agency will be making preparations during the first year of this plan so as to be ready for devolution.

### *Key themes for 2007-2010*

#### Responding to customers' needs

- We will continue to listen to our customers, both by continuing the biannual customer survey (the methodology of which we will review), and through considering at meetings of the Agency Strategy Group the issues raised in complaints.



- We will retain our Chartermark as independently-verified evidence of our commitment to customers, and work towards the new Chartermark standards when published.
- We will work with our partners with the aim of continued improvement in standards of service, including in the timely return of reports.
- Conscious of the diversity of our customers, we will make particular arrangements to ensure that people with a disability or whose first language is not English are facilitated in dealing with the Agency.
- We will benchmark our performance against equivalent provision in Great Britain.

#### Compliance with legislation and standards of adjudication

- An annual assessment by the Department's Internal Audit Branch using a randomly-drawn sample of cases will help to provide assurance on compliance.
- We will continue to ensure that staff training in the schemes we operate contributes to maintaining standards.

#### Effective corporate governance

- We will use the skills of the Agency Strategy Group in steering the strategic direction of the Agency.
- We will continue to develop our risk management processes, contributing to a culture of effective risk management in the Agency and matching best practice.
- We will ensure that our business plans are timely, balanced and take account of the views of stakeholders.
- We will actively use audit services to provide assurance of effective internal controls and will act promptly on their agreed recommendations.
- We will ensure that appropriate accounting and financial standards are followed, and that our annual resource accounts are laid before Parliament in accordance with the "faster closing" deadlines.
- We will continue to put a premium on effective internal communications.

#### Developing our people

- We will retain our Investor in People status as evidence of our commitment to continuous learning and development.



- We will take a more strategic approach to training, ensuring that what is provided addresses the priority needs of the business as well as individuals' needs to undertake their particular jobs.
- We will use the Professional Skills for Government frameworks to promote staff development.
- Through participation in NIO staff opinion surveys, and through less formal mechanisms, we will listen and respond to the views of staff.

#### Building meaningful partnerships

- We will develop strategic links with our key partners where these do not already exist.
- Through regular meetings we will ensure feedback in both directions.

#### *Funding our work*

19. At the time of writing, the longer-term resources available to the Agency had not been settled, as a new Comprehensive Spending Review (2007) bid was being assessed. The Agency has been allocated the following resources at the beginning of 2007/08:

	Budget £'000s
Programme Staff	2,280
Programme Non Staff (running costs)	1,570
Programme Non Cash (mainly anticipated compensation payments)	33,400
Programme Receipts	(300)
<b>Resource Total</b>	<b>36,950</b>
Capital Expenditure	215
Capital Receipts	0
<b>Capital Total</b>	<b>215</b>

20. Notwithstanding the fact that settled figures are not available, the Agency is working on the assumption, as noted above, of an increasingly tight financial climate, and of the requirement for savings to be demonstrated during the 3-year period of this plan. The following have been adopted as working assumptions for staff costs, but will be subject to final confirmation.



	Maximum Staff Cost Budget (£'000s)
2008/09	£2,305
2009/10	£2,239

### *Further information*

21. Further information on the work of the Agency is available from:

Chief Executive's Office  
The Compensation Agency  
Royston House  
34 Upper Queen Street  
BELFAST  
BT1 6FD

Telephone (028) 9054 7417  
E-mail [comp-agency@nics.gov.uk](mailto:comp-agency@nics.gov.uk)



## *Business Plan 2007-2008*

The strategic aims specified in the Corporate Plan together with the key performance indicators agreed by the Minister and contained in the Agency's framework document have been used to develop key performance targets and development objectives for the 2007-2008 Business Plan.

In drawing up key performance targets for 2007-2008 account has been taken of the achievements of previous years, the forecast for the level of violence within the community, and the financial and manpower resources available.

For the first time this year, the "balanced scorecard" approach has been adopted to the business planning process. The key business quadrants are:

- provision of the statutory compensation schemes (reflecting the key theme in the corporate plan of compliance with legislation and standards of adjudication);
- managing resources and business planning (reflecting the key theme of effective corporate governance);
- staff performance and development (reflecting the key theme of developing our people);
- customer satisfaction (reflecting the key themes of responding to customers' needs and building meaningful relationships).

### **1. PROVISION OF THE STATUTORY COMPENSATION SCHEMES**

#### **Key performance targets 2007-2008**

##### **Criminal Injuries (Compensation) (Northern Ireland) Order 1988**

- To clear 650 Criminal Injury 1988 Order claims by 31 March 2008. This target to be reviewed after 6 months in light of a major review of the remaining claims taking place over the summer.

##### **Criminal Damage (Compensation) (Northern Ireland) Order 1977**

- During 2007/08, to reduce the quantity of outstanding Criminal Damage claims by 350. It will be noted that this target necessitates clearing a quantity of claims equal to the number received during the year, in addition to the 350 by which the number of uncleared claims is to be reduced.

##### **Criminal Injuries Compensation (Northern Ireland) Order 2002 (Tariff)**

- To make decisions on 63% of Tariff claims within 12 months of registration.
- To reduce the number of undecided Tariff claims >12 months at 31 March 2007 by 70% (1,883 undecided claims at 31 March 2007).



- To make decisions on 2,600 Tariff review cases by 31 March 2008.
- To make decisions on 85% of Tariff review cases over 6 months old at 31 March 2007 (715 claims over 6 months old at 31 March 2007).

#### Compliance with legislation

- To ensure that the Agency's standards of adjudication are appropriate. This will be confirmed by the Department's Internal Audit Branch through random sampling of claims.

#### Development objectives 2007-2008

- To implement all recommendations from the Internal Audit Tariff Review.
- To agree and implement a Service Level Agreement with PSNI to improve the timely receipt of police reports by Autumn 2007.
- To carry out a case review of the Criminal Injuries 1988 Order cases by September 2007.

## 2. MANAGING RESOURCES AND BUSINESS PLANNING

#### Key performance target 2007-2008

- To manage the Agency spending on salary, running costs and capital expenditure within financial limits agreed with the Department (including in-year adjustments).
- To process all Tariff claims at a unit cost of £345.

#### Development objectives 2007-2008

- To lay the Annual Report and audited Resource Accounts before Parliament prior to summer recess.
- To agree with the Department's Head of Internal Audit the audit programme by September 2007.
- To continue to develop the role of the corporate services branch as a central support function to the Agency.
- To monitor the Agency's compliance with the corporate governance code of best practice.
- To develop the Tariff IT system with the view to improving claims processing.
- To revise and update the Agency's website by December 2007.



- To begin the 2008-2009 business planning process in December 2007 with the view to having it completed by 31 March 2008.
- To review the Agency's risk policy and contingency plans.

### 3. STAFF PERFORMANCE AND DEVELOPMENT

#### Key performance target 2007-2008

- To deliver at least 75% of the planned training days specified in the 2007-2008 training plan (excluding cancellations by training providers).

#### Development objectives 2007-2008

- To carry out a review of the Agency's overall staffing structure and requirements by Autumn 2007.
- All staff Annual Reports and Personal Development Plans to be completed by dates set by the Department.
- To manage absenteeism with the aim of reducing sick absence from 7.6% to 6.6%.
- To conduct regular meetings with trade union representatives in accordance with the established Agency/trade union arrangements.
- To implement a robust system for monitoring and evaluating training.
- To review and incorporate external developments such as Professional Skills for Government into the Agency's training plan.
- To maintain the Investors in people award.
- To review the Agency's staff handbook by 31 March 2008.

### 4. CUSTOMER SATISFACTION

#### Key performance target 2007-2008

- To reply to 95% of complaints within 10 working days of receipt.

#### Development objectives 2007-2008

- To review the approach to effectively measuring the satisfaction of customers and their representatives.
- To maintain the Chartermark accreditation



## *Summary of key performance targets 2007-08*

### **1. Provision of the statutory compensation schemes**

- To clear 650 Criminal Injury 1988 Order claims by 31 March 2008. (Target to be reviewed after 6 months)
- During 2007/08, to reduce the quantity of outstanding Criminal Damage claims by 350.
- To make decisions on 63% of Tariff claims within 12 months of registration
- To reduce the number of undecided Tariff claims >12 months at 31 March 2007 by 70% (1,883 undecided claims at 31 March 2007).
- To make decisions on 2,600 Tariff review cases by 31 March 2008.
- To make decisions on 85% of Tariff Review cases over 6 months old at 31 March 2007 (715 number claims over 6 months old at 31 March 2007).
- To ensure that the Agency's standards of adjudication are appropriate.

### **2. Managing resources and business planning**

- To manage the Agency spending on salary, running costs and capital expenditure within financial limits agreed with the Department (including in-year adjustments).
- To process all Tariff claims at a unit cost of £345.

### **3. Staff performance and development**

- To deliver at least 75% of the planned training days specified in the 2007-2008 training plan (excluding cancellations by training providers).

### **4. Customer satisfaction**

- To reply to 95% of complaints within 10 working days of receipt.