A. Accountability

This Service Delivery Agreement is the responsibility of the Secretary of State for Education and Employment. The Office for Standards in Education (OFSTED) has its own Service Delivery Agreement which is the responsibility of Her Majesty’s Chief Inspector of Schools and will support the Secretary of State in the achievement of his targets. There is a separate Service Delivery Agreement for Sure Start.

B. Delivering Key Results

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<th>PSA Target</th>
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<td>1. Increase the percentage of 11-year-olds at or above the expected standard of literacy and numeracy for their age. By 2004:</td>
<td>Target 1 will be delivered through the sustained implementation of the National Literacy and Numeracy Strategies, which have already transformed the quality of teaching in primary schools. The strategies will continue to provide high quality professional development to primary teachers and intensive support to schools that need it most.</td>
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<td>• increase the percentage of children who achieve level 4 in each of the Key Stage 2 English and maths tests beyond the targets for 2002 of 80% in English and 75% in Maths. This target will be announced in due course; and,</td>
<td>Targets 1-5 will be delivered through schools. Local Education Authorities (LEAs) will be asked to set targets in consultation with their schools. These targets will be published and progress towards the National Targets will be published in LEAs’ Education Development Plans (EDPs).</td>
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<td>• reduce to zero the number of Local Education Authorities (LEAs) where fewer than a set percentage of pupils achieve these standards, thus narrowing the attainment gap. This target will be announced in due course.</td>
<td>The Department is promoting schools’ analysis of gender-differentiated achievement by identifying best practice in schools; disseminating it via the Standards Site; preparing appropriate materials for schools (e.g. through the Literacy Strategy, to support boys); bringing together groups of headteachers and LEAs; commissioning research on boys’ underachievement; exploring with Ofsted the benefits of single-sex teaching; and exploring the subtleties of achievement within subgroups of boys and girls e.g. by socio-economic class and ethnic group. Work is in hand to establish baseline data for achievement and progress of children from ethnic minorities, against which targets for closing the attainment gap can be set and future improvements measured.</td>
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| 2. Increase the percentage of 14-year-olds at or above the standard of literacy, numeracy, science and Information and communications Technology (ICT) for their age. Subject to consultation:  
- by 2007, 85% to achieve level 5 or above in each of the Key Stage 3 tests in English, maths and ICT, and 80% in science;  
- as milestones towards that target 80% to achieve level 5 in maths, 75% in English and ICT, and 70% in science by 2004; and,  
- for 2004, a minimum performance target will be set which will result in higher standards for the bottom 20% of pupils and narrow the attainment gap. | To assist in monitoring achievement of key groups of children against targets 1-5 the Department is working to enable analysis of data by ethnic origin by the 2002/2003 academic year and contributing key results data to the annual publication “Race equality in public services”; and working on capture of data for children with special educational needs.  
Target 2 will be delivered through the implementation of the National Key Stage 3 strategy, beginning in September 2001.  
A two year pilot programme covering 17 LEAs and 200 schools will pilot programmes to improve the teaching of English, maths, science and ICT, as well as, transforming teaching and learning across the curriculum. The pilot programme will start this September, with the extension of the Literacy and Numeracy Strategies into Key Stage 3. The Literacy and Numeracy Strategies will be extended nationally from 2001. |
| 3. Increase the percentage of pupils obtaining 5 or more GCSEs at grades A*-C (or equivalent):  
- increase the proportion achieving the standard by four percentage points between 2002 and 2004; and  
- at least 38% to achieve this standard in every LEA by 2004. | To help deliver PSA targets 3-4, by 2004, the average across the 500 lowest performing schools (in 2004), in terms of the percentage of their 16 year olds obtaining 5 or more GCSEs at grades A*-C (or equivalent ), should be at least 25% - (1999 - 18%).  
Through Excellence in Cities , the Department is working in partnership with 58 LEAs and their schools to transform secondary education in our cities - driving up standards farther and faster. There are already encouraging signs that the programme is working. The Department is building upon the success of Excellence in Cities to tackle smaller pockets of deprivation outside the major cities. It is creating Excellence Clusters - groups of schools in areas of disadvantage which draw benefit from the core strands of the EIC programme. The Department will work with the Department of Health, through local authorities, to improve the educational attainment of children and young people in public care. Joint working of Departments of Health and Education, local authorities, social services and education departments and the co-operation of schools to implement measures set out in 'Guidance on the Education of Children and Young People in Public Care’ http://www.dfee.gov.uk/incare will lead to an increase in the proportion of care-leavers 16 and over with 5 GCSEs at grade A*-C, from 6% in 1998 to 15% in 2004. |
<p>| 4. Increase the percentage of pupils obtaining 5 or more GCSEs at grades A*-G (or equivalent), including English and maths: by 2004 92% of 16-year-olds should reach this standard. |  |</p>
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| **5. On pupil inclusion:**  
- Reduce school truancies by a further 10% from the level achieved in 2002; and  
- Ensure that all pupils, who are permanently excluded, obtain an appropriate full-time education. | In support of target 5, each Local Education Authority is required to set a target for reducing unauthorised absence from school (truancy) and to provide an appropriate full-time education for permanently excluded pupils by 2002. LEAs are also required to publish Behaviour Support Plans detailing arrangements for the education of pupils with behavioural difficulties.  
- The Connexions Service will play an important role in helping to achieve the target to reduce school truancies, as it becomes established. |
| **6. By 2004, increase by 3 percentage points the numbers of 19-year-olds achieving a qualification equivalent to National Vocational Qualification level 2 compared to 2002.** | Target 6 - Learning Partnerships will publish their Plans and Targets locally. From April 2001 until 2002 Learning Partnerships will share responsibility for delivery with the Learning and Skills Council (LSC). After 2002, the LSC will take the lead working closely with Learning Partnerships. The LSC will be set targets by the Secretary of State. The Connexions Service will contribute, as it is established throughout the country. The LSC and the Connexions Service will be required to build equal opportunities into all its policies, programmes and actions and, where appropriate, establish equal opportunities targets and performance indicators to tackle under-representation and under-achievement. |
| **7. In Higher Education: while maintaining standards,**  
- increase participation towards 50% of those aged 18-30 by the end of the decade;  
- make significant, year on year progress towards fair access, as measured by the Funding Council benchmarks; and  
- bear down on rates of non-completion. | Target 7 will be delivered via the Higher Education Funding Council for England (HEFCE) which funds and monitors higher education institutions (HEIs). The Council publishes an annual strategic plan setting out its aims, targets and how these will be met. HEFCE has a commitment that the HE student body should be more representative of the population, that there will be higher levels of student retention and achievement, and that institutions increasingly will collaborate to share and promote good practice in widening participation. It will be possible to monitor the impact of the PSA target on women, ethnic minorities and disabled people through data collected by the Higher Education Statistics Agency and analysed by the Council and the Department. |
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<td>8. Reduce the number of adults who have literacy or numeracy problems by 750,000 by 2004.</td>
<td>Target 8 will be the responsibility of a new Adult Basic Skills Strategy Unit based in DfEE. It will coordinate national strategy to include the development of national standards, curriculum and testing, training of teachers in all sectors, and improved screening and support for unemployed people. It will work closely with the LSC which will have a key role in securing quality learning opportunities and meeting targets at national and local level. A working Group was set up following the Moser report to look specifically at the issue of English as a Second Language and to make recommendations. The forthcoming national strategy for adult basic skills will set out the proposed approach.</td>
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<td>9. Increase employment over the economic cycle. <em>Shared target with Her Majesty’s Treasury and Department for Social Security.</em></td>
<td>PSA Targets 9, 10 and12 will be delivered mainly through the Working Age Agency and its partners. This new Agency will be established for people of working age, with stretching output, service delivery and value for money targets by Summer 2001. These will be updated on an annual basis. 1.6 million new childcare places will be created by March 2004 which, taking account of turnover in existing places, should allow around a million extra children to benefit in England alone. The ONE service will be substantially extended, providing more work focused help and support for economically inactive people including those on Income Support and Incapacity Benefit to improve employment prospects.</td>
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<td>10. A continued reduction in the number of unemployed people over the age of 18 over the 3 years to 2004, taking account of the economic cycle. <em>Shared target with Her Majesty’s Treasury.</em></td>
<td>Target 10 will be met through the Working Age Agency, Jobseekers Allowance, and through the New Deals. Through the Jobseekers Allowance we will ensure that every unemployed jobseeker has the right to help and support in looking for employment along with the responsibility to actively seek work. The New Deal will offer targeted assistance for the long term unemployed and for other people at a disadvantage in finding work.</td>
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<td>11. Reduce the number of children in households with no one in work over the 3 years to 2004. <em>Shared target with the Department for Social Security.</em></td>
<td>Target 11 will be met in partnership with the DSS by intensifying the advice, guidance and help available to people in workless households. ONE offers all new benefit claimants between the ages of 18 and 59 a personal advisor, who will help them explore ways to become more independent. New Deal for Lone Parents offers a comprehensive package of opportunities to help lone parents on Income Support move from welfare dependency into work. Personal Advisers provide practical help and support to help lone parents find work, identify and access training opportunities and suitable childcare provision, and support them during the transition from benefit into work.</td>
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<td>12. Over the 3 years to 2004 increase the employment rates of disadvantaged areas and groups, taking account of the economic cycle - people with disabilities, lone parents, ethnic minorities and the over 50s, the 30 local authority districts with the poorest initial labour market position - and reduce the difference between their employment rates and the overall rate. <em>Shared target with the Department for Social Security.</em></td>
<td>To deliver target 12, targeted activity such as Employment Zones and Action Teams will reduce regional disparities while strategies for the New Deals will address other equal participation issues. ONE will broaden the client group for advice and support. By 2004, the Government's ambition is that there should be a childcare place in the most disadvantaged areas for every lone parent entering employment. The percentage of lone parents perceiving childcare to be a barrier will be monitored to help measure progress. The Department will set a target to close the childcare gap between disadvantaged areas and others in the spring of 2001.</td>
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**Value for Money**

13. Complete benchmarking work for schools by December 2002 so that schools will then be able meaningfully to compare costs with one another and thus improve value for money year on year. | See Section C2 |

**Additional targets/measures**
The PSA targets support the Department's Key Objectives. The additional targets and measures, detailed below are significant in supporting these objectives.

1. Provide free early education places for all three year olds by 2005
2. 94% of early years settings making satisfactory or better provision towards the Early Learning Goals for 3 year olds by 2004
3. Jointly with the department of Health, DETR and others in Government, by end 2001 to formulate objectives for services for under 5s across England and identify baselines for a future PSA target or targets.
4. The Department will prepare for publication in April 2001, and every two years thereafter, a volunteering strategy setting out how it will maximise volunteering activity throughout all service areas for which it is responsible. The strategy will describe how these services will contribute by 2004 towards the Government’s objective of engaging more people in their communities.
5. Achievement of the National Learning Targets to 2002, published in the Department’s Annual Report, provide a key focus for the Department and all those with whom it works in pursuit of our/the Government’s objectives. New post 16 targets will be developed in consultation with the LSC, once established.
The Department will encourage Learning Partnerships and its local delivery agents to participate actively in effective Local Strategic Partnerships that engage with, and respond to, local community needs.

6. DfEE will work with the Home Office and the Department of Health to reduce the proportion of people under the age of 25 reporting use of Class A drugs by 25 per cent by 2005 and 50 per cent by 2008. This will be supported by:
   • All schools delivering statutory drug education as set out in the National Curriculum;
   • 80% of primary schools and 100% of secondary schools to have drug education policies, in line with DfEE guidance, and consistent with Drug Action Team (DAT) Prevention Plans, by 2003;
   • ensure that Education and Health Partnerships support schools in developing drug education programmes consistent with Government guidance on best practice.

Performance Information Validation
Many of the Department’s PSA targets are monitored using high quality official statistics. The Department will increase the number monitored in that way and will, as soon as possible, apply National Statistics standards to those statistics. The Department’s Internal Audit Division independently reviews the systems in place for validating performance data collected by the Department.

Data on people entering work recorded by the ES database are validated by regional validation teams on a random sampling basis. As a check on their accuracy the National Audit Office (NAO) conduct an annual inspection of job entries which have undergone validation checks. In 1999-00 NAO concluded that 93% of placings of people into work were valid. ES is developing strategies to improve further the validation rate.

C Improving Performance

C.1 Strategies for Improving Performance
DfEE has a comprehensive business planning process for delivery of its targets through annual workplans for the Department and its sub-levels. As part of this, each of the Department’s divisions develop an annual improvement plan to raise performance in the areas they have identified as most in need of attention. Many Divisions in the Department developed their improvement plans using the EFQM Excellence Model. The remainder are now being encouraged to use the Model as a continuous improvement tool.

The Permanent Secretary is chairing a new IdEAs (Identifying Efficiency Actions) Group which will drive forward a strengthened challenge on effective use of running costs, including a series of focused, in depth, cross cutting reviews along "Rayner" lines, overseeing the Better Quality Services review programme and reviewing regularly the deployment of staff and running costs.

The Department’s 5 year programme of Better Quality Services reviews covers 100% of its services and activities and will be completed by 2004. A parallel programme of quinquennial reviews covers ES and NDPBs.

C2 Value for Money

Schools
Benchmarking work for schools will be completed by December 2002 so that schools of a similar type will be able meaningfully to compare costs with one another. This will give schools a solid basis for identifying their potential for improving value for money year on year.

The Department’s Value for Money Unit, in conjunction with the Audit Commission, is developing a framework to introduce consistent financial reporting. This will:
• give all schools the tools they need to benchmark their activities so that they are able to identify and take forward their own priorities for improvement;
• represent the sole source of information about schools’ income and expenditure. The framework will form part of the Common Basic Data Set for schools - DfEE, Ofsted, and LEAs will not need to request additional, separate financial information from schools; and
• it will be compatible with other central sources of data about schools. The financial information collected in 2002 will be combined with value-added data in 2003 to enable schools to benchmark their performance against schools of a similar type.

The Department will consult on the consistent financial reporting framework in the 2000-1 financial year. Any schools wanting to participate will be able to record income and expenditure in line with the framework from April 2001.

**Lifelong Learning**
The establishment of the LSC, by bringing together the wide range of current post-16 provision within one funding system, will make measurement and encouragement of value for money much easier. There will be comparable data collected from all providers, and, over time the Department will work with LSC providers and other partners to develop and apply better measures. The Secretary of State will ensure that the LSC continues the Department’s work to develop robust value for money indicators by 2002-3. The Department is continuing to modernise the administration of [HE] student support by introducing a number of on-line, e-government type, initiatives.

**Higher Education**
The Department will continue to work with the HE sector to develop better measures of HE value for money, including measures of quality, access and employability as well as costs.

**Employment**
ES will deliver the targets in the PSA and its APAs without any additional funding to offset the effects of inflation. This implies an annual productivity gain of 2.5%. Appropriate value for money targets for the new Working Age Agency will be developed that will continuously improve the cost effectiveness of labour market measures.

**HQ administration costs**
The Department has a determination to reduce the size of support functions, refocusing released resource into policy directorates.

**C.3 Variations in Performance**

**Schools**
The Autumn Package provides schools with hard and electronic copies of national pupil data so that schools can compare their own performance with national data when setting and reviewing targets. The publication of examination and Key Stage 2 results in performance tables places information about the achievements of LEAs and schools firmly in the public domain - thus strengthening accountability. The inclusion of results achieved over a 3 year period focuses attention on improvement over time which encourages schools to strive to do better each year.

Variations in school and LEA performance are being tackled by a wide range of policies in the SEU’s School and LEA Effectiveness Divisions. At national level, schools are challenged by the OfSTED inspection process and where necessary are placed in ‘special measures’ and their progress monitored and evaluated.

**Post 16**
The Department will continue to publish A level results and, for selected pilot areas, value added tables. From April 2001 post-16 standards will be raised by:

• continuous improvement through benchmarking and target-setting as part of the LSC’s quality improvement strategy; and
• rigorous external inspection through extending the remit of OFSTED and establishing the Adult Learning Inspectorate (ALI).
• targeted follow-up action, including remedial measures as appropriate; and
• continuous improvement through benchmarking, target setting, support for improvements in the quality of teaching and dissemination of best practice; as part of a comprehensive quality improvement strategy, led by the LSC.

Local LSCs will be required to publish information about performance. The LSC funding system can reward providers for good and improving performance.

**Higher Education**

HEFCE will continue to publish annual information on how HEIs performed in relation to a number of performance indicators. By 2006 the quality of teaching of all subjects in all institutions will be reviewed and reports produced, placing each Department in one of three grades. At the same time there will be institution-wide reviews, focusing on internal quality systems, again resulting in one of three grades. This framework will allow monitoring for equal opportunities.

**Employment**

ES will benchmark the performance of its Jobcentres to ensure that the best practices of the best performing are shared with others. The agency is also to explore the possibility of expanding this work to ensure that performance matches external best practices. New Deal's continuous improvement strategy includes nine Core Performance Measures. These Core Performance Measures report local performance by cohort and allow partnerships delivering New Deal to assess how well they are doing at a local level. They are presented in performance table format.

**C.4 Procurement**

By April 2004, 95% of the Department’s low value orders will be obtained by use of either e-procurement techniques or the Government Procurement Card (GPC) and 95% of low value invoices will be paid electronically. Currently, the Department covers 76% of its transactions electronically and is aiming for 80% in 2001. These targets also apply to NDPBs. The whole Department will use the GPC and DfEE will explore further opportunities to collaborate on joint procurements, share best practice and monitor the extent of the procurement contribution to the achievement of value for money. By the end of 2000, 75% of people in key designated procurement posts will be qualified to, or undertaking study for, graduate membership of the Chartered Institute of Purchasing and Supply. Continuous improvement will be facilitated by application of the Procurement Excellence Model and through benchmarking with others. Annual assessment using the model will be introduced by April 2001.

ES is working with DSS/BA to consider procurement standards for the new agency and how to develop procurement staff.

**C.5 Fraud**

The Department and ES each have a fraud policy and response plan setting out clear lines of responsibility and reporting, a programme of preventative work, a regime of controls which detect attempted fraud, and an effective investigation capability.

The scale of reported fraud in the Employment Service - both internal and external - is relatively small in monetary terms when compared to the number of staff and expenditure.

To assess the true level of fraud, the Fraud Policy and Investigation Unit carries out fraud risk assessments of ES programmes and business areas. Testing is then carried out on those areas identified as high risk (testing for undetected fraud). This provides assurance on the management of fraud risk in the ES.

**D Consumer Focus**
D.1 Consumer Tests
The department in line with Government policy has a commitment to report annually, from 2002, on how customer feedback has helped to shape policy.

The Higher Education Quality Assurance Agency (QAA) was established in 1997 to provide an integrated quality assurance service for UK higher education institutions. QAA is an independent body funded by subscriptions from universities and colleges of higher education, and through contracts with the main funding bodies. Its business is to review the quality and standards of HE in universities and colleges. It does this by auditing institutional arrangements for managing quality and standards, and by assessing the quality and standards of teaching and learning. These activities result in reports available to the public as both printed publications and on QAA’s web site.

QAA regards meetings with students as an important part of its review process. The meetings are held without the presence of staff from the institution concerned, and enable students to raise any issues they wish. Students are asked in particular about the quality of the curriculum, teaching and learning, assessment, facilities, support and their own involvement in the quality and standards structures of their faculty, and the institution in general.

The White Paper Learning to Succeed charged Learning Partnerships with an important new task in developing and establishing mechanisms through which feedback from learners can help improve the quality of future provision. For 2000-01 Learning Partnerships have been asked to ensure that they have consultative mechanisms in place capable of capturing the views and opinions of young people and adults, learners and non-learners and that they have arrangements to ensure that the feedback influences the quality of provision within their communities. In respect of young people the Careers Services (and in due course the Connexions Service) are taking this forward within the Learning Partnerships.

There are established mechanisms for customer feedback in post 16. For example, there is a six monthly follow up survey of all trainees who have left training schemes. The feedback is analysed and reports of unsatisfactory experience are followed up. In addition there are established student/trainee complaints procedures which allocate accountabilities to provider organisations. However in some cases the delivery chains have been too long thus obscuring responsibilities for the customer. These chains will be shortened with the introduction of the Learning and Skills Council. The Council will build new arrangements. These will include feedback from inspections and area inspections, statements of expectations and responsibilities, and complaints procedures. The Council will be required to develop the detail of its arrangements in its Quality Improvement Strategy for which it must seek the approval of the Secretary of State.

The ES Director of Jobcentre Service is the customer champion for ES/DfEE and a network is in place to discuss and promote customer value for all direct services. DfEE, itself, provides very few services direct to members of the public but has established programmes to ensure that customer needs are met. For example:

- the Overseas Labour Service has an objective to improve the level of customer satisfaction to 90% by the end of March 2001 and has established a User Panel to facilitate regular and structured customer feedback with a view to a better understanding of on-going customer needs and requirements

- the Training Loans Unit seeks feedback from applicants by questionnaire. Their Customer Service Report produced monthly includes this feedback as well as telephone enquiries, written correspondence and complaints. Trends and issues are identified in the report together with action taken. The Unit has also run a Customer Service Improvement Project with external partners to look at ways of simplifying the application process.

The Department will convene an event for NDPBs to discuss how best to set appropriate
measures to ensure that the services in their sectors are of the required quality and respond to the needs of customers and stakeholders.

In recent years ES has initiated a series of developments at improving customer service as part of its continuous improvement programme:

- the Mystery Shopping programme measures performance against the Jobseekers Charter 2000, and Cabinet Office Charter Marks standards. The customer service delivery rate in 1999-00 was 88.6% against a target of 87%. The target for 2000-01 is 90%. The programme will be reviewed in the forthcoming year to reflect the introduction of the new working age agency and the development of its customer charter.

- for 2000-01 ES has developed a new performance indicator to focus on the services provided to employers. The indicator measures performance against 'Employer Service Commitment', but also provides, for benchmarking purposes, an overall customer satisfaction level. Performance in 1999-00 peaked at 77%; the target for 2000-01 (from July 2000) is 80%.

Customer satisfaction surveys
To provide more detailed information on customer satisfaction, ES will carry out a Jobseeker Satisfaction survey in 2000-01. The survey will provide, at a national level, information about overall satisfaction for the services delivered in Jobcentres. It will also provide satisfaction ratings by specific groups of customers, for example by gender, age group, people of ethnic origin and disability. Further surveys will be undertaken by the new working age agency and the information gained will be used to help develop the delivery and quality of its services.

D.2 Consumer Access
ES offers a single national telephone number, charged at local rate, to give jobseekers access to job vacancy details nationwide. Lines are open 9am to 6pm Monday to Friday and 9am to 1pm on Saturdays. ES is looking at the feasibility and demand for extending these hours. From 2001 employers will be able to notify job vacancies through a single number 8am to 8pm on weekdays 10am to 4pm on Saturdays. From autumn 2000 ES will also provide a Job Bank, that will provide job vacancies and jobseeker’s CVs on the Internet, alongside the Learning and Work Bank (primarily providing details of learning and training opportunities).

D.3 Prompt handling of correspondence
DfEE and ES will reply within 15 working days to Ministerial correspondence, letters to ministers from members of the public and letters sent directly to officials or to DfEE in general, whether received by post (including postcards), fax or E-mail.

E Managing People
E.1 Civil Service Reform
The DfEE’s Modernising Government Action Plan [insert hyperlink] contains a vision for the Department and sets out how it is aiming to make that vision a reality through a series of modernising actions in the fields of policy making, delivery, management and the way we work. Some examples are:

- making the use of creative thinking techniques an everyday part of working life in the Department, for example by training people in the use of Edward De Bono’s Six Thinking Hats and What If!’s Six Innovation Behaviours
- developing an integrated e-business strategy
- introducing new performance management and pay arrangements for the 2001-02 reporting year, which better identify the best and weakest performers, improve incentives, encourage continuous improvement, tackle poor performance more effectively and promote greater diversity
- introducing a new development programme for ethnic minority staff with senior
management potential, to bridge the gap between the current ‘positive action’ provision - Equal Chance - and ‘Prospects’, the Department’s Fast Track Development Programme

• markedly increasing external recruitment efforts for individual senior posts and for more general recruitment. Targeting underrepresented groups in recruitment exercises with demonstrable impact on the proportions of women and ethnic minorities at Senior Civil Service (SCS) level, for which targets of 35% and 3% respectively have been set, ethnic minority staff at HEO level and people with disabilities at all levels. By 2004 the Department aims to have 5% of staff at Team Leader level (Grades 6 and 7) from ethnic minority backgrounds.

The ES Action Plan builds on what has already been achieved in recent years; embracing a programme of major and ongoing change, modernising service delivery, implementing the ES Values and making substantial changes to HR arrangements. Further actions will include:

• designing a programme to develop people in management and leadership roles across the organisation and continue the programme of regular 360 degree feedback for SCS members;

• implementing and evaluating new ES appraisal arrangements during both 2000 and 2001 to embed a change in the ES culture, reinforce business goals, ensure equality of opportunity, increase awareness of gender and equality issues and assess people on how they perform in addition to their actual achievements;

• implementing pay arrangements for the new agency from April 2002 and re-appraising non-pay incentives;

• building on the wide range of equality and diversity initiatives already in place, diversity targets will be set for managers as part of regional business and equality plans; and

• exploring and developing arrangements to recruit externally at middle and senior management levels.

ES and the Benefits Agency are considering how to take forward the ES Action Plan as part of the planning process for the working age agency.

E.2 Wider public sector reform

The Government will put in place and consolidate fundamental reforms to the pay and career structure of the school teaching profession. The underlying objective is to ensure that there is a solid underpinning for continuing improvements in standards of achievement among school pupils. The new pay structure will reward high quality teaching performance more efficiently than at present, improving the incentives for good staff to remain in the profession and increasing the attractiveness of teaching to potential new entrants. Further details can be found on http://www.dfee.gov.uk/teachingreforms

As a result of the extra resources for 2001-02 announced in November 1999, and the Spending Review announcement in July 2000, higher education institutions will have the flexibility they need to begin to tackle concerns about academic pay; this will include recruiting and retaining top-quality staff at all levels in an increasingly competitive market for people and ideas, and moving towards more effective management of their staff.

E.3 Sickness absence

DfEE will reduce sickness absence to 6.9 working days per staff-year by December 2001; and 6.0 working days per staff-year by December 2003 (average 1999 7.6) while ES will reduce sickness absence to 9.5 working days per staff-year by December 2001 (average 1999 11.5 days); and just over 8 working days per staff-year by December 2003. (These targets are for ES only and do not take account of the new agency targets for sickness absence.)

The Department’s NDPBs are reviewing or developing policy on sickness absence. The Qualifications and Curriculum Authority have a current target for reported sickness of 3%
and will be looking to maintain and improve on this figure in the future. The British Educational Communications and Technology Agency have a target for March 2001 of 1.5%.

To operate effective occupational health policies and sound management practices which:

- achieve in the Department and ES levels of ill health retirement by 2005 consistent with or better than the departmental target of 3.72 ill health retirements per 1,000 employees.
- recognise individual entitlements to ill health retirement where this is justified following consistent, robust but fair application of the scheme criteria.

To set for each employer of teachers an objective of operating effective occupational health policies and sound management practices which achieve in the organisation levels of ill health retirement by 2005 consistent with or better than the best quartile target of 5 retirements per 1,000 employees who are scheme members, and recognise individual entitlements to ill health retirement where this is justified following consistent, robust but fair application of the scheme criteria.

**F Electronic government**

All key services provided by this department to the Citizen and Business will be available online by 2005. Online availability of services is measured every six months through the Electronic Service Delivery return. In pursuit of 100% availability, this department is progressing the following initiatives:

**Learning and Work Bank** – the development of an Internet portal, covering job vacancy, careers, work-related learning and training opportunities, for jobseekers and those who want to improve their skills or learn new skills. The portal will be launched at the end of 2000 and developed further in 2001.

**Work Permits** - The application form is available through the Internet, but must be signed and posted to the Overseas Labour Service for processing. The facility for employers to apply for work permits online, an important aspect of modernising the Overseas Labour Service, will be introduced early in 2001.

**Connexions Service** - will provide information, advice and guidance for all young people 13 to 19 to help them make the most of their educational and vocational choices and development opportunities during their teenage years and prepare for successful transition to work and adult responsibilities. The Service will be provided to young people via a range of means, including a network of personal advisers who will give advice and guidance, broker access to specialised support and, in some instances, provide personal development opportunities. An integral part of the service will be a smart card and public sector services of interest to young people.

**Equality Direct** - a cross-cutting project on which the DfEE is working with the three Equality Commissions and the DTI. The service is part of the Modernising Government agenda aimed to respond more directly to business needs for information and advice on equal opportunities issues. The Equality Direct proposal comprises a telephone advice-line piloted England wide, an Internet website, and in a more limited location, local support teams to provide direct assistance to small and medium sized businesses.

**Student Support Online** - Students can now access the initial application form over the Internet. A number of LEAs are the sending information electronically to the Student Loans Company as a pilot. Further developments in 2000 will encompass making financial applications forms available through the Internet and rolling out the pilot electronic link to the majority of LEAs. Modernising the system will continue incrementally over the next two to three years.

**e-Universities** - It is envisaged that the project will be developed by a consortium of leading HE institutions and private sector companies specialising in ICT, and is expected to form close links with the Open University and the new Cambridge University/ MIT project. The project will set up the infrastructure for the e-universities; develop a portfolio of courses suitable for web-based delivery; identify among core and associate consortium members suitable existing programmes and learning materials for web-based delivery or commission new ones; configure electronic access to the library and learning resources of consortium members and the SuperJANET networks; develop and administer a student tutoring service and student recruitment and support services, drawing on existing and newly-recruited staff of the consortium; assess students' progress and award qualifications, applying the same standards and expectations as for UK higher education courses generally.
**Statistical Returns from Education** - The pilot trial of the use of Internet technologies to collect data from the education sector was successful and the service is being developed and used for a small selection of returns. The Department is on target for all data collection, except where schools prefer to use paper returns, to be electronic by April 2002, reducing bureaucracy and the administrative burden.

**Modernising ES** - A major programme of work is taking place in Employment Service to make ES systems better prepared for joined-up Government and to increase the availability of electronic service delivery channels. During 2000/2001 the programme will create a new Job Bank, which besides feeding an enhanced Labour Market System, will be accessible by the public over the Internet and through touch screen kiosks in Jobcentres. A new service for employers will also be provided in Spring 2001, allowing them to notify vacancies to ES more easily via a single national telephone number.

To promote this work and to co-ordinate these initiatives with similar work in other Government Departments, DfEE and ES have both been assigned Information Age Government Champions. They and IS/IT colleagues are heavily involved in work with CITU to develop a corporate government IT strategy and technical frameworks to progress the electronic government agenda.

**G Policy and Strategy**

DfEE is aiming for best practice. Examples are:

- an evidence-based approach to policy-making. This means:
  - enhancing the research base for policy, through a long term research strategy, agreed through a process of wide consultation; investment in major longitudinal studies to provide sound evidence; and establishing a series of dedicated research centres to address key policy questions;
  - robustly and professionally appraising policies and programmes at the stage when they are first conceived, so that alternative ways of delivering the objectives are considered, costs and benefits (including indirect effects) fully assessed and quantified, risks taken into account, and effects on social equity considered.
  - ensuring all policies and programmes are properly evaluated, such that their objectives are clarified at the outset; evaluation plans are built into the development of policy; resources are made available for evaluation; and results emerge in a timely form in relation to the policy timetable; and

- a Consultation Unit which acts as a centre of excellence, advising policy teams on best practice in external consultations;

- development of a wide risk management strategy which will make the identification, assessment and subsequent management of risks part of the management process at all levels;

- promoting and supporting the effective use of project and programme management techniques in implementing policies and programmes;

- development of a self assessment toolkit for use by policy makers in assessing the impact of policies, programmes and services on key groups: men and women, disabled people and ethnic minorities;

- peer review of its key management processes; and

- a Policy Innovation Unit to offer new insights on policy and delivery, which will include staff from outside the DfEE.

The Department will take account of gender differences by taking the following measures in order to ensure the most effective delivery:

- using the document Policy Appraisal for Equal Treatment (issued jointly by the Home Office, DfEE and the Women’s Unit in November 1998);
• taking steps to implement gender awareness training for policy-makers;
• developing initiatives to communicate best practice in policy-making with regard to gender analysis;
• increased use of consultation, research projects and disaggregated statistics to identify the likely impact of policy.

Following the “Adding It Up” report on Modelling and Analysis in Central Government, the Department will be taking forward research into its objectives.
ANNEX

DiEE is continuing to work towards delivery of all the performance targets from its PSA for 1999-2002. The targets from that PSA listed below are not incorporated in the new PSA for 2001-2004.

| (i)   | increase provision of nursery places for 3 year olds from 34% to 66% by 2002, focusing on the most deprived areas of the country (Objective 1) |
| (ii)  | the number of pupils aged 5, 6 or 7 in infant classes of over 30 to fall from 477,000 to zero by September 2001 at the latest; (Objective 1) |
| (v)   | a reduction by one third in school truancies (from 0.7% to 0.5% half days missed a year through unauthorised absence) and exclusions (from 12,500 to 8,400 permanent exclusions a year) by 2002; (Objective 1) |
| (vi)  | an increase in the proportion of those aged 16 who achieve one or more GCSEs at grade G, or equivalent, from 92% to 95% by 2002; (Objective 1) |
| (ix)  | get 250,000 under 25 year olds off benefit and into work by using money from the Windfall Levy; (Objective 3) (shared with HMT, to be achieved by end of the Parliament.) |
| (x)   | targets for the New Deals in 1999-00, published each April, including the New Deals for lone parents and disabled people for which DiEE and DSS are jointly responsible, the figure to be updated annually for each succeeding financial year. (1998-99 target for New Deal for 18-24s placings is 100,000.) (Objective 3) |
| (xi)  | a target for placing unemployed people into work in 1999-2000, published each April, including within it individual targets for the number of JSA claimants unemployed for more than six months placed in to work and those with disabilities, the figure to be updated annually for each succeeding financial year. (1998-99 targets included: unemployed placings 1,300,000; Long-term Unemployed (6 months or more) placings, 250,000; people with Disabilities placings, 80,000.); (Objective 3) |