

Department of Energy and Climate Change Improvement Plan

April 2014

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Foreword by the Departmental Board

The Board welcomes this report, which draws together a clear self-assessment of our operational strengths and challenges, and highlights the improvement activity on-going across the department. This Departmental Improvement Plan will support the Secretary of State and Board's continued focus on departmental capability and efficiency. We want DECC to be among the best departments in Whitehall.

DECC's vision is 'To promote economic growth by delivering affordable, sustainable and secure energy to the UK, while driving ambitious action on climate change internationally'. We do this by delivering the five Coalition priorities as set out in DECC's Business Plan:

1. Promote UK growth
2. Save energy with the Green Deal and other policies and support vulnerable consumers
3. Deliver secure energy on the way to a low carbon energy future
4. Drive ambitious action on climate change at home and abroad
5. Manage our energy legacy responsibly and cost-effectively

We feel that DECC has one of the most absorbing, challenging and critical set of tasks and objectives in Government. Our goals are long-term, highly inter-dependent and complex, and affect everyone throughout the UK. Many of our programmes are innovative and aim to deliver things that have never been done before. Our governance, structures, staffing and systems have needed to evolve as the department focuses on developing and implementing policy that works by commissioning and delivering major programmes and projects.

DECC has invested significantly in improving its capability since the Capability Review in 2012. Following Stephen Lovegrove's arrival as Permanent Secretary in February 2013, the Department has been restructured, our governance has been reorganised and a departmental change programme, DECC Works, has been launched to co-ordinate improvements to DECC and how we all work together. This programme has delivered some interim successes, complementing the actions stimulated by our last Capability Review and the Civil Service Reform Plan. We have also set up a Portfolio Office to co-ordinate and strengthen portfolio management. We have a clear vision for the future and much more is planned to embed and sustain our improvement trajectory.

This Departmental Improvement Plan outlines the improvement actions undertaken to date and, looking ahead, outlines the focus of the Department and the DECC Works programme which will help improve our overall capability and capacity to deliver our programme of work. We are optimistic about the changes outlined here and confident these will lead to tangible, significant improvements to the way DECC works in future.



Stephen Lovegrove,
DECC Permanent Secretary



Martin Stewart,
Lead Non-Executive Director

Executive Summary

Since DECC's creation in 2008 we have made significant progress in developing the operational elements of the department, while also delivering against a very challenging set of priorities. DECC has one of the largest and most challenging portfolios in Government but is one of its smallest departments, and our vision can only be achieved by becoming the best all-round department we can. Key achievements by DECC since 2012 have included improving DECC's capabilities in commercial skills and project portfolio management (PPM), extensive restructuring of the top team, establishment of the Portfolio Office, delivery of improving staff survey results, and a revamp of the Communications Team.

These stronger operational capabilities have played a critical part in the successful delivery of many major policy milestones over the past year, including the passage through Parliament of the Energy Act 2013, which sets the framework for the country's long term energy supply; and delivering a package of measures that will lead to an average reduction of £50 on household energy bills. Such measures contribute to the Department's goals of keeping the lights on, affordability and reducing carbon emissions.

The department now faces a number of major challenges ahead, not least the considerable financial pressures over the current spending review period and beyond, and we will need to retain a keen focus on efficiency in order to deliver our priorities within our allocated resources. We are committed to continuous improvement, ensuring DECC is better equipped to deliver its challenging agenda. Our policy priorities are numerous, difficult to achieve, and include significant milestones on both the domestic and international energy and climate change agendas. DECC also needs to be prepared to deal with external events such as extreme winter weather which place considerable extra pressure on our existing priorities.

Our activities in response to the recommendations of the 2012 Capability Action Plan have already led to significant improvements; however we know that much more needs to be done to build on and embed these improvements. To ensure we maximise the benefits from our improvements and to co-ordinate our effort more effectively we have established the DECC Works programme, to bring together corporate change in DECC under one umbrella.

Our focus in 2014 will therefore be to drive DECC to become the organisation we need it to be to ensure successful delivery, which includes a department that delivers as One DECC, one that works in a professional way, and one that has strong leadership and management. Our successful achievement of this aim will ensure we are well-placed to tackle the challenges ahead of us.

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Assessment of Performance

Overall assessment

DECC has a very challenging set of delivery priorities and the department is generally performing well against its policy milestones for 2013-14. An increased focus on providing more rigorous and accurate management information and an improved performance reporting process is increasingly providing the Board and Executive Committee with the tools they need to ensure the delivery of our key programmes.

This also supports good performance against our corporate objectives, where activities in response to the recommendations of the 2012 Capability Action Plan are leading to improvements across the department. We know that much more needs to be done, and the establishment of the DECC Works change programme is a key step to facilitating the smooth management of future changes.

The importance of high performance to DECC's mission

1. The Department of Energy and Climate Change was created in 2008 to bring climate change and energy policy into one department. The energy sector is a critical part of the UK economy and is an important driver of growth. We must ensure UK energy security, so consumers have access to the energy they need for light and power, heat and transport at affordable prices.
2. As well as contributing to growth, energy policy is underpinned by the need to reduce carbon emissions in order to mitigate climate change both nationally and internationally. It is vital that we keep up the urgency of the message on climate change and continue to advocate for EU and wider action.
3. The department exists to take the lead in tackling these challenges in a unified manner. Most of DECC's current projects and initiatives are breaking the mould in terms of energy and climate change policy globally, both consumer and supplier facing. It is critical that we get them right. All of those delivery projects are complex, challenging and inter-dependent, and all projects need to be executed efficiently and well. The National Audit Office noted in a recent review of DECC's work that the department faces key long-term challenges and uncertainties in its mission to supply secure, low carbon and affordable electricity.¹ These include inherent uncertainties in our analysis of pathways to meet our long-term mission, and in the cost of meeting emissions targets and cost implications for consumers. The department needs to be an efficient and flexible organisation that can maximise the opportunity of the limited resources available to tackle such significant policy challenges. We can also expect external events to influence the planned delivery of our policies. This means we need a constant watching brief on the impact of our policies and being prepared to amend them, and our ways of working, in order to ensure we deliver our policy objectives.

¹ 'A summary of the NAO's work on the DECC 2011-12' (November 2012)

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4. One of the key challenges facing DECC is maintaining a focus on our long term goals while ensuring that we are sufficiently flexible and agile to respond to short term pressures. We have taken steps to enable this, which includes spending time within our Directorates and as a senior team horizon scanning to identify short term pressures and long-term trends that are likely to impact our policies and work. We have also refocused the strategy team, bringing together in one place responsibility for our big long term targets, as well as for providing the oversight in the short term to enable the leadership team and Ministers to make the right trade-offs between competing interests across the department, where they arise. These steps will help equip the department to respond to short term pressures while minimising impact on our long term goals.

Delivery against DECC's 2011-15 Coalition Priorities

5. DECC's vision is to 'To promote economic growth by delivering affordable, sustainable and secure energy to the UK, while driving ambitious action on climate change internationally'. We do this by delivering on five Coalition priorities as set out in DECC's Business Plan². These priorities are not intended to provide a complete overview of all the department's business, and some areas of on-going work that remain key priorities for the Government are not specifically covered. During 2013, the following key achievements and areas of significant progress were made:
 - The Energy Bill received Royal Assent to become the Energy Act 2013, allowing for implementation of Electricity Market Reform (EMR) that will help deliver diverse, secure and low carbon energy supplies for the future.
 - Progress on the EMR programme in 2013 has included: publication of detailed implementation proposals for the two main EMR mechanisms, Contracts for Difference (CfDs) and the Capacity Market for consultation; publication of the strike prices, showing the level of support for renewable technologies under CfDs for the next five years; the EMR Delivery Plan, which provides the detail and analysis underpinning the strike prices as well as the Capacity Market reliability standard.
 - Renewables' share of total electricity generation is increasing: in Q2, 2013, it was a record 15.4%; in Q3 2013, it was 13.2%. Renewable electricity capacity has more than doubled between Q4 2010 (9,215 MW) and Q3 2013 (19,091 MW).
 - Latest provisional DECC estimates showed that at least £40 billion has been invested in electricity infrastructure since the start of 2010.
 - Commercial agreement reached between the Government and EDF Group on the key terms of a proposed investment contract for the first new nuclear power station in the UK in a generation at Hinkley Point C in Somerset.
 - Legislative backing provided to Ofgem reforms that, by the end of 2013, limited the number of tariffs that suppliers may put on the market, and by June 2014, will have ensured consumers are moved off poor-value dead tariffs and required that consumers be given clearer, more personalised information on their energy bills so they can compare and switch more easily.

² <http://transparency.number10.gov.uk/business-plan/6>

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- Over 1.2 million of the lowest income pensioners being provided with £135 off their fuel bills in winter 2013/14 through the Warm Home Discount scheme.
- Between January and December 2013, 129,842 Green Deal assessments were carried out and there had already been 461,726 measures installed under the Energy Company Obligation scheme by November 2013.
- 219 new Offshore Oil and Gas Production Licences offered (by the end of January 2014) in the most successful North Sea offshore licensing round to date.
- An increase in benefits from developers to communities hosting onshore windfarms in England, from £1,000/MW of installed capacity per year, to £5,000/MW per year for the lifetime of the windfarm has been announced.
- We have worked with the industry to ensure communities will benefit from shale development in their area through a Community Engagement Charter, which sets out the benefits that will be paid to local communities.
- Key smart meter procurements concluded and a licence awarded to operate the Data and Communications Company, which has signed contracts with companies to provide data and communication services worth £2.2 billion to support the mass roll out of smart meters.
- £3.869 billion has been allocated over the last two Spending Reviews to support developing countries move to low carbon, climate resilient pathways.

DECC's delivery partners

6. DECC's 'departmental family' contains eight agencies and public bodies, comprising seven non-departmental public bodies (NDPBs) and one non-ministerial department.³ DECC is also associated with a number of other bodies for delivery purposes. Each NDPB is overseen by a sponsor team in DECC which agrees the body's remit and monitors performance. The sponsor teams work with their NDPBs to support their high-level aims. The department also ensures that its NDPBs have robust governance structures in place to complement DECC structures and ensure that there is clear accountability for finance, risk and performance. This involves regular reporting of performance against delivery plans. The department has a planned programme of detailed reviews for each of its NDPBs for the period 2011-14.
7. The Nuclear Decommissioning Authority (NDA) is the largest of DECC's NDPBs. The Government provides some £3 billion a year to the NDA, funded through a mixture of direct grant and commercial income, which accounts for over half of DECC's annual budget. DECC has continued to utilise the expertise of the Shareholder Executive (ShEx) to provide oversight and governance of the

³ Executive non-departmental public bodies: Civil Nuclear Police Authority; Coal Authority; Nuclear Decommissioning Authority; Committee on Climate Change.

Advisory non-departmental public bodies: Committee on Radioactive Waste Management; Fuel Poverty Advisory Group; Nuclear Liabilities Financing Assurance Board.

Non-ministerial department: Gas and Electricity Markets Authority [Ofgem]

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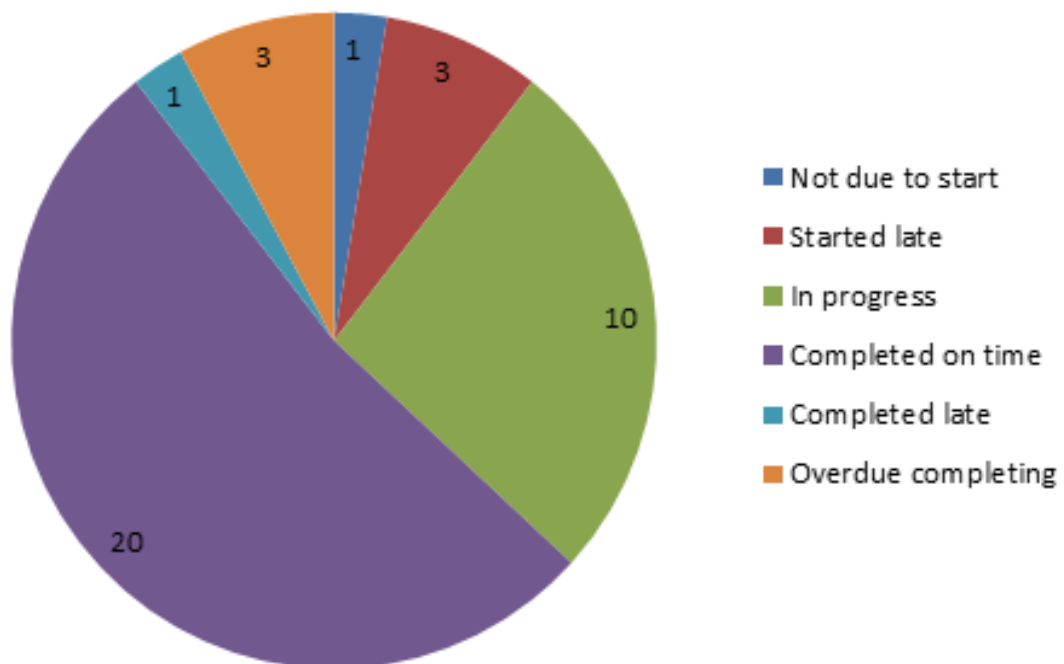
NDA. For these purposes, ShEx is an integral part of the department providing advice to the Accounting Officer and Ministers on all matters relating to the performance of the NDA.

8. The NDA publishes a five-year Strategy and an Annual Business Plan (both of which are subject to full public consultation and DECC and Scottish Government Ministerial agreement) setting out its long and short term delivery milestones. The NDA also reports on progress against its annual business plan in its Annual Report and Accounts.

How we measure our impact against our priorities

9. The DECC business plan confirms the DECC priorities and sets out the vision for the work of the department and how it will provide greater transparency to the public about its performance. This allows the public to scrutinise DECC, particularly whether its policies and reforms are having the desired effect, if it is being run efficiently and how it is delivering the reform programme set out by the Coalition Government.
10. The business plan sets out high level actions and milestones that DECC is required to undertake to deliver the Coalition Government's priorities as outlined in the Structural Reform Plan (SRP)⁴. We also monitor business plan delivery through a set of input, output and impact indicators which are updated quarterly. The graph below shows that three-quarters of DECC's SRP actions for 2013-14 have been started or completed. Of those completed, or due to complete, 85% were achieved on time.

DECC's current performance against Structural Reform Plan actions



⁴ Business Plan 2012-15 (DECC), May 2012

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11. Our programme and project management information is being improved, with the introduction of standardised reporting for the department's programmes leading to consistent, higher quality information that is comparable across the department's portfolio. A completely refreshed performance report is used by our Executive Committee and Board, which for the first time integrates monthly HR, finance and risk information with a quarterly strategic assessment of the impact of our policies on the ground. This report also includes key Quarterly Data Summary benchmark data by risk and exception. This report enables the Executive Committee to provide the appropriate stewardship of the department's top programmes on a monthly basis, and the Departmental Board reviews the report at its quarterly meetings.
12. We report on our performance in a number of additional areas, using a framework of internal and external reporting tools. Our current framework includes reporting monthly on our business plan achievements to No 10 and to the public on progress with DECC's structural reform milestones and our business plan performance indicators. We report quarterly to the Major Projects Authority on DECC's major projects and programmes and on progress with the Carbon Reduction plan. We report to HM Treasury on the Quarterly Data Summary which aims to help the Executive Committee improve the efficiency of the department. We also produce public documents including our Annual Report and Accounts, and our Annual Energy Statement.

DECC's corporate performance

13. The DECC Executive Committee has committed to improving the way the Department operates and functions and to ensuring the department is better equipped to deliver its challenging agenda. This commitment complements the department's engagement with the Civil Service Reform Plan and the Efficiency and Reform agenda, two cross-government priorities where we are on track to deliver our commitments.
14. DECC's capability was assessed in the Capability Action Plan published in June 2012, which noted that DECC has a portfolio of very large programmes and projects, many of high risk and with little precedent⁵. To meet this challenge, the assessors felt that DECC needed to focus its efforts on the following areas:
 - **Leadership and governance:** The departmental systems, processes and culture need to be capable of keeping the whole organisation aligned and ensuring that limited resources are directed towards the highest priorities.
 - **People and skills:** Delivery of the DECC portfolio requires a substantial cadre of skilled and experienced staff. Recruiting, developing and retaining this skill-base will be both essential and difficult.
 - **Delivery culture:** Systems and processes have to be designed and honed to maximise delivery capacity and to design implementation plans and manage risks effectively.DECC has made good progress on improving in these areas as outlined below.

⁵ DECC Capability Action Plan, June 2012

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How we intend to drive corporate improvement

15. A number of immediate actions were set in train following the 2012 Capability Review, such as the development of a new set of standard tools for managing DECC programmes and projects. The DECC Works programme was set up in Spring 2013, to increase the pace and co-ordinate improvements to DECC and how we all work together to achieve our vision. This programme of activity will take the department forward decisively over the next couple of years.
16. DECC Works initially addressed work in five areas and was focused on how to improve the practical aspects of where and how we work as a department, building on the recommendations of the Capability Review. This included:
 1. **Systems & Hygiene** – improving the practical aspects of where and how we work, such as the IT infrastructure, accommodation issues and the systems we use to carry out our day to day work;
 2. **Governance** – ensuring we have a well-focused governance structure with clear accountabilities that provide support and challenge;
 3. **Capability & Prioritisation** – enabling us to make more of what we have and reduce the complexity in how we operate;
 4. **Culture** – developing DECC into a collaborative and flexible department; and
 5. **External Partnerships and Communications** – developing a more confident and proactive approach to positioning DECC with its stakeholders.
17. We have already made good progress in a number of areas, some of which is still on-going, including:
 - Strengthening the top team, with a greater number of DGs placed in revitalised roles (pg13).
 - Creating a more robust governance structure that will provide real support; achieving greater clarity on responsibilities and accountabilities; and enabling decisions to be made once at the right forum (pg12).
 - Restructuring DECC to encourage and enable a more integrated, united department focussed on the priorities that we must collectively deliver.
 - The establishment of the Portfolio Office and roll-out of Project Portfolio Management (PPM) tools are key steps in maximising the department's delivery capacity, its ability to prioritise and to manage risk effectively through introducing a full portfolio management system (pg20). The training and development of staff in project delivery is a vital step in embedding a delivery culture, including establishing a project delivery community of practice and extending project leadership development (pg22).
 - Several key learning and development outputs have been delivered, including those originating in the pan-Whitehall Capabilities Plan, which have led to the on-going improvement in the training offer to DECC staff. Examples include the rollout of the DECC Leadership Programme (pg13) and the review and strengthening of our commercial capabilities as an early priority (pg22). Improvements have also been made to the department's ability to assess skills gaps, and recruit and retain skilled staff (pg21).
18. There is a lot about which we as a department are proud. Looking ahead to 2014 we need to be focused on continuing to make it simpler to work in DECC, helping us to be clear about what we are

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doing, why we are doing it and how we can do it in the most cost effective way. We are aware that some of the remaining challenges will be harder to deliver and we are committed to working together collectively to achieve the best outcomes possible. We also need to move away from the characterisation of DECC as a department that is moving from 'policy to delivery' as this suggests too simplistic a view of what we do. Instead we need to strive to be a department that is all about delivering implementable policy that can be achieved through the successful commissioning and delivery of our programmes and projects.

19. To help us achieve that, we have started engaging our people on the vision for DECC and the underlying principles that tell us the sort of organisation we need to be, which includes delivering as One DECC, working in a professional way and ensuring strong leadership and management. The DECC Works programme will lead this work with our new staff network, One DECC, at its core to ensure that we harness the enthusiasm and commitment of our staff to deliver the change we want to see in the department. To deliver this change DECC Works brings together, under one umbrella, corporate change effort from across the department, working with and between existing delivery teams, including those in HR, Finance, Communications and Infrastructure and Information Services.

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Assessment of Strategic Risk and Leadership of Change

Overall assessment

The last Capability Review noted that the departmental systems, processes and culture need to be capable of keeping the whole organisation aligned and ensuring that limited resources are directed towards the highest priorities. In addition, its systems and processes have to be designed and honed to maximise delivery capacity and to design implementation plans and manage risks effectively. The following chapter outlines progress against these recommendations and further work that is underway to drive improvement. In addition our 2013 People Survey results show that DECC still has significant progress to make in relation to how we lead and manage change.

We have made some progress towards these areas, with improved governance structures and a revised departmental structure, improved learning and development for our leaders, as well as changes to how we assess and manage strategic risk in DECC.

Improvements to governance and structures

20. In response to the Capability Review we have made changes to our governance structures to enable a more integrated department and are streamlining processes around governance to make it work more effectively overall. The Departmental Board now has a new lead NED, Martin Stewart, and a particular focus on making that Board more effective. In 2012 the department introduced the Executive Committee and Finance Committee, both of which have made a large impact on governance, in particular the Finance Committee on 2012 business planning. Our Executive Committee has since been slimmed down in terms of membership and is currently meeting weekly. From October 2013 there are three new Committees of the Executive Committee, acting with its authority and with sharper, clearer, mandates. The three new committees are:
- **Finance and Business Committee** covering business planning, financial and operational performance, risk monitoring, audit and compliance. This replaced the previous Finance Committee;
 - **Investment Committee** covering approval of new projects and programmes, assessing performance of existing activity at major milestones. This replaced the previous Approvals Committee; and
 - **People and Operations Committee** making sure we have the right people with the right skills, in the right working environment and with the right tools.

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21. The department also has a new overall structure from October 2013, which better reflects the Secretary of State's key priorities: growth and infrastructure, consumers, and international. It enables the policy and delivery teams to work together more effectively with our central corporate services. The new structure has three policy and delivery DGs, one more than previously, supported by a corporate DG responsible for managing the business. This gives each DG a narrower span of responsibility, as well creating more capacity in the senior team for the challenges ahead and maintaining focus on and alignment with priorities.

Leadership of change

22. The People Survey results in 2013 show that our staff engagement index is 58%, the same as the 2012 survey but halting an earlier decline. We have a positive response in regard to Learning and Development, where scores relating to access to the right learning and development (69%) and the fact that it is helping staff improve their performance (56%) outperformed the civil service average. The results on leadership and managing change showed that DECC has significant progress still to make in this area and, while the overall score for leadership and managing change (44%) is slightly above the civil service average, it is still far lower than we want it to be. In particular, there was a 3% point reduction in the belief that the Executive Committee has a clear vision for the future of DECC, down to 24%. The belief that change is managed well in DECC has remained stable at 28%.
23. The Executive Committee is acting on these results and is working with staff to make DECC a better place to work and to improve our effectiveness as a high-performing and supportive organisation. While Group People Plans will aim to address the results at a local level, at a corporate level four key areas for focus have been identified: Leadership and Managing Change; Performance

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Management; Resources and Workload; and Inclusion and Fair Treatment. Work to improve in these areas will be rolled out this year.

Five questions which make up the Employee Engagement Index	2013 % positive	Difference from DECC 2012	Difference from Civil Service 2013
I am proud when I tell others I am part of DECC	63%	0	+ 7
I would recommend DECC as a great place to work	49%	+ 2	+ 4
I feel a strong personal attachment to DECC	41%	+ 1	- 5
DECC inspires me to do the best in my job	43%	+ 1	0
DECC motivates me to help it achieve its objective	42%	0	+ 2

Selected statements from leadership & managing change theme	2013 % positive	Difference from DECC 2012	Difference from Civil Service 2013
Overall score for leadership and managing change	44%	+ 2	+ 2
I believe that the Executive Committee has a clear vision for the future of DECC ⁶	24%	- 3	- 17
I feel that change is managed well in DECC	28%	0	- 1
I feel that DECC as a whole is managed well	42%	+ 4	- 1

24. Improving DECC's capability in leadership and management of change across the organisation is a particular priority. The DECC Leadership Programme was established to cover the knowledge and key skills that we expect of all those in a leadership role within DECC. It consists of a framework of options that learners can bespoke according to both business and individual needs and includes 360 feedback and one-to-one coaching. We are making use of the Civil Service Learning common curriculum services and products where the needs are more generic leadership skills (e.g. personal resilience, contract negotiation). We are also encapsulating specific sessions on knowledge required of DECC leaders (for example DECC commercial awareness programme and DECC in Europe). Additional modules will be added to the programme as appropriate.
25. The programme was launched in June 2013 for all Grade 6/7 and SCS to have undertaken by 2015 and will be promoted further in the context of the overall Capabilities Plan. Four of the modules focus specifically on management and are mandatory to all line managers irrespective of grade. Around 200 staff have started the Leadership Programme so far with over 500 places taken in different modules, with positive feedback.

⁶ Previous survey referred to the Departmental Board

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How we assess risk in DECC

26. With a portfolio of large, high-risk and difficult to deliver projects, in June 2012 the department launched a new risk management framework to strengthen its risk management capability and ensure a consistent approach is applied across the organisation.
27. At the strategic level DECC maintains a departmental Risk Register comprising its top tier strategic risks and a secondary reserve tier for information. These risks are identified and escalated by the business, such as programmes or projects, or included directly by the Executive Committee. Key elements of the risk framework include:
 - Standard pro forma templates and processes, such as a risk register, risk rating matrix and escalation criteria;
 - Establishment of a new post to centrally co-ordinate the implementation of the framework supported by risk champions in each business group;
 - A risk management training programme to drive up skill sets across the department.
28. DECC's current strategic risks reflect the challenges and uncertainties arising from the development and delivery of new and innovative policies and technologies. These challenges range from establishing the necessary legislation, securing support from consumers, suppliers, industry, investors, and gaining the necessary approvals. DECC's strategic risks also reflect the importance of securing sufficient global action on climate change whilst also meeting the UK's own obligations, delivering energy security and effectively managing our energy legacy. As our agenda is wide ranging, ambitious and inter-dependent, our strategic risks include the need to prioritise and manage our workload within the resource available. All of DECC's strategic risks have mitigation measures in place to reduce them to an acceptable target level and are regularly monitored.
29. Similar to other government departments, DECC needs to be prepared for external event-driven risks, such as natural hazards like extreme weather, and has established emergency response arrangements for these.
30. Any key risk changes, including new/escalated risks, are reviewed by the Executive Committee each month and the Departmental Board each quarter. From January 2014 onwards, changes to the risks are reviewed each month by the Finance and Business Committee and the outcome reported monthly to the Executive Committee. The effectiveness of these arrangements will continue to be assessed by DECC's Audit and Risk Committee which meets at least four times a year.
31. The departmental risk register is supported by risk registers maintained at Group, programme, project and business as usual levels and risks are escalated when required using standard criteria.

Improvements to risk assessment

32. A key requirement of DECC's new risk framework was to increase the time the senior management team devoted to reviewing DECC's top risks. This has been achieved firstly through the Finance and Business Committee which has a role, particularly in terms of moderation, independent challenge and assurance, in making sure our risk assessments are consistently applied, reasonable and that appropriate and effective mitigations are in place. This allows the Executive Committee to focus on

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key risks of concern escalated by the Finance and Business Committee. In addition, DECC's Departmental Board has also recently decided to undertake an in-depth review of a small number of risks on a regular basis.

33. Internal Audit reviewed DECC's risk management arrangements at the start of 2013 using the Treasury's Risk Management Assessment Framework. The department was assessed against seven categories ranging from 'leadership' to 'risk handling'. The outcome was positive: improvements had been made in all areas and DECC's overall risk management capability had increased from being predominantly 'implementation planned and in progress' to 'implemented in all key areas'. In particular the Internal Audit report noted that: "Since our last assessment, DECC has notably developed and matured its approach to risk management. As a result, the department has gained an improved understanding and visibility of what the key risks are, and has further developed and championed supporting governance and reporting processes that devote more time to discussing and keeping its risk profile in check."

DECC's relationship with its stakeholders

34. DECC's stakeholder relationships are critical to successful policy-making, operational delivery and communications. Ministers and officials in the Department undertake regular engagement with approximately 200 leading stakeholder organisations representing domestic and business customers, the energy trade and industry, the scientific and academic community, and international government representative organisations, to maintain and build support and understanding of its policies with consumers and the public at large.
35. The Communications Directorate is currently developing a strategic plan for consumers. This will identify key communications priorities for 2014 and will put a new process in place for the way we plan, deliver and evaluate communications activity. The strategic plan will help us to prioritise audiences and ensure we deploy our resources to maximum effect. Examples of our consumer-facing work for 2014 include Big Energy Saving Week in January, building consumer confidence in engaging with the energy market, and helping consumers to access the right information in order to prepare for cold winter weather.
36. A critical part of our stakeholder engagement is ensuring we are meeting the interests of consumers. So the Consumers and Households Group in DECC ensures our policies drive reductions in energy consumption through consumers, both individual and commercial. We aim to communicate to consumers the benefits of our energy efficiency programmes (Green Deal, ECO, Smart Meters) and our measures to tackle fuel poverty with vulnerable groups and consumers. And we work closely with our business and commercial stakeholders so they understand and can take full advantage of commercial and business incentives to increase the energy efficiency and cost-effectiveness of their operations, whilst still meeting climate change carbon reduction targets.
37. Our relationship with our stakeholders include face-to-face engagement and consultation during policy and strategy development, testing the impact of our policies in trials and pilots of

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operational implementation, press and media liaison, conferences and events, online engagement and roundtable discussions. The department reaches approximately 200,000 people and organisations who subscribe to our regular e-newsletter called DECC Review⁷.

38. A DECC-wide, comprehensive quantitative survey with stakeholders was last undertaken in Spring 2011. The results showed that the department is well regarded by stakeholders, with areas highlighted for improvement including:
 - Convincing them that DECC can deliver on its complex objectives;
 - Improving our relationship with business organisations; and
 - Showing that we are genuinely open and receptive to outside ideas.

39. During Summer 2013, DECC's Communications Directorate ran an interim in-house 'pulse survey' with eight key partners, to find out how they view their relationship with the department. The survey showed stakeholders:
 - Are able to access the right people in DECC;
 - Feel that the department listens to their views, but does not always act on them; and
 - Are engaged in a timely way and are given sufficient time to respond to consultations, although, in some areas engagement needs to be much earlier in the policy-making process.

40. DECC will use feedback from our continuing engagement with stakeholders to improve the way we work with them. The department also proposes to undertake the next DECC-wide stakeholder survey early in 2014, to give an up-to-date understanding of where our stakeholders and their customers and members are, and how they see DECC. In addition to this, developing strategic partnerships with external organisations is a priority area for DECC's new Director of Communications. This is supported by strong leadership commitment across the department to engaging stakeholders effectively.

⁷ <https://www.gov.uk/government/publications/decc-review>

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Assessment of Efficiency and Innovation

Overall assessment

DECC faces considerable financial challenges over the current spending review period and we will need to retain a keen focus on efficiency in order to deliver our priorities within our allocated resources. We are on track to deliver efficiency savings through new ways of providing services and managing our operations. We have improved the way in which we allocate resources to priorities and we plan further improvement activity in this area. We are introducing new practices in the way we work to deliver efficiencies and reduce bureaucracy, in particular through working with other Government departments and our use of technologies both internally and outwardly, through our Digital by Default programme.

DECC's spending context

41. In the context of its demanding portfolio commitments DECC now faces a challenging financial environment for the next two years. In the last Autumn Statement DECC received substantial additional funding to deliver new measures to help bill payers amounting to £486m in each of the financial years 2014-15 and 2015-16. Taking this ring-fenced money into account, our total expenditure now peaks in 2014-15 and then falls by 3% in 2015-16. However, excluding this ring-fenced new money, we will have delivered total resource budget cost reductions of at least £239m by the end of the current spending review period. There remains a significant challenge for 2014-15, but we will continue to look for further ways to deliver value for money for the UK tax payer.

DECC's efficiency headlines

42. The most significant efficiencies identified relate to project expenditure. As part of the Spending Round we have identified £244.1m of project expenditure efficiencies over the next three financial years. We are currently on track to deliver these savings, and although these are less than the proposed £331.5m target set by Cabinet Office, our work was described by the Major Projects Authority as 'exemplary'. We plan to reinvest these savings in new and (or) revised projects required to meet Coalition priorities and legal obligations (e.g. the EU renewable energy target), and to deal with cost pressures, particularly in the Nuclear Decommissioning Authority, where revenue from commercial operations is falling.
43. On operational efficiencies, Quarterly Data Summary data indicates that DECC is at the median level for departments on corporate services, despite not having the economy of scale advantages of larger departments, and has the most cost-effective desktop services. Our estate utilisation is very high with fewer desks per head in core DECC than any other department. However, the current desk ratio is not sustainable and we are taking on additional temporary space in 2014 which will assist us in our aim of returning to the previous 8:10 guideline.
44. DECC has been an extensive user of shared services ever since the department was created. Shared Services are the most cost-effective and efficient way for us to operate. DECC has always bought in

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transactional HR and Finance services. We have delivered savings of £2m per annum to date through increased efficiency in our use of shared services, and expect to achieve further savings of up to £0.4m per annum from the new cross-government Integrated Shared Service Centre.

45. Our Internal Audit services are provided cost-effectively from the XDIAS combined service. We also have a partnership with Department for Education in procurement which is delivering improved capability as well as cost savings of £600k this year through economies of scale and avoided contractor costs.

Better use of technologies

46. On administrative IT, DECC is modernising its information technology when a 15 year old outsource contract with Fujitsu (contracted via BIS) ends in March 2014. We are implementing a modern IT architecture designed with, and approved by, the Government Digital Service. This new model will take advantage of the new approaches to government IT. We will enhance the capabilities of our internal IT team to act as a more intelligent client, we will disaggregate IT contracts into shorter term 'towers' which can be procured through the government Cloud Store and are open to competition from SMEs. We will also adopt government wide services such as the Public Service Network. We aim to increase IT agility, improve the user experience and reduce costs significantly (by 15-20%).
47. DECC's Digital Strategy was published in December 2012 and comprises four themes:
 - Transforming our transactional services, converting them to the digital by default standard.
 - Developing the skills and capabilities necessary to deliver our digital by default vision.
 - Ensuring that the principle of digital by default extends throughout all of our work, including policymaking and information services.
 - Collaborating with partners across government and the third sector to deliver the pan-government vision.
48. DECC aims to become an organisation that has the culture and capabilities required to be 'digital by default'. To implement DECC's Digital Strategy, a Digital Leader was appointed in October 2012 with a central team of four. It is supported by three workstreams (Redesigning transactional and informational services; Building embedding skills and capabilities; and Monitoring services and delivery standards), plus a Strategy Programme Board that escalates through the People and Operations Committee to DECC Executive Committee.
49. Over 50 transactional services have been identified across DECC and the DECC family, and around 90% of these services have fewer than 100,000 transactions in a year. In contrast to many other government departments, the majority of DECC transactional services are delivered wholly or partially online, but most do not meet the Digital by Default standards. In October 2013, we commissioned a Service Delivery Landscape Survey - a key data collection exercise in helping gauge and prioritise potential opportunities to improve effectiveness of delivery standards, drive financial

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savings from channel shift and 'joining-up of services', and enhance propositions to the market place.

50. DECC has undertaken a digital skills and capability audit of staff as part of the business planning process. This has allowed us to highlight areas of priority and identify numbers of staff to be up-skilled using the Cabinet Office framework, a priority under the Capabilities Plan.

Matching resources to priorities

51. DECC's last Capability Review stated that the department needed to make further developments in ensuring that limited resources are directed towards the highest priorities. For the past year, DECC has operated a Finance Committee which has greatly increased the level of scrutiny of financial plans and priorities against a backdrop of tightening budgets. DECC has a financial management improvement plan which aims to increase financial awareness and capability in the department, for example through the recent launch of an extensive financial training programme tailored to the needs of different finance roles within DECC.
52. The Capability Review also pointed out that DECC did not manage its work at a portfolio level, which is crucial to being able to prioritise resources to areas with the most impact and optimise the balance of work overall. To address this, DECC established a Portfolio Office at the end of July 2013 to better understand and manage our entire portfolio of programmes and projects. It also works closely with group-level portfolio offices, to improve successful delivery of projects and to develop the skills of those working on projects in areas such as planning, risk, performance and benefits management.
53. DECC is a lead department working closely with the Major Projects Authority to introduce portfolio management across Whitehall. For DECC, this will involve introducing new ways of working that will allow us to manage at the portfolio level, supported by more in-depth portfolio analysis, robust project and data management and regular independent assessment of our maturity in portfolio management.
54. At the same time, we are improving our control of project initiation by developing a project pipeline and a set of investment criteria which will, among other things, take account of the strategic contribution of each proposal. These assessments will be scrutinised by the Investment Committee.
55. Our overall approach will be recorded in a strategic planning manual which will set out how regular reviews of our strategy will feed into our business planning process. We are also developing a stage gate process to control new communications and retain resource focus on key priorities.

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Assessment of Capability

Overall assessment

We are making significant progress in addressing the challenge of ensuring we have staff with the right skills. In line with the priorities in the Capabilities Plan we have a large body of on-going work focused on developing the necessary wide range of capabilities, including a particular focus on commercial, digital and project management skills. We have also improved our recruitment and retention processes and our focus on talent management and diversity. The role of the new Operations and People Committee supports this agenda. However, we need to continuously improve in this area to ensure the department is able to become truly effective.

Development of skills and capabilities in DECC

56. The Capability Review 2012 noted that the delivery of the DECC portfolio requires a substantial cadre of skilled and experienced staff and it is essential for DECC to focus on recruiting, developing and retaining this skill-base. Several key learning and development outputs have now been delivered, including those originating in the Civil Service Capabilities Plan, which have led to a significant improvement in the training offer to DECC staff. Improvements are also being made to the department's ability to assess skills gaps, recruit and retain skilled staff although this remains an on-going challenge.
57. The four main areas of focus of the Civil Service Capabilities Plan are all relevant to DECC and we have already been working on developing our capability in all these areas. On leadership and management of change, DECC has developed a leadership programme that covers the knowledge and skills that DECC leaders need (see p14). We are also taking forward work on commercial skills, digital skills and programme management. Likewise, for procurement and contract management, one-to-one support is available alongside clinics run by the procurement professions and supported by face-to-face training and e-learning for procurement and contract management.

Assessing and acting on skills gaps

58. We have increased awareness of our development needs and are active in continuing to identify areas for improvement. In September 2013 we completed a departmental return on the Civil Service Skills Review. In addition we are assessing departmental need in 13 skills areas, beyond the four areas required in the skills review, to give a snapshot view of the current status and future requirements. We continue to raise awareness in DECC for development plans to meet our skills needs that include the four priority areas. We are working with Heads of Profession as part of our workforce and succession planning to ensure that skills gaps are appropriately met to ensure we deliver Ministerial priorities and business outcomes.
59. Following poor results in the 2009 staff survey, the department made learning and development a priority, putting in place a dedicated learning and development team and establishing a departmental wide strategy. Improvements are measured through the staff survey responses on

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learning and development overall and the specific question on availability of learning and development opportunities. DECC will work with the Capabilities Team in developing a means of measuring our progress against at least 5 days learning and development a year for all staff.

60. All DECC staff are registered with Civil Service Learning (CSL) and the department monitors usage through monthly reporting to the Executive Board of the number of attendees on CSL courses. The department is also keen to ensure staff make full usage of the new online capability assessment tool and launched a campaign to encourage take up. 89% of staff have now completed the assessment and use of this tool will continue to be encouraged and monitored.

Project delivery

61. This has been an area of continued focus and development, in response to DECC's last Capability Review, and we have developed (with input from MPA and teams across DECC) a comprehensive toolkit to support the project delivery lifecycle. We are further developing our internal Project Delivery Community of Practice to share good practice more actively with regular knowledge sharing events taking place as well as an online forum. Training and development of staff in project delivery continues with over 500 having completed relevant training. The number of DECC Gateway Reviewers has increased from 5 in 2010 to 32 today. All of the Senior Responsible Officers (SROs) for DECC's projects in the Government Major Projects Portfolio are due to start or have completed the Major Projects Leadership Academy, with the exception of one SRO who is already on a comparable development programme. We are now widening project leadership development to other SROs and to Project Directors. The Nuclear Decommissioning Authority has also engaged directly with MPA to discuss the development of its SROs.

Commercial capability and awareness

62. Alongside and in conjunction with the Deighton Review we carried out our own commercial capability review in 2013, as the strengthening of commercial delivery skills is a priority for us. The commercial review identified key policy delivery areas which required additional commercial support to ensure success. In response, we have recruited externally for new staff with commercial skills. In the interim, we have strengthened our Commercial Team with a number of interim staff from the banking and generation sectors and have placed these individuals in critical teams. To ensure DECC benefits to the greatest extent from the influx of new skills we will be launching a new commercial operating model in 2014 as part of the creation of the new Finance and Corporate Services Group. We currently undertake more formal development through the commercial awareness bespoke programme delivered for DECC. Over 350 DECC staff have already undertaken the programme, with 80% of delegates believing it has improved their performance. We also have formal arrangements with the Shareholder Executive for the provision of support to key programmes.

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Heads of Profession

63. Specialists are critical to DECC delivery and we have a very active network of Heads of Profession. They have helped develop definitions across 13 capability areas and are actively involved in the departmental business planning process – reviewing the specialists’ requirements across all our policies and programmes.
64. It is worth noting that 45% of DECC’s corporate learning activity is delivered through the DECC School. This is an internal knowledge transfer vehicle whereby the relevant expert/policy lead updates others. This will continue to be a critical point of delivery with the Heads of Profession developing and delivering more as we further professionalise our expert cadre.

Improving policy delivery

65. DECC has made significant progress in developing the skills and capabilities we need to deliver our priorities; however, we recognise that there are further areas that we need to focus on, including understanding consumer behaviours and building a stronger evidence base to inform policy decisions.
 - **Building a stronger evidence base** – a key part of policy delivery is making sure that time and effort is dedicated to collecting, analysing and using sound evidence to inform policy decisions. To improve how this is done in DECC we have recently launched a new Evidence Framework. This will help improve our understanding of uncertainties and risks associated with the evidence base and allow us to better identify evidence gaps. As a result, DECC will have a more sound understanding of the evidence and will be able to improve planning and execution of evidence collection, helping to ensure we do it right first time and inform decisions more effectively.
 - **Improving customer insight** – in order to deliver our challenging agenda DECC needs to influence behaviour – of businesses, government and above all, millions of people in households across the country – whether it’s to use less energy, to think about switching suppliers or to use new energy sources. However, a lot of what DECC does is often complicated by its nature – whether it’s the science, the technology or the commercial aspects. To do this successfully, we need to put consumers at the heart of our policy-making and implementation, learning from the best of what we and other organisations do. Our focus for 2014 is to develop this capability and understanding and embed it across the department.

Developing talent management and succession planning

66. We are currently reviewing our succession plans for critical SCS posts. In 2014 we will expand our succession planning to cover critical roles at lower grades.
67. In autumn 2013 we completed a talent review exercise for all Grade 6/7 staff, following a Grade 6 pilot in 2012. This gave us a clear picture of our pipeline of leadership capacity and helped to target our talent development interventions.

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68. The Civil Service High Potential Scheme identifies and develops staff with the greatest potential for future Top 200 posts. Three of our Grade 6/7 staff and three of our SCS staff have gained places on the latest cohorts of this scheme. We are also developing a talent development programme in partnership with departments who share a common growth and infrastructure agenda. The programme will kick off in early 2014 for our high potential Grade 6/7 staff who have aspirations to progress their careers within our common policy and delivery agendas.
69. DECC is a high user of the fast stream, which accounts for some 7.5% of DECC staff. We also encourage all of our fast streamers to undertake an external placement and a minimum of a third have done so, a much higher level than across many departments.

Diversity

70. DECC's Equality, Inclusion and Diversity Strategy aims to:
- Embed equality, diversity and inclusion into our leadership, policies, systems, processes and governance arrangements.
 - Ensure our policy design and communication builds on the results of engagement with different groups in society.
 - Build the skills and environment we need to improve equality diversity and inclusion.
 - Increase the diversity of our staff at all levels, improving the ability of all staff to reach their potential, ensuring equality in how we manage performance, promote and reward everyone.
71. DECC has set itself ambitious diversity targets in regards to 1) DECC's diversity declaration rates and 2) meeting Cabinet Office SCS diversity targets.
72. In regards to declaration rates in June 2013, our Permanent Secretary set a challenge to all Directors General to drive improvements in staff diversity declaration rates in order to improve monitoring of progress in this area. A target of a 90% declaration rate for each of the protected characteristics was set. Although significant improvements have been achieved during the last financial year current representation rates (December 2013 figures) still remain below the targets set for all staff and further work needs to be done to continue to drive these up:
- Ethnicity 70% (up 8% from March 2013 figure)
 - Disability 77% (up 10 % from March 2013 figure)
 - Sexual orientation 68% (up 18% from March 2013 figure)
 - Religion and belief 69% (up 18% from March 2013 figure)
73. In addition, in relation to SCS targets our Executive Committee agreed to aim for the existing Cabinet Office targets by 2015. This will be a stretching target for DECC to achieve, particularly on gender. Our current representation rates (December 2013 figures) set against the Cabinet Office are:
- 29% of women at SCS against the Cabinet Office target of 39%
 - 15% women in Pay Band 2 against a target of 34%
 - 1% declared BME staff in SCS against a target of 5%

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- 3% of declared disabled staff at SCS against a target of 5%
74. Our equality and diversity data is published in the department's annual Equality Information document on 31st January each year as part of our legal requirement to publish relevant proportionate information to demonstrate our compliance with the Equality Duty of the Equality Act 2010.
75. To ensure the successful delivery of our Diversity Strategy we are currently implementing a Diversity Action plan. This includes:
- Increasing applications from underrepresented groups through direct advertising in diversity publications and websites;
 - Having diverse selection panels for all interviews; and
 - Improving overall staff capability by:
 - Participating in civil service wide development programmes aimed at underrepresented groups;
 - Mandating line management modules in the DECC Leadership Programme. These are Unconscious Bias, Optimising Performance, Coaching Skills for Manager and 360 feedback coaching session.

2. Improvement Plan

76. Since joining as Permanent Secretary in February 2013 Stephen Lovegrove, together with the Board, has put a real focus on developing the operational elements of the department. This is to ensure that DECC is able to better respond in a dynamic environment and be resilient to short term demands and external events, while maintaining focus on our long term goals.
77. Our first phase of improvement activity has already made significant progress in developing the operational elements of the department. Our assessment in this document sets out what we have done to date as well as where we still need to improve in order to deliver on our priorities.
78. We recognise that there is more to do and the next phase of activity will build on the work already started. The next phase of our improvement plans are focused on:
- **Building on and embedding the work already underway**, including:
 - Building on the investment that the department has already made in respect of commercial, project team and communications to deliver sustainable, embedded expertise.
 - Embedding and refining new governance structures of the Executive Committee to ensure the expected improvements follow.
 - Improving our workforce planning through the extension of succession planning and talent management.

 - **Continuing to engage with staff and tackling the issues that are important to them**, including:
 - Continuing to engage the Department on our new vision and the behaviours that underpin the values. This includes working with our new staff network, One DECC, that brings together people from every team to focus on change.
 - Progressing the roll-out of the Leadership Programme offer to staff.
 - Continuing to make Diversity a priority and delivering our diversity action plan, including working closely with our diversity networks.
 - Further developing the prioritisation model and dynamic resource management to ensure we are able to focus our resources on the highest priority activity, work more flexibly and manage our workload more effectively.
 - Running regular staff led improvement workshops to work with staff on a range of important issues, including accommodation, performance management and ways of working in DECC.

 - **Implement a number of new improvements** to make DECC a more effective and efficient department, including:
 - Further investment in developing our capability and understanding of investors and consumer behaviours.
 - Delivering cross-departmental process improvements led by corporate services.
 - Establishing a comprehensive suite of robust management information.
 - Instigate a review of the next tier of governance in DECC to assess its effectiveness.
79. To ensure we maximise the benefits from our improvements and to co-ordinate our effort more effectively the DECC Works programme will bring together corporate change in DECC under one umbrella, with a vision and plan for where we are heading as a department. This includes being a department that:

2. Improvement Plan

- Delivers as **One DECC**, with a clear strategy and objectives that everyone is contributing to, a set of behaviours that are embedded across the department, and consistent understanding and communications
 - Works in a **Professional way**, is well-respected and influential across Whitehall and beyond, with a fit for purpose working environment, the right mix of skills and capabilities, good knowledge management, and underpinned with simple processes
 - Has strong **Leadership and Management** that ensures an open, honest and inclusive culture, carries out consistently good performance management, and manages workload and resources effectively
80. Underpinning this work is the ambition to deliver benefits in three keys areas to the department:
- Making it **simpler to work** in DECC
 - Ensuring people are **clear** what it does and why
 - **Delivering** in the most **efficient** and **cost effective** way
81. We need to achieve all this in a challenging external environment, where we can expect significant scrutiny and focus on our agenda. However, we are optimistic about the changes we've outlined in this improvement plan and are confident that these will lead to tangible, significant improvements to the way DECC works in the future.

3. Metrics to Measure

Improvement being made	Metric used to measure progress	Date to review metric & details of who undertakes review	Trigger that will signal mitigating action needs to be taken
One DECC			
Continue to work as a joined up department and remove siloed working	Set up and run DECC's first all staff network relating to improvement, One DECC	January 2014 – first meeting of the network then quarterly by DECC Works	Meetings failed to be held regularly. First meeting was held in January 2014
	Annual People survey question: 'I believe that DECC is operating as a single joined-up organisation'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	Annual People survey question: 'When I talk about DECC I say "we" rather than "they"'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
Staff are clear on the department strategy/objectives and how they contribute to them	Annual People survey question: 'I believe that the Executive Committee has a clear vision for the future of DECC'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
A set of behaviours that are embedded across the department	Set of behaviours that underpin our current values shaped and agreed with staff	To be completed by May 2014.	Not completed by May.
	Annual People survey question: 'I believe the actions of Senior Civil Servants (SCS) are consistent with DECC's values'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	Annual People survey question: 'I am aware of DECC's values'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	Annual People survey question: 'My team seeks to embody DECC values in our work'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
Consistent communications and external relationships	Stakeholder survey in 2014 to provide higher quality evidence of views of key stakeholders	2014 and then annually in future years by Communications Team	Survey not delivered in 2014
	The development of a DECC communications strategy for 2014 to achieve efficiencies and consistency in our external relationships	To be published in Spring, by Communications Team	Regular tracking and recording of key stakeholders' reactions to our policies and announcements

3. Metrics to Measure

Improvement being made	Metric used to measure progress	Date to review metric & details of who undertakes review	Trigger that will signal mitigating action needs to be taken
Professional			
Fit for purpose working environment	Post-implementation review of new styled workplace in Kings Building by May 2014	Review undertaken by Estates Team and reviewed by Operations and People Committee	Review not complete or reports dissatisfaction with new arrangements
	Plan for refit of 3 Whitehall Place/55 Whitehall developed and resourced to improve the way we work by June 2014	Plans developed and agreed and reviewed by the Operations and People Committee	Implementation deadline missed
	New modern IT Services (replacing the Elgar – Fujitsu service) in place and being measured using key performance indicators	New system performs well to defined service level agreement and metrics. Reviewed by DECC Technology leader. (Key performance indicators include: availability, service response, new user set up, cost)	Key performance indicators do not meet service levels. Staff pulse survey does not maintain high IT related scores
Ensuring the right mix of skills and capabilities to deliver our business objectives	Training on DECC’s project delivery processes available and a self-assessment tool to inform individual project delivery development needs available by April 2014	Due to be reviewed on an annual basis, delivered by Portfolio Office	Toolkit and training not available by April 2014
	Pulse Survey across DECC and DECC family to assess Digital Skills and Capabilities - Building awareness and knowledge	Delivery reviewed as part of Digital by Default Programme	Survey not concluded within timeframes outlined
	Pulse survey of DECC staff to assess awareness of the Capabilities Plan and its priority areas	Target is 75% awareness of the Capabilities Plan, and 40% awareness of the priority areas. Reviewed by Cabinet Office in April 2014	Failure to meet target
	Civil Service Learning online poll and pulse survey of DECC staff to assess awareness of 5 days a year training for learning and development	Target is 90% awareness. Reviewed by Cabinet Office in April 2014. As at July 2013 89% of staff are aware of the CSR commitment to at least 5 days targeted L&D	Failure to meet target

3. Metrics to Measure

Improvement being made	Metric used to measure progress	Date to review metric & details of who undertakes review	Trigger that will signal mitigating action needs to be taken
	Completion of Civil Service Competency Self-Assessment tool	Target is for as many staff as possible to complete the assessment. As of December 2013, 91% of DECC staff had completed the assessment. Induction letters from HR will request new joiners to complete the self-assessment tool	Failure to maintain high levels of awareness, including among new starters
	Annual People Survey results relating to Learning and Development (B22– B25)	Survey runs annually in October and reports fully by December. Reviewed by HR	Highlight report each November
Improved knowledge management	New document management service and system in place from April 2014. This forms a foundation for improving sharing and collaboration	New service comes on line from April 2014. Assessed by project Senior Responsible Owner	Implementation timeline missed or disruption to business services
	Usage of the corporate document management system is increased from current baseline of 45% of active users	Monitoring of active usage of document management system, seeking to increase % of active users, by Knowledge & Information Management team	Reduced active usage or failure to increase progressively during first months of use
Simple and effective processes	All new or redesigned DECC digital transactions <u>over</u> 100k will meet the GDS service requirements by April 2014	Delivery reviewed as part of Civil Service Reform reporting, by Cabinet Office	Implementation deadline missed or service fails GDS assessment
	New or redesigned DECC digital transactions <u>under</u> 100k will be self-assessed against GDS service requirements from April 2014	Delivery reviewed as part of Civil Service Reform reporting, by Cabinet Office	No internal self-assessment process in place by April 2014
Strong governance supported by clear roles and responsibilities	Embed and refine new governance structures of the Executive Committee to ensure the expected improvements follow	Review by September 2014 (one year on), by Governance Team	Review not completed
	Complete a review of the next tier of governance in DECC to assess its effectiveness	Complete review by July 2014 by DECC Works	Review not completed

3. Metrics to Measure

Improvement being made	Metric used to measure progress	Date to review metric & details of who undertakes review	Trigger that will signal mitigating action needs to be taken
Leadership and Management			
Leadership and Management that ensures an open, honest and inclusive culture and delivers consistently good performance management	Annual People Survey engagement index	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	Improved SCS diversity representation rates against Civil Service targets for protected characteristics	Reporting carried out on a monthly basis by HR and reports to Operations Committee on progress.	Diversity levels do not show improvement against targets
	Annual People survey question: 'I think that DECC respects individual differences (e.g. cultures, working styles, backgrounds, ideas, etc)'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	Annual People survey question: 'I feel that change is managed well in DECC'	Survey runs annually in October and reports fully by December. Reviewed by DECC Works	Highlight report each November
	All line managers to have attended mandatory elements of the leadership programme by end of March 2015	Due to be reviewed by April 2015, by HR	Line managers not completed or enrolled on elements of the programme by September 2014
Manage workload and resources effectively	Improved system for strategic planning in place by June 2014 facilitating better matching of priorities with resources	Due to be carried out on an annual basis, delivered by Portfolio Office	Strategic planning manual not available by June 2014
	Monthly performance reporting to the Board and Executive Committee	Monthly by Portfolio Office	Monthly report fails to highlight delivery risks
	Publication of Operational Business Plan containing portfolio delivery plan by March 2014	Due to be carried out on an annual basis, delivered by Portfolio Office	Business Plan not published by March 2014

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