

Service Personnel  
& Veterans Agency

An Executive Agency of the Ministry of Defence



Corporate Plan 2007/2012

Supporting Services Through Life

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# Chief Executive's Foreword



It is my great pleasure to present the first Corporate Plan for the newly formed Service Personnel and Veterans Agency (SPVA).

The SPVA brings together the former Armed Forces Personnel Administration and Veterans Agencies to deliver a more integrated and efficient service to both serving personnel and veterans. Whilst service improvements will initially focus on pension delivery, the merger also presents an opportunity to provide a true through life service for the very first time. The two Agencies have come a long way in a short time to reach the point of merger, but there is still a great deal more to do in order to fully realise this vision of high quality through life service delivery from a single organisation.

The combining of resources and expertise will enable more efficient and effective business processes, with a sharp focus on customer requirements remaining our priority. Key to our success will be a combination of the full exploitation of technology, a continual search for service improvement and the maintenance of a culture where people are well trained, valued and empowered. The organisation faces a very testing period if it is to fully meet the needs and expectations of its extensive customer community. However, the drive and determination shown by all involved in the

parallel delivery of the merger, the enormously testing implementation of JPA and the maintenance of high quality services during 2006/07 gives me great confidence that SPVA can achieve all of its targets in the coming years.

This Corporate Plan sets a challenging agenda for the Agency, particularly in its first year 2007/08. The Ministerial Key Targets underscore SPVA's commitment to sustaining high standards in the timeliness and accuracy of services to our customers. We are also introducing measures to track wider aspects of the quality of service. This includes not only the move towards a customer satisfaction target, but also a new target for responsiveness to enquiries and complaints. Although both Agencies have previously sought to understand the views of their customers through surveys, for the first time the Key Target connected to customer satisfaction will be developed to provide an objective assessment of how the new Agency is meeting the needs of both individual and corporate customers. It is my firm intent that, in the years to come, customer satisfaction will be measured against challenging predetermined targets.

Many Agency outputs are not specifically covered by KeyTargets but are referred to in the body of the Corporate Plan and I would like to make particular mention of the work of the Joint Casualty and Compassionate Centre, the War Pensioners Welfare Service, the MoD Medal Office and the Ilford Park Polish Home.

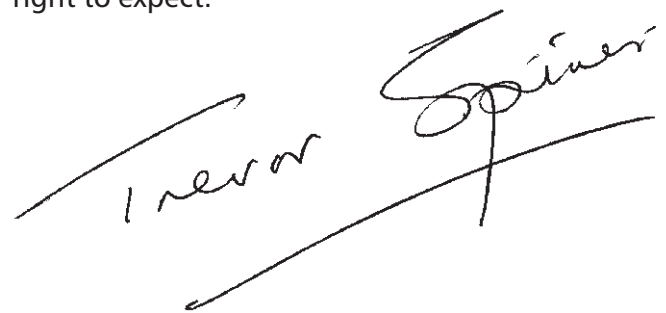
The very nature of the work carried out by the Joint Casualty and Compassionate Centre requires sensitivity and understanding when dealing with people who are often facing the most difficult of personal circumstances. It is very heartening to note the high esteem that our casualty and compassionate support is held in by those who are deployed on operational duties and their families.

The War Pensioners Welfare Service works in close partnership with ex-Service charities, local community service providers and the War Pension Committees in delivering welfare support across the United Kingdom. They provide an invaluable human element to our service provision and we aim to capitalise on this in the future. The MoD Medal Office delivers non-gallantry medals to both the serving and veterans communities and, since its formation three years ago, has set impressive standards of delivery. Along with the Ilford Park Polish Home which provides residential and nursing care these provide clear examples of the through life support the Agency is tasked to provide.

Finally, the preparation for the re-competition of the commercial agreements with EDS and Paymaster to provide pay and pensions services in 2009 and the re-competition of the EDS agreement with the Department for Work and

Pensions in 2010, will present a significant challenge for SPVA. However, they will present further opportunities to seek and implement improvements in the way that a number of our core services are delivered.

The increasing breadth of SPVA's remit, coupled with the uncertainty and disruption that many SPVA staff will face due to change and potential site closures, means that 2007/08 will be another extremely demanding year. I am confident, however, that we have the right people, structure and processes in place to overcome the challenges ahead. I and my colleagues, both MoD and EDS, on the Agency Management Group are firmly committed to delivering the high quality service that all who receive our outputs have the right to expect.

A handwritten signature in black ink, reading "Trevor Spires". The signature is written in a cursive style with a long horizontal line underneath the name.

RAdm Trevor Spires  
Chief Executive

# Agency Direction

## Strategic Intent

**Dynamic delivery of high quality, comprehensive and responsive through-life services to the serving and veterans communities**

This supports the vision of the Agency Owner DCDS(Pers):

**To identify and take forward the actions required to deliver and sustain better the people component of operational capability.**

And contributes to operational capability and the overarching Defence mission:

**'A Force for Good in the World'**

## Mission

The SPVA Mission is:

**To deliver reliable, trusted and efficient personnel services to the serving and veterans communities.**

The creation of SPVA enables the Agency to fulfil the Ministry of Defence (MoD) responsibilities by delivering a through life service to all its customers. SPVA contributes to the overarching Defence mission through its services to front line Servicemen and women and, as the name suggests, the work of the Agency will also give equal focus to the needs of veterans and their dependants. The Agency has challenging Ministerial Key Targets and strategic objectives linked to the successful achievement of the Agency's mission.

The following underpinning key principles capture what the Agency must do to achieve its mission.

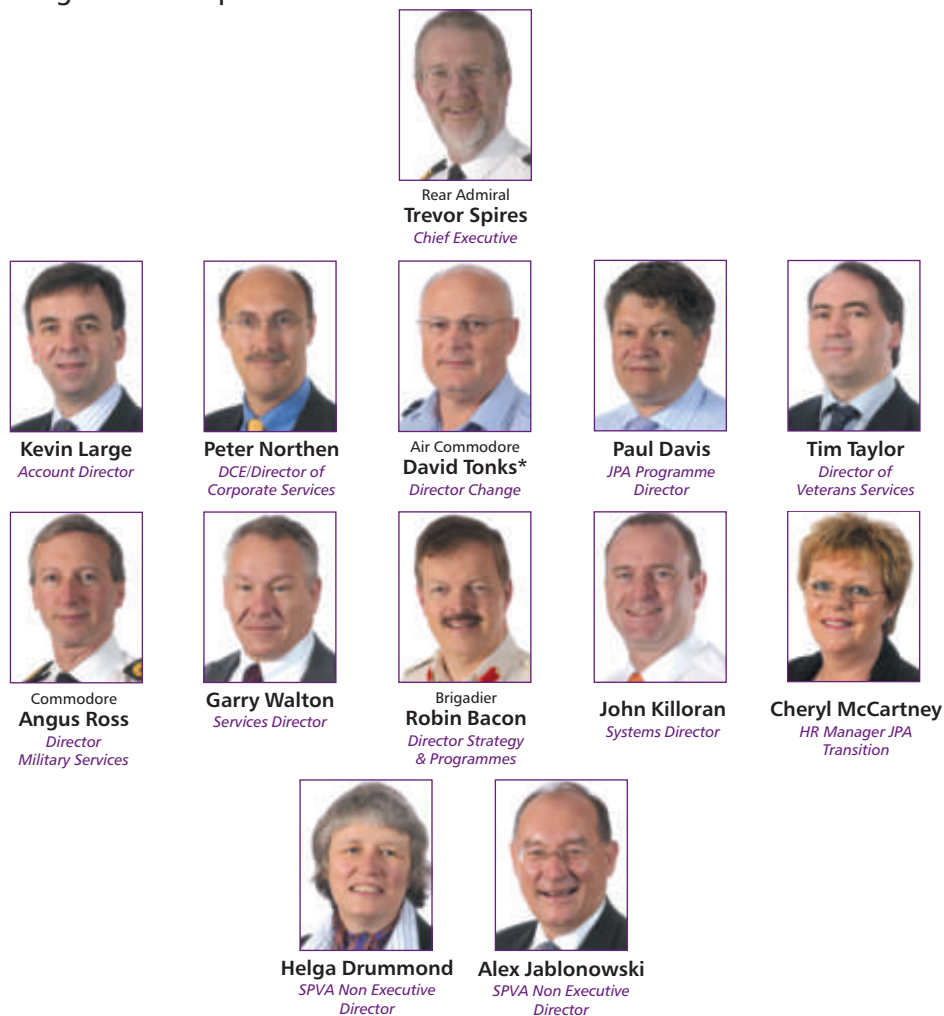
- **Customer Focus** - understanding and responding to their needs.
- **Efficiency - cohesion**, coherence and optimal use of resources.
- **Business Excellence** - continually seeking improvement.
- **Employer of choice** - well trained, valued and fully engaged staff.

## Agency Structure

The Agency formed on 1 April 2007 bringing together the Armed Forces Personnel Administration Agency and the Veterans Agency.

### SPVA Agency Management Group (AMG)

The AMG is responsible for the strategic and day to day management of the Agency, its performance, risks and partnering relationships



\* From 1 August 2007 this post will be held by Ali Sansome

The AMG structure will change during 2007/08 as implementation of Joint Personnel Administration completes.

### Agency Executive Board (AEB)

The AEB is responsible for the strategic direction and governance of the MoD components of the Agency: it complements the role of the AMG. The membership consists of the Chief Executive and MoD Directors, plus the Deputy Director of Finance and Governance and a Non Executive Director (NED).

## Corporate Strategy

SPVA will achieve its strategic intent through objectives aligned with the principles essential to the delivery of the SPVA mission. The objectives ensure the Agency will aspire to measure wider aspects of the quality of delivery and ultimately improve customer service.

### Customer Focus

The work of the Agency over the coming years will be characterised by the need to seek opportunities to modernise and further improve efficiency and effectiveness, whilst ensuring that improvements to the quality of services currently provided are not compromised. In this first year of SPVA's existence we will largely treat the veterans and serving personnel as separate populations. For the veterans we will concentrate on achieving the "joined up" error free service delivery that having all pension delivery under single management will enable. For serving personnel the emphasis will very much be on increasing the user confidence and familiarity with JPA whilst striving to drive out the significant business improvements that this exciting new approach to administration makes possible. Our longer term goal focuses very much on the benefits that will flow from the "whole life" view of personnel that the SPVA will have. For the first time, personnel will be supported by a single organisation for the total duration of their relationship with MoD and it will be critical to maximise the benefits that this opportunity delivers.

### Business Excellence

A further strategic objective is to maximise the benefits of merger. The SPVA will retain separate customer contact points for veterans and serving personnel but these will be underpinned by an increasingly unified team of specialist staff and a single corporate services team. This will facilitate the development of integrated processes and support, leading to further improvement in services.

### Efficiency

The Agency will achieve efficiencies through meeting the JPA savings targets in the coming years and from delivering the merger rationalisation savings from 2008/09 onwards. A critical element of the Agency strategy is to prepare for the re-competition in 2009 of the commercial agreements with EDS and Paymaster and in 2010 the re-competition of the EDS agreement that is currently in place with the Department for Work and Pensions.

### Employer of Choice

SPVA's success depends upon the quality and commitment of its staff. The reinforcement of appropriate values and the promotion of positive and effective behaviours to be demonstrated at all times by all SPVA staff will be key to being an excellent service delivery organisation. Investors in People benchmarking will be used to help us support and get the best from all SPVA's diverse staff. Staff feedback and a programme of work on values and behaviours will also contribute towards the Agency's drive to be recognised as an employer of choice. We will also be investigating the benefits of increasing the footprint of Chartermark status across the organisation.

## Key Objectives

The SPVA key objectives are built around the main elements of the corporate strategy. The delivery of services during a period of substantial change will be a particular challenge. The most important outputs are the subject of Ministerial Key Targets (for full details see page 9)

- Efficient delivery of core services; Pay, Pensions and Compensation are captured against Key Targets 1, 2, and 3.
- Delivery of the benefits of merger through the sharing of established good practices and the development of new processes will improve efficiency and customer service. The key milestones are captured in Key Target 7.
- The new Key Target 4 which will help track the wider aspects of the quality of service, coupled with the development of Key Target 5 to establish a customer satisfaction measure for future years, will enable the Agency to better understand and meet customers' needs.
- Efficiency improvement is measured against Key Target 6.
- Whilst not yet reflected in a Key Target, the work in preparing for commercial competitions between 2009 and 2010 will undoubtedly identify opportunities in support of the Agency's drive for further efficiency and improvement in services.

## Customers

The table below shows the SPVA customers base of approximately 900,000 individuals consisting of serving, ex-serving personnel and their dependants. As a result of supporting this large customer base the Agency administers £12billion of public funds.

Type of Payment	
Regulars & Reserves Pay	300,000
Pensions	380,000
War Pensions	230,000

Customers include not only individual Service people and veterans but also the Services' Personnel Management Authorities, MoD planning staff and policy makers, a variety of other Defence Agencies and other Government Departments, such as HM Revenue and Customs, Department for Work and Pensions and the Department of Health. The Agency also has a key role in support of the Government-wide veterans programme.

The SPVA aims to get things right first time every time and provide the very best service. However, if our customers are not satisfied with the way their pay, claim or pension has been dealt with they are able to contact the Enquiry Centre or Veterans Help Line, as appropriate, where a Customer Service Manager will arrange a full review of all complaints. Enquiries or complaints which are not resolved by this procedure will be escalated to the Chief Executive or the relevant Independent Complaints Panel.

## Relationship Management

The Agency works in a partnering relationship with EDS(Defence) Ltd to deliver value for money services to military personnel through pay and pension services and to veterans through the Armed Forces Pension Scheme and Armed Forces Compensation Scheme. This relationship is underpinned by a set of Partnering Principles which are committed to by MoD and EDS senior management. These principles are important for the sustainment of a culture of collaborative working to ensure everyone in the Agency considers first and foremost the needs of SPVA customers. The Agency also has commercial relationships with Paymaster (1836) Ltd, for pension payments, and Atos Origin, for medical support to pension awards, which are integral to delivering services. The Agency will continue to look for other ways to further strengthen partnering relationships with both commercial and public sector organisations.

## Key Targets(KTs)

The following are the Key Targets for 2007-08. The KT's below take into account the significant challenge of maintaining high quality current service delivery to both Service and veterans communities whilst developing new targets and measures for the improvement of services in the years to come.

	2007-08	2008-09	2009-10	2010-11	2011-12
<b>Key Target 1 - To deliver Service Pay (Timeliness and Accuracy)</b>					
To make 99.9% of all payments by due date.	99.9%	99.9%	99.9%		
To keep the monthly error rate of accuracy for the volume of payments within 0.5%.	0.5%	0.1%	0.1%		
<b>Key Target 2 - To deliver Pensions and Compensation (Timeliness)</b>					
To make 99% of Service payments, including new awards, by due date.	Target 99%	TBD			
To clear claims under the War Pension Scheme (WPS) and Armed Forces Compensation Scheme (AFCS).	Target within an average of 49 working days of receipt <sup>1</sup>	TBD			
<b>Key Target 3 - To deliver Pensions and Compensation (Accuracy)</b>					
To achieve accurate delivery of Service Pensions.	99.9%	TBD			
To achieve accurate delivery of war pensions and compensation.	99.3% <sup>2</sup>	TBD			
<b>Key Target 4 - To provide timely and quality responses to customer enquires and complaints</b>					
To achieve clearance on first call.	75%	80%	TBD		
To achieve pick up time.	90% within time set				
To achieve response time to written complaints.	95% within 20 working days				
<b>Key Target 5 - To develop and meet approved targets for customer satisfaction.</b>					
Collect baseline data to inform the development of targets for Service Personnel customers and individual ex-serving personnel.	Develop targets for 08/09	TBD			
<b>Key Target 6 - To meet approved efficiency targets for the delivery of core services</b>					
To deliver JPA efficiencies in line with the benefits identified in the approved business case for JPA.	JPA Target Cost				
<b>Key Target 7 - To deliver the long term benefits of merger between AFPAA and VA</b>					
To establish and meet 100% of the 2007-2008 merger milestones.	100%				

<sup>1</sup> This assumes average clearance times of 35 working days for the AFCS and 52 days for the WPS (includes 21 days for widows' claims)

<sup>2</sup> This assumes financial accuracy of 99.5 % for the WPS and AFCS and 99% medical adjudication accuracy

# Military Services

The timely and accurate delivery of Service pay has a direct and significant impact on the morale of Service personnel, their dependants and their units, particularly at a time of considerable stress and uncertainty due to the huge demands on the Armed Forces. The quality of this service will be confirmed by the Agency's performance against Key Target 1.



Following the successful implementation of JPA, individual Servicemen and women will in future receive much of their administrative support

directly via self-service computer terminals and an SPVA Enquiry Service, backed up by Joint Personnel Administration Centre (JPAC) specialist teams. The vast majority of the work in support of pay, allowances and general administrative support is rules-based and outputs in these areas are delivered exclusively by EDS staff. MoD staff within SPVA both monitor the quality of EDS service delivery and provide links through to SPVA's customers, at policy and management as well as individual levels, through their roles within the Service Delivery Support Team and the JPA Operations Room.

Areas where judgements have to be made that will affect the entitlements of members of the Armed Forces or where the work is potentially sensitive are staffed by MoD personnel, both military and civilian. These include the Pay and Allowances Casework Cell, the Joint Casualty and Compassionate Centre and the majority of the MoD Medal Office. Each of these joint organisations was formed to replace previous single-Service areas as part of the delivery of the harmonised JPA vision and all of them immediately delivered outputs of outstanding quality, very quickly gaining the confidence of their user communities.

The Agency's drive to meet customer needs and deliver customer satisfaction is a priority for the Agency and the work is underpinned by Key Target 5 which will be developed in 2007/08 to establish a robust approach to measuring customer satisfaction.

# Veterans Services

Veterans Services are responsible for the assessment, award, payment and maintenance of all pensions relating to Service in the Armed Forces. These include occupational pensions (The Armed Forces Pension Schemes (AFPS)), war disablement pensions, war widows' pensions, related allowances and other payments to Service veterans. They also administer the ex-gratia payments scheme to former prisoners of the Japanese in World War 2.

Additionally, Veterans Services undertake the assessment, award and maintenance of Armed Forces Compensation Scheme (AFCS) claims plus the presentation of appeals to independent Pensions Appeal Tribunals (PAT) for both current and former Service personnel. Continued success in this sensitive area of pension and compensation payments will be governed by the Agency's performance against Key Targets 2 and 3.

Veterans Services works with veterans to ensure they receive their entitlements under these schemes. The War Pensioners Welfare Service (WPWS) gives advice, information and practical assistance to pensioners, AFCS beneficiaries and other veterans, to enable them to access appropriate services at key life events and other periods of acute welfare need. The WPWS works in close partnership with ex-Service charities, local community service providers and the War Pension Committees in delivering welfare support.



Ilford Park Polish Home

Ilford Park Polish Home (IPPH) provides residential and nursing care to people who qualify for admission under the 1947 Polish Resettlement Act. The IPPH is managed and administered by the SPVA. The home's staff provide high-quality residential and nursing care and the home fully complies with the provisions of the Care Standard Act 2000.

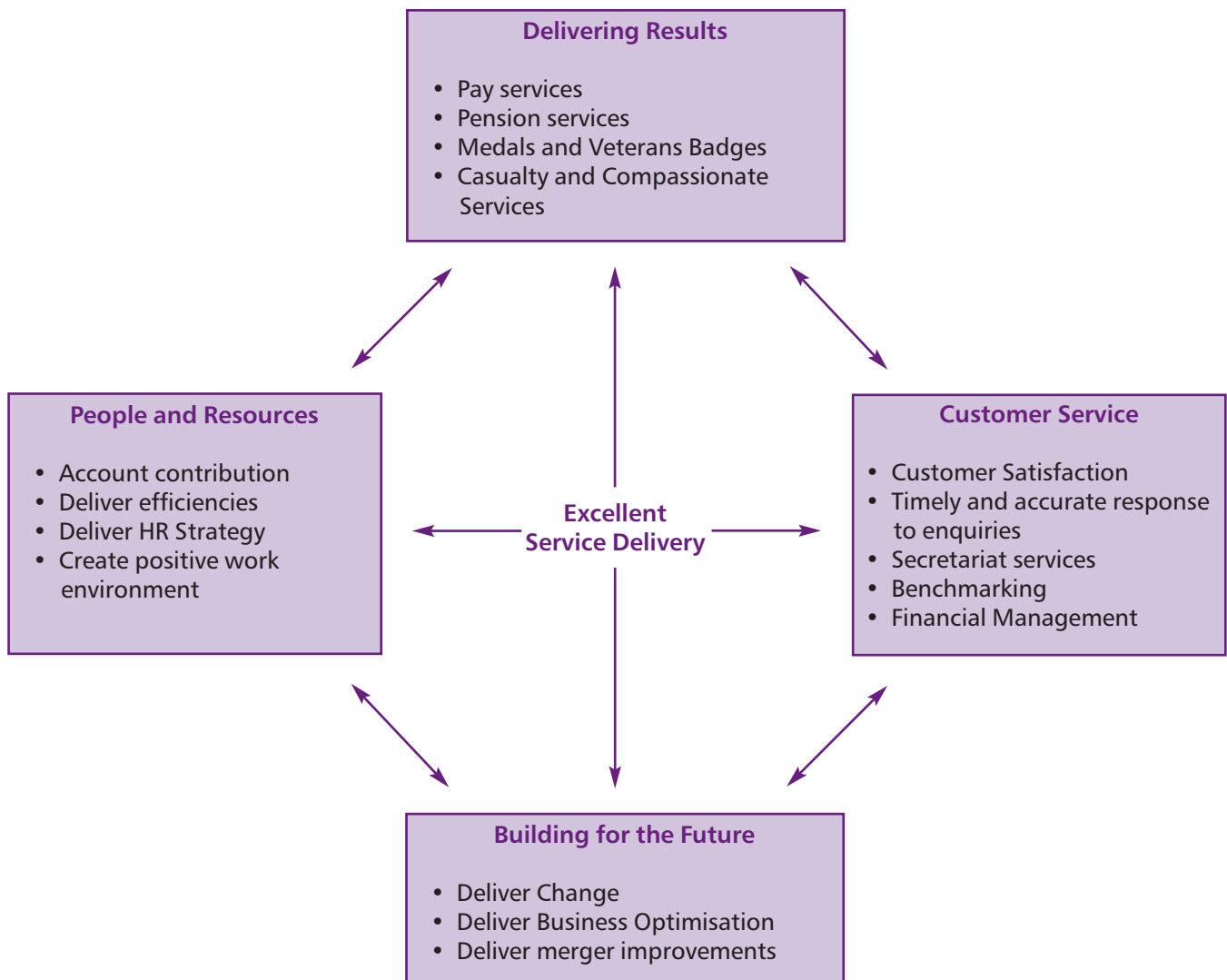
Veterans enquiries and complaints are managed by the Veterans Helpline and website, the performance of which will be measured within Key Target 4. As with Military Services, a priority for the Agency will be to meet the needs of customers and the development of a robust approach to measuring customer satisfaction will be measured against Key Target 5.

# Corporate Services

## Performance Management

The AMG uses a monthly Balanced Scorecard (BS) to manage outputs and resources to meet its targets. Performance is also reported monthly to the Agency Owner DCDS (Pers). Additionally the Agency has developed a robust risk management structure that includes a monthly review of the main risks to the business by the AMG. Alongside the BS, risk management is further supported by the Agency's Audit Committee under the chairmanship of one of its Non Executive Directors (NEDs).

### SPVA Balanced Scorecard



The diagram above illustrates the main themes that feature in the Balanced Scorecard

## Corporate Governance and Risk Management

The Agency's Corporate Governance is founded upon two essential elements: an Audit Committee that, supported by an internal Assurance Team, provides independent advice to the Chief Executive, the AMG and the AEB; and a robust risk management process that is embedded throughout the Agency's management structure.

Audit Committee membership consists of the Agency's NEDs and Director of Corporate Services with both the National Audit Office and Defence Internal Audit invited to observe. The Committee meets at least four times a year and looks critically at all areas of the Agency's business to ensure adequate controls have been identified to manage and mitigate risks to the business

outputs. The Committee also directs the forward audit programme of the internal Assurance Team. The NEDs are part of the AMG; one also serves on the AEB and one on the Agency Owner's Advisory Board.

Risk management is embedded throughout the Agency. The highest level risks, with the potential to impact across the Agency, are reviewed monthly by the AMG who consider probability and the impact on time, cost and performance against the Agency's objectives and key targets. Particular attention is also paid to the controls that are put in place to mitigate the risks. The risk management process is reviewed regularly by the AMG. The principal corporate risks and mitigation activity are set out below.

### SPVA Primary Risks and Mitigating Actions as at 1 April 2007

Risk	Mitigation Activities include:
<p><b>Inability to sustain service at Innsworth.</b> There is a risk that failure to implement the relocation of SPVA staff from Innsworth in a timely and controlled manner will impact on the ability to deliver required outputs.</p>	<ul style="list-style-type: none"> <li>• New project plan has been devised and agreed with project stakeholders.</li> <li>• Review programme in place which will result in a decision on options to be taken forward.</li> </ul>
<p><b>Customer Care and Expectations.</b> There is a risk that service failures, real or perceived, result in high profile complaints that damage Agency reputation and divert resources from key outputs.</p>	<ul style="list-style-type: none"> <li>• SPVA merger Communications plan in place.</li> <li>• SPVA merger strategy in place.</li> <li>• New SPVA Customer Advisory Group structure established.</li> </ul>
<p><b>Failure to deliver benefits of AFPAA/VA merger.</b> There is a risk that SPVA will fail to deliver the improvements in customer service and processes that the merger was intended to deliver.</p>	<ul style="list-style-type: none"> <li>• Integrated pensions delivery team established.</li> <li>• SPVA Organisational Planning Model (OPM) development under way.</li> </ul>

## People and Culture

The SPVA consists of MoD and EDS staff currently operating from 5 SPVA sites. The table below shows the approximate number of MoD and EDS staff working to support the Agency's outputs on formation on 1 April 07.

### SPVA Manpower Strength as at 1 April 07

MoD	1,350
(Civilian)	(1,165)
(Military)	(185)
EDS	1250
Total	2600

Over the next two years the SPVA will consolidate its geographical footprint as it reconfigures itself following JPA implementation, and rationalises its support functions and operational activities following merger. The Agency will vacate Worthy Down site during late 2007, and owing to the anticipated closure of RAF Innsworth in 2008/09 current planning assumptions are that those Agency functions located at Innsworth will relocate to the remaining SPVA sites.

Existing best practice from both of the component Agencies has been brought together and is being shared across the SPVA under a culture development programme based around the values shown below:



This work will be supported by a wide reaching communications programme with an ongoing series of internal briefings and events to embed the culture and ethos of the SPVA and to ensure the people within the Agency have an opportunity to contribute ideas for improvement. 2007/08 will be a year of uncertainty and disruption for a number of people across the Agency. Helping and supporting people through this period whilst striving to meet customers' needs will be particularly challenging. The maintenance of an open and honest culture will play a significant part in achieving the right balance.

## Operating Costs

The Agency's operating costs including the delivery of JPA are estimated as follows:

	2007/08	2008/09	2009/10	2010/11
SPVA	£131.685m	£121.411m	£113.943m	£100.087m

These costs include significant reductions against earlier years reflecting the completion of JPA implementation and the savings it will deliver. Further savings are planned from 2008/09 as a result of efficiencies arising from the AFPAA/VA merger.

In addition to our own operating costs, we also manage the significant proportion of the Defence

Budget that is spent on Service Pay, as well as wider Government spending on Armed Forces and War Pensions, plus the Armed Forces Compensation Scheme. During 2006/07 AFPAA managed £8billion of expenditure on Service Pay and £3billion on Armed Forces Pensions, while the VA managed over £1billion on the War Pensions Scheme. Similar sums will be managed by SPVA in 2007/08.

# Glossary of Terms

AEB	Agency Executive Board
AFCS	Armed Forces Compensation Scheme
AFPAA	Armed Forces Personnel Administration Agency
AFPS	Armed Forces Pension Scheme
AMG	Agency Management Group
BS	Balanced Scorecard
DCDS(Pers)	Deputy Chief of the Defence Staff (Personnel)
EDS	Electronic Data Systems (Defence) Limited
IPPH	Ilford Park Polish Home
IT	Information Technology
JPA	Joint Personnel Administration
MoD	Ministry of Defence
NED	Non Executive Director
PAT	Pensions Appeal Tribunals
SPVA	Service Personnel and Veterans Agency
VA	Veterans Agency
WPWS	War Pensioners Welfare Service

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