

CHAPTER 3

The Department

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Section 3.1

Ministers and governance

3.1 This section lists the Department's Ministers who served during the reporting year and until 27 June 2007 when the Department was replaced (see section 1.1). It also details the Department's governance arrangements.

Ministers

3.2 The Rt.Hon. Alistair Darling MP succeeded the Rt.Hon. Alan Johnson MP as Secretary of State of the Department in May 2006. At this time a number of other Ministerial changes took place, and there were further changes in November 2006 when Lord Sainsbury left the Government. From November 2006 to June 2007 the Ministerial team was as follows.

Secretary of State for Trade and Industry	The Rt Hon Alistair Darling, MP (from 5 May 2006)
Minister of State for Industry and the Regions	The Rt Hon Margaret Hodge MBE, MP (from 5 May 2006)
Minister of State for Trade, Investment and Foreign Affairs	The Rt Hon Ian McCartney, MP (from 5 May 2006)
Minister of State for Science and Innovation	Malcolm Wicks, MP (from 13 November 2006)
Parliamentary Under-Secretary of State for Employment Relations and Postal Services Minister for London	Jim Fitzpatrick, MP (from 5 May 2006)
Parliamentary Under-Secretary of State for Energy	Lord Truscott (from 13 November 2006)

3.3 In addition, the following also held Ministerial responsibility during 2006-07:

Secretary of State for Trade and Industry (to 4 May 2006)	The Rt Hon Alan Johnson, MP
Minister for Industry and the Regions (to 4 May 2006)	The Rt Hon Alun Michael, MP
Minister for Trade, Investment and Foreign Affairs (to 4 May 2006)	Ian Pearson, MP
Parliamentary Under-Secretary of State for Competitiveness (to 4 May 2006)	Barry Gardiner, MP
Parliamentary Under-Secretary of State for Women and Equality (to 4 May 2006)	Meg Munn, MP
Parliamentary Under-Secretary of State for Science and Innovation (to 9 November 2006)	Lord Sainsbury of Turville
Parliamentary Under-Secretary of State for Employment Relations and Consumers Affairs (to 4 May 2006)	Gerry Sutcliffe, MP

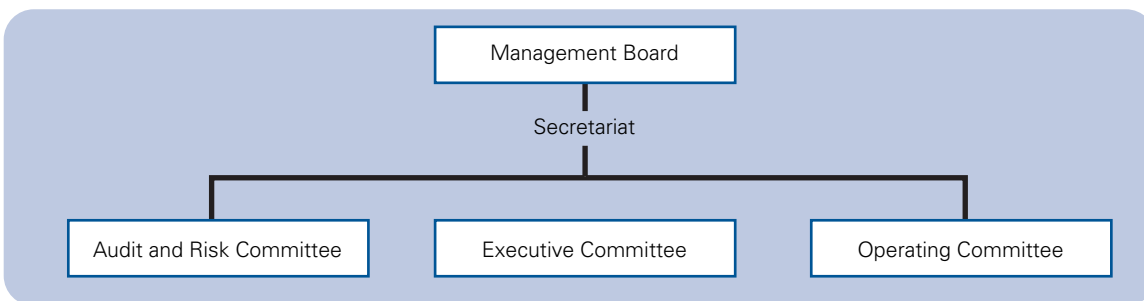
3.4 The remuneration of the Ministers is detailed in the Remuneration Report (see section 3.7).

Permanent Secretary

3.5 Sir Brian Bender has been the Permanent Secretary of the Department since October 2005. He chairs the Management Board and is in charge of the day-to-day running of the Department. The Civil Service Management Code governs the Permanent Secretary's appointment, including length of time of the appointment.

Governance structure

3.6 The Department's corporate governance structure comprises a Management Board and three sub-Committees: the Audit and Risk Committee, the Executive Committee and the Operating Committee. The following diagram shows the governance structure in place at the Department:



Management Board

3.7 The Management Board's role is to provide corporate strategic leadership to the Department. This involves in particular:

- working with Ministers to set the Department's strategy and allocate resources;
- agreeing business plans, and monitoring Departmental performance;
- assessing risks/issues which could undermine the Department's strategy/business plan;
- assessing Departmental capability and plans for the future; and
- setting standards, values and controls.

3.8 The Board is supported by the three Departmental Committees shown above.

3.9 The Members of the Management Board as at 31 March 2007 were:

Permanent Secretary (Chair)	Sir Brian Bender
Director General, Fair Markets Group	John Alty
Chief Executive, UK Trade & Investment	Andrew Cahn
Director General, Finance & Strategy (from 5 June 2006)	Mark Clarke
Chief Operating Officer (from 18 April 2006)	Hilary Douglas
Director General, Enterprise and Business Group	Mark Gibson
Solicitor and Director General, Legal Services	Anthony Inglese
Director General, Energy Group	William Rickett
Director General, Science and Innovation	Sir Keith O’Nions
Chief Economic Adviser and Director General, Economics	Vicky Pryce
Independent members:	
Crawford Gillies	(Senior Adviser to Bain & Company Inc, and former Chairman of the CBI London Region and Chairman of the London Business Board)
Fields Wicker-Miurin	(Co-Founder and Partner of Leaders’ Quest; Non-Executive Director of Savills plc, the Carnegie Group, the Royal London Group, and CDC Group plc; Governor, King’s College London)
Dr Brian Woods-Scawen	(Director of West Bromwich Building Society and a member of the Committee on Standards in Public Life; formerly at PricewaterhouseCoopers: partner, Chairman of the Supervisory Board, member of the Global Board and Executive Chairman of the Midlands Region)
Also attending:	
Director, Strategy and Communications	Matthew Hilton
In addition, the following were Board members during 2006-07:	
Director General, Services Group (to 17 April 2006)	David Evans
Director General, Innovation Group (to 16 April 2006)	David Hughes

Committees

3.10 The **Executive Committee** makes decisions on strategic, Department-wide internal management issues. This includes:

- broad decisions on resource allocation;
- monitoring organisation capability;
- internal management issues that require explicit endorsement by Directors-General; and
- SCS performance and development, and pay of senior civil service (Committee convenes as SCS Performance and Development Committee).

3.11 In order to discharge these responsibilities the Committee met monthly in 2006-07 except August.

3.12 The members of the Executive Committee as at 31 March 2007 were:

Permanent Secretary (Chair)	Sir Brian Bender
Director General, Fair Markets Group	John Alty
Chief Executive, UK Trade & Investment	Andrew Cahn
Director General, Finance & Strategy (from 5 June 2006)	Mark Clarke
Chief Operating Officer (from 18 April 2006)	Hilary Douglas
Director General, Enterprise and Business Group	Mark Gibson
Director, Strategy and Communications	Matthew Hilton ¹
Solicitor and Director General, Legal Services (Deputy Chair)	Anthony Inglese
Director General, Energy Group	William Rickett
Director General, Science and Innovation	Sir Keith O’Nions
Chief Economic Adviser and Director General, Economics	Vicky Pryce
Also attending:	
Chief Executive of Shareholder Executive (from 20 November 2006)	Martin Bryant ²
In addition, the following were also Committee members during 2006-07:	
Director General, Services Group (to 17 April 2006)	David Evans
Director General, Innovation Group (to 16 April 2006)	David Hughes
Also attended during 2006-07:	
Chief Executive of Shareholder Executive (to 31 August 2006)	Richard Gillingwater ³

3.13 The purpose of the **Operating Committee** (previously named “Resources Committee”) is to decide on the Department’s processes and resources relating to people, planning, financial management, communication, project management, IT and property:

- looking at the Department’s internal business planning enabler objectives (see section 3.4 below for performance during 2006-07), and to
- co-ordinate the implementation of change and efficiency initiatives in respect of these “enabler functions”.

3.14 In order to discharge these responsibilities the Committee met monthly (except August) during the financial year 2006-07.

¹ Does not attend when convened as SCS Performance and Development Committee

² Attends when convened as SCS Performance and Development Committee

³ Attends when convened as SCS Performance and Development Committee

3.15 The members of the Operating Committee as of 31 March 2007 and during the year were:

Solicitor and Director General, Legal Services (Chair)	Anthony Inglese
Director General, Finance & Strategy (from 5 June 2006)	Mark Clarke
Group Director, Transdepartmental Science and Technology	Jeremy Clayton
Director, Corporate Law and Governance	Geoff Dart
Chief Operating Officer (from 18 April 2006)	Hilary Douglas
Chief Executive, Insolvency Service	Desmond Flynn
Director, Legal Services A (from 22 January 2007)	Hugh Giles
Deputy Chief Executive, UK Trade & Investment	Susan Haird
Head of Business Relations 2	David Hendon
Director, Strategy and Communications	Matthew Hilton
Director, Operations Directorate	Ian Jones
Director, Information and Workplace Services (from 7 August 2006)	Peter Lowe
Director, Human Resources	Shirley Pointer
Head of Energy Technologies Unit	Peter Waller
Deputy Chief Economic Advisor	Ken Warwick
Independent members:	
Claire Ighodaro	(National Council Member of the Learning and Skills Council, non-executive director of the Banking Code Standards Board, independent board member of the UK Trade & Investment Executive Board, and Chairman of the Open University Audit Committee, the BCSB Audit Committee and UKTI Audit Committee)
Jean Irvine OBE	(Independent consultant and non-executive director, formerly a Director of the Post Office)
David Weymouth	(Formerly Corporate Responsibility Director, Group Chief Information Officer for the Barclays Group)
In addition, the following were also Committee members during 2006-07:	
Director General, Services Group (to 17 April 2006)	David Evans
Director, Finance Resource Management (to 4 June 2006)	Adam Jackson
Director, Information and Workplace Services (to 6 August 2006)	Yvonne Gallagher

3.16 The Audit and Risk Committee's purpose is to support the Permanent Secretary in his role as Accounting Officer for the Department by promoting confidence in the Department's governance, overseeing the work of the internal and external auditors and reviewing the annual financial statements before submission to the Management Board. In order to discharge these responsibilities the Committee met five times in 2006-07.

3.17 The full terms of reference of the Audit Committee can be found at www.dti.gov.uk/about/strategy-objectives/how-we-work/senior-committees/page18199.html

3.18 Membership of the Audit and Risk Committee as at 31 March 2007 was:

Independent Chair	Crawford Gillies
Director General, Business Group	Mark Gibson
Solicitor and Director General, Legal Services	Anthony Inglese
Head of Energy Market Unit	Claire Durkin
Independent members:	
Barry Rourke	(Director at Surrey and Borders Partnership NHS Trust and formerly partner at PricewaterhouseCoopers)
Julia Unwin OBE (to 31 December 2006)	(Deputy Chair of the Food Standards Agency, Chair of the Committee of Reference overseeing the group of ethical investment funds provided by Friends Provident and F & C)
Dr Brian Woods-Scawen	(see above)

3.19 The Permanent Secretary (as Accounting Officer for the Department), Director General Finance & Strategy, the Director of Internal Audit and a Director of the National Audit Office also normally attend meetings of the Committee.

Appointment and remuneration

3.20 The Permanent Secretary, as well as the members of all these Boards and Committees (with the following exceptions) are civil servants, appointed in accordance with the Civil Service Management Code. Their remuneration is determined in accordance with Cabinet Office guidelines, which take into account the recommendations of the Senior Salaries Review Body. The exceptions are: the Independent Board Members (IBMs), the Secretary of State and Ministers. The IBMs are appointed for an initial term of two or three years with the possibility of a second similar term. Remuneration is based on a flat-rate annual honorarium plus reimbursement of reasonable expenses. The remuneration report in section 3.7 gives details of the remuneration of the Secretary of State, Ministers and senior management, and fees paid to Independent Board Members.

3.21 Those members of the Department's Boards and Committees who are also civil servants are, by the terms of that employment, precluded from holding any company directorships or other significant interests that

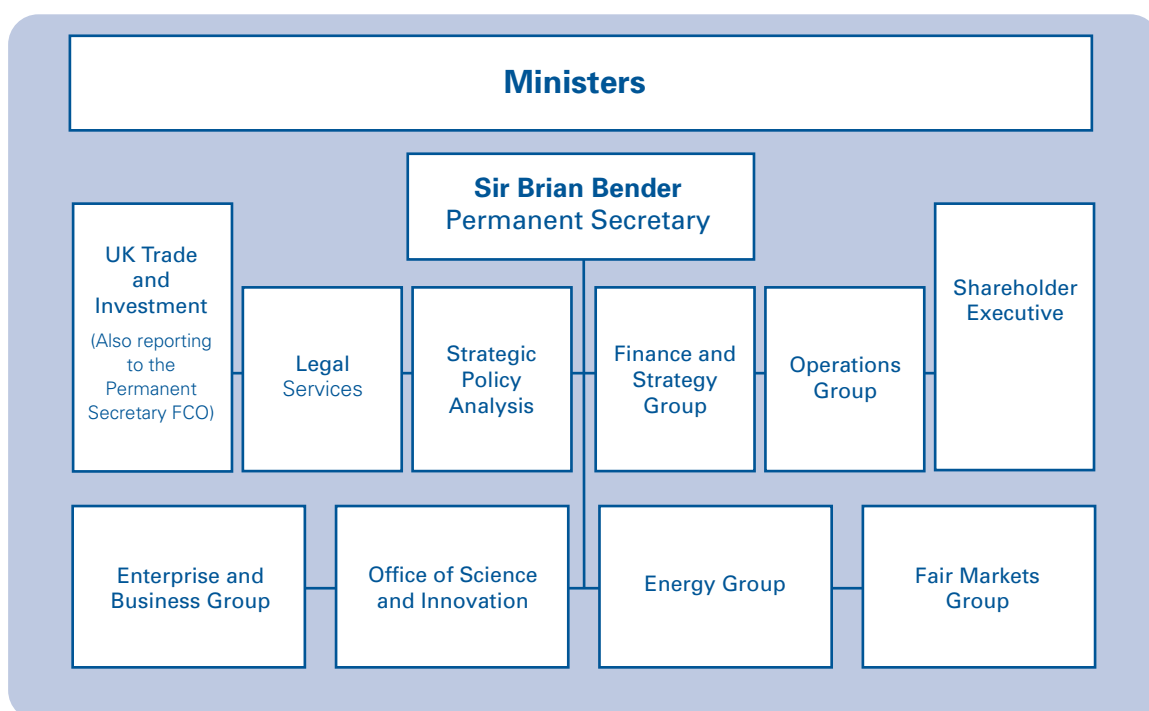
may conflict with their management responsibilities. The IBMs are required to declare any personal or business interests which may, or may be perceived to, influence their judgement and are asked on a regular basis to keep this updated.

3.22 The Department is committed to appointments in our delivery partners being made on merit. Public appointments are made by Ministers to the boards of the Department's non-departmental public bodies. Appointments include the positions of Chair, Deputy Chair and Board members. Ministerial appointments to NDPBs and public corporations are made in accordance with the Code of Practice of the Commissioner for Public Appointments more commonly known as the OCPA Code. The role of the Commissioner is to regulate, monitor, report and advise on the way in which Ministers make appointments to the Boards of public bodies. A separate report on public bodies and public appointments will be made available on the Department's website around the time of the publication of this Report.¹⁴¹

Section 3.2

Structure and organisation

3.23 This section gives an overview of the Department's structure during the reporting year and summarises the work of each unit. Following the changes implemented in June 2007 (see section 1.1), large parts of this structure have transferred to the Department for Business, Enterprise and Regulatory Reform, with the Office of Science and Innovation transferring to the Department for Innovation, Universities and Skills.



3.24 Enterprise and Business Group comprises Business Relations (BR), the Small Business Service (SBS) and Regions. The Director General is Mark Gibson. Business Relations builds partnerships with business through face-to-face contact and sector analysis. Regions aims to improve the economic performance of each English region and narrow the gap in growth rates, working in partnership with England's Regional Development Agencies and other Government Departments; and the Small Business Service is dedicated to supporting small business and enterprise.

3.25 Fair Markets Group shapes a framework for free and fair markets nationally and internationally, to help business, consumers and employees meet the challenges of globalisation. Headed up by its Director General John Alty, it extends competitive markets by developing markets both in Europe and throughout the world; reducing the regulatory burden on business; and placing empowered and protected consumers at the heart of a world-class competition regime. It maintains an adaptable labour market, delivering a reduction in legal complexity while

protecting vulnerable workers and promoting diversity. It promotes and delivers an effective framework for corporate and insolvency activity, giving confidence to investors and business.

3.26 The Office of Science and Innovation (OSI) was headed by Sir David King, who is also the Government's Chief Scientific Adviser. OSI comprises the Science and Innovation Group (S&IG), headed by Sir Keith O'Nions (who reports directly to the Permanent Secretary), and the Transdepartmental Science and Technology Group (TDST), which supports Sir David in his role as GCSA. S&IG has the dual purpose of developing further the excellence of the UK's research base; and promoting technological and other business innovation. S&IG's main delivery partners are the Research Councils, the Technology Strategy Board, the UK Intellectual Property Office, British National Space Centre, the National Physical Laboratory and the National Weights & Measures Laboratory. TDST aims to ensure that the Government as a whole manages and uses science effectively to improve policy and delivery, as well as co-ordinating the UK's engagement with international science issues.

3.27 Energy Group's Director General is Willy Rickett. The Group handles a range of energy-related matters, from licensing of oil and gas exploration and production to the supply of gas and electricity to consumers. Its overall objective is to use competitive energy markets to achieve the efficient use and reliable supply of clean, safe and competitively-priced energy. It also manages Departmental historic liabilities; and safety and security in the civil nuclear industry.

3.28 UK Trade & Investment (UKTI) brings together the work of the Foreign & Commonwealth Office and the Department in supporting companies in the UK doing business internationally, and overseas enterprises seeking to locate in the UK (see the FCO's Departmental Report at www.fco.gov.uk or UKTI's own annual report at www.uktradeinvest.gov.uk). UKTI draws staff and associated administration funding from both parent departments and has its own stream of programme funding, voted directly by Parliament. The Chief Executive is Andrew Cahn.

3.29 The Government is owner of or shareholder in, a large and diverse portfolio of businesses, including for instance Royal Mail. The **Shareholder Executive** aims to ensure that Government shareholdings deliver sustained, positive returns and to act as an effective and intelligent shareholder. During the reporting year it was headed by Martin Bryant, Chief Executive. He was succeeded by Stephen Lovegrove as Acting Chief Executive from June 2007.

3.30 The **Strategic Policy Analysis** Unit is headed by Vicky Pryce, the Chief Economic Advisor and Director General. The Unit undertakes analytical work in support of the Department's policy and strategy and gives a professional lead to the work of economists, statisticians and operational researchers across the Department. The unit is responsible for developing the Department's evidence base and its analysis of globalisation and the UK productivity and competitiveness agenda.

3.31 The Director General of the **Finance and Strategy Group** is Mark Clarke. The Group is responsible for ensuring that the Department's finances are managed and controlled effectively in a way which supports the delivery of the Department's objectives. It delivers strategic, business and financial planning; performance

management and reporting; accounting operations; and decision support and financial analysis. The Group also champions value for money, performance improvement and cost/income management across the Department.

3.32 Operations Group is led by Hilary Douglas, the Chief Operating Officer. The Group ensures the Department has the capability to deliver on our objectives by providing infrastructure, communication and support services such as personnel, accommodation, IT and operations and using resources efficiently to meet savings targets.

3.33 Legal Services Group ensures that the Department and its executive agencies receive the highest quality legal advice. The Group is headed by Anthony Inglese, the Solicitor and Director General.

Changes during 2006-07

3.34 During 2006-07 the following changes took place in the structure and organisation of the Department. See also Note 40 to the accounts in section 5.6 for the financial implications of some of the changes listed here.

- Following the Ministerial reorganisation in May 2006, the Women and Equality Unit has transferred to the Department of Communities and Local Government (DCLG) in a machinery-of-government change. As part of the transfer, sponsorship responsibilities for the Equal Opportunities Commission and the Women's National Commission, with their associated budgets, have also transferred to the DCLG.
- During 2006-07 Ministers agreed to major restructuring of the work of the Business Relations teams and the Small Business Service, with a view to becoming a more streamlined, policy-making Department. As part of this restructuring, SBS has ceased to be an executive agency, and has become part of the core Department from 1 April 2007.
- As of 1 April 2006 Companies Investigation Branch of the Department transferred to The Insolvency Service.
- In October 2006, the safety function of the Engineering Inspectorate transferred to the Health and Safety Executive.
- As of 1 April 2007, the nuclear safeguards function within Energy Group transferred to the Health and Safety Executive.
- In June 2006, the Social Enterprise Unit in the SBS transferred to the Cabinet Office.

Section 3.3

Delivery partners – agencies and NDPBs

3.35 The Department delivers its wide range of products and services to very diverse groups by working with a network of organisations (or parts of organisations) and delivery partners.

3.36 This section gives an overview of all bodies sponsored by the Department during the reporting year. The “Departmental family” consists of a number of executive agencies and non-departmental public bodies. They employed around 21,000 people and spent about 70% (£4.7 billion) collectively of the Department’s total budget in 2006-07. Around 100 people (full-time equivalent) within the Department have been involved in managing its relationships with these delivery partners.

3.37 Responsibility for a number of delivery partners (including the Research Councils) is currently transferring to the new Department for Innovation, Universities and Skills, while most of the bodies described below are becoming delivery partners of the new Department for Business, Enterprise and Regulatory Reform.

Executive agencies

3.38 Executive agencies are delivery bodies closely connected with the sponsoring Department. Although there is no typical agency model, common features of agencies usually include a certain level of financial and personnel flexibility to get the job done and operating performance targets that are agreed with the parent Department and Minister.

3.39 During 2006-07, the Department had the following agencies:

Executive Agencies		page
Small Business Service (until 1 April 2007)	www.sbs.gov.uk	52
Companies House (a Trading Fund)	www.companieshouse.gov.uk	85
Patent Office (changed its name to “UK Intellectual Property Office” in April 2007) (a Trading Fund)	www.ipo.gov.uk	42
Insolvency Service	www.insolvency.gov.uk	86
National Weights and Measures Laboratory	www.nwml.gov.uk	41

3.40 With effect from 1 April 2007, the Small Business Service was moved into the core Department to reflect the fact that it is mostly a policy unit rather than a delivery unit. Business-facing delivery services are provided by the Regional Development Agencies and Business Link.

Non-departmental public bodies

3.41 Non-departmental public bodies (“**NDPBs**”) are delivery bodies that operate to a greater or lesser extent at arm’s length from Ministers and departments. In the reporting year the Department had around 70, including the Regional Development Agencies, the Research Councils and the Low Pay Commission. Advisory NDPBs differ from other NDPBs in that usually they are set up as ad hoc organisations; any staff and resources they require are provided directly by the Department.

3.42 During 2006-07, the Department had the following NDPBs:

Executive NDPBs
Advisory Conciliation & Arbitration Service (Acas) www.acas.org.uk
British Hallmarking Council www.britishhallmarkingcouncil.gov.uk
Civil Nuclear Police Authority www.cnpa.police.uk
Coal Authority www.coal.gov.uk
Consumer Council for Postal Services (Postwatch) www.postwatch.co.uk
Competition Commission www.competition-commission.org.uk
Competition Service www.catribunal.org.uk
Design Council www.designcouncil.org.uk
Gas and Electricity Consumer Council (Energy Watch) www.energywatch.org.uk
Hearing Aid Council www.thehearingaidcouncil.org.uk
National Consumer Council www.ncc.org.uk
Nuclear Decommissioning Authority www.nda.gov.uk
Simpler Trade Procedures Board (SITPRO) www.sitpro.org.uk
United Kingdom Atomic Energy Authority (UKAEA) www.ukaea.org.uk
Regional Development Agencies:
Advantage West Midlands www.advantagewm.co.uk
East Midlands Regional Development Agency www.emda.org.uk
East of England Development Agency www.eeda.org.uk
North West Development Agency www.nwda.co.uk
One North East www.onenortheast.co.uk
South East England Development Agency www.seeda.co.uk
South West of England Development Agency www.southwestrda.org.uk
Yorkshire Forward www.yorkshire-forward.com

Research Councils:
Arts & Humanities Research Council (AHRC) www.ahrc.ac.uk
Biotechnology & Biological Sciences Research Council (BBSRC) www.bbsrc.ac.uk
Council for Central Laboratory Research Council (CCLRC) and Particle Physics & Astronomy Research Council (PPARC): merged into the Science & Technology Facilities Council on 1 April 2007 www.stfc.ac.uk
Economic & Social Research Council (ESRC) www.esrc.ac.uk
Engineering & Physical Sciences Research Council (EPSRC) www.epsrc.ac.uk
Medical Research Council (MRC) www.mrc.ac.uk
Natural Environment Research Council (NERC) www.nerc.ac.uk

3.43 Last year's DTI Departmental Report contained detailed information on the expenditure and the long-term projects of the Research Councils. This information is no longer presented in this Report, but will be made available on the Department's website at or shortly after publication of this Report, see www.dti.gov.uk/science/science-funding/budget/page28923.html.

Advisory NDPBs
Advisory Committee on Carbon Abatement Technologies (ACCAT) www.dti.gov.uk/energy/sources/sustainable/carbon-abatement-tech/page19502.html
Council for Science & Technology www.cst.gov.uk
Ethnic Minority Business Forum www.ethnicbusiness.org
Fuel Poverty Advisory Group www.dti.gov.uk/energy/fuel-poverty
Industrial Development Advisory Board www.berr.gov.uk/regional/regional-development/indus-dev-advis-board/page19309.html
Low Pay Commission www.lowpay.gov.uk
Measurement Advisory Committee www.berr.gov.uk/innovation/nms/mac/page32304.html
Regional Industrial Development Boards www.berr.gov.uk
Renewables Advisory Board www.berr.gov.uk/energy/sources/renewables/policy/renewables-advisory-board/page16101.html
Small Business Council www.smallbusinesscouncil.org
Small Business Investment Taskforce www.sbs.gov.uk/sbit
Sustainable Energy Policy Advisory Board www.berr.gov.uk/energy/policy-strategy/sepn/sepab/page21437.html
Technology Strategy Board www.berr.gov.uk/technologystrategy
Union Modernisation Fund Supervisory Board www.berr.gov.uk/employment/trade-union-rights/modernisation/supervisory-board/page20780.html
UK Chemical Weapons Convention National Authority Advisory Committee www.berr.gov.uk/europeandtrade/non-proliferation/chemical-biological/uk-cwc/naac/page26429.html

Tribunal NDPBs	
Central Arbitration Committee	www.cac.gov.uk
Competition Appeal Tribunal	www.catribunal.org.uk
Copyright Tribunal	www.ipo.gov.uk/ctribunal.htm
Insolvency Practitioners Tribunal	www.insolvency.gov.uk
Persons Hearing Consumer Credit Licensing Appeals	www.dti.gov.uk
Persons Hearing Estate Agents Appeals	www.dti.gov.uk

Other bodies

3.44 Finally, the Department is associated with a number of other bodies.

Public corporations	
British Energy Group plc	www.british-energy.com
British Nuclear Fuels plc (BNFL)	www.bnfl.com
British Shipbuilders	
Ofcom	www.ofcom.org.uk
Royal Mail Holdings plc	www.royalmailgroup.com
Central Government organisation	
Nuclear Liabilities Fund (NLF – a company limited by shares)	www.ngdf.info
Non-Ministerial Departments	
Export Credit Guarantee Department (ECGD)	www.ecgd.gov.uk
Office of Fair Trading	www.oft.gov.uk
Ofgem	www.ofgem.gov.uk
Postcomm	www.psc.gov.uk
Ad-hoc advisory groups	
Advisory Panel on Management & Leadership	
Aerospace Innovation & Growth Leadership Council	
Capital for Enterprise Advisory Group	
Electronics Leadership Council	
Employment Law Simplification Review Practitioners' Panel	
Environmental Innovations Advisory Group	
Manufacturing Forum	
Motorsport Development UK (MDUK) Advisory Board	
Pilot – The Right Course for Oil and Gas Success	
UK Energy Research Partnership (UKERP)	
Vulnerable Workers Pilot Practitioners' Panel	
Women's Enterprise Task Force	

Other bodies

Citizens Advice www.citizensadvice.org.uk

Financial Reporting Council (FRC) www.frc.org.uk

3.45 Note that the following units are part of the core Department rather than the wider Departmental family: the Office of Science and Innovation, UK Trade & Investment, the British National Space Centre, the Export Control Organisation and the Shareholder Executive.

Changes during 2006-07

3.46 With effect from May 2006, the sponsoring role for the Equal Opportunities Commission (an executive NDPB) and the Women's National Commission (an advisory NDPB) moved to the Department of Communities and Local Government. This follows the transfer of the Women and Equality Unit (see page 124 above).

3.47 On 1 April 2006 the functions of the Employment Tribunals Service transferred to the Ministry of Justice to become part of the new Tribunals Service.

3.48 Other bodies which were wound up during 2006-07 were:

Advisory NDPBs

Measurement Advisory Committee	December 2006
Sustainable Energy Policy Advisory Board	March 2007
Ethnic Minority Business Forum	March 2007
Small Business Council	March 2007
Small Business Investment Taskforce	March 2007

Ad-hoc advisory groups

Age Advisory Group	January 2007
Construction Act Sounding Board	February 2007

3.49 In addition the Women in SET Implementation Group has been reclassified as an Expert Committee with effect from May 2006.

3.50 The Office for Civil Nuclear Security transferred to the Health and Safety Executive as of 1 April 2007.

Performance reporting on agencies and NDPBs

3.51 The performance report in chapter 2 also covers the contribution of the executive agencies. All agencies and most NDPBs (other than Advisory and Tribunal NDPBs) also publish their own annual report and accounts, which provide full information on targets and performance of the organisation in question, as well as financial information. These can be obtained from their websites, as indicated above, or The Stationery Office.

Entities consolidated and not consolidated

3.52 The audited Resource Accounts 2006-07 in chapter 5 present the consolidated results for the financial year 2006-07 of the following entities:

- the DTI, including DTI elements of administration expenditure for UK Trade & Investment. The administration costs of UKTI are shared with the Foreign and Commonwealth Office. UKTI’s programme expenditure is presented in its own resource accounts;
- the following executive agencies: The Insolvency Service, National Weights and Measures Laboratory, Small Business Service; and
- the Advisory, Conciliation and Arbitration Service (Acas), a Crown Executive NDPB.

This means that the spending amounts in the Accounts represent the combined expenditure by these bodies.

3.53 With the exception of Acas, the financial results of NDPBs are not consolidated in these Accounts. However, the Accounts do show the money the Department has provided to the various NDPBs during 2006-07 (so-called “grants-in-aid”, see Note 11 to the Accounts – section 5.6). As mentioned above, executive NDPBs publish separate annual reports and accounts which provide full details of financial activity during the year. Advisory NDPBs and Tribunal NDPBs do not publish formal annual reports and accounts, but information on their work can be found on their websites.

3.54 In parallel to the audited Resource Accounts, this Annual Report and Accounts also contains (unaudited) expenditure information on the whole of the Departmental family (including NDPBs) in chapter 6. Chapter 4 explains the difference between the two sets of financial information in more detail.

Relationship between the core Department and delivery partners

3.55 Each NDPB is overseen by a sponsor team in the Department which agrees the NDPB’s remit and monitors performance. The sponsor team works with the NDPB, providing both support for its high level aims, as well as challenge to ensure adherence to rules of regularity and propriety and for purposes of budgetary control.

3.56 The next section (section 3.4 “Professional support, capability and infrastructure”) discusses the Capability Review that was carried out in 2006. With regard to the relationship between the Department and its delivery partners, the Capability Review recognised that there were significant areas of strengths and also highlighted areas which needed to improve if we were to work together as effectively as possible ensuring a consistent level of senior level engagement.

Section 3.4

Professional support, infrastructure, capability

3.57 The Department's 2006 Business Plan² set out what we wanted to achieve during 2006-07 for the strategic objectives on science, business, markets and energy, and chapter 2 reports the progress made. The Business Plan also outlined work to build the Department's capability to pursue these objectives. It did so by describing the Department's plans for 2006-07 for each of five "enabler objectives":

- setting and delivering priorities;
- corporate services;
- corporate communications;
- legal services; and
- delivering efficiency targets.

3.58 This section contains the 2006-07 report on the Department's enabler objectives. It also explains how the "Capability Review" that was carried out in 2006 fits in with the Department's work on building its capability.

3.59 From 28 June 2007, the support services delivering the enabler objectives form the foundation of the capability of the new Department for Business, Enterprise and Regulatory Reform (see section 1.1).

The Capability Review

3.60 The Departmental Capability Reviews are an initiative launched by the Cabinet Secretary, Sir Gus O'Donnell to improve the capability of the Civil Service to meet today's delivery challenges and be ready for tomorrow's.¹⁴² The reviews are carried out by a team of Board-level external reviewers from the public, private and voluntary sectors supported by the Prime Minister's Delivery Unit.

3.61 The Department was in the second tranche of Departments to be reviewed, with the Review report published on 13 December 2006 alongside a response to the review from the Department's Management Board, and a more detailed implementation plan.¹⁴³

3.62 The Review report recognised the improvements made in the Department over the last five years beginning with the Patricia Hewitt-led review of the Department in 2001 through the introduction of a comprehensive strategy (see section 1.2) and more effective business plans in 2003 to more recent innovations such as the introduction of the Project Pool (see page 132). It highlights Departmental strengths in delivery, with the Department coming out as one of the top departments in Whitehall in this area, as well as the Department's impressive

record of analysis and use of evidence and its success in delivering efficiency and headcount targets ahead of schedule.

3.63 In the light of the findings of the Review the Management Board committed to action in the following areas:

- **Clarity and standards:** Ensuring that the Department’s vision, role and purpose drives the performance of every unit and individual in the organisation.
- **Leadership:** Building on the Department’s leadership development work to address issues raised in staff surveys, to strengthen the corporate approach to the management of change, and to recognise the contribution of leaders from the wider Departmental “family” of delivery partners.
- **Working through the delivery chain:** Achieving more strategic interaction between the Department and its executive agencies and NDPBs, with clearer business models and an emphasis on sharing common purpose, best practice and recognising success.

3.64 Work is continuing in these areas and the Management Board will periodically discuss actions and evidence of progress with the Cabinet Secretary and the Prime Minister’s Delivery Unit. A public update report will be available around twelve months after publication.

Business plan objective: setting and delivering priorities

Plans for 2006-07	Progress in 2006-07
Leading and co-ordinating the Department’s evidence for the Comprehensive Spending Review (CSR 2007)	<p>Comprehensive Spending Review</p> <p>3.65 The Department has undertaken a series of rigorous exercises to ensure that its bid for resources in CSR 07 is soundly based, including examining all areas for potential value-for-money savings, and to see whether resources currently used could be reduced or refocused to maximise their impact on achieving Departmental and Government objectives. This work will inform the negotiation and implementation of the Department’s CSR 07 settlement as it will apply to its successor Departments (BERR and DIUS, see section 1.1)</p> <p>3.66 In March 2007, the Department’s science budget was settled for the CSR at 2.7% growth annually in real terms to 2010-11. This level of growth is consistent with the 10 Year Science and Innovation Framework 2004. The Department’s non-science budget was settled recently, at the end of June.</p>
Distributing resources to areas that maximise the delivery of DTI objectives	<p>Prioritisation</p> <p>3.67 The Department has undertaken further prioritisation of activities to enable it to operate within its budget. In particular, through making more efficient use of the Department’s accommodation, asserting downward pressure on ICT costs and reviewing particular areas of the Department to ensure that staff numbers are consistent with the organisational strategy. The Department has also continued to build on the success of the Project Pool, which allows staff to be quickly and flexibly deployed to changing priorities.</p>

Plans for 2006-07	Progress in 2006-07
Making a further step-change in our project management capability	<p>3.68 As part of the Comprehensive Spending Review (CSR) process the Department's PSA targets and Departmental strategic objectives have been re-evaluated to allow a clearer line of sight from the Department's vision to the resources and the work of staff needed to deliver these objectives. As part of the preparations for the CSR the Department has thoroughly examined all areas of spend to assess the value-for-money that they give and to look for areas where money could be re-directed to Departmental and Government priorities. This should enable us, in line with the rest of Whitehall, to meet the 3% annual value-for-money savings target announced in the 2006 pre-budget report.</p> <p>Project management</p> <p>3.69 Over the last year the Department has worked to improve delivery through enhancing project management capability. The Project Pool is a flexible resource of 150 staff for allocation to Departmental priorities. The majority of these have now been trained in project management disciplines. The Project Pool maintains a regime for reporting on and monitoring its projects to ensure that they are following agreed minimum project management standards.</p>

Business plan objective: corporate services

3.70 The Department's central directorates provide internal services and infrastructure to support the Department in the delivery of its objectives. They also take the lead in building internal capability and leadership, and maximising efficiency in the Department's running costs.

3.71 During 2006-07 the Department embarked upon a wide-ranging review of all of its running costs to ensure it can live within its reducing administration budget. This review led to plans for further, smaller scale restructuring, particularly in the corporate centre. Internal restructuring (such as of the SBS, see page 52) also led to reductions in running costs.

3.72 The Department has further developed its strategy to reduce the costs of estates and IT services, whilst delivering to industry standards. The strategy for the central London estate, based on flexible desking and consolidation of property holdings, will by 2008-09 deliver savings of £8.5 million per annum. The rationalisation of ICT assets and services should deliver savings in the order of £6 million per annum.

3.73 The Department's people strategy is to create a high performing department by:

- Building the Department's leadership capability.
- Managing its people to achieve high performance.
- Developing and deploying the skills and talents of its people.
- Working in partnership with its employees to develop and sustain a diverse, motivated and proud workforce.

Plans for 2006-07	Progress in 2006-07
<p>Building leadership capability – developing a new talent management programme to identify people with potential</p>	<p>Leadership</p> <p>3.74 The Department has prioritised investment in leadership development during 2006-07. The need to develop the Department’s leadership capacity was identified in the Department internal staff survey and the Capability Review findings, reinforced the need for continued focus on this.</p> <p>3.75 A facilitated leadership development programme for the Management Board was rolled-out in 2006 and this has now been cascaded to their immediate teams. In parallel to this development, Senior Civil Servants (SCS) and their immediate teams have also participated in an 18 month leadership development programme. This programme ended in January 2007 and 1,400 people took part. In the coming year the Department will evaluate the successful elements of both programmes. These will then form an on-going package that staff across the department can access in order to support and reinforce their leadership capability.</p> <p>3.76 In February 2007, the Department launched a new talent competition to identify thirty emerging leaders, aimed at providing the development to prepare them for Senior Management. Selection is based on staff who are beginning to show potential skills and behaviours required for the Senior Civil Service (SCS), based on the professional skills for government framework. Applications from groups currently underrepresented in the SCS have been actively encouraged during the recruitment process. Successful candidates will access a new self-managed, tailored menu of learning and development options, geared to both the individual’s development and the needs of the business.</p>
<p>Managing for high performance</p>	<p>Performance appraisal</p> <p>3.77 In 2006-07 the Department relaunched its framework for performance appraisal and development reviews, bringing together and streamlining its existing processes in one on line system. The system set new standards for regular reviews between line managers and employees (mandatory every six months but recommended to take place each quarter), emphasising the benefits of giving honest and constructive feedback. Expert advice and support is provided to line managers to help them deal with colleagues whose performance is not at an acceptable level, with the aim of returning performance to a satisfactory level as quickly as possible.</p>
<p>Developing and deploying our skills and talents</p>	<p>Professional Skills for Government</p> <p>3.78 In 2006-07, the Professional Skills for Government (PSG) framework was rolled out to all Senior Civil Servants and to staff just below these grades. PSG is a personal and career development framework, giving civil servants the opportunity to acquire the skills needed to deliver business objectives and make future career choices. The Department ran a series of workshops to support implementation, helping line managers and employees to assess their existing skills and identify future development needs. The framework will be rolled out to remaining staff in 2007-08.</p> <p>3.79 The Professional Skills framework has also underpinned recruitment competitions in 2006-07, for the Senior Civil Service, Emerging Leaders and the Accelerated Development Programmes. The framework has also been used to support organisational restructuring, external appointments and, increasingly, internal moves within the Department.</p>

Plans for 2006-07	Progress in 2006-07
	<p>European expertise across the Department</p> <p>3.80 The Department has established a plan to disseminate more effectively knowledge across the Department on European issues. This includes: widening membership of the Department’s Europe Community of Practice; updating the Europe Intranet; setting up a network to coordinate Department-wide EU consultations; continuing the series of lunchtime seminars and exploiting the knowledge and experience of staff returning to the Department from Brussels postings through a structured programme of dissemination. A new framework has been established for managing Seconded National Experts to help ensure that people are matched to posts covering the Department’s priority European policy areas.</p>
<p>Working in partnership with our employees – promoting the benefits of diversity and meeting the commitments in the DTI’s diversity plan, in line with the priority requirements of the Civil Service 10 point diversity plan</p>	<p>Diversity</p> <p>3.81 In 2005 the Department refreshed its diversity strategy to take account of the considerable change that the Department has been through in recent years and its new mission statement (“creating the conditions for business success and helping the UK respond to the challenge of globalisation”). The new strategy set out the Department’s diversity statement:</p> <ul style="list-style-type: none"> • We believe that every employee should be treated with openness, honesty and respect. We won’t tolerate unfair treatment or discrimination. We want to be an organisation that people are proud to be part of. • We will aim to have a workforce that reflects the diverse community which we serve. • We will value and make the best use of the diversity of talent in the Department so that its people fulfil their potential and create the conditions for business success. <p>3.82 The refreshed diversity strategy was agreed by the Management Board and takes account of the aims of the “Cross Whitehall 10 point plan.” The plan commits Government Departments to 10 key areas for action on diversity and targets progress towards making the civil service more diverse.</p> <p>3.83 One of the Department’s key aims in 2006-07 has been to establish an accurate picture of the diverse backgrounds of its staff. The Department completed an exercise to update Senior Civil Service (SCS) diversity data, with the full cooperation of all SCS. In 2007-08 the Department is undertaking a similar exercise to improve the diversity data about other staff.</p> <p>3.84 A supplier has been appointed in 2006-07 to develop training for the Department’s key leaders aimed at raising awareness about diversity and equal opportunities issues. The programme will be delivered in 2007-08 and the Department will also be developing a diversity awareness programme for all other staff.</p>

Figure 3.1

Senior civil service diversity statistics	DTI Performance April 2006	DTI Performance April 2007	Cabinet Office Target by 2008	Dept. Target by 2008
SCS who are women	27%	30%	37%	37%
Top SCS posts occupied by women	23%	23%	30%	35%
SCS from ethnic minority backgrounds	4%	5%	4%	8%
SCS with disabilities	5%	3%	3%	5%

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Plans for 2006-07	Progress in 2006-07
	<p>3.85 Preparations for the 2006-07 competition for promotions to the SCS included training for assessors in diversity and equal opportunities awareness and the participation of the Government Special Adviser on Diversity. Diversity Talent development schemes for more junior staff are being developed and will be launched later in 2007.</p> <p>3.86 The Permanent Secretary also met the chairs of the various Diversity Advisory Groups and intends to continue this dialogue. The Department has well established Diversity Advisory Groups who provide advice and guidance on a wide range of diversity issues. The Department's Diversity Steering Group was established in 2006 and monitors progress on the delivery of the Department's diversity strategy.</p> <p>Employment of disabled persons</p> <p>3.87 The Department operates the "two ticks" scheme during all recruitment and promotion processes which ensures that disabled candidates who meet the minimum requirements are invited to interview. Staff involved in recruitment and selection processes are provided with specific diversity training which covers a range of disability issues. Those employees who declare a disability or long-term health condition are assessed through the Disability Management Service which is provided by a contracted expert. The contractor makes recommendations for reasonable adjustments to assist the individual in the workplace.</p> <p>3.88 The Department's ongoing partnership with the Departmental Trade Unions has enabled it to maintain effective employee relations during a period of significant restructuring and staff redeployment.</p>
<p>Appropriate handing of current restructuring programme</p>	<p>Restructuring</p> <p>3.89 The Department has been assessing its activities and looking at ways it can work more efficiently and effectively. The result is a significantly smaller, more tightly focused policy department with delivery carried out by our delivery partners. To realise this vision the Department will need to focus on a smaller core of highly skilled people able to influence Whitehall and the business community. This has resulted in major restructuring and a significant number of staff reductions.</p> <p>3.90 The Department is supporting restructuring with a new strategy for redeploying surplus staff. Staff whose posts were cut between mid 2004 and April 2006 were supported by a dedicated team to help them secure alternative posts. Over 400 members of staff either secured a new post or took advantage of voluntary early exit schemes. At November 2006, 9 staff remained surplus and were served notice of compulsory redundancy.</p> <p>3.91 The Department's efforts to minimise the number of compulsory notices have continued as further surplus staff have been identified as a result of restructuring during 2006-07. Since January 2007 some 370 people have been declared surplus and are being supported, again by a dedicated team, with additional input from VT Methvens (external redeployment advisors). By the end of May 2007, over 100 surplus staff had secured a new post; some 140 people opted for a voluntary exit package; and a further 40 redeployed to posts vacated by those non-surplus staff who volunteered to leave the Department.</p>

Plans for 2006-07	Progress in 2006-07
Deliver an HR IT operational efficiency project to streamline transactional processes	<p>Operational efficiency</p> <p>3.92 The HR Operational Efficiency Project has been renamed eHR and will deliver a number of efficiency savings to the Department. It is tasked with sourcing, testing and implementing a new Human Resource Management System, (used to maintain electronic staff records) replacing the existing system, Calipsoe.</p>
Introducing improvements to DTI's record management system and processes to ease access to relevant information	<p>Record management</p> <p>3.93 The Department's current electronic document management service is migrating to the latest software release in late summer 2007. Improved features will enhance the Department's information capabilities and continue its recognised pre-eminence in this area as measured by The National Archive (TNA) assessment.</p>
Rolling out improved IT support for flexible working where business justification is established	<p>IT</p> <p>3.94 Deployment of BlackBerrys for wireless email service for staff who need to work remotely is now complete. Deployment of secure laptops is running to schedule, with over 300 users trained and issued with their devices.</p>
Appropriate security measures to meet all threat aspects	<p>Security</p> <p>3.95 The Department has continued to review its protective, personnel and information security policies and practices, and Departmental contingency planning, in response to terrorist and civil threats to its staff and assets. It has exercised its contingency plans. The Department has also achieved certification to ISO27001, the new European information security standard.</p>
Reducing the cost of processing financial transactions by 50% by March 2007	<p>Transaction costs</p> <p>3.96 Following the successful implementation of an electronic procurement solution, cost savings from headcount reductions in the Department's commit to pay processing are being achieved while maintaining the quality of service. On finance processing costs, original costs at the start of this were £11.50 per invoice. The Department has now reduced this to £5.90 (51.6%). Further cost reductions are planned for 2007-08 as part of the Department's requirement to live within its reducing Administration Budget.</p>

Business plan objective: corporate communications

3.97 Building and maintaining effective corporate communications and external relations along with a cost effective and strategic approach to marketing and communications continues to be a priority for the Department.

Plans for 2006-07	Progress in 2006-07
Developing the Media Features unit into an in-house PR centre of expertise	<p>Media Features</p> <p>3.98 The Department received very positive feedback from the publications we have worked with, resulting in consistent further requests for interviews, articles and feature material. The cross-section of media show the strengths of the team – podcasts, online news sites, international policy reviews, local newspapers, consumer, women’s press.</p> <p>3.99 Around the Energy Review, for example, we provided more than 30 articles in national, regional and specialist press, as well as in international titles which were well received.</p>
Developing the Media Features unit into an in-house PR centre of expertise	<p>Correspondence</p> <p>3.100 Whitehall targets require, firstly, that 80% of MPs’ letters to the Department are answered within 15 days and, secondly, that 93% of telephone calls to the Department are answered within 15 seconds. The Department answered 71% of all MPs letters on time compared to 49.4% last year and exceeded 80% for the second half of the year. A comprehensive restructuring process is in progress to ensure that the Department exceeds 80% for 2007 and succeeding years. This will also result in a smaller, more highly skilled response unit using new technology which will be significantly less expensive to run. The Department answered 92% of phone calls within 15 seconds compared to 87% for 2005.</p>

Figure 3.2

Correspondence	2003	2004	2005	2006
Letters to Ministers answered or receiving a holding reply within 15 working days	97.5%	84%	50%	70%
MPs’ letters answered within 15 working days	72%	50%	50%	71%
Volume of total correspondence drafted by the Ministerial Correspondence and Enquiry Unit	N/A	N/A	46%	60%

Based on cases received during 2006

Business plan objective: legal services

3.101 The aim of Legal Services Group is to ensure that Ministers and officials of the Department and its executive agencies receive the highest quality legal services they need to deliver Departmental objectives. The Group supports the Department's legislative programme and provides advice on aspects of Departmental policy. It investigates and prosecutes criminal offences uncovered by other parts of the Department, principally the Insolvency Service and Companies Investigation Branch (CIB) and advises the Department on any issues involving criminal law and policy. Legal Services Group also has an influencing role in Whitehall, representing the Department's interests on Government-wide legal issues, for example, relating to EU employment policy through chairing the Whitehall-wide Discrimination Law Working Group and, in the criminal justice field, through chairing the Whitehall Prosecutors Group.

3.102 The Department's Legislative Board, chaired by the Solicitor and Director General Legal Services, leads on the prioritisation of the Department's legislative programme and monitors the progress of Bills in the preparatory stages.

Plans for 2006-07	Progress in 2006-07
<p>Clients receive high quality, timely and fit for purpose legal advice on major legal projects and policy delivery</p>	<p>Legal services</p> <p>3.103 The Department continued to benefit from the expert advice provided by the Legal Services Group on aspects of policy, investigations, prosecutions, EU negotiations, the development of international commercial and private international law, and Freedom of Information issues. Noteworthy projects included the Companies Act (which was the biggest Act in Parliamentary history; see page 84) the Consumer Credit Act (see page 71), the Work and Families Act (see page 80) and the Consumers, Estate Agents and Redress Bill (see page 72).</p> <p>3.104 As part of its commitment to delivering excellent legal services, the Group takes regular soundings from colleagues within the Department and those with an interest outside such as Cabinet Office legal advisers on its performance, including an annual survey. The most recent survey (January 2007) showed that 99.4% of clients were either satisfied or very satisfied.</p>
<p>Enforcement of corporate and insolvency regime is effective and appropriate</p>	<p>Enforcement</p> <p>3.105 The Department's enforcement arm faced a heavy demand and difficult resourcing pressures. It responded by reviewing and successfully adapting its operational procedures and organisational structure and the effort has paid dividends in improving efficiency.</p> <p>3.106 In addition, the Department has continued to chair the Whitehall Prosecutors Group and play a leading role in co-ordinating the efforts of Government prosecuting authorities.</p>
<p>DTI bids for legislation are prioritised, credible and efficiently progressed</p>	<p>DTI legislation</p> <p>3.107 The Legislative Board proved its value in successfully leading the prioritisation of the Department's legislative programme bids. It monitored the progress of Bills in the preparatory stages and actively promoted greater knowledge and understanding across the Department by hosting a series of seminars on primary and secondary legislation and Parliamentary procedures.</p>

Business plan objective: efficiency targets

Targets

3.108 The Department's SR04 Efficiency target as in the Gershon Report:¹

To achieve annual efficiencies of at least 2.5% a year, equivalent to a total over the Spending Review period of at least £380 million by 2007-08. At least half of these efficiencies will be cash releasing, allowing resources to be recycled to priority programmes.

3.109 As part of this efficiency programme the Department set the following targets, to be achieved by the end of 2007-08:

- deliver around 80% of the total efficiency gains principally by means of increasing the effectiveness of the Department's business support products and securing efficiency gains within the science budget;
- deliver around £20 million of savings through improved procurement, particularly through more effective procurement of external consultancy and information technology, and rationalisation of the Departmental estate;
- work with the RDAs to ensure the efficient devolution of business support products and to minimise overlaps in service provision; and
- achieve a total reduction in civil service posts of 1,010 in the core Department,² 200 in UK Trade & Investment and 270 in other bodies, and be on course to have relocated at least 685 posts out of London and the South East by 2010.

¹ See www.hm-treasury.gov.uk/media/B2C/11/efficiency_review120704.pdf

² In reporting staff reductions as part of the SR04 efficiency programme core DTI refers to DTI HQ, SBS and DTI & SBS activities in Government Offices.

Achievements up to March 2007

- **The Department has achieved overall delivery of efficiency savings of £484 million at the end of the second year of the programme against an overall target of £380 million for the SR04 period. The reported savings have been achieved across the Department, with the following areas achieving savings beyond their target:**
 - **Rationalisation of the Department’s Business Support Schemes has resulted in considerable savings above the original target. The Business Support Monitoring Surveys (BSMS) have contributed to providing evidence for quality assurance.**
 - **Research Councils – total cumulative savings are above target and continue to be largely achieved through better alignment of science spend to the Government’s priorities.**
 - **Accommodation and ICT – significant savings achieved from the implementation of the “Two Roof” programme. Savings on commodity items from better commercial deals have been exceeded.**
 - **RDA work streams have realised efficiency savings ahead of target as they continue to achieve savings from the structural and strategic changes implemented as part of the programme.**
- **As at the end of 2006-07, the core Department (including DTI staff in Government Offices) has delivered 1,251 staff reductions against the 2007-08 target of 1,010. The Department’s agencies have delivered 189 staff reductions against the 270 target.**
- **The Department, its agencies and delivery partners have relocated – from London and the South east – 314.5 posts against a March 2008 target of 85 and against the overall target of 685 posts by March 2010. Areas where posts have been relocated include; Newport, Birmingham, Manchester and Swindon.**
- **The Office of Government Commerce (OGC) assesses Government Departments’ progress towards their efficiency targets. The Department received a positive assessment at the most recent review in November 2006.**

3.110 The following table provides more detailed financial savings showing progress against our efficiency targets. Please refer to annex A.1 for notes on quality measures and data sufficiency.

Figure 3.3

SR04 Efficiency Work stream	2005-06 delivery (Year one)		2006-07 delivery (Year two)		2006-07 target (Year two)		SR04 Overall target	
Workforce targets								
Staff reductions	1062		1251		1010		1010	
Agency reductions	167		189		168		270	
Relocations	251		314.5		85		685	
Financial efficiency gains (cumulative)	N/C²	C³	N/C	C	N/C	C	N/C	C
	£m	£m	£m	£m	£m	£m	£m	£m
Staff reductions ¹	0.00	33.71	0.00	37.63	0.00	28.24	0.00	39.25
Internal Operations	4.25	11.85	-0.12	31.98	11.62	13.59	20.29	13.96
Value for money in programme spend	0.00	1.92	27.09	5.82	6.21	18.11	12.42	20.07
Business Support (inc SFIE)	0.00	27.50	0.00	70.21	0.00	34.20	0.00	41.36
Science DTI & Research Councils ⁴	26.31	50.58	86.79	125.96	48.64	77.50	79.79	115.39
Nuclear Decommissioning Authority	N/A	N/A	0.00	40.00	0.00	6.68	0.00	13.72
<i>RDA</i> s (total) ⁵	<i>23.07</i>	<i>24.15</i>	<i>76.11</i>	<i>81.59</i>	<i>47.75</i>	<i>47.75</i>	<i>73.59</i>	<i>73.59</i>
RDAs (DTI)	2.92	3.06	9.64	12.39	6.09	10.47	9.32	14.59
Trading Funds (Companies House and Patent Office)	2.40	0.00	2.40	0.00	6.85	0.00	10.55	0.00
Other agencies and NDPBs	4.54	2.22	8.84	7.31	6.19	5.51	7.22	10.59
Exceptional items ⁶	0.24	12.91	0.24	18.08	N/a	N/a	N/a	N/a
Total (DTI)⁷	40.66	143.75	134.88	349.38	85.60	194.30	139.59	268.93

- 1 Staff reductions here refers to the reductions delivered by core DTI (including SBS and DTI & SBS activities in Government Offices; excluding UKTI).
- 2 N/C = Non-cashable efficiency gains. These are essentially representative of the Department and its work streams delivering more outputs for the same level of funding. These gains do not release "cash" for reinvestment, but allow the Department to keep funding at constant cash levels in these activities.
- 3 C = Cashable efficiency gains. These gains are cash releasing and are representative of the Department's ability to maintain delivery levels, while reducing spend in the areas identified.
- 4 In line with existing reporting mechanisms the RDAs and the Research Councils report delivery a quarter behind actual delivery. Accordingly, the 2005-06 and 2006-07 figures given here for these bodies show cumulative efficiency delivering up to Quarter 3 of the relevant year.
- 5 DTI is the lead sponsor Department for the RDAs and as such has overall responsibility for the achievement of its efficiency delivery gains. All Departments that contribute to the RDA Single Pot claim from the total savings achieved on a pro rata basis. The Department has therefore presented above both the total savings and DTI's share of those total savings. See also note 4.
- 6 Exceptional items include efficiency gains that have been achieved, which were not part of the original targets but score against Gershon efficiency criteria and provide contingency for the Programme.
- 7 The total represents DTI savings only, including DTI's share of RDA savings. The full RDA savings also presented in the table are for information only, and are excluded from the total.

Plans for 2006-07	Progress in 2006-07
Explore the options for a greater sharing of Corporate Services with other parts of the DTI family and wider Government	<p>Sharing of corporate services</p> <p>3.111 The Civil Service Steering Board has recently decided that DWP and HMRC are best-placed to offer HR and Finance shared services to the Whitehall group and that Departments within that group should not buy services elsewhere. The Department has already established contact with DWP and begun a dialogue to identify key issues and options in going forward.</p> <p>In the meantime, the Department continues to explore options for sharing corporate services within the Departmental family and to make further efficiency improvements in its HR, IT and Finance operations.</p>
Having achieved the 1010 staff reduction target for DTI core we will work to achieve the planned reductions of 168 staff in our agencies and other arms-length bodies	<p>Staff numbers</p> <p>3.112 See the “achievements” box above.</p>
Begin to deliver efficiency gains of at least 2% through effective contract management by the Nuclear Decommissioning Authority	<p>NDA efficiency</p> <p>3.113 The Nuclear Decommissioning Authority (NDA) are on target to exceed target efficiency savings. This is achieved through the contracts they place for nuclear site decommissioning and clean up. Contractors must achieve efficiency savings before they can access their fee bonus. The NDA have agreed a robust methodology with the OGC so that the savings can be accurately quantified</p> <p>3.114 See also PSA 11 (NDA), page 105.</p>
Embed efficiency delivery across all areas of business to ensure that efficiency gains continue to be made against the overall £380m target	<p>Efficiency savings</p> <p>3.115 Efficiency gains continue to be delivered across all areas of business and savings of £484 million have been achieved against the overall target of £380 million. Please see the “achievements” box above for further detail.</p>

Section 3.5

Sustainability; environmental report

3.116 This section discusses the Department's work on sustainable development. On the one hand this includes sustainability aspects of the Department's work in pursuing its Departmental objectives (for instance on energy). Secondly, this section contains its environmental report, setting out its internal environmental performance – for instance energy used in the Department's buildings.

Sustainable development

3.117 Sustainable development enables people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. The Department has a major contribution to make, by tackling climate change and, crucially, decoupling economic growth from environmental degradation. The Department is committed to integrating sustainability across its agenda to support the UK Government Sustainable Development Strategy.¹⁴⁵

3.118 The Department's commitment to sustainable development was further strengthened in 2006 with the appointment to the Management Board of the first ever Sustainable Development Champion. Combined with a network of SD Champions across the Department this will ensure that the Department continues to fulfil its long-term commitments set out in the Government Strategy.

3.119 In another significant milestone the Department's first ever Sustainable Development Action Plan was published and warmly received by the Sustainable Development Commission – the Government's watchdog for sustainability. An updated Departmental Sustainable Development Action Plan was launched in May 2007¹⁴⁶ setting out the Department's considerable achievements in 2006-07 and new, SMART targets for the year ahead. Key successes last year included:

- **Energy:** publication of the Energy Review Report in July 2006 which put forward a large and ambitious package of measures to address the challenges of climate change and energy security (see section 2.7);
- **Construction:** conclusion of the review of the Sustainable Construction Strategy which will lead to the production of a new strategy over the next 12 months. The "London 2012 Construction Commitment" was a practical example of joint working between the Olympic Delivery Authority, Government and the industry to ensure a sustainable approach that will bring lasting environmental, social and economic benefits through regeneration and legacy (see page 60, 63); and
- **Waste:** implementation of the UK WEEE Regulations leading to the future safe disposal of waste electrical and electronic equipment in line with EU

directives (2002/96/EC) and 2003/103/EC (see also page 40 about Knowledge transfer and innovation).

3.120 The Department has also made significant gains to reduce the environmental impact of the Departmental estate, see below.

3.121 Looking forward to the year ahead the Action Plan sets four strategic outcomes:

- continue to reduce DTI HQ's environmental footprint and develop a strategy for further reductions (see below);
- quantify and start to raise the level of understanding, and awareness, of sustainable development within the Department as a building block towards integrating it into policy making;
- develop an understanding of the barriers that industry face with regard to sustainable development and how we might be able to help them overcome these barriers; and
- through publication of the Energy White Paper, promote positive sustainable and environmental behaviours e.g. by facilitating the demonstration and deployment of sustainable and low carbon technologies; saving energy; strengthening delivery of renewables generation; and, delivering on our wider social and environmental objectives through continued commitment to an international price for carbon.

3.122 The Department will deliver 30 specific commitments in support of these outcomes during 2007-08 including on energy policy, innovation, procurement, working with key sectors, as well as the management of the Departmental estate. Please see the Action Plan for further details.

Environmental Report

3.123 The Department has made significant gains to reduce the environmental impact of the Departmental estate. Each year a return to the Sustainable Development Commission is undertaken which assesses the performance of Government Departments against the Framework for Sustainable Development on the Government Estate. In the 2006 assessment the Department came top of all Government Departments.¹⁴⁷ Highlights mentioned in the assessment included supply of 33% electricity from renewable sources and a 39% increase in waste recovery compared with the previous year. Further details on the Framework, including all information of the objectives and targets can be found at: www.sustainable-development.gov.uk/government/estates/index.htm

Summary of actions during 2006-07

3.124 The Department asked The Carbon Trust to conduct a feasibility study of possible renewable/green technologies that could be applied to the Department's buildings. The majority of technologies were dismissed due to environmental, economic and structural reasons. However, two technologies were identified. One being that St Mary's House can tap into the District Heating system that is available in Sheffield. The second was to install Solar Thermal water heaters at 1 Victoria Street that would preheat water prior to entering the boilers that would

prevent the boilers having to work as hard and hence saving gas and preventing CO₂ emissions. Both of these projects are still being reviewed for a number of reasons but will be addressed once the new Facilities Management Agent contract commences in May 2007.

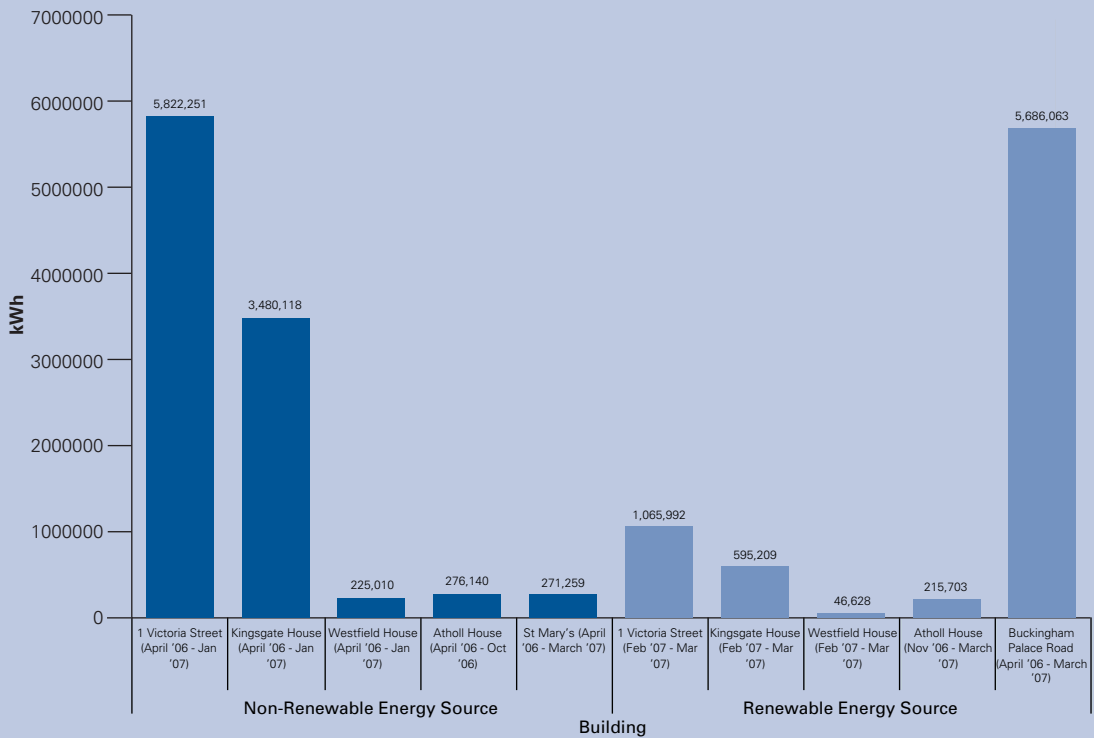
3.125 The Department has begun the roll out of additional recycling facilities for cans and plastic bottles, which have provided good results in the short time that they have been in place. This will significantly increase the Department’s total recycling volumes. Once rolled out to the London sites this will be rolled out to the outer London building where practical. It is also proposed to extend these facilities further to encompass glass and batteries.

3.126 We are in the process of installing a pilot LED Lighting Project in an area at 1 Victoria Street, which should provide significant savings in energy (and hence CO₂), maintenance and waste disposal. However, this technology is in its infancy and may prove not to be suitable yet as office lighting. Such pilots are excellent for driving research and design in these areas.

3.127 The Department has recently procured Green Electricity tariffs that extend to all London HQ buildings as well as St Mary’s House and Atholl House.

Electricity

Figure 3.4 Total electricity consumption per building (April 2006–March 2007)



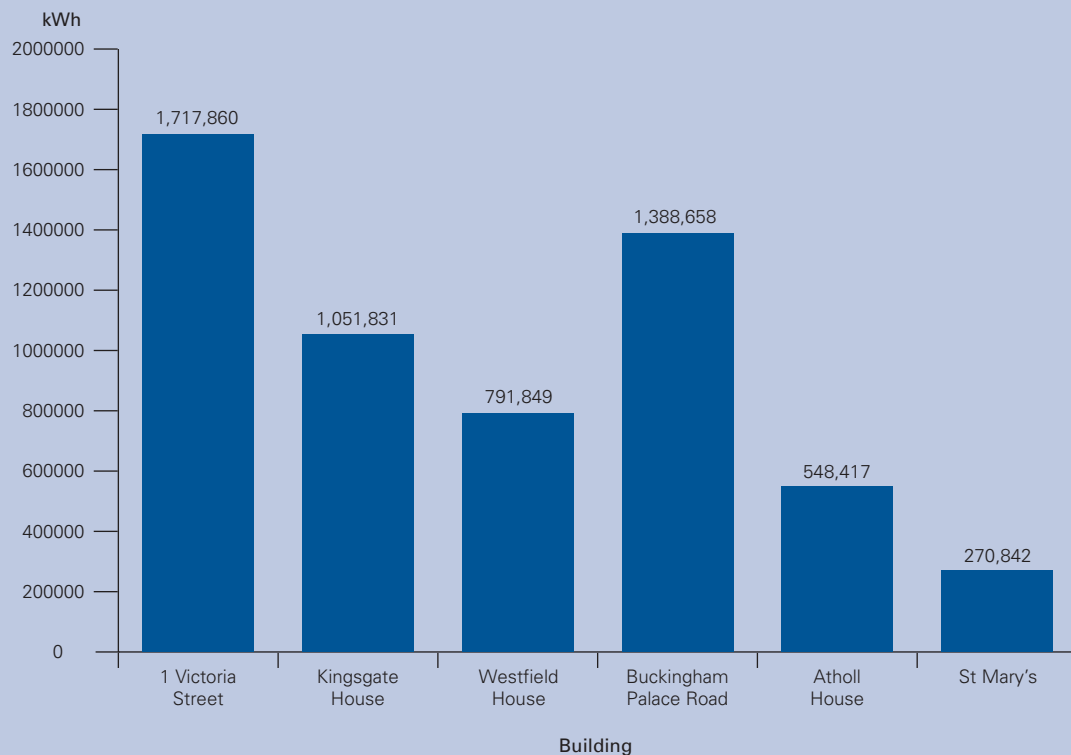
3.128 The Departmental estate has shrunk and the overall electricity consumption has reduced. However, individual buildings have increased electricity consumption due to increased building occupancies. All electricity contracts have been renewed and all sites are now beginning to be supplied with 100% green electricity. All sites are maintained in an attempt to maximise energy efficiency and all new equipment

must meet minimum environmental requirements (e.g. all fridges must have Energy EU rating of A or better).

Gas

3.129 All sites have consumed less gas than the previous year; with the exception of Westfield House that has increased its consumption by approximately 200,000 kWh. The low consumption for the past year is almost certain due to the exceptionally warm weather. As with electricity, all plant is maintained to ensure energy efficiency is to a high standard.

Figure 3.5 Total gas consumption per building (April 2006–March 2007)



Water

3.130 Atholl House and Kingsgate House reduced their water consumption on the previous year. All other sites have seen some increases in their water consumption due to increased usage. However, the Department has vacated 10/18 Victoria Street and will shortly vacate Buckingham Palace road which will contribute to a reduction in water consumption. These premises will not be included in the annual energy returns.

Waste

3.131 All sites have reduced their waste arisings, with the most significant reductions at Kingsgate House (42,670kg) and Buckingham Palace Road (45,055kg). 1 Victoria Street is the only site to increase total waste recycled (10,209kg). It is expected that all sites will increase their total waste recycled with the introduction of additional recycling facilities for cans and plastic. The recycling volumes for the past quarter, which have only come out of 1 Victoria Street are: plastics 992kg and cans 161kg.

Figure 3.6 Total water consumption per building (April 2006–March 2007)

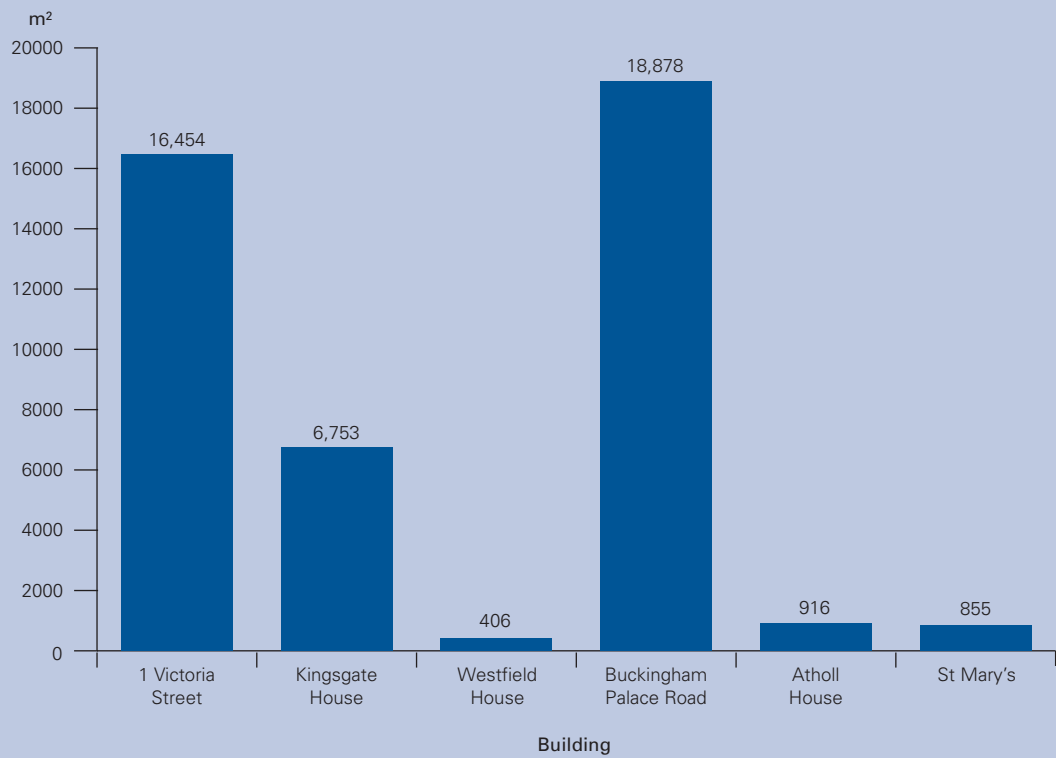
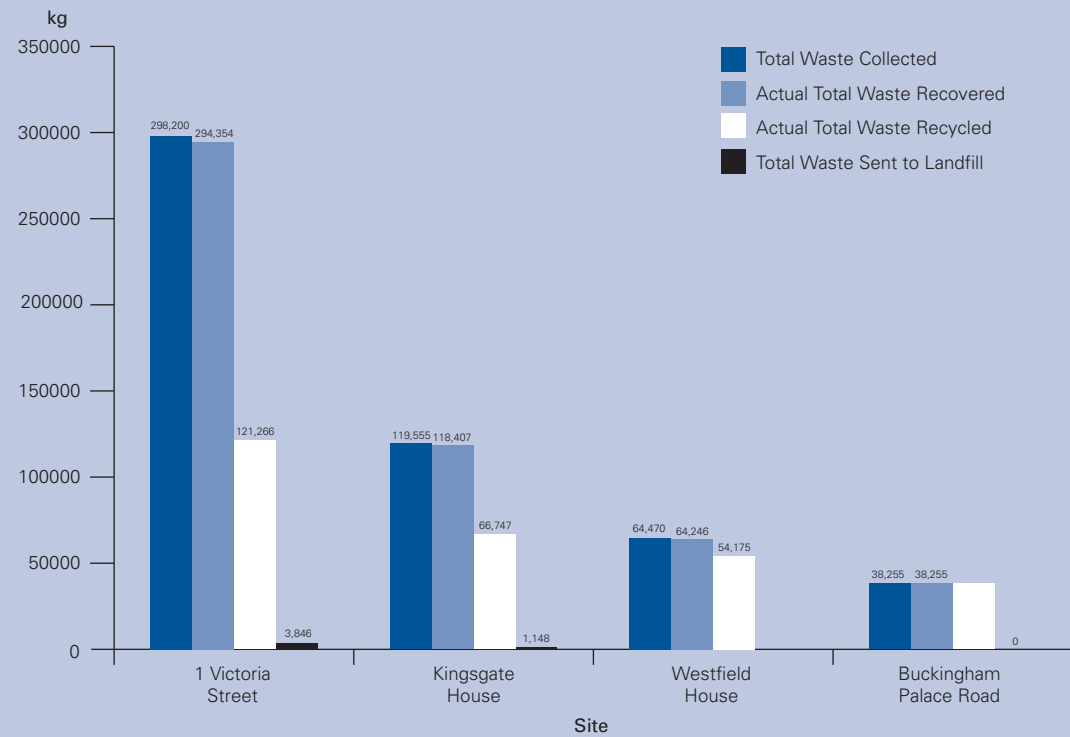


Figure 3.7 Waste arisings (April 2006–March 2007)



Section 3.6

Better regulation and equality

3.132 Better regulation initiatives affect all the Department's work. Sustainability aspects of the Department's policies have already been discussed in the previous section (3.5). This section covers areas such as simplification of regulation and promoting equality in its policies.

3.133 The Department is strongly committed to better regulation. We have placed its principles at the heart of Departmental policy making, and published an ambitious Simplification Plan to reduce annual administrative burdens by 25% by 2010. The Permanent Secretary and the Secretary of State have made better regulation an "acid test" of departmental success. A strategy for embedding better policy making principles into the Department's culture was formally set in train by the Secretary of State and the Permanent Secretary last summer. Genuine, sustained progress requires a policy-making culture characterised by challenging the instinct to regulate and by ensuring that the principles of good regulation (transparency, proportionality, consistency, targeting and accountability) are factored into the Department's policy making from the earliest stages.

3.134 The Department's Ministerial Challenge Panel has been a major force in engaging business, consumers, shareholders and employees. It is helping to open the Department to challenge and culture-change.

Impact Assessments (IA) and consultations

3.135 Impact Assessments accompany any new policy proposal that has an impact on business, and demonstrate that the design of the proposal is informed by comparing the benefits of each option with the costs. The Department has been presented by the National Audit Office as an exemplar of best practice in Regulatory Impact Assessment.¹⁴⁸ The Department has been fully supportive of efforts by the Better Regulation Executive to streamline the impact assessment process, and ensure that policy proposals are transparent and properly quantified. Departmental economists have been working closely with the BRE over the autumn on developing the IA template and toolkit, which will help to ensure that all cost and benefit information is presented in a more transparent way.

Figure 3.8

Consultations held by DTI 2006-07	
Total consultations	49
Lasted 12-weeks or more	40
Ministerial authorisation for shorter consultation	9
Compliant with the Department's consultation template	47
Two or more consultation methods used	47

3.136 A Working Group, led by the Better Regulation Executive, is currently seeking the views of those who regularly respond to Government consultation and those who may feel that Government consultations do not sufficiently engage them, in order to promote better consultation practices.

Simplification & administrative burden reductions

3.137 The Department published its Simplification Plan on 11 December 2006.¹⁴⁹ The Plan is a key part of an ongoing commitment to reducing unnecessary red tape and to making essential regulation simpler and more streamlined. It builds on our draft published a year previously. It shows how and where the Department will deliver specific savings in administrative burdens (red tape costs imposed on business by regulation, such as form-filling, record-keeping, official returns and complying with inspections). These burdens – estimated by PricewaterhouseCoopers (PwC) last year through the cross-Government Administrative Burdens Measurement Exercise – are very broadly estimated to cost business just under £5.3 billion per year.

3.138 Like other Departments, we aim to reduce these burdens by 25% by 2010. Drawing extensively on advice and input from key business, employee and consumer bodies and delivery partners, the Department has worked up proposals estimated to deliver savings of around £700 million – a first instalment towards the Department’s overall target of £1.3 billion. Three areas – employment, company law and consumer law – account for 87% of the Department’s £5.3 billion annual administrative burdens.

3.139 The key Initiatives in the Simplification Plan are as follows.

- **Employment law** – The Department’s proposals for simplifying employment law will result in estimated annual savings of over £425 million. These proposals include areas where the Department is considering changes to the regulations themselves (e.g. dispute resolution, which both employees and employers have raised as a key concern), and others where it is looking to improve the content and awareness of guidance and tools to aid compliance (a wide range of businesses have told us that they want this). See also page 81.
- **Company Law** – Implementing the Companies Act 2006: fundamental reforms saving companies nearly £150 million a year. See also page 84.
- **Companies House** – Automated services through My Companies House, with individual company portals and a joint filing project with HMRC that will save business up to £65 million a year. See also page 85.
- **Consumer Law** – Radically simplifying business-to-consumer law by repealing provisions in 22 pieces of consumer law. The Department is doing this as part of our implementation of the EU Unfair Commercial Practices Directive (UCPD) – which creates a general duty not to trade unfairly – creating leaner, flexible, more future-proof regulation, and saving up to £35 million a year. See also page 71.

- **Small Business Service** – Development of an International Trade Single Window, cutting form filling and other paperwork and improving access to information leading to faster goods clearance for importers and exporters – saving them about £60 million a year.

3.140 Please note that the Department is also working to simplify its business support work by reducing the number of business support schemes (see page 52), not to be confused with the Simplification Plan aimed at reducing burdens on business, as described above.

EU better regulation

3.141 Better regulation has become a major priority in Europe, building on the work done during the UK Presidency in 2005. In November 2006, the Commission published a major package of proposals covering administrative burdens, an extension of the rolling simplification programme and strengthening of impact assessment in the Commission. A key UK goal for the Spring European Council in March 2007 was that the Council should provide political support for the EU better regulation agenda. This goal was achieved. The Spring Council endorsed:

- a target to reduce administrative burdens arising from EU legislation by 25% by 2012 and the Commission's Action Programme to achieve that goal;
- the creation of an Impact Assessment Board to improve the quality of EU impact assessment;
- the Commission's rolling simplification plan.

3.142 The Davidson Review¹⁵⁰ on the implementation of European legislation published on the 28 November 2006 found no evidence of "gold plating" (imposing additional burdens beyond the minimum required by new EU legislation) in Departmental policy.

Equality

3.143 Please also note page 135, where diversity within the Department is discussed, including its policy on employment of disabled people.

3.144 The Department, along with other public sector organisations, is required by legislation to promote equality of opportunity in all its functions for race, gender and disability.¹ This Report provides an update on actions set out in the Department's Race Equality Scheme.¹⁵¹ The reporting duties on disability and gender have come into force in 2006 and 2007 respectively, and a first report on these aspects will be contained in next year's annual report.

1 The Race Relations Act 1976 (as amended by the Race Relations (Amendment) Act 2000); the Sex Discrimination Act 1975 (as amended by the Equality Act 2006), and the Disability Discrimination Act (as amended by the Disability Discrimination Act 2005). There is no similar legislation currently as regards religion/belief, sexual orientation or age.

Commitment in Race Equality Scheme 2006-08	Progress made
Equality Impact Assessments (EIA)	
An EIA to be carried out on the review of Sunday Trading laws	An equality impact assessment was prepared on this area of work, but the policy has not been taken forward in the current legislative calendar.
Race equality issues to be considered as part of the implementation work on the Consumer Credit Act	The Department continues to discuss the issues surrounding Islamic financial products with the Islamic Bank of Britain
An EIA to be carried out on proposals to increase the statutory paid leave entitlement	The EIA is available on the Department's website. ¹⁵² It has been used to inform policy direction.
An EIA to be carried out on work on Employment Agency standards	The consultation on protecting vulnerable agency workers (see page 79) has closed at the end of May 2007, and an EIA will be published with the Government's response at the end of July 2007.
An EIA to be carried out on proposals for Streamlined Individual Voluntary Arrangements	Survey work is currently being carried out that will inform an EIA, expected later in 2007.
EIAs to be considered on: DTI's new electronic staff appraisal and reporting process; the annual staff survey, sickness absence monitoring and restructuring and relocation plans	<ul style="list-style-type: none"> • An assessment of equality aspects of the staff appraisal system will be made once it has been in existence for a full reporting year • Staff survey carried out, including section on equal opportunities and voluntary monitoring. Follow-up action currently being considered. • Policy on sickness absence monitoring is still under review – an EIA will form part of this work.
Other actions	
Make progress against PSA target 10 (from the 2004 Spending Review) aimed at reducing the incidence of racial discrimination at work experienced by ethnic minority employees	Please refer to PSA 10) (page 77)
Launch of STEM (Science, Technology, Engineering and Maths) Access Grants for British Minority Ethnic groups	Project launched. Data produced from awards will be used to inform best practice in this area.
Debt advice scheme to monitor ethnicity of all its clients	Details on ethnicity has been collected on the 6,000 plus participants to date. This data is currently being analysed, with a further review at the end of the scheme (2008).
Work with Ethnic Minority Business Forum (EMBF) on the results of its survey on access to finance	Survey results published in early 2007 suggest there is a wide variation in financial outcomes across ethnic minority owned businesses. The Department is working with EMBF and other partners to highlight good financial management and promote greater financial awareness.

Commitment in Race Equality Scheme 2006-08	Progress made
Monitoring use of UKTI services by companies with owners, partners, or directors from ethnic minorities is assisted by UKTI (PIMS system)	PIMS is a new system, launched in 2006. Use of UKTI services by such companies is reported both by service and across all trade services. PIMS results are available on the UKTI website. ¹⁵³
Study to be carried out of Employment Tribunals chairs' written judgements in race discrimination cases to explore their content, quality and depth.	Study published in September Employment Relations Research Series No 64. ¹⁵⁴
Develop two vulnerable workers pilots, including in some instances, BME and increasingly, migrant workers	Pilot schemes have been set up to find ways to ensure that the most vulnerable workers benefit from the Governments' employment rights, and will run for a period of two years (2007-09) These pilots aimed at the cleaning and building services sector and hospitality sector.
Consider British Minority Ethnic issues as part of consultation on Proposed future strategy for the Post Office Network	Public consultation held in early 2007. ¹⁵⁵ Post Office Ltd will be required to ensure that no one part of the network or no particular group of people is significantly more adversely affected than any other.
Carry out research on regional ethnicity and language profiles to ensue targeted communication on the digital switchover	Research has shown that whilst the take up of digital TV is 4% higher than the national average amongst minority ethnic groups, awareness of the switchover is up to 18% lower than the national average. Targeted campaigns and publicity therefore planned.

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Section 3.7

Remuneration report

3.145 See section 3.1 above for general comments on appointment and remuneration of Board and Committee members of the Department.

Remuneration Policy

3.146 The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975. In reaching its recommendations, the Review Body is to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits; and
- the Government's inflation target.

3.147 The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the methods used to assess performance, contract conditions and other work of the Review Body can be found at www.ome.uk.com.

Performance and Reward

3.148 The Senior Civil Service (SCS) pay system consists of relative performance assessments. Individuals are assessed as being in the top, middle or bottom performance tranche of their pay band. All individuals in the top performance tranche and a proportion of the individuals in the middle performance tranche receive a non-consolidated bonus. Bonuses can vary in amount, however, everyone who receives a bonus must receive at least £3,000. The maximum bonus award is 20% of base pay. Cabinet Office has set the bonus pot this year at 7.6% of the SCS pay bill.

Service Contracts

3.149 Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointments to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

3.150 Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended until they reach the normal retiring age of 65. Early termination, other than misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

- Andrew Cahn was appointed on a four-year contract commencing 27 March 2006. The notice period for the employee is 3 months. For the employer the notice period is 6 months or a period, if less, equal to the unexpired part of the fixed term contract.
- Mark Clarke was appointed on a three-year contract commencing 5 June 2006. The notice period for the employee is 3 months. For the employer the notice period is 6 months or a period, if less, equal to the unexpired part of the fixed term contract.
- Professor Sir David King was appointed on a contract for two years and nine months commencing 1 April 2005. The notice period for the employee is 3 months. For the employer the notice period is 6 months or a period, if less, equal to the unexpired part of the fixed term contract.
- Sir Keith O'Nions was appointed on a contract for four years and three months commencing 1 April 2004. The notice period for the employee and employer is 3 months.
- Vicky Pryce was re-appointed on a three-year contract commencing 10 March 2005. The notice period for the employee and employer is 3 months.

3.151 Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Salary and pension entitlements for Ministers of the Department

3.152 The remainder of this Remuneration Report contains audited information. The remuneration of Ministers is determined in accordance with the provisions of the Ministerial and Other Salaries Act 1975 (as amended by the Ministerial and Other Salaries Order 1996) and the Ministerial and Other Pensions and Salaries Act 1991. The salary and pension entitlements of the Ministers of the Department of Trade and Industry for the year ending 31 March 2007 were as follows:

Figure 3.9

2006-07	Accrued pension at 65 at 31/03/07	Real Increase in pension at age 65	CETV at 31/03/07	CETV at 31/03/06	Real increase in CETV	Ministerial salary received 2006-07	Ministerial salary received 2005-06
	£000	£000	£000	£000	£000	£	£
Secretary of State							
Rt Hon Alistair Darling, MP (from 5 May 2006) ¹	15–20	0–2.5	226	185	25	63,452	–
Rt Hon Alan Johnson, MP (from 9 May 2005 to 4 May 2006) ²	5–10	0–2.5	59	58	1	18,725	62,418
Rt Hon Patricia Hewitt, MP (to 6 May 2005) ³	–	–	–	–	–	–	6,242
Ministers of State							
Rt Hon Ian McCartney, MP (from 5 May 2006) ⁴	–	–	–	–	–	–	–
Rt Hon Margaret Hodge MBE, MP (from 5 May 2006) ⁵	5–10	0–2.5	98	82	6	32,897	–
Malcolm Wicks, MP (from 10 May 2005) ⁶	5–10	0–2.5	75	62	6	39,372	32,378
Alun Michael, MP (from 10 May 2005 to 4 May 2006) ⁷	5–10	0–2.5	108	107	1	19,427	32,378
Ian Pearson, MP (from 10 May 2005 to 4 May 2006) ⁸	–	–	–	–	–	–	–
Mike O'Brien, MP (to 9 May 2005) ⁹	–	–	–	–	–	–	6,746
Jacqui Smith, MP (to 9 May 2005) ¹⁰	–	–	–	–	–	–	9,713
Rt Hon Douglas Alexander, MP (to 6 May 2005) ¹¹	–	–	–	–	–	–	–

Figure 3.9 – continued

2006-07	Accrued pension at 65 at 31/03/07	Real Increase in pension at age 65	CETV at 31/03/07	CETV at 31/03/06	Real increase in CETV	Ministerial salary received 2006-07	Ministerial salary received 2005-06
	£000	£000	£000	£000	£000	£	£
Parliamentary Under-Secretaries of State							
Jim Fitzpatrick, MP (from 5 May 2006) ¹²	0-5	0-2.5	41	33	4	24,969	-
Lord Truscott, (from 13 November 2006) ¹³	-	-	-	-	-	-	-
Barry Gardiner, MP (from 10 May 2005 to 4 May 2006) ¹⁴	0-5	0 - 2.5	15	14	-	7,373	24,576
Meg Munn, MP (from 13 May 2005 to 4 May 2006) ¹³	-	-	-	-	-	-	-
Lord Sainsbury of Turville (to 9 November 2006) ¹³	-	-	-	-	-	-	-
Nigel Griffiths, MP (to 9 May 2005) ¹⁵	-	-	-	-	-	-	7,373
Gerry Sutcliffe, MP (to 4 May 2006) ¹⁶	0-5	0-2.5	46	45	-	7,373	29,491

Notes

- ¹ The 06-07 salary figure quoted is for the period 5 May 2006 to 31 March 2007, full year equivalent is £75,964. CETV stated as 'at 31/03/06' is in fact at 5 May 2006.
- ² The 06-07 salary figure quoted is for the period 1 April 2006 to 4 May 2006, full year equivalent is £75,654. The 05-06 salary figure quoted is for the period 9 May 2005 to 31 March 2006, full year equivalent is £74,902. CETV stated as 'at 31/03/07' is in fact at 4 May 2006.
- ³ The 05-06 salary figure quoted is for the period 1 April 2005 to 6 May 2005, full year equivalent is £74,902.
- ⁴ Salary and pension details can be found in the Departmental resource accounts for 2006-07 of the Foreign and Commonwealth Office.
- ⁵ The 06-07 salary figure quoted is for the period 5 May 2006 to 31 March 2007, full year equivalent is £39,385. CETV stated as 'at 31/03/06' is in fact at 5 May 2006.
- ⁶ The 05-06 salary figure quoted is for the period 10 May 2005 to 31 March 2006, full year equivalent is £38,854.
- ⁷ The 06-07 salary figure quoted is for the period 1 April 2006 to 4 May 2006, full year equivalent is £39,244. The 05-06 salary figure quoted is for the period 10 May 2005 to 31 March 2006, full year equivalent is £38,854. CETV stated as 'at 31/03/07' is in fact at 4 May 2006.
- ⁸ Salary and pension details can be found in the Departmental resource accounts for 2006-07 of the Foreign and Commonwealth Office.
- ⁹ The 05-06 salary figure quoted is for the period 1 April 2005 to 9 May 2005, full year equivalent is £38,854.
- ¹⁰ The 05-06 salary figure quoted is for the period 1 March 2005 to 9 May 2005, full year equivalent is £38,854.
- ¹¹ Salary and pension details can be found in the Departmental resource accounts for 2006-07 of the Foreign and Commonwealth Office.
- ¹² The 06-07 salary figure quoted is for the period 5 May 2006 to 31 March 2007, full year equivalent is £29,995. CETV stated as 'at 31/03/06' is in fact at 5 May 2006.
- ¹³ Elected not to draw a Ministerial salary and are not members of the Parliamentary Contribution Pension Fund.
- ¹⁴ The 06-07 salary figure quoted is for the period 1 April 2006 to 4 May 2006, full year equivalent is £29,787. The 05-06 salary figure quoted is for the period 10 May 2005 to 31 March 2006, full year equivalent is £29,491. CETV stated as 'at 31/03/07' is in fact at 4 May 2006.
- ¹⁵ The 05-06 salary figure quoted is for the period 1 April 2005 to 9 May 2005, full year equivalent is £29,491.
- ¹⁶ The 06-07 salary figure quoted is for the period 1 April 2006 to 4 May 2006, full year equivalent is £29,787. CETV stated as 'at 31/03/07' is in fact at 4 May 2006.

Salary and pension entitlements for the senior managers of the Department

3.153 The salary and pension entitlements of the most senior members of the Department of Trade and Industry were as follows:

Figure 3.10

2006-07	Accrued pension at age 60 at 31/03/07 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/07	CETV at 31/03/06	Real increase in CETV	Salary including performance pay
	£000	£000	£000	£000	£000	£000
Sir Brian Bender	65–70 plus 205–210 lump sum	0–2.5 plus 5–7.5 lump sum	1,504	1,391	48	175–180
John Alty	40–45 plus 120–125 lump sum	2.5–5 plus 7.5–10 lump sum	720	657	44	120–125
Martin Bryant (from 20 November 2006) ¹	0–5	0–2.5	80	70	9	60–65 (165–170 full year equivalent)
Andrew Cahn	35–40	0–2.5	661	611	24	180–185
Mark Clarke (from 5 June 2006) ²	0–5	0–2.5	25	–	22	135–140 (170–175 full year equivalent)
Hilary Douglas (from 18 April 2006) ³	45–50 plus 140–145 lump sum	0–2.5 plus 2.5–5 lump sum	1,034	969	29	130–135 (150–155 full year equivalent)
David Evans (to 17 April 2006) ⁴	45–50 plus 120–125 lump sum	0–2.5	1,042	1,046	1	5–10 (115–120 full year equivalent)
Mark Gibson	45–50 plus 140–145 lump sum	0–2.5 plus 5–7.5 lump sum	959	891	37	135–140
Richard Gillingwater (to 31 August 2006) ⁵	–	–	–	–	–	–
David Hughes (to 16 April 2006) ⁶	25–30	0–2.5	611	595	16	115–120 (150–155 full year equivalent)

¹ CETV stated as 'at 31/03/06' is in fact at 20 November 2006.

² CETV stated as 'at 31/03/06' is in fact at 5 June 2006.

³ CETV stated as 'at 31/03/06' is in fact at 18 April 2006.

⁴ CETV stated as 'at 31/03/07' is in fact at 17 April 2006.

⁵ On secondment from the Cabinet Office. DTI was invoiced for a total amount of £109,602 (£261,369 for the year 05-06) for the use of his services as Chief Executive of Shareholder Executive during the 2006-07 year.

⁶ CETV stated as 'at 31/03/07' is in fact at 16 April 2006.

Figure 3.10 – continued

2006-07	Accrued pension at age 60 at 31/03/07 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/07	CETV at 31/03/06	Real increase in CETV	Salary including performance pay
	£000	£000	£000	£000	£000	£000
Anthony Inglese	50–55 plus 150–155 lump sum	0–2.5 plus 5–7.5 lump sum	1,046	968	40	135–140
Professor Sir David King	0–5	0–2.5	64	32	28	155–160
Sir Keith O’Nions	45–50 plus 140–145 lump sum	0–2.5 plus 2.5–5 lump sum	1,069	1,055	21	170–175
Vicky Pryce	5–10 plus 15–20 lump sum	0–2.5 plus 2.5–5 lump sum	128	97	25	165–170
William Rickett	50–55 plus 155–160 lump sum	0–2.5 plus 5–7.5 lump sum	1,061	993	33	145–150

Figure 3.11

2005-06	Accrued pension at age 60 at 31/03/06 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/06	CETV at 31/03/05	Real increase in CETV	Salary including performance pay
	£000	£000	£000	£000	£000	£000
Sir Brian Bender (from 3 October 2005) ¹	60–65 plus 190–195 lump sum	0–2.5 plus 5–7.5 lump sum	1,388	1,218	37	65–70 (155–160 full year equivalent)
Dr Catherine Bell (to 31 December 2005) ²	60–65 plus 175–180 lump sum	15–17.5 plus 32.5–35 lump sum	1,276	807	29	115–120 (130–135 full year equivalent)
John Alty (from 5 September 2005) ³	35–40 plus 105–110 lump sum	2.5–5 plus 10–12.5 lump sum	657	527	59	65–70 (115–120 full year equivalent)
Sir Stephen Brown (to 26 December 2005) ⁴	–	–	–	–	–	–
David Evans	45–50 plus 120–125 lump sum	5–7.5 plus 7.5–10 lump sum	1,046	759	41	100–105
Mark Gibson	40–45 plus 130–135 lump sum	0–2.5 plus 5–7.5 lump sum	880	674	35	120–125
Richard Gillingwater ⁵	–	–	–	–	–	–
Stephen Hadrill (to 22 April 2005) ⁶	30–35 plus 95–100 lump sum	0–2.5 plus 0–2.5 lump sum	498	482	1	5–10 (115–120 full year equivalent)
Edmund Hosker (to 5 September 2005) ⁷	30–35 plus 95–100 lump sum	0–2.5 plus 5–7.5 lump sum	510	397	39	45–50 (110–115 full year equivalent)
David Hughes	25–30	2.5–5	574	434	46	175–180
Anthony Inglese	45–50 plus 135–140 lump sum	0–2.5 plus 5–7.5 lump sum	961	741	37	125–130

¹ CETV stated as 'at 31/03/05' is in fact at 3 October 2005.

² Dr Catherine Bell stepped down as acting Permanent Secretary on 2 October 2005. CETV stated as 'at 31/03/06' is in fact at 31 December 2005.

³ CETV at 5 September 2005. CETV stated as 'at 31/03/05' is in fact at 5 September 2005.

⁴ Salary and pension disclosure can be found in the Departmental resource accounts for 2006-07 of the Foreign and Commonwealth Office.

⁵ On secondment from the Cabinet Office. DTI was invoiced for a total amount of £261,369 for the use of his services during the 2005-06 year.

⁶ CETV stated as 'at 31/03/06' is in fact at 22 April 2005.

⁷ Edmond Hosker was acting Director General until 5 September 2005. He is still currently an employee of the Department. CETV stated as 'at 31/03/05' is in fact at 5 September 2005.

Figure 3.11 – continued

2005-06	Accrued pension at age 60 at 31/03/06 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/06	CETV at 31/03/05	Real increase in CETV	Salary including performance pay
	£000	£000	£000	£000	£000	£000
Professor Sir David King (from 1 May 2005) ¹	0–5	0–2.5	32	–	28	135–140 (160–165 full year equivalent)
Joan McNaughton (to 5 March 2006)	50–55 plus 150–155 lump sum	0–2.5 plus 5–7.5 lump sum	1,096	849	40	115–120 (120–125 full year equivalent)
Sir Keith O’Nions	40–45 plus 130–135 lump sum	0–2.5 plus 0–5 lump sum	1,055	919	38	165–170
Vicky Pryce	0–5 plus 10–15 lump sum	0–2.5 plus 2.5–5 lump sum	99	56	28	160–165
William Rickett (from 6 March 2006) ²	45–50 plus 145–150 lump sum	0–2.5 plus 0–2.5 lump sum	993	989	2	5–10 (105–110 full year equivalent)
Susan Haird (from 27 December 2005 to 26 March 2006) ³	35–45 plus 115–120 lump sum	0–2.5 plus 2.5–5 lump sum	792	723	31	25–30 (105–110 full year equivalent)
Andrew Cahn (from 27 March 2006)	0–5	0–2.5	–	–	–	0–5 (180–185 full year equivalent)

Notes

- The information relates only to the senior managers of the core Department. Similar information relating to the chief executives and senior managers of the executive agencies and other bodies of the DTI family is given in the separate accounts of those bodies.
- “Salary” includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.
- None of the senior managers of the Department received any benefits in kind during the year.

¹ Professor Sir David King joined the Department on 1 May 2005, so there are no prior year CETV figures for his pension.

² CETV stated as ‘at 31/03/05’ is in fact at 6 March 2006.

³ CETV stated as ‘at 31/03/05’ is in fact at 26 March 2006. CETV stated as ‘at 31/03/06’ is in fact at 27 December 2005.

Ministerial pensions

3.154 Pension benefits for Ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is statutory based (made under Statutory Instrument SI 1993 No 3253, as amended).

3.155 Those Ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report). The arrangements for Ministers provide benefits on an "average salary" basis with either a 1/50th or 1/40th accrual rate, taking account of all service as a Minister. The accrual rate has been 1/40th since 15 July 2002 (or 5 July 2001 for those that chose to backdate the change) but Ministers, in common with all other employees of the PCPF, can opt to for a 1/50th accrual rate and the lower rate of employee contribution.

3.156 Benefits for Ministers are payable at the same time as MP's benefits become payable under the PCPF or, for those who are not MPs, on retirement from ministerial office from age 65. Pensions are increased annually in line with changes in the Retail Prices Index. Members pay contributions of 6% of their ministerial salary if they have opted for the 1/50th accrual rate. Those members who have opted for the 1/40th accrual rate are required to pay an increased contribution. The rate was increased from 9% to 10% from 1 April 2004. There is also an employer contribution paid by the Exchequer representing the balance of cost. This is currently 26.8% of the ministerial salary.

3.157 The accrued pension quoted is the pension the Minister is entitled to receive when they reach 65, or immediately on ceasing to be an active member of the scheme if they are already 65.

Civil Service Pensions

3.158 Pension benefits are provided through the Civil Service Pension (CSP) arrangements. From 1 October 2002, civil servants may be in one of three statutory based "final salary" defined benefit schemes (classic, premium, and classic plus). The Schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Price Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality "money purchase" stakeholder arrangement with a significant employer contribution (partnership pension account).

3.159 Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as classic.

3.160 The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a selection of approved products. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement). There were no employer contributions to SCS partnership pension accounts during the year.

3.161 Further details about the CSP arrangements can be found at the website www.civilservice-pensions.gov.uk.

The Cash Equivalent Transfer Value (CETV)

3.162 A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements and for which the CS vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

3.163 This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fees paid to Independent Board Members

3.164 Below are the fees paid to the independent members of the Department's Management and Strategy Boards. The total payments for the year to each person were in the following ranges:

Figure 3.12

Independent Member	Fees for 2006-07	Fees for 2005-06
	£000	£000
Dr John Hood ¹	0 – 5	0 – 5
Dr Martin Read ¹	0 – 5	0 – 5
Rana Talwar ¹	0 – 5	0 – 5
Paul Gates ¹	0 – 5	0 – 5
Mair Barnes (to June 2005) ¹	–	5 – 10
Dr Brian Woods-Scawen ²	5 – 10	5 – 10
Mary McAnally (to June 2006) ²	0 – 5	5 – 10
Fields Wicker-Miurin ³	5 – 10	5 – 10
Crawford Gillies ⁴	5 – 10	5 – 10

¹ Fees paid for independent membership of the Strategy Board until the Board was disbanded in September 2006.

² Fees paid for independent membership of the Management Board and ex-officio membership of the Audit and Risk Committee.

³ Fees paid for independent membership of the Management Board and ex-officio Chair of the Investment Committee (the Investment Committee was disbanded in June 2006).

⁴ Fees paid for independent membership of the Management Board and ex-officio Chair of the Audit and Risk Committee.

Senior Civil Service Salaries

3.165 The table below shows the number of senior civil servants in each pay band during the period 2003 – 2006.

Figure 3.13

Pay Range	No. of SCS staff within the range as at 01/04/2003	No. of SCS within the range as at 01/04/2004	No. of SCS within the range as at 01/04/2005	No. of SCS within the range as at 01/04/2006
Below £50,000	0	0	0	0
£50,000–£54,999	13	5	1	0
£55,000–£59,999	23	24	27	28
£60,000–£64,999	29	26	28	23
£65,000–£69,999	40	43	31	22
£70,000–£74,999	41	27	37	27
£75,000–£79,999	17	29	31	24
£80,000–£84,999	12	19	14	20
£85,000–£89,999	12	5	16	12
£90,000–£94,999	16	15	5	2
£95,000–£99,999	6	9	10	10
£100,000–£104,999	3	3	11	11
£105,000–£109,999	1	2	6	7
£110,000–£114,999	4	3	0	2
£115,000–£119,999	1	3	3	1
£120,000–£124,999	1	1	2	1
£125,000–£129,999	1	0	1	2
£130,000–£134,999	1	0	1	1
£135,000–£139,999	0	1	1	0
£140,000–£144,999	1	0	1	1
£145,000–£149,999	1	1	1	1
£150,000–£154,999	0	1	1	0
£155,000–£159,999	0	0	0	0
£160,000–£164,999	0	0	0	1
£165,000–£169,999	0	0	0	0

Note: bonuses are not included and salary ranges represent full time equivalent rates. These pay ranges only cover those staff employed on open-ended contracts.



Sir Brian Bender KCB
Principal Accounting Officer and Permanent Secretary

12 July 2007

Section 3.8

Health and safety report

3.166 The Department understands and is committed to its responsibility to ensure the health safety and welfare of its staff, contractors and visitors. The Department aims to establish a strong health and safety culture that engages all employees in achieving significant improvements in safety performance. During 2006-07 the Department has continued to improve its performance and has worked with Government Departments and other organisations to help improve overall performance.

3.167 In support of this aim, the Department has focused its attention on the following key initiatives:

- On-line Display Screen Equipment (DSE) training and self-assessment software
- Disability Discrimination Act (DDA) requirements across the Departments London estate
- Asbestos management with specific focus on Kingsgate House, Victoria St.
- The development of a more effective project safety management system, to ensure compliance with new legislation
- The development of a more robust program on the management of contractors
- The provision of working conditions and workplaces that comply with the relevant statutory requirements, approved codes of practice

3.168 The Department's Permanent Secretary is ultimately responsible for health and safety in the Department. For Departmental agencies this responsibility is delegated to agency Chief Executives who are responsible for all health and safety matters in their agency. Chief Executives submit an annual report on health and safety to their agency Steering Boards. For the Department's headquarters, health and safety responsibility is delegated to the Director General, Services Group. The Director General submits an annual report on health and safety covering the Department's headquarters to the Departmental Management Board.

3.169 The HSC guidance, Health and Safety in Annual Reports (2004), has been utilised in the

preparation of this report as the Department believes that the aforementioned publication sets a positive framework for health and safety performance reporting and transparency in relation to risk management and associated internal control mechanisms.

3.170 The Department's health and safety policies and practices are regularly reviewed against those of other Government Departments and the private sector. Accident statistics are collated and benchmarked against data published by the Health and Safety Executive. The Department strongly supports the Government's Revitalising Health and Safety initiative, and strives to ensure that health and safety considerations are properly built into its actions.

3.171 The Department has no fatality or dangerous occurrence as defined under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1996 (RIDDOR), nor been served with any health and safety enforcement notice or convicted of any breach of health and safety law.

3.172 Disability Discrimination Act (DDA) audits were carried out at 1 Victoria St., 10-18 Victoria St., Kingsgate House, 121 Bucking Palace Rd. and Westfield House. As a result of these audits minor works have been scheduled to ensure full compliance with the DDA. An Asbestos (Type 2) survey was undertaken of Kingsgate House confirming the absence of Asbestos Containing

Materials (ACM's) within the main work areas; some suspected ACM's were detected in plant room areas that will be managed in compliance with current UK legislation. With the focus on the management of contractors and the management of project work significant improvements in safety and safety awareness have been made within these areas. To improve its management of DSE and compliance with current DSE legislation the Department will be implementing an interactive on-line DSE training and self assessment programme, moving away from the manual process currently in use.

Figure 3.14 RIDDOR reportable accidents

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Staff	3	2	2	0	1
Contractors	2	0	1	0	2
Rate per 100,000 employees	63	40	75	0	66

Figure 3.15 Non reportable accidents

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Staff	94	62	52	39	19
Contractors	15	10	4	9	8
Rate per 100,000 employees	1964	1800	1400	1066	600

Figure 3.16 Working days lost for reportable and non-reportable accidents

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Staff	79	64	54	4	11
Contractors	24	10	5	1	7
Rate per 100,000 employees	1157	1480	1475	111	400