

**Inspection of
The Compensation
Agency
(Northern Ireland)
January 2006**

Criminal Justice Inspection
Northern Ireland
A better justice system for all



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The Compensation Agency
(Northern Ireland)
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Presented to the Houses of Parliament by the Secretary of State for Northern
Ireland under Section 49(2) of the Justice (Northern Ireland) Act 2002

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List of abbreviations

APIL	Association of Personal Injury Lawyers
CICAP	Criminal Injuries Compensation Appeals Panel
CJI	Criminal Justice Inspection
EFQM	European Foundation for Quality Management
NI	Northern Ireland
NIO	Northern Ireland Office
PSNI	Police Service of Northern Ireland
VSNI	Victims Support Northern Ireland

Chief Inspector's Foreword

1. The purpose of this inspection was to conduct a formal inspection of the Compensation Agency in Northern Ireland
2. The key aims were to:

Assess the strengths and weaknesses of the Agency against the common core themes of openness and accountability, partnership in the CJS, equality, learning and results, and

Examine performance against the core functions of strategic management. Customer handling, operations and processes, financial management and human resource management.
3. The report comments favourably on the work being done within the Agency and commends the Chief Executive and senior managers for creating the balance between a strong performance culture and the needs of staff in a changing environment. I welcome the action plan prepared by the Agency, which is attached to this report.
4. The Inspection Team, led by Brendan McGuigan, appreciated the generous level of cooperation received from the Agency and in particular the Operations Manager, Donna Knowles, who acted as liaison officer for the inspection.



Kit Chivers
Chief Inspector of Criminal Justice in Northern Ireland

Executive summary

1. The Compensation Agency became a Next Steps Agency in 1992. It replaced the Criminal Compensation Branch of the Northern Ireland Office which had been processing criminal injury and criminal damage claims from the early 70's. The Agency receives on average 8,000 claims a year under four separate compensation schemes.
2. CJI has a duty to inspect the Compensation Agency, along with many other organisations in the criminal justice system. With the approval of ministers CJI has adopted and published an inspection framework which applies to all the inspected organisations. It is based upon the five criteria of:
 - Openness and accountability
 - Partnership with other agencies in the criminal justice system
 - Equality and human rights
 - Learning, improvement and the management of change
 - Results, including efficiency, effectiveness and value for money
3. The Inspectorate has adopted a consistent approach of working with the agencies it inspects with the shared purpose of seeking improvements.
4. The inspection makes several positive findings. They include:
 1. The Agency has a good reputation among stakeholders as a process driven organisation delivering an important service to victims of violent crime.
 - ii. The Agency is a people-centred organisation which aspires to the highest standards of human resource management.
 - iii. The Agency has appropriately reduced its staff numbers in line with the reduction of overall numbers of claims being handled.
 - iv. The new tariff-based compensation scheme (the Northern Ireland Criminal Injuries Compensation Scheme 2002) is now beginning to reach its full potential and in doing so brings Agency staff into even greater contact with applicants. The Agency is handling this interface positively and helping develop staff's empathy for victims of crime.

- v. Staff feel that they are doing a very worthwhile job and delivering the service against demanding individual and organisational targets.
5. Inspectors' overall assessment is that the Agency provides a valuable and necessary service to victims of violent crime. It is maintaining good momentum in the run down of the 1988 Order Criminal Injuries Compensation Scheme. In the light of the improving security situation there will be decreasing numbers of claims under Criminal Damage and Terrorism Act. Against this background the Agency is continuing to review its staffing and accommodation needs in the short, medium and long term.
 6. Inspectors make a small number of recommendations which are mainly designed to improve the Agency's relationships with key stakeholders. There is also a need for the Agency to improve public awareness of the new tariff-based scheme particularly with those harder to reach groups. Internally, as some of the schemes taper off, the Agency needs to develop a clear plan for downsizing and to communicate it to all staff so that individuals can consider alternative career options in good time.

Chapter 1: Role and status

- 1.1 The Agency is a small but significant organisation which operates on the edge of the Criminal Justice System. It became an executive Agency within the Northern Ireland Office on 1 April 1992. The Agency is responsible on behalf of the Secretary of State for Northern Ireland for the administration of the statutory compensation schemes under the criminal injuries, criminal damage and terrorism act legislation. It occupies premises in Belfast City Centre.
- 1.2 There are historical references in Ireland to forms of criminal injury and criminal damage compensation going back over 300 years. It was seen by the authorities as a means of bolstering confidence and supporting citizens in the face of politically motivated violence and unrest.
- 1.3 In theory, any victim of a violent crime is entitled to seek compensation directly from the offender: "...but this theoretical recourse is seldom useful in practice. It may be difficult to identify specific assailants, equally difficult (or even, in the circumstances of Northern Ireland, hazardous) to prove their involvement, and at the end of the day criminals will seldom have the means to pay substantial damages. It is for this very reason that special arrangements have been made for the payment of criminal injuries compensation by the State." (Report of the review of Criminal Injuries Compensation in Northern Ireland Sir Kenneth Bloomfield KCB, June 1999).
- 1.4 The main aspect of the Agency's work is processing compensation claims and in fulfilling this role it supports the victims of violent crimes, and makes awards to people who have suffered loss or damage and helps maintain business confidence.
- 1.5 The Agency makes a commitment to individuals claiming compensation to provide a professional and objective service under the law regardless, of age, sex, race or religion and to process their claim with integrity, impartiality and fairness.
- 1.6 The Agency has based its Corporate and Business Plans on levels of activity and expenditure commensurate with an absence of terrorism or civil disturbance, while at the same time aiming to ensure that it can react appropriately to whatever circumstances might arise.
- 1.7 The Agency's main resource is its staff. At 30 June 2005 there were 110 staff in post including 7.5 solicitors and one accountant. Additional professional expertise is brought in as required (e.g. barristers, quantity surveyors) or obtained through contracts (e.g. loss adjustors, motor engineers, forensic accountant). Its aim is to process claims efficiently,

resolving each claim on its individual merits and in accordance with relevant legislation. The trauma and difficulties experienced by the innocent victims of violent crime is recognised by all staff and each case is treated with sensitivity.

- 1.8 The Agency was awarded Charter Mark Status in 1995, 1998, 2001 and 2005. Investors In People accreditation was achieved in 1997, 2000 and 2003. Re-accreditation will be sought again in December 2005.

The schemes

- 1.9 The Agency administers four compensation schemes;

- (i) The 1988 Order Criminal Injuries Compensation Scheme which has been replaced by the Criminal Injuries 2002 (Tariff Scheme) The scheme applies to incidents before 1st May 2002 providing compensation for victims of violence in Northern Ireland who have been physically and/or mentally injured or who are a dependant or relative of a deceased victim. In the case of those fatally injured compensation for the financial loss arising out of the death may in certain circumstances be paid to their dependants or certain relatives. The governing legislation is the Criminal Injuries (Compensation) (Northern Ireland) Order 1988. There are still some 4,500 outstanding claims to be resolved some of which go back to the mid 90's and include some high profile events such as the Omagh Bombing. This scheme allows the Court to hear appeals against the Agencies decisions and can decide on quantum where agreement cannot be reached. Substantial progress has been made in reducing the back-log however it is believed that it will take a further 2 years before they are finally cleared. There is provision within the order that enables a 'minor' to lodge a claim up to their 21st birthday. Consequently the Agency is still receiving a small number of new claims in relation to incidents that occurred before the new scheme was introduced.
- (ii) The Criminal Injuries Compensation Scheme 2002 (Tariff Scheme) effective from 1st May 2002 which provides compensation for victims of crimes of violence in Northern Ireland who have been physically and/or mentally injured or who are a dependant or relative of a deceased victim. The governing legislation is the Criminal Injuries Compensation (Northern Ireland) Order 2002. This brings N.Ireland into line with England Scotland and Wales. There are fixed amounts for particular injuries. The Courts are not involved and solicitors are not paid by the Government to process claims. Victim Support provides a free service to help victims with their claims. A

substantial number of claimants still use solicitors who may charge their clients between 10%-20% of the settlement figure. The decisions of the Compensation Agency can be reviewed internally and ultimately appealed to the independent Criminal Injuries Compensation Appeals Panel whose decision is final. After a difficult start the scheme has now settled to an annual figure of 6,500 new claims, and progress is being made in tackling the backlog of older claims.

- (iii) The Criminal Damage Compensation Scheme which provides compensation for malicious damage to property in Northern Ireland caused by terrorism or unlawful assemblies of three or more people; and for malicious damage to agricultural property. The governing legislation is the Criminal Damage (Compensation) (Northern Ireland) Order 1977. Claims have been steadily reducing to an annual figure of 1000, half of what it was 4 years ago.
- (iv) The Terrorism Act Compensation Scheme which provides compensation to those who suffer loss or damage resulting from action taken under the Terrorism Act 2000. Applications to this scheme have dramatically reduced following the Agency's review of the scheme and subsequent introduction of more robust checking and verification procedures. Claims have reduced from 4,500 in 01-02 to 160 in 04-05.

1.10 By agreement with HM Treasury, and as a condition of renewed Agency status, reviews of the compensation schemes operated under the Criminal Injuries Compensation (Northern Ireland) Order 2002, the Criminal Damage (Compensation) (Northern Ireland) Order 1977 and the Terrorism Act 2000 were commissioned in 2004 by the NIO. The outcomes of these reviews were:

- a) The renewal of Agency status
- b) The continuance of the three schemes reviewed
- c) A programme to implement the recommendations accepted by the Agency.

1.11 The Agency has carefully studied the review reports and are currently addressing the operationally focused recommendations. The Chief Executive has agreed an implementation plan to ensure that the Agency-related recommendations are progressed in an appropriate and timely manner. Progress will be monitored at the quarterly review meetings with the NIO. The key recommendations fell to the NIO and have been considered by Ministers.

Structure

- 1.12 The Agency is managed by the Chief Executive who is supported by a Head of Operations, the 4 Heads of Branches and the Senior Legal Assistants in the legal unit. The main forums for reviewing strategic management are the Agency Strategy Group monthly meetings and the Quarterly Review Meetings with the Northern Ireland Office. The operational management of the Agency is reviewed through the monthly Agency Co-ordinating Group meetings, and performance is monitored through a detailed monthly management information report. **Inspectors recommend that a shorter more pictorial report using charts and graphs would be easier and more helpful to staff.**
- 1.13 The Chief Executive and senior managers make themselves visible and accessible to staff, though the turnover in junior grade staff means that this needs continuing attention. The Chief Executive endeavours to meet with junior staff informally on a regular basis.
- 1.14 The Agency is required to administer its schemes effectively and efficiently in accordance with well defined legal guidelines. The relationship with the NIO is maintained through a Framework Document which defines its status, aims and objectives. It also outlines the responsibility and accountability mechanisms and sets the key performance indicators that the Agency will use.
- 1.15 Although there is no strategic vision statement for the Agency, inspectors found a very clear understanding of, and commitment by staff at all grades to the stated aim of the Agency "supporting victims of crime, and people who have suffered loss from action taken under the Terrorism Act 2000".
- 1.16 Despite the absence of a formal downsizing plan the Agency is managing the rundown of the 1988 Order caseload and reductions in the number of claims being made under criminal damage and terrorism schemes. The branch and team meetings ensure that all staff affected by these decisions are kept up to date and where possible involved in planning for their future. Inspectors commend the Agency for the manner in which this has been achieved.
- 1.17 The staff operating the Tariff Scheme have good accommodation and there was evidence of the business processes being improved by the effective use of IT. Most of the office accommodation needs up-grading and the air conditioning system during warm weather was viewed by staff as inadequate. The Agency has undertaken a review of accommodation, it has plans to relinquish the 7th floor and will soon be using only the 1st and 2nd floors of Royston House. NIO may wish to consider providing the Agency with the funding that will be required to complete the refurbishment plans.

Chapter 2: Openness and accountability

- 2.1 The Agency is both open and accountable. This has been evidenced by the production of its Annual Report and Accounts, Business Plans and Corporate Plans which are readily available and can be downloaded from the Agency Website. The Agency cherishes the award of Charter Mark and has successfully retained these standards for the past 10 years. The Website is customer friendly and provides a good level of background information on the work of the Agency and guidance notes for the various schemes that it operates. In the case of the new Tariff Scheme, claimants can download a claim form. **Inspectors recommend that the Agency consider extending the use of this technology to permit the electronic transfer of the completed claim form from the claimant or their representative to the Agency.**
- 2.2 The Agency is accountable to Parliament through its sponsoring department the Northern Ireland Office. The Agency was the subject of review by the Northern Ireland Affairs Committee in 2003-04, and the report was broadly supportive on the conduct and management of the organisation. The Agency reports performance against agreed targets in quarterly meetings with the NIO.
- 2.3 The Agency conducted a self assessment in preparation for this inspection. CJINI acknowledges the Agency's realistic assessment of its strengths and weaknesses and commends the organisation for this forthright approach. Inspectors see this as further evidence of a healthy organisation which is committed to continual improvement.
- 2.4 The Agency has acknowledged a need to improve public awareness of its role and at the time of inspection the Chief Executive was developing a media strategy which will be designed to counter some of the negative press generated around the awards for fatal cases.
- 2.5 The Courts remain a final arbiter for decisions made by the Agency in three of the four compensation schemes. The County Court and on some occasions the High Court will hear appeals against Agency decisions on claims and where compensation is not agreed will set the quantum. In the case of the new Tariff Scheme the appeals are heard by the independent Criminal Injuries Compensation Appeals Panel (CICAP). There are meetings with the NI Court Service and the Chief Executive of the CICAP however these are conducted on a needs basis. **Inspectors recommend that a more formal process of communication should be developed between the Agency and its major stakeholders to ensure that operational processes between organisations can be refined before problems arise.**

- 2.6 The Agency has a very positive customer focus and this was evidenced by its achievement of the Charter Mark standards. The Agency is proactive in obtaining customer feedback and takes complaints seriously. They are fully investigated and outcomes are discussed at Agency Co-ordinating Group meetings. The self assessment conducted by the Agency acknowledges that complaints would receive even greater prominence if they were linked to a performance target. **Inspectors recommend that the Agency develop an appropriate target around complaints to reinforce its commitment to customer focus.**
- 2.7 The Agency attempts to capture customer feedback from claimants though it acknowledges that those who are successful in obtaining a claim will always be more satisfied and willing to respond than those who do not. The Agency found difficulty in drawing meaningful conclusions from the Applicants' and Solicitors' postal surveys and tended to rely more on the Complaints and Compliments reports which were reviewed regularly and where appropriate, action is taken. The Agency has recognised the shortcomings in achieving more detailed customer feedback and plans to re-design the customer satisfaction form in compliance with S75 requirements.
- 2.8 Many staff expressed their frustration in denying claims to genuine victims who were failing to fulfil the legislative and procedural requirements. On the other hand inspectors were told that there are a number of repeat applicants who clearly understand the system and have little difficulty in obtaining compensation. Some staff did express their concerns about interfacing with disgruntled applicants who had become aggressive or emotional. Although these experiences were stressful to staff they were appreciative of the anger management, mediation, and conflict resolution skills training that had been provided to help them cope with such situations. Special interview rooms with panic alarm system were available and used for these meetings. The Agency also provides independent counselling services to staff affected by such events.
- 2.9 The Agency has recognised the need to develop more victim friendly letters to applicants to the Tariff scheme explaining decisions to decline claims. Presently the letters contain the full legal explanation which in some cases only adds to the victim's distress. The Chief Executive has acknowledged this as an area for improved customer delivery.

Chapter 3: Partnership with other agencies

- 3.1 The Agency's co-operation with other agencies is assessed as generally good. There was evidence that the Agency staff and senior managers maintain effective operational links with those organisations with which it works most closely, in particular the Police Service for Northern Ireland, the Northern Ireland Court Service, the Criminal Injuries Compensation Appeals Panel and Victims Support Northern Ireland. There was evidence of these operational relationships having a positive influence on the overall effectiveness of the compensation schemes.
- 3.2 It is clear that the workings of the Tariff Scheme in particular are not well understood by police officers, nor is the operation of the Criminal Injuries Compensation Appeals Panel where ultimately some officers may be required to attend. Inspectors believe that the Agency should, in conjunction with PSNI Training Department, provide an appropriate training package which can be delivered to new and serving officers. This will ensure that the Tariff Scheme reaches its full potential and that the information flow between both organisations is improved. **Inspectors recommend that the Agency develops stronger strategic links with the Police Service for Northern Ireland to improve communications and reduce the constant flow of paper between the Agency and the Police Districts.**
- 3.3 The Association of Personal Injury Lawyers (APIL) is a UK wide organisation with 118 local members. Inspectors met with local representatives who expressed concerns that there are an increasing number of innocent victims of violent crime who fail to reach the thresholds required under the Tariff scheme. APIL has strong views on the negative impact of the new scheme which is a policy issue for the NIO. However they expressed a desire to develop more formal relationships with the Agency and Inspectors believe that this representative group could provide valuable feed-back to the organisation.
- 3.4 The Agency does suffer occasionally from adverse publicity around the press coverage of awards made to a victim's family in high profile cases. At the time of inspection the Agency had plans to develop a media strategy with the aim of increasing public awareness of the limitations of the scheme.

- 3.5 The Agency has a very good reputation with its partners in the Criminal Justice System. However it was clear to inspectors that the Agency does not routinely seek out new partnerships nor was there any recognition of a need to forge strategic relationships with voluntary sector organisations other than Victim Support. Inspectors believe that it would be advantageous for the Agency to develop such relationships so that the corporate and business planning can become more effective. Inspectors found no evidence of the Agency having consulted any of its partners in preparing its business and corporate plans. **They recommend that it should consult partners in preparing its future corporate and business plans.**
- 3.6 Inspectors were told that the planned IT link with Victim Support has yet to be completed and there is considerable frustration that this is contributing to avoidable delay in the processing of claims. VSNI also expressed concerns about the inflexibility of the legislation operated by the Agency in dealing with 'late claims' or its inability to accept appeals from VSNI other than by registered post. When these issues were raised with the Agency they referred to the strict time limits imposed by legislation and internal policies and procedures. **Inspectors recommend that greater efforts be made by the Agency to improve communications with this important stakeholder.**

Chapter 4: Equality and human rights

- 4.1 The Agency promotes equality within the organisation and there was evidence that it was complying with the basic requirements under S75 of the Northern Ireland Act. However its inability to monitor outcomes for those claimants who belong to a minority grouping could expose the Agency to possible criticism. Inspectors are aware that there is work ongoing within CJD of the NIO to achieve effective equality monitoring for the entire Criminal Justice System.
- 4.2 Northern Ireland is becomingly increasingly multi-cultural with a marked rise in the numbers of ethnic groups and migrant workers. These demographic changes have been matched with a dramatic increase in racially motivated attacks on these new communities. Inspectors were concerned to find that the Agency was not contributing to the Criminal Justice wide emphasis on Hate Crime. **Inspectors recommend that the Agency develop an outreach strategy with the organisations that represent the various minority groups to ensure that all victims of crime from these hard to reach groups have access to the compensation schemes.**
- 4.3 Although the Agency has the highest level of sickness absence in the NIO, inspectors were encouraged to find a proactive management response, which was generally approved of by staff. The Agency does have a significant number of staff in the 20-50 age groups who tend to record a higher than average sickness absence level across the public sector. Inspectors were told that the Agency did have a few members of staff on long term sick. These small number of cases had the potential to skew the overall figures, a fact that was not lost on senior managers. Inspectors were reassured to find that the Personnel Services Division of the NIO were now dealing with these complex cases.
- 4.4 There were human resource management issues within the legal unit, which had not been subject to the same levels of downsizing as the rest of the Agency. Some staff within the unit are in dispute with both the NIO and DFP and an Industrial Tribunal case was pending. Inspectors were told of many issues which raised questions about the effective management of these professional grades. Inspectors acknowledge that the issues were both complex and not reflective of the human resource management in the rest of the Agency. Inspectors were reassured that the Senior Management Team was committed to achieving resolutions to the concerns of legal grade staff and that their redeployment to other areas of the public sector would be managed with agreement where possible.

Chapter 5: Learning improvement and the management of change

- 5.1 The Agency is a learning organisation. There was clear evidence that it continually seeks feedback from its customers and staff. The targets that have been set in agreement with the NIO are customer focussed. The Agency is by and large a reactive organisation, and aims to meet all legitimate claims under the scheme. Inspectors appreciate that the public's desire for criminal injuries compensation has to be balanced against the need to control expenditure in this area of public spending. Inspectors believe that a devolved government will provide the most effective forum for the consideration of this issue.
- 5.2 The Agency is a process driven organisation which has a reputation for hard work. Three of the four compensation schemes have recently being independently reviewed and a series of recommendations made to improve their effectiveness. The fourth scheme was not reviewed since it has been replaced by Tariff. The Agency is currently working through these recommendations. There is also an internal Systems Improvement Group who constantly seeks to refine and where possible improve the business processes.
- 5.3 Staff at all levels are encouraged to join quality improvement teams to help in this task and the special bonus scheme is frequently being used to reward participation. In November 2004 the Agency undertook EFQM Assessment and is currently responding to many of those areas identified for improvement. **Inspectors recommend that the Agency should consider comparing itself to external organisations suggested in the EFQM assessment as a means of benchmarking their processes.**
- 5.4 The Agency has developed a good training plan designed to ensure that staff are being continually developed. The induction training was described by staff as "second to none" and among junior grade staff and middle managers there was consensus that staff would be well prepared before undertaking any new area of the business process. A significant number of junior grade staff leave the Agency on promotion and Inspectors spoke to many staff who, having left on promotion came back to work in the organisation. **The Agency self assessment report acknowledges that there is a need to conduct a cost benefit analysis of the training plan. It is recommended that the Agency undertakes this analysis to ensure that the training plan is fulfilling the needs of staff.**

- 5.5 Staff feel valued and this is reflected in the NIO staff attitude survey which returned satisfaction levels for the Agency at over 90%, the highest within the Department. Inspectors found that communications between management and staff were very good. All staff had access to the minutes of Agency Co-ordinating Group meetings and decisions taken at the strategy group meeting, although not available to staff through published minutes, were disseminated if appropriate through team briefings. Staff reported that there were 'no surprises' in how the Agency was managing the changing environment. Most staff were aware of the downsizing process and in particular how it would affect their area of the business.
- 5.6 Inspectors were told by staff that senior managers in the Agency were approachable and friendly and expressed confidence that they could raise any issue and get a fair hearing. As a result of staff changes the in-house magazine had not been produced for some time. However there was no evidence to suggest that this was impeding downward and upward communication. Nevertheless there is scope further to improve communication across the Agency. Administration grade staff complained that in many cases their knowledge was often confined to their own particular area of work and that there were few opportunities to meet with staff from other branches. Inspectors believe that the current refurbishment plans is critical to providing greater opportunities for staff to get together to identify and share best practice.
- 5.7 The Agency monitors workflow levels very closely and Inspectors were impressed with examples where staff had been trained to be multi-skilled and capable of filling short term gaps in other areas of the business.

Chapter 6: Delivering results including efficiency, effectiveness and value for money

- 6.1 The Compensation Agency delivers good results in reaching the targets that have been agreed. These are Key Performance Targets set by Ministers and are expressed on a scheme-by-scheme basis supplemented by a number of over arching targets covering all aspects of the Agency's operations. Although they achieved 6 of the 10 targets in 04-05 there were mitigating circumstances in missing 4 which were largely outside of the control of the organisation. Some senior staff were concerned that the Agency had become too target focussed and that there were times when management needed to realise that the failure to achieve a target was not a disaster.
- 6.2 Inspectors commend the Agency for the effective use of special bonus payments spread across all grades of staff. Senior managers were convinced that the policy of awarding smaller special bonuses allowed more people to receive them. The scheme was particularly successful in getting staff involved in projects and in rewarding exceptional work. The use of a group incentive bonus reinforced the performance culture within the Agency. Inspectors were encouraged to find a positive attitude towards the use of performance targets in determining the level of payment under the group incentive bonus. In 2004-05 the Agency achieved 6 out of its 10 targets, consequently staff were not awarded the maximum bonus. Despite this, Inspectors were convinced that there was a real determination to do better next year.
- 6.3 Inspectors commend the Agency for a very high degree of integrity in the data collection processes and a clear desire on behalf of staff to do their utmost to achieve the challenging targets without abandoning their 'people first' ethos. Inspectors found a very comprehensive performance management process which staff were aware of and there were clear linkages between organisational targets and individual performance plans.
- 6.4 The Agency has accepted that it is not economically viable to invest in I.T. programmes for schemes that have traditionally been paper based and which are being rundown and will eventually disappear. **Inspectors recommend that the Agency consider the greater use of email in its dealings with customers and stakeholders in the belief that this will help reduce delays in processing claims.**

- 6.5 Some stakeholders complained to Inspectors of the Agency's decision to divert calls from one area of the Tariff Scheme so that staff could deal with a back-log of claims. Senior managers explained that this was a short term measure and were adamant that staff in other areas of Tariff were dealing with diverted calls. Inspectors see this as further evidence of an organisation that is process driven and committed to achieving real progress against targets.
- 6.6 Inspectors commend the Agency and the NIO for including the unit cost of claims under the Tariff Scheme as a key performance target. They also accept that in the run down of the other schemes unit costs for those areas of the business will be abnormally high until correct staffing levels are achieved.

Appendix 1 Recommendations

1. The Agency should develop a more accessible management information report using charts and graphs.
2. The Agency should extend the use of new technology to accepting the electronic transfer of completed claim forms.
3. The Agency should develop a more formal communication process with its major stakeholders.
4. The Agency should develop a performance target to reinforce the importance of complaint investigation.
5. The Agency should develop stronger strategic links with PSNI so that both organisations are fully aware of the impact of ongoing change and that police officers remain a key support to helping it decide on the legitimacy of claims.
6. The Agency should be consulting its partners in the CJS before preparing business and corporate plans.
7. The Agency needs to develop an outreach strategy with those organisations representing minority groups.
8. The Agency should action the recommendation contained in the EFQM assessment by comparing itself to external organisations.
9. The Agency should conduct a cost benefit analysis of its training plan
10. Staff should be encouraged to use external email in its dealings with customers and stakeholders.

Appendix 2 Methodology

The inspection commenced from May 2005 onwards and consisted of the following main elements:

1. Research and data collection
2. Consultation – stakeholder interviews
3. Compensation Agency Fieldwork
4. Feedback and refinement

1. Research and data collection

Documentation concerning Compensation Agency was sourced and consulted. These included:

1. Annual Report and Accounts 2004/2005
2. Draft Corporate Plan 2005/2008 and Business Plan 2005/2006
3. Framework Document
4. Charter Statement
5. NIO Departmental Report 2005
6. National Roundtable on Victim Compensation Discussion Paper 2003
7. Commission Of The European Communities Green Paper 'Compensation to crime victims'
8. "We will remember them" report of the Northern Ireland Victims Commissioner, Sir Kenneth Bloomfield KCB 1998
9. Council of the European Union Council Directive 2004/80/EC April 2004
10. Review Of The Terrorism Act (2000) Compensation Scheme July 2004
11. Review of the Criminal Damage Compensation Scheme October 2004
12. Review of the 2001 Northern Ireland Criminal Injuries Compensation Scheme September 2004
13. House of Commons Northern Ireland Affairs Committee report on The Compensation Agency May 2005
14. Minutes of Compensation Agency Management |Meetings 2005
15. NIO Staff Survey 2004, Northern Ireland Statistics and Research Agency, 2005

2. Self assessment

CJI invited the Compensation Agency to prepare a self assessment based on the core criteria or matrix. The five criteria of which the Agency structured its submission to CJI are:

- Openness and accountability
- Partnership with other agencies in the criminal justice system
- Equality and human rights
- Learning, improvement and the management of change
- Results, including efficiency effectiveness and value for money

3. Consultation – stakeholder interviews

CJI contacted a number of organisations and individuals who work closely with the Compensation Agency and a comprehensive range of views were obtained. In addition, meetings were conducted with staff within the Court Service, Police Service, Victim Support, Association of Personal Injury Lawyers and Crown Solicitors Office. Inspectors also spoke to the Criminal Injuries Compensation Agency for England Scotland and Wales and the Department of Justice in Dublin.

4. Compensation Agency fieldwork

A team of four CJINI inspectors, the Chief Inspector of Criminal Justice conducted a programme of interviews with a large number of staff at all grades over a 3 day period in September 2005. The formulation of the programme was greatly assisted by Donna Knowles the Head of Operations for the Agency. The programme consisted of individual structured and semi-structured interviews, and focus groups.

5. Feedback and refinement

A draft outline of the proposed recommendations was prepared from the evidence gathered during the inspection and presented to senior managers and other staff at the end of the fieldwork phase. A draft of the report was sent to the Agency in November 2005 and feedback and refinement received during December 2005. The Agency has prepared an action plan which is published as part of the overall inspection report.

Appendix 3 Action plan in response to recommendations

Rec No	Driver	Recommendation	Accepted/ Rejected	For action by	Action	Date to be complete
1	Head of Operations	The Agency should develop a more accessible management information report using charts and graphs.	Accepted	Branch Heads and Head of IT	A preliminary move to produce more pictorial management information for Ministerial Submission has already been introduced. A full review of the current Management Information Reports will be carried out to identify the amount and format of management information required to support the monitoring of Key Performance Targets.	End April 2006
2	Head of ICS	The Agency should extend the use of new technology to accepting the electronic transfer of completed claim forms.	Accepted	Branch Heads, Team Leader ICS, IT Department	The IT link to facilitate electronic transfer of forms between the Agency and VSNI should be completed by March 2006. The Agency will carry out a review of the lessons learnt and consider how this technology could be extended further.	To complete review by end June 2006

Rec No	Driver	Recommendation	Accepted/ Rejected	For action by	Action	Date to be complete
3	Chief Executive	The Agency should develop a more formal communication process with its major stakeholders.	Accepted	Chief Executive	The Agency will prepare and implement a communication strategy with major stakeholders.	End April 2006
4	Chief Executive	The Agency should develop a performance target to reinforce the importance of complaint investigation.	Accepted	Head of Operations	The Agency recognises the importance of complaint investigation and has a robust system already in place. A performance target will be included in future Business Plans. This recommendation will be included as part of the Business Planning Process and will link with Rec No 6.	Late March 2006

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Rec No	Driver	Recommendation	Accepted/ Rejected	For action by	Action	Date to be complete
5	Head of Operations	The Agency should develop stronger strategic links with PSNI so that both organisations are fully aware of the impact of ongoing change and that police officers remain a key support to helping it decide on the legitimacy of claims.	Accepted	Branch Heads/Legal Unit, Team Leader ICS	The Agency recognises the importance of a strategic link with the PSNI and the requirement for mutual support within the operational capability of the Agency. The Agency will consult with PSNI to draw up and implement a plan to facilitate a mutual understanding of operational processes and requirements.	End Oct 2006
6	Chief Executive	The Agency should be consulting its partners in the CJS before preparing business and corporate plans.	Accepted	Head of Operations	The Agency considers that the Framework Document allows little or no scope for stakeholders to influence business or corporate plans. However as part of the Business Planning process it plans to invite key stakeholders to a consultation exercise on the proposed 3 year Corporate Plan 2006 – 2009 and annual Business Plan 2006-2007 in March 2006 by way of a facilitated meeting.	Late March 2006

Rec No	Driver	Recommendation	Accepted/ Rejected	For action by	Action	Date to be complete
7	Chief Executive	The Agency needs to develop new relationships with those organisations representing minority groups.	Accepted	Agency Strategy Group/ Nominated coordinator	The Agency has contacted NICEM in relation to advice regarding translations for Guidance Notes. Work is ongoing in relation to publication and dissemination of such translations. The Agency will also develop an outreach strategy.	March 2007
8	Head of Operations	The Agency should action the recommendation contained in the EFQM assessment by comparing itself to external organisations.	Accepted	Head of Finance	The Agency proposes to carry out a benchmarking exercise during the Business Year 2006 – 2007.	March 2007

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Rec No	Driver	Recommendation	Accepted/ Rejected	For action by	Action	Date to be complete
9	Head of Operations	The Agency should conduct a cost benefit analysis of its training plan.	Accepted	Head of Training and Training Officer	While the Agency already evaluates the benefit of training undertaken by staff it recognises the need to carry out a more in depth analysis. The Agency proposes to initially put in place the systems which will support this and will carry out pilot cost benefit analyses during the first six months of the financial year 2006 – 2007. A full cost benefit analysis of training will be carried out in future years.	Pilots to be complete by Dec 2006
10	Head of Operations	Staff should be encouraged to use external e-mail in its dealing with customers and stakeholders.	Accepted	Heads of Branch, Head of IT, IT Department	The Agency will carry out a review into the use of e-mail in respect of this recommendation and identify and implement any suitable progress in this regard.	Review to be completed by October 2006

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