

To: UC Programme Board

From: Susan Park
UC Operations
Director General

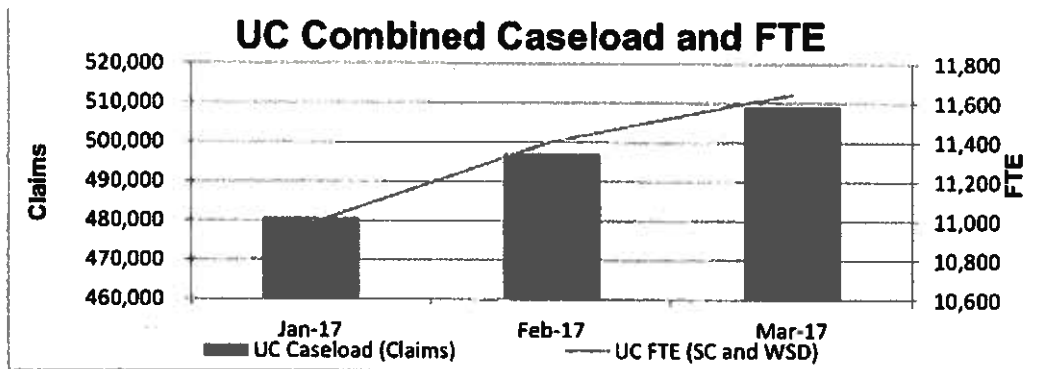
Date: 18 May 2017

UC Operations Update

Summary:

We have made steady progress since our last update largely underpinned by the case management approach. We now have 64 Jobcentres in Full Service, testing the implementation approach as we prepare for October. Our UC Operations organisation has also moved forward with the appointment of four Area Directors. Our next step is to move towards geographical alignment between our Jobcentres and service centres bringing clearer accountability for end to end customer service.

Payments made in the first Assessment Period in Full Service now stands at 87%, up from 65% when benchmark measurements started in February. In Live Service payments in the first period has remained consistently at around 87% over the same period apart from a seasonal dip in January to 78%. Tasks in the Live Service are under control at less than 2 per customer and in the Full Service our performance against benchmarks is improving. Since our last report to the Board, the UC customer base has increased by 9,904 to 519,114, with around 11,600 people across both Service Centres and Jobcentres serving this customer base.



Labour Market Measures UC Combined:

Live and Full Service figures are produced on a slightly different basis due to differences in data. The combination is the best available approximation to an overall figure, but may be subject to revision in future

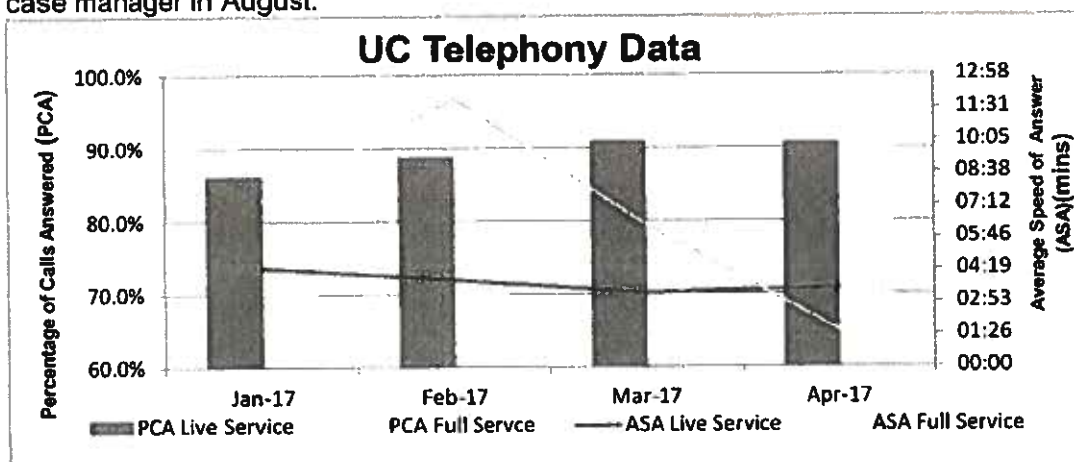
Reduced performance in the latest month is due to the expected seasonal downturn. However 12 month average performance is strong and meets the full year benchmarks.

Combined UC LMM													
EER3	Cohort Month	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
	EER3 %	33.70%	37.10%	36.20%	36.40%	36.70%	35.50%	37.00%	39.50%	41.20%	42.40%	36.60%	30.80%
NEER6	Cohort Month	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
	NEER6 %	40.40%	41.90%	43.50%	42.20%	40.10%	40.10%	40.70%	40.80%	41.20%	39.70%	38.70%	40.10%
SEER3	Base Month	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
	SEER3 %	77.10%	81.10%	79.50%	79.20%	81.80%	80.10%	79.30%	80.60%	80.60%	81.20%	78.80%	74.60%

EER3	Evidence of Earnings at 3 months
SEER3	Sustained Evidence of Earnings at 3 months
NEER6	No Evidence of Earnings at 6 months

Telephony:

Live Service telephony continues to track to expected performance levels. We have invested a lot of effort to improve performance of Full Service telephony - calls answered are up from just over 70% to just over 90% and customers waiting, on average, no more than two minutes for their call to be answered. We continue to drive further improvements and also start to test routing calls directly to the owning case manager in August.



Case Management in Full Service:

Ownership of the customer by the Work Coach and Case Manager is central to the delivery of UC and we are now well on our way to embed this approach building first on the initial 'seed' teams in Service Centres to deployment now across 93% of the network. There are signs that this approach is having a positive impact:

- hand-overs from telephony typically reducing by over a third in the first six weeks of teams starting to case manage. The introduction of a new handover tool will allow us to measure trends in time for the next Board.

- full service calls to caseload ratio has decreased from 0.6 at its peak in August 2016 to 0.25 in May 2017. Full Service calls have continued to fall as a percentage of the caseload

Payments in Full Service:

Performance for the first period is almost flat compared with last month (75% compared with 76% in Feb-17).

However Full Service early indicator data suggests performance for the first period has increase significantly in April to 85%.

There are likely to have been a combination of factors here and we are looking more closely to understand this. The improvement is reflected across the majority of sites and types of claim.

Decision Making in Full Service:

We have targeted our attention on clearing the outstanding payment blocking decisions and seen a significant reduction over the previous three weeks. We have also recruited and or moved over 200 decision makers into full service. We are testing different models within decision making aimed at increasing work coach discretion, leading to more decisions being made closer to the front line and speeding up the process.

Housing in Full Service:

We continue to focus improvement activity on getting housing costs paid to customers in their first assessment period; specifically improvements on the verification of rent amounts in the Social Rented Sector. Improvements to the process has led to a 40% increase in the number of Housing payment To-Do's cleared in week compared to the first week in March. Our focus is now on ensuring all requests to social landlords for rent details are issued within 24 hours of the claim being made.

Customer Experience:

Since April 2016, complaints about the UC service overall as a percentage of the caseload has fallen from 0.3% and now stands at 0.21%. Early insight tells us that customers are frustrated most by late payments, misinformation and failing to implement an alternative payment arrangement on time. We have improvement plans in place in all these areas.

Note: Universal Credit full service MI is in development and once systems and process are sufficiently mature, the plan is to move production to Finance Business Intelligence who are the official providers of MI within DWP".

