

To: UC Programme Board**From : JP Marks
UC Operations Director****Universal Credit Operations Update****Summary**

We have sustained progress since our last Board update. We now have 72 Jobcentres in UC Full Service, supported by 11 Service Centres.

All sites report reasonable confidence for the July expansion, with peak leave through the Summer presenting issues which are manageable. Site preparations are advanced.

We have agreed geographic alignment and site plans for October and November 2017. Implementation teams are working with planners, including the People and Locations Programme, to test delivery plans for all sites.

Detailed resource plans are in place to meet October demand. Delivery will require focused activity given the timescales and scale of capacity and learning delivery required, working with HR business partners to ensure timescales are met across all local sites.

Subject to testing in August, the UC Programme and Operations are developing a plan to deploy telephony routing for new sites rolling out from October, to embed integrated multi-channel case management. This should reduce handoffs further and enhance our Once & Done customer service culture.

We have introduced new Operational Benchmarks including Payment Timeliness set at 90% for Full Payments made on time, building on embedded case management (now in place across all sites) and improvements in Housing and Decision Making & Appeals.

We have fed all key issues into the latest readiness assessment, including:

- Sustaining full payment timeliness improvement, including housing and children, as volumes build, given current tactical processes (National In-Box and Child Verification) to ensure sustainable, improving customer service standards
- Protecting quality case management as volumes build and telephony is routed back into teams, as we sustain telephony performance and drive contact down
- Supporting new sites and new joiners as they get up to speed, so we don't go too far too fast, and can sustain customer service improvement in all areas.

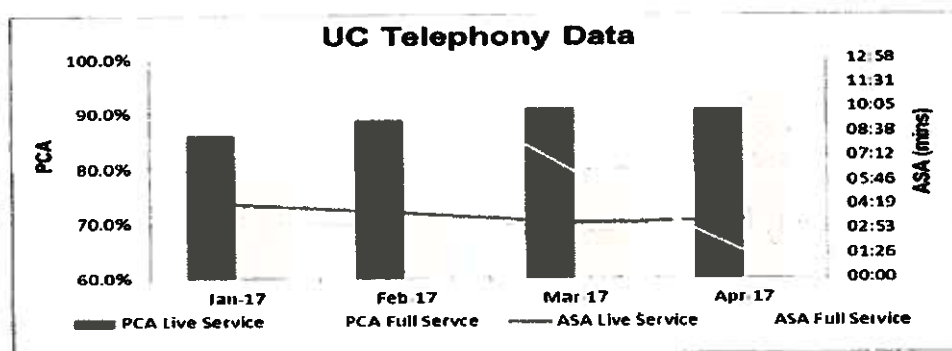
Performance

Telephony:

UC telephony performance has improved, with current Average Speed of Answer and Percentage of Calls Answered in a healthy position above target, despite some recent issues with Booking Bug – the problem has been fixed and a new release has been implemented to upgrade the system.

We have made good progress on Rotation 2 of the Employee Deal to ensure we have capacity to cover the UC Network across all our opening hours.

Telephony contact as a percentage of our caseload is on a downward trend. The calls to caseload ratio peaked at 0.43 in February, whereby our customers were calling us at least once every 11 days. Since March we have seen this reduce to 0.27 which equates to receiving a call once every 19 days.



We have undertaken analysis of 600 plus calls in UCFS. The main call drivers are:

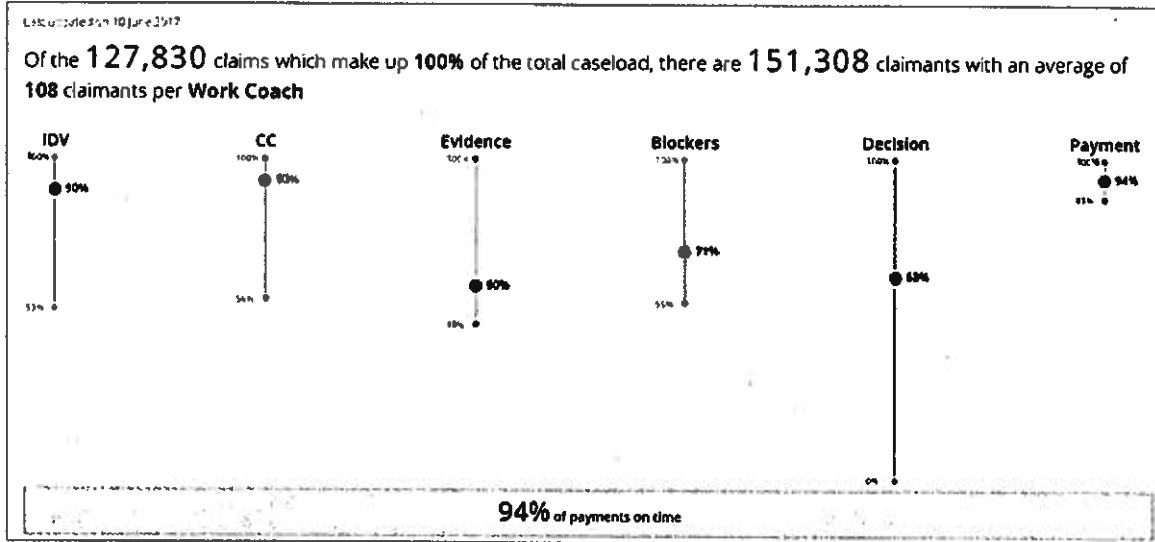
- payment enquiry
- new claim advance payment
- housing query
- arrange / rearrange an appointment
- self-reported / self-employed earnings
- late payment progress chasing

Fewer calls are now related to payments now Case Management is embedded and escalations have fallen. The Product team have features to tackle drivers and shift more activity online (for example for self-reported earnings) which are important for sustainable Case Management when telephony is routed and volumes build.

Plans to integrate telephony into Case Management are progressing and we will test using Next Generation Call Centre (NGCC) this summer with a plan to roll out from October. This seeks to ensure we move to scale with a strategic solution, with multi-channel, integrated case management operating geographically across aligned One Service teams.

Universal Credit Full Service Case Management:

Our Case Management approach has been successfully rolled out across each UCFS Service Centre, with early indicators showing variation narrowing. We have plans to support ongoing improvements, alongside Product enablers, such as with Identity, Claimant Commitments and Decision-Making.



We are testing increasing caseload sizes across three teams to understand the effect of caseload size – with telephony – on sustainability of performance.

The information below shows our assumed average caseload levels per full time equivalent (FTE) Case Manager and the balance of work across Service Centres for the summer.

This is being developed further for latest alignments across sites, including new joiners, so we manage future caseload build carefully and protect customer service standards at increasing scale. Where we see local pinch points, we will escalate for early mitigation.

Service Centre	Region	Jun-2017	Jul-2017
Walsall	Central England	181	195
Canterbury	London and the Home Counties	196	236
Middlesbrough	North East England	271	183
Blackpool	North West England	173	208
Bolton	North West England	182	192
Dundas	Scotland	6	21
St Austell	Southern England	184	235
Bangor	Wales	173	221
Nottingham^	Central England		
Grimsby^	North East England		
Aggregate		183	205

No caseload allocated to site

Service Centre	June 2017			July 2017		
	FTE	Staff	Work	FTE	Staff	Work
Canterbury	156	17.5%	16.6%	155	16.7%	19.1%
Bolton	82	9.3%	9.2%	82	8.9%	8.3%
Middlesbrough	76	8.6%	12.6%	100	10.8%	9.7%
St Austell	153	17.3%	17.3%	154	16.6%	19.1%
Blackpool	144	16.3%	15.4%	141	15.2%	15.5%
Grimsby^						
Bangor	54	6.1%	5.7%	54	5.8%	6.3%
Walsall	185	20.8%	20.5%	183	19.7%	18.7%
Dundas	37	4.2%	0.1%	37	4.0%	0.4%
Nottingham^				21	2.3%	0.0%

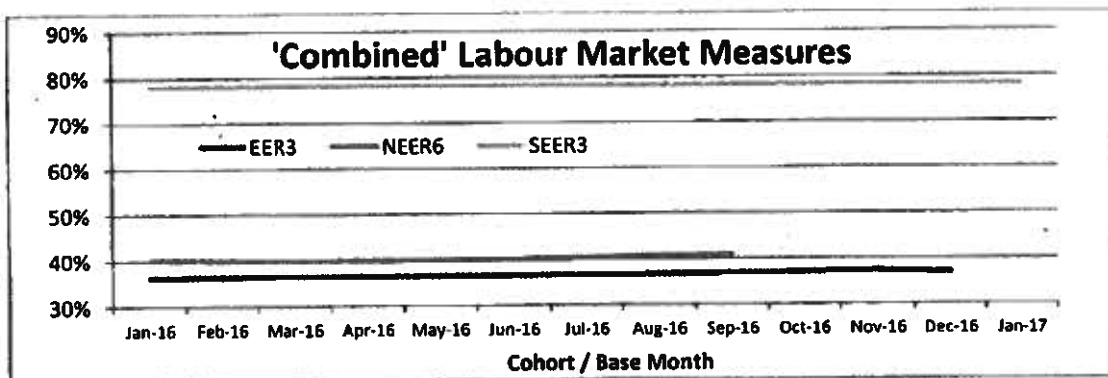
We are encouraged by trends on payment timeliness. UC Analysis Division produce four headline measures of payment timeliness. For each measure, results are produced for: Live Service, Full Service and overall. The latest results (for Apr-17) show improvement for all measures. Indicators show a continuing upward trend in recent weeks.

Measure		Live Service	Full Service	Overall	
Measure a.	Claims with some payment on time	First AP	85% (+1)	82% (+7)	84% (+3)
Measure b.		All APs	95% (+2)	90% (+4)	94% (+3)
Measure c.	Claims with full payment on time	First AP	76% (+1)	69% (+7)	73% (+2)
Measure d.		All APs	92% (+3)	86% (+5)	91% (+3)

Labour Market Measures:

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. 12 month average performance is strong and meets the full year benchmarks.

Latest ONS figures for February – April 2017, show that the employment rate has remained at a joint record high at 74.8% - up 0.6% on the year. The number of people in employment is at a new record high of 31.95m, up 109,000 on the quarter and up 372,000 on the year.



Report Month	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EER3 Cohort 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
EER3 %	36.3%	36.3%	36.5%	36.5%	36.5%	36.6%	36.5%	36.7%	36.9%	37.0%	37.3%	36.9%
NEER6 Cohort Month	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
NEER6 %	40.2%	40.2%	40.2%	40.2%	40.1%	39.9%	40.0%	40.0%	40.1%	40.3%	40.8%	40.8%
SEER3 Base Month	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
SEER3 %	79.3%	79.3%	79.3%	79.4%	79.5%	79.6%	79.6%	79.6%	79.7%	79.5%	79.7%	79.6%

Notes

Evidence of earnings at 3 months (EER3) assesses if the claimant has earnings in the third month following their UC claim. No evidence of earnings at 6 months (NEER6) assesses claimants who have no evidence of earnings in six months following their UC claim. Sustained evidence of earnings at 3 months (SEER3) assesses whether the claimant has remained in work for three consecutive months.

Operational Management Information:

We now have all of our UC Service Centres and linked Jobcentres trained in the use of our Strategic MI self-service dashboard, which has proven very popular.

People:

As part of our new One Service Operating Model, we are coaching leadership and end to end collaboration. By joining up, we are seeking to improve customer experiences across teams. This proactive coaching culture, empowering teams to do the right thing for customers, should align public service principles with more control of local environments, with more local accountability for service standards. We have measured engagement in a mid-year Pulse Survey and results show an increase from 55% to 61% across our UC Service Centre network. This is great credit to the team given the scale of the challenge.

Customer Journey Improvements:

We have been working with colleagues in our Operations Excellence Directorate and the UC Programme to drive forward improvements including:

- **Decision Making and Appeals**, to ensure decisions are made earlier and stem the flow of unnecessary referrals to decision makers. We will review the plans for October and beyond, as volumes remain high;
- **Self-Employment**, delivering enhanced training for Work Coaches in each site, with development now underway in the Product to ensure this journey is more effective;
- **Health Journey – Work Capability Assessment (WCA)**, to improve this key journey given manual activities and capacity constraints for assessment;
- **Claimants with complex needs**, putting in place plans to support colleagues to identify, own and take appropriate action for claimants with complex needs in all local teams;
- **1st Assessment Period**, improvements include completing the Claimant Commitment sooner and not scanning evidence as routine.

