

To: UC Programme Board

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UC Operations Update

Summary

- **Customer Experience:** We have an improving trajectory but variation remains an issue (illustrated below). There has also been some disruption to service over the period including having to support service recovery with our appointment booking provider, Serco; and some infrastructure issues, including Citrix (2 March), Central File Store (23 March) and payment filter/finder (3 March).

- **Easter:** The faster payment functionality is not yet in place and so it will require us to make significant numbers of manual payments. We will bring forward 3,822 manual payments from Good Friday and 3,376 for Bank Holiday Monday in Live Service. In Full Service we anticipate just under 5,000 payments each day (Friday to Monday) and these will require clearance of payment blockers, decisions and case preparation.

We have system access over this period and overtime remains critical to deliver this activity. The UC Programme have agreed to fund the cost of the overtime.

- **Embedding the right culture** with more efficient activity across channels whether that be online, on the phone, or face-to-face remains our focus.
- **Telephony:** We are working with the Programme to improve the integration of telephony with a multi-channel case management approach. In particular testing geographic routing once the Next Generation Contact Centre system is live from July. The plan for this will be critical for effective delivery at scale.
- **'One Service':** There are a number of strands to assure ourselves of a smooth customer 'joined up' journey including leadership training, local coaching, encouraging teams to collaborate regularly in removing blockers to payment, escalating urgent issues – especially in relation to our most vulnerable customers. We are working closely with the Programme to deliver a better vulnerable customer plan to support local teams.

- **Payments:** We have increased those paid in the first Assessment Period by 8 percentage points from 65% at 05/02/17 to 73% at 19/03/17. However late payments remains our key customer complaint and therefore our focus on continued improvement.

As at 19 March, 63% of Claimant Commitments are accepted within 10 days, compared to 44% at the end of February.

- **First Assessment Period:** We are testing a range of improvements in the weeks ahead in partnership with the Programme aimed at improving the customer experience and in particular our focus on making payments and supporting people move closer to the labour market. We are also checking Full Conditionality assumptions with analysts for sites like Croydon to ensure the resource model reflects latest evidence on actuals.
- **Case Management (CM):** We have now established 27 'seed' teams across all the UC Full Service (UCFS) sites with all site case management at Bangor & Canterbury. We will monitor progress carefully as this embeds everywhere and in particular the impact on telephony traffic.

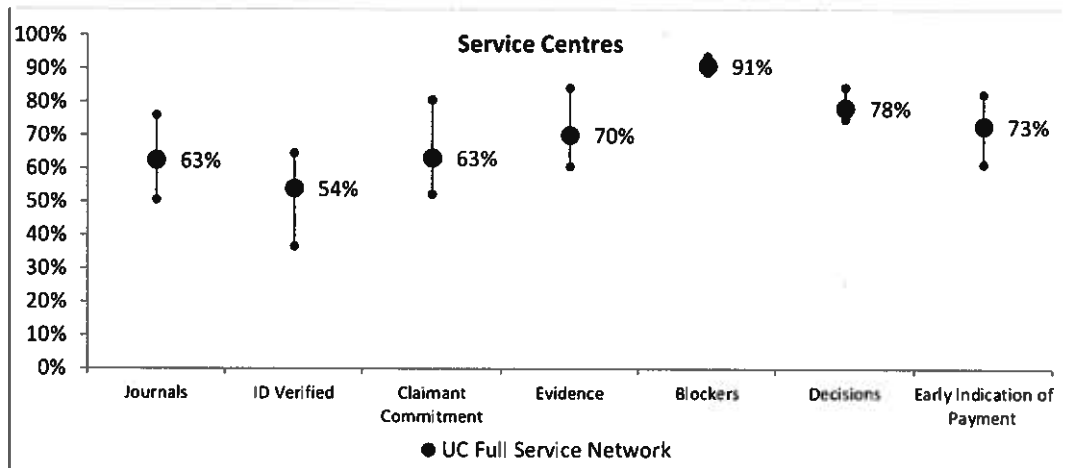
Other improvement activity includes:

- **Decision Making:** We have appointed a dedicated leader to oversee and improve performance. We are also recruiting a further 50 people and transferring 150 existing Decision Makers from Live Service to Full. We are also trialling more localised decision making for straightforward decisions.
- **Housing:** We have reduced the backlog in the national UCFS inbox whilst managing increased volumes from a weekly average of 2600 to 5400 emails. We have also reduced the outstanding MGP1s (a form used to gather/share information on existing Income Support, Jobseeker's Allowance or Employment Support Allowance claims) from 5,580 to 1,693 and moved the oldest outstanding email dates from September 2016 to within 3 days from date of receipt. We continue to work with the Programme to identify earlier opportunities to increase automation, as these volumes of email traffic are very difficult to control as volumes build. The landlord portal is the strategic solution necessary for operation at scale.
- **Jobcentre/Service Centre alignment:** Over the next few weeks this will be developed into a plan for rollout right up to September 2018.
- **Customer Journey:** We continue to work with colleagues in the Operational Excellence Directorate (OED) to improve the Health Customer Journey, Self-Employment and Non Complex Sanctions decisions.

- **Childcare costs:** We are reviewing our processes in the Full Service, to ensure that our claimants and our people are maximising take up of the offer.
- **Strategic MI:** UC OET will review a new suite of products - whilst not delivered yet, early demos look promising.

Performance

- **First Assessment Period (AP) benchmarks:** Performance has improved across most critical activities in the customer journey. For example, an improvement of 29% in evidence verification with Commitments accepted; decisions made on time and payments made on time also improved from 65% to 73%. Our focus is on understanding variation between sites and coaching our leadership teams to understand why and what they can do to improve. The graph below shows the current variation between Service Centres:



- **Telephony:** We are on track to achieve 90% Calls Answered on Live Service (LS) by year end. However, we continue to see larger than forecast call demand in UCFS – in the main due to payment enquires, interactions not currently possible online such as self-reported earnings, and customer orientation confusion. We must address all of these in order to get to a more stable telephony platform.

We are working with the Programme on the plan to move from national routing of calls on a virtual basis to geographic routing, getting the calls to the right team, supporting case management and improved productivity, reduced handoffs, and most importantly improved customer experience. We expect to start testing from July.

In the meantime Belfast and (from June) Ballymena have been added to support our tactical telephony service. In parallel we are working on improvements to the 'hand off' process, supporting better orientation and reducing variation in call duration and speed of answer.

We have recently experienced performance issues with the transfer of our telephony contract to a new provider, Serco. Whilst there is a recovery plan in place there is an impact on LS performance meaning we are behind where we would be in clearing outstanding tasks. The impact equated to 60,000 less tasks being cleared. We are drawing up a business case to either extend or request further 'surge' resource to support recovery of the tasks.

- **Labour Market:** Overall, early indications are that UC is performing satisfactorily in getting people into work and sustained employment. The Labour Market Measures are in development and we will keep the board updated.