



Department
for Work &
Pensions

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UC Targeted Case Review – Resource Augmentation – Full Business Case Approval

**UC Programme Board
For Decision**

Senior Responsible Owner: Neil Couling

UCPB Paper Sponsor: Ian Wright

Senior Business Sponsor: Lesley Hawkins

Project Director (TCR Resource Augmentation): David Watts

UCPB280324 Paper No. 2

Sign off details – Universal Credit Programme (TCR RA Project)

Programme Board Approval				Date of approval:
The TCR Resource Augmentation Full Business Case (FBC) has been reviewed and approved by: <ul style="list-style-type: none">• UC TCR Programme Delivery Executive 21 Mar 2024.• UC Programme Board 28 Mar 2024. Investment Committee approval is being request before the FBC is sent to HMT and Cabinet Office on 20 May 2024. Subject to Commercial Approval Board approval the plan is to sign a contract on 14 Jun 2024.				UC Programme Board 28 Mar 2024
Business case Sign off	Sign off Details:			Date:
Financial Case Funding Availability	FBC was reviewed and approved at Programme Board on 28 Mar 2024. There was representation from finance at the board and the economic and finance case were completed by the programme's finance business partner. For 24/25, TCR has indicative funding of 100.8m and £196m granted at Autumn Statement 2022, totalling £296.8m. The departmental budget allocations exercise for 2024/25 is due to be complete in Spring 2024 and funding for future years will be via SRs.			28 Mar 2024
Business Case sign off	Analyst	Date:	2 nd LoD Representative at Programme Board	Date:
Economic Case	Iain Wright Dep. Dir. FED Analysis	28 Mar 2024	Ian Wright UC Programme Director	28 Mar 2024
Tolerances	Sign off Details:			Date:
The project tolerances are included in the Terms of Reference for the Project's Delivery Board and these are included in Annex 5 of the FBC.				19 Oct 2023
HMT Approval Timeline				Date:
HMT are being actively engaged as the FBC is being developed and were present at the UC Programme Board on 28 Mar 2024. The planned date for submitting the FBC to HMT is 19 Apr, with an approval deadline of 17 May (aligned to the 28 day SLA), so the preferred bidder can be announced on 20 May, with contract signature planned for 14 Jun 2024.				

Sign off details- (continued) – Universal Credit Programme

Aligns and supports the Departmental Plan	Approved by	Date
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The project will enable the delivery of the strategic outcomes in DWP's Departmental Plan for 2023-25 by improving payment accuracy and reducing fraud and error. It will also support the DWP's Fraud, Error and Debt strategy to move to a more preventative approach by providing better data/insight into the causes of error.

Impacted against the DWP Estate Strategy and sustainability targets	Date
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The project will be using agents provided by a single provider and they will not be using DWP's estate – the provider will be asked to meet any necessary sustainability targets via the terms if the Crown Commercial Service contract framework.

Resources

Resources sign off	Resources Supplied	Resources Required	Agreed by	Date
Contract management/Commercial	27.8	Full resources forecasts were assessed as part of the due diligence completed on the detailed delivery plan.	TCR PDE reviewed the requested level of FTE.	29 Feb 2024
Digital/NGCC/Incident management	7.6	It is confirmed that resources levels will peak Q2 24/25, as represented in the FTE estimates provided in this table.	The FBC includes the costs of these resources.	
SPD/OPS/L and D	17.5	It is expected that after the peak in Q2 24/25 resources will reduce as the project transitions to BAU services.	Headcount and recruitment needs to be signed off by relevant Director Generals.	
Project/Policy/Analysts	10			
Supply chain assurance	3.5			

Case for Change

- The Department for Work and Pensions (DWP) continues to face a significant challenge on fraud and error. In 2021/22 the Monetary Value of Fraud and Error (MVFE – which includes claimant and official error, as well as fraud) was the highest to date, estimated to be 4.0% (£8.7bn). The most recent estimates for 2022/23, whilst slightly lower, still show continued high levels of expenditure overpaid due to fraud and error at 3.6% (£8.3bn).
- Most of the fraud and error in DWP relates to UC, with the level of UC overpayments relating to fraud and error increasing from 9.4% (£1.7bn) in 2019/20 to 12.8% (£5.5bn) in 2022/23. DWP rightly prioritised getting money to millions of people who needed it as part of our emergency response during COVID 19. Regrettably, some individuals and groups sought to exploit the situation and the accelerated processes that were temporarily in place, such as fewer verification checks. Also, there was a change to the make-up of the UC caseload with an increased proportion of higher risk cases, such as the self-employed and those with capital.
- This project will enable the delivery of the strategic outcomes in DWP's Departmental Plan for 2023-2025 by improving payment accuracy and reducing fraud and error. It will also support the DWP's Fraud, Error and Debt strategy to move to a more preventative approach by providing better data/insight into the causes of error.
- The SoS approved the principle of using providers to carry out targeted case reviews on 24 July 2023 and prior to that on 3 May 2023 DWP ET endorsed the specific recommendation to ***“Outsource the clerical and assessment activities within the TCR process beyond 3430 agents from April 2024 to a single provider and retain the decision-making activities in house”***
- By increasing DWP's capacity to conduct targeted case reviews, the project will contribute directly to the aims of the 'Target Case Review' project. The expected increase in AME savings will make a material and positive difference to DWP meeting the total expected AME savings of £6.6bn by the end March 28.
- If no action is taken to recruit above those already modelled for in-house agents, DWP would not meet the expected AME savings set out in the Autumn 2022 Statement. Based on most recent estimates the loss of AME savings by 2027/28 would be £2.2bn (over the 4yrs of the contract), peaking at £1bn in 2027/28.

Options

In line with the Green Book and Sourcing Playbook, Critical Success Factors were used to perform a Strategic Delivery Model Assessment (SDMA) of the identified options to inform the Business case.

Method applied

An initial option analysis was performed against 25 full list of options. In understanding the TCR process the key activity types identified were Clerical, Assessment and Decision Making. In addition to activities, it was also recognised that there was a Strategic layer determining policy and strategy, but this would remain the responsibility of DWP. Nine options were chosen from the initial 25 full list of options, and a more detailed assessment was carried out as part of the Strategic Delivery Model Assessment against the agreed Critical Success Factors.

From the nine options assessed in detail, three options were assessed in the OBC against the 'do nothing' baseline. From these the best and next best options have been assessed in more detail the FBC. More detail about the nine 'short-listed' options and the two assessed in the FBC, against the 'do nothing' baseline is provided in Annex A.

Preferred Option

Option 4: Hybrid Delivery – The Clerical and Assessment layers would be outsourced; the Decision and Strategic layers would remain in-house

This creates a combined in-house and outsource optimised delivery model to meet DWP's requirements for the following reasons:

- It ensures the continued AME savings delivery
- It provides a pathway for creating an effective workforce that, otherwise would encourage staff to join from other parts of DWP, and would potentially denude other functional service areas of DWP
- It provides the opportunity to utilise recruitment and private sector skills and practices to flex the workforce to the required level
- It reduces potential redundancy liabilities once the backlog has been addressed and as the service enters steady state business as usual, although it is recognised there is a potential risk of TUPE costs
- It avoids creating an increased estates profile and the associated costs
- It provides the most value for money when compared with brining the services in-house

Economic Case

When comparing the hybrid option (the best option assessed in the OBC) with the next best option, delivering all services with in-house agents. The option of using a provider (the hybrid) provides a better overall NPV by about £30m to March 2028.

Over the 4 years of the contact, the overall running costs are about £117m lower for the hybrid option. This is compensated by a lower forecast AME savings of about £87m over the same period.

The modelled savings for provider agents has been forecast as slightly lower per agent. This is due to the levels of increased uncertainty of provider agent performance. If provider agent performance matches or exceeds expectations the level of AME savings and NPV will be higher.

Based on the sensitivity analysis completed we would be 95% confident that AME savings, to the end of 27/28, would lie within a range of -13% and +8% against the central estimate. Very similar figures are produced if we also consider the follow-on preventative savings that are scored in the following years.

Discounted Cash Flow	Total £m			
	One-off Investment Cost	Recurrent Cost	AME Saving	NPV
Do Nothing (Baseline)	-212.1	-626.2	6,350.4	5,512.2
Fully Aggregated In-house	-253.4	-995.2	8,989.7	7,741.1
Hybrid -In-house decisions Supplier clerical & assessment	-260.0	-871.6	8,902.7	7,771.1

Business Case Baselines from the Economic Case

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Insert business case version						Economic NPV			£7,771.1	
	£m sunk	£m 24/25	£m 25/26	£m 26/27	£m 27/28	£m 28/29	£m 29/30	£m 30/31	£m 31/32	£m Total
Capital Investment	7.6	3.0								3.0
Resource Investment	117.8	257.0								257.0
Total Investment	125.3	260.0								260.0
Recurrent Costs			286.9	286.4	285.8	79.5				938.6
Recurrent DEL Savings										
NET DEL			286.90	286.40	258.80	79.50				938.60
AME Costs										
AME Savings	(98.0)	(526.8)	(1,300.7)	(1,886.0)	(2,318.1)	(2,032.4)	(1,030.7)	(519.1)	(262.7)	(9,876.6)
NET AME	(98.0)	(526.8)	(1,300.7)	(1,886.0)	(2,318.1)	(2,032.4)	(1,030.7)	(519.1)	(262.7)	(9,876.6)
Economic / Social Savings										
Discount Rate	1.000	1.000	0.966	0.934	0.902	0.871	0.842	0.814	0.786	
DCF including AME	(125.3)	(260.0)	(277.2)	(267.4)	(257.8)	(69.2)				(1,131.6)
DCF excluding AME	(27.4)	266.7	979.6	1,493.2	1,833.0	1,701.9	867.8	422.3	206.5	7,771.1

Commercial Outcome

Approach

DWP undertook an analysis of the available routes to market and determined that RM6181 lot 1 was appropriate. Two pre-market engagement events were held and suppliers on the framework were able to meet in 121 events with key DWP stakeholders to better understand the requirements.

Contract: This is a specialised resource augmentation contract. Full 4 Year Contract Term: 14 June 2024 to 13 June 2028. To address any contingency there will be the inclusion of any number of extensions up to a maximum of 24 months subject to further governance.

Evaluation

- DWP undertook a comprehensive bid evaluation using a 70/30 (quality/price) ratio. Detailed questions were developed based on the business needs and weighted accordingly to reflect their relative importance. Bidders had to achieve a minimum of 60% of the maximum for their overall quality score and score 5 out of 10 or higher for every question for their bids to qualify.
- Following a round of clarification questions 7 suppliers submitted bids and 3 of those bids met the minimum threshold for the competition. Following evaluation, a preferred bidder was selected scoring 1.99% more than the second placed bidder. The preferred bidder scored higher on the most heavily weighted questions and had the lowest bid price. The competition was strong across the 3 bidders.

Features of the winning bid

- A key feature of the preferred bidder's solution was the higher standard of its approach to managing resources, scalability and flexibility, and its approach to recruitment, training, development, and retention. These were highly weighted in the marking approach owing to their importance to the business requirements. The preferred bidder demonstrated an excellent approach to the delivery of these.
- The preferred bidder performed strongly in most other areas of its bid achieving a minimum of 'Good' in all but four of the fifteen questions.
- The preferred bidder evidenced that it could attract the right calibre of agent and scale the service as required. It will operate a 90 percent home based and 10 percent fixed base ratio. It will also allow for movement of agents within the company and provide flexible contracts.

Commercial Outcome

Termination rights/break points and delivery flexibility

- Uncertainty around future developments in technology, specifically AI, and its impact on the future requirement for resource augmentation indicate a requirement for break points and flexibility in the agreement to allow DWP to exit the agreement before the end of the 4-year term. The mechanism by which this exit would be invoked is the 'Termination Without Reason' clause. This allows DWP to terminate the agreement at any time after signature by giving 90 days' notice to the supplier.
- Should DWP still wish to retain the services of the supplier DWP can alter the required number of FTE agents to reflect its strategic requirements above or below the notional 2,500 agents by up to 5% (maximum of 375) in any three-month period. The mechanism by which this change is invoked is called the 'FTE Agents numbers change mechanism'.

Service Level Agreements and Risk apportionment:

- Risk is apportioned via 4 main KPIs amongst various SLA's. These Four areas are detailed below with Series of SLAs related to Quality of handovers, Productivity in weekly target of claims reviewed and Resource delivery of c2,500 FTE Agents in hours and each has associated service credits. Any service credits that accrue during a contract are deducted from the monthly variable service charges
- Additionally, implementation and mobilisation presented a risk to timely service go live therefore of the four key milestones, two of these have Delay Payments associated. Implementation is based on a ramp up-to c2,500 FTE within 5-6 months with c500 Agents FTEs being onboarded each calendar month. Indicative contract values already include a Sept 24 – Jan 25 implementation plan. See Annex D

Innovation

- The contract will afford suppliers the opportunity to present solutions for operational or technology changes over the term. A gainshare mechanism is available for consideration by DWP should costs be subsequently reduced by any such proposal. Developments in AI may be able to be exploited via this mechanism.

Management Case - Deliverables, Milestones, Approvals, Risks & Dependencies

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Current Delivery Timetable (e.g. major deliverables/ key milestones/ DWP gates or decision points/ IPA review dates/ internal audit review dates)

March – April 2024	May – June 2024	July to September 2024	October to February 2025
19 Apr 24: Full Business Case approved and issued to HMT & Cabinet Office.	20 May 24: Full Business Case Approved by HMT & Cabinet Office and preferred bidder announced. 14 Jun 24: contract signed	9 Sep 24: first provider agents processing case reviews	24 Feb 25: Provider operation scaled up with 2,500 agents processing case reviews

Key outputs, outcomes and impact on DWP Target Operating Models

In addition to the above timeline. Other key outputs include:

- **8 Jul 24:** L&D train the trainer being provided by DWP.
- **26 Jul 24:** all required digital services available.
- **19 Aug 24:** provider delivering training to first cohort of provider agents.
- **15 Nov 24:** provider able to provide training and mentoring, no dependency on DWP agents for these services

Key Risks and/or Issues

The approval of the FBC and subsequent contract signature is on the critical path. The potential loss of AME savings by March 2028 is estimated as about £17m for each per week of delay. Consequently, the project is being delivered at pace, which introduces risks. The key risk to delivery was the timely delivery of digital services, this risk has reduced as progress is being made with the design and build of the necessary functions and services. The risk profile is now moving to the operational impact resource augmentation will have on DWP in terms of in-house performance and the ability to provide the necessary levels of support e.g. mentoring to meet the demands of the provider. Key risk regarding delays to provider agents going live is provided in Annex C.

Key Dependencies

Key dependencies for the project to maintain the pace required to deliver to expected timescales are:

- **Digital Services:** required digital services and UC functionality will be available for provider agents for training and service delivery.
- **Resource and Capability:** sufficient resources will be available to the project within the timescales needed for the delivery of key products, to provide assurance and to support the onboarding of provider agents.
- **Operational Capacity:** sufficient capacity to run the contract and process the work handed over to DWP by the provider agents.

Tolerances

Proposed Financial Tolerances (Business Case)	Baseline (£m)	Maximum (£m)
Costs		
Allocated in-year budget	For 24/25, TCR has indicative funding of 100.8m and £196m granted at Autumn Statement 2022, totalling £296.8m.	Subject to the departmental budget allocations exercise for 2024/25 which is due to be complete in Spring 2024
Whole Life Cost	£1,293.2m for 23/24 – 28/29 (Q1 only) for all DWP and Augmented delivery resource detailed in the FBC (ref. FBC Table 2: Hybrid Total Costs)	Subject to future SR allocations.
Benefits		
AME Savings	£6,600m by March 2028 for all DWP and provider agent resource detailed in the FBC	
DEL Savings	None	None

Non-Financial Tolerances

Time	There is zero tolerance for slippage against milestones that have been reported to the UC Programme Board. All other milestones will be managed at project level, with progress reported to the Delivery Board and/or TCR PDE.
Scope	Quality/Design: the project will escalate decisions that have a material impact of the TCR project overall or a significant change to agreed design/scope. Decisions and changes of this nature will be escalated to the TCR PDE to make a decision or further escalate.
Outcomes	AME savings: Achieve at least a £3.00 AME saving for every £1.00 invested. The other 2 project objectives relate to improved prevention/detection of fraud/error and mitigating reputational risks. These are not currently measurable and consequently do not have any agreed tolerances.

Rationale for Revised Tolerances.

Further information on tolerances can be found [here](#)

Next Steps

Pre-Contract Signature

Subject to Investment Committee approving the FBC on **8 Apr 2024** and CAB3 approvals, the FBC will be issued to HMT/CO for approval on **19 Apr 2024**.

HMT/CO approval is expected by **17 May 2024**, with the intention of holding a CAB4 on **20 May 2024** and announcing the preferred bidder and contract award.

Following the mandatory 10 day standstill and to all some time to agree the specific terms of the contract contract signature is expected by **14 Jun 2024**.

Post Contract Signature

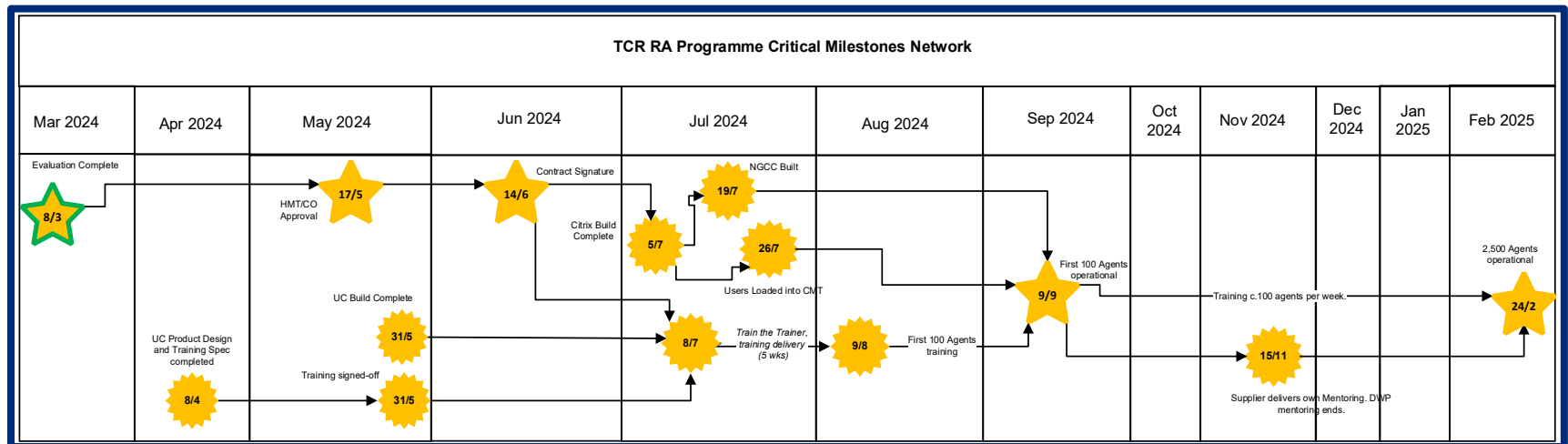
8 Jul 24: L&D train the trainer being provided by DWP.

26 Jul 24: all required digital services available.

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15 Nov 24: provider able to provide training and mentoring, no dependency on DWP agents for these services

24 Feb 25: provider at full capacity with 2,500 agents operational.



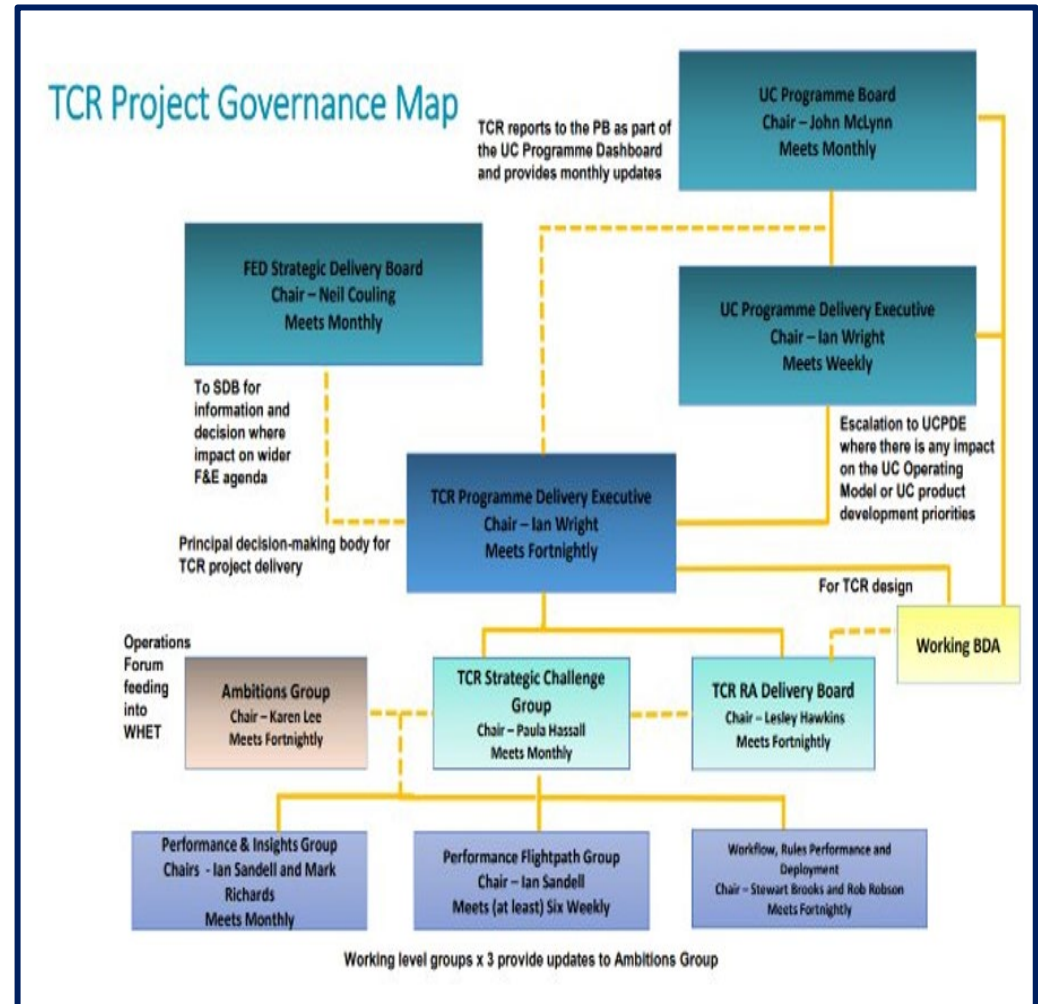
TCR Resource Augmentation - Governance

2nd and 3rd Lines of Defence

The governance arrangements for the TCR Resource Augmentation project link into the already established governance for the TCR Project and UC Programme which show the levels of Defence. This means there is already an established escalation route with appropriate levels of internal and external assurance (see Annex 2 of the FBC).

1st Line of Defence

To ensure the TCR Resource Augmentation project receives sufficient stakeholder support and scrutiny a dedicated Delivery Board has been set up. This Delivery Board will provide the first line of defence by ensuring that all key products have sufficient scrutiny before being approved or escalated to the TCR Project Board for approval.



Appendices

Option Assessment Rankings

Annex A

The table sets out the Strategic Delivery Model Assessment of the 9 short-listed options. For the top three options were assessed in the OBC and this resulted in option 4 being identified as the preferred option. The Full Business Case as further assessed option 4 (preferred option) with option 2 all in-house delivery and the 'do nothing' benchmark.

Position	Option to be Assess in Delivery Model Assessment	Score
1	Option 4: Hybrid Delivery – The Clerical and Assessment layers would be outsourced; the Decision and Strategic layers would remain in-house (Preferred)	0.8
2	Option 5: Hybrid Delivery – The Clerical layer would be outsourced; the Assessment, Decision and Strategic layers would remain in-house.	0.4
3	Option 2: In-house Delivery – An in-house service totalling 5,830 agents would be established to undertake the process	0.3
4	Option 3: Hybrid Delivery – The Clerical, Assessment and Decision layers would be outsourced; the Strategic layer would remain in-house.	0.2
5	Option 6: Hybrid Delivery – The Clerical and Assessment layers would be outsourced, with each layer being outsourced to a separate provider; the Decision and Strategic layers would remain in-house.	0.1
6	Option 1: In-house Delivery – All recruitment would cease at the currently approved level (2,830) and the process would be run within that staffing cap.	-1.1
7	Option 9: Hybrid Delivery – The Assessment layer would be outsourced; the Clerical, Decision and Strategic layers would remain in-house.	-1.2
8=	Option 7: Hybrid Delivery – The Clerical, Assessment and Decision layers would be outsourced, with each layer being outsourced to a separate provider; the Strategic layer would remain in-house.	-1.8
8=	Option 8: Hybrid Delivery – The Assessment and Decision layers would be outsourced; the Clerical and Strategic layers would remain in-house.	-1.8

Financial Case

Annex B

24/25: TCR has indicative funding of 100.8m and £196m granted at Autumn Statement 2022, totalling £296.8m. The departmental budget allocations exercise for 2024/25 is due to be complete in Spring 2024.

25/26 onwards: HMT and DWP have agreed on the following approach. Spending commitments on the augmentation of TCR resourcing, which extend beyond the current Spending Review period, are at DWP's risk but should be considered in the context of HMT's wider commitment and DWP's departmental priorities — HMT continues to remain committed to ensuring DWP have appropriate funding for TCR to enable them to improve their fraud and error performance over time, while continuing to make efficiencies.

Hybrid - DWP Costs £m	24/25	25/26	26/27	27/28	28/29	
	Investment Costs	Recurrent Costs				Total
Project delivery staff and recharges	6.3	1.4	1.4	1.4	0.3	10.7
Project Estates costs	1.1	0.6	0.5	0.0	0.0	2.2
In-house Telephony costs	4.8	4.8	4.8	4.8	1.2	20.6
Supplier enabling IT/Telephony costs	4.7	6.4	6.6	6.6	1.6	25.9
Operational recharges	192.7	182.7	182.7	182.7	45.7	786.5
TUPE	0.0	0.0	0.0	0.0	8.0	8.0
Inflation	4.2	11.6	19.4	27.4	8.9	71.4
Total	213.8	207.5	215.3	222.9	65.8	925.4

Hybrid - Total Costs £m	24/25	25/26	26/27	27/28	28/29	
	Investment Costs	Recurrent Costs				Total
DWP costs	213.8	207.5	215.3	222.9	65.8	925.4
Supplier costs	47.4	94.6	97.9	101.6	26.4	367.8
Total Costs	261.2	302.1	313.2	324.5	92.2	1293.2

P91 TCR - Commencement of TCR Resource Augmentation from September 2024



Risk	Risk Details	Mitigations Planned/Completed
<p>Description: An extremely challenging delivery schedule with no contingency time may prevent successful implementation of TCR Resource Augmentation (TCR RA) and commencement of case reviews from September 2024, leading to a failure to deliver the OBR commitment of AME / MVFE savings.</p> <p>Causes:</p> <ol style="list-style-type: none"> 1) Governance approvals may receive heightened scrutiny / challenge during the final funding approvals stages (IC, HMT, Cabinet Office) to contract signature, impacting timescales. 2) Failure to stand up required enablers to support implementation (e.g. support the Supplier to fully mobilise their agents Inc. Training / LDO capacity, Software Licenses, secure Data Sharing / digital services, Access to systems / RBAC roles etc.) within the allotted timescales leading to delays in commencement / or inflated bids. 3) Reliance on Supplier to provide quality / accurate data for DWP to set up relevant digital access. 4) Reliance on Case Management functionality being built into the UC Service in time to commence training RA agents ahead of becoming operational. 5) Inability to build the required levels of agent capacity / capability as agreed in the contract schedules. 6) Supplier fails to undertake implementation activities to enable agents to commence case reviews. <p>Consequences:</p> <ol style="list-style-type: none"> a) Failure to deliver OBR commitment of AME / MVFE savings. b) Failure to deliver anticipated AME savings / MVFE reductions contributing to UC Business Case outcomes. c) We may not be able to meet the hit-rate / productivity to deliver desired savings. 	<p>Risk Owner: Ian Wright Risk Action Manager: David Watts Risk Raised: Jul 23 Current Rating: AR15 (Impact 5 x Likelihood 3) Target Rating: AG4 (Impact 4 x Likelihood 1) Target Date: Oct 24 Impact Date: Nov 24</p> <p>Expected Flight Path</p> <p>Flight Path Rationale/Changes:</p> <ul style="list-style-type: none"> ➤ Jun 24 - Risk reduced to AR10 (15 x L2) once all CAB and Business Case Approvals have been achieved and the SRO approves the award of Contract. ➤ Jul 24 - Risk reduced to A8 (14 x L2) once the Contract has been signed and Live Running has commenced. ➤ Oct 24 - Risk mitigated to AG4 (14 x L1) once agents are operational and case reviews have commenced. 	<p>Planned:</p> <ol style="list-style-type: none"> 1) Process Design / Data Sharing Solution agreed and signed off through Governance Boards to ensure secure data sharing and enable L&D products to be developed (end Mar 24) 2) Support & Mentoring Model developed and agreed, to assist the Supplier with the upskilling of the initial cohort of recruits (Mar 24) 3) TCR PDE approve the FBC (21/03/24) 4) UC PB approve the FBC (28/03/24) 5) Investment Committee approve the FBC (08/04/24) 6) UC Product Design & Training Specification completed (08/04/24) 7) CAB stage 3 approval (18/04/24) 8) Ministerial update (02/05/24) 9) FBC Approved by HMT/CO to enable final funding allocation (17/05/24) 10) CAB stage 4 approval and recommendation to SRO contract can be awarded (20/05/24) 11) SRO approval to award the contract (Inc. Perm Sec/Finance) (20/05/24) 12) Contract Awarded (20/05/24) 13) Successful bidder announced (20/05/24) 14) UC Build Complete and Training material signed off (31/05/24) 15) Contract Signed (14/06/24) 16) Start running live contract (17/06/24) 17) Citrix Build complete, NGCC Built & Users loaded into CMT (Jul 24) 18) Initiate 'Train the Trainer' training (Supplier) (08/07/24) 19) Agent training begins for first c.100 agents (rolling programme) (12/08/24) 20) First c.100 agents (plus management) operational and case reviews commence (09/09/24) 21) Handover to Contract Management (tbc) 22) Regular engagement with Supplier to monitor implementation activities / progress and recruitment against agreed profiles in the contract (ongoing) 23) Pro-active engagement with Stakeholders and Governance Boards to give sufficient advance sight before seeking approval, to ensure proposals land effectively (ongoing) 24) Effective escalation and visibility to senior leaders when required to inform decision making (ongoing) <p>Completed:</p> <ol style="list-style-type: none"> a) Commercial Competition launched (IT) (04/12/23) b) Commercial Competition closed and Bid Evaluation commenced (29/01/24) c) TCR RA Baseline Plan agreed at TCR PDE (15/02/24) d) Bid Evaluation and Moderation concludes (Inc. Tender Board) (08/03/24)

Service Credit Mechanism

Annex D

Service Level	Description	Commentary
Supply of resources (SL4)	Right number of Agent FTE (2,500) at the right time (in Available Hours).	+/- 2.5% of 2,500 FTE Agent in Available Hours.
Volume (SL3)	Productivity of processing claim aligned to agreed performance measures.	A Grace Period of six months to determine the Weekly Number of Case Reviews to be targeted.
Quality (SL1, SL2, SL7)	Quality of clerical, assessment tasks and case handovers aligned to agreed performance measures.	SL1 – Overall Quality SL2 – Handover Quality SL7 – Claimant Experience
Experience (SL1, SL2, SL7)	Consistent, positive and empathetic Claimant experience	SL1 – Overall Quality SL2 – Handover Quality SL7 – Claimant Experience