



Department
for Work &
Pensions

From the Permanent Secretary

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Rt. Hon Frank Field MP
House of Commons

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Dear Frank

Thank you for your letter of 3 June 2019. Set out below are the Department's responses to the questions you have raised following the Carer's Allowance (CA) hearing of 15 May:

Debt recovery

1. What proportion of debt is dealt with by debt recovery agencies, what proportion is dealt with by attachments to earnings, and what proportion is dealt with by other methods?

As at 21 May 2019, there are 52,500 debtors with CA overpayments being recovered by DWP. Our primary method of recovery is by deduction from any on-going benefit that might be in payment. Where recovery from ongoing benefit entitlement is not possible, we will seek to agree a voluntary repayment plan with the debtor. Where there is an overpayment of carers allowance, we notify the claimant in writing and set out the different methods of repayment including the maximum the deduction rates from benefit that could be applied. We invite them to contact us if they cannot repay that amount to agree lower repayments. If they do contact us, we take into account personal circumstances and the amount they can reasonably afford to repay each month. If they do not, deductions are applied in line with the policy but can be adjusted if the claimant subsequently gets in touch. There are limits on the amount that can be deducted from income related benefits and these are set out in legislation.

Where a person is unwilling to agree a voluntary repayment plan, we can apply a Direct Earnings Attachment (DEA) which allows deductions to be taken directly from a person's earnings. We may also refer a debt to a Private Sector Debt Collection Agency. This debt has been collected by Indesser since 2015.

The table below shows how many claimants were repaying CA debts via deductions from benefit, voluntary repayment plan, DEA and private sector debt recovery as of 21 May 2019. All figures are rounded to the nearest hundred.

Recovery Method	Volume of claimants.
Deductions from benefit (on benefit)	31,300
Voluntary repayment plan (off benefit)	15,000
Direct Earnings attachment (off benefit)	5,700
Private Sector Debt Recovery	500

Understanding the impact on carers

2. Might you please let us have details of this work when they are available, including what the scope will be and when the final results will be available?

The research will address evidence gaps highlighted by previous research including the need for up-to-date research on the factors that lead to carers claiming CA and what works to support carers in employment. I am currently finalising the commission for this work, which will report in Spring 2020.

Improved communications with carers

3. Please could you send us full details of your work in this area, including planned timescales for implementing improvements?

We have successfully trialled a proof of concept whereby CA claimants are sent a text message when a claim has been awarded and there is an on-going recovery with another benefit. This is used to inform the claimant of their CA award and that any money owed will be paid after all recovery action taken. We are now exploring other aspects of the CA process where we can use text messages effectively.

We are currently reviewing the full suite of letters used in the administration of CA, and we have already reduced the number of different letters by 50%. This is an on-going programme of work.

Level of service offered to carers

4. Please could you send us all of the management information you have about telephony performance on Carer's Allowance since October 2018, by week and by month?

The table below shows the average time taken to answer calls for each week from October 2018 to April 2019. In recent months we have focused on introducing more flexibility in the way we allocate colleagues between telephony and processing work to help us manage peaks of work and to address backlogs.

	Average Speed of Answer
October	
w/c 1 October 2018	05:40
w/c 8 October 2018	04:40
w/c 15 October 2018	04:50
w/c 22 October 2018	08:40
w/c 29 October 2018	07:50
November	
w/c 5 November 2018	08:40
w/c 12 November 2018	09:10
w/c 19 November 2018	08:40
w/c 26 November 2018	08:40
December	
w/c 3 December 2018	09:00
w/c 10 December 2018	09:40
w/c 17 December 2018	08:00
w/c 24 December 2018	05:00
w/c 31 December 2018	09:00
January	
w/c 7 January 2019	07:30
w/c 14 January 2019	05:20
w/c 21 January 2019	06:40
w/c 28 January 2019	06:30
February	
w/c 4 February 2019	08:00
w/c 11 February 2019	07:00
w/c 18 February 2019	09:10
w/c 25 February 2019	08:40
March	
w/c 4 March 2019	09:00
w/c 11 March 2019	08:50
w/c 18 March 2019	08:00
w/c 25 March 2019	08:40
April	
w/c 1 April 2019	09:30
w/c 8 April 2019	09:30
w/c 15 April 2019	09:20
w/c 22 April 2019	09:40
w/c 29 April 2019	09:50

5. What has been the average processing time for new claims in each month since October 2018, and what has been the longest time taken to process a new claim in each of those months?

- a. What is the current number of outstanding new claims?**
- b. Please could you provide us with 6-monthly updates on average processing times for new claims by month, and on the numbers of outstanding claims?**

In April 2019 there were 23,000 new claims outstanding for Carer's Allowance, which is only slightly outside the expected range. Since the figure reported by the NAO of 52,000 outstanding new claims in September 2017, a recovery and stability plan was implemented and delivered a reduction of 29,000. This represents a 57% improvement.

Average processing times are shown in the table below. We are unable to provide the data requested for the longest time to process a new claim as this is not reported within our Management Information.

The current year to date position for claims is 21 days. This includes the time between when a claim is made and assessed, and the date when the first payment is made (dependant on the claimant's choice regarding frequency of payment – weekly or every 4 weeks).

	Average processing time for CA New Claims
October 2018	22 days
November 2018	24 days
December 2018	25 days
January 2019	26 days
February 2019	21 days
March 2019	20 days
April 2019	21 days

To provide you with six monthly updates would require further ad-hoc statistical releases to be made in order for us to comply with the UK Statistics Authority guidance on the release of data into the public domain. We will consider publishing this information again if it has not already been published through other recognised channels, such as parliamentary questions.

6. What has been the average processing time for changes of circumstance in each month since October 2018, and what has been the longest time taken to process a change of circumstance in each of those months?

- a. What is the current number of outstanding changes?**
- b. Please could you provide us with 6-monthly updates on average processing times for changes of circumstance by month, and on the numbers of outstanding changes of circumstance?**

Our recovery and stability plans have seen the number of outstanding changes in circumstances reduce by around 44,000 or 42% since the figure reported by the NAO, for November 2018, of 104,000.

In recent months the average processing time has been significantly higher than normal as we have processed new work at the same time as older, more complex work in line with our recovery plan. We expect to have cleared the backlog of older changes by the end of July. Once the backlog is cleared we expect the average processing time to drop considerably.

Average processing times are shown in the table below. We are unable to provide the data requested for the longest time to process a change of circumstances as this is not reported within our Management Information.

	Average processing time for CA changes of circumstance
October 2018	15 days
November 2018	18 days
December 2018	22 days
January 2019	49 days
February 2019	64 days
March 2019	89 days
April 2019	66 days

To provide you with six monthly updates would require further ad-hoc statistical releases to be made in order for us to comply with the UK Statistics Authority guidance on the release of data into the public domain. We will consider publishing this information again if it has not already been published through other recognised channels, such as parliamentary questions.

7. What would you consider an a) acceptable and b) good level of service for answering calls, processing new claims and processing changes of circumstance? Do you set any targets for performance?

Our available resources in CA are flexed between telephony and processing to maximise service delivery in line with customer need. We are stabilising our work position in line with our current aspiration to process New Claims and Changes within an average of 15 days and 13 days respectively.

We do not set targets for performance.

8. How many staff have been working in the Carer's Allowance Unit in each of the months since October 2018, and what do you expect the numbers to be over the next six months? It would be helpful in each case to know how many staff are permanent and how many are on fixed term contracts.

When the outstanding work position stabilises, our current planning assumption is that the staffing level required to deliver CA services is 447 Full Time Equivalents (FTE). We will continually monitor the work position and will only remove additional support when we are confident that services can be maintained. Staffing levels are shown in the table below.

	Staffing levels in Carer's Allowance Unit (FTE)	Of which are fixed term contracts (FTE)
October 2018	545	51
November 2018	586	49
December 2018	610	49
January 2019	642	47
February 2019	648	41
March 2019	670	38
April 2019	661	20

Late payments

9. Might you please let us have information regarding payments to carers that have been suspended while a change of circumstance is investigated - how many people does the department pay late, and by how much?

Cases may be suspended where there is a potential doubt of entitlement to benefit. These are known as "compliance" cases. As part of the backlog recovery these cases were prioritised and have now been cleared. All new compliance cases are now investigated and either put back into payment with arrears paid or closed within the expected timescale of 28 days

Yours sincerely
Peter Schofield

Peter Schofield
DWP Permanent Secretary