

To: UC Programme Board**From: JP Marks
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Director General**

Universal Credit Operations Update

Payment Timeliness remains steady and stands at 86.9% in the first assessment period, up 4.9% on the same week last year, and at 94.9% in subsequent assessment periods. This is good progress but there is increasing pressure on teams with increasing agent workloads. This is reflected in key indicators such as Calls per Agent per Day and local stress indicators which give us cause for concern such as Average Working Days Lost.

To help address this and bring our supply up to meet existing demand and keep average caseloads below 650 by March 2020 we are recruiting into strategic UC Service Centre hotspot sites. There are concerns amongst local teams regarding high levels of attrition for example in Scotland where the Scottish Government is currently recruiting. We will be seeking approval to empower local teams to draw down from waiting lists as required to ensure we fill our strategic sites to maximum capacity, including utilising Employee Deal and extended operating hours in 2020.

In the meantime, the Programme continue to automate the product, particularly recurring manual processes which is critical to sustainability as demand increases.

Industrial action There is a live mandate in Northern Ireland which impacts on the three UC service centres supporting the South area and national services. A further ballot for industrial action in Walsall service centre went live on 25 September and will close on 11 October. We are also concerned about ongoing Trade Union activity in Stratford and Preston service centres.

Average Working Days Lost (AWDL) as an indicator of pressure as caseloads grow are high in a number of service centres (including, Bristol – 14.28, Dundas – 13.24 and Basildon – 12.21). We are focusing on these teams but none the less the underlying upward trend is a cause for concern.

Telephony We continue to test opportunities to innovate our contact strategy as the volume of contact remains a challenge.

- For Oct 2018 to Sep 2019, UC telephony performance for calls answered was 88%, with an average speed of answer of 3 minutes 56 seconds;
- In September 2019, 94% of calls within integrated telephony were answered with an average speed of answer of 2 minutes and 15 seconds;
- In September the Average Calls per Case Manager is 74.48 a week. This is an increase from an average of around 60 calls in August.

Unit Cost The August in-month actual headline unit cost went down by 6% to £364 now that the final tranche of the Employee Deal led pay increases have bedded in. We expect that the unit cost will continue to improve, albeit slowly, for the remainder of 2019/20. The target unit cost for Aug-19 is £336 with actuals 8% above target.

Securing Advances We have now started delivery of the Phase 8 changes to the service for advances fraud. We introduced face to face appointments before an Advance can be applied, the impact of the system change has seen the proportion of day one high value advances as a share of all advances dropping to under 2%, a level last seen at the end of 2018. UCAD are developing new measures to identify if this is a reduction in activity or a change in fraudulent behaviour.

The Labour Market Operational Group has been overseeing the planning and implementation activities required to roll out the Digital Plus approach to a further 50 sites by the end of December and then another 50 by the end of March 2020. The initial 26 sites will continue to operate Digital Plus and gather detailed insight on customer behaviour to support evaluation.

We are now close to being able to launch our new Labour Market Measures across the operational community. We are planning a range of information and upskilling sessions on the new measures to support leadership capability and understanding. The Labour Market Measures will be available down to Jobcentre level with access to the data through the OPS MI dashboard.

We are continuing to test innovation in our 11 Health Model Offices where we are driving forward improvements for customers with health conditions including testing a new approach to Work Capability Assessment referrals. From September, Dundee Service Centre, and linked Jobcentres across East and North East Scotland started testing Work Coaches taking the lead for making the referral. They will also lead on supporting the customer understand the end-to-end process.

Latest Labour Market stats released this month show:

- More people are in work than ever before. The employment rate is at a joint record high – 76.1%. The unemployment rate is 3.8%.
- Female employment is at a joint record high – 72.1%
- The ethnic minority employment rate is 66.2% – a near record high
- The disability employment rate is 52.6%. There were 4.1 million working age disabled people in employment in the UK in Q2 2019. This was an increase of 246,000 since last year (Q2 2018).
- Youth unemployment level has almost halved since 2010, to a near record low

Decision Making Habitual Residency Test (HRT) and other Payment Blockers (PB) decisions are maintaining a strong performance at 95.1% for HRT fast track; 84.4% for full HRT, and 87.9% for other payment blockers. HRT has increased 14% since April 19. We are currently working nine days ahead of assessment period in HRT and six days in PBs.

We continue to support our DRT colleagues in the clearance of outstanding mandatory reconsiderations and appeals which is currently at 35,413 and 4,618 o/s respectively.

Achieving 95% payment accuracy The payment accuracy measure for Service Accuracy 3 Month Rolling Average is at 93% (August in-month also measured at 93%). We are continuing to address root cause of error and drive improvement and are currently focussed on the key generic cause of error including a campaign to support consistent application of the trigger approach to case management.

ID Verification - 55.8% of claimants who made a Universal Credit Full Service declaration in September attempted to verify their ID via GOV.UK Verify, with 42.3% of those attempting it doing so successfully.

UC complaints as a percentage of the caseload remains unchanged at 0.04% in August.