

**w To: UC Programme
Board**

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Work and Health Services
Director General**

Universal Credit Operations Update

This update provides a summary of performance and looks forward to 2020/21. We are making good progress in delivery but with underlying risks, particularly in the context of the challenges of growing caseloads and the impact of increasing volumes of journal and routed telephony contact.

We explained our intent to manage workload and contact level risks at the last board – specifically to ensure average caseloads of c650 per Case Manager by March 2020, and stay below 750 through 2020/21 and we are working with planners on these assumptions.

We are continuing to progress hot spot recruitment to maintain service levels and prevent growth of workloads in Service Centres – this is all underway and tracked weekly.

Summary of current service position

Payment Timeliness remains steady and stands at 88.9% in the first assessment period, up 3.9% on the same week last year, and is at 95.7% in subsequent assessment periods. Week commencing 11 November saw record payment timeliness at 89.0%. With 9 Service Centres achieving over 90%.

We have made good progress improving outcomes for less cost this year. The October in-month actual headline unit costs have gone down by 5% to £332, the costs have stabilised since Jul-19. The target unit cost is £271 with actuals 22% above target.

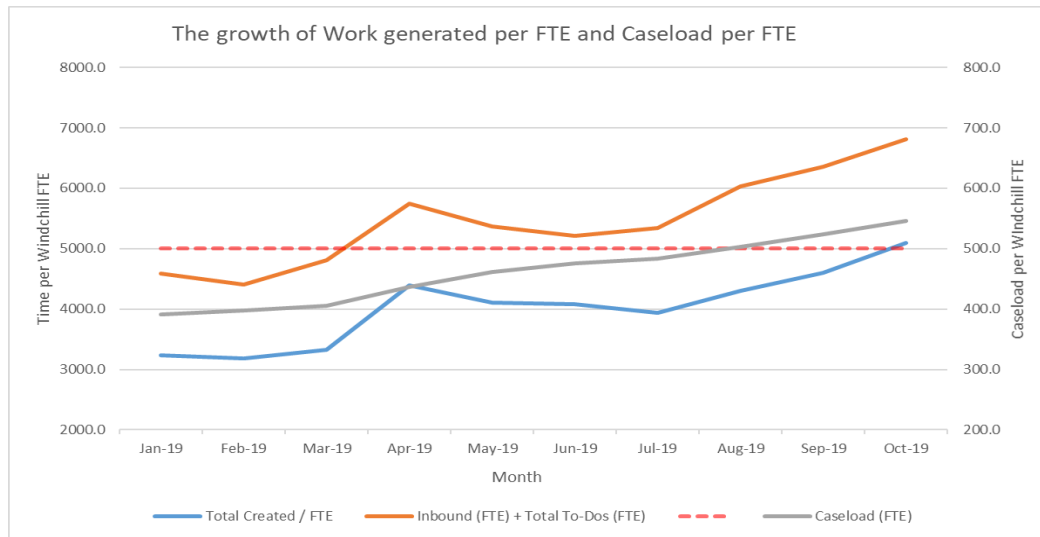
Labour Market Operational Group have begun a soft launch of new Labour Market Indicators which better reflect the policy intentions of UC to activate customers into work, prevent worklessness, to sustain work and increase earnings. Alongside deprivation and jobcentre activity data, this will enable us to build an improved productivity framework.

Latest Labour Market stats released this month show:

- More people are in work than ever before. The employment rate is at a record high – 76.0%. The unemployment rate is 3.8%.
- Female unemployment is at 3.6 which is a joint record low.
- The disability employment rate is 53.2%. There were 4.2 million working age disabled people in employment in the UK which is up 1.3 million in the last 6 years.
- The ethnic minority employment rate is 66.1% – a near record high. We continue to make progress towards the 2020 challenge (to increase BME employment by 20%). Ethnic minority employment increased by 16,000 in the last quarter and we are now 92% of the way towards meeting our ambition. A further 55,000 increase in employment is needed in the remaining two quarters to meet the goal.

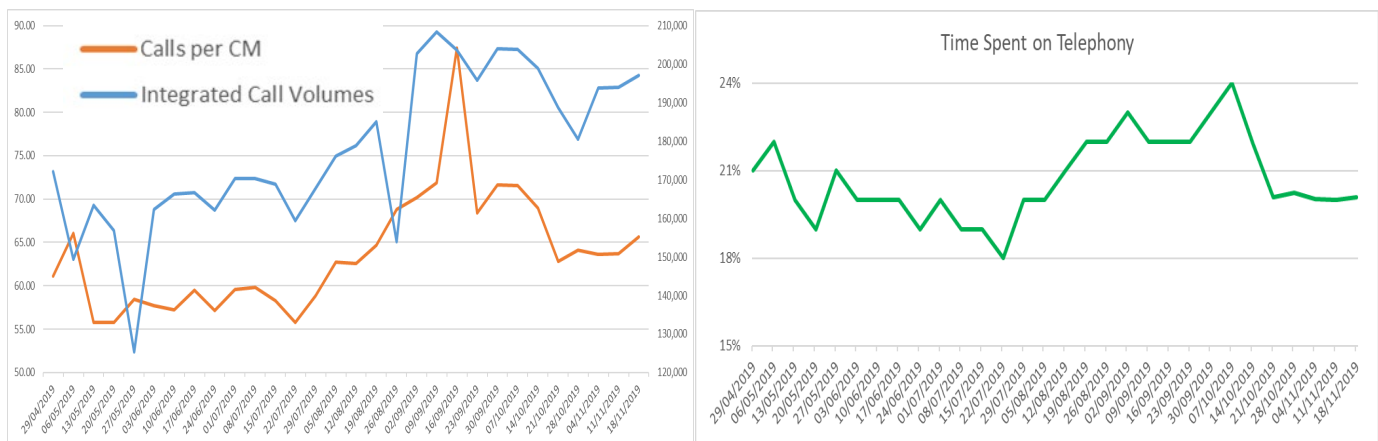
We continue to focus on delivering outcomes on our key priority groups supporting those groups with lower employment rates - young people, BAME customers, customers with health conditions, and women and single parents.

2020/21 planning – Risk: Case Manager workloads increasing above available capacity. We shared last month the newly developed Ops MI that indicates we are close to the threshold of work that Case Managers can do against productive hours in the day. This data has been updated and shows the continued growth of work generated.

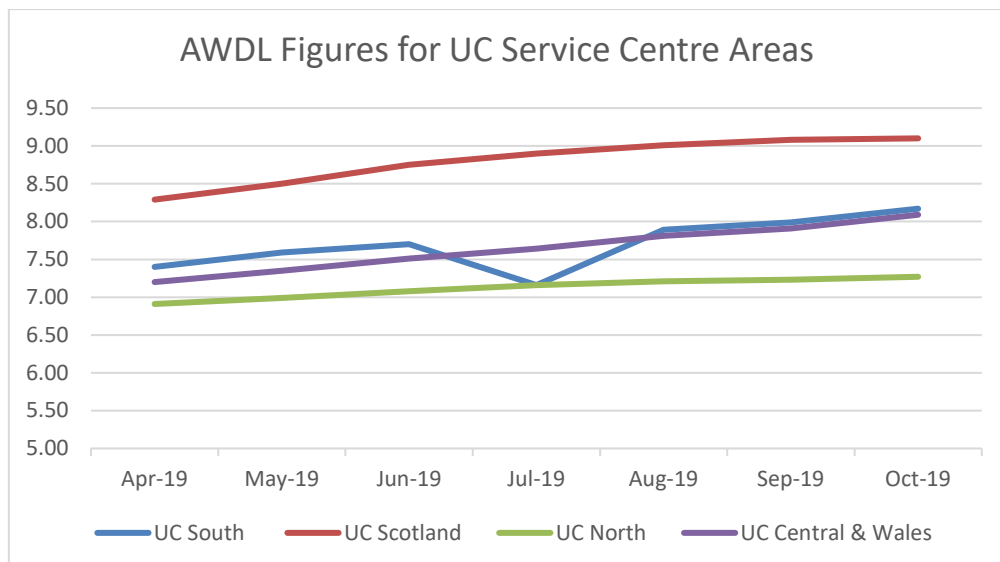


Ops MI, under development

The trend this year in calls per Case Manager is a risk, increasingly agent time is being consumed by telephony. Integrated call volumes are increasing and when compared with the average of the last eight weeks the volume is slightly more (1,930 above average). The number of calls per case manager has increased to 66, mirroring the call volume increase. However, the time spent on telephony has remained consistent Nationally at around 20%.



We are also concerned by increasing levels of Average Working Days Lost over time which are high in a number of Service Centres (including, Bristol 14.28, Dundas 13.24 and Basildon 12.21).



Recommendations:

- Develop and report a set of stress indicators which we recommend should be added to the Programme dashboard.
- Seek to accelerate plans to drive channel shift, and recommend a paper returns to the Board.