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| Title of meeting: | Universal Credit Programme Board |
| Date: | 18 May 2017, 15:00 to 17:00 |
| Location: | London Caxton House, Room 6.24 |
| Attendees: | Sir Robert Walmsley (Chair), Neil Couling (Director General UC), Ian Wright (Programme Director UC), Mayank Prakash (Director General Digital), Peter Schofield (Director General Finance), Jonathan Shebioba (Cabinet Office Operations Lead), Beth Russell (Director HM Treasury), Debbie Alder (Director Human Resources), Susan Park (UC Operations Director General), Shelagh Brown (UC Programme Manager HMRC), Pete Searle (Strategy Director Working Age), Denis McMahon (Deputy Secretary for Work and Inclusion DFC Northern Ireland) |
| Presenters: | Cath Hamp, Lara Sampson |
| Apologies: | Andrew Rhodes (Director General Operations), Lesley Seary (Chief Executive LB Islington) |

1. Welcome and Introductions

Sir Robert Walmsley welcomed members to the meeting with a specific mention for Denis McMahon from DFC Northern Ireland who was attending his first UC Programme Board meeting after replacing Tommy O'Reilly. He then asked the Board for comments on the minutes of the meeting of 6th April; there being none the minutes were approved without amendment. The only action outstanding was a below the line paper on Contingency which is due at the Programme Board in June.

The Chair drew the attention of board members to the below the line papers specifically the IPA Assurance Action Plan Review Recommendations, and the Update on the Security Risk Register for UC Full Service and suggested that if members had not already read these papers they should do so.

2. Programme Update

The UC Programme Director stated that the overall implementation is going to plan with 64 Jobcentres currently providing Full Service. As part of the July rollout the 8 largest Jobcentres will have their postcodes split half in July and half in September in order to stagger potential impacts, this methodology has been successfully deployed in previous phases. Recent functional releases deployed include a number of improvements to the case progression dashboard, and functionality to support the various Welfare Reform changes.

The Programme Director then updated on the key milestones including:

The Migration from SCC to Amazon Web Services (AWS) milestone is currently Amber but will turn Red in the next week as the date of 30th May is not now achievable. The team feel that more testing is necessary and that the date needs to move out a month to the weekend of the 24th June. We are confident that this date will be achieved however we are looking at a contingency plan in case the testing does not go as well as planned. The contingency being discussed is to roll out the July sites on SCC then move to AWS during the firebreak following the July rollout.

The milestone for the start of Transition in Northern Ireland is currently Red due to the current political uncertainty. The current position is that political talks are on-going and we will continue to work towards the go-live date of the 27th September.

Automated NINO Allocation, this has also turned Red this is due to the re-prioritisation of other areas and should not have been shown as a critical milestone at all as it is one of a number of automations that sit alongside other priorities. This milestone will be removed from the next Programme Dashboard.

Telephony Routing, this milestone is currently Amber and a pilot is expected to be up and running shortly. We have migrated from IPCC to NGCC which is an important step but commercials are still outstanding with [REDACTED]. There is confidence this particular milestone will be Green by the June Programme Board meeting.

Automated Faster Payments, remains Amber however all work has now been completed other than scheduling it into an appropriate release. Expected go live is now early June.

Prove Your Identity (Verify complementary service) has moved from Green to Amber this is due to an issue with the CPS interface so an alternative delivery method has been agreed, however contracts still need to be finalised. There has also been more fall out from Bank Wizard Absolute than expected and this is currently under investigation. We are not proposing to change the date on this milestone at present.

Programme Risks are the same as those highlighted at last months Programme Board; Strategic Telephony Solution, People Capacity, Scaling the Service and UK Economy however the UK Economy risk will be taken off the dashboard next month, given the reduction of the level of risk.

Financials continue to track well and we will be monitoring against a period 1 forecast for 2017/18 of around £510m. Unit Costs are continuing to track downwards. Also the dashboard now shows the split between the Service Centre forecasts and contingency. We are also looking to do this for Jobcentre staff but this is proving more complex.

Progress against outcomes continues to mature with added measures put into the dashboard which now include Service Hours lost and added wording around the Red security risks. Service Centre recruitment is on track.

Programme Board members:

a) The Chair asked the DG for Digital on his views on the AWS situation. The DG for Digital said that he felt that AWS were very competitive with good innovation and value. If major parts of government end up on AWS the services will be spread across multiple regions so the risk was low. He supported the UC Programme Director's view that we should have contingency in place and that the team needs more time for testing.

b) The DG for UC Operations asked if this made disaster recovery for Full Service all the more important. The UC Programme Director said this did not change where we are currently as we always need a disaster recovery plan, however he felt that it was not sensible to do a full test on the SCC system at the moment. The Chair stated that nobody had said if we don't move off SCC we would not be able to scale. The SRO for UC said that we know that SCC could probably not support a fully scaled system which is why the move to AWS was proposed. The Chair confirmed that the Programme Board had noted the change in the milestone and the contingency plan.

c) The DG for Finance asked if this created any commercial issues. The SRO for UC stated [REDACTED]

d) The Director for HM Treasury asked what lessons for the future had been learnt from the testing. The SRO for UC said that this was one off transition testing which we had not done before, and so was difficult to accurately forecast.

e) The SRO for UC asked if Northern Ireland would have legislation in place for September 2017. The DS DFC said that DFC is preparing to go live on 27 September 2017. Operational preparations are moving ahead and DFC will be working very closely with DWP colleagues to ensure that the launch is on time. Regulations will also need to be put in place and DFC will have all of these ready by the end of June 2017. These include (a) Regulations to enable implementation of UC; and (b) regulations to provide Northern Ireland specific mitigations. The proposal is that the UC implementation regulations will be made at Westminster by DWP, and the mitigation regulations will be made by the NI Assembly.

The SRO asked if there were contingency arrangements in place in the event that NI did not go live in September. The DS DFC said contingency arrangements could be put in place but reiterated the intention to proceed towards a 27 September implementation date. He stated that it is the intention of DFC to proceed within the extant Ministerial decisions with a view to implementing UC starting on 27 September. Lara Sampson stated that we could if necessary stop claims from being made, but cannot mitigate for nugatory work and the opportunity cost if we cannot go ahead. The DG for Finance asked if we had any idea of the cost to DWP. The DSDFC Northern Ireland said the scale of the costs would need to be explored. The Chair stated that development should continue but the programme needs to understand the impact of any nugatory expenditure.

f) The Chair asked if the current operating arrangements on the basis of extant ministerial agreements would continue. The DSDFC Northern Ireland said yes but needed a government in place to manage through the legislation.

g) The Chair asked if the key milestones to support scaling in October could be highlighted on the Dashboard. The Programme Director will ensure these milestones are highlighted at future Programme Board meetings.

h) The Strategy Director for Working Age asked if it might be clearer by July if the Complementary Service would provide the level of support necessary for scaling. Lara Sampson asked the Board not to expect July to be a full test of the Complementary Service. The Programme Director stated that 1st September is the key integration date and when it will go-live in its full form. As long as we hit the 1st September date he felt that we would be likely to over-perform on the 40% required.

i) The DG for Human Resources stated that we need to plan in advance of 1st September, and felt it would be helpful to have an early indication of numbers verifying via the Complementary Service. The Programme Director said we would be able to track this monthly post September but could provide early indications before then.

j) The Chair had spoken to the SRO about the fact that we are due to go straight from the July Board to the meeting in September when the board considers readiness to scale. The SRO has agreed to provide Programme Board members with a written update of progress in August.

3. Operational Update

The UC Operations Director General provided an update, summarising the key operational issues.

Steady progress has been made in operations, in part supported by the case management approach that has been introduced across full service; the direction of travel is positive however there is still much to be done. There has been an improvement in the proportion of 'some' payment being made in the First Assessment Period in Full Service which now stands at 87% compared to 65% when benchmark measurements were introduced in February.

Labour Market measures are still in development including:

- Evidence of Earnings at 3 months (snapshot)
- Sustained Evidence of Earnings at 3 months (rolling period)
- No evidence of Earnings at 6 months (no employment over the period).

The 'combined' figures presented are the best available information at present but will be subject to revision in the future as the caseload matures and the shift moves from the live service to the full service over time. At this stage the figures reflect mainly live service. The analysis continues to establish whether we are driving the right behaviours, for

example is it good to have people enter work even for a short time.

Telephony answering is tracking to expected performance at present, however we will continue to review repeat calls to better understand the issues for customers and support greater efficiency for the organisation. There is a trial due to start in August that will seek to route calls to the owning case manager and so enhance customer service as well as reinforcing the case management culture.

Programme Board members:

a) The Director for HM Treasury asked if there was any comparable labour market data for legacy systems. The SRO for UC stated there was not as the make-up of the UC caseload was different to that of JSA so could not be compared.

b) The Chair asked what figures would be used for the Business Case. The SRO for UC stated that live load figures would be used.

c) The DG for Finance asked how operational colleagues knew when they were at the optimal level for telephony. The UC Operations DG talked about the need to embed a fully integrated telephony based system first to drive full case management but in the meantime there was a series of dynamic elements that require tracking which included: the balance of time to answer a call, opportunity to handle a customer query without handing off to someone else, the level of repeat calls, the level of any outstanding work alongside a balance of customer service in both the live and full services – eg. time to pay, labour market measures and so on.

d) The Director for HM Treasury stated she felt that full payment in the first assessment period still needed to be kept in view although the 87% figure for 'some' payment was going in the right direction. The Chair agreed and felt we should continue to monitor this.

e) The Chair thanked the UC Operations Director General for adding data to her update, and would like to see some concept around repeat telephony demand experienced in operations as we move forward. The Programme Board also need, to agree what management information we are going to use to judge how things are going in operations. This will need to be refined over the coming months and with the lead responsibility falling to finance colleagues.

4. Service and Provision for Vulnerable Customers

Cath Hamp provided an update:

It was highlighted that between 15-20% of people experience difficulties engaging with the service, this level will change over time however there will always be a core of people that need to use the service who will experience difficulties. We need to identify those who can transition successfully over time. Indicative figures are that about 15-20 claimants per day for a larger London Jobcentre may need help to make their claim. We need to work closely with our local government colleagues who are key to delivery of Universal Support and other support services.

There is no definition of "vulnerability", but we recognise this as a reality and have to ensure that UC provides a tailored and responsive service to those whose circumstances are complex and challenging. In looking at this work the following guidelines have been

used to identify where people may be vulnerable:

- Demographics or characteristics that are inherent to them as an individual.
- Life events, whether things that happen to them as a result of their own actions or those of others
- Poor skills or limitations that arise from low qualification levels, literacy, numeracy and language or comprehension problems.
- Potential vulnerabilities that arise as a result of policy or process design of Universal Credit.

New functionality will be in place between June-September focussed on early identification of people who may have complex needs. We need to ensure that people neither have to explain their circumstances more than once nor have difficult conversations over and over again.

We need to focus effort on early identification of vulnerability and the resulting recording of claimants that may have complex needs and ensure interventions are made at the right time to provide additional support where necessary. This will ensure that vulnerable customers can make and maintain their claim regardless of circumstances by devising an effective triage service. Universal Support Delivered Locally is in place to help claimants with transition to Universal Credit and to make and maintain their claim.

Success measures are being developed in this area in order to enable the Vulnerable People Steering Group to assess the programmes state of readiness.

Programme Board members:

- a) The SRO for UC stated that he was pleased about this piece of work as this was an area of concern to him. He took great comfort in the fact that this work is in place and continuing to develop. He wanted to pass on his thanks to all those concerned in the development this work.
- b) The UC Operations DG felt she would like a sense of the scale of this work in terms of the overall customer base and if it was likely to increase. Cath Hamp said that broad assumptions had been made in this area, and it is good we are doing this work now while Full Service is still small. As the build advances the problem is likely to get smaller as more and better digital processes are introduced and claimants migrate from ESA. The paper contains some anticipated trends but these will vary from Jobcentre to Jobcentre and within Regions. Some work is being undertaken on segmentation so we can have a deeper understanding of what causes vulnerability.
- c) The DG for Digital asked if it would be helpful for the team to interact with social media providers such as ██████████, ██████████ etc. Cath Hamp said that it would be good to explore this type of opportunity. The UC Operations DG also felt that any further support for operations in this area would be appreciated; they are already speaking to ██████████ amongst others.

- d) The Cabinet Office Operations Lead asked what the key output was to show progress on this. The UC Programme Director stated that there were milestones in the "go to green" plans that are being tracked to monitor progress.
- e) The DFC Northern Ireland, was supportive of the approach outlined as Northern Ireland are looking at a "wrap around" service and are interested in working with the team on this.
- f) The DG for HR asked if we were interacting with the current on-going work around mental health awareness. Cath Hamp said not currently but that she would follow up on this with the DG for HR.
- g) The Chair, thanked Cath Hamp for her important paper and noted that this was a topic to which the Programme Board could be expected to return.

5. First Assessment Period

Lara Sampson provided an update:

In February the team started work to increase the percentage of claimants receiving payment in the First Assessment Period (FAP). Digital and Operational colleagues have worked very closely together to embed a case management approach and focus on the FAP critical path. Additional communications have also been issued to ensure staff do the right things at the right time to help improve the process.

Work is ongoing in 5 key areas in the first assessment period spike so more improvements are expected, however some payment timeliness is moving upwards and currently stands at 87%. Other work being undertaken specifically around increasing the amount of payments going through Autocalc & Autopay and the Agent Dashboard will also help.

Other contributing work streams since February have included:

- Prove You Can Apply – with up to 80% of simple Habitual Residence Test (HRT) decisions now being processed without requiring involvement of a Decision Maker

Other features coming soon include:

- Allocation to Decision Maker tool, which will release staff to make decisions
- Increasing remote bank account verification with improvements to Bank Wizard Absolute
- First integration with Booking Bug which will speed up appointment booking.

We are also looking at further improvements that can be made and we are seeing other activities driving up full payment in the FAP, including improvements in the verification of housing costs.

Although we expect to see improvements beyond 87% the assumption is that 85-90% would be an acceptable target for October 2017, while also emphasising the importance of

moving towards full payment as soon as possible.

Programme Board members:

- a) The UC Operations DG felt that we were jointly focused on doing the right thing to get money to people to help them concentrate on looking for work.
- b) The DG for Finance asked if we had any idea what the target should be and a sense of the difference between some and all payments paid in the FAP. The SRO for UC said that we should not be misled by the figures the data used was March data and he felt that the 87% figure will increase as more automation is put in place. He could not give a figure at present but felt that the 85-90% figure quoted would be reasonable.
- c) The DG for HR asked if there was an indicator of claimants that may have been in hardship. The SRO for UC explained that we have figures of people that had been given an interim payment and these could be reviewed for this purpose.
- d) The Chair also felt that an 85-90% target for October seemed reasonable; however he considered that we needed to ensure that Housing Benefit is paid as soon as possible. He also felt that some excellent work had taken place highlighting the approach of defining problem statements before moving to solution development.

6. Hard Facts

- a) Importance of the Complementary Service being available for the end of June. The Chair asked for a below the line paper at June PB to update where we are with the Complementary Service

Action Point 01-180517 – Below the line paper on progress of the Complementary Service for Programme Board in June – Lara Sampson / Craig Eblett

- b) The need for the move to AWS to take place by 24th June
- c) The SRO for UC continues to make good efforts in liaising with local authorities in an effort to get Housing Benefit payments made in the first assessment period.

7. Any Other Business

The Chair reminded all members to read the below the line paper on Security if they had not already done so as he would like the board to understand that particular issue. He also felt that an invitation should be extended to the Chief Security Officer to attend a future UC Programme Board meeting to update on Security issues.

Action 02-180517: Invite the Chief Security Officer to attend a future Programme Board meeting to update on Security issues.

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