Title of meeting: Universal Credit Programme Board
Date: 21 July 2016, 15:00 to 17:00
Location: London Caxton House, Room 6.03
Attendees: Sir Robert Walmsley, Neil Couling, Ian Wright, Tony Whitehead, Pete Searle, Shelagh Brown, Debbie Alder, David Silk, Claire McGuckin, Mayank Prakash, Andrew Rhodes, [redacted], Steve Buckingham, Lesley Seary
Presenters: Paul McKeown, [redacted]
Apologies: John Harrison, Tommy O’Reilly, Kevin Cunnington

1. Welcome and Introductions
Sir Robert Walmsley welcomed members and invited them to approve the Programme Board minutes of 23rd June. Following discussion at the Benefits Realisation Steering Group that Sir Robert had attended on Monday it was recommended that an action be taken to include a 4th Benefits Realisation objective on AME reduction. Pete Searle agreed to take this forward and will update on progress at the September Programme Board. A new action was taken as follows:

UCPB210716/01 – Board members discussed whether the Programme should also have a 4th priority outcome on delivering AME savings. Pete Searle agreed to consider this with HMT colleagues and report back to the Board in September

The minutes were approved without any further change.

Update on outstanding actions:
UCPB210116/01 – Provide a below the line paper to confirm Local Authority Delivery Plans – Cleared paper 5 on today’s agenda.

UCPB210416/01 – Bring plan for Commercial activity with input from Cabinet Office and Treasury to a future Programme Board - Updated action, the Chair would like the Board to see a table showing the extent contracts that have been let and are in prospect, with their value, in order to guage the scale of the commercial commitments, and also a detailed agreement on how the approvals process works. Neil Couling and Beth Russell have been liaising with Cabinet Office colleagues on a process for getting large approvals through the system. Original action closed new action as follows:

UCPB210716/02 – Table to be produced showing the extent contracts that have been let and are in prospect for the UC Programme and their value – Commercial Team
2. SRO Update

Neil Couling provided an update

Since the last Programme Board meeting, a new Prime Minister, Chancellor, Secretary of State and Ministers have been installed, this has meant a series of meetings with the new team updating them on UC. Neil met the new SoS on his first day in post and briefed him on the need to make a statement about the contention agreement. There is also some continuity for the Programme as Lord Freud is staying in his current role. Neil and his Senior Team have an all day meeting with the new SoS next Tuesday (26th) where he will be taken through the various aspects of Universal Credit.

We have now managed to navigate the contention issue through two Governments and got a statement made to Parliament on 20th July 2016. We have an agreed workable plan incorporating the new scope and Neil would like to thank all who have helped to secure agreement on the new plan. He believed it would be good for the Programme overall.

Progress has been secured on the issue of the Local Authority Temporary Accommodation Management Fee, which has been discussed at a previous Programme Board and it has been agreed that £1.5m from the new burdens budget may be used to fund these costs for LAs that had difficulty. Discussions will take place with LAs on how this funding should be disbursed.

Lesley Seary asked if this information had been communicated to the LGA and the other Associations. Neil will communicate the decision to the LGA and LA Associations.

**Action UCPB210716/03: Communicate decision on LA Temporary Accommodation Management Fee to LGA and LA Associations – Neil Couling**

The Public Accounts Committee (PAC) was held yesterday (20th) and went well, there was a small amount of media was pick up but nothing to be concerned about.

Programme Board members:

a) David Silk felt that it was good to get the plan out, and constructive talks had been held with Treasury colleagues. However he felt that the new Chancellor was a little less understanding of the current situation regarding the new plan and the associated costs, and wanted to impose some conditions around the revised funding these being:

- He sees this as an end to any further additional funding
- Every opportunity should be taken over the summer to ensure any opportunities for savings are identified
- DWP should pick up administrative costs

Neil said that our SoS did not accept the conditions as we have a collective agreement for the plan. But clearly in the on-going discussions on the costs to fund the agreed Government position, the Chancellor would have the opportunity to state his views. We would need to work through the issue and agree funding before we legislate for Welfare Reform measures so the Department is in a position to be able to deliver them.

b) The Chair noted how well he felt Neil did at the PAC yesterday in continuing to engender confidence in the programme.
3. Programme Dashboard

Ian Wright provided an update

The Programme status remains Amber, with 6 jobcentres set to go live on 27th July as forecast. The previous HMRC sites at Blackpool and S: Austell are due to go-live on 26th July, a 2 month firebreak will then follow.

High numbers of colleagues continue to undergo training, and DWP operational colleagues are supporting the HMRC sites to get them up to speed.

Claimants continue to phone Service Centres in high numbers which has caused some difficulties for operational colleagues with backlogs building up in some areas of work. We will continue to encourage claimants to use on-line channels for contact at the earliest opportunity. Operational colleagues in Jobcentres are working overtime currently in an attempt to ensure journal entries and to-dos are up to date. A ring-fenced resource is also in place to clear payments in an attempt to avoid unnecessary contacts. The outsourcing of the booking of the 1st appointment to Capita has also helped. We are confident that these and other actions along with the 2 month firebreak will help to get this situation under control.

Key milestone update:

The Debt interface milestone with LAs is tight but on track; the interface is likely to be introduced on time with volumes being introduced slowly.

The MSRS interface is likely to be delayed by up to 2 months, which means the milestone may turn Red. There is a manual process in place for managing the current process but it is low volume high risk due to the claimant base (claimants with health issues) and so will be kept under review.

Faster Payments milestone could also turn Red as it is unlikely the team developing the central Payment System can provide a way to automate in time to meet the milestone.

The IT team are currently working on this.

The rating for the risk around the movement of staff from 10 Victoria Street is expected to reduce due to mitigations that are now in place, these include 40 desks that have now become available in Victoria Street.

The implementation of the July sites is Green, however the rest of the sites are currently Amber due to operational issues.

The Programme Director asked if the Board would be happy to remove the Programme Dashboard entry on Delivery of Storypoints, to focus on Exit Criteria instead as we now have a good track record on delivery. Board members were happy to support this approach.

Risk update:

The Victoria Street risk has moved on and is expected to reduce in time for the next Programme Board meeting in September.

People capacity – mitigations are in place to manage this risk

- Maturity of Service – focuses mainly on channel shift. A plan is in place to reduce telephony demands on operations supported by the Implementation Control Centre (ICC).
- Consequences of a Recession – currently scenario planning with work planned with the wider department.
- Affordability – both Service Centre and Jobcentre allocations are being revised on an on-going basis.
Programme Board members:
a) Andrew Rhodes stated that it is not unusual to find that initial assumptions are incorrect; we need to see if behaviours are maintained as claimants move through the system. He believed that the situation in operations would improve as the behaviour of claimants would start to change after the 3rd interaction, however we need to monitor the situation to ensure that assumption is correct.

b) Claire McGuckin felt that we need to provide more support in the first month to ensure claimant’s initial assessment and accommodation details are correct which would help, also Work Coaches need to encourage claimants to use on-line channels.

c) Board members asked if any lessons learned could be put in place going forward. Claire suggested that the roll-out of jobcentres going live could be staggered rather than the current process of going live on the same day at the end of the month. Board members felt this was a good idea and should be adopted moving forward.

d) Board members felt that Exit Criteria would be a better measure moving forward as Storypoints are managed and delivered within the team. This was agreed however the Chair stated that if the total aggregate backlog increases significantly the Programme Board should be informed and this was agreed by the Programme Director.

e) Lesley Seary wanted to be sure that we are measuring the right things and are not measuring failure demand. Lesley agreed with Claire that we need to invest time up front with claimants and ensure all relevant details have been gathered.

f) The Chair asked if we really understood the scale and handling of LA Debt Recovery. Neil had been told that the Debt went with the claimant which is true for when HMRC claimants migrate but not for LA claimants. Following discussions the LGA are formulating a position on debt; as if UC take the debt, the funding around it for LAs would also be lost. Lesley stated that LAs need to see where their debt sits within the debt hierarchy and do some work to address any issues via the Partnership Forum. Finance colleagues will undertake some analysis of HB Debt in order to guage the size of any issue.

g) Debbie Alder was concerned around our capacity to be able to predict demand on the People Capacity risk and that we could be playing catch up. Neil said that it was not a capacity issue and that the recruitment of staff had been good, however we need to try and get ahead of the curve. Claire said that it had taken longer than expected to get staff up and running.

Decision Point: Programme Board agreed to remove the Delivery of Storypoints from the Programme Dashboard and replace it with the monitoring of Exit Criteria.

4. Contention in the UC Plan – next steps

Paul McKeown presented the item:

Following work with stakeholders and discussions with Treasury officials, we now have a position agreed by SoS with the Chancellor and Prime Minister. The aim is to confirm the
impacts of re-setting the UC plan at the September Programme Board meeting and to provide a robust position to feed into both the OBR and discussions prior to the Autumn Statement. Paul then outlined the revised plan and key deliverables:

- Design and deliver key Welfare Reform measures into the Full and Live Services
- Plan and deliver the legislative timetable including regulations to support policy implementation from April 2017
- Revised operational plans and schedules, undertaking impacts against the People & Locations programme
- Ensure HMRC plans are fully impacted
- Align plans with Managed Migration project
- Undertake independent IPA Health Check review to assure both deliverability and affordability
- Develop an Outline Business Case (OBC) addendum to show AME/DEL impacts
- Securing financial approvals to cover any potential DEL funding gap

The key challenges over the coming months were outlined as:

- Affordability – Ensuring the Programme has the required funding to deliver the revised scope of the UC plan
- Ensuring delivery of Full Service IT features to support Welfare Reform delivery
- Operational resource planning
- Delivering a fully costed and independently assured plan for the September Programme Board meeting.

Detailed modeling will now take place over the Summer with the aim of delivering a fully costed and assured plan for the September Programme Board. This ensures the Programme is clear on its plans and financial position in advance of the OBR discussions prior to the Autumn Statement. The team will continue to work with the UC Planning Senior Steering Group to further develop detailed plans and risk mitigations back through the appropriate governance channels.

Programme Board members:

a) Tony Whitehead stated that the Healthcheck Review would be undertaken during w/c 12/09/16, it would be high profile and will be led by [REDACTED]. Tony will ensure a draft report is available prior to the September Programme Board

b) David Silk asked if the OBC addendum would provide a net present value. Paul stated
that this would be late this year or early 2017, as it is initially designed to provide clarity to our operational colleagues.

c) Neil felt that we need to see exit criteria that relate to the contention issues in the plan. This was agreed by members.

d) The Chair felt that the Board needed to ensure the management of the risks outlined is taken into account in the delivery plan, and to consider adding milestones for the Board to monitor as we execute the plan between now and March 2017.

e) [Redacted] felt that the team had done a great job from a quality perspective.

**Decision Point:** Programme Board noted the progress that had been made, and the detailed impacting work that will be undertaken over the summer to enable a Programme Board decision in September. The Board also noted that we are awaiting advice on how the announcements will be handled.

### 5. Delivering UC with the Local Government Sector

[Redacted] presented the item.

The paper outlined how the UC Programme has been working with Local Authorities to date and highlighted further work necessary to assess how the UC delivery Plan may impact on-going LA services.

We are currently working with LAs via Districts and Partnership Managers ensuring areas like such as Personal Budgeting Support, Assisted Digital Support and Exchange of Information between Jobcentres, Service Centres and LAs are moving forward. The Partnership Forum are also discussing issues at a strategic level driving out specific goals such as:

- Greater transparency
- More engagement both directly and with the Associations
- Effective delivery partnerships
- Address issues in Live Service
- Impacts of UC roll-out on future delivery of Housing Benefit
- Definition of future funding arrangements.

The focus areas of the paper include the impacts of the UC roll-out plan on LAs over time, through the transition and migration phases and into steady state. In particular what this might mean for levels of LA resources that would be required to maintain both the delivery of HB and to provide support services for UC throughout that period, including what the delivery of a Housing Benefit service would look like if claim volumes reduced.
It is proposed to raise a Programme level risk that is regularly monitored and provides a clear view of the changing environment and delivery of HB and supporting services.

Programme Board members:

a) Neil has discussed HB delivery risks with several LA Chief Executives, and the impacts were not clearly quantified, and fully supported the need to raise a risk at Programme level.

b) Pete Searle was unsure if this was a direct Programme risk, Steve Buckingham stated that in his opinion it may not be a direct risk but could have reputational impacts if not managed. Pete agreed.

c) Lesley Seary felt that it was really useful that we have begun to set out issues and impacts and what we can do to resolve them. It is also good to keep these issues on the Partnership Forum agenda. She would be happy to help with feeding risks into the PB. An LGA group has been set up to look at the impacts of LA Debt and how these can be managed. Staff in Service Centres need to be more accessible to LA staff; this is a relationship we need to get right to avoid failure demand (i.e. more calls because the initial call failed to resolve the issue at hand).

d) Lesley stated that the interim evaluation of the delivery model for Universal Support shows a number of co-locations in future plans and reports that support services should be in a single hub, she felt this could not be done at a local level, and there was a need to create systems change in order to exploit the potential for improvements and benefit the public purse if we stay in our own worlds and do not join up services.

e) The Chair stated that we needed to be careful not to take on work areas that were beyond our scope of responsibility and authority.

f) Neil sympathised with Lesley on this issue, UC is a national service and we have some co-locations in our plans. He feels we will see movement towards co-location but UC cannot make significant movement forward on this issue.

**Decision Point:** Programme Board recommended that a Programme Board level risk be raised to give greater visibility to the likely impact of UC on LA delivery and resources and that the risk is kept under formal and regular review.

**6. Hard Facts**

a) Gov.Verify - still a risk although numbers of successful registrations has gone up

b) Risks Post Contention - need to ensure that Programme Board oversee these risks and their impact on delivery of the plan.

c) Victoria Street – although good progress has been made on this issue the Board must not lose sight of it.
| Contact:   |                                               |
| Email:     |                                               |
| Direct line: |                                             |