UC Universal Credit

Minutes

Title of meeting:	Universal Credit Programme Board
Date:	14 June 2018, 15:00 to 17:00
Location:	London Caxton House, Room 6.24
Attendees:	Sir Robert Walmsley (Chair), Neil Couling (Director General UC), Will Moss (Managed Migration Director), Jonathan Shebioba (Cabinet Office Operations Lead), David Silk (Director HM Treasury), Charu Gorasia (Director General Finance), Shelagh Brown (UC Programme Manager HMRC), Pete Searle (Strategy Director, Working Age), Lorraine Jainudeen (Director Human Resources), JP Marks (UC Operations Director General), Lesley Seary (Chief Executive LB Islington), Mayank Prakash (Director General Digital), Susan Park (Operations Director General),
Presenters:	Lara Sampson, Peter Loosley
Apologies:	Debbie Alder (Director General Human Resources), Ian Wright (UC Programme Director), David Malcolm (Deputy Secretary for Work and Inclusion DFC Northern Ireland), Lindsey Whyte (Director HM Treasury), s40 (LGA)

1. Welcome, Introductions and Actions

The Chair welcomed members to the meeting and stated that apologies had been received from Ian Wright, Debbie Alder and Lindsey Whyte. He also welcomed Will Moss who was deputising for Ian Wright and both Lara Sampson and Peter Loosley who were presenting agenda items at the meeting.

The minutes of the Programme Board meeting of 17th May were approved without amendment.

Actions were updated as follows:

02-220218 – Action cleared following a below the line paper that was submitted to the Programme Board in May.

The SRO for UC updated on the Full Business Case (FBC) which was agreed by the Chief Secretary to the Treasury on 21st May pending clearance of some conditions. A meeting with Treasury colleagues has been arranged for July to discuss updates. A paper will be provided to the Board in due course.

A Business Case summary was published last week as part of a series of announcements that also included details of the Severe Disability Premium (SDP) agreement.

2. Programme Update

Will Moss provided an update in the absence of the UC Programme Director:

The overall status of the Programme remains Amber.

Phase 6 rollout continues to plan with 41 sites successfully rolled out last month and a further 61 planned for June which means the Programme would have rolled out UCFS to around half the jobcentres nationally.

40 new Social Sector landlords have been added to the Trusted Partner/Landlord Portal making a total of 215.

Verify performance is still around 36%

Decision Making and Appeals (DMA) is still proving a challenge but numbers are coming down with the Programme adding both resources and automation.

Updated on milestones including:

Telephony - UC Full Service (UCFS) telephony rollout started this week, good feedback has been received from both staff and claimants. On target to complete rollout in August 2018.

Live to Full Service Transfers - Still on target to complete transfer activity by July 2019.

Managed Migration – A package of measures including addressing Severe Disability Premium (SDP) have been agreed within government. Papers were issued to the Social Security Advisory Committee (SSAC) on 1st June ahead of their meeting on 20th June, with formal announcement of the changes to SDP and the timetable for Managed Migration made via a Written Ministerial Statement to Parliament on 7th June. A high level scope and delivery plan have been agreed in readiness for Beta testing from January 2019, and progress against the plan will be monitored at both the Managed Migration Steering Group and the Migration Planning Group.

Finance - The Programmes forecast for 2018/19 has been reduced by £11.4m, this is mostly due to reduced Operational staff costs and reduced software costs for this period. However the 2019/20 costs show a £8.1m increase mainly due to increased Operational costs in relation to the recent SDP announcements.

Programme Board members:

a) The Cabinet Office Operations Lead asked if the milestone for end-to-end service performance monitoring which is currently Green should now be Black as it has been developed. The Managed Migration Director stated that it should and would be changed accordingly.

b) The Chair asked that the Programme think about how we report progress on the complimentary service moving forward.

c) The SRO for UC stated that it was likely that by the next Programme Board meeting in July there would be more than a million people claiming Universal Credit which would be a key milestone. The Cabinet Office Operations Lead asked how the Programme was planning to celebrate this achievement. The SRO for UC said that he had yet to decide.

d) The Chair asked that following the recent prioritisation exercise Phase 6 outcomes should be included on the dashboard.

e) The Finance DG asked if the dashboard could show a comparison between actual

caseload and Full Business Case figures on the caseload per case manager graph. The Director for Managed Migration stated he would speak to the planning team to see if this could be done in future.

3. Operations Update

The UC Operations DG provided an update:

As at the end of May 283 jobcentres were delivering Universal Credit Full Service supporting 660,000 claimants. The Live Service caseload continues to decrease and is now around 270,000 down 22,000 on the April figure.

Payment timeliness is up slightly at 79.1% and Operations are confident this can be continued past 80%. Decision Making and Appeals (DMA) transformation is also improving.

Telephony volumes were greater than expected in May which placed some strain on the network. This seems to have been caused by multiple factors including higher levels of payment related enquiries and re-booking of appointments. There has also been increased contact due to the annual rent increase exercise.

Telephony integration has now been completed in the 4 pilot sites (Bangor, Blackpool, Canterbury and Dundee). Progress has been made with the telephony routing rollout which has improved performance. This will continue throughout the Summer and is due to conclude in August.

Operational colleagues are concerned about attrition in certain parts of the country. Working with Business Partners on actuals v forecast to ensure plans are correct.

Programme Board members:

a) The Chief Executive LB Islington stated that it was important to communicate all local level changes to LA colleagues, as we need to ensure effective communications are in place at a working level. The SRO for UC agreed and stated the need to ensure dialogue is ongoing at a local level. The Chair echoed this view stating the Programme needs to ensure LAs are kept informed if anything delivered locally changes.

b) The Cabinet Office Operations Lead asked if claimants who register but do not go on to make a claim can be taken out of the stats provided on the dashboard as this provides a false position. The UC Operations DG stated that he believed there may be an indicator that would give us this information and he would check with Operational colleagues to see if any figures could be provided.

4. Product Development Overview

Lara Sampson provided an update:

Automation priorities arise from 3 different types of inefficiency

1. Process – automation of a manual activity

2. Operability – reducing pressure on teams that are working off system and/or

inclined to error and delays

3. Failure demand/customer experience – automating activity to change customer behavior

Technical performance currently runs around 1 phase ahead to ensure no "cliff edge" is reached. At each phase the Product Development Team have to make an informed judgment around what will be included and then score the efficiencies against the Digital Cost Model (DCM). For phase 6 £18.7m has been scored against DCM.

Changes in scope and in particular to policy affect priorities and have a cumulative impact on the progress of automation. The following are examples of changes that have had to be delivered since the 2015 Summer Budget:

- Removal and reduction of Work Allowances – 2016

- Reduction in Social Rented Sector rents – 2016, 2017 & 2018

- Change to Taper rate – 2016

- Limiting support to 2 children and introduction of 2 child gateway – 2017

- Removal of Limited Capability for Work component – 2017

- Youth Obligation 2017

- Parental conditionality changes - 2017

- Removal of 1st child premium – 2017

- Support for Mortgage Interest becoming a loan – 2018

- Surplus earnings and self-employed losses – 2018

The impact of these changes delays planned automation, as well as creating additional tasks that need to be automated. They often generate more work than initially estimated in a specific planning stage. We need to recognise that we have been put in a compromised position by the introduction of these and various changes that were introduced in the 2017 Autumn announcement such as:

- Removal of waiting days

- Housing Benefit run-on

- Increase in advances both amount and repayment period

- Removal of Temporary Accommodation from UC

- Armed Forces Independence Payment for 18-21 housing

- Live service closure in December 2017

Phase 6 priorities includes the retention of 4 problem statements, identified as priority areas that should make a difference to Operational colleagues, however these have not yet been scored against the Digital Cost Model. Product Development teams are now

based in London, Leeds and Manchester and digital colleagues are looking to leverage capacity as much as possible between those teams.

The success of Managed Migration depends on UCFS being an efficient and operable system. The Programme have submitted a proposal to the DWP Executive Team to extend Phase 7 and if this is approved it will enable more efficiencies to be driven out.

Programme Board can assist by raising awareness of the impact on efficiencies of scope change and supporting collective discipline in protecting that scope.

Programme Board members:

a) The Cabinet Office Operations Lead asked if potential savings from automation have been identified for Phases 7 & 8. Lara Sampson stated that there is a cost model projection for this period however this may change.

b) The Finance DG found the slide on policy changes that have had to be accommodated particularly useful when discussing the National Audit Office (NAO) report with NAO colleagues. She wondered if we able to say how much development time was lost designing these changes and quantify the impact on the backlogs. Lara Sampson stated we are looking to do this currently. The SRO for UC stated that we have been using a time measure rather than a financial one.

c) The Strategy Director for Working Age stated that although it may have caused difficulties some policy changes have helped to land UC. However we are not expecting as many changes in policy in the near future and we need to protect the Programme.

d) The Digital DG said that he expected the backlog would need to expand around security requirements, and we would need to strike a balance between operational efficiency and policy outcomes.

e) The UC Operations DG said that he valued the opportunity for Operations to travel together with Product Development colleagues on automation and that we need to be confident of the product before Managed Migration lands at volume. The Chair agreed stating we need enough automation in the product to ensure Managed Migration can be delivered successfully.

f) The Chair asked that Lara return to Programme Board in around 6 months with an update on Product Development. Lara stated she would be happy to do this.

5. Managed Migration Update

Peter Loosely provided an update:

A new Managed Migration Directorate has been created and we are planning to commence Managed Migration in January 2019 with an initial Beta test phase. The current planned completion date for Managed Migration is March 2023, however this is subject to final agreement with Treasury colleagues.

An extension to 2023 would de-risk Managed Migration and although primary legislation is required it is hoped to have this in place to start Beta testing in January. The Beta phase

will start with small volumes in January 2019 slowly building during the first year.

An announcement on Transitional Protection was made on 7th June as part of a wider set of Programme announcements, this constitutes the first public statement of the start of Managed Migration.

The initial challenge is to mobilise around 4 million claimants to ensure they respond to communications from DWP around Managed Migration. A mobilisation campaign will be conducted that will:

- Develop segmentations and approaches based on 19 possible legacy benefit combinations

- Base it's approach on testing evidence

- Exploit current relationships and contact points

- Learn lessons from previous mobilization exercises

- Work closely with 3rd party delivery partners to develop joint communications.

- Test accuracy and robustness of our current contact data

- Develop a repetitive and multichannel approach

Preparation for Beta testing is underway including some low volume testing of the Managed Migration process using the current Live to Full Service transfers process. A test of automated letter production will also be tested with around 2,000 letters sent as part of this process.

Programme Board noted:

- Regulations have been agreed with Ministers and the legislative process instigated with a public announcement made on 7th June.

- That further analysis on the rollout timetable has been completed and extension of the migration period to 2023 agreed

- A Managed Migration Directorate has been formed with significant additional resources deployed, further early testing and user research has been completed with claimants and we have started development of the Beta test phase approach and planning

- Endorsed the view of the Programme that although there are significant challenges ahead the Programme has laid good foundations for further progress.

- To provide any steers on areas of concern or risks that may arise as we start detailed preparations for Beta testing in early 2019.

Programme Board members:

a) The Chair asked to see a milestone added to the plan for September that will give the Board assurance that we are on track to commence the Managed Migration Beta test in January 2019. The Managed Migration Director stated that the milestone would sit in his

area, however we would also need to ensure that all of the other governance leading to the September milestone is in place.

b) The SRO for UC said that we need to test mobilisation during the Beta Phase as we need to get this right. The Chief Executive LB Islington felt that the LGA, the Managed Migration Director and herself should meet regarding mobilisation to ensure the correct areas are being tested especially around complex cases.

c) The Cabinet Office Operations Lead asked how engaged HMT and Cabinet Office need to be in this process. The Managed Migration Director stated that governance arrangements are still being formulated but is happy to share more widely once governance arrangements are in place.

6. Hard Facts

a) Managed Migration has an agreed plan and this activity is still assessed as the biggest challenge to the Programme.

b) Programme Board is looking at both the long and short term costs and efficiencies and needs to maintain this monitoring on how they are managed across the board. A key ambition of UC is improved efficiency of administration.

c) The external relations position requires constant attention.

Date of next meeting Thursday 19th July 15.00-17.00 Caxton House Room 6.24

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