



Minutes

Title of meeting:	Universal Credit Programme Board
Date:	14 th May 2019, 15:00 to 17:00
Location:	London Caxton House, Room 6.24
Attendees:	Sir Robert Walmsley (Chair), Neil Couling (SRO for UC), Ian Wright (UC Programme Director), Nick Joicey (Director General Finance), Shelagh Brown (UC Programme Manager, HMRC), David Silk (Director HM Treasury), Pete Searle (Strategy Director, Working Age), Simon McKinnon (Acting Director General Digital), Colum Boyle (Deputy Secretary for Work and Inclusion DFC Northern Ireland), Gareth Young (Cabinet Office Operations Lead), Colin Stewart (Director Operations), Lloyd Spencer-Whitcomb (Director Human Resources)
Presenters:	Lisa Hunter, Paul McKeown, Graeme Connor
Apologies:	Debbie Alder (Director General Human Resources), Angela Macdonald (Director General HMRC), s40 (Senior Advisor, LGA - Observer), Lindsey Whyte (Director HM Treasury), JP Marks (Director General Work and Health),

1. Welcome, Introductions and Actions

The Chair welcomed members to the meeting and acknowledged apologies from Angela Macdonald, Debbie Alder, s40, Lindsey Whyte and JP Marks.

He welcomed David Silk who was attending on behalf of Lindsey Whyte, Colin Stewart on behalf of JP Marks, Shelagh Brown on behalf of Angela Macdonald and Lloyd Spencer-Whitcomb on behalf of Debbie Alder. Also Lisa Hunter, Paul McKeown and Graeme Connor who were presenting papers.

The minutes of the Programme Board of 16th April were approved without amendment.

SRO Update

The SRO updated Board members on the recent Court Case loss around SDP Gateway and the effect of this on the Migration regulations. The current regulations will need to be withdrawn and re-submitted taking into account the advice given in the judgement. Discussions are ongoing with Ministers regarding a Ministerial response to the judgement.

Programme Update

The UC Programme Director provided an update:

The status of the Programme remains Amber.

Still on track for de-commissioning Live Service by the end of July.

Good progress is being made on the planning for the Move to UC Pilot in Harrogate, and we are looking to set up an IPA review to give the board more confidence of readiness.

The Programme has reached a major milestone in that 1.6m households are now claiming UC, with the amount of claimants on UC rising from 1m to 2m in the course of a year.

The Programme Director then updated on the current milestones including:

- The milestone on rent decreases is now Green (previously Amber)
- Digital plus milestone has now been completed
- GDPR – has gone Red as we need to migrate the Dataworks platform to Amazon Web Services (AWS) and have encountered some technical issues. However, capacity on the current service has been extended to Dec 2019 and the Data Protection Officer has been advised of this. A revised date of 18th Oct has now been agreed for this milestone, and will be included in the next dashboard.
- The Move to UC milestone remains Amber as it is dependent on obtaining the regulations.

The risks are unchanged from last month.

The finance forecast has been reduced by £15m but an overspend of around £20m is still predicted. This includes an £8.5m Programme overspend which is the remainder of the 15% efficiency challenge. Operations have made reductions but are still forecasting around £12m over budget although it is expected this will reduce further and is being tracked carefully.

Unit Costs per Caseload is on track however challenges lie ahead. We are in discussion with HM Treasury colleagues around putting in place funding drawdown from 1 June to 30 September 2019, and we are on target to achieve this.

Programme Board members:

- a) The DG for Finance asked that now that the risk has been mitigated on GDPR where are we on the move to Amazon Web Services and do we have a migration plan. The UC Programme Director stated that there is a plan and that this has been impacted against the revised delivery date of 18th Oct 2019. The Acting Director General for Digital stated that we have lost some resources in this area but feels the 18th October date is secure.
- b) The Chair asked for interim milestones to be added for the Evaluation Phase (which is planned to run from 22 May 2019 until 31 March Digital Plus to ensure the Board can track progress.
- c) The Chair congratulated operational colleagues on the work they had done to support the increase in claimants from 1m to 2m in the last year.

- d) The DG for Finance asked how big the stretch was in the Unit Cost figures. Paul McKeown stated that we are working with operational colleagues with a view to pausing recruitment and that it is currently an issue of supply and geography, particularly in jobcentres. Colin Stewart stated that operations are currently reviewing their plans around supply.
- e) The Cabinet Office Operations Lead asked if it was felt the recent Industrial Action (IA) was linked to pressures on Work Coaches. Paul McKeown stated that IA is a Service Centre (SC) based issue and not a jobcentre or Work Coach one, he felt that the caseload was manageable for case managers in SC's if forecasts in the Business Case are correct. The SRO for UC stated that unit costs have fallen by 40% in the last year with a further decrease expected in the coming year. The caseload is maturing and the business should get easier to deliver as new claims decrease.

3. Operations Update

Colin Stewart provided an update:

There have been some concerns around a recent dip in payment timeliness however, operational colleagues are confident this has now been stabilised and the issues resolved. Some of the problems were caused by part of the build changing, and it has also been noted that the Easter period could have been planned better.

Operations are expecting formal notification this week of potential IA at both Walsall and Wolverhampton SC's over the May Bank Holiday period. Contingencies are in place in operations should IA go ahead.

The Labour Market is in a very positive position with more people in work than ever before and unemployment rates at an all-time low.

The mood in Operations is positive and morale amongst staff is generally high. There has also been a reduction in the average working days lost.

Programme Board members:

- a) The Chair stated that there had been some adverse press in the past around the 5 week wait for payment. He asked if claimants were advised as a matter of course that an advance is available if a claimant is facing severe hardship. Colin Stewart stated that advances were offered and that they were a key operational focus. The SRO for UC stated that claimants were offered advances at every point of the journey but these are often refused by the claimants. He would be happy to circulate a note on the reasons claimants have given for refusal of an advance. The Board felt this would be useful.

Action Point 01-140519 - Note on why claimants refuse an advance, to be circulated to Board members

- b) The Director HM Treasury asked if operational colleagues felt telephony volumes were sustainable. Colin Stewart stated that a paper on telephony would be coming

to the next Programme Board however, the intake of calls is up but operational colleagues are currently on top of it with 85% of calls answered.

- c) The DFC NI stated his continuing concern about the need for assistance from automation if NI was to be able to meet the 2 payments per month regime and other features of the NI arrangements.
- d) The Chair felt the graph in the paper showing calls per case manager needed to be simplified. Operational colleagues will look to simplify for next month.

4. Tackling Misconceptions and Improving the Reputation of UC

Lisa Hunter provided an update:

The Department had stopped doing pro-active media around UC last summer which had led to a void in the Department's narrative with stakeholders and to a somewhat unchallenged opposition filling the gap.

The communications team led by Lisa were tasked with becoming more pro-active, and challenging when negative media around UC were clearly inaccurate. This approach had resulted in several apologies being received from various media outlets including the BBC Today Programme.

Media context also adversely affects the Department's reputation in delivering UC, and it has a potentially demotivating effect on operational colleagues, who are working hard to deliver excellent customer service for their claimants. There is emerging insight to suggesting claimants are delaying making a claim and being pushed into debt as a consequence.

The Department are moving to a more pro-active approach and to this end have entered into a partnership with the Metro newspaper who will be running a series of articles about UC. These will help to dispel some of the myths and inaccuracies that surround UC focusing on the help that Work Coaches can offer, as well as outlining what help is available to claimants with complex needs.

The Department has also signed an agreement with the BBC to participate in a 3-part documentary inviting them to film inside a jobcentre. This may result in some uncomfortable viewing in some cases, but will also shine a light on all the good work that is undertaken day to day by our staff in jobcentres. The Department will have sight of the final edit which will allow any inaccuracies to be addressed prior to the Programme being shown, whilst BBC retained editorial independence.

The Communications Team will continue to work collaboratively with the UC Programme in developing a new creative proposition and messaging for the next phase of the national advertising campaign.

Addressing the reputation of UC will take time, and our pro-active approach is not without risk. We cannot expect communications alone to turn the tide of public opinion, and we will continue to build a strategy based on insight and evidence. We will also continue to test

the effectiveness of communications by measuring in real time and through monitoring outcome measures.

Programme Board members:

- a) The Deputy Secretary for Work and Inclusion DFC NI felt that the new approach was a breath of fresh air, and was pleased to see the Department on the front foot on this issue. He felt this would help to appease front line staff that are regularly subjected to negative press coverage.
- b) The Acting DG for Digital asked how this new approach had landed with operational colleagues. The SRO for UC said that communications had been issued to operational staff around this. He also felt that Lisa's leadership on this issue had been outstanding and had helped to change the mind-set of the BBC based on a position of neutrality.
- c) The Cabinet Office Operations Lead felt that although the new approach was a positive step forward it was not without risk. Lisa Hunter stated that we have changed our approach and narrative in apologising for errors that have been made.
- d) The Chair commended the approach which now included communication aimed at the general public as well as claimants, while also recognising that excellence in delivery was a key contributor to the reputation of UC.

5. Labour Market Benefits Realisation

Paul McKeown and Graeme Connor provided an update:

To date a score matching approach to measuring Labour Market (LM) benefits has been taken, matching to legacy systems and tracked outcomes which has been widely accepted as the standard. The final Live Service cohort is now being evaluated as the Live Service was closed in December 2017.

An evaluation plan was published last year with a robust list of activities to build an evidence base. however, it is too early to gain anything either positive or negative from these figures. We are testing assumptions and behavioral changes, to ensure claimants understand about issues such as tapers and childcare.

The Programme has carried out some simple pieces of analysis to test if UC is having a positive impact or leading to adverse outcomes (e.g. reductions in the hours a claimant is working). Currently the findings from this work have in broad terms been neutral.

We have used the Labour Force Survey data to compare trends in employment, hours worked and unemployment, and used aggregated RTI data to compare trends with the analysis covering the period 2014 to 2018. However, the size of the caseload is too small to provide definitive outcomes.

The Programme is building an evidence base, as we know very little about what works to support people to progress in work. While the evidence base is being built there is no active support offer or conditionality regime in DWP plans.

Once UC has been rolled out around 3.5 million working claimants will be on UC with most having moved from Tax Credits and Housing Benefit.

Programme Board members:

- a) The DG for Finance stated that being clear what we can measure and when would be helpful.
- b) The Strategy Director for Working Age felt that excellent progress had been made but we need to think about how UC can be compared to legacy, and we need to make UC as good as it can be regardless of comparisons.
- c) The Director HM Treasury said that good work had been done and Treasury colleagues had been kept close to the analysis. However, he felt there were 3 areas that the Programme needed to focus on, these were:
 - A timeline
 - Find a way to escalate blockages
 - Lines to take on labour market impacts that can be shared with Ministers.
- d) The Chair felt the Board needed to continue to receive papers on Benefits Realisation each quarter, which should include data to help the board understand that we are on a 3-year journey, while trying to show that we are making progress to achieve this timeline.
- e) The SRO stated that he was happy for papers on benefits realisation to return to the board each quarter but wanted Board members to be aware that there may be nothing new to report, as it may be up to 12 months before we know anything new.

6. Hard Facts

The Chair stated his Hard Facts this month would be:

- a) Move to UC requires us to maintain progress on many fronts
- b) Getting the UC pilot for 10,000 claimants underway in July is crucial to the overall plan
- c) Channel Shift is essential as overall claimant numbers increase in order to meet efficiency goals and if those with complex needs are to be successfully inducted into the programme.

Date of next meeting Tuesday 25th June 15.00-17.00 Caxton House Room 6.24

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