



Minutes

Title of meeting:	Universal Credit Programme Board
Date:	21 st March 2019, 15:00 to 17:00
Location:	London Caxton House, Room 6.24
Attendees:	Neil Couling (Director General UC, Acting Chair), Ian Wright (UC Programme Director), Shelagh Brown (UC Programme Manager, HMRC), Susan Park (Operations Director General), Debbie Alder (Director General Human Resources) Nick Joicey (Director General Finance), Pete Searle (Strategy Director, Working Age), Gareth Young (Cabinet Office Operations Lead), Simon McKinnon (Director Digital), Rob Allen (Director HM Treasury)
Presenters:	Pauline Crellin, s40
Apologies:	Sir Robert Walmsley (Chair), Lindsey Whyte (Director HM Treasury), JP Marks (UC Operations Director General), s40 (Senior Advisor, LGA - Observer), Lesley Seary (Chief Executive LB Islington), Colum Boyle (Deputy Secretary for Work and Inclusion DFC Northern Ireland)

1. Welcome, Introductions and Actions

The Acting Chair welcomed members to the meeting and acknowledged apologies from Sir Robert Walmsley, Lindsey Whyte, JP Marks, s40, Lesley Seary and Colum Boyle.

He also welcomed s40 who was attending on behalf of Lindsey Whyte and Pauline Crellin and s40 who were presenting papers at the meeting.

The minutes of the Programme Board of 21st February were approved without amendment.

The Acting Chair drew the meetings attention to the below the line papers for the meeting including the paper titled Universal Credit Claimants – In Their Own Words, which is taken directly from a recent report produced by Bright Blue Consulting. He felt it would be good for Board members to see and read the unspun responses direct from claimants.

There is also a paper on Live to Full Service Transfers and what was done to make this such an effective process.

The final below the line paper outlines the impact on Phase 7 delivery following the loss of several developers in the last 3 months. The Programme should be back to pre-Christmas

numbers by the end of April, however we have lost some capacity and this has affected what can be delivered in this Phase.

Programme Update

The UC Programme Director provided an update:

The status of the Programme remains Amber.

Excellent progress has been made with Live to Full Service Transfers with only around 50 cases remaining to be transferred. On track to complete before the end of March in accordance with the milestone. The next milestone is to de-commission all Live Service systems by the end of July.

The rollout of the Q-Flow appointment booking system is now back on track.

We have encountered some developer issues as highlighted in the below the line paper for today's meeting, and an exercise to re-prioritise Phase 7 has been undertaken. Several items originally planned for completion in Phase 7 have been affected including both Transaction Risking and changes to the Health Journey which will now be started but not completed in the current phase.

Still awaiting a date for the Managed Migration regulations to be debated. It has been agreed that Harrogate will be the first pilot site and we are hoping to go live with the pilot in July subject to the regulations being passed. Stakeholder Workshops involving external partners in the design process are continuing with the latest taking place on 6th March which was well attended.

The UC Programme Director then updated on the current milestones including:

- GDPR – a new date has been agreed following the development of a plan. It has been agreed to keep the milestone Amber currently as the work is complex and we need to keep it under constant review.
- Notify Customer Information System (CIS) of agent access to record – this has been partially rolled out but some performance issues have been encountered. A fix has been deployed today but we need to monitor to ensure this has resolved the problem.

Updated on Risks including the flight path change on the ID Verification risk which is due to plans now being in place to introduce a Digital Trust Platform.

The migration risk has been changed from an over-arching migration risk to a specific risk around being able to scale.

The finances for 2018/19 remain unchanged, however following the Winter Planning discussions that are yet to be finalised we are now forecasting a £90m increase for 2019/20. This is due to higher than anticipated operational costs, policy implications, volumes and reduced savings from legacy. There are also some predicted HMRC savings that may not now materialise. However, the UC Programme Director expects the amount of the predicted increase to reduce. The run rate on 19/20 spending was such that we may exceed the HMT spending authority before July, so the Programme is speaking to Treasury colleagues about this.

Programme Board members:

- a) The Director HM Treasury referenced the announcement of Harrogate last week as the first Managed Migration pilot site, and asked if there were likely to be others. The UC Programme Director said this was likely but not planned yet, there is no fixed date currently for a second site it will very much depend on what we learn from the first site.
- b) The Director HM Treasury asked as the Programme were not going to stop any benefits during the migration pilot did this constitute a voluntary migration of the claimant during the pilot phase. The UC Programme Director said it would not be voluntary on such but we could give effect on such as policy recourse, we would be tracking each case in detail. The Acting Chair stated that the pilot would give an indication of the number of claimants that may not co-operate with the process and reasons for this. This will allow us to work out how to move claimants across safely and securely.
- c) The Finance DG felt that 19/20 planning was challenging, and the plan is risky without any contingency. We need to do all we can to drive down costs as far as possible.
- d) The UC Programme Director stated that we were starting to take a wider view of the plan, specifically what the next 3 years should look like. The Acting Chair stated that the re-baselined plan would be brought to Programme Board in April.
- e) The Acting Chair wanted Programme Board members to note Transaction Risking (TR) had been delayed again, this is the 3rd time we have had to re-plan TR and the effects will be felt ultimately on AME costs. TR is a key part of our Fraud & Error Strategy and the Acting Chair may need the help of the Programme Board moving forward to ensure this is not deferred again, for other policy changes. We could pick up this when the Programme Board reviews the long-term plan in April.

3. Operations Update

The Operations DG provided an update:

We now have over 2m claimants on UCFS and numbers are continuing to grow. Recent labour market statistics show the unemployment rate is now at 3.9%. There are lots of contributory factors but it clearly shows our labour market regime is working.

Industrial action took place in 2 service centres on the 11th & 12th of March, however disruption was minimised and dialogue remains open with trade union colleagues. However, we should consider this an indicator of stress.

Payment timeliness in the 1st Assessment Period is currently at 84.4%, and 94.6% in subsequent Assessment Periods, this is at similar levels to the start of the year despite around another 20,000 claimants being paid in the first Assessment Period, compared to January.

The speech made by the Secretary of State (SoS) at the Work and Pensions Select Committee last week re affirmed the government's commitment to support people in the areas of Work and Health with significant labour market potential in this area.

Organisational changes are planned in operations in April including the addition of a Director General for Work and Health Services, with responsibility for UC delivery.

Programme Board members:

- a) The Cabinet Office Operations Lead asked if the Industrial Action at the 2 service centres was over to pay. The HR DG stated that it was not about pay but workloads.
- b) The Operations DG wanted to highlight that the strength of UC in Operations is the people that make the system work day to day.

4. Contingency Options

Pauline Crellin provided an update:

The options that have been developed were outlined and have been drawn up using a set of underpinning principles including:

- The safe and secure delivery of Universal Credit which is a departmental policy.
- The protection of Case Management without creating problems elsewhere in UC
- The service is being operated as designed and agreed between the Programme and Operations
- The agreed options do not impact on the current UC development schedule for 2019/20.

The options have been put into 2 categories either being feasible or unfeasible with the following identified as feasible.

- Offering overtime to existing UC staff
- Redeployment of existing UC Full Time Equivalent (FTE)
- Redeployment of wider Departmental FTE to Full Service.
- Make use of or increase existing estate to meet demand for both non DWP staff and existing DWP staff reallocated to work on UC
- Switching off the telephony service for periods of the day
- Use emergency HMRC surge staff if available
- Increase FTE via further recruitment.
- Several Labour Market Options are feasible including; standing down non – essential interviews, deploy the digital plus journey and converting Work Coaches into Case Managers.

Some options were considered but were felt to be unfeasible, these included:

- The further outsourcing of telephony
- Switching off journals

- Slow down or stop new UC claims using Regulation 4; the aspect of the legislation which switches new UC claims back to legacy

Outlined how performance would be monitored; via the Operational Centre (OC), Operational Planning and Performance (OPP) and weekly buzz meetings.

Several Performance Floors have been put in place which would flag up any issues prior to intervention these include:

- Payment Timeliness in the First Assessment Period (Full Payment) at 80%
- National Telephony – Average Speed of Answer (ASA) 20 mins
- Blocking decisions – 75% completed within same AP
- ID Verification – 10 days (less than 75% in 10 days should be a concern)

These would be deployed by either UC OET or jointly with the UC Programme if and when required.

Programme Board members:

- a) The Acting Chair stated that Regulation 4 was no longer an option as we are unable to pause or stop rollout as Transition is now complete. So, we need to find alternative ways of coping with potential problems.
- b) The Finance DG suggested it might be worth working through what would happen in the event of an economic downturn and how much time these contingency options may buy us, pending injection of additional resources from HMT.
- c) The Operations DG suggested that the on-going work on contingencies for the Programme must not be separated from the wider contingency planning work for DWP. The team will ensure the work is joined up. The HR DG suggested if the Board need any further assurances around BC that s40 is invited to a future Programme Board meeting. The Acting Chair stated that we have a well-tested Business Continuity (BC) function within the department. UC is evolving and not all BC functions in the wider DWP context will work, however UC cannot be isolated from wider DWP.
- d) The Cabinet Office Operations Lead asked if the performance floors were linked to the Business Continuity Plan, and is there confidence that these floors are such that we can get quite close to them without having to invoke BC. The UC Programme Director stated that the Programme does not wait for this to happen and that we try to mobilise necessary measures as soon as it is noticed that performance may be affected.

5. Channel Shift Strategy

s40 provided an update:

In order to deliver the Business Case benefits and efficiencies we need to ensure we deliver the level of channel shift assumed in the Business Case. This work and proposed trials will allow us to build the evidence base and show where efficiencies could be made.

Assumptions have been made around how digital we can expect our customers to be, and a multi-disciplinary team has been set up to understand the nature and demand in the current design. Problem Statements have been drawn up in order to help understand the nature of the demand. The problem statements outline several key areas including:

- Why do people need to contact us?
- How digital are we?
- Are we handling contact effectively?
- What does the future hold?

Initial findings have shown that the top 15 reasons for contact make up 51% of calls, the team are refining the data in an attempt to understand the main drivers. Around 86% of calls relate to late payment, however statement enhancements have been introduced to help clarify when claimants are due payments. More insight is required into Advances.

We are also testing the threshold times for telephony and if more calls would be answered by Case Managers if the Average Speed of Answer times were increased, also the impact on customer behavior moving customers from calling to self-serving online.

Two trials are planned:

Trial 1 – removing site level routing from Stockport Service Centre on Monday 25th March for a month to establish the impact of Case Managers only handling their own and their team's telephony demand. This will be carefully managed due to potential impacts on National tier telephony.

Trial 2 – reduced telephony hours' trial for 1 team at each site, with the objective of looking at the impact on Case Management arising from the time away from the phone.

A full time user researcher is now embedded within the team and planning to visit sites looking at; differences in site characteristics, agent views on failure demand and insight into inefficient channel use.

Backlog activities have been brigaded into themes and prioritisation is continuing in weekly face to face team meetings.

Decision – Programme Board endorsed the work being done in understanding contact and channel optimisation. The Board also noted the approach of the team and progress made to date.

Programme Board members:

- a) The Finance DG asked how the team thought the integrated model is something that works and delivers channel shift. The Acting Chair stated that as the political scope for downgrading telephony is limited. We need to make our digital channels much better to get "shift".
- b) The Finance DG asked if there was a sense of what had worked and what hadn't so far. s40 stated that the more assurance a user wants means we move to a more face to face approach. The team have found that building on things like scripts

for agents may prove successful in moving claimants across to digital channels, we are leaning from other mainly digital organisations on how they successfully moved their client base to digital contact in most cases. The UC Programme Director stated that the Case Managers may be the best people to move claimants to digital channels, and he is convinced that routing calls to Case Managers will prove fruitful in this process.

- c) The HR DG was pleased that we now had a user researcher as part of the team, and wondered if perhaps more user research resource was introduced it would allow us to gather more insight quicker. Also what we might learn from the broader telephony strategy and may now be possible to undertake in an automated way. The DG for Operations felt we need to integrate with wider work being undertaken by operations around telephony. The Acting Chair felt we needed to look again to ensure we are fully resourced in this area, and will report back to Programme Board once results were known.

6. Hard Facts

- a) Managed Migration remains a challenge and we need to keep moving forward
- b) Pausing rollout to deal with a surge in demand is no longer an option, so resilience and contingency plans are key issues to keep in view.
- c) Channel Shift is a key a key challenge facing the Programme we need to disrupt telephony growth

7. Any Other Business

The Acting Chair thanked Susan Park who was attending her last Programme Board prior to retirement for her help and contribution to the UC Programme Board over the last two and a half years.

Date of next meeting Tuesday 16th April 15.00-17.00 Caxton House Room 6.24

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