

To: UC Programme Board Members **From:** Cheryl Stevens
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Remote Digital Identity Verification

Issue: To provide Programme Board of the latest position with GOV.UK Verify post March 2020 and our plans for alternative remote identity verification.

This paper includes:

- An update on GOV.UK Verify progress since February 2019
- Findings and outcomes from our joint work with UC and HMRC on Tax Credit natural migration claimants.
- Findings and option decisions for the broader usage of HMRC Identity Verification for all UC claimant types over time.

Recommendations required:

(1) Note the commercial clarity beyond March 2020 and the time this now gives to develop the HMRC tiered phased approach to using HMRC IV would provide optimum results, while safeguarding UC planning assumptions and delivery risks. Post March 2020, tax credit and HMRC customers with an acceptable level of identity could apply for UC without the need for an identity check. Remaining UC claimants will continue to use GOV.UK Verify for a period of time of up to 9 months and to be determined by a test phase, as it is now an affordable and viable proposition in the short term.

(2) Agree the suggested milestones for the plan

GOV.UK Verify Progress since February 2019

1. It was previously agreed at Programme Board in January 2019, that GOV.UK Verify would continue to support Universal Credit (UC) until March 2020 with an alternate solution to be developed to reduce our reliance on Verify.
2. The alternate solution has to be at least comparable to current Verify performance and in line with UC 2020/21 planning assumptions of at least 25% success rates. The success rates of Verify have improved although the volume of claimants attempting has decreased, this has resulted in the success rate remaining at c26% overall.

3. Since Feb 19 there has been a number of reports and investigations into GOV.UK Verify. The National Audit Office investigation was followed by a Parliamentary Accounts Committee hearing in March 19 with the final report published in June 19, neither of the reports were complimentary as to the future viability of GOV.UK Verify. We are working with GDS to respond to the PAC recommendations. In July IPA gave Verify a revised rating of Red from Amber, meaning successful delivery of the project appears to be unachievable.
4. We are continuing to work with GDS on an improvement plan that runs to March 2020. Early findings are not promising and there is nothing to lead us to believe that the success rates through Verify will significantly or sufficiently improve during P8 and P9 of the UCFS Programme.

GOV.UK Verify: The position post March 2020.

5. The current GOV.UK Verify Framework begins to expire from March 2020. There will be a transition period from March 2020 to April 2021 during which GDS have agreed an interim funding model. During this Services are able to continue using Verify under existing contractual and recharge arrangements with no fixed running costs, volume or timing commitments.
6. The Post Office and Digidentity (**Commercially Sensitive**) have re-signed for sign-ups for new users from March 2020 to April 2021. 3 Identity Providers have not re-signed so will cease to provide sign-up from March 2020, they are committed to providing sign in facilities for 12 months to March 2021.
7. However, Post Office and Digidentity have the market share (51%) of the UC customer base, with success rates comparable to the current c26%. All 5 existing ID providers will continue to provide sign-in capability for existing users for 12 months at nil cost, as sign in is now part of the sign-up fee, this enables a smoother transition of customers off Verify and onto the alternative solution.
 - Sign up will be at a cost of **£43** per successful ID. ID&T team are responsible for these costs centrally
 - Operations will need to secure any GDS run costs for 20/21, this amounted to approximately **£43** in 2019/20
8. These are welcome developments and enabled DWP the space for 2020/21 as part of winter planning to develop our successor approach - and deploy it.

Universal Credit Remote Identity post March 2020

9. The discovery outcomes identified that a tiered phased approach to using HMRC IV would provide optimum results, while safeguarding UC planning assumptions and delivery risks.
 - (a) Phase 1 – March 2020, there is no longer a GOV.UK Verify cliff edge. Following extensive work with Lawyers, UC Secure Design and Security team we have confirmed that the level of risk is the same for all customers known to HMRC with an existing CL200 account, these are existing HMRC Personal Tax Account holders as well as Tax Credit customers. Therefore, this provides the opportunity to allow these customers to “sign in” using their HMRC credential when making a claim to UC, as opposed to “sign up” and go through a

full identity check through GOV.UK Verify retaining some dependency. We are recommending a 3-6 month phase 1. This initial phase will see c15% of HMRC customers being able to re-use their HMRC credential.

- (b) Phase 2 – Summer 2020 for all other customers new to UC, including those only known to DWP and not HMRC and thin file customers not known to either, we will be augmenting HMRC IV with additional capabilities in order to reach Medium Level Assurance (previously referred to as LOA2), including address, bank account and deceased check. We have presented our proposals to lawyers and UC Secure Design who have endorsed our approach and we continue to meet the acceptable level of identity assurance in order to pay benefits. The cost is £43 per successful ID. We will start utilising our own data as we progress through the customer groups, further reducing reliance on Verify.

Verify Post March 2020

10. We propose to keep GOV.UK Verify as sign up for everyone else (so no new HMRCIV account creation) for up to 9 months and plan over that 9 months a controlled ramping up of new users. Verify will start to be phased out as we implement phase 2 and will no longer be in use for sign ups at the 9-month point.
11. This will ensure that we can control the go live of HMRC IV, monitor performance and add additional claimant cohorts during the transition over to HMRC IV. This staged delivery will remove any cliff edges and ensures Verify remains commercial viable for smaller government departments due to DWP volume.

Risks

12. The key risks that require mitigation are:
- To understand the impact of potential development work needed to implement additional capabilities such as address check in P8. P8 planning is currently underway and this development work is being factored in.
 - To mitigate the risk of deviation from standards and endorsed approach, there will be ongoing engagement with Lawyers, UC Secure Design and Security to ensure we remain content with proposed roll out and implementation of the different customer groups.
 - Successful Integration with HMRC IV, this will be mitigated through the test and learn phases Oct-Dec 19
 - A requirement for continued support from HMRC colleagues at this challenging time. We do however have a dedicated ring fenced resource and Memorandum Of Understanding is in place alongside continued collaboration and joint working.

Governance and Reporting:

13. We have implemented further governance and reporting at Programme Delivery Executive, including milestone plans and regular tripartite meetings with ID&T HMRC and UC. We will continue to receive endorsement and agreement on our plans through UC Governance Boards such as Working BDA, Secure Design and PDE. We will report back to Programme Board in January 2020, with an update around the testing of the HMRC IV solutions and the DTH commercial activity and deployment.

Milestones

14. We suggest the following milestones for the plan:

- (a) Customers that are known to HMRC, cohorts 1 & 2, with an acceptable level of identity (CL200) can apply for UC without the need for an identity check. 31st March 2020.
- (b) In order to achieve that we need to undertake a test and learn in a job centre with real users/data + technical interactions between ID&T, HMRC and Findr/Matching service in a staging environment for:
 - i) Known to HMRC CL200 users, cohort 1 & 2, complete 31st December 2019
 - ii) Test and Learn for users that do not have a CL200 complete 31st March 2020
- (c) Decision required on timing of when to deploy phase 2, HMRC IV for all UC claimants, cohorts 3 & 4, decision point 30th June 2020.

Conclusions

15. This paper outlines a number of strategic objectives and agreed solutions including: -

- GOV.UK Verify will be available and financially affordable beyond March 2020 for a 12-month period, with DWP looking to utilise for up to 9 months.
- We will enable existing HMRC Government Gateway account holders with the right level of identity proofing to reuse their credentials to claim UC from March 2020
- We are proposing a 9-month transition period off Verify, with a recommendation to pivot to HMRC IV between 3-6 months if testing and performance supports this.
- We will continue to support GDS improvement activity to ensure that current Verify levels of performance does not deteriorate further.
- Lawyers and UC Secure Design are content that the HMRC IV solution for existing HMRC Government Gateway account holders is within risk tolerance for non-repudiation and Fraud and Error.

16. The incremental approach and detailed governance outlined enables continued assessment of achievement of objectives, safeguarding funds and resources without detriment to delivery.