

To: UC Programme Board Members **From: Lara Sampson**
Sponsor: Neil Couling
Author: Peter Loosley

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Move to Universal Credit Update

Issue: The Purpose of this paper is to provide UC Programme Board with an update on Move to UC now that an approach to the pilot and a site have both been agreed.

UC Programme Board are asked to:

- **Note progress on Move to UC**
- **Provide any steers and in particular consider ways of supporting the approach and narrative**

Timing: For meeting 16/04/19

Introduction

1. The Managed Migration phase of the programme (which we are now referring as Move to Universal Credit in response to stakeholder feedback), is planned to start with a pilot on 17th July 2019. This remains subject to regulations being debated and passed by 25th June. The current pressures on Parliament's time are preventing this from happening and we continue to work with parliamentary business managers and ministers to find time as soon as practical. In the meantime, the programme has decided that all work necessary to start the pilot in July should continue at pace. In the event of a delay to the regulations, the vast majority of the work will not be nugatory. There will be an opportunity cost to some of the work on full service that PDE recognises and has accepted.
2. A great deal of progress has been made on both the overall approach to the pilot and as a result of announcing Harrogate as the pilot site since the Board last received a full update. This paper takes stock of that progress, sets out the approach to the pilot and asks for the Board's commitment to help manage the operating environment in line with that approach.
3. This paper covers:
 - Approach to the pilot
 - Core narrative for the pilot
 - Move to UC Design approach
 - Preparation of Harrogate pilot site
 - Interim operating model for start of pilot
 - Delivery timeline

Approach to the Pilot

Stakeholder collaboration

4. Since October last year we have been working with over 70 stakeholder groups, including charities, campaign groups, local authorities and housing associations, to gather their expertise and concerns about moving claimants from legacy benefits onto UC.
5. Through a series of workshops, stakeholders informed us of evidence they had of issues, concerns and opportunities they saw regarding legacy benefit claimants moving to UC. We worked with them to plot these onto a map of the service and formulate these into a series of “problem statements”. Many of the problems statements are concerned with how UC full service operates for users today as well as how we move people onto it. By capturing stakeholder input in the format of problem statements, the product development teams in London and Leeds can address them in their work on the core service and in Move to UC specifically.
6. Thirty of these problem statements were created, which we have grouped broadly into 9 themes:
 - Barriers experienced by people who are ‘hard to reach’
 - The risks of people not receiving information or not understanding what is asked of them
 - Issues around the ability to act on behalf of claimants
 - Issues claimants have getting access to the correct appropriate channels
 - Knowledge of the needs of people they are supporting held by third parties
 - Risks of termination of benefits, debts and arrears experienced by claimants
 - Critical evidence and easements from legacy benefits that may be lost
 - Landlords time and resources spent on the service
 - The needs of vulnerable people and those with complex needs

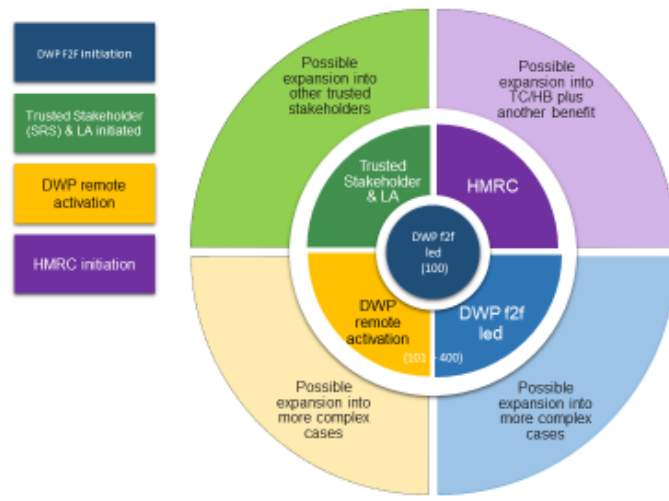
Who Knows Me

7. The overwhelmingly common thread running through these themes is a concern that, in moving people over from legacy benefits, they will fall between the cracks and suffer hardship as a result. This stems from two primary worries:
 - That DWP will send letters that claimants will ignore or not understand and no-one will be ready to support them and;
 - That when claimants fail to act on a ‘notification’ from DWP, their benefits will be stopped and they will be made vulnerable or more vulnerable as a result
8. We recognise these concerns and indeed have research highlighting the same risks, as well as experience of other DWP migrations from which we can learn.

The feedback we received from the stakeholder exercise was that many claimants will need support to manage the move successfully and that many of the organisations involved in the exercise already had strong relationships with claimants that could be used to provide that support.

9. So, we have reconsidered how to approach the pilot and agreed that we should test an approach based on working with the existing relationships that claimants have with relevant organisations. We have called this approach '*Who Knows Me*'. Our intention is to test the idea that, by working with partners who have an existing relationship with claimants, we will more successfully be able to move them onto UC without having to send unsupported letters or stop benefits. This means that we will work with HMRC, LAs and other trusted parties such as social landlords to help claimants on the journey to UC. This could include partners delivering or supporting any stage of the journey from identifying readiness to move, through to managing the process (or parts of the process) on behalf of DWP.
10. We intend to start the pilot with claimants who are well known to DWP as they currently attend the Jobcentre for face to face interventions. We think we can use these interventions as the trigger point to start learning how to move people onto UC. By starting with the claimants that we know best in DWP, we will test that the core pillars of moving people onto UC work before extending the pilot to work in partnership with others. The three core pillars to assure ourselves of are:
 - We are able to calculate, explain, pay and erode Transitional Protection
 - We are able to engage and persuade claimants to act
 - We are able to support claimants through the process (includes their first and subsequent payments)
11. Once we have sufficient confidence in these pillars, we will extend the approach to work with trusted partners supporting and/or delivering the process.
12. We estimate that around 50% of claimants have an existing close relationship with an organisation. If the '*Who knows me*' approach is successful, we may want to consider activity designed to get to know more claimants in order to then move them. For the remainder we will need to consider how we can handle those cases by activating them through HMRC or DWP remote channels. We intend to test how that will work later in the pilot phase once we have tested the '*Who knows me*' approach.

Who Knows Me



Hypothesis that if an organisation *knows the claimant*, they are best placed to assess their readiness to move and to help them through the move

**knows the claimant* defined as having had recent contact through f2f and/or telephony channels and an organisational/financial interest in supporting claimants through migration

We estimate at least 50% of claimants have this type of relationship with Jobcentres, HMRC, their LA or SRS landlord.

All numbers illustrative and to be continuously reviewed during pilot

13. Of course, it is possible that we find that the ‘Who knows me’ approach does not work. We have been explicit with stakeholders that this is a real test. If this approach does not work, we will need to return to the drawing board.

The focus of the pilot phase

14. The purpose of the pilot is to work with individual claimants and delivery partners to understand their needs and to build the service in response to understanding those needs. By doing so, we will learn what works. We need to identify the characteristics that successfully move people onto UC without resorting to stopping benefits.

15. We will not be concerned with the cost or how to scale what works initially. It is more important to understand what the characteristics of the service need to be and then to work out how to make them affordable rather than to start with an affordability challenge. This is how we worked at the beginning of full service – the unit cost of handling each claim at the outset was substantial given we deployed a very high staff/claimant ratio and by the Make Scalable Phase in Apr 2015 was assessed at £1606. Having identified the needs of the service we have since progressively made the service more affordable so that the unit cost is £426 today (Feb 19). We will follow the same approach in Move to UC so that, as we begin to identify what works in moving claimants, we will consider how best to make it affordable but that will be towards the end of the pilot.

16. We have made a commitment to return to Parliament before we go above 10,000 migrated claims. This is to give Parliament confidence that it will have another chance to engage with Universal Credit before we scale migration.

17. We will start with very small numbers (up to 100) of DWP claimants initially. To give a comparator, when we started UC full service in Sutton, we served 24 claims in the first full month (December) and 200 in the first 6 months. We

have been communicating to our stakeholders that we are *not* testing a stable design with 10,000 claimants and we are *not* looking for representative samples. The purpose of the pilot is to test design concepts (such as ‘who knows me’) and specific solutions (e.g. how to provide support) in order to successfully move people without stopping their benefits. It is not to ‘prove’ that a single design works with all different claimant types.

18. We will be as concerned to learn why people do not move over (and therefore do not form part of the 10,000) as we are to learn what has been successful.

Core Narrative for the Move to UC Pilot

19. In order to support the wide communication needs surrounding Move to UC, we have created a draft core narrative for use within and beyond the Programme. The draft is attached in **Appendix A**. If Programme Board is happy with the sentiment, we will hone the language for final use. The key messages in the narrative are:

- The objective of the pilot is to work out how we, working with partners, can move people from legacy benefits onto UC in a way that is low stress and reassuring for them
- We understand that claimants will need support to move successfully and believe that this should be provided by the organisation that knows them best – The “who knows me” approach
- We will start the pilot using existing DWP interventions providing support every step of the way
- The pilot will start with a minimum viable product that we will change as we learn what works for people
- We will actively promote the positives of moving to UC to persuade claimants to engage with the process
- We want to learn how to move people without resorting to stopping their benefits until a UC claim has been successfully made
- The focus of the pilot will not be on scalability or affordability, rather on what works
- Once DWP interventions are operating satisfactorily we will extend the approach to work with partners
- We understand from evidence that some claimants will not move without stopping legacy benefits but we want to understand how far we can go with the “who knows me” model to avoid this as far as possible.

Move to UC Design Approach

20. We have been working with the teams in Leeds and London to ensure we can deliver the end to end claimant journey for the start of the pilot and then iterate the design successfully.

21. In addition to an inception event for all staff, we have held a series of workshops and senior leader conversations to agree how we can achieve this and how we will work together across both sites as a multi-disciplinary team.

22. We have defined roles and responsibilities across Leeds and London. We have agreed that the Lead PO in Leeds s40 is responsible for pre migration design and the Lead PO in London s40 is responsible from the point of UCFS claim onwards. It has become increasingly clear how much of the work to deliver the Move to UC experience sits within the remit of the London team. There is time carved out within P7 prioritisation for this but we will need to ensure that we take an MVP approach so that it does not impact negatively on other parts of P7.
23. We have established that there are a significant number of challenges in ensuring that design decisions are coherent and deliverable across the end to end journey and have agreed that Stephen will be responsible for addressing those instances.
24. We will also need to consider further how we will maintain migrated claims and new claims alongside each other in UCFS and how changes will be impacted and implemented for both claim types as this will bring additional complexity.

Preparation of Harrogate Pilot Site

25. Following an in depth analysis of various options, Harrogate JC was identified as a suitable location and this was announced by Secretary of State at the Work & Pensions Select Committee on 11/3.
26. The site has a legacy caseload of around 6,000 with the majority being either ESA Support Group or Tax Credit claims. Harrogate was one of the earliest UC sites to go live so staff have considerable experience, local partnership relations are excellent and performance is good. There is a strong leadership team in place who are enthusiastic about delivering the pilot. All legacy claimants have been in receipt of benefits for at least 3 years (many for much longer) so are representative of the caseload that will need to be moved in the main phase.
27. We are working closely with the local team and have agreed an implementation plan for the pilot. We have secured a large working area in the building and are intending to base the product development teams there to work alongside local jobcentre colleagues.
28. Site management are currently identifying a group of jobcentre colleagues who will come offline from early April and, after induction at Quarry House, will then work with us to develop the design from mid-April. They will then commence training/preparation in June ahead of delivering the service from July.
29. We are working with Estates and Digital to prepare the working area and expect to have this ready during April so we can use it as a base for the design work.
30. We have held a positive initial meeting with senior executives from Harrogate Borough Council who were very supportive of the pilot. We agreed they would

facilitate a meeting of local groups, landlords and councillors in May to secure their support and involvement.

31. More broadly we are working with DWP communication colleagues to develop a communications and media handling strategy for the Harrogate area. The intention is to redress some of the mis-information about UC in the local area to make moving onto UC a less daunting proposition.

Interim Operating Model (IOM) for the Start of the Pilot

32. We are developing a high level view of the IOM in order to reflect all our thinking at this stage and to highlight any gaps in our service design or approach.

33. An initial organisation design has been agreed with Harrogate that will be iterated throughout the pilot but which should be well able to cope with the initial volumes. The team is made up of the following job roles:

- HEO Team Leader
- 2 x Work Coaches with legacy background
- 1x UC Work Coach
- 1 x UC Case Manager
- 1 x legacy agent
- 1 x LA Housing Benefit officer
- HMRC Tax Credit support (provided remotely from TC centre)

34. The UC Programme will fund this team and we are working with UC Ops and Finance to agree the amount and any other implementation costs (e.g. Digital/Estates).

Delivery Timeline

35. A plan of activities for 2019 is attached at **Annex B**. This plan enables us to focus our activities on starting the pilot in July, paying particular attention to preparations for the first cohort of claimants who will be engaged through Jobcentre interventions.
36. Now that all efforts are focused on that outcome, we will be creating a longer term plan for the period of the pilot. The intention is to work that up for the end of May and to bring it to the June programme board. During this period, we will also be holding a one day review with the IPA to assure readiness for commencing the pilot in July which we will also be bringing to the Board.

Decision / Recommendation

37. UC Programme Board are asked to note progress on Move to UC. In particular, to note the principles of the approach: starting very small, growing very slowly and carefully and most importantly creating the time and space to learn what

works in order to safely deliver this significant challenge. This deliberate uncertainty will sit uncomfortably with much of the wider operating environment that will be looking for certainty and information to assure and plan against.

38. Of course, UC full service also started with these principles and they have stood the Programme in good stead. However, this was made possible with the umbrella of live service taking much of the attention and a far more benign wider environment. We will only be able to succeed in adopting these principles in Move to UC if we are able to explain to the wider operating environment why it is important and to protect the Programme from the natural desire for information and certainty.
39. The Board is asked to help the Programme in achieving this and is invited to consider ways they can assist as well as what wider support the team needs to succeed.

Appendix A – Draft Core Narrative

The point of the pilot is to work out how we, working with our partners, can move people from their old benefits onto Universal Credit in a way that is low stress and reassuring for them.

We are going to do this in small steps so that people moving to UC will be supported at every stage of the process. We will continually improve our design as we learn what works best for people. By starting in a single Jobcentre in Harrogate we can closely identify how work coaches help encourage and support their claimants to move from their existing benefits onto UC. By understanding what type of messages, reassurance, support and information works for people, we can update our design for helping people to move. When people don't want to move, we will take the time to understand why and to find ways (including working with partners), of persuading them.

We will start with people that have an existing relationship with DWP. Once we have gained initial experience of moving some of these people (probably less than 100), we will want to see if we can reach others through personal contacts with partners such as HMRC, the local authority, social landlords and others. This will have challenges in particular around data sharing and co-ordination of who is speaking to whom. We will continue to observe, measure and analyse what works for people and doesn't work to inform our approach.

There are many very good reasons to move onto Universal Credit if you are asked to. These include that you will be no worse off through Transitional Protection, the offer of discretionary payments to smooth the flow of money, the opportunity to be in control of when and how to move as well as all of the benefits of Universal Credit (ease of trying work, all your information in one place etc). We want to understand which of these reasons appeal to people. And if they don't, what other reasons will encourage them to move.

We are working with a hypothesis that we should move people that we in DWP, or another partner organisation, has been in recent contact with and therefore has insight into their circumstances and needs. This will help us identify people for whom a move at this time would not be right and help avoid any risks for people who are not ready or are unwilling or unsupported to move. Throughout the pilot we will work with our partners to test and adapt this approach and see if it is successful or not. We are calling this approach 'who knows me'. We know that this

approach may not reach everybody but it is a significant first step that will help us identify what we will need to do to expand the reach. If it is unworkable, we will stop and go back to the drawing board before testing another approach.

We are not focusing at this point in time on how much it costs to move someone onto UC. We are interested in understanding the characteristics of what makes someone's move successful. We will worry about how to scale those characteristics after they have been understood.

In the early part of the pilot, we will be keeping numbers very small in order to tailor our support to meet the needs of individuals and to understand that support. There will therefore be very little that is rigid in terms of processes or communication products. This is so we can change quickly in response to what we learn and refine our processes and products as we gain confidence.

We will start with the pillars of the experience for moving to UC: the belief that we should speak to people early and explain the move to them; providing advice when we ask people to move; supporting the steps and the evidence needed to successfully make a claim; ensuring that people are paid and are in control of their claim.

The point of the pilot is not to move people by stopping their benefits. It is to learn how to move as many people as possible without resorting to stopping benefits. We do know from evidence that there will be a group of people that we cannot move without stopping existing benefits and we need to be able to do that where necessary or those people may not benefit from transitional protection or the other benefits of UC. Our guiding principle is-to understand how far we can get with the 'who knows me approach' to avoid that.

Annex B

