



Minutes

| | |
|--------------------------|---|
| Title of meeting: | Universal Credit Programme Board |
| Date: | 12 th November 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), Angela Macdonald (Director General HMRC), JP Marks (Director General Work and Health), Katie Farrington (Strategy Director, Working Age), Simon McKinnon (Acting Director General Digital), Alex Royan (Director, Cabinet Office), Rob Allen (Director HM Treasury), Colum Boyle (Deputy Secretary for Work and Inclusion DFC Northern Ireland), May Smith (Director, Finance) Rose Doran (Senior Advisor, LGA - Observer), s40 (HMRC – Observer) |
| Presenters: | Lara Sampson, Graeme Connor, Pauline Crellin |
| Apologies: | Lindsey Whyte (Director HM Treasury), Nick Joicey (Director General Finance), Debbie Alder (Director General Human Resources), Gareth Young (Cabinet Office Operations Lead), Fran Beasley (Chief Executive LB Hillingdon), |

1. Welcome, Introductions and Actions

The Chair welcomed members to the meeting and acknowledged apologies from Nick Joicey, Fran Beasley, Debbie Alder and Gareth Young.

He welcomed Deb Walton who was attending on behalf of Debbie Alder, May Smith attending on behalf of Nick Joicey and Alex Royan attending on behalf of Gareth Young.

He also welcomed Lara Sampson and Graeme Connor, who were presenting papers at this meeting. Also Pauline Crellin who would be joining the meeting later to present the Help to Claim Progress Update on behalf of Della Mcvay. Finally he welcomed s40 from HMRC who was observing the meeting.

The minutes of the Programme Board of 22nd October were approved with no changes.

Actions were updated as follows:

01-240919 – Closed, as a below the line paper reviewing P7 and an overview of P8 was included as part of the papers for today's meeting.

The Chair stated that he was hoping to visit Hillingdon Local Authority in November to have a meeting with Fran Beasley and look at the services that impact on UC.

SRO Update:

We are currently undertaking election planning and are awaiting the publication of the party manifestos to see how these may affect UC.

We have a process in place for impacting this information and to be able to advise the Permanent Secretary. The result of the General Election may impact on Phase 8 planning and we will look at this in the light of the result.

2. Programme Update

The UC Programme Director provided an update:

The status of the Programme remains Amber however, this could be under pressure with the issues concerning IR35 legislation and how this may affect our contractors currently working in digital teams. We are developing various options with the Executive Team given that it is a Department wide concern.

This issue, although Government wide, is more significant for UC as it is likely to affect both the Infrastructure and System Maintenance teams as well as the development teams. We need to bridge the gap between Christmas to mid-2020 by which time the market for contractors is expected to stabilise as the private sector are expected to come in line with the public sector.

Good progress continues on Severe Disability Premium (SDP) payments with over 14,000 payments now having been made.

Updated on Programme milestones including:

- Digital Plus – this milestone is Amber as we await sign off of the evaluation from the Chief Analyst.
- Publish Move to UC Evaluation Strategy – this milestone is now Red as the original target date is the day of the General Election on 12th December. A revised date of March 2020 has been proposed.

The Programme Risks are the same as last month but include some updated mitigations.

We have saved a further £2.2m in the Programme budget, this is due mainly to lower Product Development staffing and IT costs.

A bar has been added to the payment timeliness graph to show the hypothetical optimum that can be achieved without further significant investment.

The Security Risk around Role Based Access Controls (RBAC) is still rated as very high even though further progress has been made with the implementation of RBAC for Decision Makers. However, different approaches are required for Work Coaches in Jobcentres and Case Managers in Service Centres and work is progressing with these groups. It is planned that the risk may be reduced from Very High to High sometime during Quarter 1 next year.

Programme Board members:

- a) The DG HMRC stated that the IR35 regulations are not law at present for the private sector, as there is currently no legal vehicle available to tag the regulations on to. HMRC think this is likely to change post the election, though the timing remains unknown.
- b) The Acting DG for Digital stated that we are looking at a tiered model of options for IR35 including Fixed Term Appointments and Third Party employment.
- c) Lara Sampson felt that P8 items may be at risk from potential IR35 outcomes noting that 3m people were now reliant on the service, as well as the Programme being committed to £21m in savings for the Business Case (BC) for P8. There are also operational efficiencies in P8 that may be affected.
- d) The SRO for UC said that the private sector had been anticipating legislation on IR35 for some time. He felt it was likely that there would be delays to some features in the P8 plan. ET are working together on this and the SRO will report back to the Board on this issue early in the New Year.
- e) The Chair asked why the Programme thought that Verify numbers had fallen significantly this month. The Programme Director felt it was probably due to the changed process on advances as we are now verifying more claimant identities in the office.

3. Operational Update

The Director General for Work and Health provided an update:

Telephony remains a challenge with time agents spend on the phone increasing, with some agents spending around a quarter of their day answering the telephone. The best agents are able to process whilst taking calls, although others are unable to do this and will take the call then process once the call is complete. We need to establish a long term strategy for UC telephony, to do this we need to completely understand our inbound telephony contact, and we are working to get an insight into this.

When new features are deployed it improves Operational capacity to do more however, the velocity of the development and sustaining this is an issue. We need to deliver the increased level of automation promised for Operations as failure to do so will mean that agents have more work to do. We are planning on the assumption that the automation arrives when expected.

Operations are continuing to develop Management Information (MI) including Average Working Days Lost (AWDL) data as this is an indicator of potential stress levels of front line staff. Once developed this set of stress indicators will be reported to the Programme Board each month as part of the Operational Update.

We are close to the threshold of what can be achieved by Case Managers during a working day. Hot spot recruitment is being progressed to prevent growth in workloads so that average caseloads per Case Manager do not exceed between 650-750 next year, and will not go beyond this figure until it is felt safe to do so. Approval has been given to

recruit above the required numbers to allay the risk of high attrition, this is under constant review.

Payment timeliness remains steady and is currently at 87.1% in the First Assessment Period, this is 3.7% up on the same week last year even though the workload has grown significantly.

Programme Board members:

- a) The Strategy Director felt that the telephony channel was convenient for claimants and that we may need to control that channel at some point. The SRO for UC felt that it was difficult to control the telephony channel so we need to manage expectations. The DG for Work and Health felt that we need to learn from other organisations that have had the same difficulties in order to get on to a sustainable channel strategy. He also agreed to report calls per agent per day and the percentage of time spent on the phone so that the Board could see the trend.
- b) The Chair noted that the growth of work generated had risen significantly from Jan to Aug, so agreed that automation was vital to sustainability. The DG for HMRC said it was important to define the right, sustainable telephony offer which was deliverable. The SRO for UC agreed.
- c) The Chair felt that it was never a good sign when AWDL were increasing. The DG for Work and Health agreed and was concerned about stress levels of staff on the front line. The Operational Management Team will continue to monitor AWDL figures and report them to the Programme Board as part of the Operational Update.

4. Move to UC Update and Pilot Evaluation

Lara Sampson and Graeme Connor provided an update:

The Move to UC Pilot was launched in July this year in Harrogate, the pilot focuses on moving claimants onto UC from legacy benefits safely. Regulations have now been secured which will enable the pilot to proceed with up to 10,000 migrations. Several claimants have already completed all stages of the process and are now in receipt of UC.

The pilot uses the “Who Knows Me” approach based on the idea that if we have worked with the claimant previously things will work better than starting from scratch. We need to ensure we move claimants onto UC safely without breaking their income cycle or causing vulnerability.

We are using the “Who Knows Me” approach to test 3 broad concepts:

- DWP Work Coach (WC) led approach based on legacy interventions.
- A Partner led approach based on other organisations current relationships with claimants.
- An HMRC led approach focusing on Tax Credit claimants and building on that existing relationship.

We are keen to ensure that key enablers are sufficiently well established before working with other partners.

Some of the early learning to come out of the pilot includes; the value of claimants having control over the pace of the process; worries about UC which are increased by negative media reports, and an understanding of the value of the migration notice.

However, pilot numbers are increasing and we hope to be at around 80 by Christmas. We will then start to look at making the design more sustainable and affordable. We intend to test iterations of the current design with different levels of support: to make it repeatable to other WCs as we expand the WC team from Jan 2020, and to understand the cost and variance of different levels of support.

We have agreed with HMRC colleagues that we will design a process that assures there will be no initial barriers for Tax Credit customers moving onto UC, looking at the constraints that will need to be in place. It is hoped we will be in a position to start testing this design by the end of Quarter 1.

We know what we want to do. We now have to find a way of pinning down the vocabulary to tell the full story in a way that it has both accurate and is readily understandable by all our stakeholders.

We are not undertaking a traditional evaluation process but an iterative phased approach breaking the evaluation down into distinct phases, this ensures that the elements of the evaluation develop as assurance is built. As confidence grows we will look to expand, and will ask different questions at different phases looking at different aspects of the service. Phase 1 will take place in Harrogate from July to Dec 19, the evaluation elements in this phase will include the initial findings from the face to face test and early feedback from partners. We hope to be able to take the fully evaluated WC led approach to Parliament by next Autumn.

We need to take stakeholders with us on the evaluation journey and we will start working with them in January 2020 after the General Election. Following this we will be looking to publish our evaluation strategy by the end of February 2020.

The Programme Board are asked to note the progress made on the Move to UC pilot and the ambition to accelerate learning (not numbers), also to support the development of a narrative and evaluation strategy based on waves of learning throughout the Move phase.

The Programme Board noted and endorsed the above request.

Programme Board members:

- a) The DG for HMRC felt that during evaluation we need to be aware of our behaviours and how customers feel about the process. We need to evaluate the relationship (trust and scalability) to be able to evaluate effectiveness. Graeme Connor said we would be looking at contacts and the success of those, and where claimants got their confidence to transfer.
- b) The Strategy Director Working Age said that she visited Harrogate recently and was struck by the team running the pilot, and how they had changed the initial approach following conversations with claimants and what they had learned. We can look at scalability once the process is correct.

- c) The UC Programme Director felt that we faced the same issues when we went live in Sutton and nobody could have imagined that we could have gone from there to a national rollout. We have done it once and can do so again.
- d) The Director Cabinet Office said that there was a “what works” team in the Cabinet Office and it may be worth liaising with them if the team need to engage evaluation experts.
- e) The Director Cabinet Office stated that although the evaluation strategy is about learning iteratively, do we have an idea when we may be able to make explicit statements on what we are evaluating against? Graeme Connor felt that once we are out of phase 2(a) we will have some criteria. However, there will no doubt be things we were not expecting so we need to wait until we have the learning, possibly in Jan/Feb 2020. Lara Sampson said that we are going into each approach with a hypothesis but these will be refined as we go.
- f) The Chair felt that the publication of the evaluation strategy will be a seminal point and the language used must be clear to people outside of DWP.
- g) The Director General for Work and Health felt this is being done in the correct way, as the Programme Director had said we have been through an iterative process before. We need to ensure we apply the lessons learnt from that around MI etc and do not get pressed to go to fast too quickly.
- h) The Director HM Treasury felt the paper was good but it was likely there would be pressure from stakeholders for reassurance that this is a safe option. Some stakeholders are likely to be impatient for results and expectations would need to be managed. Some things will become apparent in phases 1 & 2 and it may be that a progress report is required. It is also worth bearing in mind that if we have a different government we may have an earlier SR. The SRO for UC said that we were already under pressure to go faster, and the language we use to describe this is all important. We will need to make some judgements around this, however he feels this plan offers the best basis to move forward.
- i) The Deputy Secretary for Work and Inclusion NI said there is value in claimants controlling the pace, as it fosters trust from the outset, we need to build on this. Lara Sampson agreed but felt that approach is difficult to scale.
- j) The Chair asked who would approve the strategy. The SRO for UC said that Ministers would approve via a submission. We will share the draft evaluation strategy with Board members.
- k) The Chair commented that future papers on the Move to UC and other matters should take account of the important PMIU paper adopted by the Programme Board in October 2019.

Programme Board noted the progress of the pilot in Harrogate, the pilot evaluation approach and the handling arrangements.

The Programme Board noted both of the above points.

5. Help to Claim Progress Update

Pauline Crellin provided an update:

We have now reached the mid-point of the Help to Claim pilot which has been running since April 2019. The service is delivered by Citizens Advice (CA) for England and Wales & Citizens Advice Scotland (CAS) for Scotland through a 12-month direct grant agreement. The Help to Claim Service has some baselined principles and provides tailored support for claimant needs, including telephony and face to face interactions. Claimants can access the service via any channel can self-refer or be signposted to use the service.

On occasions claimants can have wider issues that need further support that goes beyond the scope of Help to Claim, this is provided by CA & CAS via a separate funding stream.

There is some emerging evidence from the first 6 months which includes the following:

- Just over 50% of claimants accessing the service have done so in person
- Just under half of claimants self-refer from on-line signposting, CA websites or through local marketing.
- A significant proportion of claimants are signposted or referred from the Jobcentre or Service Centre via the on-line referral tool.

Some issues have been encountered to date the most common include:

- Around 70% of those accessing the service want to establish if they are eligible for UC
- Around 30% need help understanding payments and how they are made.
- Around 20% need support with IT/Digital issues

The volume of claimants reported as accessing the service from the first evaluation period of 1st April to 31st July was 74,928, this validated data has a time lag but interim data (which has not been validated) shows the number of claimants who have received Help to Claim assistance up to 22nd October is 135,000.

The profile of claimants using the service includes a high proportion of disabled people with long term health conditions (around 43% in England and Wales and 46% in Scotland). Also the age profile of claimants accessing the service is much higher than that for UC claimants overall. However, there seems to be an equal split of employed and unemployed using the service which is out of kilter with the general UC population.

All of the Key Performance Indicators (KPIs) set out in the grant agreement are currently being exceeded, with the exception of the client outcome element. However, we do not believe it reflects service failure and is being explored further. The CA assess the quality of advice against the same standards regardless of channel or how the claimant accessed the service, so there are likely to be some anomalies in that particular data set.

We are currently developing the scope and methodology for the final evaluation report, and it is our intention to commission an independent research company to undertake a

comprehensive review of the service in order to inform future service design. We will be appointing an independent advisor to evaluate the service.

As for next steps the pilot was awarded for 1 year and is showing encouraging progress, we have the option to continue the grant agreement for a further year but not beyond that. We propose to extend the pilot through 2020/21 in order to continue to gather the necessary learning and evaluation. We would need to undertake a competitive tendering exercise, to provide a similar service from 1st April 2021 and we are assessing what year 3 may look like.

The Programme Board were asked to note progress to date of the Help to Claim service and endorse the suggested 2020/21 provision approach.

The Programme Board noted progress on Help to Claim to date and endorsed the suggested 2020/21 provision approach.

Programme Board members:

- a) The Chair agreed that we need to think about putting plans in place for the competitive tendering exercise now in order to be ready to start a period of parallel running from December 2020. The SRO for UC felt that we needed some milestones on the plan to track these timescales.
- b) The Acting DG for Digital asked if there was evidence to show CAB are delivering what we wanted. Pauline Crellin stated there was and that this would be a core pillar of the independent evaluation.

Action Point 01-121119 – Ensure milestones to track a reprourement of Help to Claim are included on the UC Plan – Ian Wright

6. Hard Facts

- a) We need to get maximum and as speedy as possible value from the Move to UC Pilot.
- b) We need a sharpened focus on claimants with complex needs.
- c) We need to ensure we do not overwhelm operations with telephony.

Date of next meeting Tuesday 10th December 15.00-17.00 Caxton House Room 6.24

| | |
|--------------|----------------|
| Contact: | s40 [REDACTED] |
| Email: | s40 [REDACTED] |
| Direct line: | s40 [REDACTED] |