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	<b>Date:</b>	<b>10.12.19</b>

### Stakeholder Engagement Update

**Issue:** *This paper outlines our recent external stakeholder engagement activity, our work to measure the effectiveness of this and our future plans; sets out next steps for the £10million fund announced by the Secretary of State and provides a brief update on the timelines for Help to Claim, following the Programme Board update on this support.*

**Recommendations/Decisions required: For Discussion;**

*That the Programme Board notes the progress of our stakeholder engagement work, provides views on and endorses the approach to our ongoing engagement strategy.*

### Introduction

1. Since we last updated Programme Board on our stakeholder engagement approach, we have: embedded a new series of engagement events in addition to our core stakeholder groups; undertaken research to understand how effective our engagement is at moving us towards our aim of enhanced co-creation and collaboration; trialled and begun procurement of a solution to enable more effective information sharing; developed a mechanism for tracking stakeholder feedback and our response to this; and commenced partnership work with the Money and Pensions Service. Purdah restrictions have limited our stakeholder engagement plans for November and December but we have a forward look for engagement post-election. We would like to update the Programme Board and seek views and endorsement of our approach.
2. We would particularly like to draw to Programme Board members' attention the progress we have made in moving towards our ambition of co-design with stakeholders. While there remains more work to do to understand why some organisations sometimes do not engage with us, we are encouraged by progress, and have a plan of action to explore further how we bring others in. Highlights from evaluation activity include: 89% of respondents felt that their organisation has had the opportunity to contribute to the discussion about UC; 78% reported noticing a real difference in DWP's engagement since the change in approach to stakeholder engagement in October 2018; 62% of respondents

reported engagement on UC becoming more open, honest and collaborative (only 5% responded negatively and 33% were unsure).

### **Stakeholder engagement activity update**

3. Since our last update to Programme Board, we have held 3 main stakeholder events (17 October 2018, 6 March 2019 and 13 June 2019), and plan to hold another in late February / early March 2020. These have been used to ensure wide coverage of progress updates across 80 plus stakeholders across a broad range of organisations.
4. These large ‘town hall’ events were supplemented with a series of workshops and webinars; focused on 3 themes: service design, delivery model and vulnerable claimants. Developing a shared understanding of issues, backed by evidence and expressed as problem statements has enabled a more solution focused approach. Each workshop has helped to identify tangible areas for improvement of the design of Universal Credit or the support available to claimants.
5. Evaluating the feedback from these events has enabled us to shape subsequent events and our forward look of future events. We have subsequently run a series of events (one each month) based on themes identified as priorities in our stakeholder feedback. We have deliberately worked with smaller groups of stakeholders in these events to allow for a more detailed discussion with those with particular expertise in that area.
6. In August we held a workshop exploring the causes of indebtedness and how we might encourage people to make prompt claims. This was attended by 21 stakeholders from across welfare rights, the financial services / banking sector, academic institutions, Local Authorities and Housing Associations. The outputs from this work will, amongst other things, help to inform a piece of joint work with the Money and Pensions Service we are taking forward about early intervention on financial capability, and debt prevention and crisis management.
7. The September workshop focused on consent, building on work with the Social Security Advisory Committee, to improve our processes for third parties who support claimants. Service design colleagues demonstrated a prototype for providing consent and took detailed feedback from stakeholders in the room. This event was attended by 19 stakeholders from across welfare rights groups, Housing Associations, Local Authorities and voluntary groups.
8. In October the theme was improving third party information, which was attended by 11 stakeholders from across voluntary groups, welfare rights groups and Housing Associations. This workshop explored the existing information available to organisations which support claimants, including GOV.UK content, claimant guides and escalation route ways; how stakeholders use these resources and whether there are any gaps. We are working through the outputs from this workshop and considering how we might take forward further work on our content and guides. This workshop also identified

challenges with third parties sharing information within their own organisations and we are also considering how we can work with them to improve this.

### **Evaluation of stakeholder engagement**

9. We conducted a stakeholder survey to evaluate our revised approach to stakeholder engagement following the last large event in June. The survey was sent to 122 stakeholders. Although the response rate was only just over a third, we gained some useful insight to help measure the efficacy of our engagement and shape our future plan. We asked 4 main questions and provided an opportunity for general free text feedback.
10. The majority of stakeholders reported welcoming the mix of workshops, webinars and event updates and found them all useful. The majority considered face to face events to be more effective at influencing change and valued the interactions with other stakeholders and senior DWP officials. This was reflected in the 47% preference for themed workshops and 45% preference for large update events.
11. 89% of respondents felt that their organisation has had the opportunity to contribute to the discussion about UC, and 78% reported noticing a real difference in DWP's engagement since the change in approach to stakeholder engagement in October 2018 (only 2% reported not noticing a difference, with 20% unsure). 62% of respondents reported engagement on UC becoming more open, honest and collaborative (only 5% responded negatively and 33% were unsure).
12. In order to gain richer analysis of the reasons behind the results of this survey and to continue to evaluate our stakeholder engagement activity, we commissioned UC Analysis Division (UCAD) to undertake qualitative research with our stakeholders. UCAD attended workshops and conducted follow up interviews with a sample of attendees to learn more about: how and why stakeholders engage with our events; their expectations and how well we met them; how stakeholders use the learning gained; and how effectively these events meet our success measures of co-creation, supporting delivery of UC, helping to improve the claimant experience and increasing understanding and take up of UC. The first wave of evaluation concluded this month. Some of the key findings are summarised below.
  - Listening - stakeholders generally report that they have noticed a shift in the programme being willing to listen and work with them.
  - Perceptions of change - stakeholders commonly recognised that their relationship with and approach to collaboration with the programme has changed – a 'culture change' as noted by one stakeholder. Generally, attitudes are positive about this change.
  - Transparency - some stakeholders believe that we are more transparent than we have been previously and are positive about this change. They report believing that we take on feedback and display a willingness to

change as a result. Some stakeholders reported the policy constraints on transparency. Many stakeholders wanted more feedback about how their input had been taken forward. We already have action in train to improve feedback and information sharing (see Basecamp).

- Co-design - stakeholders appreciated the openness and collaborative approach that the programme is taking. They generally reported that they felt that the programme's openness was a change and had a positive view of co-design. Some stakeholders did report apprehension at the use of the term co-design, either because they wanted more sustained input or because they were concerned about maintaining their independence as a lobbyist and not being seen to have endorsed the overall approach to UC.

13. We are planning further waves of evaluation to continue to measure progress and to extend the research to organisations who have not taken part in our engagement, in order to learn more about why those organisations do not engage. An example of this is stakeholders supporting victims of survival sex, who until recently were not a group of stakeholders with whom we engaged.

#### **Improving information sharing and evidencing improvements: Basecamp and 'you said, we did'**

14. Two of our priorities are to increase transparency and feedback, demonstrating that we have listened to stakeholders. To meet these aims we are taking forward two products: Basecamp and 'you said, we did'.
15. Basecamp is an IT solution 2-way communication platform, which includes features such as message boards, private messaging, document sharing and the facility to schedule events and host webinars. After a successful trial with a select group of stakeholders, and having navigated the necessary approvals, we are now in a position to expand the use of Basecamp to a wider audience. We will use Basecamp to make available outputs of recent workshops, gather feedback, and plan and organise future engagement. We will use feedback to continue to develop our engagement through Basecamp, with the potential to offer much more interactive engagement with content.
16. We have also taken steps to more systematically track stakeholder feedback and input, so that we are better able to coordinate and track progress. We have created a tracking mechanism, 'You said, we did' for this, which also improves our ability to weight the issues that stakeholders are telling us about in terms of impact and frequency of occurrence so we can be sure that we are acting on the highest priority issues. This improved evidence is helping us to begin to strengthen our narrative on where and how we have listened to stakeholders and made changes. We will regularly share this narrative within and outside the programme.

#### **Cross-DWP / Whitehall working**

17. We are already working closely with the DWP Stakeholder Board and its sub groups to develop this work and share what we learn, feeding this into the wider

DWP Stakeholder engagement picture. We have shared our findings from trialling the Basecamp solution and have been able to collaborate on cross-cutting engagement themes such as homelessness, refugees and domestic violence.

18. We also continue to bring our work to the joint UC-Communications Board for update and joint agreement on enhancements, changes and new opportunities to land our narrative – this includes supporting proactive media for key groups where stakeholder insight tells us we need to do more.
19. We will also ensure that our stakeholder engagement plan complements our work on the recommendations from the PMIU report on vulnerable claimants, including some of the cross-Government recommendations.

### **Stakeholder forward look**

20. Purdah restrictions have limited our stakeholder engagement plans for November and December but our forward look of events includes:
  - Move to UC evaluation workshop on 7 January (originally planned for 29 November) – to support our work on learning from the pilot, we plan to work with a small group of our core stakeholders to involve them in developing our evaluation strategy.
  - Show and Tell webinar on 18 December - we will play back the outcomes of the webinars / workshops to date, including details of how we have improved key service design features, following the stakeholder input to problem statements during the series of Service Design workshops earlier in the year, and any other improvements made, including communications and guidance products.
  - Large 80+ stakeholder update session Feb / March TBC.
21. We plan to write to our stakeholders shortly after the election period to set out our forward look and invite them to volunteer any other areas they would like to engage with us on. We will continue to analyse the feedback we receive through the events, our wider stakeholder engagement and our stakeholder research to inform the forward look. We are also working to share our forward work plan with key stakeholders through our winter engagement so that they have clear visibility of decision points and opportunities to engage with and feed into development where they have the expertise to do so.
22. We are also continuing to work in partnership with stakeholders on a number of areas of work to both improve the claimant experience and to continue to test the concept of working in partnership. We have worked with stakeholders on developing communication products and claimant guides to support different claimant needs. For example, we have worked with Macmillan through a series of workshops to develop a comprehensive guide for external stakeholders and claimants on how UC can be tailored for people with more complex needs like cancer and terminal illness. Our latest partnership is with the Money and

Pensions Service (MaPS) and we are also taking forward work to scope the £10million fund announced this month by the Secretary of State.

### **Partnership with the Money and Pensions Service**

23. As a new arm's length body of the DWP, MaPS has a statutory responsibility to improve the ability of members of the public to make informed financial decisions, through the provision of information, guidance and advice ensuring availability to those most in need. MaPS also have a statutory requirement to develop and coordinate a national strategy to tackle financial capability, consumer debt and financial education. This presents an opportunity to ensure the needs of UC claimants are central to the strategy and the commissioning of guidance and advice, and to better align activities between MaPS and UC.
24. DWP research, including the UC Full Service Omnibus Survey (Feb 19), indicates that a fifth (22%) of claimants delayed making a claim for UC for a number of reasons, including because they thought they would find alternative employment or they did not know how to claim. MaPS also commonly find that people tend to delay seeking guidance and advice until the point that they are in financial crisis, rather than when they initially lose their main income source or start to experience money management / debt issues.
25. The objective of the joint work is to encourage earlier claims to UC, embed financial capability support and to improve referral pathways to commissioned debt advice services. We have agreed an initial work plan to March 2020, to support these aims. The three strands are as follows:
- Better operational alignment and customer outcomes between UC (including Help to Claim) and MaPS – we aim to enable MaPS to better identify those who may be eligible to claim UC and ensure they receive the support to do so through better links with UC and the Help to Claim service. We have already ensured that information about Help to Claim is incorporated into the training and delivery framework for front line agents at the MaPS contact centre and plan to deliver upskilling to MaPS call centre staff on the claim process and Help to Claim.
  - Developing a joint DWP and MaPS communications strategy to encourage people to make a claim to UC as soon as possible following a change in circumstances and to engage sooner with money guidance and debt advice.
  - Supporting DWP operations in identifying triggers of debt and build relationships with local MaPS services to improve the referral process for more immediate money guidance and debt advice.
26. A joint DWP/MaPS team have been set up to undertake the work plan. Early sessions have been delivered with MaPS to explore the high level scoping, objectives, milestones and timelines for each proposal. Workshops are scheduled for January 2020 to draw out the detailed service design and agree the implementation and communications approach.

27. The agreed approach is to initially trial all strands and develop the evaluation strategy, working through in detail the metrics and reporting process to inform the next steps. We will checkpoint regularly against an integrated delivery plan overseen by the joint team. Costs will be met within existing budgets.

### **£10million Transition Fund**

28. The Department secured £23million as part of the 'Excellence Plan' at the Spending Round with a view to developing a package of measures to improve services and support for the most vulnerable customers. Shortly before Purdah, Ministers decided that £10million of this funding should be allocated to support vulnerable people in UC. On 1 November 2019, the Secretary of State announced a £10million transition fund for outreach programmes to help vulnerable people claim UC as a route into work. The announcement set out that the fund would be available to partner organisations, including charities, from April 2020 and suggested that the funds should be targeted at particularly vulnerable groups, including disabled people, care leavers and those with mental health conditions.
29. We would welcome Programme Board members support in helping us to manage expectations while we undertake work to scope and develop the fund. The announcement has prompted enquiries from a number of stakeholders and other organisations. While we are able to use this engagement to input to the design of the fund, we need to be mindful that £10million will not be enough to fund all the organisations who have expressed an interest and we are not yet in a position to communicate the eligibility and selection process.
30. In order to demonstrate value for money to HMT we will need to be clear about the distinction between this fund and the wider framework of support provided to vulnerable claimants, including Help to Claim and the proposals for an ESF successor programme. Our initial thinking, consistent with the ministerial steer around outreach programmes, is that we should target this fund at organisations which support under-represented groups who have particular support needs which mean that they are less likely to engage with larger organisations (e.g. care-leavers, victims of domestic violence).
31. We are currently undertaking work to develop the key criteria and metrics for this fund and identifying the appropriate delivery mechanism. Our initial thinking is that this fund would be best administered through a ring-fenced pot in the Flexible Support Fund (FSF). Using FSF to administer it would enable us to move quickly, provides clear legal vires and would ensure the fund is targeted to specific local needs and the organisations which are best placed to meet those. Using FSF as the delivery mechanism is more likely to encourage smaller, local organisations to bid for funding, particularly through existing partnership manager relationships. Using FSF would enable us to build on some of the really good examples the PMIU deep dive on vulnerable people found of the innovative work Jobcentres are doing - from lots of outreach work delivering services to vulnerable claimants in a multi-agency approach.

32. We are progressing work with delivery colleagues and also have plans to engage with some key stakeholders later in December to involve them in the development and design of the fund. In particular, we would welcome stakeholders input in how they would like to see the fund used, with which vulnerable groups, and their insight on support gaps.
33. We will need to put advice to ministers once a government has formed following the election to agree the criteria and delivery mechanism. There is a possibility that ministers may want to explore a 'challenge fund' delivery mechanism. This presents a number of challenges, particularly relating to timescales, legal vires and Cabinet Office, HMT and Business Energy and Industrial Strategy (BEIS) clearances. We may need support from Programme Board members to help navigate some of these cross-government clearances if ministers were keen to pursue this option.
34. Previous challenge funds run by the department have been managed by a contracted delivery partner who design and deliver the bidding process and support organisations throughout this. The successful bidder[s] then become grant recipients of the department. The minimum time to procure a delivery partner is approximately 2 months (if there is an appropriate delivery partner available under an existing call-off contract). The process to run a competitive grant exercise would take a minimum of 3 months. The minimum time required would therefore be at least 5 months, plus the cross-government clearances, and any lead in time required for the selected organisation to mobilise.
35. Our legal vires for delivering a challenge fund are very limited. The Employment and Training Act 1973 gives us powers for grants but only where they are directly related to getting claimants into work. The challenge fund would therefore need to be aimed at claimants who we can support to move into employment.
36. We will return to Programme Board when further work has been undertaken on the scope and delivery mechanism for this fund.

### **Help to Claim**

37. When we provided Programme Board with an update last month on progress with Help to Claim and our plans for provision in 2020/21, we committed to returning to Programme Board with milestones and a timeline for both the grant process for 2020/21 and the procurement process. High level milestones are provided at Annex 1, and we will update Programme Board with further details as our work with commercial colleagues progresses.

### **Decision / Recommendation**

Providing information only.

## Annex 1

