

To: UC Programme Board Members

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### Move to Universal Credit Pilot

**Issue:** The Purpose of this paper is to provide UC Programme Board with an update on progress of the pilot at Harrogate Jobcentre and set out next steps for the pilot as we test the “Who Knows Me” Model.

**UC Programme Board is asked to:**

- **Note progress of the pilot in Harrogate JC**
- **Discuss and provide steers on next steps for the pilot.**
- **Note the pilot evaluation approach and provide steers on this and handling arrangements**

**Timing:** For the meeting on 12 November 2019

### Introduction

1. The Move to Universal Credit phase of the Programme started as planned on 24/7/19 with the launch of a pilot at Harrogate Jobcentre following parliamentary approval of the regulations required to start moving claimants. The regulations were subsequently challenged through an early day motion, but this was not debated within the time limit allowed. This means the regulations are now secure and we have approval to proceed with up to 10,000 migrations. This paper provides a brief update on progress since July and sets out next steps for broadening our approach as we develop and test the Who Knows Me Model. This paper also covers the Move to UC Evaluation Approach and handling strategy leading up to the publication of this early in March 2020.

### **Who Knows Me**

2. As previously discussed with the Board, we have a hypothesis that we will be more successful in helping people move onto UC by **using existing relationships** they have, rather than via a standardised process. We call this model ‘**who knows me**’. It means that we will **look for** where claimants have meaningful relationships that could support their move. We accept that not everyone will have a meaningful relationship with an organisation but will have a **hierarchy of who they trust**.
3. Our approach is to **learn** what works in moving people **safely** as early as possible **so that** we can then scale those successful models. By **safely** we mean without increasing vulnerability, causing a break in income or resorting to

stopping benefits. Our ambition is to have at least a few models identified and able to scale by the end of the pilot phase. We don't expect to have identified how to move every single case safely in this period, but will have a proposal on how to learn further.

4. Using the Who Knows Me concept we intend to test 3 broad approaches: -
  - DWP Work Coach led based on using existing legacy interventions as the initial trigger for claimants to move to UC.
  - Partner led where local organisations who have existing relationships with claimants provide support for the move to UC.
  - HMRC led for Tax Credit claimants building on the existing relationship there.
5. We have started with the Work Coach led approach because this is the best realisation of the 'Who knows me' hypothesis that can be delivered by DWP. We wanted to start with DWP delivery to ensure that we have got the foundations right (instigating engagement, calculating the UC award including transitional protection and providing support), so they are fit for purpose before we start co-creating with partners.
6. As recommended by the IPA we have developed a Learning Framework that sets out the hypotheses we are testing, sources of research and how we will apply learning to the design.

#### **Pilot update (Work Coach led)**

7. The first small group of claimants started in July using the Work Coach led approach, several have completed all stages and are now in receipt of UC. We have seen some complex cases already and have learnt a lot, refined the design and changed the migration notice and award notice in response to feedback (attached at Annexes 1, 2 and 3).
8. The main learning so far is that the Work Coach conversations are critical and they need to progress at the claimant's pace whilst still encouraging progress. Some claimants do require intensive support and encouragement to make their claims and a few are taking the full 3 months available to them, others move much more quickly. Claimants appear to rapidly understand the value of the migration notice in protecting their current benefit levels. Overall, claimant's main concerns are the same as those making new claims, such as the payment gap/disruption to income, monthly payments and paying housing costs. There

is a fairly common sense of fearing UC because of what they have heard and see in the media.

### **Next steps in Harrogate**

9. We intend to test iterations of the current design with different levels of support in order to:
  - Make it repeatable/teachable to other work coaches as we will be expanding the work coach team moving claimants in Harrogate from January 2020.
  - Understand the cost and variation for different levels of support
10. A second, larger group of claimants started in October; we will be closely monitoring and iterating the design with this group. We are intending to have around 70-80 claimants engaged in the Move service by Christmas, which is in line with expectations. These will be IS and ESA claimants as by then we will have engaged with all the JSA claimants in Harrogate.
11. At present we are using an interim digital platform, but work is progressing well on a permanent solution and we will migrate to this shortly.

### **Bringing forward our learning**

12. The team has recently been under pressure from Ministers to increase the volume of claimants going through the pilot more quickly in order to reach conclusions earlier. Our view is that we should look for opportunities to accelerate learning rather than focus on volumes. Volume in advance of Autumn 2020 is not particularly relevant – whether we are at 3k, 5k, or 10k (the limit) of moved claimants does not mean anything in the context of needing to move 2 million, as long as we can support the Evaluation Approach. However, what we have learned about the different approaches and what insights we have into how to scale those that are working *is* meaningful and will generate support and momentum. Therefore, we have reviewed our plan to consider whether we can accelerate learning opportunities.
13. As previously discussed with PB we had intended to start working on other Who Knows Me approaches in the New Year. However, following the successful launch, we are challenging ourselves to bring forward our learning by initiating work on other approaches this year to run alongside the ongoing DWP Work Coach led approach from early New Year. These are:
  - Partner led approach. We will select 1 or more partners to work with us to co design and iterate this approach. We have already generated interest with potential partners in Harrogate in doing this. What partners do to move

claimants could range from supporting a specific and contained part of the process through to supporting the entire journey. Different partners may want different levels of involvement and we will need to look for ways to be flexible. We are re-organising the product development team to support this approach in parallel with the Work Coach led approach. Once that is complete, and subject to over-coming some specific data sharing challenges, we will be able to commence testing this model. Our ambition is to be able to start moving claimants through this approach very early in 2020.

- Voluntary approach. An extension of the Work Coach led approach by trialling a model responding to requests to move by claimants (as is already happening in Harrogate) and potentially encouraging requests to move. We would like to test how this would work in practice and how we would manage volumes in order to control the flow of new work into Operations. This could be based on claimants proactively coming forward themselves possibly in response to local marketing material (e.g. posters in the Jobcentre). Alternatively, we could issue invitations to Move to UC, but take no further follow up action. Subject to resourcing the team, we think we can start this model this year.
- HMRC led approach. We have held high level discussions on this and HMRC have confirmed they are willing to explore options for designing a journey to support Tax Credit only claimants. There is a significant amount of work to do with HMRC to develop a sustainable approach to co-designing, testing and iterating this approach. On the back of the welcome support for this way of working from HMRC, our intent is to develop an approach, build up a team and agree a test area etc in the course of the next few months. Our ambition is to be ready to start testing the approach around the end of Q1 2020.

### **Emerging thinking on longer term strategy for Move to UC**


14. The Board have previously asked for more clarity on the longer term strategy beyond the pilot and for a view on when key decisions will be required in 2020.

### **Building the Who Knows me approach**

15. Our hypothesis is that '*who knows me*' is beginning to prove itself through the Work Coach led model, as early testing is showing encouraging results. By the end of the year, we hope that we have learned enough from the first 70-80 cohort to start focusing on making the service more efficient and repeatable. From early 2020 we will increase volumes in the Work Coach led model to demonstrate scalability and evaluating it in good time for the Autumn when we are due to publish the first evaluation findings (see paragraph 23). This will mean considering introducing a second pilot site to generate the additional volumes and to test in an area with different demographic characteristics.

16. We do not yet have evidence on the Partner led approach and this is likely to be more challenging as this will involve managing smooth hand overs and overcoming issues such as data sharing. However, we will aim to repeat a similar learning pattern as we have with the Work Coach led approach to generate a further wave of evidence and evaluation.
17. Similarly, we do not yet know how the HMRC led approach will work or how it will be received. Tax Credit claimants form a significant proportion of the overall claimant base to be moved, so it will be important to establish how far 'who knows me' will work for this group before we complete the evaluation in autumn 2020.
18. Our ambition is to have created sufficient evidence to assess how far these three main "who knows me" approaches will address the overall challenge such that, when we report in Autumn 2020, we have some successful models that we know how we would scale.

19. <sup>s35</sup>



### **Key Dates**

20. On current plans we are due to report to Parliament in November 2020 at the current publicly stated end date of the pilot. We are assuming that around the same time the Spending Review outcome will be announced for 20/21 onwards. Move to UC will be key to that Spending Review period as it will become the main driver for realising UC business case benefits and so will be an important factor in Departmental finances. Given the need for extensive ministerial discussion for both events we will need to have a firmer view of rollout strategy by Summer 2020. We will continue to review how we do this, but believe that our pilot development plan and associated Evaluation Approach will support a successful outcome.

### **Evaluation Strategy**

21. This section of the paper provides an outline of the proposed Move To UC Evaluation Approach, detailing the methodology, what we hope to learn from the evaluation and the proposed stakeholder and reporting strategy.
22. UCAD and the Programme have jointly created the Approach that is an integral part of a Learning Framework for all of Move to UC, which covers all sources of

learning including ongoing user research. It is proposed external stakeholders will be consulted as part of the ongoing Move to UC engagement programme, once an outline Approach has been agreed by PDE and Ministers.

## **Background**

23. As we cannot know at this stage what will work, the Evaluation Approach will need to be flexible throughout the pilot. Therefore, we have developed a phased approach involving successive waves of evaluation where we gather evidence over time to inform and justify decisions on wider rollout. This will also need to reflect the multiple approaches we are piloting. This means there will not be a single solution for all claimants, so we envisage a staged rollout approach where we demonstrate how different approaches work, implement those and continue piloting other approaches.
24. This is challenging to explain as it is not a traditional pilot where a stable design is tested by a statistically significant group of people. In an agile, test and learn environment, there is no assumption that our first design option will work and we expect to iterate the design of the service multiple times in response to what we learn. We are going to have to work hard with interested parties to explain that the approach we are taking is different and how our evaluation is still valid. However, we believe that our national stakeholder community broadly understands this and could become advocates if we engage them well.

## **Stakeholder engagement**

25. The Move to UC process will be scrutinised by external stakeholders including Parliament, HMT, national stakeholder groups, academic institutions, the national media and press. This scrutiny generates a significant appetite for information and evidence, which the Department needs to meet with robust and accurate evidence.
26. The Department has therefore made a commitment to present evaluation findings to Parliament in order to provide assurance that the process is effective. We also committed to publish our Evaluation Strategy by the end of 2019, although this will now be delayed to early March 2020, due to the election. This will also attract significant interest - in the Evaluation Strategy itself, but also on the signals this will send on our thinking for wider rollout which we have not previously shared widely. This will require Ministerial sign off and a No 10 grid slot, which will be challenging to achieve, so we will need to handle this in parallel with the other activities.
27. The Evaluation is one part of the wider Move to UC Learning Framework
- User Research – User Research Interviews and observations
  - MI – Mam/Telephony data
  - Incidents/Issues – Daily calls/Incident spreadsheets

- Business Analysis – Learning as a result of monitoring/analysing the claimant journey
- Partners – Partner capture sheets/Regular interactions
- **Evaluation** – Social research/Claimant research/Staff research/External organisations

### **A Phased Evaluation Approach – What does it need to achieve?**

28. For an External audience we need to

- a. Critically assess the Move To UC approaches we have tested
- b. Provide External Assurance – to Parliament and beyond
- c. Be credible and analytically robust

29. Internally we need

- a. To be flexible and complimentary to the Move To UC design and build process
- b. Build the overall UC evidence base and feed evidence into the Test and Learn process
- c. Observe, but not unnecessarily affect the Move to UC design and build
- d. Be adaptable to programme changes

### **A Phased Evaluation Approach – A Flexible Approach**

30. The proposed approach breaks the evaluation process into distinct phases – Pre-determined evaluation elements can flex with any variance in the roll out programme. (**Annex 4 – The proposed methodology**) Evaluation elements gradually develop the evidence base and assurance is built.

31. Whilst the phased approach will apply for all subsets of the population, it is likely that the understanding and confidence to proceed to the next phase will be different for different groups. For example, whilst we may be confident and assured that the process works for those with regular visits to Jobcentres and therefore willing to move to phase 2, for other groups we are likely to still be compiling our understanding in Phase 1.

32. It will only become apparent what the different groups are and the speed at which we can progress as we move through the phases. This means that evaluation will be ongoing beyond the current pilot period and will continue until the end of the Move to UC phase.

### **Bringing Stakeholders with us**

33. Different stakeholders will require different communication and handling approaches.

- Internal to Whitehall
  - It will be key that all internal colleagues are brought into the approach and are committed to the phased approach and the

release of information relating to it. We will need to engage with all of the key groups individually.

(Ministers, Select Committees SpAds, SSAC, other Government Departments, Implementation Unit, OBR, IPA, NAO etc.)

- Expert Advisors
  - This small group will be formed to provide external expert assurance on our approach. This will enable the Department to say it has sought advice, exposed its methods to external scrutiny and as a result has developed an analytically robust evaluation. We took a similar approach to UCFS, the UC Business Case and the UC LM Impact Evaluation which proved to be an extremely useful approach.  
(e.g. Institute of Fiscal Studies, London School of Economics)
- Outside Commentators
  - There are a number of outside organisations that will provide detailed commentary on our approach and will attempt to draw their own conclusions on its success or otherwise. We need to provide them with assurance that our approach is robust and comprehensive.  
(Resolution Foundation, Joseph Rowntree, Policy in Practice etc.)
- Key Influential Stakeholders
  - There are a number of groups that can be described as 'claimant advocates', who will be looking at the pilot to see how it will gather information on their particular group or area of interest. These are often some of the most vocal of stakeholders.  
(Mind, Scope, MacMillan, Trussel Trust, Landlords, Citizens Advice)

### **A Phased Evaluation Approach – when will we say what**

34. We plan to publish the evaluation strategy. The aim is to clearly articulate our plans and to manage expectations on when information will be available. It was hoped that the evaluation strategy would be published in 2019, but this will be delayed by the election.
35. We will need to publish a report on the pilot prior to going back to parliament to extend beyond 10,000 claimants. To produce a comprehensive robust assessment, we will need to have proceeded into phase 2 with at least one of our approaches, with larger numbers of claimants engaging in the pilot in a less controlled environment.
36. Any other releases of evaluation findings will be voluntary but there will be evidence from Phase 1 and MI analysis that we may wish to release in order to manage the communications around the pilot and to reassure people that we are delivering the pilot in a safe way.



**37. Evaluation plan**

<b>Activity</b>	<b>Date</b>
PDE agreement to approach	23/10/19
Programme Board update	12/11/19
Workshop held with externals – outside commentators and key influential stakeholders	Early January 2020 (following purdah)
Establish Expert Group (may need a submission prior to this)	Mid – Late January 2020
Ministerial submission on final approach and publication strategy (inc. grid slot) – approval received	Early – Mid February 2020
Publication of evaluation strategy	Early March 2020

**Recommendation**

38. UC Programme Board is asked to note recent progress on the Move to UC pilot and the ambition to accelerate learning (not numbers) and the Board is asked to support the development of a narrative and evaluation strategy based on waves of learning throughout the Move phase.

**Annex 1 – Migration Notice**

FIRSTNAME LASTNAME  
ADDRESS 1  
ADDRESS 2  
ADDRESS 3  
ADDRESS 4  
POSTCODE

Freepost PLUS RTGS-JRLH-  
EUZR  
Harrogate Jobcentre  
Mail Handling Site A  
Wolverhampton  
WV98 1RN

If you call or write to us, please  
use this reference:

**NINO**

**[www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)**

Telephone: 0800 169 0328  
(between 9am and 5pm,  
Monday to Friday)

15 August 2019

**Moving to Universal Credit**

You can move on or before **15 November 2019**, or ask for more time

Dear FIRSTNAME

In the jobcentre today we talked about moving to Universal Credit. You  
agreed to make a claim to Universal Credit to replace your current benefits.

Ask your work coach if you have any questions about when or how to claim.

To protect your current level of benefit entitlement, you should **make your  
claim to Universal Credit on or before 15 November 2019**.

If you need more time, you can ask your work coach for an extension.

**Why claim Universal Credit**

The following benefits and Tax Credits are ending soon:

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Housing Benefit
- Working Tax Credit
- Child Tax Credit

**If you need help**

If you need help making a  
Universal Credit claim:

- speak to your usual work coach
- call us on 0800 169 0328  
(between 9am and 5pm,  
Monday to Friday)

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You receive one or more of these benefits or Tax Credits. You can now claim Universal Credit instead.

**Making a Universal Credit claim**

Your Universal Credit payments will be calculated as starting from the day you make your claim.

Your current benefits or Tax Credits will be paid until the day before you made your Universal Credit claim. If you get Housing Benefit, it will continue to be paid for another two weeks.

Go to [www.gov.uk/how-to-claim-universal-credit](https://www.gov.uk/how-to-claim-universal-credit) and follow the instructions to make a Universal Credit claim.

**If you live with a partner**

Your partner will also get this letter. You will both need to make a joint claim for Universal Credit.

**If your circumstances change**

Any changes to your circumstances before you claim Universal Credit could affect the amount of money you'll get paid.

To make sure you get paid the right amount of Universal Credit, you must tell your work coach if any of your circumstances have changed. You must also tell them about any changes that happen between now and the day you make your claim.

Yours sincerely,

Universal Credit

**Annex 2 – UC Statement (with Transitional Protection)**

Your payment this month is

# £1,179.38

This will be paid by 8pm on 13 August 2019

**What you are entitled to**

<b>Standard allowance</b>	£317.82
You receive a standard Universal Credit allowance each month	
<b>Housing</b>	£550
You said that your rent is £500 per month, and you pay £50 in service charges each month.	
<b>Children</b>	£508.75
You get support for 2 children	
You said you had childcare costs of £xxxx in this assessment period. We can pay up to 85% of your costs each month, which is £508.75 for 2 children.	
<b>Transitional protection</b>	£0.00
Your Universal Credit entitlement is the same or higher than your previous benefit. Because of this, we do not pay you any transitional protection.	

<b>Total entitlement before deductions</b>	<b>£1,376.57</b>
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**What we take off (deductions)**

<b>Take-home pay</b>	-£197.19
Take-home pay is what's left after tax, national insurance and any pension contributions have been deducted.	
Earnings from self-employment are £600.00	
The amount we'll use to work out your Universal Credit is £600.00.	
Your total take-home pay for this period is £600.00	
The first £278.00 of your take-home pay doesn't affect your Universal Credit monthly amount. Every £1.00 you earn in take-home pay over this amount reduces your Universal Credit by 63 pence.	

<b>Total deductions</b>	<b>-£197.19</b>
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<b>Your total payment for this month is</b>	<b>£1,179.38</b>
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**If your circumstances change**

You must immediately [report changes in your circumstances](#) that could affect your Universal Credit payments.

**Help and support**

<a href="#">If you think we've made a mistake or want to appeal</a>	+
<a href="#">Extra help towards costs and managing your money</a>	+
<a href="#">Other support you may be able to get</a>	+

**Annex 3 – UC Statement (with Transitional Protection)**

Your payment this month is

# £1,375.82

This will be paid by 8pm on 13 March 2019

**What you are entitled to**

<b>Standard allowance</b>	£317.82
You receive a standard Universal Credit allowance each month.	
<b>Housing</b>	£550
You said that your rent is £500 per month, and you pay £50 in service charges each month.	
<b>Children</b>	£508.75
You get support for 2 children.	
You said you had childcare costs of £xxxx in this assessment period. We can pay up to 85% of your costs each month, which is £508.75 for 2 children.	
<b>Transitional protection</b>	£198.44
You get this because you were asked to move to Universal Credit from another benefit.	
This will continue until you have a significant change of circumstances.	
<b>Total entitlement before deductions</b>	<b>£1,573.01</b>

**What we take off (deductions)**

<b>Take-home pay</b>	- £197.19
Take-home pay is what's left after tax, national insurance and any pension contributions have been deducted.	
Earnings from self-employment are £600.00.	
The amount we'll use to work out your Universal Credit is £600.00.	
Your total take-home pay for this period is £600.00.	
The first £278.00 of your take-home pay doesn't affect your Universal Credit monthly amount. Every £1.00 you earn in take-home pay over this amount reduces your Universal Credit by 63 pence.	
<b>Total deductions</b>	<b>- £197.19</b>

**Your total payment for this month is** **£1,375.82**

**If your circumstances change**

You must immediately [report changes in your circumstances](#) that could affect your Universal Credit payments.

**Help and support**

<a href="#">If you think we've made a mistake or want to appeal</a>	<a href="#">+</a>
<a href="#">Extra help towards costs and managing your money</a>	<a href="#">+</a>
<a href="#">Other support you may be able to get</a>	<a href="#">+</a>

#### **Annex 4 – A Phased Approach: the proposed methodology**

The proposed approach breaks the evaluation process into distinct phases - Pre-determined evaluation elements can **flex** with any variance in the roll out programme. Evaluation elements gradually develop the evidence base and assurance is built. Numbers indicative at this stage.

