



Minutes

Title of meeting:	Universal Credit Programme Board
Date:	15 th February 13:00 – 15:00
Location:	Caxton House Room 6:24 Microsoft Teams
Attendees:	John McGlynn (Chair), Neil Couling (Change DG & UC SRO), Ian Wright (UC Programme Director), Stuart Ison (External Affairs, Strategic Design & Planning Director), Simon McKinnon (Digital DG), Paddy Rooney (Deputy Secretary for Work and Health DFC Northern Ireland) Graeme Connor (Deputy Director Policy), Ed Winfield (SPAD to the Secretary of State), Chris Drane (HMT Director), Will Garner (UC Product Director), David Magee (Cabinet Office, Operations Lead) Jenny Viner obo Deb Walton (Deputy Director People Capability & Place), Claire Chapman obo Karen Gosden (Deputy Director Work & Health Services), Louise Skelton obo Nick Joicey (Finance Director) Dave Brookes obo Myrtle Lloyd (HMRC Director).
Presenters:	Will Garner (UC Product Director), Graeme Connor (Deputy Director Policy), Dave Brookes (HMRC Director), S40 S40
Apologies:	Karen Gosden (Work & Health Services DG), Angus Gray (Policy Director), Deb Walton (Director People Capability & Place), Myrtle Lloyd (HRC DG), Nick Joicey (Finance DG), Rose Doran (Local Authority)

Welcome and Introductions

The Chair welcomed members to board, acknowledged apologies and thanked deputies for their attendance.

The Board reviewed the previous minutes and requested the following:

AP01: Secretariat to make the following corrections on 27.01.22 Outputs:

- 'Ways to Work' needs correcting to 'Way to Work'.
- Page 3 – '15 new suppliers' needs correcting to '50 new suppliers'.

The Board cleared the minutes with no further comments or amendments.

Paper 1 – Programme Director Update – UC Programme Director

The UC Programme Director introduced his paper and highlighted the following key points:

Page 1:

- Overall Programme Status remains amber-red.
- Still awaiting the go-ahead to publish the Move to UC plan. Due to updated analysis, the volume analysis in the paper has changed.
- Stakeholder meetings are continuing despite not having a published plan.
- Social Security Advisory Committee (SSAC) have decided they will take the regulations for a limited consultation. Noted the need to impact what this could do to the discovery phase once more is known.

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- Work is underway with HMRC to get the insert into the Tax Credit renewals and around the supporting lines to take.
- Gov.verify is on track to be removed and to be replaced with an alternative solution.
 - The Digital DG noted there is a cross-Government Verify replacement single sign on solution being designed. DWP are heavily involved in the process. Emphasised that should this replacement not meet the department's needs the department's own solution will persist.
- Work is underway with Citizens Advice to commence the new Help to Claim service from 01/04/22.

Milestones:

- Help to Claim go live rated amber however it this is expected to move to green soon.
- Regulation dates remain amber until the team can impact the delays due to consultation.
- Discovery remains amber due to being in early stages.
- Completion of move to UC is amber/red because of discovery's early stages, the need to reach voluntary case targets and a lack of contingency or fire-breaks in the scaling phases.

Programme Board Discussion:

- The Chair queried the timescales in regards the briefing note:
 - The External Affairs, Strategic Design and Planning Director noted that the expectation is to receive further comments, and hopefully approval, from the Secretary of State shortly after recess. Will then have no.10 engagement and prepare wrap around communications plans to get that published in March. Highlighted this remains to be confirmed depending on Ministerial views.
- The Chair sought clarity that this delay is not stopping meeting with and engaging with stakeholders.
 - The External Affairs, Strategic Design and Planning Director noted this does not stop stakeholder engagement however it does constrain conversations with them. With the help of the UC Product Director's team, stakeholder meetings have been underway to explore early plans regarding the discovery phase however discussions have had to be high level.
- The External Affairs, Strategic Design and Planning Director noted:
 - The communications plan is up and running and the team are currently in the second phase consisting of digital/online work and plan to move to radio advertising in Spring.
 - TV advertising was proposed however the Secretary of State did not agree to this. Noted in Spring conversations will re-open on this subject.
- The Chair highlighted the benefit of keeping the board updated in regards external engagement work and plans.
- The Chair sought information on the volumes involved in the performance & technical fixes work:
 - The UC Programme Director noted releases involving enhancements, fixes and identification of slow processes go out at least every two weeks.
 - The UC Product Director noted plans for weekly releases by the end of March. Weekly releases were trialled previously however this was stopped due to errors and disrupting operations. Noted there is nervousness around this, but conversations are due to take place with Work & Health Executive Team WC 21/02/22. A decision will then go to Programme Delivery Executive (PDE) in March.
 - The UC Product Director noted currently full releases take place every fortnight however patch/point releases often take place in-between.

The UC Programme Director noted the key points from page 2:

- Highlighted the risk of meeting the 500k voluntary moves. Noted plans to broaden the Move to UC risk due to concerns around a lack of contingency and firebreaks during scaling and in the light of the updated analysis regarding the number of voluntary moves.
- Every quarter a more detailed view of the risks will be brought to the Board. These risks are managed at PDE.
- Work is underway to refresh the forecast for unit costs based on new volumes. Noted plans to have this in place by late April.

Page 3:

- Finances are stable for this year. Forecasts have reduced by £4.5m to £18m in budget surplus. The main causes are attrition in operations (mainly due to fixed term staff moving to external permanent jobs), the decision not to proceed with the TV campaign and lower Local Authority costs than expected.
- A rolling quarterly finance deep dive will be brought to the Programme Board starting in May.
- In regards Java Developer resources:
 - There are currently 25 Java Developer vacancies, 3 people have put their notice in but are yet to leave. 6 very experienced developers have left (1 permanent, 5 contractors).
 - The pipeline of new offers has dried up and as such this risk is being managed by PDE.

Programme Board discussion:

- The SPAD to the Secretary of State noted that should there be an expected impact on delivery as a result of re-prioritisation that Ministers would want sight and possible to make a decision.
 - The Programme Director noted that anything which may result in policy changes or decisions will be flagged to Ministers. Further noting impacted areas are more likely to be in the efficiency improvements area, not Fraud & Error or Policy.

Programme Board discussion around resourcing Java Developers:

- The SPAD to the Secretary of State highlighted that a contract with BJSS was approved by the Secretary of State but has since fallen through. Further querying why, and whether the programme is still pursuing a similar arrangement.
 - UC product Director noted that BJSS were unable to provide the quality of people in the locations needed by the programme.
 - The Digital DG noted that the competition went out to another leading supplier however some of the people proposed included contractors already seen and rejected and others were unable to pass technical tests needed. Work will continue to look at different suppliers and the hope is the new framework will support this.
- The Chair emphasised that resourcing Java Developers is in his view the biggest risk to the programme and has been a long-standing problem. DWP are not alone with this issue. Further noting that MOD have similar challenges in obtaining high quality engineering staff, noting they created long term 10-year contracts with a supplier to get access to the needed skills and people. This contract puts the responsibility on the provider to source and provide the relevant skills needed.
- The Digital DG noted:
 - Previously there had been a similar contract in place which has come to the end of its commercial life. This is being replaced by a new contract on 01/04/22 called DSB which increases the number of suppliers to 50.
 - The new framework is still under review.
 - Digital Group are working on growing and developing their permanent people, noting there are currently 37 trainee Java programmers, and this will be increase in 2023.
- The SPAD to the Secretary of State queried what is not attractive about the programme's location.
 - Digital DG highlighted that the market in London is more saturated. UC centres have opened in Manchester and Leeds. Work is underway to identify whether there is a market in Birmingham however highlighted that the challenge is still present in other locations.
 - The Programme Director noted initially the programme was built from London however some of the work has been expanded out.
 - Digital DG highlighted long terms plans to add work outside of London, emphasising the importance to not lose the skills and experiences in London.
 - The Chair highlighted that salary premium might be more attractive outside London.
- The Chair noted that information on the breakdown of core development roles, e.g., those working on technical debt, fraud and error, etc would be beneficial to obtain insight.
 - The Programme Director noted that this information will be available and considered when prioritisation is brought to the board as it does not change much on a month by month basis.
- The Chair sought clarity on what is being done to encourage current developers to stay within DWP.

- UC Product Director noted work is ongoing with Digital to ensure DWP offer competitive rates whilst not inflating the market. Further noting current turnover is largely delayed turnover because of the Pandemic.
- The SPAD to the Secretary of state queried whether there was risk of a capability challenge due to the high turnover of experienced resource.
 - UC Product Director noted that there will be an impact whilst experienced staff leave, and new staff are upskilled/inducted.
- The Change DG & UC SRO highlighted this has been a constant issue due to the nature of the market. There may not be a solution to this issue, instead it may be an ongoing issue that needs to be managed.
- The Digital DG noted the number of developer vacancies in the market has doubled in the last 6 months, further noting a period of re-adjustment for the market whilst people join the industry.
- The Programme Director noted the need for the Department to consider prioritisation of where existing developers are allocated.
- The chair requested a specific board topic on the Departments long term solution to the resource challenge around UC.

No further questions or comments

Paper 2: Discovery Progress – UC Product Director

The UC Product Director brought attention to the Scaling Readiness Update below the line paper which contains a first view of what is thought to be required to enter the scaling phase and progress against this. The UC Product Director introduced his paper, highlighting the following key points:

- To commence moving people to UC there needs to be a testable service in place. Noted this service may be rudimentary in regards manual calculations, however it will provide an understanding of the move journey, experience and support needed.
- The team are currently focused on what needs to be in place to enable migration notices to be sent. Work includes:
 - Reviewing the suitability of the transitional element calculator used in the Harrogate Pilot with the potential to re-use this.
 - Understanding data to identify what data is needed and how to access it.
 - To define the minimum support the journey requires.
 - To identify what locations to start moving people to maximise learnings. Current provisional locations contain a range of demographics, deprivation index, rural & urban etc.
- Noted plans to start moving people from the 9th May, however hoped this could be brought forward.
- Feedback has been obtained from Ministers in regards locations where the programme would like to start moving people, resulting in the need for some locations to be reviewed and agreed. Once agreement is obtained work will commence with Operations colleagues around the mobilisation plan.
- PDE is tracking the entry criteria to move first claimants.
- Move to UC has been operating in parallel with the rest of Product Development and noted plans to move it into the programme cadence. Because of this, from 02/03/22 future problem statements will form part of the overall backlog.
- The first earliest testable service will baseline understanding around customer behaviours, including how they will respond to a migration notice, what contact will be made and what support they will need. Once this is understood, experiments and tests will be conducted to increase this learning. The findings of these tests will be brought to PDE and then the Programme Board.

Programme Board Discussion:

- The HMT Director sought clarity on the number of claimants likely to be involved in the 9th May first testable service.

- The UC Product Director noted the numbers required are currently being explored. The number needs to be small scale to enable learning but large enough to get a response.
- The HMT Director queried whether there are risks as a result of delays in deciding locations.
 - The UC Product Director noted he does not believe there is a risk, noting this is a different approach to Harrogate and involves multiple sites. Feedback has been received by the Secretary of State and the Minister for Welfare Delivery, highlighting the need to respond and reflect this into the choices.
- The SPAD to the Secretary of State sought further clarity on data, TP calculator, minimum level of support and timings.
 - UC Product Director noted:
 - The bulk of the accessible data is held on CIS and Single Housing Benefit Extract, further noting intent to obtain and utilise an extract of this to identify individuals in scope to move.
 - Challenges around House Benefit data timeliness are to be expected, noting the data is provided to DWP monthly. Work is ongoing to identify how to manage this.
 - Stop notices are currently sent to stop legacy benefits during natural migration, noting the need to identify whether that routeway is suitable or if another options need to be developed.
 - Harrogate's TP calculator uses a rules engine that provides some level of automation but remedial work would be needed to be able to use it during Discovery.
 - Noted minimum suitable support will be in place due to the small scale of the testing. This support may be a contactable team who have material to help.
 - Insights from the test will take time to surface due to claimants getting 3 months to make their claim, however other tests will run in parallel.
- The Chair sought clarity around the level of assurances in regards manual calculations.
 - The UC product Director noted there will be test driven development, in addition to assurance testing. Operational assurance will also be checking and reviewing calculations.
 - The Operations Deputy Director noted they can support with quality assurances, further stating they have subject matter experts from legacy transition benefits, strategies in place and different tier levels to support.
 - The Programme Director noted the teams will be reviewing and checking to ensure migration runs smoothly.

No further questions or comments.

Paper 3: HMRC Plans 2022/23 – HMRC Director

The HMRC Director introduced his paper, noting the following key points:

- HMRC have been closely working with DWP since 2012 with trusted partner relationships throughout.
- As of late 2021 HMRC have moved 1.74m claimants from Tax Credits with approximately 1.49m yet to migrate.
- Analysis shows that some Tax Credit claimants may be losing out, and the need to be pro-active to continue this work.
- Noted many of the 1.49m Tax Credit claimants still to move are suspicious, cautious and often mis-informed of UC.
- Collaborative work between DWP & HMRC in creating the renewal leaflet has been signed off and delivered at rapid pace.
- The leaflet will highlight claimants may be better off on UC to encourage and signpost them to seek independent advice regarding migrating to UC.
- Plans to commence work on the Tax Credit community and debt to enable more targeted approaches.
- A HMRC technical expert is embedded in DWPs product team ready to work with DWP and support. Noted the benefit of this in migrating the hardest to move.
- Work is underway around removing the approximate 400k cases that won't migrate, for example nil-awards. This 400k is not part of the 1.49m.
- Highlighted the Annex which shows HMRC'S high level plan.

The External Affairs, Strategic Design & Planning Director noted:

- Thanks to the HMRC Director and teams for the work and support they have given in getting the leaflet completed. Further noting this is a great example of gross government working and relationships.
- Tax Credit and other benefit customers cannot be grouped in one cohort in terms of communication strategies. This is partly due to Tax Credit claimant's more distant relationship to the state, and many do not consider themselves in receipt of benefits.
- Noted the likely need to ask HMRC for other potential touchpoints with their claimants, for example tax credit apps.

The Change DG & UC SRO noted:

- Thanks to the HMRC Director and his teams for their support.
- Should discovery allow, the potential want to use HMRC's 2023 renewals process as a trigger to increase Move to UC. Further noting, in order do this the programme needs to know:
 - The timescales in regards decision making.
 - What can be done, for example, if 100% of Tax credit renewals couldn't be stopped, how many could be and would we have the legal power to do that.
 - Does HMRC have the technical ability to stop renewals at that level and if not, what do they require in order to have that technical ability.
 - The possibility to renew at different periods in order to stagger cases for UC to take them on.
 - The decision timelines for the Programme and Ministers to communicate this to HMT.
 - What does DWP require to make use of and manage a potential spike of renewals in 2022/23.
- The change DG & UC SRO emphasised that the above is feasibility work to understand possibilities and should not be looked at as a plan. Further noting that timescales should not be set unless taken from the feasibility work outcomes.
- Once this information is known, work can commence in parallel with discovery in order to make key decisions on the possibilities.
- Highlighted that any possible work would take time and involve due diligence from both HMRC and DWP.

The SPAD to the Secretary of State noted the Secretary of State is keen that the Programme is ambitious on the pace in which Tax Credit claimants are migrated.

AP02: HMRC Director and The External Affairs, Strategic Design & Planning Director to commence collaborative feasibility work and bring findings back to the Programme Board.

Paper 4: Entitlement Analysis – Deputy Director Policy & Senior Economic Advisor

The Deputy Director Policy introduced the paper noting it contains updated forecasts that provide insight as of April 2022. Noted the forecasts have changed to reflect the tax and NI system changes.

The Senior Economic Advisor noted the following key points:

- It is expected that 2.6m households will be within the legacy benefit systems as of April 2022.
- Some of these households will have a change of circumstance, which means their legacy claim will end so it is estimated that 1.8m people will need to come across via voluntary (expected 200k) or through managed migration (expected 1.6m).
- To meet the 2024 end date, 200k claimants need to move across voluntarily rather than previous figure of 500k. This is because:
 - 500k was originally discussed in April 2021 and some claimants would have already migrated naturally.
 - Those in temporary or supported housing accommodation with no other legacy benefits have been removed from those needing to be migrated.
 - Recognition that voluntary campaign is not as extensive as it could have been, and work allowance and taper rate increases haven't resulted in a large migration.

- Therefore, 200k is more realistic and we should use the reduction in total numbers to reduce the voluntary numbers.
- Plans to publish the estimates of how many of the 2.6m households would benefit from a higher entitlement from UC, further noting this is just over 1.4m, 300k no change, 900k would have lower entitlement. This means that 200k now represents 15% of those on legacy systems moving across.

Programme Board Discussion:

- The SPAD to the Secretary of State queried whether there was a risk 200k might increase.
 - The Senior Economic Advisor noted this estimate was always going to be lower than in 2021 and that there is confidence that this will not increase.
 - The Deputy Director Policy noted economic updates will be obtained as a result of an event in March. Noted the Labour Market can impact this however, it is expected to remain the same.
- The Senior Economic Advisor noted:
 - The number of people better off has remained stable.
 - The importance that DWP do not advise whether to claim UC or not.
- The External Affairs, Strategic Design & Planning Director noted there are many technical reasons in why some claimants will be better off, further noting that many stakeholders understand this however it is important to consider this in regards communications.
- Deputy Secretary for Work and Health DFC Northern Ireland gave an update:
 - Northern Ireland have completed a deep dive into legacy cases.
 - The analysis has identified several cohorts that would be better off on UC which reaches approximately 23k claimants.
 - Work is ongoing with HMRC and DWP to look at debt levels of those on legacy and identify how this will impact their UC entitlement.
- The Change DG & UC SRO noted focus in Great Britain is on Tax Credit, however Northern Ireland have focused on ESA. Noted the possibility to work with Northern Ireland given the depth of their analysis.
- The Chair queried whether there was ongoing work into the other legacy benefits.
 - The Senior Economic Advisor noted that the majority of legacy claimants are claiming either Tax Credits or ESA, further noting JSA and Income Support have higher rates of claimants leaving.

No further comments or questions

AOB

- The SPAD to the Secretary of State queried whether the Programme requires a forward look of items.
- The Chair noted that conversations have taken place with the Change DG & UC SRO and Programme Director regarding the agenda and having a forward look to include standing items going forward.
- The Change DG & UC SRO emphasised the purpose of the Programme Board is second line assurance of the programme work which means the agenda is determined by progress of the programme rather than planning.

Date of next meeting: 15th March 2022.

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