

Move to UC

Consolidated learning from the Discovery phase

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Board/Authority/Group: UC Programme Board

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This paper is for information and discussion

UCPB210223 – Paper 2

OFFICIAL SENSITIVE

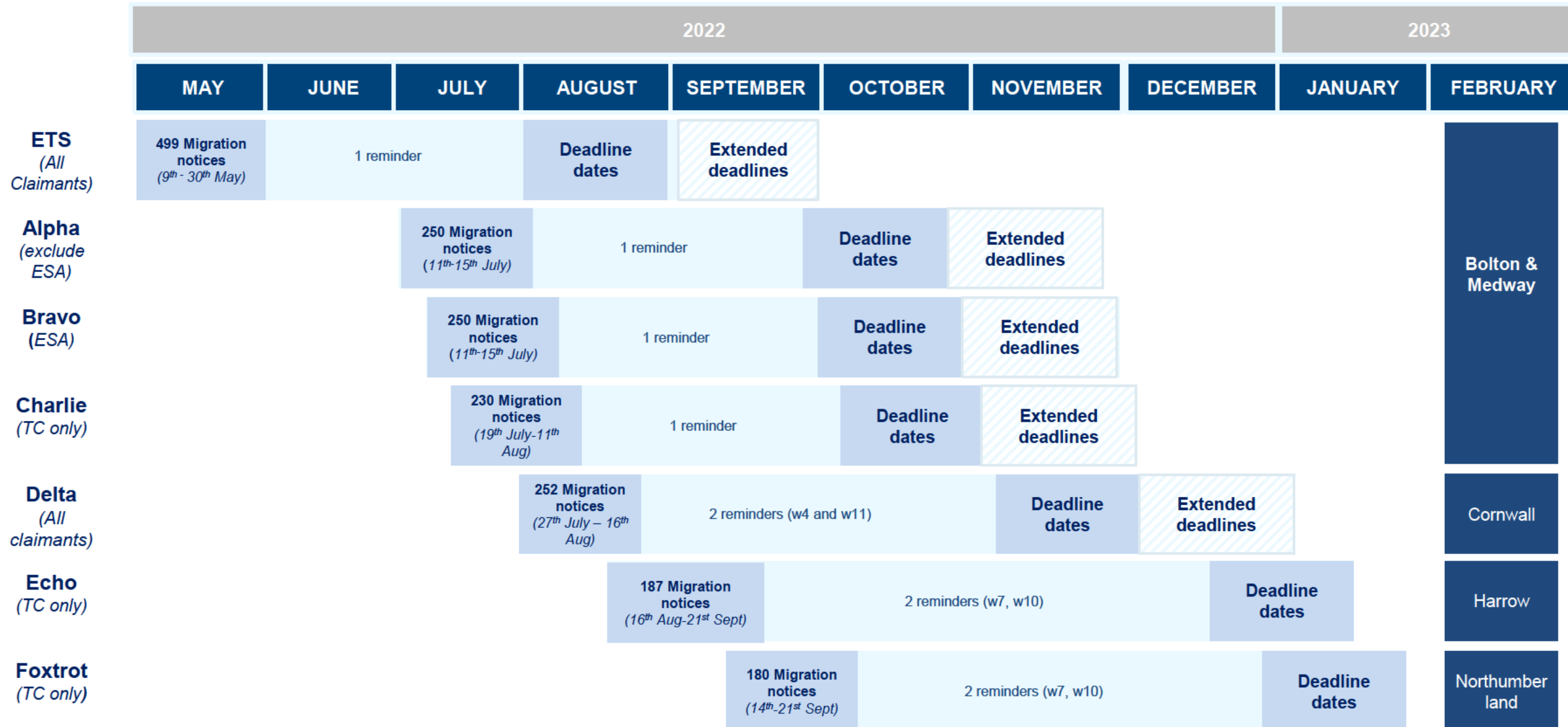
Main objective

- Share a summary of the consolidated learning from the Discovery stage
- Share where we are making improvements or undertaking research, analysis or experimentation to further build our learning
- For some cohorts, while the majority of claimants have gone through the end-to-end process, there are still a small number of claimants receiving support in the process and we don't yet know whether those whose legacy benefits have been terminated without making a claim to UC will claim within the one-month grace period.
- This paper is for: Information & Discussion

Overall performance of service - Discovery

CONTEXT

Official-Sensitive



Cohorts with DWP benefits have higher claim rates. Tax Credit cohorts have a higher closed rate, than cohorts with DWP benefits

Discovery: Topline Indicators

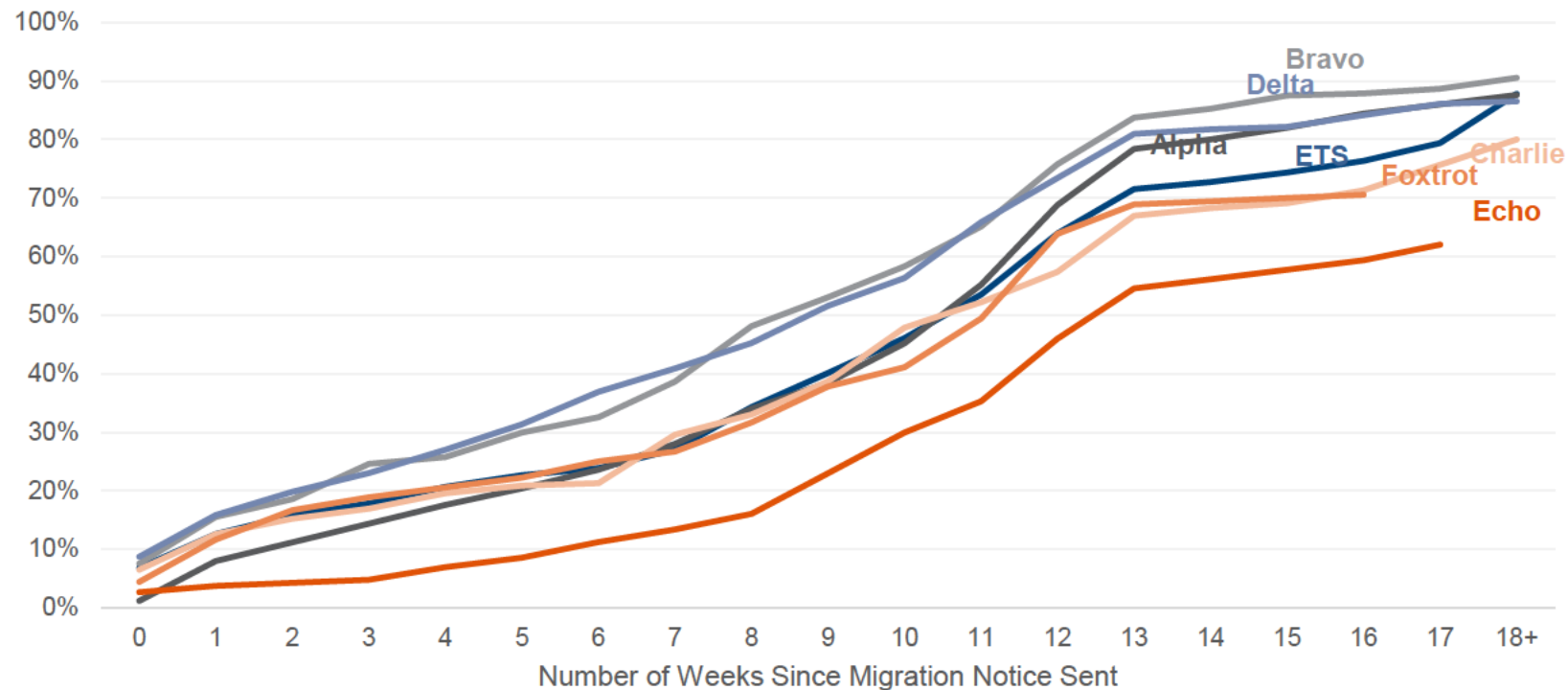
	Total MNs	% Claimed	% Closed	% Outstanding
ETS (All Claimants)	499	89%	10%	1%
Alpha (exclude ESA)	250	90%	10%	0%
Bravo (ESA)	264	93%	2%	5%
Charlie (TC only)	230	83%	16%	1%
Delta (All claimants)	252	90%	7%	3%
Echo (TC only)	187	71%	28%	0%
Foxtrot (TC only)	180	78%	22%	6%

Echo has been consistently claiming at lower rates compared to other cohorts

Discovery: Claim Rate – Overtime

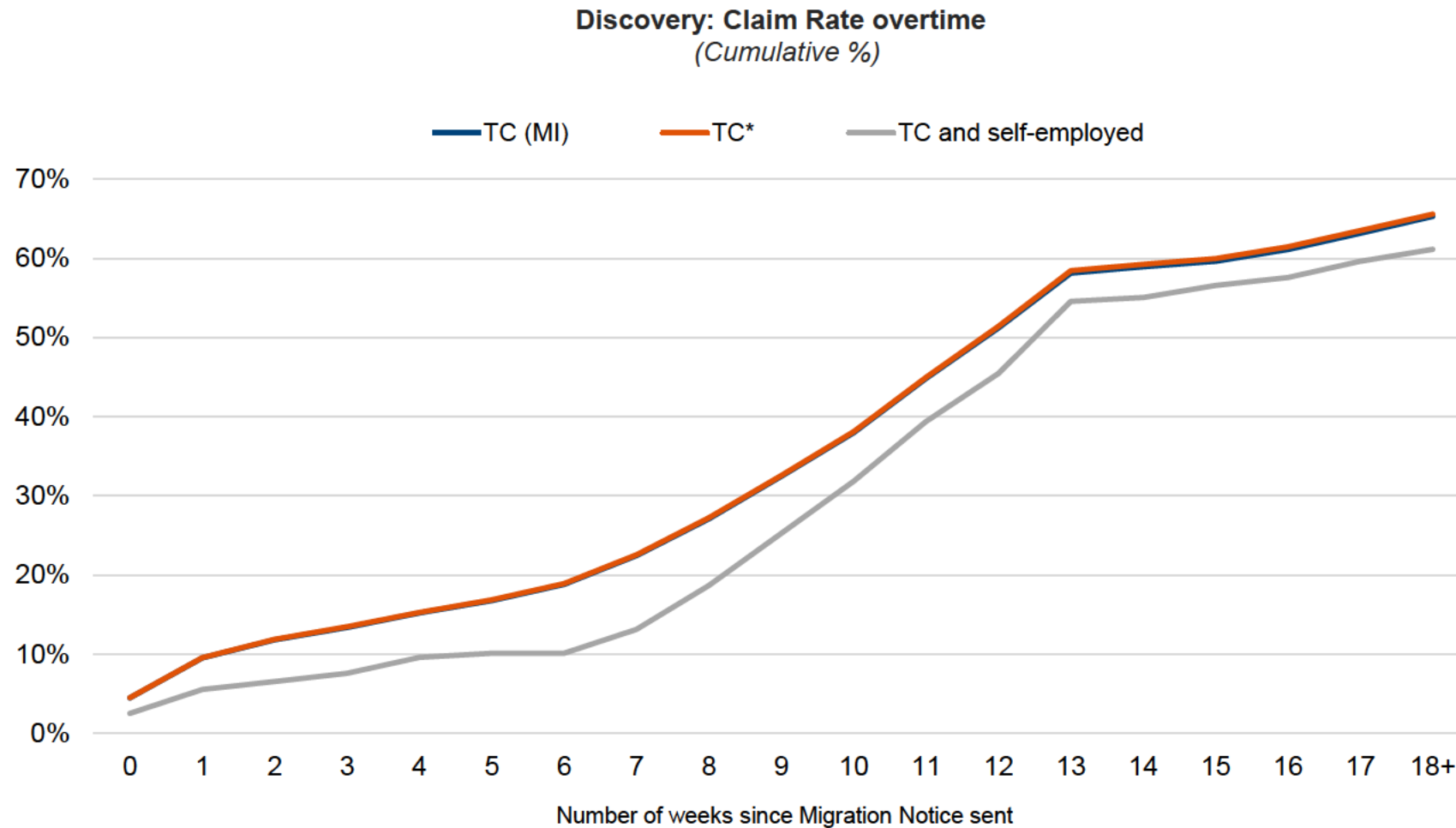
Time to claim (weeks) for each cohort

Cumulative claims made as a proportion of migration notices sent



- **Charlie, Echo and Foxtrot (orange lines)** cohorts are **Tax Credit only**.
- **Bravo (grey line)** is **ESA (with combinations)**.

Early indicators from the 'Discovery stage' also show that tax credit (TC) claimants are more likely to claim, and claim earlier in the journey if they are not self-employed



Overall performance of service - Discovery

STAGES OF THE JOURNEY

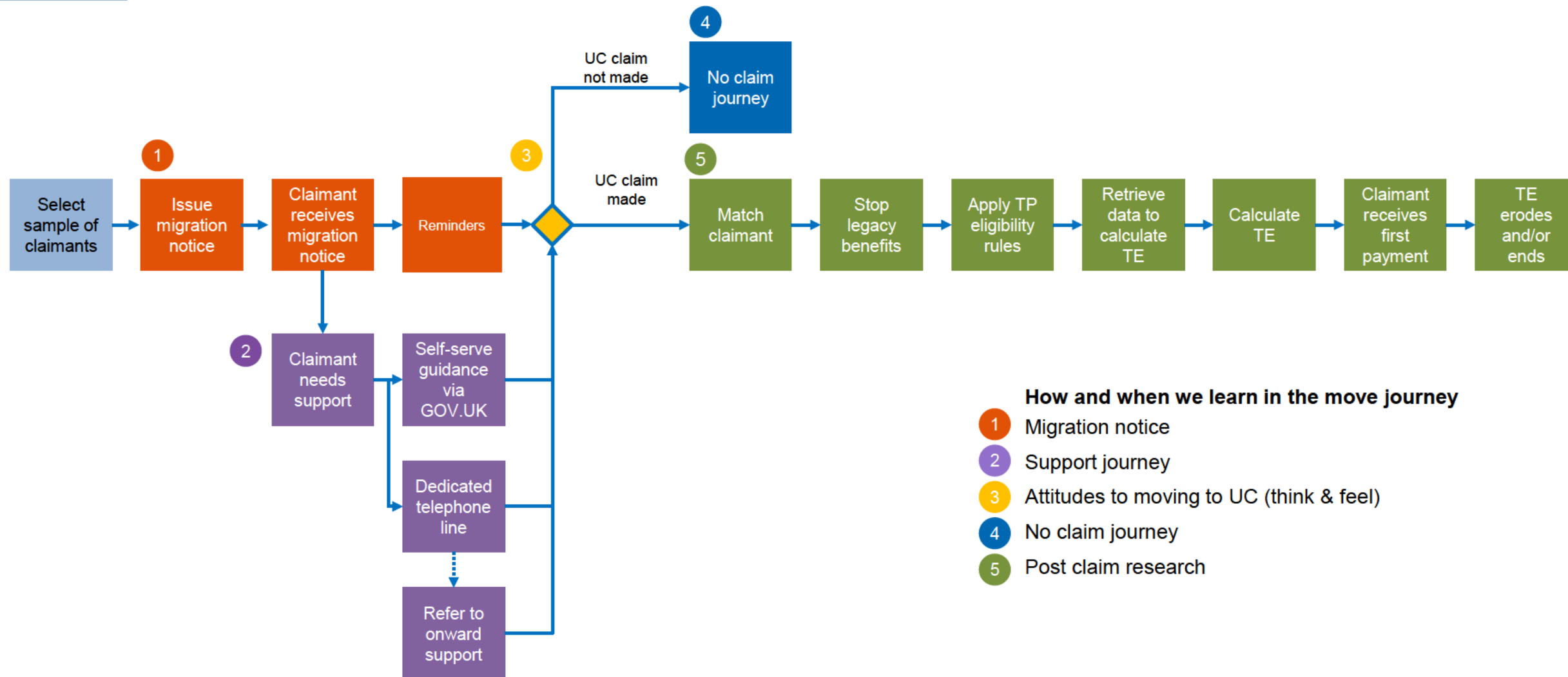
Learning during different stages of the Move to UC journey

Identify people to move

Contact people / issue a MN

People successfully make a claim before their deadline date

The UC award is paid in full and on time for people that have moved



Stages of the journey

1. MIGRATION NOTICE / REMINDER LETTER

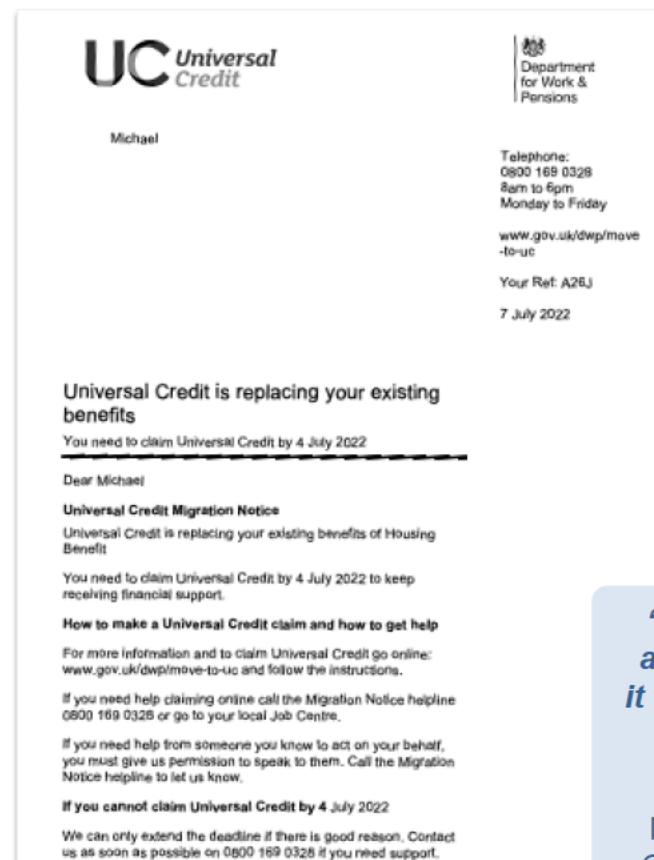
The migration notice plays a central role in the 'Move to UC' journey



What we know about how claimants respond to the Migration Notice...

Migration Notice

- Understood that the notice was telling them to move over to Universal Credit before the given deadline.
- Clear call to action
 - Apply online
 - Additional support
- Understood what would happen if they didn't claim on time.
- Understood that all benefits would be paid as one payment.
- **Clear that the Migration Notice is a central feature of the journey. Claimants don't read or research beyond the letter content and refer back to it at all times in the journey.**



"I think it had the right amount of information, it told me what I needed to do and where I needed to be."

Male, In work, Child Tax Credits and Working Tax credits

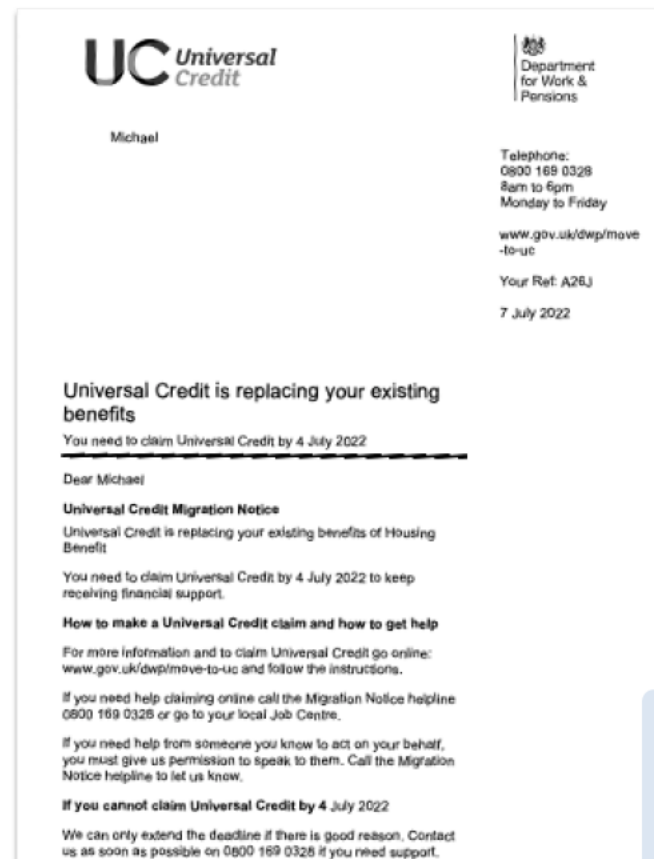
Tax credits claimants were more likely to be surprised that the communication had come from DWP, rather than HMRC



What we know about how TC claimants respond to the Migration Notice...

Migration Notice (TC Claimants)

- Response to the migration notice differed by **the level of awareness** the TC claimant had about the **'Move to UC programme.'**
- TC claimants that were aware but surprised as they had expected the **move to happen in 2024** and would have liked more warning.
- Some were surprised that the **letter had been sent from DWP**, as expecting communications to come from HMRC.
- The letter was perceived as clear (similar to ETS), but some still felt unsure on next steps. Expectation that DWP might send them further information, such as forms or online login details.



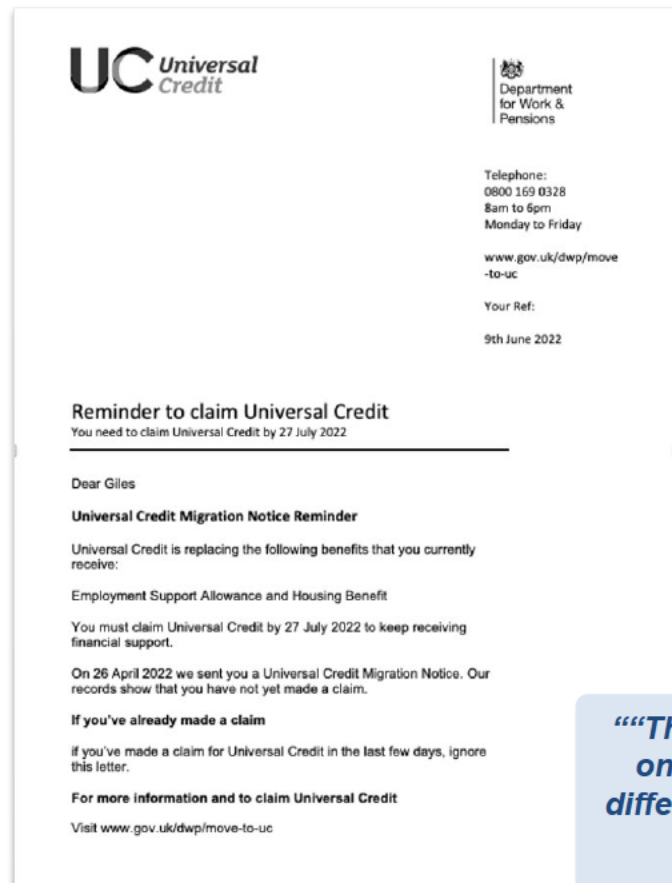
"I was surprised that the letter had come from DWP it was a shock."

Female, Out of work,
Child Tax Credits

The reminder prompted action when the claimant had forgotten or been too busy since the first letter



Claimants in all cohorts were also sent a reminder...



Reminder

- The reminder was important at prompting people to take further action, both if they had decided to move forward or were undecided.
- There were concerns around the letter being fraudulent which also prompted some people to call to check if genuine.
- **Some tax credit claimants also had a letter from HRMC confirming that their tax credits were ending which also prompted them to take action.**

“The first one I completely ignored – the second one opened my eyes. Yes, it definitely made the difference as the first letter I put away thinking oh well I’m busy etc ”

Female, In work, Child Tax Credits and Working Tax credits

Due to the central role of the migration notice and reminder letter, there are several things we could consider to make them more actionable



Considerations for the future...

Migration notice	Reminder letter/Checklist	Role of HMRC (Tax credit only)
<ul style="list-style-type: none"> • Tailoring of the migration notice is key to encourage claimants to take action. • Provide clarification on the benefits being stopped or continued while on UC. • Make it explicit that moving to UC will not happen automatically. This is particularly important for Tax credit claimants. • Provide some background on why they are being asked to moved to UC, and why it isn't automatic. 	<ul style="list-style-type: none"> • To avoid confusion, provide clarity that action may already have been taken in the reminder. • Provide an outline on the personal information/documents required when filling in the application e.g. Information booklet. 	<ul style="list-style-type: none"> • This has not been formally tested but the role of the HMRC could remain key due to their current relationship with the TC claimant. • Consider a warm-up letter/email/SMS from HMRC to advise claimants that they will shortly be asked to move to UC. • Co-brand resources with HMRC to provide reassurance that this isn't fraudulent activity.

Further analysis is being done to enable us to test our different approaches to reminders. As a first step we are strengthening the messaging in the Migration Notice



So what...

Further analysis:

- Learnings from ETS have informed different approaches to reminders taken across Delta, Echo and Foxtrot cohorts. This included testing letters, SMS and phone call reminders as well as testing a different number of reminders at different times.
- Analysis is currently being done on these cohorts and will inform the optimum journey we will take. It may differ by benefit type.

Outputs:

- We are currently testing a version of the Migration Notice which is tailored towards tax credits claimants. This includes making it clear that you can still claim if you are in work, have renewed your tax credits and if you have more than £16,000 in capital.
- We are starting to run a number of small-scale experiments to determine the optimum time, channel and frequency of reminders to ensure claimants can make an informed choice about claiming. These include:
 - Sending an early reminder to encourage people to claim sooner
 - Sending three reminders to encourage people to claim by the deadline day
 - Varying the time of day when SMS reminders are sent to learn if the impact is more positive outside standard working hours
- We will be testing co-branded resources with HMRC to provide reassurance to Tax Credit claimants, and ensure we optimise the partnership as much as possible.
- The Tax Credit Renewals letter will advise claimants that they will be asked to move to UC.

Stages of the journey

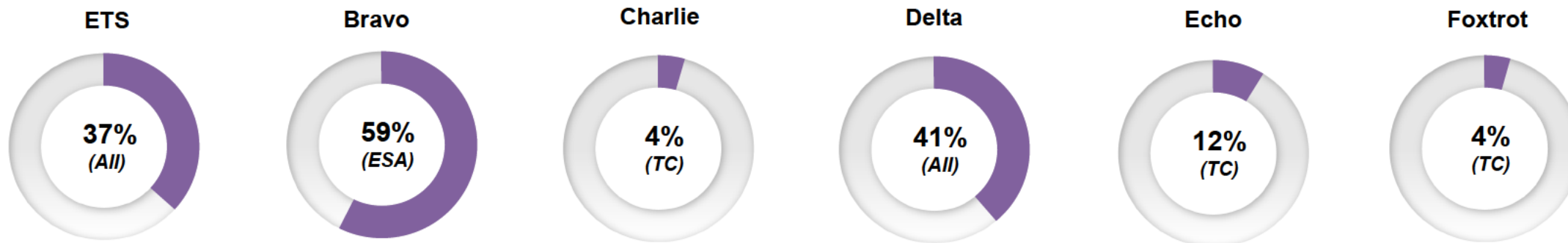
2. SUPPORT JOURNEY

The level of support required differs by cohort, with ESA claimants needing the most help due to health condition barriers



Assisted Digital Survey

Did you require help to complete your claim?



Reasons for needing help

Answering questions	Health condition	No access	Answering questions	Answering questions	No access
No access	Answering questions	Health condition	No access	Reading/writing	Set up
Language barrier	No access		Set up		

Most claimants consulted with others before making a claim. More vulnerable claimants relied more on support workers



Where do claimants access support...

Key resources for support

- **Family, friends and other close connections** are strong influencers
- Most consulted with other resources before making a claim
 - The **helpline** was the main point of their investigation, and their experience was positive
 - They also visited a range of other **organisations** to find out more information including: Gov.UK, Citizens Advice and Turn2Us
- Some also got advice and help from **community support**, including GPs, schools and religious centres



Vulnerable claimants

- Claimants in **supported living** rely heavily on **support workers** to understand the letter and progress their claim.
- **Claimants with several barriers**, including no access to the internet and no family or friends **struggled the most to understand** who to consult to be able to make a claim.

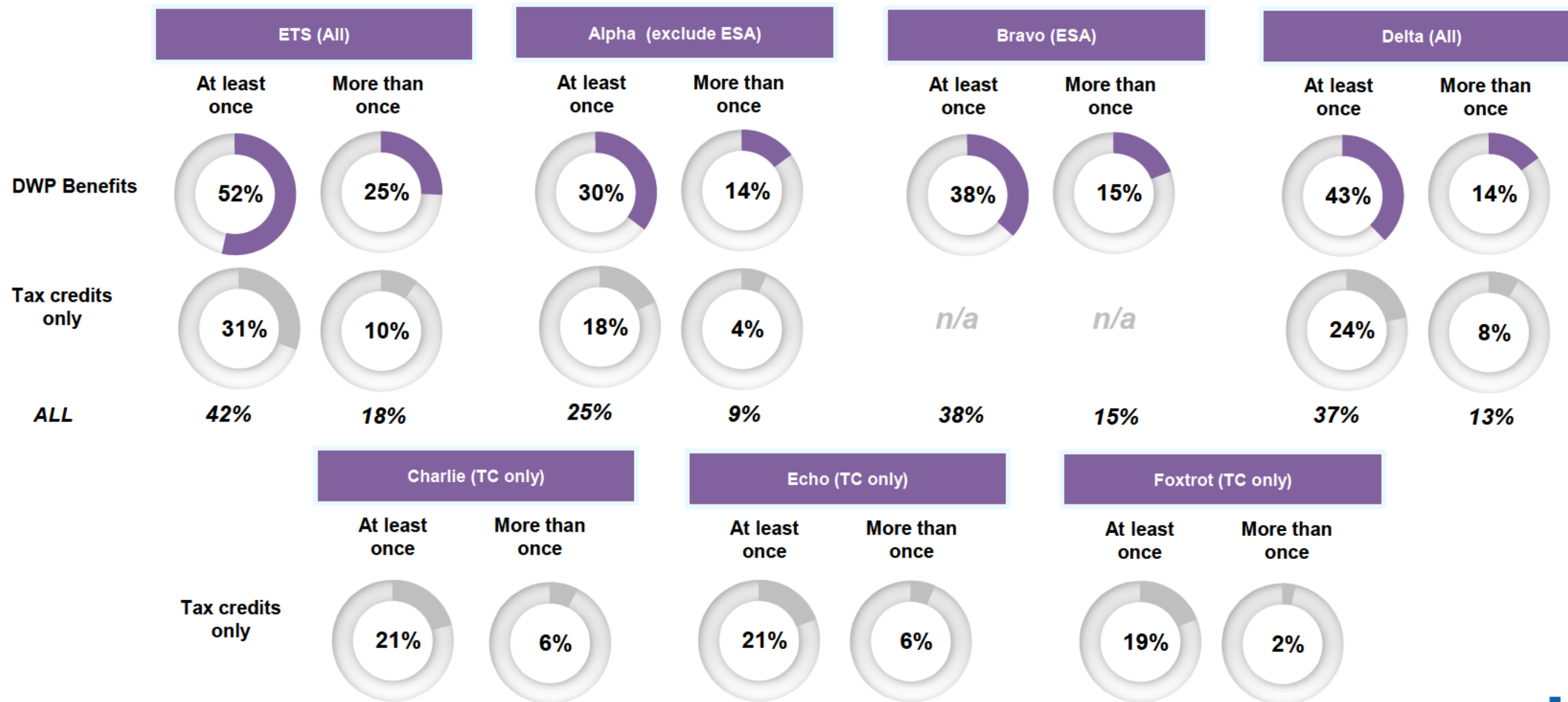
Audio clip:
*"I'm thankful for the
support workers that
I have"*

For Tax Credit Claimants the HMRC website would also be a key place of investigation.

This is supported across all cohorts TC claimants are less likely to proactively contact the helpline



Helpline contact by cohort



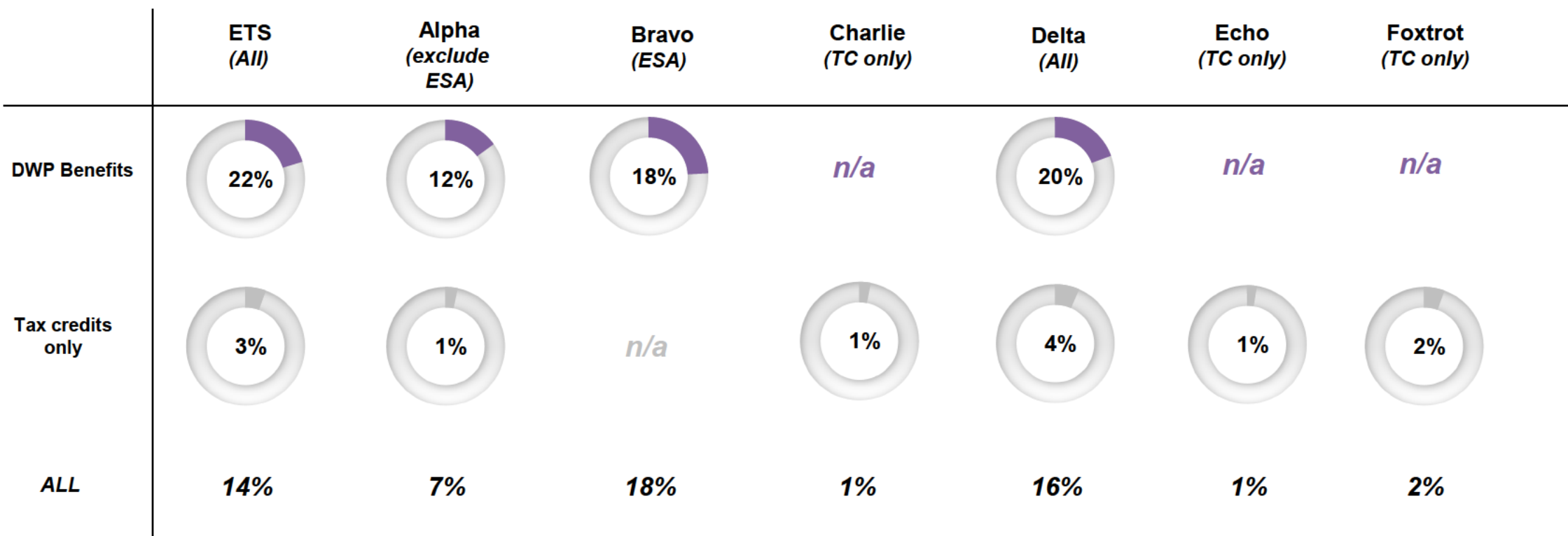
The ETS cohort had the highest proportion of telephone claims. TC only cohorts had a low amount of telephone claims between 1-4%



Telephone claims by cohort



% Telephone claim



Telephone claims across the wider UC service are 3.1% in October 22

The questions asked by claimants differed throughout the journey, moving from exploratory to more detailed questions



Call Listening Insights: the main questions that were asked by claimants

Helpline demand is often driven by difficulty with applications and resulting confusion & anxiety

Before making a claim

Payments

- **Impact on overall payment:** Will I be worse off?
- **Frequency of payment:** Monthly vs. fortnightly
- **Requests for alternative payment arrangements:** linked with housing benefit

Process

- **Automatic transfer unavailable:** Understanding reason for making a claim
- **How to claim:** Understanding the process
- **Ongoing relationship with job centre**
- **Link with other benefits e.g. PIP**

After making a claim

- **ID verification:** Claimants got stuck at different points
- **Additional advice:** Examples include, login issues, high level of savings
- **Appointments:** Unable to attend due to health/mobility issues
- **Understand advance payments**
- **Employment history verification**
- **Help to complete 'to dos'**

Unable to make an online claim

- **A high proportion made a telephone claim, so were transferred to the national telephony**
- **Barriers to making an online claim:**
 - Health conditions
 - Lack of digital skills
 - No internet access

Guidance page is not currently well-used and more could be done in this space to optimize it for success



Guidance on Gov.UK



Guidance

Tax credits and some benefits are ending: claim Universal Credit

Updated 28 September 2022

Applies to England

Contents

Why you need to claim Universal Credit
Benefits that are ending
Who Universal Credit is for
How to claim Universal Credit
Apply for Universal Credit online
When you need to act
What you'll get
How you're paid
Your responsibilities
Other financial support
Contact us

Print this page

Why you need to claim Universal Credit

If you have received a letter (called a Migration Notice) from the Department for Work and Pensions (DWP), then some of your existing benefits will be ending soon. This guidance is only for people who have received a Migration Notice letter and live in:

- Bolton
- Falmouth
- Harrow
- Medway
- Northumberland
- Truro

For everyone else visit the [Universal Credit](#) guidance.

Guidance Page testing



- The guidance is **easy to understand** but very few currently read it.



- Content is **overwhelming**
- **Unable** to click and start claim straightaway.
- **Most will not reach this guidance** as go through a search engine to reach a generic GOV.UK page.

Improvements

- Incorporate the specific differences for Move claimants into the **main guidance** instead.
- In the short term, the **GOV.UK link-per page pattern** would help to break up content for users.
- Look at **search engine optimisation** if we continue to use this page.

There are key pain points coming up across benefits which would be good to consider in planning for 23/24



Call Listening Insights: Concerns by benefit type



Housing benefit

- For some, **housing benefit had not been paid on time**. With some being threatened with eviction having fallen into debt .
- Agents are at times giving **inconsistent/conflicting advice** suggesting training is needed in this area.



Tax Credit Overpayments

- During the Move process, some claimants were advised of an **overpayment of Tax Credits**
- Both the TC or UC helplines were unable to help, leaving claimants feeling ignored. Claimants are advised to contact HMRC if an overpayment has occurred.
- Also **confused** about migration letter so soon after **TC renewal**.

JCPs were helpful but claimants had frustrations with mandatory appointments



Experience of job centre



- Claimants who visited the job centre voluntarily were generally happy with their experience.
- Understanding and helpful
- Support with advance payments and frequency of payment.

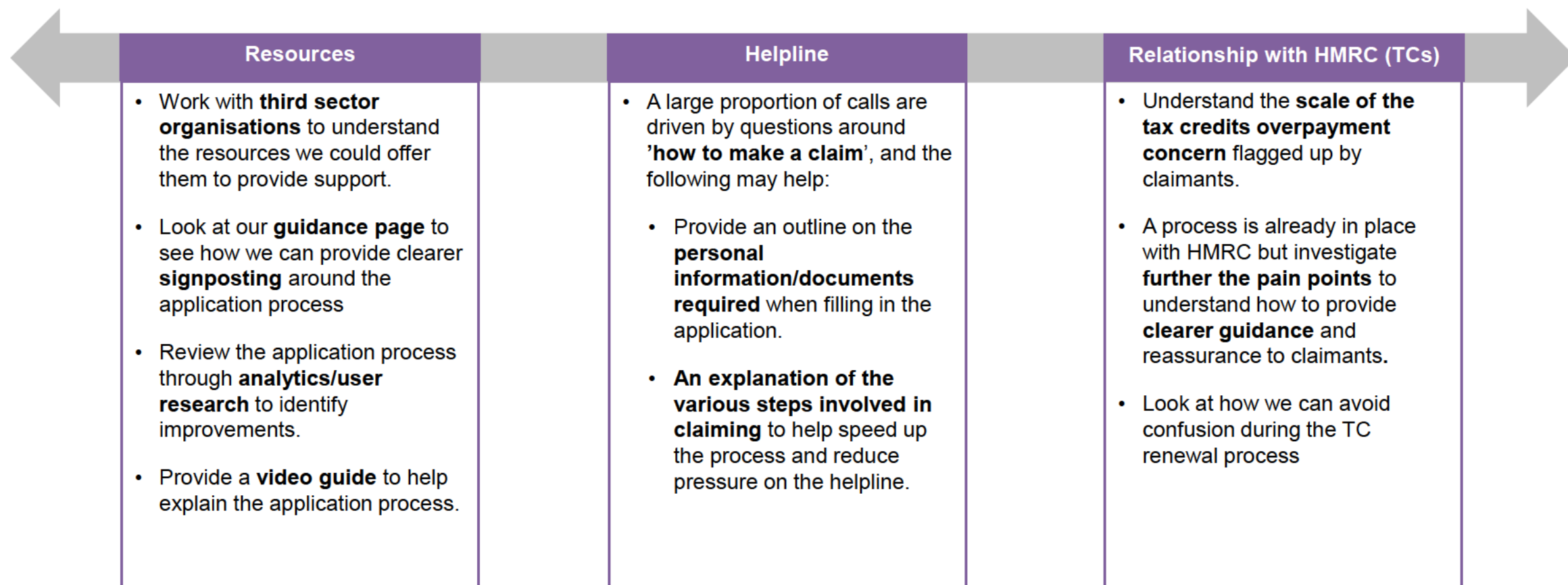


- Frustration were mainly over mandatory appointments
 - Disabled: Being asked to provide evidence that was not needed previously. Also, asked to attend JCP with mobility issues.
 - In work: Found it difficult to attend and were not given flexibility around the timeframe. An issue with ID verification.

The support journey remains a core area at helping people make a considered choice around their claim. There are several things to consider...



Considerations for the future...



We will continue to analyse how TC claimants engage with our core touchpoints. We will work with third sector organisations and look at how we can improve information



So what..

Further analysis:

- Continue to analyse how claimants are engaging with the helpline and other touchpoints as we move to standard.
- Continue to utilise the call listening insights to identify key queries coming through to the helpline from tax credit claimants.
- Further research and analysis required to understand potential support needs for self-employed tax credits claimants.

Outputs:

- We are looking to run a number of experiments at different points in the journey to improve information claimants need on how to make a claim, and the documents they may need in supporting their claim. These include:
 - Providing “how to” claim information on the migration notice and/or reminder letter
 - Explaining the claim process more clearly on the Move to UC GOV.UK pages.
- We will also test a QR code on letters to improve signposting from letters to GOV.UK
- Continue to work with third sector organisations to provide resources to support claimants through the move process.

Stages of the journey

3. ATTITUDES TO UC

TC claimants had formed negative perceptions of UC based on stories they had heard from others about reduced payments and administrative problem



Reaction to the letter (Echo & Foxtrot)...

Attitudes towards UC

Neutral perception of UC:

- Claimants who knew little about UC were more likely to have a neutral view as they were unsure how it would impact them
- Some viewed the move as a technicality – moving from one “platform” or “provider” to another but with no effect on them as a claimant
- Those who had heard they needed to move over prior to receiving the letter were less worried about the move

"Not sure my view of Universal Credit as I still don't know how it could affect me – if it's just a migration to a different system but doesn't impact what I get, then that's fine."

Female, In work, Child Tax Credit and Working Tax Credit

Negative perception of UC:

- Claimants had heard negative stories of missed or incorrect payments, or believed that they were likely to receive less on UC
- Claimants believed that the additional admin involved in applying and managing their claim would be a burden
- Claimants were also concerned about needing to budget monthly instead of weekly, and about problems caused by the monthly payment if their employer did not pay them on a monthly basis

"There is quite a lot of negativity around Universal Credit, people being worse off, not being able to cover costs for stuff"

Female, in work, Child Tax Credit

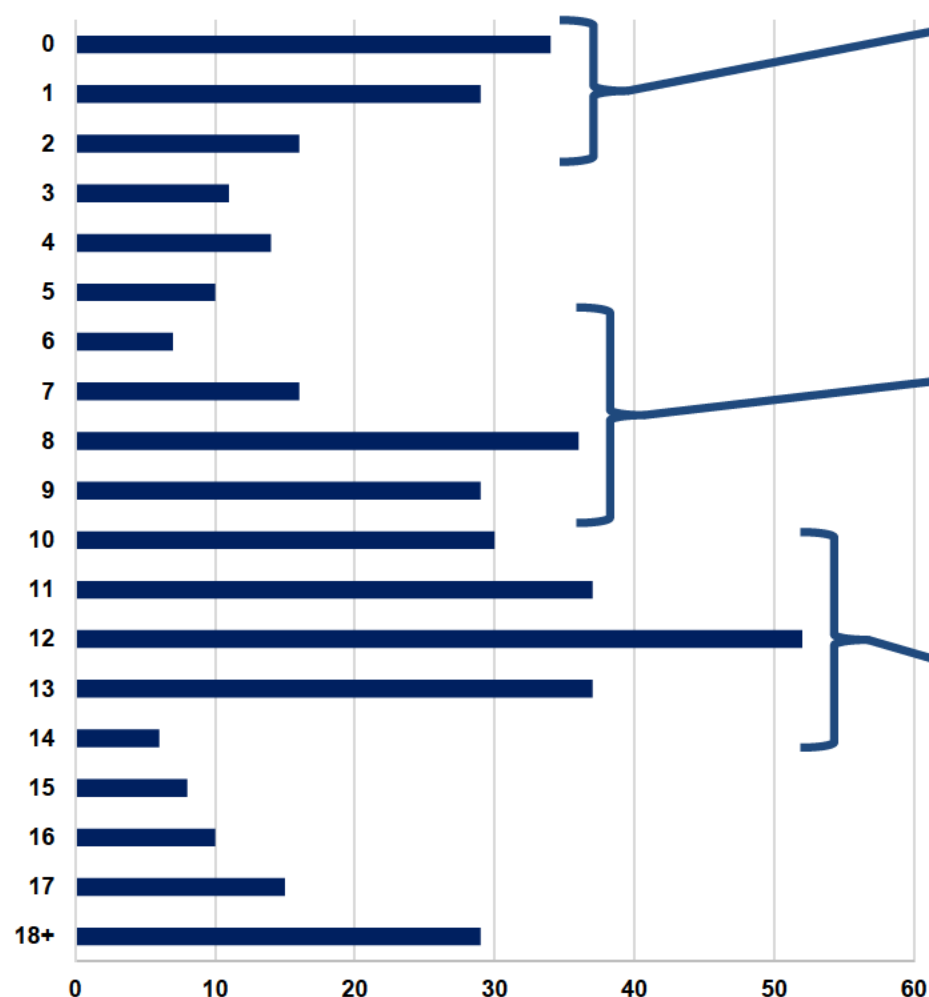
Stages of the journey

4. NO CLAIM JOURNEY

ETS indicates that claim timing is a result of confidence, capability and conscious decision making



ETS Claim Time (weeks):



Rapid claims

- **Most digitally literate** and confident in their own abilities. Better at 'admin' tasks.
- Tend to be **in-work** and used to tasks of this nature.
- **Concern over delay in payments** so claimed quickly to avoid delay.

Delayed claims

- **Waiting for family, friend or support worker** to help with their application.
- **Competing priorities:** dealing with family emergency, recovering from illness, school holidays.
- **Waiting for 'Cost of Living' payment** or next benefit payment before applying.
- Recent or imminent **change of circumstances** e.g. waiting for new job pay confirmation.
- **Forgotten** about the Migration Notice.

Deadline Claims

- **Concerned about getting less on UC** so choosing to stay on current benefit.
- **Saving up before applying** in case of delay to UC payment.
- Digitally excluded and **in need of 'face to face' support to claim**. Not currently engaged with DWP.

No claim

- Unclear if the Migration Notice applies to them due to recent TC renewal.
- Conscious decision not to claim – not worth time.
- Believe they will be moved automatically and benefits will not be stopped.

TC claimants were more likely to make an informed decision about their reasons for a not claiming



TC Claimants – Reason for no claims

Believe they not eligible for UC:

- Some claimants didn't believe that they would be eligible for UC as their income had recently increased and their tax credits had already stopped
- It was not clear to these claimants if the letter applied to them, so they chose to ignore the letter and not take any further action

Did not want to claim UC:

- The amount they would receive was so small it was not seen as worthwhile, when compared to admin involved (Echo cohort).
- Didn't feel they needed it as they got a sufficient amount from their job and believed that benefits should only be for those who really need it.

Delay in claiming:

- **Concerns about Income:** That they might receive less on UC so delaying as much as possible and save up more money before the deadline date.
- **Personal/Work pressures:** Busy time at work or with family life. Assumed that the process would be time consuming.

Terminations are higher for tax credit claimants. Amongst cohorts with mixed benefits, tax credit claimants also have a higher termination rate



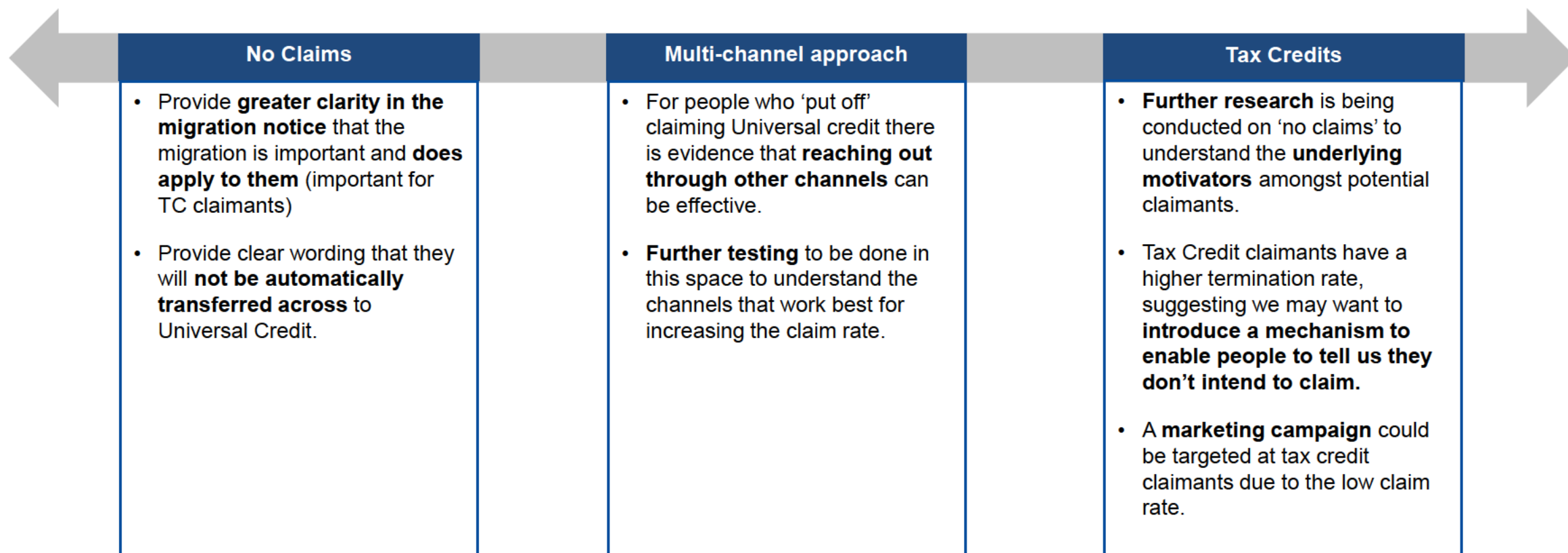
Terminations/Extensions

	Total MNs	% Terminations	% then made claim	% terminated BUT made claim before deadline	% Extensions
ETS (All Claimants)	499	16% (80) <i>DWP Benefits = 1% (6) Tax Credits = 15% (74)</i>	39% (31)	19% (15)	38% <i>DWP Benefits = 35% Tax Credits = 42%</i>
Alpha (exclude ESA)	250	16% (39)	37% (14)	16% (6)	34%
Bravo (ESA)	264	1% (3)	0%	0%	30%
Charlie (TC only)	230	23% (55)	42% (23)	16% (8)	40%
Delta (All claimants)	252	10% (24) <i>DWP Benefits = 3% (8) Tax Credits = 6% (16)</i>	25% (6)	21% (5)	31% <i>DWP Benefits = 28% Tax Credits = 41%</i>
Echo (TC only)	187	41% (77)	31% (24)	14% (11)	24%
Foxtrot (TC only)	180	26% (46)	15% (7)	11% (5)	42%

No claims can be driven by apathy but also potential claimants 'don't claim' due to lack of clarity around the journey



Considerations for the future...



We continue to analyse learnings to understand why people not claim UC by their deadline date or do not claim at all



So what...

Further analysis:

- We do not fully understand why people do not claim by their deadline date and in particular the number of tax credits claimants who do not claim at all.
- We will continue to monitor the termination rate for tax credit claimants and track those who have not made a claim to see if they claim at some point beyond the one-month grace period, or if they claim other benefits.
- Further analysis to be done on the Echo cohort to understand the underlying motivators for a low claim rate.
- Looking to undertake a survey of those not claimed and terminated a couple of months after the claim to understand the reasons for non-claiming.

Outputs:

- We will be running experiments to give tax credits claimants the opportunity to tell us if they do not intend to claim. This can help us understand reasons for not claiming, ensure an informed choice is made and give greater confidence in termination
- We are looking at using data from PIP to see if we can identify potential support needs to inform the no claim journey
- A no-claim strategy is currently being developed by the team.

Stages of the journey

5. UC CLAIM MADE

TC claimants have a low awareness of requirements on UC. Some believed managing their claim would involve more admin than claiming tax credits

Perceptions of Universal Credit (TC Claimants)



Online Journal

Claimants showed some awareness of the **online journal**. Some believed they would have to report their earnings or hours regularly and were concerned about this additional admin.



Claimant Commitment

Awareness of **claimant commitment** was **very low**, and claimants generally presumed this would only apply to those out of work.



Job Centre

Claimants were unsure about whether they would have to **attend appointments at the jobcentre** and concerned about whether they would be able to do so given work commitments.



Childcare support

Some claimants thought the process for **claiming childcare support** would be more difficult as they would need to pay upfront and then ask to be reimbursed.

"I am a bit apprehensive about the tasks involved... I have heard you need to fill in, how many hours worked each week, to the minute, hour... That just seems like a tedious task each week."

Female, In work, Child Tax Credits and Working Tax Credits

Across all cohorts, TP awards are more likely to be given to TC claimants (but amount is lower)



TP Calculations (by cohort)

	Total MNs	% TP Calculations performed		% non-Zero TP Awards (of all TPs)		Average Amount
ETS (All Claimants)	499	87% (435)	DWP Benefits = 95% Tax Credits = 78%	49% (215)	DWP Benefits = 45% Tax Credits = 56%	£184
Alpha (exclude ESA)	250	87% (218)	DWP Benefits = 92% Tax Credits = 81%	45% (99)	DWP Benefits = 31% Tax Credits = 66%	£209
Bravo (ESA)	264	90% (238)		39% (92)		£202
Charlie (TC only)	230	77% (177)		62% (109)		£161
Delta (All claimants)	252	86% (217)	DWP Benefits = 90% Tax Credits = 76%	55% (120)	DWP Benefits = 52% Tax Credits = 65%	£238
Echo (TC only)	187	61% (115)		63% (73)		£106
Foxtrot (TC only)	180	73% (131)		64% (84)		£161

Most claimants don't understand their payment – the award amount or timing of the payment were both concerns



Views on payments from ETS

Unpredictability (early stages)

- Period of 'working out' what UC would be like due to **changes in payment**: irregular, varied amounts & multiple payments for some led to greater reliance on food banks.
- Most **were confident** that the payment would come on the date advised.
- **Wait can feel long**, particularly if on a fortnightly payment.

Decreases in payment

- Some received **less than on previous claim** and didn't always understand why. This was particularly the case for the self employed.
- Some were also uncomfortable with the **transitional protection** and felt insufficient to meet cost.
- **Passported benefits** may also be emphasising this further with Tax credits.

Tax Credit overpayments

- During the Move process, some claimants were advised of an **overpayment of tax credits**
- These claimants were often unsure about the process for paying back and were worried about this.
- This was complicated further by being unsure where to get help.

"I made the claim to UC, and then I received a letter from Tax Credits stating that I owed £590. I didn't understand why I'd been overpaid, so I called the Tax Credits helpline and was informed that I owed it because of the move to UC"

Most claims were paid on time across all cohorts, but Move to UC claims were more likely to have 'some payment late' than full service

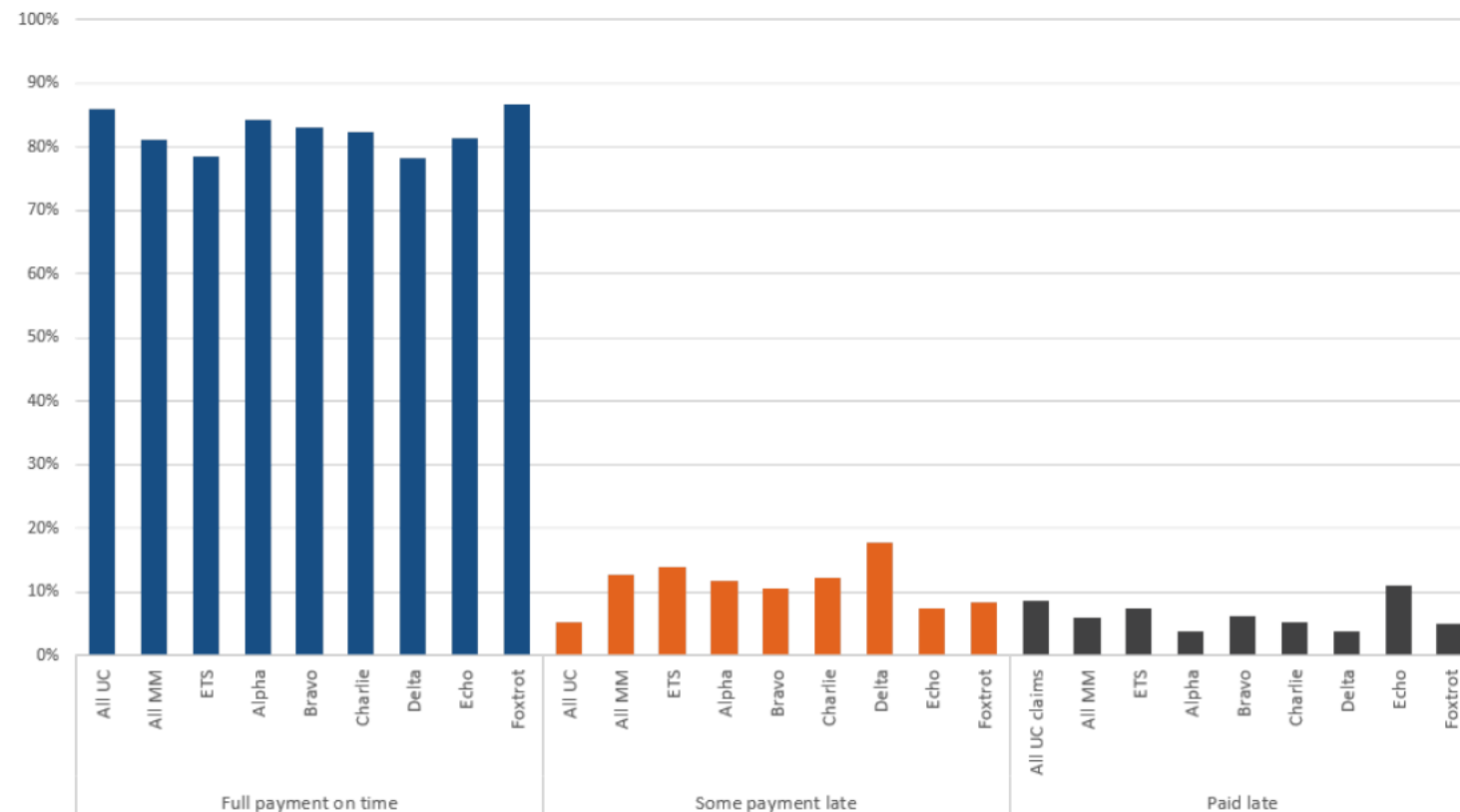


Payments – AP1

Payment timeliness for AP1

Payment Timeliness for AP1

New claims paid between June - December 2022



Source: M2UC data and PDM, 8/2/23

Note that retrospection may result in subsequent changes to proportions (especially for claims made in later cohorts).

Full payment on time

Some payment late

Paid late

Experiences of Universal Credit are mixed with both positive and negative feedback. The experience was better for individuals with stronger digital skills



Experience of Universal Credit (ETS)



- DWP advisors were described as **friendly & put them at ease**.
- **Online journal was well-received** with many positives - straightforward, easy to use with fast response times.
- Made thing '**simpler**' with all things in one place.
- **More frequent contact with 'work coach'** was a positive for those seeking work, and supportive in helping them find courses (not available on JSA).

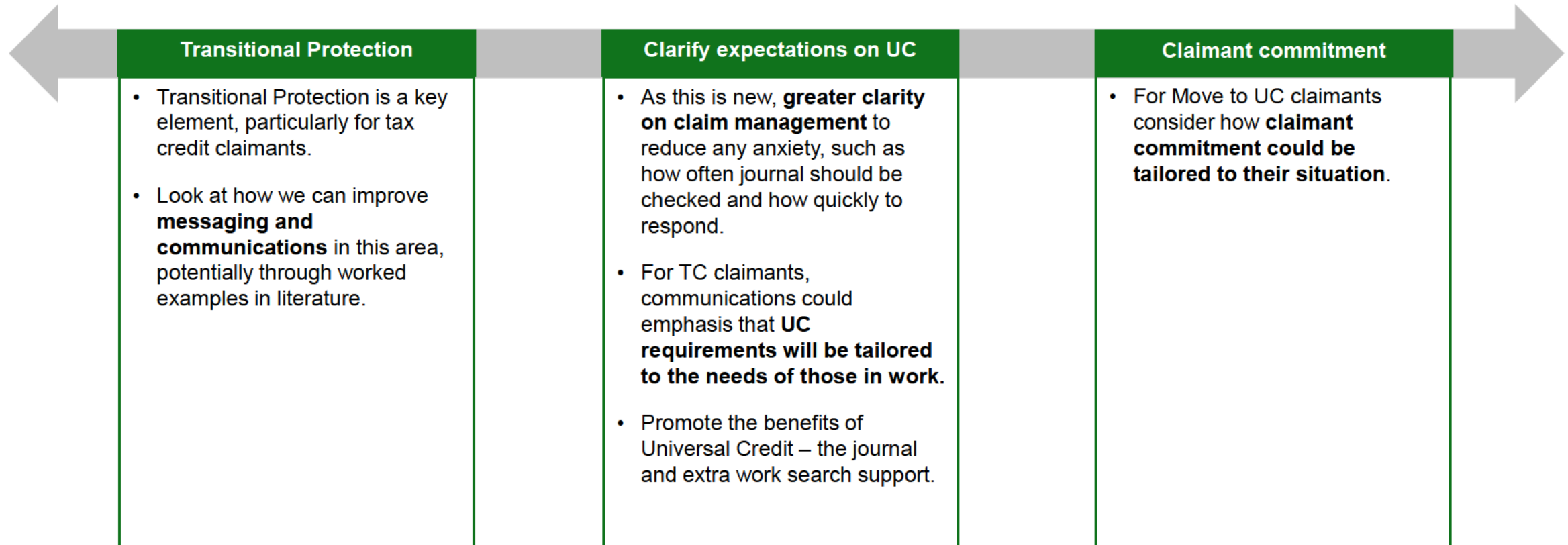


- Making a claim is challenging for people who **lack digital skills**, and need more support. Usually found via friends/family.
- If unable to make an online claim, **frequent visits to JCP** can be **frustrating** and difficult if you lack mobility. There can also be a lack of consistency in the messaging.
- Telephone claim claimants also spoke about the **lack of consistency** in speaking to advisers. There was also long waits and lack of 'call backs', with some unsure who to call.

More Insight is required on the post claim journey to understand more deeply areas of development. We have the following considerations so far...



Considerations for the future...



Further analysis is required on this area of the journey and will continue to work in collaboration with other teams across the programme.



So what

Further analysis:

- Further analysis to be done on the journals to understand the key queries and questions coming through from Move to UC claimants, particularly tax credits.
- Further research and analysis to be done on the particular needs for claimants to understand transitional protection and the wider financial impacts of moving to UC
- Continue to monitor the new claim journey and points where claimants can get stuck e.g. verifying ID
- Analysis on Claimant Commitment to understand implications for tax credit claimants.

Outputs:

- We are planning on running experiments across the journey about how and at what points we best help claimants understand Transitional Protection.
- We are analysing data around payment patterns to understand if there is a better time to claim UC.
- We are exploring how we match move to UC claims earlier in the process
- We are making improvements to the explicit consent model in UC.
- We are making improvements to ensure tax credits claimants understand they need to accept their Claimant Commitment.

Overall performance of service – Discovery

NEXT STEPS

Next steps

- Extra analysis from the data scientists, particularly on the journey once the claimant has been matched, and the reminder analysis.
- User research to be incorporated from the recent couples' research and no claims work.
- Social Research (UCAD) are doing pre and post interviews with Echo/Foxtrot to help understand how claimants think & feel.
- Potential extra analysis by UCAD on payment gap/passported benefits.
- Further analysis to be done on the Standard cohorts to identify if similar trends are coming through.
- Analyse the claimant journey following the UC claim, including their understanding of their payment (with a focus on transitional protection), ID verification and accepting their claimant commitment.