

Meeting:	Universal Credit Programme Board
Date:	21 st February 2023
Location:	Microsoft Teams & Caxton House
Attendees:	John McGlynn (Chair), Neil Couling (SRO), Ian Wright (UC Programme Director), Stuart Ison (External Affairs, Strategic Design and Planning Director), Sophie Ingram OBO Catherine Vaughan (Finance Director), Simon McKinnon (Digital DG), Paul Francis (digital Director), [REDACTED] OBO Myrtle Lloyd (HMRC Director), Ronan O'Connor (UC Policy Director), Beth Timson (HMT Director), Marcus Mason (HMT Director), [REDACTED] OBO Helen Pickles (Deputy Director PC&P), Paddy Rooney (Work and Health DFC NI), [REDACTED] OBO David Magee (Cabinet Office Operations), [REDACTED] OBO Mari Roberts-Wood (Reigate & Banstead Local Authority), Lesley Woodruff (MtUC Operations Director), Will Garner (Product Director)
Presenters:	[REDACTED] Manager), [REDACTED] (Insight Manager)
Apologies:	Barbara Bradley (Work & Health DG), Myrtle Lloyd (HMRC DG), Helen Pickles (PC&P Director), David Magee (Cabinet Office Operations), Mari Roberts-Wood (Chief Executive Reigate & Banstead Local Authority), Catherine Vaughan (Finance DG),

Welcome, Minutes & Matters Arising

The chair welcomed members and deputies to the meeting. The January 2021 minutes were cleared with no amendments requested.

In his opening remarks the Chair re-iterated that he welcomes questions, clarifications and observations on agenda items from all board members either via the Teams hand raising facility or directly in the room.

The SRO notified that he and the Digital DG need to leave part way through the meeting to attend another meeting on deliverability assessments on Government's Budget options. Deliverability and new proposals may have some implications to the UC plan which will require some work. The Board will be updated as soon as possible.

Paper 1 – Programme Director and Move to UC (MTUC) Update

The Programme Director walked attendees through the paper, highlighting the following key points:

- The RAG rating for the Programme is currently Amber.
- Scaling in April is rated Amber due to concerns on the level of automation available by April, noting work is underway to look into contingencies.
- Good operational plans are in place for scaling (April – June), however noted nervousness for July - September due to demands on operations as a result of the March budget.
- SSAC visited Bolton Service Centre on 08/02/23 which proved to be a positive visit.
- Help to Claim (year 5) is ready to go live from April. Options for year 6 are with Ministers.

- 541 migration notices were sent in January. The aim was to send 1000 however this did not happen due to the amnesty period over Christmas when termination notices were not sent. This created a bulge of work which was then prioritised over new migration notices.
- Bristol Service Centre is now operational. Bristol picked up Bolton Service Centre's work during the recent industrial action.
- A major automation release for Service Centres went live the week commencing 13/02/23 which reduced reliance on spreadsheets.
- Targeted Case Review (TCR) is hoping to get to 930 FTE by the end of March however this is tight. Quarter 2 supply plans milestone is rated red. Noted original plan was to attend Capacity Board in February to obtain the go-ahead for July-September scaling for Move to UC, however, this will now happen in March at the earliest.
 - Work is ongoing to identify whether the Capacity Board delay will impact recruitment. Contingency planning is underway.
- DWP – HMRC automation/integration testing is due to complete mid-March.
- Couples testing is rated red. This is due to resources being prioritised to work on Service Centre automation. The revised date for couple's work is the 17th May and still provides time before scaling couples in October.
- Unit costs are tracking below forecast.
- Finance costs are stable.
- Digital resource has increased slightly, further emphasising this is due to the good work being undertaken by Digital Group.

Member Discussion:

- Further digital recruitment updates:
 - Recruitment in the week commencing 13/02/23 saw one SEO accepted with a further two offers made and a Grade 7 accepted.
 - Work is underway on the near-miss exercise. Noted the need to re-recruit to identify near-misses and this should be up and running within the next couple of months.
- The Chair sought further information on TCR recruitment:
 - TCR has enough resource for the current phase of work. Further noting TCR is close to meeting the desired FTE and it's a case of when offers turn into appointments.
 - The SRO highlighted difficulties around recruiting AO colleagues in Service Centres earning near or at the national living wage.
- The SRO is undertaking work on how to deliver recruitment and what compromises may be needed, further emphasising that no compromise will be made on MTUC.
- Highlighted the plan to automate as much as possible which is expected to reduce operational resource needed. However, Operations will still require enough resource for interaction and support.

Paper 2 – MTUC Consolidated Learning from the Discovery Phase

The SRO introduced the item, noting the paper contains rich learning that he wants the Board to see, further noting SSAC and the Programme have already seen the insights.

The Presenters walked attendees through the paper, noting the following additional points:

- This paper provides learning up to this point in time and that learning is still underway.
- The extended claim deadline enabled learning to understand enhanced support needs around not claiming. The extension was removed for TC only due to TC claimants generally having other forms of income and being better able to meet the hard deadline (with the 1 month grace period).

- DWP benefit cohorts have a higher claim rate than TC cohorts. This could be explained by a higher level of capital or additional earnings resulting in a lower award which claimants may feel is not worth their time. Work is underway to monitor whether TC claimants claim in the months following termination.
- Walked attendees through the migration notice insights, emphasising the letter gave a clear understanding of the need to move to UC and by the deadline, how to apply (online and additional support) and what happens should they not claim.
- The presenter walked attendees through the future considerations for migration notices, reminder letter and role of HMRC (for TC only) as per slide 13-14. Additionally highlighting the actions/outputs:
 - The testing of a TC tailored migration notice.
 - The commencement of a small-scale experiment to determine the optimum time, channel and frequency of reminders to ensure claimants can make informed decisions on claiming.
 - Testing co-branded resources with HMRC.
 - TC renewals letters to inform claimants they will be asked to move to UC.
- Walked attendees through the support claimants required and considerations for the future, per benefit type:
 - ESA claimants required the highest level of support and are more likely to contact DWP, whilst TC the least likely to require support or make contact.
 - The ETS cohort had the highest proportion of phone claims, compared to 1-4% for TC only.
- Walked attendees through the graph on slide 29 which highlights the reasons claimants claimed when they did.
 - Reasons that TC claimants did not claim include: believing they are not eligible; did not want to claim and delays in claiming due to work pressures or concerns about income (and so saving as much as possible before claiming). Additional analysis is ongoing into why claimants across all benefits did not claim.
 - TC termination rates are higher than those of other benefits and work is being done to investigate this further.
 - Noted concerns that more TC claimants do not contact UC post termination when they receive no payment. Additionally querying whether it is possible to introduce a function for claimants to advise they are not going to claim.
- So far TC claimants are more likely to be given transitional protection than we estimated.
- Most claims were paid on time across all cohorts, however MtUC claims were more likely to experience late payments than live full-service claims.
- Walked attendees through the UC experience positives and negatives as per slide 39. Further emphasising experiences of UC were mixed with those who have better digital skills having a better experience.
- Noted more insight is required on the post claim journey to understand areas of development.

Member Discussion:

- The rate of claim is much lower than previous OBR assumptions. Further noting the importance to identify why and understand hypothesis on this.
 - The SRO has asked analysts what success looks like considering what is now known.
 - Highlighted some possible reasons for lower claim rate:
 1. Fraud
 2. Pay rises (UC will pick this up monthly and not yearly like TC).
 3. Capital. Further noting there is 3x the amount of capital than assumed on original UC costings due to in-accurate data in the capital and family resources survey.
 4. Small entitlements that it may not be “worth” claiming
 - Highlighted the programme are looking into the reasons behind the lower claim rate, especially taking into account the wellbeing of claimants.
 - The original OBR assumptions were decided with little evidence and information based on data from the capital and family resources survey. Additionally noted that at that time, Government did

not want to expose public finances to a higher level of risk by assuming a bigger no claim rate and so added in contingency (based on the initial goal of rolling out UC by 2017).

- Noted the need to consider the shift in culture for TC claimants, whereby HMRC have pushed a disconnected service whilst DWP have retained elements of personal relationships.
- UC supports claimants and try to move phone claims to the digital service. Phone claim rates are likely to reduce in the future.
 - Research is due to commence to understand what phone claimants require to manage digital claims.
- Late payments are almost always a result of the verification process and claimants not providing evidence, and rarely due to the Department being slow.
- Re-engagement is monitored appropriately.

Verbal Update – Communications Update: Tax Credit (TC) Only

The presenter highlighted the following key points:

- A below the line paper will be brought to UCPB in March to outline what has been agreed with Ministers regarding TC Communications.
- Discussions on communications has been ongoing for some time. This is due to the different perspectives between the previous and new Ministerial team, Autumn Statement changing profiles and the extension of the Programme to 2028.
- The proposal is to approach communications with a two pronged strategy. This has been agreed in principle with Ministers.
- The first part of the approach will be a dedicated MtUC campaign.
 - It has been decided that a TV campaign is not appropriate due to the changes to the profile following the Autumn Statement. Instead, the proposal is to focus on print, radio and digital (inc. social media).
 - The proposed campaign is expected to cost considerably less than a TV campaign, at £3m.
- The second part of the approach will be to look into a broad toolkit of actions to address a range of issues including tackling perceptions of UC. This includes
 - ensuring UC is part of the thinking on the work taking place on workforce participation across the department.
 - Through renewed stakeholder engagement, including in a range of forthcoming workshops. further engagement with Parliamentarians including tackling misconceptions (e.g. UC cliff edges).
- It was noted during the discussion that the press team proactively monitor media stories and ensure that enquiries from the media are dealt with swiftly and comprehensively.

Member Discussion:

- The MtUC Operations Director Suggested communications could include the departments appetite to help prepare and engage with customers and what wider support Job Centres can provide (e.g. learning, training and provision).

AOB

There was no AOB.

Contact: [REDACTED]