

To: Universal Credit Programme Board

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**Summary:** This paper provides the Programme's readiness assessment to commence scaling of Tax Credit only claims in April.

Findings from a series of readiness assessment reviews have been endorsed through the Move to UC Sub-Group and Programme Delivery Executive (PDE). The assessments concluded with a recommendation to the SRO that we are ready to start scaling Tax Credit only migration cases from April with an overall Amber/Green rating.

This paper provides the key findings from the Readiness Assessment and ask that the Programme Board endorses the recommendation to the SRO that we are ready to commence scaling.

## Assessment of Programme Readiness

### Background

1. **Assessing Readiness:** The Programme employs an agreed a set of outcome-based Readiness Criteria to enable ongoing assessment of the Programme's ability to continue to test, iterate and move claimants to UC. These have continued to be reviewed and updated to align with learning through the Discovery phase. The Readiness Criteria which encompass around 60 individual measures, allied to the plan schedule and underpinning milestones, provide the basis for readiness assessments as we build more volume into the service. Annex 1 to this paper provides the summary level plan and Phases against which readiness is assessed.
2. **Planning for the Commence to Scale Phase:** Following the Autumn statement work was undertaken to impact the change in scope to the plan including the preparation of a plan and volume schedule through to completion. In developing the high-level plan, we worked closely with key stakeholders from across DWP and HMRC through our senior governance fora to agree a set of planning assumptions on which to base the volume profile. The outcome of those discussion reaffirmed the previously agreed position of prioritising tax credit claims for 23/24 and enabled the Programme to prepare a profile with an acceptable level of risk. The core principles that underpin the profile in commencing the 'Start to Scale' Phase include:
  - **scaling the service to commence from April 2023** with the issue of Migration Notices enabling a slower build of work through the customer journey. Planning in this way ensures we have time to implement the most stable and efficient service to support increased volumes through the migration.

- **there is a smoothed and balanced ramp-up of volumes** from April 2023 providing an even increase in the acceleration of Migration Notices. This approach serves to de-risk the initial phase of scaling as confidence builds through close monitoring of the new processes and services ahead of peak volumes. During this phase also we will continue to expand the service to more sites geographically, including service centres as volumes grow through the service. Annex 2 provides the volume profile

### Scaling Readiness Criteria

3. The Readiness Criteria encompasses five key 'Themes' at a summary level. These are:
  - **End-to-End Service Maturity:** Looks at whether the MtUC service is sufficiently mature and efficient to deliver the required volumes beginning in April
  - **Service Stability:** Assesses whether the existing service will continue to operate effectively and efficiently as numbers increase
  - **Legacy & People:** Considers the impacts of Move across UC, wider DWP, HMRC and other partners, that implementation plans have been agreed and we are recruiting, training to ensure we have the right people in the right places to support delivering the required volumes
  - **Secure Service:** Assesses processes developed to Move Claimants are sufficiently secure as volumes increase
  - **Programme Controls & Affordability:** Assesses whether we have the necessary controls to assure we are safe and secure to commence and continue scaling and can assess the affordability of the MtUC Service
4. The readiness process described here is based on best practice and lessons learned from the national roll out of the Full Service. Once we have commenced scaling, we will continue to assess our readiness against the volume profile and closely manage progress through the Implementation Control Centre (ICC)

### Readiness to commence scaling in April - Key Findings and recommendation

5. **We ask that the Programme Board endorse the recommendation to the SRO that we are 'Good to Go' to commence scaling in April.** The recommendation is based on a detailed assessment of the readiness data through Programmes governance, culminating in the PDE endorsement of the recommendation at its meeting on 15<sup>th</sup> March. PDE noted the considerable progress through the plan, including:
  - **Implementation approach established,** aligned with the agreed operating model.
  - **Quarter 1 Roll-out schedule agreed** with implementation activity on track for April
  - **Q1 Resources agreed** with recruitment progressing with close management to ensure required resources are in place in line with requirement to maintain scaling forecasts.
  - **Learning routeways in place** for existing Case Managers and New Staff

- **Phase 13 delivery:** to iterate the existing service to reduce errors, improve efficiency and improve data integrity on track with on-going assurance to confirm reductions in manual effort is achieved in-line with resourcing profiles and the flexibilities that the resource model affords.
  - **HMRC/DWP delivery:** on track to switch on the automated supply of Transitional Protection data and 'Migration' Stop Notices between HMRC and DWP remains from 22 March with switch on date for the automation of 'Termination' Stop Notices following later.
  - **Testing of the automated process:** for supply of case selection records on track with contingency arrangements established to support continued delivery in April whereby HMRC will provide a manual scan of 10k claimant records by end of March.
  - **Confirmed that systems are robust:** and able to handle the forecast increase in volumes through performance testing.
  - **Early learning from Discovery:** published which also includes our delivery plans for 2023.
  - **Communications, and stakeholder engagement:** approach to support scaling established. Parliamentary Handling plan agreed with Ministers with wider strategic communication plans to deliver campaigns to tackle perceptions of UC and a targeted Move to UC campaign aimed at 500k tax credit customers established with testing of messaging commencing in March.
  - **Programme:** Robust Command and Control arrangements established including Implementation Control Centre and readiness assessments to assess and monitor progress. Early learning from Discovery published which included our delivery plans for 2023. Funding secured for 2023
6. Appended to this paper (Annex 3) is a summary of the readiness ratings for the 'Start to Scale' Phase which has determined our recommendation that we are 'Good to Go'

## Risks Forward Look

7. Whilst the recommendation is that we are ready to commence scaling in April there remain some risks which may not only be relevant to commence scaling, but also to sustain scaling once underway as we move forward to deliver increasing volumes as we start to operate at scale. These include:
- **Resource demands** are based on assumed levels of manual effort which may change as we test and learn. While this will need to be kept under close review the cost model upon which resourcing demand is established assumes a conservative level of Automation with full automation limited at 75%.
  - **Quality:** We need to be cognisant that in our focus on building efficiency into the service this does not come at the cost of quality.
  - **Resourcing and recruitment,** required to sustain scaling and continue to increase volumes is subject to Capacity Board approval (given the competing demands for resource across DWP) and the subsequent streamlined onboarding of the required resources. This is also required to support development of the Q2 roll-out plan.

- **Finalising Communication plans:** Whilst progress has been made in agreeing the communication and stakeholder engagement approach, and the Parliamentary Handling plan, to support scaling, work is in train to develop/finalise required supporting products.
  - **Passported Benefits:** Concerns and impacts relating to Passported Benefits while small may grow alongside our volumes with potential for reputational damage and therefore will be kept in view with work underway to establish the potential scale and impacts on claimants.
  - **Transitional Protection:** Ensuring our staff can explain Transitional Protection to claimants in a way that it will be understood is challenging given the complexity of this area.
8. Whilst commencing scaling in April will represent a significant achievement for the Programme there remain significant challenges to completing migration of approximately 1 million Households by end of 2024 including competing Operational delivery demands, recruiting, and retaining sufficient skilled software engineer and unforeseen changes to UC Policy. These risks continue to be robustly managed through Programme Risk Management with a more detailed update scheduled for March programme Board

### Summary and Recommendation

9. Programme Board are asked to:
- Endorse PDEs recommendation to the SRO to commence scaling of Tax Credit only claims from April with an overall Amber/Green assessment rating

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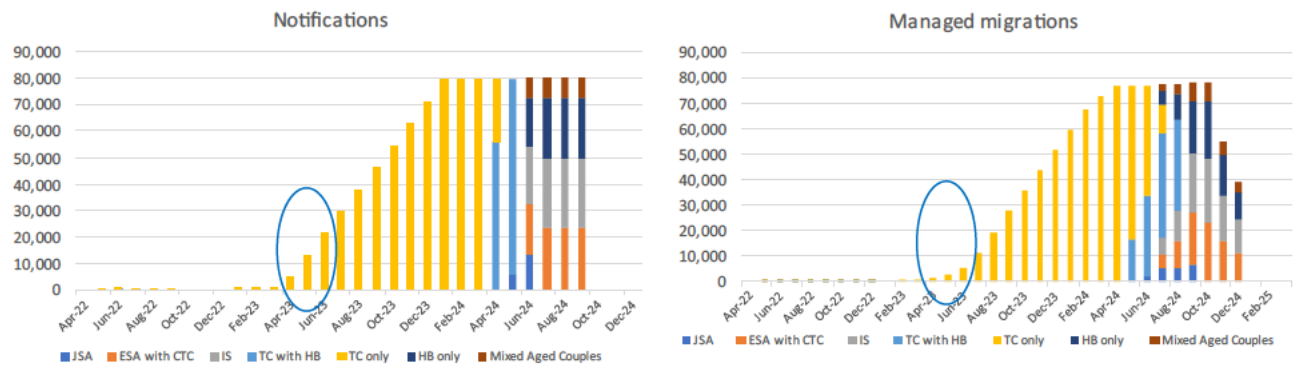
## Annex 1 – Summary Plan

## Move to UC High Level End to End Plan Description

2023			2024		2025
Increase Efficiency Jan to Mar 23	Start to Scale Apr to Jun 23	Operate at Scale Jul to Dec 23	Prepare for Completion Jan to Mar 24	Completion (2024/25) Apr 24 to Dec 24	Programme Closure and Handover* Jan to Mar 25
<b>Q1 2023</b> Building on a more stable and repeatable service we will deliver efficiency across the service design for case managers and claimants. Key to this will be: the automation of Transitional Protection activities; replicating the service delivery in a new service centre with a new group of case managers; and improving the percentage of claimants that make a claim to UC. Site preparation will commence alongside the creation of capacity to support further expansion in April.	<b>Q2 2023</b> With a repeatable end-to-end service delivery model we will start to scale the service to more single Tax Credit claimants whilst also increasing the number of couples that we test with. Expansion to more sites geographically, including expansion of service centre delivery of move to UC case management to support increased volumes of people in the process.	<b>Q3 &amp; Q4 2023</b> Increase the numbers of people notified to move in line with Service Delivery capacity and forecast profile. Rollout to sites nationally and expansion of service centre capacity to deliver the volumes of people that need to be notified. We will also start to explore migrating, through further Discovery, claimants of other legacy benefits in preparation for scaling to more claimant groups towards the end of 2023.	<b>Q1 2024</b> In this period, we will have completed the migration of Tax Credit only claimants and consolidated our learning of migrating all remaining claimant types ensuring all preparations are in place to undertake this at the forecast scale, ensuring operational capacity and stability to support this.	<b>Q2 – Q4 2024</b> In this period, we will complete all remaining migrations (excluding ESA and ESA HB). We will also begin to plan the Programme closure phase (Dependent on confirming timing of ESA and ESA HB migrations) to ensure that any remaining duties are planned and a smooth and successful transition to 'business as usual' post programme can be conducted.	<b>Q1 2025</b> We will execute the duties set out in the Programme Closure Plan, ensuring that a smooth and safe transfer of remaining responsibilities and accountabilities to a steady state is conducted, ensuring UC live operations remain supported by key enabling functions throughout. This period also provides a period of contingency should it be required to finalise any outstanding migration cases.  <i>* Dependent on timing of ESA and ESA HB migration</i>

## Annex 2 – Volume Profile

## Volume profile following impact of Autumn Statement



## Migration Notice and Moves volume profile

	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Notices	5,000	13,000	22,000	30,000	38,000	46,000	55,000	63,000	71,000	79,000	79,000	79,000	79,000	79,000	80,000	80,000	80,000	80,000	0	0	0	0	0	0	1,058,000
Moves*	1,000	2,000	5,000	11,000	19,000	27,000	35,000	43,000	51,000	59,000	67,000	73,000	77,000	77,000	77,000	77,000	78,000	78,000	78,000	55,000	39,000	0	0	0	1,029,000

\*Migrations shown are Households. Also assumes 3% of those notified to claim will not subsequently go on to make a claim or are not eligible.

## Annex 3 – Readiness Summary

## Overall Readiness Summary Status

Proposed overall Readiness Rating to commence scaling from April....

	Last Month	This Month
Overall Readiness rating	Amber	Amber/Green

## Theme Summary Ratings.....

	Last Month	This Month
Theme 1: End to End Service Maturity	Amber	Amber
Theme 2: Service Stability	Amber/Green	Amber/Green
Theme 3: Legacy & People	Amber	Amber/Green
Theme 4: Secure Service	Amber/Green	Amber/Green
Theme 5: Programme Controls & Affordability	Amber	Amber/Green

## Readiness Criteria RAG Ratings by Theme

Theme	Red (last mth)	Red (this mth)	Amber/Red (last mth)	Amber/Red (this mth)	Amber (last mth)	Amber (this mth)	Amber/Green (last mth)	Amber/Green (this mth)	Green (last mth)	Green (this mth)
Theme 1– End-to-end Service Maturity	0	0	0	0	3	2	12	13	7	7
Theme 2– Service Stability	0	0	0	0	1	0	7	8	0	0
Theme 3– Legacy & People	0	0	0	0	16	7	5	6	1	9
Theme 4– Secure Service	0	0	0	0	1	1	3	3	0	0
Theme 5– Programme Controls & Affordability	0	0	1	0	2	0	1	4	1	1
Total	0	0	1	0 (-1)	23	10 (-13)	28	34 (+6)	9	17 (+8)

Official-Sensitive

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