



Minutes

Meeting:	Universal Credit Programme Board
Date:	16.05.23
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/ Louise Skelton (Jobshare), Richard Corbridge (Digital DG), [REDACTED] OBO Myrtle Lloyd (HMRC Director), Helen Pickles (Director PC&P), [REDACTED] (Cabinet Office Operations), [REDACTED] OBO Paddy Rooney (Work and Health DFC NI), Graeme Connor OBO Angus Gray (Policy Deputy Director), Marcus Mason (HMT Director), Mari Roberts-Wood (District Council Chief Executive for Reigate & Banstead), Will Garner (UC Product Director), Lesley Woodruff and OBO Barbara Bradley (MtUC Operations Director)
Presenters:	Ian Wright, Lesley Woodruff, [REDACTED], [REDACTED] (Finance Representative), Stuart Iso, Neil Couling
Apologies:	Barbara Bradley (Work & Health DG), Paddy Rooney (Work and Health DFC NI), Myrtle Lloyd (HMRC Director)

Welcome, Minutes & Matters Arising

The Chair welcomed attendees to the meeting and noted he welcomes input and questions from both those in the room and those joining digitally.

The Minutes of the April UCPB were cleared with no amendments requested.

Action point updates:

- 1804AP02 – Closed
- 1804AP03 – The SRO took this action over and has discussed this AP with Graeme Connor to identify when analysis would be ready. Lone parent analysis will be ready towards the end of May/beginning of June.

Paper 1 – Programme Director & MtUC Update (UC Programme Director)

The Presenter introduced the paper and highlighted the following:

- Programme status remains amber.
- 5K migration notices were sent in April as planned and progress is on track to reach 13k in May.
- Work continues to increase automation including on claimant selection from HMRC data.
- Testing is continuing on how to get claimants to apply. It is estimated that the dedicated Tax Credit (TC) migration notice has increased the claim rate by 9%.
- Northern Ireland began their discovery phase in April.
- The new operating model is in place as planned.
- Couples testing is to begin in June.
- Feasibility work is underway on Pension Credit claimants on TC.

- There are approx. 30k Pensioners on Tax Credits and a solution needs to be found in order to close TC systems.
- The national marketing campaign was agreed by the Cabinet Office and it is hoped for a June commencement.
- The business case for the next phase of the future support offer is awaiting HMT approval.
- ET gave their approval for more resources for TCR and the use of outsourcing has been agreed to supplement internal resources. There are challenging timeframes in place to complete outsourcing work and teams are currently being set up to do this.
- MtUC scaling is in the early phases and therefore rated amber due to ongoing complexities.
- Unit costs are tracking under forecast.
- Digital are working hard on recruitment and resource is increasing, albeit only slightly in the month.

Member Discussion:

- In 9 months it is expected that approximately 58% of TCR agents will be inhouse with the remaining outsourced.
- Cabinet Office have signed off the radio and digital only communications campaign and work is ongoing to look into wording and discussing how to manage communications between Northern Ireland and GB.
- The External Affairs, Strategic Design and Planning Director will pick up discussions with the HMT Director in regards to when the publishing of data and learning is likely to be.
- The Chair was keen for the Digital DG to consider long term resource challenges, including the proportion of permanent staff.

AP01: UC Programme Director to unpack some milestones on contracting/outsourcing on the plan to increase visibility before the next meeting.

Paper 2 – MtUC Operations Update (MtUC Operations Director & HMRC Director)

The Presenters introduced the paper, highlighting the following key points:

- There are just 7 claimants remaining from the January cohort. 99% of the January cohort have either claimed or have had their claims closed.
- Of the 119 claims terminated following the no claim process, 34 have re-claimed within the month.
- Current inbound telephony is under forecast but is starting to climb, with a 44% increase from the previous week. This is expected and resource is available to manage this.
- Up to February, approximately 76% of claimants required a reminder to claim. This dropped to 68% in March which could be a result of sending the co-branded Migration notice
- 5106 migration notices were sent in April.
- Work is on track to achieve the 13k migration notices in May with 5288 issued as of UCPB.
- Operations have a daily productivity model to assist planning to achieve the profile and are confident of being able to send 22k migration notices in June.
- In July (2nd assessment period after uprating) the current caseload of 3.5k will be transferred to BAU.
- The new operating model will be implemented on the 17.05.23 meaning new MtUC claims are being processed on their linked service centres.
- Recruitment is progressing well with new colleagues currently in training or in the process of joining. There is confidence to achieve resource targets to support scaling.
 - There is a heavy focus on inducting new recruits, upskilling on DWP's service and offers and utilising current expertise.
 - Noted the high quality and calibre of new recruits.
- The Q2 scaling plan was approved by UC PDE and planning work is underway to look at the profiles to support scaling into working age from 2024.

- Quality checks have identified approximately 95% of quality in terms of accuracy, migration notices and TP calculations. Further noting automation will resolve the errors being found and therefore drive-up quality.
- HMRC update:
 - There have been slight issues with HMRC's automation over the previous 10 days, however the contingency data has supported the work during any technical issues. HMRC is working on ironing out these issues.
 - Customer contact has not increased.
 - Work is ongoing to refine the risk profiles to identify necessary changes on the data being transferred.
 - The HMRC Director thanked the SRO and Programme Director for their support on Pension Credit cases.

Member Discussion:

- The SRO queried the numbers regarding the proportion of people getting transitional protection (TP) as this can impact financial forecasts. The SRO and HMRC Director will discuss this in more detail.
 - The SRO asked that an update and discussion on the level of TP returns to UCPB in September and that UC and the HMT Director have discussions on forecasts over the coming months.
- The SRO thanked the HMRC Director and MtUC Operations Director, further noting there is a demanding ascent to reach the target numbers required and noted the importance to remain focused on this to try and anticipate any future problems that may arise.

AP02: Graeme Connor/ Ronan O'Connor in discussion with Amy Morgan to bring an update to UCPB in September to provide clarity on the data on the level of TP to enable discussions.

Paper 3 – Finance Update (Finance Representative)

The paper has been brought to the Board to provide the quarterly finance update and to give assurance to the Board that the whole life costs have reduced and did not increase as suggested in the narrative in April.

The presenter guided attendees through the paper, highlighting the following key points:

- Financial forecast for 2022/23 come in at 0.8% within 1% target.
- The presenter read through the 2022/23 finance position and charts on slide 3.
- When comparing the forecast to the budget, the Programme is underspending this year due to a reduction in the Local Authority exits provision.
- 5% (£1.2m) of HMRC funding rarely becomes due and is therefore removed from forecasts and instead held as a risk.
- There is provision for a £10m marketing spend, however it looks to be closer to £5m. This will be confirmed in the coming weeks and will reduce the forecast by a further £5m.
- Highlighted a significant amount of recruitment is needed, further noting that any delays to this will impact the forecast. The Board will be kept informed of updates through the monthly BTL papers.
- Following the previous month's discussion on whole life business costs the following updates were provided:
 - Since the business case refresh the following work has been undertaken which has reduced the total whole life business costs from just over £1b to £919m.
 - Addressing some issues from the Autumn statement.
 - Winter 2022 volume refresh.
 - Moved 500k ESA cases to the right.
 - AET increased to 15 hours.
 - Migration model was changed to the discovery model.

- Operational Forecasts were understated and only included recruitment approved for Q1. This has now been updated.
- The reduction in whole life business costs is a positive and is no cause for concern.

Member Discussion:

- The SRO emphasised:
 - The previous narrative and discussion in April's UCPB suggested the Programme's whole life costs had increased. However, this was an error in the narrative and the whole life costs have improved and reduced.
 - Highlighted the importance to historically correct this error and ensure accurate recording.
- The UC business case does not capture the savings of turning off legacy systems. The cost savings of switching off legacy systems is listed as a benefit that will be realised.
- The Presenter will break out the costs of keeping the UC system going after end of the Programme and inform the Digital DG.

Paper 4 – Risk Update (External Affairs, Strategic Design and Planning Director)

The Presenter Highlighted the following key points:

- The risk on Java Developers has been re-configured to separate the challenges faced when recruiting permanent staff and contractors respectively.
 - The SRO has written to the Permanent Secretary to ensure the issue is on the Department's radar.
 - This continues to be an ongoing challenge for the Department and wider government.
- Work is ongoing to ensure the Programme does not lose sight of longer-term benefits realisation.
- Overpayments are down in UC, further noting this is likely due to the re-introduction of controls after covid. This does not yet show the impacts of TCR which is likely to reduce this further.
- Programme risks are discussed regularly with the Minister for Employment. The Minister is keen to understand recruitment issues and is keen to support in any way he can. The team continue to update him on progress.

Member Discussion:

- Recruitment remains the biggest risk the Programme faces and noted the importance to continue to work with ET colleagues on a one in one out policy for new work.
- Noted the need to conduct an ET gold cyber attack simulation to prepare for potential future attacks.
- Work is ongoing to look across all digital skills in DWP to identify whether there is enough balance to mitigate risks. Strategic workforce planning for capability needs to be considered.

AP03: The Digital DG and the SRO to arrange a simulated cyber-attack practice with ET.

Item 5 - May IPA Light Touch Review Verbal Update (UC SRO)

The SRO updated the Board on the reflections from the May IPA Light Touch Review:

- The gate 0 review in 2022 provided a list of recommendations. This review has concluded that recommendations 1 – 4 can be closed and recommendation 5 (future scaling and growing) remains open.
- The key risk going forward is the recruitment of people (including maturity and deploying skills). This risk will always be managed by Operations however the review advised the Programme keep this in view.
- Reference was made in regards the complexity and size of the work in the coming 9 months. Additionally, that only some of the leadership team have been through the UC expansion phase which ended in 2018 and the importance to recognise that some members haven't experienced this yet.

- Highlighted the importance to focus on automation.
- Noted the benefit to obtain ministerial approval to explore changing the migration period from 3 months down to testing 1 and 2 months.
- The IPA observed that programme completion and closure plans are speculative and encouraged members to continue to focus on Northern Ireland and Pension Credit TC.
- The Programme should be 'watchful' to ensure that previous success doesn't lead to a false sense of security.
- Noted the need to flush issues out early and fix them before scaling further.
- The SRO thanked all members for their support.

AOB

- There is a celebration taking place in the House of Lords to celebrate the 10-year anniversary of the first path finder.
- The SRO is in court in June defending FOI challenges.
- The following update was provided on Northern Ireland.
 - Discovery is progressing well with 53 claims in the first 4 weeks of discovery.
 - The budget is not going well with a £111m (-15.5% of budget) shortfall on what is needed to deliver everything on benefit lines. This will impact the ability to backfill those working on UC and extra people to work on MtUC.
 - Northern Ireland are still committed to ensure MtUC is delivered using people from other benefit lines.
 - Planning is underway for scaling in September.
 - Northern Ireland do not have the resource to undertake TCR.
 - The SRO noted concerns about the administration of Benefits in Northern Ireland, further noting the scale of this issue is significant.
 - The HMT representative suggested work be undertaken on geographical analysis.
 - The SRO highlighted the benefit of a UK approach, further highlighting the risk for fraud in Northern Ireland should they not be able to do TCR.
 - The Northern Ireland representative to pick this up with the HMT Director to discuss in more detail.

AP04: Paddy Rooney/ [REDACTED] to bring an operational update to a future UCPB.

Contact: [REDACTED] [REDACTED]