



Meeting:	Universal Credit Programme Board
Date:	21.11.23
Location:	Caxton House Room 6:24 Microsoft Teams
Attendees:	John McGlynn (Chair), Neil Couling (UC SRO), Ian Wright (UC Programme Director), Sophie Ingram/Louise Skelton (Jobshare – Finance Director), Lesley Hawkins and OBO Barbara Bradley (MtUC Operations Director), Stuart Ison (External Affairs, Strategic Design and Planning Director), [REDACTED] OBO Myrtle Lloyd (HMRC Director), Mari Roberts-Wood (Reigate & Banstead District Council Chief Executive), Helen Pickles (PC&P Director), Elizabeth Timson OBO Marcus Mason (HMT Director), [REDACTED] (Cabinet Office), Paddy Rooney (Work and Health DFC NI), Angus Gray (Policy Director), Will Garner (UC Product Director), Richard Corbridge (UC Digital Director General), [REDACTED] (Observer), [REDACTED] (LGA)
Presenters:	Ian Wright, [REDACTED] (MtUC Service Leader), [REDACTED], Conrad McConnell (DfC), Stuart Ison, [REDACTED] (Local Authority Partnership, Engagement and Delivery), Mari Roberts-Wood, [REDACTED], Amy Morgan (Lead Analyst UC)
Apologies:	Barbara Bradley (Work & Health Services DG), Myrtle Lloyd (HMRC DG), Marcus Mason (HMT Director)

Welcome, Action Points & Matters Arising:

The Chair welcomed members and deputies to the meeting.

Noted agreement to closed both actions (1710.01 & 1710.02). Minutes from the previous UCPB were cleared with no amendments requested.

Arising matters

- The SRO highlighted the Autumn Statement is due tomorrow and it is likely that the MtUC acceleration plan will not feature. If that is the case, we and HMT have agreed we will re-table the proposal at Spring Budget.
- Noted the Ministerial reshuffle took place last week and the Minister of Employment has now been replaced by Jo Churchill.
- The outgoing MfE praised the Programme saying “The team that run UC are genuinely outstanding”.
- The Chair acknowledged the recognition and stressed the UC team were exceptional in their commitment and determination to deliver the remaining elements of the programme whilst maintaining and enhancing the service to millions of claimants.

Paper 1 – Programme Director and MtUC Update – UC Programme Director

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

- The overall programme's status remains amber.
- Move to UC is currently closer to amber/green and TCR is amber/red.
- Noted MtUC rollout (Tax Credit only) is progressing well and close to forecast. The remainder of the 3000 cumulative cases expected at this point in the forecast are planned to be sent by December.
- Discovery is running slightly behind plan, however, the remaining migration notices for couples will be sent later this week.
- TCR continues to run about 6 weeks behind the recruitment plan.
 - Work is ongoing to optimise AME savings.
- Resource augmentation remains a challenge for TCR.
 - Highlighted the approval issues from HMT and Cabinet Office.
 - Cabinet Office's view is to research in parallel an AI alternative to resource augmentation.
 - Noted Cabinet Office has approved RA but subject to conditions.
 - The ITT date for Resource Augmentation was missed as a result and rescheduled for the 1st of December 2023.
 - The TCR plan and timeline will be adjusted to reflect this.
- Ongoing NAO review continues and noted the formal publication is due next year.
- HMT have agreed to extend funding for UC from the end of December to the end of the next financial year to allow time for the IPA to review the 2024/5 plan to inform drawdown.
- No major concerns on several amber milestones identified.
- The pressure on the TCR team is still intense and it is hoped to be alleviated through governance changes and increased support.
- Unit costs has slight risen due to the impact of the pay award and backdating process.
- Finance is stable in terms of forecast.
- Noted the MtUC risk will be reviewed at the next board as the focus moves from scope concerns to the ability to complete the migration.
- Any scope change as part of the Autumn Statement will be reviewed and impacted accordingly.
- The issue around digital capability will move from red to amber as agreed at PDE.
- Highlighted significant improvements have been made in terms of contract and permanent recruitment.

Programme Board Discussion

- The SRO commented on how lengthy the clearing process in the Cabinet Office has been and how this has impacted on the TCR RA project.
- Noted a parallel commission from the Deputy Prime Minister's office has been issued to explore AI.
- No challenges have highlighted from the NAO report as yet.
- The Board acknowledge the MtUC comms campaign for 2024/2025 will be a challenge for the mixed cohorts.
- The Chair suggested a workforce plan would be useful to understand which digital roles are targeted to be permanent resource and those for contractors.
- The Board discussed and noted some roles will be difficult and costly to replace with a permanent role.

AP01: Paul Francis to produce a workforce plan, detailing which Digital roles will be targeted as permanent resource and which ones are likely to remain as contractors.

No further questions or comments.

Paper 2 – MtUC Operational Update – MtUC Service Leader, HMRC Director & DfC

The MtUC Deputy introduced the paper, highlighting the following key points:

- 55001 Migration notices have been issued against a profile of 55000 for October.
- 253 single customers have claimed UC and 1,101 couples have claimed UC.
- Noted the Move to UC dashboard went live on 1st November.
- The daily cap was introduced and embedded as of October.
- A new daily cap has been set for November at 3600 per day to catch up with the small deficit against overall profile.

The HMRC Director highlighted the following HMRC updates:

- The residual Tax Credits caseload (UK) has now fallen to just under 900K.
- The number of Tax Credit cases being terminated remains at the previously experienced levels.
- Monthly 'Deep Dives' of UC related complaints around terminated 'Couple' cases will be conducted and monitored for customer behaviour.
- The extra claims seen from the UC migration notice leaflet has subsided.
- Highlighted the 50% increase against the forecast of Natural Migrations over both September and October, with further investigation into this change planned before Christmas.
- Presenter acknowledged the challenge with mixed cohorts next year.

The DfC Deputy Director highlighted the following updates:

- Expansion of Move to UC for Tax credit only claimants in Northern Ireland commenced on 16th of October.
- A total of 4164 migration notices against a profile of 4200 have been issued.
- 300 claims made to date but migration only commenced about 5 weeks ago.
- Noted on slide 10, the following risks: challenging timelines associated with commencing Discovery, clarifying messages for people claiming, complications in Operational Delivery model for Discovery and the potential financial impact of uprating.

The MtUC Service Leader continued, with additional points:

- A new team in St Austell has been set up with 84 MtUC agents to be onboarded.
- PDE has agreed to continue expanding the MtUC activity.
- Noted on slide 11, 10 districts will be live in February to ensure sufficient volumes of customers are available for Q4.
- Black Country will go live in March.

Programme Board Discussion

- The Board discussed and noted the dashboard will be updated once a claim has been cleared. This will be brought at the next meeting.
 - Presenter will bring in the number of claims cleared at the next board.
- The analysis of complaints is with Tax Credit only claims (which remain tiny in number).
 - Two complaints made were about the leaflet and not enough time allocated to make a claim.

- Presenter highlighted one of the complaints has been resolved. The claim was made within the grace period.
- The SRO highlighted Ministers have not received any complaints from their constituency and is pleased with the outcome.
- Noted the number of nil awards is not included in the forecast and asked do we need to adjust for that given the legislation for nil awards is in process and will be in place in 2025.
- Noted nil awards are affected whenever there is a change of circumstances or impact of uprating.
- The Board suggested a deep dive on the number of Tax Credit claim with nil awards, with the view of bringing it to PDE and then to Programme Board in due course.

AP02: [REDACTED] will present a monthly report of claims cleared and updated on the dashboard for the board's reassurance.

AP03: Stuart Ison will conduct a deep dive into how many Tax credit claims have nil award and bring in the forecasting at a PDE board and to a future Programme Board meeting.

No further questions or comments.

Paper 3 - MtUC 24/25 Migration Plan - External Affairs, Strategic Design and Planning Director

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

- The agreement for 2024/2025 was to look at legacy benefits and will not include ESA.
- Presenter expressed his thanks to the team who produced the plan in Annex 1 despite the process being challenging and complex.
- A set of parameters were considered to agree the optimum plan.
- Noted the constraints around ESA and CTC.
- The plan is set out in details in Annex 1 and the most updated data has been provided.
- Ongoing learning from the Discovery work.
- Noted the next step is impacting the plan against the Autumn Statement outcomes once known.
- Automation remains a significant risk and is a key requirement for the legacy system and housing benefit.
- Noted the plan outlined is deliverable.

Programme Board Discussion

- The Board discussed and noted that operational requirements were a key factor in the proposed sequencing.
- Operations is comfortable with migration notice going over the 85K cap.
- The 3K cases are likely to be recovered in December.
- The SRO emphasised that automation by 2024 is needed and enquired if there are milestones in the plan to track those automations.
 - Presenter highlighted the automation was covered in the prioritisation backlog and will be delivered by April.
 - Noted the suggestions to put key milestones for the automation in the plan.
- The resource challenge and the competing pressures in Service Delivery was highlighted.
- Awaiting phase two headcount from HMT and noted the information will be provided either before Christmas or the Spring statement.

- The board noted more learning is needed from Discovery, on which work was well underway.
- The Board asked for 80k to be hit in December, as per the original plan, given stakeholders are expecting that.

Decision 01: The Board agrees the minor adjustment to the 2023/24 TC plan and the 2024/25 Move to UC plan for the legacy cases with the caveat the plan is reviewed once the resourcing position is known next year.

AP04: Ian Wright and Will Garner will review the project plan and put in key milestones for tracking automation in the dashboard.

No further questions or comments.

Paper 4 - LA Role in the HB to UC Customer Journey - Reigate & Banstead District Council Chief Executive and Local Authority Partnership, Engagement and Delivery representative.

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

- Paper provides an assessment of what the wider LA community think of the migration process.
- There is a difference between LAs as stakeholders and delivery partners.
- The 3 Discovery sites Manchester, Harrow and Northumberland have had no specific issues in ending HB claims, with little or no contact directly from claimants.
- No concerns raised around migration profiles as noted on slide 4.
- The interest of LAs is in supporting customers who have had their claims closed.
- LAs have been preparing and redesigning their service.
- There is continued support to the 3 LAs throughout the Discovery phase.
- Noted on slide 5, customers can claim DHP from LA where they receive housing costs in their UC awards.

Programme Board Discussion

- The Board provided assurance the communication and engagement plan for LAs will be delivered as early possible and before 31 March.
- The SRO suggested writing a letter to LA Chief Executives to update them on the UC Programme's plan and then provide regular updates as we progress.
- Presenter is content for sharing information out as soon possible to minimize any impacts on LAs.
- The Chair highlighted the automation of migration notices is essential before the 40K TC with HB go out in April.
- Noted there are no dependencies on third party suppliers.

AP05: [REDACTED] will draft a letter (requesting an update on the migration plans for 2024/25) and submit to the SRO.

No further questions or comments.

Paper 5 - MtUC Analytical Update – Lead Analyst UC

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

- Quarter update of Move to UC analysis and noted this is for information only.
- As of end of May 23, there are 2.2 million households remaining on the legacy caseload (in scope to move).

- Significant natural migration was observed over the period 2019-2023.
- Other off flows (1,698,000) are people who have come off legacy benefits, some of these may have subsequently opened UC claims.
- In flows over the same time period (2019-2023) are mainly tax credit claimants who had nil awards but came into scope due to uprating or change of circumstances and HB claimants who have moved from supported/temporary accommodation into rented accommodation.
- 210, 767 households have been sent migration notices from May 2022 to end Oct 2023.
- Non-Claim/Termination rates are around 25% at present.
- Research on “Couples” tax credit claimants will be carried out and will look both at those that have chosen not to make a claim within their migration window and the experiences on UC of those who have made a claim.
- Highlighted on slide 7, Tax Credit cases without housing, especially single cases are less likely to gain from UC than other groups coming later in the process.
- The initial conditionality group for MtUC claimants who have claimed UC so far is detailed on slide 8.
- Many claimants are in the working with or without requirements.
- Almost 13% are out of work and in the no work related requirements conditionality group. It is noted further analysis will be done as more cases move across to UC.
- The current and future research plans are detailed on slide 9.

Programme Board Discussion

- The Board noted qualitative research around the experiences of “Couple” claimants choosing to claim or not will be carried out and asked that the work with those who have not claimed is prioritised first where possible.
- The 25% termination rate is seen as something worthy of further investigation for the Board. In response, the UC Chief analyst said.
 - Earlier research with non-claimants shows the following reasons: Claimants think they were not eligible, did not know they had to apply themselves and there was also significant stigma around claiming UC and engaging with JCP.
 - The SRO emphasised the urgency in understanding why the termination rate is at this level.
 - The Northern Ireland representative noted that similar levels of non-claiming were found in NI and will share the data.
- The 3% reclaim rate seen so far will be monitored.
- The board noted the Move to UC Tax Credit Couples research has received Ministerial approval and awaiting full Ministerial approval for Move to UC research with Claimants who make a Universal Credit claim after their 3-month deadline.
- The SRO thanked the analytical team for their work and in supporting the department.
- Highlighted the published data will be of keen interest to researchers and publishing will show our genuine openness to understanding outcomes.

No further questions or comments.

No AOB on this occasion.

Contact:



OFFICIAL SENSITIVE

Email:	<u>ChangeandResilience.Secretariat@dwp.gov.uk</u>
---------------	---