

Universal Credit

Digital welfare



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Notes

1. The details in this report come from public documents and interviews with users of Universal Credit systems.
2. This report uses DWP's language of 'claimants' to denote those who apply for or receive Universal Credit. It is suboptimal as it underplays the rights and entitlements people have, but is used for clarity when talking about different types of user.
3. This report does not cover issues of digital inclusion and hardship in detail, as these have been covered widely elsewhere.
4. This report was written before the recent increase in demand for Universal Credit caused by Covid-19.

Executive summary

This report aims to provide a description of Universal Credit as a digital welfare system and make recommendations for its future development.

Universal Credit is a hyper-means-tested benefit based around a monthly payment and a regime of activities that change in response to the earnings, circumstances and behaviour of claimants, and a digital account. It is highly opinionated in how it relates to family and financial circumstances, and is based around a particular view of what constitutes ‘personal responsibility’. It is at once a political project that attempts to reward or compel particular behaviours from the public and a more prosaic reform of the welfare system in the digital age.

The Universal Credit ‘digital account’, along with other digital services developed by the Department for Work and Pensions (DWP), has been critical to the delivery of Universal Credit. DWP has been able to develop these services, and respond to policy changes, in part, because of the effective digital team it created in response to the initial failure of the project in 2013. With this capability in place, the department has demonstrated it can not only deliver new digital services but make changes quickly and competently.

DWP’s competence in delivering and iterating its digital services means it is increasingly hard to ‘blame the IT’ when it comes to the impacts and effectiveness of Universal Credit. This raises questions about the trade-offs

the department is making between reducing costs, the intent of the policy, and the needs of claimants.

Only by examining how the digital elements of Universal Credit manifest themselves to end-users is it possible to make practical recommendations for the future. It is also key to improving the debate around Universal Credit for policymakers and campaigners alike. However, the lack of public documentation, the personalised nature of Universal Credit, and the bi-weekly changes DWP makes to its digital services, makes this a difficult task.

Part 1 of this report documents the development of the political origins and conceptual framework of Universal Credit, how DWP develops its digital services and responds to policy changes. Part 2 summarises what is in the public domain about how Universal Credit manifests itself to claimants and details the gaps in information about how it functions. Part 3 uses this background information to identify issues with the digital aspects of Universal Credit and make recommendations in the five broad areas below.

1. How the Universal Credit policy framework functions in practice as a digital system

The complex and opinionated nature of Universal Credit has conspired with the variation of real people's lives to push administrative, financial and cognitive burdens onto claimants. Far from encouraging responsibility, it makes decisions *for* claimants, sets defaults in line with a policy vision that, ten years on, fails to 'mirror the world of work', and puts the majority of applicants immediately into debt to the department.

Despite some changes to the policy over time, core principles such as the monthly payment cycle and how payments are split between claimants and landlords, remain unchallenged. No amount of user centred design can remedy these and it is time to seek alternative options.

The concept of ‘responsibility’ in Universal Credit should be redefined to become less about conformity with a particular worldview, and more about ensuring the desired outcomes are met *with* the grain of people’s lives, rather than against it.

2. An assessment of whether the advantages of digitisation are being shared fairly between DWP and claimants

DWP has shown that it is entirely possible to offer claimants alternative payment cycles and ways of splitting the payments between partners and landlords. Continuing to treat these as exceptions, rather than options that can be easily chosen by claimants, is a policy choice rather than a constraint of the technology.

In addition to issues of digital inclusion, which have been covered in detail by others, there is a key question about the digitisation of the welfare system: are the benefits of digital being shared equally with the public? Currently, the answer appears to be no.

Critical parts of the Universal Credit policy, such as appeals, have not been digitised at all, and options that empower claimants to take greater responsibility by choosing how Universal Credit works for them are obfuscated or missing.

DWP's focus on automation prioritises its efficiencies over those of the public. There are huge opportunities to use the data that DWP holds to reduce administrative burden, speed up payments and improve how it communicates with claimants, but these have not been prioritised. It is also not sufficiently transparent to claimants when and how automated decisions have been made.

3. The case for rethinking Universal Credit as an open platform, so that civil society might better support claimants, and government might operate more effectively

Universal Credit remains a stubbornly closed system. Third parties find it hard to support claimants and must interact with the digital account on DWP's terms. By rethinking Universal Credit as a shared platform, and by understanding the needs of civil society organisations, there is an opportunity to meet needs that DWP either cannot or will not meet.

This approach could also improve how data is used within government. Today, too many claimants fall down the gaps between government systems, particularly the systems of DWP and HM Revenue and Customs (HMRC). Taking a cross-government, platform approach to HMRC's Real Time Information (RTI) system could reduce payment errors and increase claimant's trust. There are also opportunities to improve how data is used by local government and how claimants prove their right to things like free prescriptions.

4. An examination of the ethical and privacy implications of a hyper-means-tested benefit

In addition to the higher administrative burden created by a hyper-means-tested welfare system, there are also implications for claimant's privacy and trust in government.

Collecting additional data to personalise, target or means-test a service comes at a cost to a user's time and their privacy. There is a strong case to be made to review the data Universal Credit requires to personalise and means-test, and to look for opportunities to rationalise it. There should be a fair assessment of the utility in meeting a policy outcome, versus the additional administrative burden for a claimant and the impact on their privacy and trust.

5. The need for new forms of transparency for digital public services like Universal Credit

Much greater transparency is needed around how Universal Credit works, how it is changing, and how it is performing.

Transparency may seem like a peripheral concern relative to other issues created by Universal Credit, but it is not. The digitisation of public services means that the choices of service designers and software developers have become critical in how the public access services to which they have a legal right. Without adequate information, there is a risk of dilution of public understanding of how public services function. There is also a risk of information asymmetry between government and civil society, where the government has a fine-grained, real-time view of how the public are using a

service, but those wishing to hold the government to account for its actions operate largely in the dark.

DWP should aim to make accountability, understandability and trust, core design principles of the Universal Credit service. It should also work to better understand the needs of organisations who might hold it to account.

By publishing more information about how Universal Credit works, opening up the development process and rethinking how it publishes data and statistics, DWP could make Universal Credit into an exemplar of transparency for a digital public service. This could provide leadership across the public sector in the UK and worldwide, but would also highlight the very real efforts DWP has made to learn from the challenges of digitising a complex policy.

The working-age welfare system is critical to British society, and its digitisation raises questions that transcend welfare reform. As the roll-out of Universal Credit gets closer to completion, there is an opportunity to use the capability the DWP have built to ensure that the welfare system works for everyone. This will require much greater opening up of the digital aspects of Universal Credit and an impartial assessment of which parts of the original policy framework have failed.

Key recommendations

Recommendations for DWP

1. Use a combination of the Faster Payments system and automation of the calculation to shorten and eventually eliminate the seven-day calculation and payment period.
2. To reduce the number of claimants getting into debt, a two-week payment and assessment cycle should be available as an option for all claimants during the application process.
3. Claimants should be able to change the duration and dates of payment cycles if, for example, they move from employment that pays weekly to monthly.
4. Claimants should be empowered to take responsibility about how payments are split between them, their partner and their landlord. Choices should be designed into the application and onboarding process and should be available for all claimants in the UK.
5. There should be additional routes to add entries into the 'journal' in the digital account. For example, a claimant should be able to submit information via SMS. The messages that are sent to claimants should also be redesigned to give more context.

6. Additional information should be added to the digital account so that claimants can understand when automated decisions have been made and when a delegate, or member of DWP staff have accessed their account.
7. Run a discovery project to look for opportunities to use automation and data to remove the administrative burden from claimants.
8. Work with banks, childcare providers and job search websites to provide new ways of reporting data into the digital account.
9. Create simpler methods for claimants to prove entitlement to passported benefits.
10. Commission research into the impact of Universal Credit on the wider public finances, (e.g. to the Ministry of Justice regarding additional demands on the tribunal system), and the cost to claimants of using digital channels.
11. Rethink Universal Credit as a shared digital platform that DWP and civil society organisations can build services on top of. This will require the department to rethink its approach to delegation.
12. Conduct research into the privacy implications for claimants of moving jobcentres to libraries.
13. Stop publishing monthly and quarterly statistics and move to a model of detailed, consistent, real-time publication of data using the GOV.UK performance platform.
14. Publish information about the categories of activities required of claimants via their to-do lists.

15. Create and maintain public registers that describe the systems used to deliver Universal Credit.
16. Create and maintain a public archive of design changes to the digital account.
17. Proactively publish as much of the documentation from its design and development cycle as possible. This should include findings from user research and post-deployment impact reports.
18. Accountability, understandability and trust should become core design principles of the Universal Credit service. To achieve this, DWP should work to understand the needs of organisations who might hold them to account.

Recommendations for government and ministers

1. A unified digital process for appealing decisions should be created and be accessible from the digital account. It should work across DWP, HMRC and HM Courts and Tribunal Service (HMCTS) systems.
2. HMRC's RTI system and DWP's Real Time Earnings (RTE) system should be reimagined as a shared, cross-government platform, independent from HMRC and DWP. It should have product management that is empowered to protect the privacy of the public and meet the needs of users across government, not just of one department.

3. Commission research into the potential of jobcentres as a shared cross-government resource for providing face-to-face support for digital services.
4. Review the data Universal Credit requires to personalise and means-test. They should look for opportunities to rationalise it, with the aim of reducing the overall complexity of the policy, its administrative burden and privacy impact.
5. The concept of 'responsibility' in Universal Credit should be reset to become less about conformity with a particular worldview, and more about ensuring the design of the policy meets the desired outcomes with the grain of people's lives.

Recommendations for the Government Digital Service (GDS)

1. Work with DWP and other departments to index datasets and reports published about specific digital public services. It should be possible to find all the datasets and reports that relate to Universal Credit.
2. Conduct user research with academic researchers and civil society organisations to understand what information about digital public services should be in the public domain.
3. Work with DWP to publish a Universal Credit systems register and design archive on GOV.UK.
4. Identify gaps in the GOV.UK Design System around design patterns for appealing decisions, delegating access,

explaining when delegates or agents have accessed an account, and automated decisions or calculations.

Recommendations for civil society

1. Identify opportunities to create new digital services, operated by civil society organisations, built on top of the digital account.
2. Follow the lead of the Child Poverty Action Group (CPAG) by advocating for specific design changes to the digital account.
3. Advocate for greater access to fine-grained, real-time data about how the digital account is being used. If DWP does not respond, start collating the data independently.
4. Advocate for a design archive of changes to the digital account. If DWP does not respond, start creating an independent archive.

Part 1: Universal Credit policy intent and origins

The conceptual framework of Universal Credit

Merging six legacy benefits into a single payment is often cited as the defining characteristic of Universal Credit, but it is the least deserving of attention when attempting to understand the digitisation of the UK's working-age welfare system. A better definition is that Universal Credit is:

- a dynamic, hyper-means-tested benefit
- it is based on a system of punitive sanctions along with ongoing activity requirements for claimants that may amount to over 140 hours of effort per month
- it codifies a normative view of family, work and financial life in software and legislation
- it is delivered via a digital account designed and operated by the Department for Work and Pensions (DWP)

What follows is a brief overview of the conceptual framework of Universal Credit. The aim is not to be exhaustive, it is to provide enough of an understanding of the key concepts discussed in this report.

Dynamic payments and dynamic activities

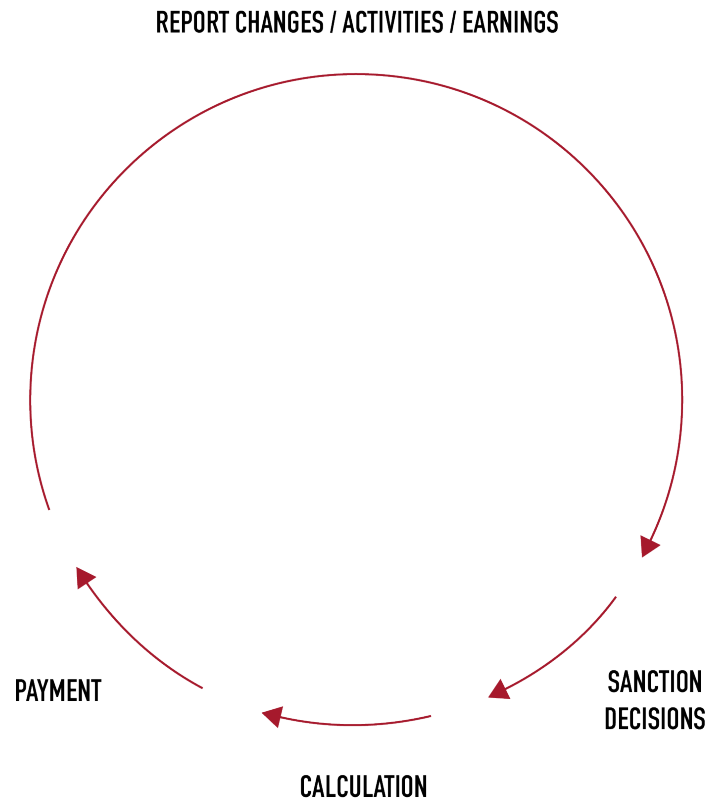
Universal Credit is dynamic in two senses: the amount of money claimants receive, and the activities DWP requires of them, change in relation to their

earnings, their *circumstances* and their *behaviour*. Each month an assessment is made to establish how much a claimant should receive and what activities will be required of them the following month. This combination of dynamic payments and dynamic activities means that, over time, a claimant's income and the activities demanded of them may change.

Each month a claimant's earnings are reported to DWP via an automated system called Real Time Information (RTI). RTI is operated by HM Revenue and Customs (HMRC) and was originally designed to collect earnings information from employers for the calculation of tax.¹ Claimants must also report any changes to their circumstances, for example, if they have a child or go into hospital, via a digital account. At the end of the month, the amount of money a claimant will receive is calculated based on:

- the amount they earned from employment
- their financial, health, housing, family and other circumstances
- any deductions for sanctions that have been applied (for example, failure to accept a job offer), money owed to third parties (for example, rent arrears) and any penalties for fraud

¹ There are some exceptions to this, such as self-employed earnings, but this is true for people paid via the PAYE system



The monthly Universal Credit cycle

If any of these things change month-to-month, the amount of money received will also change.² If a claimant’s earnings increase, but remain below a certain threshold, they get to keep the full amount on top of their Universal Credit payment (this is called the “work allowance”). Beyond this level, the amount of Universal Credit paid is reduced by a certain percentage (this is called the “taper rate”).³

The activities that claimants are required to complete also vary each month based on how much money they are earning and their circumstances. DWP

² See the following for rates and deductions as of October 2019, “Universal Credit monthly rates”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/135._UC_monthly_rates_v6.0.pdf

³ “Work Allowance and Earnings Taper rate – calculating earnings”, <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/146.WorkallowanceandEarningsTaperrate.pdf>

tends to refer to these activities as “responsibilities” and places claimants into one of four so-called “conditionality groups”, each of which has different activity requirements:⁴

- all work-related requirements
- work-focused interview and work-preparation requirements only⁵
- work-focused interview requirements only
- no work-related activity requirements

These activities generally relate to looking for work or tasks that DWP believe might increase a claimant’s earnings. Those in the first group can be expected to spend up to 35 hours a week doing these activities⁶, while those in the last group are not expected to do anything beyond keep their details up to date. This group includes people who are too sick to work or are earning above a certain threshold. The types of activities required are summarised in a so-called “claimant commitment” that claimants must agree to, but DWP staff can also set more specific tasks for claimants. The threshold for moving between these groups may be dependent on a claimant’s individual circumstances and, as such, it may be hard for a claimant to understand exactly when and how they might change group.⁷

⁴ “Labour Market Regimes”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/71._Labour_Market_regimes_v11.0.pdf

⁵ Work related requirements can be “switched off” in some circumstances if a claimant can provide DWP with sufficient evidence. See: “Switching-off work availability and work-related activities”, <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/126.Switchingoffworkavailabilityandworkrelated.pdf>

⁶ There is some flexibility within these groups. Claimants can be placed under a so-called “light touch” regime.

⁷ See “Working enough regime”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/156._Working_enough_regime_v6.0.pdf and “Work-related requirements for claimants with children”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/154._Work_related_requirements_for_claimants_with.pdf

Along with requiring activities from claimants, Universal Credit also operates a regime of punitive “sanctions”. Under this system, payments can be reduced for failure to complete activities, for example, not attending an appointment at a jobcentre. Not all activities carry the risk of a sanction, but sanctionable activities may include “any reasonable, appropriate and achievable work-related activity as specified”. Sanctions can also be the result of cumulative actions by a claimant.⁸

Deductions can also be made for fines, taxation, child maintenance payments and debts owed to government, utility companies and social landlords.^{9 10}

Couples and family life

Universal Credit can be characterised as highly opinionated in how it relates to family and financial circumstances, favouring families with two parents living together, less than three children and couples who jointly manage their finances on a monthly basis.

Assessments of eligibility are made *per couple* living in a household, and a single payment is made per couple. Critically, this means that the earnings of one partner may change the activities the government requires from the

⁸ “Sanctions”, <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/109.Sanctionsv11.0.pdf>

⁹ Department for Work and Pensions, "Universal Credit: Third party payments creditor and supplier handbook", GOV.UK, 6th August 2019, <https://www.gov.uk/government/publications/how-the-deductions-from-benefit-scheme-works-a-handbook-for-creditors/universal-credit-third-party-payments-creditor-and-supplier-handbook>, retrieved 31st November 2019

¹⁰ Department for Work and Pensions, "Universal Credit: debt and deductions that can be taken from payments", GOV.UK, 6th August 2019, <https://www.gov.uk/guidance/universal-credit-debt-and-deductions-that-can-be-taken-from-payments>, retrieved 31st October 2019

other partner and the amount of money they both receive. It also means that someone who had not previously had to engage with the welfare system, may find themselves having to do so because of the circumstances of their partner.¹¹ In "very exceptional circumstances", payments can be split between each member of a couple, including in cases of domestic or financial abuse.¹² ¹³ The default, however, is to require people to apply as a couple. By default, each payment is paid monthly into a single bank account - the assumption being that couples maintain (or should maintain) a joint bank account and joint responsibility for their finances. The default of a monthly payment cycle is an explicit policy design decision and is intended to "mirror the world of work".¹⁴

Families with more than two children are penalised by the system, because additional payments are made only for a first and second child. There are a limited number of exceptions to this, in what has become known as the "rape-clause".¹⁵ ¹⁶ ¹⁷ Finally, there is a total cap on the amount of benefit

¹¹ It is worth noting that the threshold for what is considered a couple for the purposes of the benefit system is lower than that of tax relief, where a couple must be in a civil partnership or married to qualify for a joint tax allowance.

¹² Department for Work and Pensions, "Alternative Payment Arrangements", GOV.UK, <https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2/alternative-payment-arrangements#split-payments>, retrieved 11th October 2019

¹³ "Money Guidance and APA", http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/81_Money_guidance_and_APA_v24.0.pdf

¹⁴ This phrase is used across DWP publications and ministerial speeches about Universal Credit

¹⁵ Department for Work and Pensions, "Families with more than 2 children: claiming benefits", GOV.UK, <https://www.gov.uk/guidance/claiming-benefits-for-2-or-more-children>, retrieved 11th October 2019

¹⁶ Anushka Asthana, "Labour sounds alarm over rollout of universal credit rape clause into N Ireland", The Guardian, 23rd Jul 2017, <https://www.theguardian.com/uk-news/2017/jul/23/labour-sounds-alarm-universal-credit-rape-clause-northern-ireland>, retrieved 4th December 2019

¹⁷ Additional amount for children, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/1_Additional_amount_for_children_v14.0.pdf

that can be paid regardless of the real-world needs of families or individuals.¹⁸

Universal Credit: a hyper-means-tested benefit

Despite the name, Universal Credit sits at the far end of the policy spectrum from the universal benefits of the post-war consensus and from the concept of Universal Basic Income. It requires a large number of data points to maintain a claim and uses this data to calculate a bespoke payment amount and activity regime for each claimant. As such, it can be characterised as a **hyper-means-tested** benefit. This has implications for the administrative and cognitive burden placed on claimants and complexity for the state, but also for privacy and digital rights. These issues are discussed later in part three.

To understand why Universal Credit takes the form it currently does - why it has these characteristics and opinions baked into it - it is necessary to understand something of the origins of the system. The next section includes an overview of the political intent of Universal Credit and the business case that underpins its development.

¹⁸ HM Government, "Benefit cap", GOV.UK, , <https://www.gov.uk/benefit-cap/benefit-cap-amounts>, retrieved 23rd October 2019

Political origins, business case and policy intent

The origins of Universal Credit are a complex mix of socio-political idealism, the opportunities presented by new digital channels, and the financial reality of operating the welfare system. Understanding the tensions between these things is key to understanding Universal Credit today and how it has changed since launch.

The political origins of Universal Credit date from 2009/10. The Coalition Agreement of 2010 contained only a vague commitment to “investigate how to simplify the benefit system in order to improve incentives to work.”¹ But, the policy was announced in detail at the Conservative Party conference in the following October, and by November DWP had published a white paper detailing how Universal Credit would function.

Those announcements detailed:^{2 3}

¹ Cabinet Office, "The Coalition: our programme for government", GOV.UK, 20th May 2010, <https://www.gov.uk/government/publications/the-coalition-our-programme-for-government>, retrieved 24th October 2019

² Iain Duncan Smith, “Our contract with the country for 21st Century Welfare”, Speech to Conservative Party conference, 5th October 2010, https://web.archive.org/web/20110128174515/http://www.conservatives.com/News/Speeches/2010/10/Iain_Duncan_Smith_Our_contract_with_the_country_for_21st_Century_Welfare.aspx

³ Department for Work and Pensions, “Universal Credit: welfare that works”, November 2010, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/48897/universal-credit-full-document.pdf

- a system of monthly payments to “encourage personal responsibility”
- adopting a “digital first” principle so that jobcentre advisors could spend more time delivering “valuable face-to-face back-to-work support”
- using the automated reporting of earnings to calculate payments
- making payments conditional on completing certain activities

The white paper drew heavily on a report from 2009 by the Centre for Social Justice entitled *Dynamic Benefits: Towards welfare that works* which highlighted the financial disincentives and complexity of the benefits system, and the opportunities presented by welfare payments that responded in real-time to changes in income. It also attempted to draw a link between family circumstances, worklessness and poverty.⁴ The white paper, ministerial speeches and the work of the Centre for Social Justice presented this link through the lens of “responsibility“. They saw lack of employment, social housing, single parent families, and large families as *causes* of poverty. This is a narrative that remained part of Universal Credit during the initial rollout, with Iain Duncan Smith, Secretary of State for Work and Pensions, in 2015 stating that one aim of Universal Credit was “bringing home to parents the reality that children cost money”.⁵

⁴ Centre for Social Justice, “Dynamic Benefits: Towards welfare that works”, 16th September 2009, <https://www.centreforsocialjustice.org.uk/library/dynamic-benefits-towards-welfare-works>, retrieved 26th October 2019

⁵ Emilio Casalicchio, "Iain Duncan Smith speech to Tory conference", PoliticsHome.com, 6th October 2015, <https://www.politicshome.com/news/uk/social-affairs/politics/news/60794/iain-duncan-smith-speech-tory-conference>, retrieved 10th October 2019

This narrative is the origin of the opinionated approach to family and financial life in the framework of Universal Credit - the monthly payments, claimants being responsible for paying social landlords, the emphasis on the monthly cycle that mirrors a particular understanding of what a “normal” working life looks like. It also explains the hyper-means-tested nature of Universal Credit - it is designed to allow fine-level tuning that rewards or punishes certain behaviours. In concept, Universal Credit is policy-maker centric rather than public-centric.

The business case and “digital-first”

Delays to the rollout of Universal Credit (covered in the next section) meant that a full business case justifying the approach was not submitted until 2018 (prior to that, a “strategic outline business case” had been submitted in 2014).⁶ The business case frames things slightly differently, as “an opportunity to sweep away the complex, inefficient system of the past”⁷ and lists the objectives of the programme as:⁸

- controlling welfare costs by preventing “fraud and error”
- increasing efficiency through automation
- increasing employment levels

⁶ National Audit Office, “Universal Credit: progress update”, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

⁷ Department for Work and Pensions, “Universal Credit Programme Full Business Case Summary”, p3, June 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725477/uc-business-case-summary.pdf

⁸ Department for Work and Pensions, “Universal Credit Programme Full Business Case Summary”, Annex G, June 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725477/uc-business-case-summary.pdf

- providing a financial safety net for the public

The difference in emphasis between the business case and the original political narrative shows that Universal Credit is at once a political project that attempts to reward or compel particular behaviours from the public **and** a more prosaic reform of the welfare system in the digital age. This duality means that Universal Credit needs to be evaluated from two viewpoints - the (mostly) financial and efficiency objectives from the business case should be considered alongside and independently from the political narrative.

The “digital first” approach should also be seen through these two viewpoints. In the context of Universal Credit, digital is not *just* a way of communicating with the public more cheaply and automating expensive manual processes. It is also viewed as a way of promoting behaviours perceived to be positive by policymakers. For example, the explanatory notes that accompanied the 2013 Universal Credit regulations stated that:

Universal Credit has been designed so that claims will normally be made online, with an online account being the primary channel used to interact with the claimant This approach is intended to be more responsive to changes in a claimant’s circumstances and promote behaviours that help the claimant prepare for work.

Similarly, the Equality Impact Assessment published in 2011 stated that Universal Credit represented:

*“an opportunity to improve internet access for people who are currently digitally excluded”.*⁹

Within Universal Credit, the digital first approach is seen both as a tool to save money *and* as a way to establish social norms.

Implementing a digital welfare system proved harder than DWP and ministers anticipated. The way in which the systems that underpin Universal Credit have developed, and the capability that DWP has built up around them, is the subject of the next section.

⁹ Department for Work and Pensions, “Universal Credit – equality impact assessment”, 9th November 2011, <https://www.gov.uk/government/publications/universal-credit-equality-impact-assessment>

Rollout, delivery capability and policy changes

Originally due for completion in 2017, the timeline for Universal Credit has been revised several times. After several years of development, the initial project failed in 2013 and DWP reset its work, created a new team and adopted an agile development approach.¹ Following 2013, the department also started taking a more cautious approach to the rollout, and since 2013 there have been several changes to the policy that have sought to mitigate some of the more damaging aspects of the original political vision for Universal Credit. These changes, and the continued development of the system, have in part been enabled by the digital capability DWP has built up since 2013. An understanding of this story is important in understanding how Universal Credit works today and how it might evolve in the future.

The development of two services

In April 2013, the department started accepting new claims for a narrow set of circumstances (single, unemployed people in areas served by certain jobcentres). However, it was soon clear that there were significant issues with the system and a report by the Major Projects Authority (MPA) gave the

¹ “Manifesto for Agile Software Development”, <https://agilemanifesto.org>

project an “amber-red status” and stated Universal Credit was at risk of failure.² Investigations by the Public Accounts Committee and the National Audit Office (NAO) later revealed that, as a result of these issues, much of the work to date would need to be abandoned and hundreds of millions of pounds of IT assets written off. The MPA’s report led to a “reset” of the project with the Government Digital Service (GDS) being brought in to help in July 2013.^{3 4 5}

Late in 2013, a “twin-track approach” was adopted by the government whereby the mostly outsourced “Live Service” (consisting of the remaining IT assets developed prior to the reset) would continue to be rolled out to limited types of claims in an expanding list of Jobcentre districts. At the same time, a new digital “Full Service” would be designed in-house, with more functionality and using agile rather than waterfall development practices.^{6 7}

² Patrick Wintour, "Universal Credit in danger of failing, official Whitehall review says", The Guardian, 24th May 2013, <https://www.theguardian.com/society/2013/may/24/universal-credit-danger-failing-whitehall-review>, retrieved 11th October 2019

³ Derek du Preez, "DWP finally admits Universal Credit IT not up to scratch - calling in GDS", Computerworld, 10th July 2013, <https://www.computerworld.com/article/3418557/dwp-finally-admits-universal-credit-it-not-up-to-scratch---calling-in-gds.html>, retrieved 16th August 2019

⁴ "Discussion: Universal Credit project is officially "reset" / changing direction / will start again almost from scratch / technology scrapped - Rightsnet", Rightsnet, 22nd July 2013, <https://www.rightsnet.org.uk/forums/member/3221/viewthread/5089/#21709>, retrieved 10th October 2019

⁵ Tentacle Sixteen, "Anonymous source: Universal Credit IT "reset", started again (with tweets) · latentexistence", Storify, 19th July 2013, <http://web.archive.org/web/20130724234956/http://storify.com/latentexistence/anonymous-source-universal-credit-it-reset-started>, retrieved 10th October 2019

⁶ National Audit Office, “Rolling out Universal Credit”, p14,15, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

⁷ The Secretary of State for Work and Pensions (Mr Iain Duncan Smith), “Universal Credit Work and Pensions written statement”, HC Deb, 5th December 2013, c65WS, https://publications.parliament.uk/pa/cm201314/cmhansrd/cm131205/wmstext/131205m0001.htm#131205m0001.htm_spmin5

The “Full Service“ was launched for a small number of users in May 2016. In contrast to the “Live Service” it was able to accept claims from people with any circumstances and, following the initial launch, it followed a similar geographical rollout pattern to the “Live Service” expanding to new jobcentres over time.⁸ The two services coexisted in different areas until the “Live Service” stopped accepting claims in January 2018. By December 2018 the “Full Service” was available everywhere in Great Britain.⁹ ¹⁰ DWP has continued to develop the “Full Service” in-house and a detailed description of the system follows in part two of this report.

A machine for delivering policy

One of the results of the reset was that DWP built up a highly credible agile delivery capability. The GDS service assessment from 17th September 2017 (published in response to an FOI request for this report) states that¹¹:

The team is one of the largest service teams in government, mainly co-located at DWPs London hub formed of small multi disciplinary units which enable effective agile working with

⁸ National Audit Office, "Universal Credit: progress update", p18, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

⁹ Department for Work and Pensions, "Universal Credit: full service and live service", GOV.UK, 12th December 2018, <https://www.gov.uk/guidance/universal-credit-full-service-and-live-service#history>, retrieved 24th October 2019

¹⁰ Department for Work and Pensions, "Universal Credit: full service and live service", GOV.UK, 12th December 2018, <https://www.gov.uk/guidance/universal-credit-full-service-and-live-service#history>, retrieved 24th October 2019

¹¹ Government Digital Service, "Universal Credit Full Service, beta to live review", Universal Credit Full Service, beta to live review, GOV.UK, 25th October 2019, <https://www.gov.uk/service-standard-reports/universal-credit-full-service-beta-assessment>, retrieved 25th October 2019

additional benefit of co-design with operational management and multiple other internal stakeholders including Policy.

Similarly, in one of its investigations into Universal Credit¹², the NAO noted that the delivery team “works well together and mainly follows good practice” and that by adopting an agile approach it has “allowed the Department to adjust its plans based on what it learns about what does and does not work”.

This team brings together policy, prototyping, data science, user research and evaluation into a unified approach, it contains an “embedded data team”, and policy professionals are engaged in the design and development process. The GDS assessment concluded that:

The data culture has evolved from ‘tell us what’s happening’ to a position where features have success measures, and data is used for prioritisation. The data team also has the opportunity to ‘do the data science’ and explore the data for further insights that can drive new features.

New versions of the software are deployed every two weeks, with each release assigned a reference number.^{13 14} Each change to the service goes through 4 stages: policy development, (user experience) design, development (where changes to the software are made) and a ‘live’ evaluation phase. Presumably, these all happen on a two-week cycle in the

¹² National Audit Office, "Rolling out Universal Credit", 15th June 2018, <https://www.nao.org.uk/report/rolling-out-universal-credit/>, retrieved 4th October 2019

¹³ FOI response from DWP, 23rd September 2019, <https://www.whatdotheyknow.com/request/601989/response/1436957/attach/html/2/FOI2019%2033077%20reply.pdf.html>, retrieved 11th October 2019

¹⁴ From video of UC interface

same way as releases. (Pages 16 and 17 of the NAO report *Rolling out Universal Credit* illustrate the design and development process DWP has developed).¹⁵

An agile approach to changes in legislation was also adopted, with civil servants, and parliamentary counsel working together on secondary legislation.¹⁶

According to the NAO and the Institute for Government, the approach and capability that DWP developed was critical to the turnaround of the programme and its ability to adapt to policy changes.^{17 18}

Policy changes and delivery

This ability to respond to change is important because the policy landscape of Universal Credit has not stood still. While Universal Credit has often had wide support *in principle* (certainly in relation to the perceived simplification of the system) there have been many criticisms of the policy *in practice* as its impact has emerged. Many of these relate to the assumptions behind the original vision for Universal Credit, including the monthly payment cycle, ending the direct payment of rent to landlords and the digital first

¹⁵ National Audit Office, "Rolling out Universal Credit", p16-17, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

¹⁶ Nicolette Sanders, "Making law in a digital world: the Universal Credit experience", Civil Service Quarterly, 10th September 2015, <https://quarterly.blog.gov.uk/2015/09/10/making-law-in-a-digital-world-the-universal-credit-experience/>, retrieved 24th October 2019

¹⁷ National Audit Office, "Rolling out Universal Credit", 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

¹⁸ Institute for Government, "Universal Credit From disaster to recovery?", September 2016, <https://www.instituteforgovernment.org.uk/sites/default/files/publications/5064%20IFG%20-%20Universal%20Credit%20Publication%20WEB%20AW.pdf>

approach. There have been widespread and well-documented concerns that these have pushed people into poverty and debt.

Many of the policy changes since 2017 appear to have been attempts at mitigating these issues. For example, the 2017 budget included announcements that the 7 day waiting period added to the beginning of the first monthly assessment period (the so-called “waiting days”) would be removed. Advance payments of up to one month’s payment would also be made within five days of the initial claim. And it would be made easier for claimants to have a portion of their benefit payments paid directly to their landlord.¹⁹ Separately, the Scottish government has used devolved powers to request changes that allow for Scottish claimants to explicitly request direct payments to their landlord and to switch to a two-week payment cycle.²⁰ And in January 2019, Amber Rudd, the Secretary of State for Work and Pensions announced the development of a “Landlord Portal” to better facilitate direct rent payments to landlords and amended the two-child rule so it would only apply to children born after the introduction of the policy.

DWP’s approach to the rollout has continued to adapt too. The final stage of rollout, where people on legacy benefits will be moved over to Universal Credit (so-called “managed migration”), has proceeded in a more gradual and iterative way than originally planned.^{21 22}

¹⁹ HM Treasury, "Autumn Budget 2017", GOV.UK, 22nd November 2017, Section 7.3, <https://www.gov.uk/government/publications/autumn-budget-2017-documents/autumn-budget-2017>, retrieved 30 September 2019

²⁰ Scottish Government, "Universal Credit: new choices for people living in Scotland", gov.scot, 31st January 2018, <https://www.gov.scot/publications/universal-credit-new-choices-people-living-scotland/>

²¹ <https://www.gov.uk/government/news/new-help-to-claim-service-provides-extra-universal-credit-support>

²² "Universal Credit: take aways from DWP's managed migration webinar, March 2019", Policy in Practice, 5th Apr 2019 at 12:00, <http://policyinpractice.co.uk/universal-credit-take-aways-from-dwps-managed-migration-webinar/>

DWP's ability to implement these changes is in part due to the delivery capability it built up since 2013. DWP continues to develop the system today and is also spending considerable amounts of money on automating manual processes across its IT estate.²³ Part two of this report will examine how these systems function, along with some elements of the wider service.

²³ Robert Booth, "Benefits system automation could plunge claimants deeper into poverty", The Guardian, 14th October 2019, <https://www.theguardian.com/technology/2019/oct/14/fears-rise-in-benefits-system-automation-could-plunge-claimants-deeper-into-poverty>, retrieved 1st December 2019

Part 2: How Universal Credit works

The digital account

Universal Credit is operated using a series of digital systems that allow claimants to interact with DWP, and DWP (and other organisations) to administer the benefit. The most public of these systems is the ‘digital account’. Claimants are expected to use this account to understand what activities they need to do, report changes to their circumstances, communicate with DWP staff, and find out how much money they will receive each month.¹ An understanding of the functions and affordances of this system is core to understanding how the Universal Credit policy manifests itself to claimants, and the implications of delivering a hyper-means-tested benefits system over digital channels.

However, gaining this understanding is far from easy. How the digital account actually works and how it changes over time is important because small changes to a user interface, a user journey, or the language used, could have big effects on how a claimant experiences and understands Universal Credit. There is little in the public domain about the account's design, and researchers submitting dummy data to understand how the system works may be prosecuted.² The two-week development cycle mentioned earlier also means that the job of understanding the design of

¹ There are a few exceptions to this, see: “Non digital relationships”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/89._Non_digital_relationships_v1.0.pdf There are also ways to delegate administration of the account to a third party. These are discussed later.

² The application process contains a warning to this effect.

the system is a moving target and personalisation means that the account may appear differently to each claimant depending on their circumstances. DWP has refused Freedom of Information requests to provide up-to-date screenshots of the account citing this personalisation and the two-week design and deployment cycle.³ They also refused to publish materials used to train DWP staff, citing the cost implications of collating them.⁴

Given these constraints, the description that follows relies on one of the few public illustrations of how the service works - a set of videos posted by DWP in 2017 and 2018 to the Youtube channel “Universal Credit In Action”⁵. It also draws on descriptions on the GOV.UK website and interviews with users of the system.

Home page, to-do list and journal

The Universal Credit digital account is organised around three high-level concepts: the “homepage”, the “to-do list” and the “journal”. These are all linked to from the primary navigation of the account.

The homepage is used primarily to signpost claimants to report changes in their circumstances, access their monthly statements, apply for advance payments, and review their “Claimant Commitment”.

³ FOI response from DWP, 23rd September 2019, <https://www.whatdotheyknow.com/request/601989/response/1436957/attach/html/2/FOI2019%2033077%20reply.pdf.html>, retrieved 11th October 2019

⁴ “UC Full Service: Training manuals for work coaches”, WhatDoTheyKnow.com, https://www.whatdotheyknow.com/request/uc_full_service_training_manuals#incoming-1447700

⁵ “Universal Credit In Action”, Youtube, <https://www.youtube.com/channel/UC7Km4IXfVJB1n8SQUmkJD0Q>, retrieved 27th October 2019

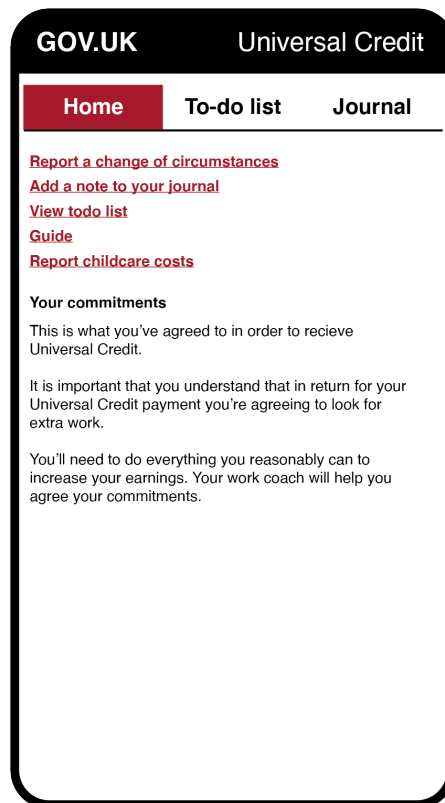


Illustration of home page based on DWP videos

Linked to from the homepage are a series of forms for reporting common changes, such as “New partner”. These are grouped into categories. DWP does not publish a definitive list of changes of circumstance that must be reported, either in the digital account or elsewhere, but there are at least 50 (see Annex 1 for a list). In place of a definitive list, the official guidance to claimants makes general statements such as:

“You need to report changes to your circumstances so you keep getting the right amount each month” - GOV.UK ⁶

⁶ HM Government, “Universal Credit: Report a change of circumstances”, GOV.UK, <https://www.gov.uk/universal-credit/changes-of-circumstances>, retrieved 26th October 2019

“It is your responsibility to tell the Department for Work and Pensions about any changes in your situation” - Understanding Universal Credit website ⁷

The emphasis is on the claimant to maintain a good mental model of all the potential things that might affect their claim. Reporting changes is also an active task, and there appears to be no effort on the part of DWP to automatically prompt people based on the data it holds about them. Unfortunately, because these forms are not open to public scrutiny, it's not possible to make an assessment of their clarity.

The second menu item after the homepage is the to-do list. The to-do list provides a single place for claimants to view activities they are expected to do to maintain their claim at any given time. This includes things such as uploading a CV, booking an interview at a jobcentre or filling out a questionnaire about the sort of jobs they are looking for. To-do list items are created by DWP staff and, given the drive towards automation, presumably automatically by the system too. The to-do list is also used for data collection during the application process (which is discussed later). If the claim has been made by a couple, the to-do list is split in two and is visible to both claimants. It is unclear what other data is shared between claimants in this way.

⁷ Department for Work and Pensions, “New to Universal Credit - Your responsibilities”, Understanding Universal Credit, <https://www.understandinguniversalcredit.gov.uk/new-to-universal-credit/your-responsibilities/>, retrieved 26th October 2019

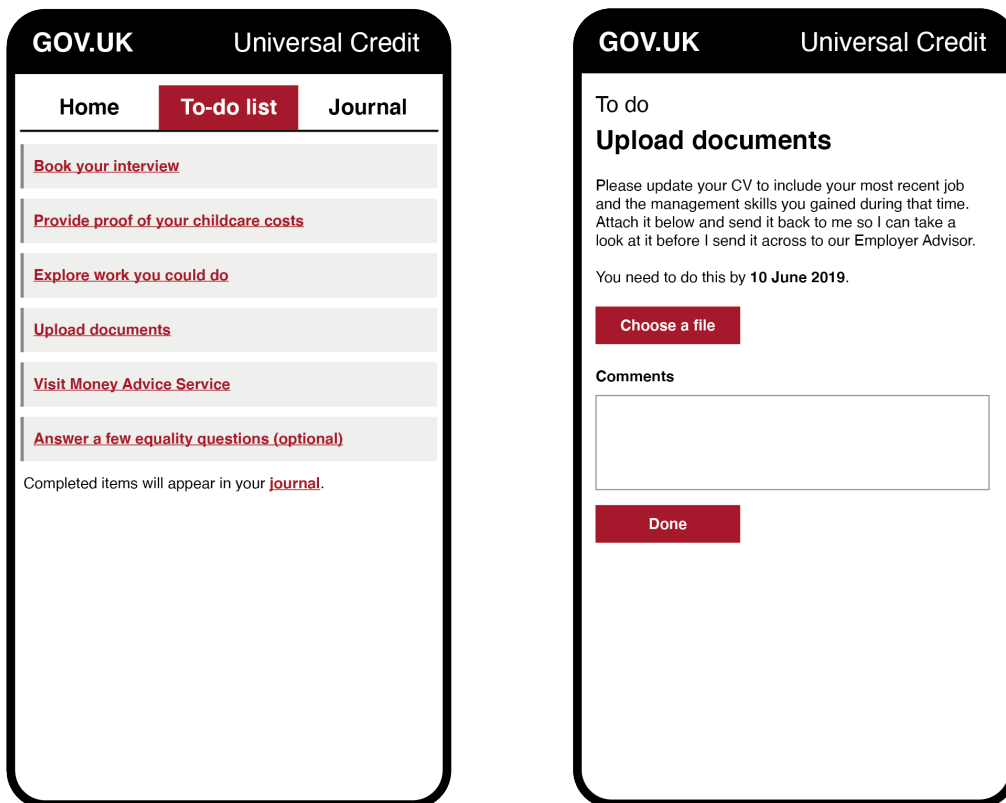


Illustration of to-do list page based on DWP

Once completed, items are removed from the list and are recorded in the journal.

The journal serves two functions. Firstly, it provides a historical record of interactions with the system - for example if a change of circumstances has been reported or an item from the to-do list has been completed. It appears that the interactions recorded in the journal are limited to items explicitly reported via the system. It does not, for example, appear to include information about when a member of DWP staff viewed the account, or the date and time a calculation was run (or re-run). Secondly, the journal acts as a two-way communication channel between claimants and DWP - for example, a claimant asking questions or providing evidence of looking for a job - and vice versa - for example, DWP requesting additional information. When DWP sends a message via the journal it is normally listed

alongside some information about who in DWP sent it, i.e. if it is from a particular service centre or jobcentre. However sometimes as just from “An Agent”. It is unclear how, or if, automated responses and automated decisions are recorded and delineated in the journal.

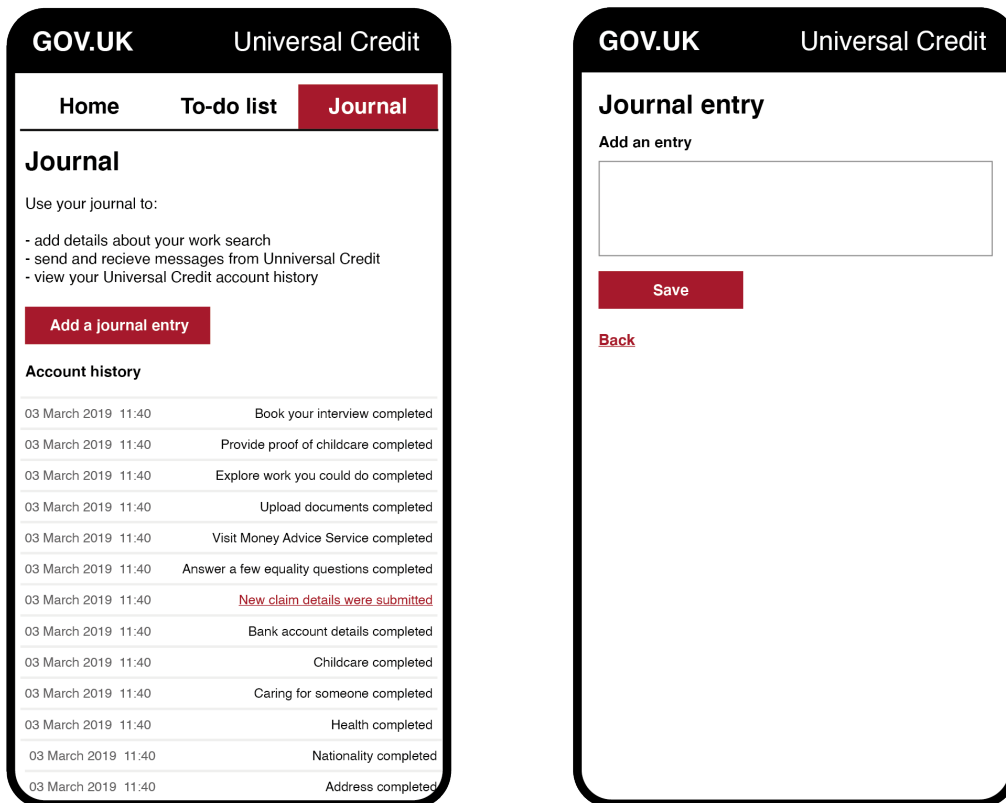


Illustration of journal based on DWP videos

Messaging

When new items are added to the journal or to-do list DWP sends claimants a text message or email to notify them as follows:⁸

⁸ Response to FOI request, "Text sent to claimants to notify a new to-do item/journal entry", <https://www.whatdotheyknow.com/request/617155/response/1467503/attach/html/2/WDTK%20Template%2040130.pdf.html>

*You need to read a message in your Universal Credit journal.
Sign in to your online account today.*

*Sign in to your online Universal Credit account today and check
your to-do list.*

These messages are generic, simply stating that claimants should log in to their account to understand what to do next. While avoiding revealing specific information in messages is often an appropriate security precaution, claimants have no way of knowing if the message relates to something relatively benign (such as feedback on a CV), or something more serious that carries the risk of a sanction. This risks creating worry and uncertainty if, for example, a claimant is unable to access a computer easily.

Email and text messages are one-way only - claimants must sign in to their account to reply to messages and complete to-do items. They cannot reply via SMS, MMS, email or voice. Again, while this may be an appropriate security precaution in some instances (for example, reporting bank details via email would be very undesirable), it appears to have been implemented in a blanket way. Putting aside issues of digital skills and inclusion, there is a hidden cost (either financial or in terms of time) for people without reliable access to the internet. Someone receiving a notification of a new message may have to visit a location with free internet access, or pay for access by purchasing phone credit or accessing an internet cafe. DWP has not attempted to estimate the costs this may entail for claimants.⁹

⁹ "Universal Credit - estimates of costs to claimants - a Freedom of Information request to Department for Work and Pensions", WhatDoTheyKnow, <https://www.whatdotheyknow.com/request/universalcreditestimatesofco#incoming-1465773>, retrieved 3rd November 2019

The level of interaction that an individual claimant has with the homepage, to-do list and journal will depend on the “conditionality group” they have been placed in by DWP, with those in the “all work-related requirements” group expected to make greater use of the digital account. The exception to this is the monthly statement. These are accessed from the homepage and provide an overview of how much Universal Credit claimants will receive each month, along with a breakdown of how it has been calculated. This statement, and the workings of the monthly payment cycle more generally, are the subject of the next section.

The assessment cycle and statement

DWP describes Universal Credit as a ‘single monthly payment’.¹ This seemingly simple concept generates a lot of complexity when it comes to explaining how a payment has been calculated and how it interfaces with the messy reality of people’s working lives.

As noted earlier, the total amount of money owed to a claimant is calculated at the end of a month-long ‘assessment period’ that starts from the original application date. Payments are made seven days after the end of that period. The exception to this is Scotland, where devolved powers enable claimants to request payments to be made every two weeks.²

Shortly before the payment is made, a statement appears in the digital account. It can be accessed from the homepage and includes a high-level breakdown of how the payment has been calculated.³ This means that claimants do not know how much they will be paid until a statement appears in their digital account.⁴ In addition to explaining how a payment

¹ In most circumstances - see example of Scotland below for where this is different

² “Money Guidance and APA”, <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/81.MoneyguidanceandAPAv24.0.pdf>

³ "Using your online account", Understanding Universal Credit, <https://www.understandinguniversalcredit.gov.uk/already-claimed/if-you-have-an-online-account/>

⁴ See this FOI request for a more recent example of a statement than shown in the Universal Credit in Action video: "Proof of universal credit - a Freedom of Information

has been calculated, the statement has an additional function: a printout or screenshot of the statement can be used as proof of entitlement for things like free NHS prescriptions.⁵

From a visual design point of view, the statement is clearly designed, highlighting important dates, amounts and a breakdown of how the calculation was made. The breakdown details any income from employment along with the different elements of the Universal Credit payment - for example, how much a claimant is receiving because they have a child. It also includes the date and time that the payment will be made, along with any deductions or sanctions.

Despite the clarity of the visual design, the complexity of the assessment cycle and the hyper-means-tested nature of Universal Credit mean that the challenge of making the calculation actually understandable is significant. The Child Poverty Action Group has documented many issues with the design of the statement and found that DWP staff are often unable to explain how a claimant's payment has been calculated.⁶

Mirroring the world of work?

The seven day payment period at the end of the assessment period appears to be arbitrary, imposed by the department to give it time to calculate the

request to Department for Work and Pensions", WhatDoTheyKnow, 21st May 2018, <https://www.whatdotheyknow.com/request/proofofuniversalcredit>

⁵ "NHS Prescriptions and Universal Credit - YouTube", NHS Prescriptions and Universal Credit - YouTube, 2nd February 2018, <https://www.youtube.com/watch?v=12vSM2UqmwU>

⁶ Child Poverty Action Group, "Computer says no!", May 2019, p22, <https://cpag.org.uk/news-blogs/news-listings/universal-credit-claimants-left-dark-about-their-entitlements>, retrieved 27th October 2019

amount owed to claimants and for the payment to reach their bank account. In addition to delaying when claimants will receive their first payment, it means that they must hold a complex mental model in their heads consisting of four separate dates:

- the start and end dates of the month-long assessment period
- the date of payment
- and the date the statement will become available

Despite the aspiration for Universal Credit to “mirror the world of work”, this is clearly a more complex arrangement than PAYE employment.

This is further complicated by the reality that claimant’s pay may be irregular or misaligned with the Universal Credit cycle. By DWP’s own estimates, 25% of people are not paid monthly by their employers.⁷ This means that many people are receiving multiple pay cheques in a single Universal Credit payment cycle. In turn, this causes unpredictability for claimants and more complexity in the mental model they must maintain. Both the guidance that DWP publishes to advise claimants on how to manage non-monthly earnings and the guidance for DWP staff are hard to understand, even for someone familiar with the details of the policy.^{8 9}

⁷ Universal Credit, “Personal Budgeting Support and Alternative Payment Arrangement”, p3, November 2014, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378300/personal-budgeting-support-guidance.pdf

⁸ Department for Work and Pensions, “Universal Credit: different earning patterns and your payments (payment cycles)”, <https://www.gov.uk/government/publications/universal-credit-different-earning-patterns-and-your-payments/universal-credit-different-earning-patterns-and-your-payments-payment-cycles#if-youre-paid-every-4-weeks>

⁹ “Surplus, fluctuating and irregular earnings plus payment cycles”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/124._Surplus_fluctuating_irregular_earnings_plus_payment_cycles_v2.0.pdf

Appeals

According to DWP's data, in April 2019 6% of claims were not paid in full and on time (although this is a significant decrease from 16% in April 2018)¹⁰ This, plus the complexity of the calculation and monthly cycle means it is important that there are clear routes for claimants to hold DWP to account if they think there is something wrong. If a claimant feels that there is a mistake with a payment, the statement explains the steps they can take. Firstly, they can request a written explanation of the calculation, although it is unclear how the written explanation differs from the statement. The second option is to appeal.

In the first instance, appeals must be made to DWP itself using a process called "mandatory reconsideration". This is a rule that applies to any decision made by DWP, for example, a sanction decision. Only once this process has been completed is it possible for claimants to appeal to the Courts and Tribunal Service (HMCTS).¹¹ These steps are explained in the statement. However, it is important to note that there are no links to forms or further information and it explains that requests for written explanations must be done by phone or post. Guidance on the GOV.UK website explains that it is possible to request a mandatory reconsideration via the journal, but this is not explained as part of the statement and there is no dedicated online form for requesting one.^{12 13}

¹⁰ Department for Work and Pension, "Universal Credit statistics: 29 April 2013 to 11 July 2019", 13th August 2019, <https://www.gov.uk/government/publications/universal-credit-29-april-2013-to-11-july-2019/universal-credit-statistics-29-april-2013-to-11-july-2019>, retrieved 27th October 2019

¹¹ Citizens Advice, "Appealing against a Universal Credit decision at a tribunal", Citizens Advice, <https://www.citizensadvice.org.uk/benefits/universal-credit/problems-with-your-payment/appealing-a-universal-credit-decision-at-a-tribunal/>

¹² HM Government, "Challenge a benefit decision (mandatory reconsideration)", GOV.UK,

Appeals to HMCTS must be done via a printed form.¹⁴ This means that digital routes for claimants to raise a concern about a decision by DWP are either absent altogether or, to some extent, obfuscated. The question of which parts of the system have been digitised and which have not, and how this affects the application process, is covered in the next section.

<https://www.gov.uk/mandatory-reconsideration/how-to-ask-for-mandatory-reconsideration>

¹³ "Mandatory Reconsiderations", <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/76.MandatoryReconsiderationv4.0.pdf>

¹⁴ HM Courts & Tribunals Service, "Form SSCS1: Appeal a social security benefits decision (Notice of appeal)", GOV.UK, 14th December 2018, <https://www.gov.uk/government/publications/appeal-a-social-security-benefits-decision-form-sscs1>

The application process

The earlier description of the digital account focused on how Universal Credit operates day-to-day, week-to-week, once a successful claim has been made. However, new claimants must first create an account and submit a claim. In most circumstances, this is done online.¹ Creating an account requires an email address and mobile phone number. Once created, the to-do list is used for completing a claim, with claimants completing approximately ten to-do list items, including:

- Nationality
- Housing
- Who lives with you?
- Work and earnings
- Savings and investments
- Income other than earnings
- Are you in education or training?
- Health
- Caring for someone
- Bank account details

Behind each item, there are one or more forms, with the exact number depending on the circumstances of a claimant. Completing these forms requires claimants to collate a range of different information and

¹ While it is possible to make a claim over the phone, DWP actively discourages this.

documents together. These include Child Benefit reference numbers, the exact amount of savings and investments, and descriptions of any health conditions. Once all the sections have been completed, claimants have to make a ‘final declaration’ that the information they have entered is correct and agree to a high-level version of the ‘claimant commitment’ before submitting the claim. They must then prove their identity, either online using GOV.UK Verify or in person at a jobcentre.

If the claimant is living with a partner, their partner will also have to complete their details to become a co-claimant. The first claimant is given a unique code to share with their partner to create the joint claim.

Claimants have 28 days to complete their claim from the creation date of their account.² While DWP states that the process of completing the application should take 20 minutes for an individual, or an hour for a couple, it does not give guidance on how long the process normally takes people to complete end-to-end. Presumably for people attempting to claim with complex situations, limited paperwork, poor record-keeping or limited digital skills, the end-to-end process will take longer. This will, in turn, delay the date of their first payment. There is also a privacy angle to the amount of information required by the application process. Much of the information required is highly personal, and many claimants will complete the application process in a public space and on public computers, for example, in a library.

² “New claims”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/86._New_claims_v12.0.pdf

Support and guidance

To support people applying for Universal Credit, DWP maintains various online guides scattered across multiple websites. On the GOV.UK website there is some guidance that is concise and clearly organised, such as “How to claim Universal Credit: step-by-step”.³ But there are also more complex and specific guides such as “Universal Credit: support for a maximum of 2 children: information for claimants”⁴ and “Universal Credit: further information for couples”⁵. The complexity of this content is, in part, a product of the hyper-means-tested nature of Universal Credit.

In addition to GOV.UK, DWP maintains understandinguniversalcredit.gov.uk, which duplicates much of the content held on GOV.UK. There is also a Youtube channel “Universal Credit in Action”⁶ that hosts videos explaining how the digital account works and some advice on how to search for jobs online.

In addition to this online guidance, since April 2019, DWP has paid Citizens Advice and Citizens Advice Scotland to provide personal support under the “Help to Claim” scheme.⁷ Citizens Advice advisors help people submit their

³ HM Government, “How to claim Universal Credit: step by step”, GOV.UK, <https://www.gov.uk/how-to-claim-universal-credit>, retrieved 29th October 2019

⁴ Department for Work and Pensions, “Universal Credit: support for a maximum of 2 children: information for claimants”, GOV.UK, 6th April 2017, <https://www.gov.uk/guidance/universal-credit-and-families-with-more-than-2-children-information-for-claimants>

⁵ Department for Work and Pensions, “Universal Credit: further information for couples”, 25th July 2019, GOV.UK <https://www.gov.uk/government/publications/universal-credit-and-couples-an-introduction/universal-credit-further-information-for-couples>

⁶ “Universal Credit In Action”, Youtube, <https://www.youtube.com/channel/UC7Km4IXfVJB1n8SQUmkJD0Q>, retrieved 27th October 2019

⁷ <https://www.gov.uk/government/news/new-help-to-claim-service-provides-extra-universal-credit-support>

initial claim and then deal with any issues before the first payment is made.^{8 9}

What's missing?

As with the example of the offline-only appeals process in the previous section, it is interesting to examine which parts of the onboarding process DWP have chosen to digitise and which parts they have not. For example, Citizens Advice recommend that claimants ask about the following at their first interview: fortnightly payments, direct payments to landlords, funding for training and travel, travel discount cards and budgeting support.¹⁰ However, (as far as it is possible to tell) these additional benefits are not given as options during the application process and claimants must ask for them in person. Similarly, for claimants in Scotland wanting to take advantage of the right to direct payments to landlords and fortnightly payments, these options are only available after the first month has passed and appears as a message in a user's journal, rather than being designed into the application process.^{11 12}

⁸ <https://www.citizensadvice.org.uk/about-us/contact-us/contact-us/help-to-claim/>

⁹ This replaced the earlier Help to "Universal Support" scheme. Department for Work & Pensions, "Universal Support 2018/19 Guidance (withdrawn)", GOV.UK, 7th March 2019, <https://www.gov.uk/government/publications/universal-credit-universal-support-201819-guidance/universal-support-201819-guidance>, retrieved 4th December 2019

¹⁰ Citizens Advice, "Preparing for your Universal Credit interview", [https://www.citizensadvice.org.uk/Documents/Advice%20\(public\)/Universal%20Credit%20interview%20checklist.pdf](https://www.citizensadvice.org.uk/Documents/Advice%20(public)/Universal%20Credit%20interview%20checklist.pdf)

¹¹ Scottish Government, "Universal Credit: new choices for people living in Scotland", [scot.gov](https://www.gov.scot/publications/universal-credit-new-choices-people-living-scotland/), 31st January 2018, <https://www.gov.scot/publications/universal-credit-new-choices-people-living-scotland/>, retrieved 27th October 2019

¹² "Money Guidance and APA", http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/81_Money_guidance_and_APA_v24.0.pdf

A further example is advance payments. Rather than wait five weeks for the first monthly payment, claimants can apply for an advance of up to one month's payment.¹³ These advances are treated as debt to be repaid from future payments and, unlike the seven day wait for the monthly payments, advance payments are made the same day using the Faster Payments system.^{14 15} In 2016/2017 half of claimants took this option, and by 2018 it had risen to 60%.^{16 17} This means that for the majority of claimants, their first experience of Universal Credit is one of being put into debt.¹⁸

While the option to apply for an advance does appear on the homepage after a claim has been submitted, it does not appear to have been designed as a core part of the application process or added to the to-do list as an explicit choice.¹⁹

¹³ Other types of advances are available to claimants too, for example if their circumstances significantly change once the claim has been submitted.

¹⁴ Advances - New Claims, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/6._Advances_-_New_Claim_v6.0.pdf

¹⁵ <http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/5.Advances-ChangeofCircumstancesv4.0.pdf>

¹⁶ Department for Work and Pensions, "Universal Credit Statistical Ad Hoc: Payment Advances", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648831/universal-credit-payment-advances-statistical-ad-hoc.pdf, retrieved 23rd October 2019

¹⁷ National Audit Office, "Rolling out Universal Credit", p40, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

¹⁸ Department for Work and Pensions, "Universal Credit advances", GOV.UK, 23rd October 2017, <https://www.gov.uk/guidance/universal-credit-advances>, retrieved 20th September 2019

¹⁹ This option appears to have been added at some point in 2018. See: "YouTube", How to claim a Universal Credit advance online - YouTube, 5th July 2018, <https://www.youtube.com/watch?v=7tRBgnHehGE>

Jobcentre interview

Once a successful claim has been submitted, an item is added to a claimant's to-do list to book an appointment at a jobcentre and meet with a "work coach". Among other things, at this interview, claimants have to agree to a 'claimant commitment' which will determine what types of activity are required of them.²⁰ ²¹ For claimants in some conditionality groups, this will be the beginning of a set of interactions with a work coach who will set them activities to complete via their to-do list with the aim of helping them find work or increase the amount of work they are already doing. The nature of this support is covered in the next section.

²⁰ Citizens Advice, "Going to your Universal Credit interview", Citizens Advice website, <https://www.citizensadvice.org.uk/benefits/universal-credit/claiming/going-to-your-interview/>

²¹ HM Government, "Universal Credit and your claimant commitment", GOV.UK, 27th November 2019, <https://www.gov.uk/government/publications/universal-credit-and-your-claimant-commitment-quick-guide/universal-credit-and-your-claimant-commitment>

Support finding work

One of the key aims of Universal Credit is to increase employment rates. In part this was to be achieved by the simplification benefit system. The hypothesis was that, if people didn't have to apply for a totally different benefit when offered a job or an increase in their hours, they would be more likely to take the job or increase their hours. The other strategy aimed at increasing employment rates is the different 'conditionality groups' and the regimes associated with them.

Under these regimes, depending on their circumstances, claimants may be expected to prove they are working to increase their earnings and undertake certain activities as directed by their work coach. These regimes do not map 100% to the groups defined in the Welfare Reform Act and those in the 'all work-related requirements' group may find themselves under either the 'intensive work search' or the 'light touch' regimes depending on their circumstances, including how many hours they are working at any given time.¹

As previously mentioned, claimants interact with work coaches primarily via the journal and to-do list in the digital account. Work coaches add new items to the to-do list by choosing from a set of generic templates. DWP refused an FOI to extract the list of these templates from their software²,

¹ "Labour market regimes", http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/71._Labour_Market_regimes_v11.0.pdf

² "List of Todo Templates - a Freedom of Information request to Department for Work

but Annex 6 lists 49 activities that may be expected of claimants identified from various DWP documents. Given the free-form nature of the templates, It is likely that there is much variation within and in addition to these 49 activities. Some activities are tasks that need completing online, such as uploading a CV, others are completed offline, such as attending a skills assessment.

Among the online activities that may be set for claimants are a set of tools developed by DWP and located at <http://tools.universal-credit.service.gov.uk>. These include:

- Explore work you could do
- Build your CV
- Record your work search
- Choose your activities

As of March 2019, these tools were being used in selected jobcentre areas and are accessed from the digital account, but it is unclear how integrated they are^{3 4 5} While the completion of individual to-do list items such as these tools may not be considered mandatory by DWP, if work coaches decide that a claimant is not meeting their high-level commitments, then they may still issue a sanction.

and Pensions", WhatDoTheyKnow.com, <https://www.whatdotheyknow.com/request/listoftodotemplates#incoming-1464734>, retrieved 14 December 2019

³ "The labour market tools", http://data.parliament.uk/DepositedPapers/Files/DEP2019-0465/LM_tools_v6.0.pdf

⁴ Trying to access <http://your-work-search.herokuapp.com> gives the message "http://your-work-search.herokuapp.com"

⁵ "Working with your Work Coach (Universal Credit full service)", Universal Credit In Action - YouTube, 23rd July 2017, <https://www.youtube.com/watch?v=aa3s3DjJr1s>

Searching for work 35 hours a week

For claimants in the ‘All work-related requirements’ group and the ‘Intensive work search’ regimes, these tools contribute towards the 35 hour a week requirement to look for work. Beyond these specific examples, DWP is vague about how the requirement can be met. It does provide a website called ‘Daily Jobseeker’ hosted on Tumblr which includes some advice.⁶ However, it does not appear to have been updated since 2018 and the advice is limited.

The government also operates a job search website ‘Find a Job’ that allows anyone, regardless of if they are a Universal Credit claimant or not, to search and apply for jobs. Find a Job replaced the Universal Jobmatch service, which allowed work coaches to directly monitor how many searches and applications a claimant was making. Universal Jobmatch was also plagued with fake adverts, and there were suggestions that jobcentres were mandating the use of the service.⁷ ⁸ DWP recommend claimants use commercial job search websites and the ‘Find a job’ service to apply for work and then record this in their journal. There does not appear to be any integration between these services and the digital account.

If a claimant remains unemployed for 2 years, they may also be referred to the ‘Work and Health Programme’, which is referred to by DWP as a “black

⁶ “Daily Jobseeker”, Tumblr, dailyjobseeker.tumblr.com

⁷ Michael Laffan, "Universal Jobmatch - Update for Members - Recent information from the union in DWP", PCS website, 3rd December 2012, <https://web.archive.org/web/20130207090129/https://www.pcs.org.uk/en/departmentforworkandpensionsgroup/dwp-news.cfm/id/D34395B0-26B7-4E67-81B32F80CFEBB3E8>, retrieved 19th September 2019

⁸ One response to this was the development of a browser plugin that automated the process of applying for jobs. See: "Universal Automation | Introduction", Universal Automation | Introduction, [strikenow.org.uk, http://automation.strikenow.org.uk/about-universal-jobmatch/](http://automation.strikenow.org.uk/about-universal-jobmatch/), retrieved 14 September 2019

box approach” where claimants are referred to external organisations who aim to return them to work.⁹ As of October 2019 there were 14 such providers.¹⁰

In-work conditionality and work preparation

Many claimants work part-time, but DWP may still require certain activities of them. Exactly what form this takes for any given claimant today is vague, but consists of phone interviews and the development of an action plan.^{11 12} As early as 2014, the National Audit Office cited this so-called ‘in-work conditionality’ as a hard problem.¹³ In 2013, the department had planned to test various nudges to encourage people to increase their hours and more recently it has run randomised control trials of different approaches.^{14 15}

Similarly, those in the ‘work-focused interview’ and ‘work preparation’ groups may have to attend face-to-face interviews. Those in the latter may

⁹ “Work Programme”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/152._Work_Programme_v5.0.pdf

¹⁰ “Work Programme”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/152._Work_Programme_v5.0.pdf

¹¹ “Light Touch Regime”, http://data.parliament.uk/DepositedPapers/Files/DEP2016-0778/Light_Touch_Regime_v5.0.pdf

¹² “UC intensive work search and light touch regime - a Freedom of Information request to Department for Work and Pensions”, WhatDoTheyKnow, <https://www.whatdotheyknow.com/request/ucintensiveworksearchandlig>

¹³ National Audit Office, “Universal Credit: progress update”, p11, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

¹⁴ Richard Evans, “Government texts to encourage part-timers to work longer hours”, The Telegraph, 22nd January 2013, <https://www.telegraph.co.uk/finance/personalfinance/money-saving-tips/9818209/Universal-jobmatch-Government-texts-to-encourage-part-timers-to-work-longer-hours.html>, Retrieved 12th August 2019

¹⁵ Department for Work and Pensions, “Universal Credit: in-work progression randomised controlled trial”, GOV.UK, 12th September 2019, <https://www.gov.uk/government/publications/universal-credit-in-work-progression-randomised-controlled-trial>, retrieved 14 December 2019

have to complete items on their to-do lists such as ‘researching childcare costs and provision’ or ‘improving personal presentation’.^{16 17}

Jobcentres, work coaches and automation

While the business case envisioned an increase in “valuable face-to-face back-to-work support”, since 2017 over 100 jobcentres have been closed or merged, meaning claimants may have further to travel for appointments and support. 37 jobcentres are now co-located with local authorities, often in libraries.¹⁸ This raises the question of how this affects the privacy of claimants, because work coaches may be able to observe claimants using library computers to do their job search, or using the library for other activities, possibly in contravention of the 35-hour requirement.

As of March 2018, there were an average of 85 claimants per work coach. This is estimated to rise to 373 claimants by 2024, presumably through automation.¹⁹ Overall, the experience of finding work under Universal Credit looks set to become less orientated around 1-to-1 support in jobcentres and even more orientated around the digital account.

¹⁶ “Work Preparation Regime”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/151._Work_Preparation_regime_v12.0.pdf

¹⁷ “Work focused interview regime”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/149._Work_focused_interview_regime_v6.0.pdf

¹⁸ Department for Work and Pensions, “Update on the future of DWP jobcentres”, GOV.UK, 6th October 2017, <https://www.gov.uk/government/news/update-on-the-future-of-dwp-jobcentres>

¹⁹ National Audit Office, “Rolling out Universal Credit”, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

Alongside this drive towards automation and reduction in jobcentres DWP has developed a set of tools for administering Universal Credit. These are considered in the next section.

The administration of Universal Credit

Key to the further automation and digitisation of welfare is a set of new systems for the administration and monitoring of Universal Credit. These include a system for DWP agents to manage claims and detect fraud, tools for landlords with tenants who receive Universal Credit, and mechanisms for claimants to delegate access to their account to third parties. Universal Credit also relies on IT systems from across government as well as older, legacy, DWP systems.

In tandem with the development of the digital account, DWP has developed a system for work coaches and other DWP staff to manage claims for Universal Credit. As with the digital account that claimants use, it is unclear exactly how the agent system works. However, there are some screenshots and videos available online that show parts of it.^{1 2}

From these sources we can see that the agent system allows DWP staff to assign new items to a claimant's to-do list and perform other actions on a claimant's account.³ DWP staff can also sign in to view the account as a

¹ "Working with your Work Coach (Universal Credit full service)", Universal Credit In Action - YouTube, 23rd July 2017, <https://www.youtube.com/watch?v=aa3s3DjJr1s>

² See screenshot on page 3 of the PDF linked to from this discussion: "Discussion: Update on 'service design improvements' - Rightsnet", Rightsnet, <https://www.rightsnet.org.uk/forums/viewthread/15378/>, retrieved 30th December 2019

³ "Universal Credit In Action", Youtube, 10:52, <https://www.youtube.com/channel/UC7Km4IXfVJB1n8SQUmkJD0Q>, retrieved 27th October 2019

claimant would see it and this function is used in face-to-face interviews at a jobcentre.⁴ While in this mode, “Viewing ” and the name of the claimant appear in a banner at the top of the page. The fact that a member of DWP staff viewed an account in this way does not appear to be recorded in the journal.

If a claimant is considered vulnerable, additional information can be “pinned” to the top of the journal when a work coach is viewing it.⁵ Similarly, a banner is also displayed to DWP staff in the administration system if a claimant has previously been recorded as displaying “unacceptable customer behaviour”. Staff can then check a separate “Staff Protection List” database for further information.⁶ It is unclear if or when the pinned journal entry or the unacceptable customer behaviour flag are visible to a claimant.

There are also, presumably, systems for the administration of the sanction regime and the appeals process. However, it has not been possible to establish how these work.

Fraud detection

As with the administration of sanctions, there is limited information on the tools DWP use to detect or estimate fraud. According to the NAO, in 2018 DWP intended “to develop a fully automated risk analysis and intelligence

⁴ Interview with claimant

⁵ National Audit Office, “Rolling out Universal Credit”, p32, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

⁶ UCB, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/137._UCB_v4.0.pdf

system on fraud and error.”⁷ The Risk and Intelligence Service (RIS) was launched in April 2018 to issue alerts to staff to assist them in identifying fraud across DWP. According to DWP’s 2018/19 Annual Report: ⁸

RIS is using increasingly sophisticated data and analytical tools to uncover cases of undeclared capital and failing to declare a partner (living together) with threat alerts now helping our service staff identify and prevent fraud.

It is unclear how these alerts are issued to staff or what processes are in place for ensuring the process operates in line with the rights of claimants (for example unfairly targeting claimants with protected characteristics).

Landlords

In addition to the agent system and fraud capabilities, DWP has developed two systems for landlords of tenants who receive Universal Credit.

Apply for a direct payment of rent is a service that any landlord can use to request that a portion of each Universal Credit payment is paid directly to them if a claimant is falling behind on their rent.⁹ As previously noted, for claimants wishing to initiate this process, there is no specific step in the application process and no dedicated tool that can be discovered via

⁷ National Audit Office, “Rolling out Universal Credit”, p61, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

⁸ Department for Work and Pensions, "DWP annual report and accounts 2018 to 2019", GOV.UK, 27th June 2019, p69,122, <https://www.gov.uk/government/publications/dwp-annual-report-and-accounts-2018-to-2019>, retrieved 15 December 2019

⁹ HM Government, "Apply for a direct payment of rent", GOV.UK, <https://directpayment.universal-credit.service.gov.uk/>, retrieved 15th December 2019

GOV.UK. Instead they must leave a note in their journal, and must therefore have been told that this is an option. Claimants in Scotland are prompted to make this choice via an item in their to-do list during their second monthly assessment cycle.

For large “social landlords”, such as local authorities or housing associations, DWP has developed a dedicated *Landlord Portal*. This was developed to speed up the verification of the social rent details provided by claimants during the application process.^{10 11} As of October 2019, 769 social landlords (so-called “Trusted Partners”) had registered for the service.¹²

The exact functionality of the service is unclear, but, each time one of their tenants makes a claim for Universal Credit they receive a notification. In addition to verifying the rent of new applications, they can also request direct payments from new and existing tenants. In return for signing up as a trusted partner, DWP also expects landlords to take on an additional role:¹³

In return, the Trusted Partner landlord is expected to identify if the claimant needs support, for example - advice about debt. They are expected to signpost them to the relevant organisation for that support.

¹⁰ National Audit Office, “Rolling out Universal Credit”, p18, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

¹¹ See screenshot on page 6 of the PDF linked to from this discussion: "Discussion: Update on 'service design improvements' - Rightsnet", Rightsnet, <https://www.rightsnet.org.uk/forums/viewthread/15378/>, retrieved 30th December 2019

¹² “Universal Credit Trusted Partners”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/136._UC_Trusted_Partners_v16.0.pdf

¹³ “Universal Credit Trusted Partners”, http://data.parliament.uk/DepositedPapers/Files/DEP2018-0759/UC_trusted_partners_v3.0.pdf

As such, social landlords have become part of the Universal Credit system in a safeguarding role, not just as that of a passive verifier of facts.

The wider government context

The systems explicitly developed for the Universal Credit programme sit within a broader context of the DWP and government IT estates. It is beyond the scope of this report to cover this in full (annex 3 contains a longer list of some of the associated IT systems used in the delivery of Universal Credit), but three areas are of note when it comes to the broad understanding of the data ecosystem that Universal Credit sits within. These are the HMRC RTI system; the systems for managing the Work and Health Programme; and those for sharing data with local authorities.

As noted earlier, data from HMRC's RTI system, which is used by employers to report earnings and other information to HMRC for the calculation of PAYE tax, has been repurposed for the provision of Universal Credit. RTI includes a broad set of data about an individual employee including their name, date of birth, passport number, information about their employer, their earnings and if they have taken part in industrial action.¹⁴

From the HMRC-DWP data sharing agreement, it is clear that DWP does not access HMRC's systems directly, rather they create a copy of the data based on a set of National Insurance Numbers that are of interest to them, and add additional information, including about pensions.¹⁵ This process is not

¹⁴ HMRC, "Guidance on RTI Data Items from April 2019", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/775920/Data_items_guide_2019_to_2020_v1.1.pdf, retrieved 23rd October 2019

¹⁵ DWP's copy of RTI is called RTE. See: "Real time information", <http://>

done in real-time - DWP send HMRC a new set of National Insurance numbers each day, and HMRC sends back the data four times a day, Monday to Friday. There is a process for handling “exceptions” where the National Insurance Numbers are not matched - but from the wording of the data sharing agreement, investigations appear to be manual rather than automated.¹⁶ Claimants get stuck in this gap between the two departments. The Child Poverty Action Group have described the appeal process as “opaque” and cited examples of claimants having to live with reduced payments until the internal DWP-HMRC investigation process has been exhausted.¹⁷

The system that DWP uses to share data about claimants with companies providing services under the Work and Health Programme is called PRaP. Among other things, companies use this to conduct an identity check (although they are instructed by DWP not to take a copy of any identity documents).¹⁸ They also use PRaP to report back via the system if a claimant has found a job.¹⁹

data.parliament.uk/DepositedPapers/Files/DEP2019-0465/Real_Time_Information_v6.0.pdf

¹⁶ “Memorandum of Understanding (Process) between

HMRC (PT Operations) and The Department for Work and Pensions, Universal Credit In Respect of the Exchange of Information as a result of the Interface established between RTI and UC”, https://www.whatdotheyknow.com/request/hmrc_and_data_sharing_with_the_d, retrieved 29th October 2019

¹⁷ CPAG, “Universal credit claimants blocked from challenging DWP decisions”, CPAG website, 19th July 2019, <https://cpag.org.uk/news-blogs/news-listings/universal-credit-claimants-blocked-challenging-dwp-decisions>

¹⁸ Department for Work and Pensions, “Work and Health Programme Provider Guidance

Chapter 3 - Acknowledging referrals, initial Participant engagement and registering a start”, p6, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/835550/work-and-health-programme-provider-guidance-chapter-3.pdf, retrieved 23rd October 2019

¹⁹ Department for Work and Pensions, PRaP Questions and Answers, <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/>

Finally, DWP operates various systems for sharing data about claimants with local authorities. The most recent of these is “Transfer Your Files”, which along with the ATLAS and DWP Data Hub systems enable the administration of the local elements of the welfare system.²⁰

The shared characteristic of these three systems is that, rather than providing access to central registers of data, they lead to the creation of more databases and encourage the duplication of information across government.

Third-party support

The final aspect of the administration of the system it is necessary to consider is the role of civil society organisations that support claimants. Just as the complexity of the tax system means that people require the support of accountants to engage with the government, the complexity of the welfare system has long meant that those relying on it need external support too. This was recognised as an issue in 2018 when the NAO recommended making it easier for third parties to support claimants by enabling the bulk upload of data, such as child-care information, and improving the two-way sharing of data (with consent from the claimant).²¹

attachment_data/file/762772/prap-questions-and-answers.pdf, retrieved 23rd October 2019

²⁰ Department for Work and Pensions, "LA Welfare Direct Bulletin 2/2019", GOV.UK, 18th October 2019, <https://www.gov.uk/government/publications/la-welfare-direct-bulletins-2019/la-welfare-direct-bulletin-22019#changes-to-the-data-hub-in-2019>, retrieved 23 October 2019

²¹ National Audit Office, "Rolling out Universal Credit", p11, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

DWP has developed a process for people to delegate access to their account to people or organisations to help them with their claim.^{22 23} This is a manual process, requested in person or via the journal in the digital account, with consent then given over the phone or face-to-face (i.e. there is no explicit way to initiate this process from within the digital account). Delegates can access the entirety of a claimant's account, except for bank account information and some types of personal information, which is hidden. Delegation appears to be on an all or nothing basis (i.e. there is no option of giving access just for a specific time period or task). Based on reports and screenshots that appeared on RightsNet in December 2019, it appears that internal DWP systems display a message to staff if an account is being managed by a delegate.²⁴

Despite the moves towards more delegated access, there have been concerns about the use of an explicit consent model from welfare rights organisations.²⁵ During the research for this report there was anecdotal evidence of the sharing of usernames and passwords in the process of supporting claimants, also of messages being posted in the journal by support organisations but not being clearly demarcated as such in the design. There was also some unease about seeing the full details of a

²² Department for Work and Pensions, "Universal Credit consent and disclosure of information", 5th March 2018, <https://www.gov.uk/guidance/universal-credit-consent-and-disclosure-of-information>

²³ "Appointees, Personal Acting Bodies and Corporate Acting Bodies", <http://data.parliament.uk/DepositedPapers/Files/DEP2018-0759/AppointeesPABsandCABsv6.0.pdf>

²⁴ "Discussion: Update on 'service design improvements' - Rightsnet", Rightsnet, <https://www.rightsnet.org.uk/forums/viewthread/15378/>, retrieved 30th December 2019

²⁵ Victoria Todd, "Consent in Universal Credit: understanding what works", Social Security Advisory Committee, 7th August 2019 at 12:00, <https://ssac.blog.gov.uk/2019/08/07/consent-in-universal-credit-understanding-what-works/>, retrieved 30th September 2019

claimant's account and the difficulty of understanding the full history of a claim.²⁶

²⁶ Interview

Monitoring, transparency and performance

The final aspect of the functioning of the Universal Credit system it is important to understand is the information DWP publishes about how the system is performing. As noted earlier, there is limited documentation about the systems the department operates. This is also true of the performance data about Universal Credit, which can be characterised as inconsistent and incomplete.

The data that is released by DWP about the performance of Universal Credit tends to be published periodically, rather than in real-time. It is published as a mix of formats, is sometimes non-machine readable, and the datasets published change over time, while some data, such as those on advance payments, are published on an ad hoc basis. The department publishes this data on the GOV.UK website as well as DWP's StatXplore website (Annex 4 contains a list of statistics published by DWP). This is despite the evidence that the Universal Credit team have built up a modern analytics capability where real-time data would be the expectation.

The gaps in performance data exist at both the macro and micro-level. At the macro-level, the United Nations Special Rapporteur on extreme poverty and human rights criticised DWP for the poor quality of the data published

about use of sanctions.¹ When it comes to understanding if Universal Credit is saving money for the government, researcher Anna Powell-Smith has concluded that:²

Government either isn't collecting meaningful data on the cost savings of Universal Credit. Or, it is collecting this data but is inexplicably failing to publish it.

When considering if Universal Credit has resulted in more people in work, the NAO concluded that, not only does the data not exist but that DWP will:

*never be able to measure whether Universal Credit actually leads to 200,000 more people in work, because it cannot isolate the effect of Universal Credit from other economic factors in increasing employment*³

At the micro-level, datasets about how the digital service is used, such as the number and types of activities required of claimants, are almost entirely absent from the public domain. Where detailed data is published, it appears to be in response to a particular point that the department is trying to make, or in relation to a particular research project.

There is also limited information published about the systems used to deliver Universal Credit. As the UN Special Rapporteur noted, there is no

-
- ¹ "Statement on Visit to the United Kingdom, by Professor Philip Alston, United Nations Special Rapporteur on extreme poverty and human rights", 16th November 2018, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=23881&LangID=E>
 - ² Anna Powell-Smith, "The first missing numbers: the savings from Universal Credit", Missing Numbers, 9th May 2019, <https://missingnumbers.org/the-first-missing-numbers-the-savings-from-universal-credit/>, retrieved 30th September 2019
 - ³ National Audit Office, "Rolling out Universal Credit", p10, 15th June 2018, <https://www.nao.org.uk/report/rolling-out-universal-credit/>, retrieved 4th October 2019

definitive list of all the component systems that make up the Universal Credit service:⁴

The existence, purpose and basic functioning of these automated government systems remains a mystery in many cases, fueling misconceptions and anxiety about them.

The Government Service Standard, which, in theory, all government services must meet, requires departments to release the source code for their services. The department does maintain a public code repository at <https://github.com/dwp>⁵, but it appears that no part of the Universal Credit codebase has been published online, not even the code used to calculate a Universal Credit payment. The GDS service assessment of the alpha version of the service from 2014 notes that:

Despite having identified some reusable components, the lack of a plan to open up any source code at all is disappointing. At this stage the services code should already be opening up (or otherwise be able to explain clearly the specific and compelling reasons why this can not be done for a particular subset of the code). A working assumption that security prohibits the opening up [of] any code isn't reasonable. ⁶

⁴ “Statement on Visit to the United Kingdom, by Professor Philip Alston, United Nations Special Rapporteur on extreme poverty and human rights”, 16th November 2018, p11, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=23881&LangID=E>

⁵ Department for Work and Pensions, GitHub, <https://github.com/dwp>, retrieved 4th October 2019

⁶ HM Government, "Universal Credit - Service Assessment", Data in government, <https://dataingovernment.blog.gov.uk/universal-credit-service-assessment/>, retrieved 2019-10-04

Further, DWP has stated that they do not maintain an archive of user interface changes.⁷ Given the importance of prototyping, user research and testing in the development process, this seems unlikely.⁸ They also do not appear to maintain a definitive list of experiments being run in different regions. In short, an adequate description of the systems used to deliver Universal Credit and the data used to monitor it are absent from the public domain.

The multiple reviews conducted by the NAO and the Public Accounts Committee are invaluable in developing an understanding of Universal Credit. (The NAO's focus on the agile development process that DWP have implemented is particularly useful).⁹ However, the focus of these reports has generally been on the progress of the rollout, costs and the need to address particular issues with the policy.¹⁰ Mostly absent from these reports are questions about some of the core political and administrative assumptions that remain from Universal Credit's origins in 2010 - where have these concepts succeeded, and where have they failed? The other thing that is absent is an ethical assessment of the technical and design choices made in the digitisation of working-age welfare services. For example, what are the implications of deploying digital technology and service design the way that DWP has with Universal Credit? Ten years on

⁷ FOI response from DWP, 23rd September 2019, <https://www.whatdotheyknow.com/request/601989/response/1436957/attach/html/2/FOI2019%2033077%20reply.pdf.html>, retrieved 11th October 2019

⁸ National Audit Office, "Rolling out Universal Credit", p16, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

⁹ See Annex 5 for a list of NAO and GDS reviews

¹⁰ House of Commons Committee of Public Accounts, "Universal Credit", Sixty-Fourth Report of Session 2017-19, 26th October 2018, <https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/1183/1183.pdf>, retrieved 4th October 2019

from the formulation of Universal Credit, 2020 is a good time to start asking these questions.

Part 3: Issues and recommendations

Responsibility and complexity

In response to the reset of the Universal Credit project, DWP built a highly effective policy-delivery machine. With this in place, the department has demonstrated it has the capability to make changes to the Universal Credit system quickly and competently. These interventions have attempted to mitigate issues with the original policy design, but much of the conceptual framework and political assumptions - the monthly cycle, assumptions about family life, what 'normal work' looks like, finances and housing situation - remain unchallenged despite clear issues.

From its origins, Universal Credit was designed to be complex - the aim was to allow policymakers to reward or punish detailed combinations of circumstances and behaviours. This complexity, along with the political assumptions of the original policy, has conspired with the variation of people's lives to push administrative, financial and cognitive burden onto claimants. This has been done under cover of 'personal responsibility' and 'mirroring the world of work', but the reality is that it creates contradictions. Many of the desired outcomes of the policy have become harder to achieve because of the desire to means-test and to (attempt to) control people's behaviour.

Mirroring an idealised view of the world of work

Despite the aspirations for Universal Credit to ‘mirror the world of work’, the month-long assessment period does not match many people’s experience of work or their financial needs. Emblematic of this is the growing use of advance payments and the increased demand for food banks it creates. DWP has also lobbied big employers that pay their employees every 2 or 4 weeks to change their employment practices to fit with the policy.¹

Advance payments are the current approach to mitigating the problem of claimant’s lives not fitting with the monthly payment cycle, while leaving the dogma of monthly payments in place. The fact that 60% of applicants apply for an advance means that neither the policy or the digital account are designed for the common case where most people need support sooner. It is hard to see how a system that puts the majority of new users directly into debt and reduces future payments encourages financial responsibility. Or how it meets the aim, set out in the business case, of creating a “financial safety net” for the public that can be tailored to “those who need it most”.² Further, the account is not optimised for a world where people are paid on a more ad hoc basis, potentially from multiple employers, or have a payday that is out of sync with the Universal Credit cycle. This surely creates some friction and uncertainty for claimants wanting to take an additional job and increase their income.

¹ House of Commons Committee of Public Accounts, “Universal Credit and fraud and error: progress review”, 4th November 2016,

Twenty-third Report of Session 2016–17, p14, <https://publications.parliament.uk/pa/cm201617/cmselect/cmpublicacc/489/489.pdf>, retrieved 4th October 2019

² Department for Work and Pensions, “Universal Credit Programme Full Business Case Summary”, Annex G, p23, June 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725477/uc-business-case-summary.pdf

Complexity and burden

In spite of DWP's removal of 'waiting days', the payment cycle remains conceptually complex. The complexity of the calculation, combined with the multiple dates claimants must internalise and the fact that the statement is not available until the end of the month, mean understanding how much money to expect is no simple task. It is hard to see how this complexity and absence of information fits with the aim to encourage personal responsibility.

The Child Poverty Action Group have suggested adding extra information to the statement to help improve understanding.³ Based on reports and screenshots that appeared on the RightsNet website in December 2019, DWP does appear to be trialling new designs for the statement that explain the breakdown of payments, advances and the payment cycle in new ways.⁴ However, while adding extra information may help, it also carries the risk of confusing users, so must be done with care. Additionally there is a security and privacy dimension to adding extra information, much of which is sensitive, given these pages may be accessed via public computers in libraries. The complexity caused by the monthly assessment process and the hyper-means-tested nature of Universal Credit is something that good design can only do so much to patch over. It may be that designing a statement that can be understood without assistance, while covering all

³ Child Poverty Action Group, "Computer says no!", May 2019, p22, <https://cpag.org.uk/news-blogs/news-listings/universal-credit-claimants-left-dark-about-their-entitlements>, retrieved 27th October 2019

⁴ "Discussion: Update on 'service design improvements' - Rightsnet", Rightsnet, <https://www.rightsnet.org.uk/forums/viewthread/15378/>, retrieved 30th December 2019

circumstances may be an intractable problem without a simplification of the conceptual framework of Universal Credit.

Hyper-means-testing creates a system where claimants must fully internalise a list of changes of circumstance that even the department is unable to collate in a publishable form. Each time an exception is added to the policy, such as the two-child limit or reductions for “extra” bedrooms, the administrative burden and the risk of errors must surely increase. Complexity is also present in the amount of guidance the department published for claimants to read and understand the totality of their obligations. Combined, these place cognitive and administrative burden onto claimants, both in terms of understanding the system and in planning their finances. Claimants with complex circumstances, more paperwork, less digital skills or less access to the internet are further penalised because the first payment date is linked to the date of the complete submission of a claim.

Given one of the objectives from the Universal Credit business case was to simplify a complex system, it begs the question: “complex for whom?”. Complex for government? Or complex for the public?

Personalisation and choices

This responsibility paradox can also be seen in Universal Credit’s approach to ‘personalisation’. Personalisation in Universal Credit is more about giving the *government* the ability to personalise the demands placed on the public than allowing claimants to take responsibility and personalise their interactions with the government in a way that works for them.

DWP has shown that it is possible to add flexibility to the system while keeping it manageable for the department. For example:

- the changes made to the system in Scotland show that it is technically possible to apply different payment cycles to particular claims ⁵
- the Scottish changes to allow claimants to request direct payments, and the development of the Landlord Portal and other tools, show that separating the housing element of Universal Credit is achievable
- signposting the use of advances on the homepage and making those payments faster than the default seven day wait

Rather than offering all claimants *genuine* opportunities to make these choices, Universal Credit remains optimised for choices the government wants to make for them based on an idea of what ‘normal’ looks like. Where choices are available, they are obfuscated rather than being designed into the service. This means that, when it comes to the process by which payment cycles are changed, payments split between couples or rent paid directly to landlords, the defaults remain inline with the original conceptual framework of Universal Credit. This is despite the evidence of the problems they cause. In turn, this creates a complex set of processes for handling exceptions.

⁵ The Welfare Reform Act 2012 also gives some flexibility to payment cycles, so could possibly be implemented outside Scotland too: “Welfare Reform Act 2012”, Part 1, chapter 1, Section 7 (Awards), <http://www.legislation.gov.uk/ukpga/2012/5/section/7/enacted>

As detailed earlier, landlords *are* given an explicit way to request the direct payment of rent, but claimants (outside Scotland) are not. Scottish claimants are given the option, but not upfront during the application process. Instead, they are handled via the journal, and do not take effect until after the first month. For claimants in the rest of the UK, the process of changing the payment cycle is even more obfuscated. As has also been noted, some elements of Universal Credit, such as appeals have not been digitised at all, despite a clear user need.

However, accusing DWP of not being user-focused in their approach to design and development would be unfair. The NAO reports clearly show that DWP makes heavy use of prototyping and user research to understand the needs of different types of users during the design and development process. The department can (and does) make changes to the system when it identifies a need (not something that can be taken for granted in other areas of government). The implication, therefore, is that these things represent policy choices - technically it is *possible* to offer more flexibility, but the desire to attempt to force the public into a particular pattern of behaviour wins out.

Taken together, the way the policy frames 'responsibility' along with the desire for policy complexity generate a considerable administrative burden, which is placed on claimants rather than government. They also create a system where 'personalisation' is one-sided, with some processes that could be digitised, not being digitised. The result of this is that the benefits of digitisation are not shared equally between the government and the public. The next section looks at some opportunities to redress that balance.

Sharing the benefits of digitisation with claimants

As the roll-out of Universal Credit gets closer to completion, there is an opportunity for the government to use the capability the DWP have built up to revisit some of the core policy assumptions (now nearly a decade old) and to better share some of the benefits of digitisation more equally with the public. It can do this by giving claimants more choice, looking for opportunities to automate processes for claimants and understanding the true costs of digitisation for claimants. DWP could and should be actively looking for opportunities to reduce complexity for claimants, not just for government. This section sets out some ways it might do this.

A benefit system designed to recognise the differences in people's lives

Firstly, the concept of 'responsibility' in Universal Credit should be redefined to become less about conformity with a particular worldview, and more about ensuring the design of the policy meets the desired outcomes *with* the grain of people's lives, rather than against it. By helping claimants

choose what works best for their circumstances, the department has the opportunity to make it easier for claimants to meet their responsibilities.

Claimants should be able to choose a 2-week cycle, then potentially transition to a monthly cycle over time, for example, if they start being paid monthly. They should also be able to realign their payment period if they take a new job and the employer's choice of payday is causing problems calculating Universal Credit.

Following appropriate user research, choices around payment cycles, direct payments and split payments should be designed into the application process and following significant changes of circumstances. This should be the default for all claimants of Universal Credit rather than continuing to treat them as exceptions. Hopefully, this would have the additional effect of reducing the number of claimants getting into debt to DWP by claiming advances.

The same approach should be taken with splitting payments between couples and making direct payments to landlords. Given the underlying system can apparently handle them, there can be no technical reason why these cannot be provided as an option during the application process. Making these opt-in, rather than means-tested on the basis of an abusive relationship or chaotic lifestyle, would have the added benefit of no longer having to collect and hold sensitive data about people's relationship and housing status.

Claimants should also be signposted to additional support during the application process and during the initial weeks of a claim, such as free travel passes provided by local government or support from food banks.

Over time, these could become automated, so that (with permission) the digital account could actively apply for help on behalf of a claimant.

Using automation to remove administrative burden for claimants, not just from DWP

There are other opportunities to use the digital account beyond offering more choices to claimants. Despite the many documented problems with the policy, the concept of using earnings data to calculate working-age benefits automatically is the insight from the architects of Universal Credit that will likely stand the test of time. Today, DWP's plans for automation appear to be aimed at reducing its costs in administering the welfare system. This is hardly surprising, given it is in line with the business case, but represents a missed opportunity. Automation could also be used to help claimants meet their responsibilities under Universal Credit more easily by removing administrative burden and reducing the likelihood of errors.

These include, but are not limited to:

- using the data government holds in the form of RTI to recommend the best payment cycle for a claimant - e.g. spotting when someone has started a regular second job
- using the data DWP holds about claimants, along with its risking capability to turn the reporting of changes-of-circumstances from an active one into a more passive one - prompting claimants to reconfirm, for example, when it is likely that a child's education status may have changed

- with appropriate consent, service design and ethics oversight, using data sources not held by the department through the use of ‘verifiable proofs’, for example from child-care providers or banks to remove the need to actively report changes

Universal Credit should also become much more real-time and responsive.

One of the characteristics of today’s digital services is that they operate in real-time. If you want to buy something on Amazon, you see if it’s out-of-stock immediately; the locations of cars on Uber are displayed in real-time, and prices change based on demand; users sending money between Starling or Monzo bank accounts receive immediate notifications that the transaction has taken place. Currently, Universal Credit does not display the real-time characteristics of a modern digital service.

Despite the presence of words ‘real’ and ‘time’ in the acronym RTI, this is ‘real time’ in HMRC terms (monthly rather than annually, good enough for the calculation of tax) – there is a time-lag in retrieving and duplicating the data from HMRC and even then, it is not displayed to claimants until the end of each month. DWP and HMRC should aim to move to a world where the data is accessed directly, from a **single source** (with appropriate safeguards), rather than duplicated using legacy-style batch processes. This would mean that errors in the reporting of wages could be caught sooner by claimants and resolved faster by DWP staff.

VocaLink, the organisation which operates the UK’s payments infrastructure, has said that it believes the government underutilises the Faster Payments

systems in making welfare payments.¹ DWP should also use a combination of the Faster Payments system and automation of the calculation to shorten and eventually eliminate the seven-day calculation and payment period. The automation aspect of this should be done cautiously to ensure accuracy of payments does not fall.

Finally, the messages that are sent when new journal entries are added, or items added to the to-do list should be revisited to see if extra context can be added to help claimants make informed decisions about the urgency of a particular message (for example, if they are currently unable to access the internet). DWP should also consider options for claimants to submit evidence of searching for work to the journal via other mechanisms such as speech-to-text over the phone, SMS, and direct from third party services.

Costs and benefits

Not all the problems of Universal Credit can be fixed with the application of more digital service design and automation. While there are clearly opportunities to improve how the service works for claimants, there will always be some needs that DWP is unable to meet or prioritise, either because of its institutional incentives or the potential cost implications.

Where there are cost implications for government (such as greater use of Faster Payments), DWP should be open about those costs. It should also be

¹ “Welfare Reform Committee

The Future Delivery Of Social Security In Scotland Written Submission Received From Vocalink”, 6th Report, 2015 (Session 4): The Future Delivery of Social Security in Scotland, http://www.parliament.scot/S4_Welfare_Reform_Committee/Inquiries/VocaLink.pdf

open about the costs of inaction to the rest of the public purse (such as the costs to Ministry of Justice of additional demands on the tribunal system). It should commission research on the financial cost of using aspects of the digital service for claimants (including additional mobile phone bills, charges for the use of internet-cafes, helpline scams and other costs).

The other thing that DWP should do to ensure all the needs of claimants can be met is to start to open up Universal Credit. DWP should start to think of the welfare system less as a closed system, and more as a shared platform that digital and non-digital services can be built on top of and that can cater for a broader range of use-cases. The idea of rethinking Universal Credit as a platform is considered in the next section.

The welfare system as a platform

Despite the effectiveness of DWP's digitisation effort, Universal Credit and the wider welfare system remain a stubbornly closed system. Third parties find it hard to support claimants, claimants must interact with the digital account on DWP's terms. The approach to data sharing within government creates friction and errors.

By adopting a Government as a Platform approach, DWP could improve integration with other parts of government and empower civil society organisations to offer new services that help support claimants in new ways. Government as a Platform is the approach of reorganising the work of government around a network of shared APIs and components, open-standards and canonical datasets. These shared capabilities can be used by government and third parties to offer services, and ensure that sensitive data is accessed and managed appropriately. In the context of Universal Credit, there are three areas that this approach could help:

1. new ways to delegate access to support organisations that go beyond access to the digital account
2. providing standardised ways for claimants to provide data from external sources (such as job search websites or childcare providers)

3. changing how different parts of government integrate and share data about claimants

Beyond delegation

Just as the widespread use of advances have chipped away at the idea of Universal Credit mirroring the world of work, the development of systems for landlords and delegation have begun to replace the concept of a digital account as *the* channel the department would use to interact with the claimant. The idea of third parties helping administer a claimant's account is now firmly part of the service design of Universal Credit. However, today delegated access is all or nothing - the entirety of a claimant's account is shared, and done very much on DWP's terms. While DWP should continue to develop these systems, it should go further and make delegation more fine-grained, allowing claimants to delegate access to their accounts for fixed periods and purposes - for example, sharing only elements from their journal that relate to a sanction appeal.

In addition, support organisations should be able to develop their own services to support claimants where they identify needs that DWP has not recognised or is unable to fulfil. Much as today Citizens Advice provide written guidance on how to apply for Universal Credit, in the future they could provide complementary digital services. There are obvious risks with opening up the data held against Universal Credit accounts, and appropriate safeguards and checks would need to be put in place. However, it is achievable and there are opportunities to learn from the interoperability and security standards behind efforts such as Open Banking to enable it to

be done safely.¹

Civil society will need to adapt too. To date, welfare rights activists have largely failed to look for the opportunities that digital accounts and platforms could offer to their advocacy and service delivery. Digital has mostly been seen as part of the problem, rather than a means to address and achieve civil society objectives. As more public and private services move online, the role of charities and support organisations will be to build their own services that overlap and complement with these offerings.

New standards for providing data to DWP

As noted earlier, today the administrative burden of reporting changes to a claimant's circumstances falls with claimants, and there may be opportunities to automate the provision of verifiable proofs to DWP, from banks or childcare providers. Rather than giving DWP access to more data, the department should set standards that provide a way for third parties to submit proofs. This would need to proceed with caution and ethical oversight for DWP to build up the necessary trust from the public.

One area where the risks may be lower is how claimants prove they are meeting requirements to search for work. The 35-hour work search requirement is based on a world view where looking for work is and should be a time-consuming activity. Automation means this may soon change. While the political implications of automation and work are widely discussed, the implications of automation on *searching for work* are not.

¹ Open Banking Limited, "What is Open Banking?", Open Banking website, <https://www.openbanking.org.uk/customers/what-is-open-banking/>, retrieved 16th January 2020

DWP needs to consider how the 35-hour policy would work in a world where searching and applying for jobs becomes semi-automated.^{2 3} One approach would be making it easier to submit data from third-party job search services directly to the journal. More generally, there should be multiple ways of adding evidence to the journal, for example allowing claimants to send in a photo of a job application they have completed and applied for by text message, email or upload.

Data access, not data sharing

Finally, there are many areas where DWP should re-examine how its systems integrate with the rest of government. It should look for opportunities to break down silos within government, and to replace the liberal *sharing* of data with an 'API first approach', where data is accessed from definitive data sources.

The simplest area to address is the mechanism for claimants to prove that they are in receipt of Universal Credit (for example, if they need to claim free school meals). Rather than expecting claimants to print out a copy of their statement, claimants could give consent for this information to be shared via an API. This would follow the approach of the government's *View or share your driving licence information* service which gives drivers a code they can use to prove they have a valid licence, without sharing all the data

² "Open banking", Wikipedia, <https://en.wikipedia.org/wiki/Openbanking#UnitedKingdom>, retrieved 16th January 2020

³ Richard Pope, "Google Jobs will break 90 years of welfare policy - here's what the policy response should be", Richard Pope's blog, 21st May 2017, <https://blog.memespring.co.uk/2017/05/21/google-jobs-will-break-90-years-of-welfare-policy-heres-what-the-policy-response-should-be/>

about themselves.⁴ This principle of directly accessing facts, via APIs, with consent, rather than sharing or duplicating the underlying data, should also be explored in relation to how DWP works with third party providers of the Work and Health Programme. DWP should also explore the use of digital wallets on the iOS and Android platforms for storing a digital proof that someone is in receipt of Universal Credit.

A less simple area to address is the use of earnings data from RTI. RTI represents a classic example of the problems that arise when, what should be a cross-government capability, is developed within a departmental silo. Because RTI was developed to meet the business needs of HMRC, DWP ended up creating a duplicate of the dataset with some additional information mixed in. And because data is copied at fixed times so that at any given time, DWP's copy will only be accurate four times a day. The dispute process falls between two government departments, and claimants are left to deal with the impact of mistakes while this process plays out.

RTI should be reimagined as a cross-government platform, independent from HMRC and DWP, and with product management that is empowered to meet the needs of users **across government**, not just one department. The same set of APIs should be used to calculate Universal Credit as are used to display earnings information in HMRC's Tax Account. It should be designed with appropriate access controls so that only the data that is strictly necessary for a given task is accessed. There should also be a single, unified appeals process, and this should be accessible from within multiple government services.

⁴ HM Government, "View or share your driving licence information", GOV.UK, , <https://www.gov.uk/view-driving-licence>

The last area that should be considered as part of a platform approach is jobcentres themselves. As government digitises more of its services, physical locations on the high street to deliver the non-digital elements of a service will become even more important. Rather than closing jobcentres, government should look to make them a shared capability for the whole of government.

The ethics and implications of a hyper-means-tested digital benefit

In addition to the greater administrative burden created by a hyper-means-tested welfare system, there are also implications for claimant's privacy and for their trust in government.

Collecting additional data to personalise, target or means test a service comes at a cost to a users time **and** to their privacy. One of the drivers towards less means-testing and more universal benefits in the middle of the 20th century was the question of privacy. In the 1930s there were public protests and riots against the means-testing of unemployment benefits. The 'household means test' saw government inspectors visiting people's homes to assess how poor people were based on the state of their bedding or utensils in their kitchen.^{1 2} Universal Credit has taken the working-age benefit system back to something closer to the household means test. For example, to operate the two-child rule and the associated exceptions, DWP

¹ Stephanie Ward, "Unemployment and the State in Britain: The means test and protest in 1930s south Wales and north-east England", Manchester University Press, p94 2013

² Justine Leblanc / IF, "A Look Back at Privacy" p5, <https://www.projectsbyif.com/blog/a-look-back-at-privacy/>

has presumably created a de facto database of rape victims.³ By reserving the option of splitting payments to each member of a couple, it has presumably created a de facto database of victims of financial or domestic abuse. In addition, every Universal Credit claim contains a detailed picture of an individual's work and home life, including details of their children, their work-life and their health.

There is a strong case to be made to review the data the Universal Credit policy requires to personalise and means-test, and to look for opportunities to rationalise it. This would mean less control for policy makers, but there should be a fair assessment of the utility in meeting a (verifiable) policy outcome, verses the additional administrative burden for a claimant and the impact on their privacy.

Trust and fairness

The impact on privacy is one aspect of a larger question: how does Universal Credit make people feel? Does it feel 'fair'? That might seem like a secondary concern when viewing Universal Credit from the point of view of the business case, or the political origins, but it is not. That's because, as Donald Moynihan, Pamela Herd and Hope Harvey note in their paper on 'administrative burden'⁴:

³ To register for this exception, claimants must complete a form and hand it to a work coach or case worker. This presumably means DWP maintains a de facto database of rape victims to calculate claims correctly). See: HM Government, "Support for a child conceived without your consent form", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810750/form-ncc1-support-for-a-child-concieved-without-your-consent-0619.pdf, retrieved 11th October 2019

⁴ Moynihan, D., Herd, P., & Harvey, H., "Administrative burden: Learning, psychological,

Individuals care as much or more about the process of their interactions with the state as they do about the outcome. This implies that procedures perceived as consistent, fair, and equitable are fundamentally important to citizens

Right back to its origins, Universal Credit has been an exercise attempting to get people to change their behaviour. But changing behaviour using a system that does not feel fair, is surely an uphill battle?

Although the to-do list and the claimant commitment explain what a claimant needs to do, there is much in Universal Credit that is unknown or unknowable for claimants. In addition to the lack of a definitive list of changes of circumstances, it is unclear exactly which activities might result in a sanction.⁵ The result of the calculation is unknown until the end of the month. The conditionality thresholds can also change. The routes for appealing are opaque and the lack of a digital option for appealing DWP decisions runs counter to the policy intent around the use of digital.

If DWP is going to embrace digital fully, that will sometimes mean designing digital services that advantage their end-users over the department. It should, for example, add a unified digital journey for appealing decisions, along with ways for claimants to track their progress through the mandatory reconsideration and tribunal stages. It may be that the internal incentives of the department make this hard to do, so it could also consider outsourcing the design of the appeals process to another digital unit in government, or to an outside organisation.

and compliance costs in citizen-state interactions”, *Journal of Public Administration Research and Theory*, 25(1), 27th February 2014

⁵ It is possible to be sanctioned for something that predates a claim

Explaining to claimants how data is used

Another way to build trust in the system is to do a better job of explaining how data is used. While it is positive that the journal provides a history of what has happened to a claimants account, the view it provides is incomplete. Data about delegated access, automated decisions, and when an account has been reviewed by a work coach appear to be missing.

Taking the transparency portals of the Estonian government and India's Aadhaar system as inspiration, the journal should be adapted to include further information about who has accessed data about a claimant, when automated decisions have been made and when there have been manual overrides (for example in the monthly calculation). If user research shows that it is not possible to include this information in the context of the journal without confusing claimants, DWP should explore other designs.

There are obviously limits to what an individual claimant can do to understand how data is being used. The needs of third-party support organisations should also be considered, so that DWP understands what information they need to support claimants, for example, in appealing an automated decision.

There is also a role for independent auditing, especially in areas like fraud detection, to ensure that use of data, appeals processes and automated decisions operate in line with the rights of claimants (for example, ensuring they are not unfairly targeting claimants with protected characteristics). Central government could create a new organisation to do this, or existing organisations like the NAO could take on this function.

Are activities effective?

The to-do list raises a particular ethical question. Together with the claimant commitment, it represents a mechanism for government to make members of the public perform very specific tasks in exchange for a payment to cover their most basic needs. The aim of these tasks is supposed to be to help claimants earn more money, but this raises the question: does DWP know which activities work? If it is unable to answer that question, it lays itself open to the criticism that Universal Credit is like a government version of Task Rabbit⁶, something for generating “make-work” tasks to keep claimants busy. Similarly, one of the original aims of Universal Credit was to increase the value of the face-to-face time spent with claimants. Again, and especially given the closure of jobcentres, is this providing value for claimants? Is there enough time available with DWP staff to support claimants in circumstances where a digital system cannot?

These questions are core to understanding if Universal Credit is meeting its aims and if it is doing so ethically. They are two of a broader set of questions around the transparency required to understand if Universal Credit is working, more of which are considered in the next section.

⁶ "TaskRabbit", Wikipedia,<https://en.wikipedia.org/wiki/TaskRabbit>

Transparency, welfare and digital public services

As this report has demonstrated, understanding how Universal Credit functions is no simple task. It requires large amounts of personal data to operate, there are regular changes to the design and functioning of the system, the digital account is personalised, and there is a growing dependence on automation. Data about how the policy is performing is published in an ad hoc way and is not reliably machine readable.

By publishing more information about how Universal Credit works, opening up the development process and rethinking how it publishes data and statistics, DWP could make Universal Credit into an exemplar of transparency for a digital public service. This could provide leadership across the public sector, but would also highlight the very real efforts DWP has made to learn from the challenges of digitising a complex policy.

Understanding public services that change over time

The transparency of a digital service may seem like a peripheral concern relative to many of the issues thrown up by Universal Credit, but it is not. The digitisation of public services means that the choices of service designers and software developers have become critical in how the public

access services they have a legal right to. As immigration solicitor, Jonathan Kingham, notes in this article on the digitisation of Brexit era immigration systems in the UK:

Unlike with Rules and legislation changes, there was little opportunity to scrutinise the detail of what are in fact significant changes to the immigration system prior to their coming into force (bar selective ‘user testing’, which is rarely transparent to all). And, as with so many tech developments, as the process or ‘app’ itself increasingly takes centre stage over the content (in this case the law) that underpins it, there are risks.¹

Just as the personalisation of commercial social media platforms has led to a dilution of the shared public experience of current affairs, the opacity and mutability of digital services means there is a risk of dilution of the shared public understanding of how public services function. There is also a risk of information asymmetry, where the government has a fine-grained, real-time view of how the public are using a service, but those wishing to hold the government to account for its actions operate largely in the dark.

These risks should also be seen against growing public concern about how data is used and growing concern across the technology sector about the implications of automated decision making and design. The 2018 Digital Attitudes Report, by the think-tank Doteveryone, for example, found that people feel disempowered by the lack of transparency in digital services and an appetite to understand better how data about them is used.² If there is

¹ Jonathan Kingham, “Computer says no: facing up to the full implications of a digitised immigration system”, Free Movement, 8th January 2019, <https://www.freemovement.org.uk/computer-says-no-digitised-immigration-system/>

² Doteveryone, “People, Power and Technology - The 2018 Digital Attitudes Report”, 22nd

going to be long-term public support and effective scrutiny of Universal Credit, DWP needs to become much more transparent about how its systems works and how they change, and government and civil society organisations need to think differently about how they audit digital public services. What follows are some approaches that DWP should consider.

Publishing data about how the system changes

One simple change the department could make would be to maintain a set of public registers that describe the functioning of the Universal Credit ecosystem. This would go some way to answer the criticism by the United Nations Special Rapporteur that there is no list of the constituent parts of the system, and help researchers, auditors and the public understand the different components that make up Universal Credit and how they change over time. These public registers should include (but not be limited to):

- a register of the different systems used to deliver and administer Universal Credit
- a unique identifier for each deployment along with a date-time stamp and short release notes explaining any changes
- the data models used in each system along with a description of each data point

In addition to the registers listed above, DWP should maintain a design archive to record significant changes to the design of the user interface of Universal Credit. This would enable debate and understanding of how the

system is developing over time. Discussions on websites like AdvisorNet about changes to the user interface of Universal Credit, and DWPs consultations on service design changes, suggest there would be an audience for such an archive.

Rather than publishing these artefacts in an ad hoc and inconsistent way, the aim should be for this data to be published in a structured format, and to do so automatically as a byproduct of the development process. This would ensure currency while keeping costs low. Given such information does not fit within one of the existing GOV.UK publishing formats, DWP should work with the GDS to find an appropriate way to publish it. Organisations with an auditing or review function, such as the NAO and the Institute for Government should also start to review and comment on the implications of user interface choices made in digital public services.

Opening up the development process

There are also changes that DWP could make to its development process to make it more transparent. The NAO reports documenting the Universal Credit development process clearly show that DWP has adopted an agile methodology that allows them to develop policy changes, prioritise them, test options with end-users, and then verify the impact once live. DWP should publish as much of this information as possible.

The department should also open source as much of the source code as possible. While there may be legitimate reasons for some of the code not being open (for example fraud detection systems), today, even the code used for the core Universal Credit calculation remains closed. The GOV.UK website points people looking to understand how it works to external

'benefit calculators' run by third sector organisations.³ ⁴. As well as having an impact for those wanting to claim, the fact the calculation is closed makes it harder for campaigners, think-tanks and political parties to model changes to the welfare system.

Data and statistics

In addition to data from the development process, DWP needs to change its approach to publishing data about the performance of the policy. There is dissonance between this agile "test and learn" approach and the openness of DWP in relation to Universal Credit. Despite clearly having a modern and capable analytics function within the team, the approach to publishing data remains in the age of quarterly "Management Information" reporting, and discovering what data *is* published remains difficult. DWP should move to a model of detailed, consistent and real-time publication of data using the GOV.UK performance platform.⁵ It should also work with GDS to make those datasets indexed and discoverable on GOV.UK.⁶

The datasets that DWP publishes should, in part, be led by the needs of third sector organisations who have an interest in improving how Universal Credit works. However, a few suggestions for real-time data DWP should explore are:

³ HM Government, "Benefits calculators", <https://www.gov.uk/benefits-calculators>

⁴ These organisations have had to reverse engineer their calculators based on policy documents and legislation

⁵ "Performance - GOV.UK", GOV.UK, <https://www.gov.uk/performance>

⁶ This should at the very least be done in the GOV.UK data model, but GDS should explore linking to this information from the "start page" of services

- the types of to-do items set for claimants, along with their performance
- amount of work coach time and its effectiveness
- sanctions and their impact
- the time taken to complete an application, along with the number of failed applications
- analysis of the payment cycles of employed claimants (e.g. how many of those claiming and in employment are paid monthly)

If DWP does not start publishing this information, support organisations and campaign groups should start to collate these datasets independently.

The working-age welfare system is critical to British society, and its digitisation raises questions that transcend the political debate around welfare reform. DWP should aim to make accountability, understandability and trust core design principles of the Universal Credit service, and work to understand the needs of organisations who might hold them to account. It has shown the effectiveness of developing an in-house digital capability in responding to the delivery of a complex policy. It should follow this by showing how openness and transparency can improve the quality of a public service and increase trust in those who manage it.

Part 4: Annexes

Annex 1: Change of circumstances

DWP does not publish a definitive list of changes of circumstance that must be reported by claimants, instead it relies on general statements and putting the onus on claimants to second guess if something needs to be reported. The list below is based on one published by Citizens Advice, with additions from other sources.^{1 2 3 4 5 6}

Work, volunteering and pensions

- leaving a job

¹ HM Government, "Benefits: report a change in your circumstances", GOV.UK, <https://www.gov.uk/report-benefits-change-circumstances>, retrieved 26th October 2019

² Citizens Advice, "Check if a change affects your Universal Credit", Citizens Advice website, <https://www.citizensadvice.org.uk/benefits/universal-credit/what-youll-need-to-do-on-universal-credit/check-if-a-change-affects-your-universal-credit/>, retrieved 26th October 2019

³ Department for Work and Pensions, "What you need to do on Universal Credit", Understanding Universal Credit website, <https://www.understandinguniversalcredit.gov.uk/new-to-universal-credit/your-responsibilities/>, retrieved 26th October 2019

⁴ Department for Work and Pensions, "Families with more than 2 children: claiming benefits", GOV.UK, 6th April 2017, <https://www.gov.uk/guidance/claiming-benefits-for-2-or-more-children>, retrieved 11th October 2019

⁵ HM Government, "Universal Credit: Report a change of circumstances", GOV.UK, <https://www.gov.uk/universal-credit/changes-of-circumstances>, retrieved 26th October 2019

⁶ Department for Work and Pensions, "Your home page and statement (Universal Credit full service)", YouTube, 23rd June 2017, <https://www.youtube.com/watch?v=SGOVGQPmVIA>

- starting a job
- start or stopping volunteering
- start or ending an apprenticeship
- become self-employed
- reaches pension age
- partner reaches pension age
- earnings via self-employment

Finances

- change Bank account
- start claiming any other benefits
- stop claiming any other benefits
- get a one-off payment
- new income not from work
- savings increase over £6,000
- savings increase over £16,000

Housing

- rent increases or decreases
- move home
- someone moves in or out of the household
- someone from the household goes to prison

- planning to go abroad for any length of time

Relationships

- partner moves in to household
- split up with partner
- getting married / starting a civil partnership
- getting divorced / ending a civil partnership

Children

- changes in who has primary responsibility for children
- if a child becomes disabled
- if a child leaves full-time education
- if a child leaves home
- if a child goes into care
- if a child is born
- if a child was born as part of a multiple birth
- if a child was born as a result of non-consensual conception (including rape) or conceived when in a controlling or coercive relationship
- changes in childcare provider

Education

- someone from the household starts full-time education
- someone from the household leaves full-time education

Health

- become ill
- have an illness caused by pregnancy
- start treatment for cancer with chemotherapy or radiotherapy
- have a terminal illness
- become injured
- go into hospital
- leave hospital
- go into a care home
- leave a care home

Death

- death of a partner
- death of a child
- death of someone who is being cared for
- death of anyone living in the household

Immigration status

- loss of right to reside
- became a student and did not get medical insurance
- unemployed and looking for a job for more than 6 months
- changes to immigration status

Personal information

- change of name
- change of gender
- change of email address
- change of phone number

Annex 2: A selected timeline of the history of Universal Credit

2009

- Dynamic Benefits report published by the Centre for Social Justice

2010

- Coalition programme for government contains a commitment to simplify the benefit system ¹
- Iain Duncan Smith announces Universal Credit at the Conservative party conference ²
- Government publishes a white paper entitled “Universal Credit: welfare that works”³

¹ Cabinet Office, "The Coalition: our programme for government", GOV.UK, 20th may 2010, <https://www.gov.uk/government/publications/the-coalition-our-programme-for-government>, retrieved 24th October 2019

² Iain Duncan Smith, “Our contract with the country for 21st Century Welfare”, Speech to Conservative Party conference, 5th October 2010, https://web.archive.org/web/20110128174515/http://www.conservatives.com/News/Speeches/2010/10/Iain_Duncan_Smith_Our_contract_with_the_country_for_21st_Century_Welfare.aspx

³ Department for Work and Pensions, “Universal Credit: welfare that works”, November

2011

- Equality Impact Assessment published ⁴

2012

- Concern by the PCS Union that managers are putting job centre staff under pressure to tell claimants that Universal Jobmatch is mandatory⁵

2013

- DWP starts accepting claims for single jobseekers ⁶
- Major Projects Authority gives Universal Credit “amber-red” status ⁷
- Project is “reset” and the Government Digital Service called in to help ^{8 9 10}

2012, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/48897/universal-credit-full-document.pdf

⁴ Department for Work and Pensions, “Universal Credit – equality impact assessment”, 9th November 2011, <https://www.gov.uk/government/publications/universal-credit-equality-impact-assessment>

⁵ Michael Laffan, "Universal Jobmatch - Update for Members - Recent information from the union in DWP", PCS website, 3rd December 2012, <https://web.archive.org/web/20130207090129/https://www.pcs.org.uk/en/departmentforworkandpensionsgroup/dwp-news.cfm/id/D34395B0-26B7-4E67-81B32F80CFEBB3E8>, retrieved 19th September 2019

⁶ National Audit Office, "Universal Credit: progress update", p4, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

⁷ Patrick Wintour, "Universal credit in danger of failing, official Whitehall review says", The Guardian, 24th May 2013, <https://www.theguardian.com/society/2013/may/24/universal-credit-danger-failing-whitehall-review>, retrieved 11th October 2019

⁸ Derek du Preez, "DWP finally admits Universal Credit IT not up to scratch - calling in GDS", Computerworld, 10th July 2013, <https://www.computerworld.com/article/3418557/dwp-finally-admits-universal-credit-it-not-up-to-scratch---calling-in-gds.html>, retrieved 16th August 2019

⁹ "Discussion: Universal Credit project is officially "reset" / changing direction / will start again almost from scratch / technology scrapped - Rightsnet", Rightsnet, 22nd July

- Public Account Committee told that at least £140 million of “IT assets” would be written off ¹¹
- National Audit Office calculates that £425 million had been spent to April 2013 ¹²
- “Twin-track approach” was adopted where by the “Live Service” would be rolled out to limited claimant types, and a new digital “Full Service” would be designed with more functionality using agile development practices ¹³
- “Live Service” expanded to Hammersmith, London ¹⁴
- Twin-track running of “live service” and “digital service” is announced ¹⁵

2014

- Major Projects Authority lists Universal Credit under the status “reset” ¹⁶

2013, <https://www.rightsnet.org.uk/forums/member/3221/viewthread/5089/#21709>, retrieved 10th October 2019

¹⁰ Tentacle Sixteen, "Anonymous source: Universal Credit IT "reset", started again (with tweets) · latentexistence", Storify, 19th July 2013, <http://web.archive.org/web/20130724234956/http://storify.com/latentexistence/anonymous-source-universal-credit-it-reset-started>, retrieved 10th October 2019

¹¹ Public Accounts Committee, House of Commons, "House of Commons - Universal Credit: early progress", 4th November 2013, <https://publications.parliament.uk/pa/cm201314/cmselect/cmpubacc/619/61902.htm>, retrieved 11th October 2019

¹² National Audit Office, “Universal Credit: early progress”, 2nd September 2013, <https://www.nao.org.uk/wp-content/uploads/2013/09/10132-001-Universal-credit.pdf>

¹³ National Audit Office, “Rolling out Universal Credit”, p14,15, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

¹⁴ Department for Work and Pensions, "Universal Credit expands to London", GOV.UK, 28th October 2013, <https://www.gov.uk/government/news/universal-credit-expands-to-london>, retrieved 11th October 2019

¹⁵ The Secretary of State for Work and Pensions (Mr Iain Duncan Smith), “Universal Credit Work and Pensions written statement”, HC Deb, 5th December 2013, c65WS, https://publications.parliament.uk/pa/cm201314/cmhansrd/cm131205/wmstext/131205m0001.htm#131205m0001.htm_spmin5

¹⁶ Cabinet Office, “Major Projects Authority Annual Report 2013–2014”, 23rd May 2014,

- “Live service” starts accepting some claims from couples ¹⁷
- Universal Jobmatch criticised by Frank Fields MP for advertising bogus jobs ¹⁸
- Plans by DWP to replace Universal Jobmatch and “learn the lessons” from it are leaked to The Guardian ¹⁹
- DWP starts accepting limited claims for families with children ²⁰

2015

- Draft proposals published that would allow Scottish Government Ministers to decide how often to pay Universal Credit to claimants, and will be able decide when to pay housing costs directly to landlords ²¹
- reductions in level of payments after 2015 budget

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/388467/MPA_Annual_Report_UPDATE_Dec_12__1_.pdf, retrieved 11th October 2019

¹⁷ National Audit Office, "Universal Credit: progress update", p14, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

¹⁸ Rowena Mason, "Government's Universal Jobmatch website 'bedevilled with fraud'", The Guardian, 5th Mar 2014 at 18:20, <https://www.theguardian.com/society/2014/mar/05/government-universal-jobmatch-website-fraud>, retrieved 10th October 2019

¹⁹ Shiv Malik, "DWP draws up plans to ditch ridiculed jobs website", The Guardian, 16th Mar 2014, <https://www.theguardian.com/money/2014/mar/16/dwp-jobs-website-universal-jobsmatch>, retrieved 11th October 2019

²⁰ National Audit Office, "Universal Credit: progress update", p4, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

²¹ Office of the Secretary of State for Scotland, "Welfare changes - at a glance", GOV.UK, 22nd January 2015, <https://www.gov.uk/government/publications/scotland-welfare-changes-at-a-glance/welfare-changes-at-a-glance>, retrieved 11th October 2019

2016

- Universal Credit rollout completed in Wales²²
- Rollout of 'Full Service' begins²³

2017

- Scottish Government makes changes to the monthly payment cycle and direct payment of rent under devolved powers ²⁴
- Changes to the taper rate
- Child element limited to two children
- Waiting days abolished

2018

- 'Live Service' areas stop taking new claims²⁵
- The "Waiting days" policy for new applicants removed, reducing time to first payment from 6 weeks to 5 weeks. Advance payments are increased to 100% of the expected payment. ²⁶

²² Department for Work and Pensions, "All Welsh jobcentres switch over to Universal Credit", GOV.UK, <https://www.gov.uk/government/news/all-welsh-jobcentres-switch-over-to-universal-credit>, retrieved 10th October 2019

²³ National Audit Office, "Universal Credit: progress update", p18, 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

²⁴ Scottish Government, "Scottish Flexibilities for Universal Credit", gov.scot, 13th January 2017, <https://www.gov.scot/news/scottish-flexibilities-for-universal-credit/>

²⁵ Department for Work and Pensions, "Universal Credit: full service and live service", GOV.UK, 12th December 2018, <https://www.gov.uk/guidance/universal-credit-full-service-and-live-service#history>, retrieved 24th October 2019

²⁶ Department for Work and Pensions, "First Universal Credit payment paid quicker", GOV.UK, 14th February 2018, <https://www.gov.uk/government/news/first-universal-credit-payment-paid-quicker>, retrieved 20th September 2019

- Rollout of the "Full Service" in Wales delayed due to delays completing Welsh language version of the service.
- "Full Service" is deployed in 258 job centres²⁷
- National Audit Office calculates cost at £1.9 billion. There are 490,000 users of the "Full Service" and 325,000 using the "Live service")²⁸
- Programme timetable changed so that it would complete in 2023²⁹
- Trussell Trust research finds a 52% average increase in food bank use in areas that have had Universal Credit for 12 months compared to 13% in areas that have not^{30 31}
- Universal Credit "Full Service" is available everywhere in Great Britain³²

²⁷ National Audit Office, "Rolling out Universal Credit", 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

²⁸ National Audit Office, "Rolling out Universal Credit", 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

²⁹ National Audit Office, "Rolling out Universal Credit", p19, 11th June 2018, <https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf>, retrieved 4th October 2019

³⁰ Trussell Trust, "Charity warns next stage of Universal Credit could further increase foodbank use", 5th October 2018, <https://www.trusselltrust.org/2018/10/05/moving-onto-universal-credit/>, retrieved 10th October 2019

³¹ Trussell Trust, "The next stage of Universal Credit" 5th October 2018, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2018/10/The-next-stage-of-Universal-Credit-Report-Final.pdf>

³² Department for Work and Pensions, "Universal Credit: full service and live service", GOV.UK, 12th December 2018, <https://www.gov.uk/guidance/universal-credit-full-service-and-live-service#history>, retrieved 24th October 2019

2019

- Landlord Portal announced along with a partial removal of the two-child limit³³
- Child Poverty Action Group publish research into impact of two-child limit which estimates 300,000 will be pushed into poverty by 2023/24 ³⁴

³³ Department for Work and Pensions, "Speech by Amber Rudd - Universal Credit: personal welfare", GOV.UK, 11th January 2019, <https://www.gov.uk/government/speeches/universal-credit-personal-welfare>, retrieved 31 December 2019

³⁴ Child Poverty Action Group, "All Kids Count: The impact of the two-child limit after two years", 26th June 2019, <https://cpag.org.uk/policy-and-campaigns/report/all-kids-count-impact-two-child-limit-after-two-years>, retrieved 10th October 2019

Annex 3: IT systems associated with Universal Credit

Below is a list of the IT systems that are used for the delivery of Universal Credit discovered during the research for this report. The list is likely incomplete, but is included in case it is a useful starting point for others.

- **ATLAS (Automated Transfers to Local Authority Systems)**
- **Apply for a direct payment of rent** - an online service for landlords to request that part of the Universal Credit payment is paid directly to them rather than a claimant. ¹
- **Customer Information System (CIS)** - DWP's database of National Insurance Numbers along with associated benefits and sanctions. Local authorities have read-only access to CIS.

2 3

¹ HM Government, "Apply for a direct payment of rent", Apply for a direct payment of rent, <https://directpayment.universal-credit.service.gov.uk/>, retrieved 15 December 2019

² Department for Work and Pensions, "Customer Information System (CIS): the information held about you", July 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/729893/customer-information-system-the-data-held-about-you.pdf, retrieved 23rd October 2019

³ Department for Work and Pensions, "Guidance for local authorities on the use of social security data", April 2014, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/307156/data-sharing-guide-april-14.pdf retrieved 23rd October 2019

- **Daily Jobseeker**- a Tumblr site run by DWP with a limited number of posts about how to search for jobs.⁴
- **DWP Authenticate** - an authentication system used by PRaP and other DWP services.
- **DWP Data Hub** - DWP uses the DWP Data Hub to share data with local authorities to allow them to do things like apply a reduction in Council Tax for claimants.^{5 6}
- **Google analytics** - appears to be being used on the digital account (based on from view source HTML on the login page)
- **IRIS (Integrated Risk and Intelligence Service)** - a central function for analysing data and intelligence on fraud and error. (Listed in NAO report).
- **Labour Market Tools** - a set of tools that aim to help claimants with searching for work. These include: ‘Record your work search’, ‘Choose your activities’, ‘Build your CV’, ‘Explore work you could do’.^{7,8 9}
- **Landlord Portal** - A system for selected social landlords to interact with Universal Credit, for example validating rent costs and applying for direct payment of rent. As of January

⁴ “Daily Jobseeker”, Tumblr, <https://dailyjobseeker.tumblr.com>

⁵ “Universal Credit full service Local Authority Support Pack”, September 2017, <https://www.lbbd.gov.uk/sites/default/files/attachments/Universal-Credit-full-service-a-guide-for-LAs-v1.pdf>, retrieved 23rd October 2019

⁶ Department for Work and Pensions, “Guidance for local authorities on the use of social security data”, April 2014, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/307156/data-sharing-guide-april-14.pdf retrieved 23rd October 2019

⁷ <http://tools.universal-credit.service.gov.uk/>

⁸ “The labour market tools”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0465/LM_tools_v6.0.pdf

⁹ “Working with your Work Coach (Universal Credit full service)”, Universal Credit In Action - YouTube, 23rd July 2017, <https://www.youtube.com/watch?v=aa3s3DjJr1s>

2019, there were 651 landlords using it, a list of which is maintained by the House of Commons Library^{10 11 12}

- **PRaP - (Provider Referrals and Payments)** - Organisations providing services under the Work and Health Programme interact with DWP via the PRaP website. Providers can use it to download the in CSV format and upload it to their own systems, raise purchase orders and report if claimants have found a job^{13 14}
- **Staff Protection List** - DWP's central database of claimants who have displayed "unacceptable behaviour"¹⁵
- **RIS (Risk Intelligence System)** - DWP's fraud and error detection system. ¹⁶

¹⁰ "I have asked the Department to build an online system for private landlords, so they can request (where necessary) for their tenant's rent to be paid directly to them." The Rt Hon Amber Rudd MP, "Speech - Universal Credit: personal welfare - GOV.UK", 11th January 2019, <https://www.gov.uk/government/speeches/universal-credit-personal-welfare>, retrieved 20th September 2019

¹¹ Department for Work and Pensions, "Universal Credit: April 2019 rent changes for social landlords - GOV.UK", GOV.UK, 25th June 2019, <https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2/universal-credit-april-2019-rent-changes-for-social-landlords>

¹² Department for Work and Pensions, "February 2019: Universal Credit landlord engagement newsletter", 29th August 2019, <https://www.gov.uk/government/publications/universal-credit-landlord-engagement-newsletters/february-2019-universal-credit-landlord-engagement-newsletter>

¹³ Department for Work and Pensions, PRaP Questions and Answers, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/762772/prap-questions-and-answers.pdf, retrieved 23rd October 2019

¹⁴ "Department for Work and Pensions, Provider Referrals and Payments System - Terms & Conditions of Use", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/762771/prap-terms-and-conditions.pdf

¹⁵ UCB, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/137._UCB_v4.0.pdf

¹⁶ Department for Work and Pensions, "DWP annual report and accounts 2018 to 2019", GOV.UK, 27th June 2019, p69,122, <https://www.gov.uk/government/publications/dwp-annual-report-and-accounts-2018-to-2019>, retrieved 15 December 2019

- **RTE (Real Time Earnings)** - DWP’s copy of the RTI database, with some additional data about pensions¹⁷
- **RTI (Real Time Information)** - HMRC’s system that employers use to report earnings and other information for the calculation of PAYE tax. The data is also used by DWP to calculate Universal Credit payments (once a claim has been made). The system includes data about an individual (name, date of birth, passport number etc), information about their employer, their earnings and if they have been on strike¹⁸
- **Transfer Your Files** - A replacement for the DWP Data Hub. ¹⁹
- **Understanding Universal Credit** - a website with content about Universal Credit. Separate from the GOV.UK website.²⁰
- **Universal Credit account (aka digital account)** - the main digital system claimants use to apply for and maintain a Universal Credit claim. ²¹
- **Universal Credit in Action** - a YouTube channel with videos that explain how elements of Universal Credit and the digital account work²²

¹⁷ “Real time information”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0465/Real_Time_Information_v6.0.pdf

¹⁸ HMRC, “Guidance on RTI Data Items from April 2019”, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/775920/Data_items_guide_2019_to_2020_v1.1.pdf, retrieved 23rd October 2019

¹⁹ Department for Work and Pensions, "LA Welfare Direct Bulletin 2/2019", GOV.UK, 18th October 2019, <https://www.gov.uk/government/publications/la-welfare-direct-bulletins-2019/la-welfare-direct-bulletin-22019#changes-to-the-data-hub-in-2019>, retrieved 23 October 2019

²⁰ “Understanding Universal Credit”, <https://www.understandinguniversalcredit.gov.uk>

²¹ “Universal Credit online”, <https://www.universal-credit.service.gov.uk/postcode-checker>

²² “Universal Credit In Action”, Youtube, <https://www.youtube.com/channel/UC7Km4IXfVJB1n8SQUmkJD0Q>, retrieved 27th October 2019

Annex 4: Statistics and transparency

The datasets listed here were found by searching the GOV.UK website. The list is likely incomplete, but included in case it is a useful starting point for others.

- **Benefit Cap Statistics** - ad hoc publication of data about households affected by the benefit cap. Includes breakdown by location, number of new caps and family circumstances,¹
- **Claimant Count** - actually a subset of claimants who are required to seek work ²
- **Alternative Claimant Count** - the number of claimants by type, age, gender and location³
- **Work Programme National Statistics** - numbers of participants in the Work Programme and its success in helping them into work⁴

¹ Department for Work and Pensions, "Benefit cap statistics", GOV.UK, 10th October 2013, <https://www.gov.uk/government/collections/benefit-cap-statistics>, retrieved 23rd October 2019

² Office for National Statistics, "Claimant Count - Data Sources", Nomis - Official Labour Market Statistics, , <https://www.nomisweb.co.uk/sources/cc>, retrieved 23rd October 2019

³ Department for Work and Pensions, "Alternative Claimant Count statistics", GOV.UK, 22nd January 2019, <https://www.gov.uk/government/collections/alternative-claimant-count-statistics>, retrieved 23 October 2019

⁴ Department for Work and Pensions, "Work Programme statistics", GOV.UK, 26th September 2013, <https://www.gov.uk/government/collections/work-programme-statistics--2>, retrieved 23rd October 2019

- **Households of Universal Credit Dashboard**⁵
- **Universal Credit statistics** - monthly publication of data including number of claimants, number of households, number of applications, breakdown by gender, breakdown by work group, breakdown by region, average payment amounts, percentage of households receiving direct payment of housing costs and timeliness of payments⁶
- **Benefit Sanctions Statistics (experimental)** - ad hoc publication of data about sanctions for claimants of Universal Credit and other benefits. Includes length of sanction, total number by month, duration, breakdown by the reason for the sanction, breakdown of decision type, percentage of sanctions that are appealed.^{7,8}
- **Universal Credit Statistical Ad Hoc: Payment Advances**⁹
- **Universal Credit Full Service Survey**¹⁰

⁵ Department for Work and Pensions, "Households on Universal Credit Dashboard", StatXplore, <https://stat-xplore.dwp.gov.uk/webapi/metadata/dashboards/uch/index.html>, retrieved 23rd October 2019

⁶ Department for Work and Pensions, "Universal Credit statistics", GOV.UK, , <https://www.gov.uk/government/collections/universal-credit-statistics>, retrieved 23 October 2019

⁷ Department for Work and Pensions, "Benefit sanctions statistics", GOV.UK, , <https://www.gov.uk/government/collections/jobseekers-allowance-sanctions>, retrieved 23 October 2019

⁸ Department for Work and Pensions, "Universal Credit Sanctions - Experimental Official Statistics", August 2019, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/824602/universal-credit-sanctions-statistics-background-information-and-methodology.pdf, retrieved 23rd October 2019

⁹ Department for Work and Pensions, "Universal Credit Statistical Ad Hoc: Payment Advances", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648831/universal-credit-payment-advances-statistical-ad-hoc.pdf, retrieved 23rd October 2019

¹⁰ Department for Work and Pensions, "Universal Credit full service claimant survey", GOV.UK, 8th June 2018, <https://www.gov.uk/government/publications/universal-credit-full-service-claimant-survey>

Annex 5: Reviews and assessments

National Audit Office reports

- Universal Credit: early progress - 5th September 2013¹
- Universal Credit: progress update - 26th November 2014²
- Rolling out Universal Credit - 15th June 2018³

Public Accounts Committee reports

- Universal Credit: early progress - 7th November 2013⁴
- Universal Credit: progress update - 25th February 2015⁵

¹ National Audit Office, "Universal Credit: early progress", 5th September 2013, <https://www.nao.org.uk/report/universal-credit-early-progress-2/>, retrieved 4 October 2019

² National Audit Office, "Universal Credit: progress update", 26th November 2014, <https://www.nao.org.uk/report/universal-credit-progress-update-2/>, retrieved 4th October 2019

³ National Audit Office, "Rolling out Universal Credit", 15th June 2018, <https://www.nao.org.uk/report/rolling-out-universal-credit/>, retrieved 4th October 2019

⁴ House of Commons Committee of Public Accounts, "Universal Credit: early progress", 7th November 2013, <https://publications.parliament.uk/pa/cm201314/cmselect/cmpubacc/619/61902.htm>, retrieved 4 October 2019

⁵ House of Commons Committee of Public Accounts, "Universal Credit: progress update", 25th February 2015, <https://publications.parliament.uk/pa/cm201415/cmselect/cmpubacc/810/81002.htm>, retrieved 4 October 2019

- Universal Credit: progress update - 3rd February 2016⁶
- Universal Credit and fraud and error: progress review - 4th November 2016⁷
- Universal Credit - 17th October 2018⁸

Government service assessments

With a few exceptions, all new or rebuilt digital services are assessed against the Government Service Standard. Services should be assessed at the alpha, beta and live phases of development.^{9 10 11}

- Alpha assessment - 8th September 2014¹²
- Beta & Live assessment - 17th September 2017¹³

⁶ Committee of Public Accounts, "Universal Credit: progress update", 3rd February 2016, <https://publications.parliament.uk/pa/cm201516/cmselect/cmpubacc/601/60102.htm>, retrieved 4 October 2019

⁷ House of Commons Committee of Public Accounts, "Universal Credit and fraud and error: progress review", 4th November 2016, <http://www.publications.parliament.uk/pa/cm201617/cmselect/cmpubacc/489/48902.htm>, retrieved 4th October 2019

⁸ House of Commons Committee of Public Accounts, "Universal Credit" Sixty-Fourth Report of Session 2017–19, 17th October 2018, <https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/1183/1183.pdf>, retrieved 4th October 2019

⁹ HM Government, "Service Standard", Service Manual - GOV.UK, <https://www.gov.uk/service-manual/service-standard>, retrieved 2019-10-04

¹⁰ Tom Scott, "A year in the making - the Digital by Default Service Standard", GDS blog, 1st April 2014, <https://gds.blog.gov.uk/2014/04/01/a-year-in-the-making-the-digital-by-default-service-standard/>, retrieved 2019-10-04

¹¹ HM Government, "How to apply the Service Standard", Service Manual - GOV.UK, <https://www.gov.uk/service-manual/service-assessments/how-to-apply-the-service-standard>, retrieved 2019-10-04

¹² HM Government, "Universal Credit - Service Assessment", Data in government, <https://dataingovernment.blog.gov.uk/universal-credit-service-assessment/>, retrieved 4th October 2019

¹³ Government Digital Service, "Universal Credit Full Service, beta to live review", Universal Credit Full Service, beta to live review, GOV.UK, 25th October 2019, <https://>

www.gov.uk/service-standard-reports/universal-credit-full-service-beta-assessment,
retrieved 25th October 2019

Annex 6: Activities

There is no definitive list of the activities that DWP may add to a claimant's to-do list. As such, the following list is collated from various sources.^{1 2 3 4}

5 6 7

- any other actions which reasonably increase the likelihood of obtaining employment
- apply for jobs and apprenticeships
- apply for other work related training or work experience opportunities
- assessing prospects for remaining in or finding paid work
- attend a Commitments Review
- attend a Self-Employment Review in the start-up period
- attend vocational training
- attend a Work Focused Interview

¹ “Work Search Activities”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/155._Work_search_activities_v4.0.pdf

² http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/150._Work_Preparation_activities_v1.0.pdf

³ “Work related requirements and ongoing contact in the health journey”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/153._Work_related_requirements_v15.0.pdf

⁴ “Sector-based work academies”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/110._Sector-based_work_academies_v1.0.pdf

⁵ “Sanctions”, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/109._Sanctions_v11.0.pdf

⁶ http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/84._National_provision_v23.0.pdf, “National provision”,

⁷ Labour Market Tools, http://data.parliament.uk/DepositedPapers/Files/DEP2019-0980/72._Labour_Market_Tools_v7.0.pdf

- attend a Work Search Review
- attend a Youth Obligation 5-month stocktake assessment
- attend a Youth Obligation 6-month stocktake
- attending a skills assessment
- basic skills training
- carrying out work searches
- creating and maintaining an online history
- develop an up to date CV at the start of their claim, updating it throughout their claim
- develop realistic job goals
- developing a business plan
- developing confidence
- developing personal presentation
- developing social or conversational skills
- employability training
- English Speakers of Foreign Languages (ESOL) training
- identifying opportunities to improve their Curriculum Vitae (CV), time keeping
- identifying their employment strengths, existing skills and how they could present them to a potential employer
- identifying training or educational opportunities
- improving personal presentation
- in depth diagnostic skills assessment – giving a specific breakdown of claimant’s skills need and identifying claimants’ skill levels to make appropriate decisions about training courses for claimants
- information & communication technology (ICT) training
- making applications for jobs

- participating in an employment programme
- preparing a CV
- registering with an employment agency
- researching childcare costs and provision
- researching prospective job requirements or travel options
- review a job advert
- searching for and undertaking Voluntary work
- sector based work academy placements
- seeking references
- take part in a “sector-based work academies”
- taking part in programmes or provision
- taking part in training
- to get early advice and support from the relevant departmental experts to help prepare for employment
- to support mental health/wellbeing, where it is a barrier to work
- training courses offered by organisations locally that are on the District Provision Tool
- training funded by the Education and Skills Funding Agency
- training funded by the Scottish and Welsh governments
- undertaking work experience or a work placement
- updating a curriculum vitae (CV)
- use the ‘Build your CV’ tool (Scotland postcodes and selected proof of concept sites only)
- use the ‘Choose your activities’ tool
- use the ‘Explore work you can do’ tool
- use the ‘Job applications’ tools

- use the Money Manager from the Money Advice Service