Annex 5C - DWP's planning timescale for UC is 18 months

One question that has come up several times in this work, is "Why do changes take around 18 months?" after Ministers have agreed to them.

Following the lowering of the standard deduction cap in Universal Credit from 40% to 30%¹ in October 2019, the Chancellor of the Exchequer announced in the March Budget 2020 that the deduction cap will be lowered from 30% to 25% of the standard allowance – but only from October 2021.² Why the delay?

The change appears to be a simple reduction in the percentage amount of the cap; a change to the UC calculation that should most reasonably appear in one place in the code. How long can this change take to perform? DWP says 18 months.

How long does it take for an already specified but even bigger change³?

In a mid-2018 Select Committee hearing on an issue for which they had no implementation timescale, DWP officials said why:

Q581 & Q582: Back to the system, on the current timetable, when will the automation be in place?

DWP: After 2020... I am hedging my bets a bit, because I would like to know what the Government's policy after leaving the European Union is and what the impact of that is on Universal Credit. I have planned across this period and I have planned up to 2020, but I have not planned beyond, because I have an eye to what might come in potentially before but also potentially afterwards as well, so I have not planned that far out. But if it is a small number of people affected with a small gain, it will be at the end of the priority list, roughly speaking.

Officials added the change to the end of DWP's workload queue, and would 'get to it when they got to it'. This is why changes take 18 months; they don't take 18 months because a change actually takes that long to do – it takes 18 months because that's when DWP could be bothered to schedule doing it.

Of course, some changes can be "implemented urgently as a result of, or to remove the risk of, a Major Incident",⁴ or if there was Departmental and political will to prioritise something that could be done quickly if there is a "high priority and high impact business need".⁵ Similarly, DWP suspended deductions and increased the standard allowance rapidly during COVID19 – whether that took two weeks or less is unclear, but there were communications channels available to staff and claimants as a result of the pandemic changes.

An organisation that can deploy 76 times in 2 months⁶ can truly call itself agile; it just cannot also claim to make releases only every two weeks.⁷

¹ <u>https://www.gov.uk/guidance/find-out-about-money-taken-off-your-universal-credit-payment</u>

² See <u>https://publications.parliament.uk/pa/cm5801/cmselect/cmworpen/1117/111702.htm</u> - the Work and

Pensions Committee's 9th recommendation is that the cap be lowered "no later than April 2021". ³ See Annex 6: <u>https://medconfidential.org/2020/universal-credit/</u>

⁴ <u>https://www.whatdotheyknow.com/request/708015/response/1695310/attach/3/FOI2020%2072835.pdf</u>

⁵ https://www.whatdotheyknow.com/request/708015/response/1695310/attach/3/FOI2020%2072835.pdf

⁶ <u>https://diginomica.com/how-dwp-managed-surge-demand-universal-credit-during-covid-19</u>

⁷ https://medconfidential.org/wp-content/uploads/2021/03/5B-DWPs-UC-release-schedule.pdf