

Annex 5K: Taper Rate Changes in the Autumn 2021 budget

In the 2021 Autumn budget, referring to the reduction of the Universal Credit taper from 63% to 55%, the Chancellor said:

“Changes like this normally take effect at the start of the new tax year in April, but we want to help people right now, so we will introduce this **within weeks and no later than 1 December**.”¹

However, and while the Chancellor said “no later than”, DWP originally interpreted this as the earliest date of implementation:

“ ... these changes will be implemented **from December 2021** ... ”²

DWP then announced the changes would come in from the 24th November.³

DWP is clearly capable of making changes “within weeks” due to the agile nature of Universal Credit development and its weekly or daily deployment capabilities,⁴ but is limited in taking action by the nature of DWP itself.

With HM Treasury concerns about Departmental leaks ahead of the Budget, it likely did not share the plans widely within DWP digital teams – so one can infer the timing the Chancellor cited is the *implementation delay for a settled policy*.

While an 8% change may be significant in terms of Government policy, the public purse and benefits to individuals and families, in terms of technical change it should mean no more than altering a known variable in a properly designed and executed, agile system.

In a similar vein, DWP could *with the same rapidity*⁵ implement split payments,⁶ but DWP has decided not to do so, with the cost of inaction borne by others.

¹ <https://www.theyworkforyou.com/debates/?id=2021-10-27a.273.0#q273.2>

² DWP Touchbase, 28 October 2021

³ <https://www.independent.co.uk/money/uc-changes-introduced-that-could-make-some-working-claimants-ps1-000-better-off-b1963266.html>

⁴ Most recently discussed in this DWP digital podcast: <https://anchor.fm/dwpdigital/episodes/10-Deploying-and-using-ephemeral-environments-e19cqek> – see also Annexes 5P and 5Q.

⁵ See Annex 5B - DWP’s UC release schedule: <https://medconfidential.org/wp-content/uploads/2021/03/5B-DWPs-UC-release-schedule.pdf> and Annex 5C - DWP’s planning timescale: <https://medconfidential.org/wp-content/uploads/2021/03/5C-DWPs-planning-timescale.pdf>

⁶ See Annex 6B