18 June 2019

RE: Treasury Minute response – Universal Credit

Thank you for your response to the Committee’s report on Universal Credit. I read your report with interest.

I was pleased to see that you accepted all the Committee’s recommendations and I am grateful for the commitments made by the Department, in particular the actions that you have already announced to support claimants in the transition to Universal Credit. I also appreciate that you have said you will update the Committee on progress on your actions against the recommendations.

I recognise that departments have been asked to keep their Treasury Minute responses concise and to the point, but there are a small number of points on which I would appreciate some further clarification.

- In relation to recommendation 1, I would be grateful if you could outline to the Committee what is different to your engagement approach from before. You have several hundred stakeholders, and while we acknowledge it is not feasible to engage all of them, this seems a relatively small number and does not make the step-change we requested. Please could you outline what this step-change is, and the processes that you are putting in place to ‘reflect’ on the migration pilot with stakeholders.

- In relation to recommendation 2, we welcome your efforts to improve payment timeliness, but you do not specifically outline how you intend to measure the impact of hardship within Universal Credit. The Committee asked you to establish methods for measuring hardship and to identify the specific challenges faced by people with different needs. Universal Credit creates additional financial hardship over other benefits because claimants have to wait longer to be paid, and the amount they are paid varies due to things outside their control; your reference to research on the overall level of payments seems to be something of red herring. Please can you clarify how you will look at the specific challenges faced by specific groups of people with different needs.

- In relation to recommendation 3, when you write to us in June 2019 we would also like you to explain to the Committee how you are measuring that the right
support packages are in place, and if this differs from how you were evaluating effectiveness of work coaches previously.

- On recommendation 5, you have not outlined how you intend to measure the costs to local authorities and third parties of implementing Universal Credit in a local area. Please explain to us why this is the case.

I would be grateful for a response by Friday 28th June. In addition to the Treasury Officer of Accounts I am also copying this letter to the Comptroller and Auditor General.

MEG HILLIER MP
CHAIR OF THE COMMITTEE OF PUBLIC ACCOUNTS