



HOUSE OF COMMONS

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Amyas Morse

Universal Credit inquiry

I am writing to ask if you would consider initiating a short urgent inquiry into the operational feasibility of Universal Credit. This short inquiry would of course be over and above the work you are already undertaking on this venture. I would like you to consider whether the inability of the Government to run four pilot schemes suggests that there are fundamental design flaws with the whole project. I would also like to know your judgement on whether the scheme should now be halted.

As you know, the Government's intention was to initiate four pilot projects to test the feasibility of Universal Credit. In March 2013 it announced that it was drastically scaling back, and that three of the four pilot schemes would not now go ahead. This left a single scheme operating in the Tameside/Cheshire pathfinder.

The House was informed, when it was told of the pilot schemes, that only new claims would be processed each week, and these would be straightforward claims.



The Regulations provide that to be included in the Pathfinders a person must:

- Be a British citizen
- Be 'habitually resident' in the United Kingdom
- Be aged between 18 years and 60 years and 6 months
- Not be an owner-occupier
- Not be in temporary accommodation
- Be single
- Be available for work, or in work with low earnings
- Not have earnings from self-employment
- Not be receiving existing benefits
- Not have capital above £6,000
- Not have children
- And, of course, be resident in the Pathfinder locations

The Government bills the Universal Credit not simply as its flagship welfare reform programme, but the biggest and most significant change in welfare since the implementation of the Beveridge Report. Given this claim, do you believe that having a single pilot is adequate to test the feasibility of a programme for which such epoch making claims are made?

The Government has refused to give any accurate data on the numbers of such claims that it is successfully processing. Might you therefore report on what the successful claim rate is, detailing how many successful claimants have been able to make their claims themselves, online, and how many have had their claims processed by DWP staff?



As you know the Cabinet Office now reviews all of the governments major IT programmes. Universal Credit has been one project for which the Cabinet Office review has expressed concern, and the project has been marked as amber red. Yet this troubling mark was awarded after the DWP had informed the review that 'The Pathfinder was successfully launched and we are on course both to expand the pathfinder in July and start the programme national roll out of universal credit in October'. Given that no such roll out started in July, is this now an adequate gauge of the risks now attached to Universal Credit?

There is also the question of costs. Could you please detail the administrative costs of the new scheme and the likely costs of running the Universal Credit and the existing benefit scheme in tandem. And how do these costs stack up with the original estimates given to the Commons? The latest estimate of the Cabinet Office's major projects authority's annual report, as given in Computer Weekly, reveals that the whole life cost of universal credit will be £12.8 billion. Might we have please your comments on this cost?

Would it be possible please for you to report to the House when it reassembles in October? Will you please judge the feasibility of the Government's timetable for the rollout implementing fully the Universal Credit. Do you believe it is still feasible that the Universal Credit will replace the operation of those 6 means-tested benefits that are claimed for this programme?

Commissioning major IT programmes have proved difficult in the past. Major reforms dependent on a government delivering a newly built IT system do not have a very impressive record. How would you judge the danger of this scheme not only being late in delivery, or of never being fully operational?



May I thank you in advance for helping the House come to a decision on the viability of what the government bills as the most historic welfare reform programme since the late 1940s.

Yours faithfully
Mr. J. G. M.